
CITY OF EKURHULENI
Draft Annual Report
2011/12 Financial Year



Ekurhuleni
METROPOLITAN MUNICIPALITY

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

1.1 COMPONENT A: MAYOR’S FOREWORD

To be completed when Annual Report is submitted to Council for approval.

(Signed by:) _____

MONDLI GUNGUBELE
EXECUTIVE MAYOR

1.2 COMPONENT B: EXECUTIVE SUMMARY

1.2.1 MUNICIPAL MANAGER’S OVERVIEW

2 To be completed when Annual Report is submitted to Council for approval.

KHAYA NGEMA
CITY MANAGER

2.1.1 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

Ekurhuleni is spread over 15.6% of Gauteng's land mass, houses 5.4% of the country's population, and 29% of Gauteng's population. Migration into the area is a key challenge. This is visible in the number of informal settlements and informal trading activity. The Ekurhuleni Metropolitan Municipality Household Satisfaction Survey (HSS) 2011 records 909 886 households; this is likely to increase when taking migration into account. The area is exceptionally densely populated (1492 people per square km) when compared with both Gauteng (587 people per square km) and the national economy (40 people per square km). The average annual population growth rate within the metro was 1.9% over the period 1996 to 2005. This exceeds both the national and Gauteng growth figures for this period.

Ekurhuleni has a resident population of approximately 2, 873, 997 million people, of which 48, 6% is economically active. One in every five people employed in the formal economy in Gauteng works in Ekurhuleni. The area contributes approximately 7.7% to national production and has a share of approximately 7.76% of national employment. Over the period 1996 to 2010, Ekurhuleni's economy grew by an estimated average of 2,7% per annum. Ekurhuleni contributes approximately 21% to the total economic output of the Gauteng province. The Annual Gross Value Add (GVA) for 2010 is 6.5%.

Ekurhuleni key comparative statistics

| Key Statistics (2010 estimates) | Ekurhuleni | Gauteng | National |
|---|------------|------------|------------|
| Geographic size of the region (sq km) | 1928 | 18,213 | 1,221,246 |
| Population | 2,873,997 | 10,708,659 | 49,780,934 |
| Population density (number of people per sq km) | 1490.72 | 587.98 | 40.76 |
| Economically active population (as % of total population) | 48.6 | 50.8 | 33.6 |
| Number of households | 910,450 | 3,397,850 | 13,449,175 |
| Annual per household income (Rand, current prices) | 151,687 | 171,477 | 123,570 |
| Annual per capita income (Rand, current prices) | 49,482 | 55,480 | 34,237 |
| Gini coefficient | 0.62 | 0.63 | 0.64 |

| Key Statistics (2010 estimates) | Ekurhuleni | Gauteng | National |
|--|------------|-------------|----------------|
| Formal sector employment estimates | 759,252 | 3,803, 366 | 9,392, 253 |
| Informal sector employment estimates | 93,013 | 468,877 | 2,164,297 |
| Unemployment rate (expanded definition) | 31.1 | 24.3 | 24.7 |
| Percentage of people in poverty | 27.5 | 25.6 | 39.9 |
| Poverty gap (R millions) | 1,653 | 5,915 | 47, 878 |
| Human development index (HDI) | 0.65 | 0.67 | 0.58 |
| Index of Buying Power (IBP) | 0.08 | 0.34 | 1.00 |
| Total economic output in 2010 (R million at current prices) | 137,980 | 738,122 | 2176 598 |
| Share of economic output (GVA % of SA in current prices) | 6.5 | 35 | 100 |
| Total economic output in 2010 (R millions at constant 2005 prices) | 67,211,143 | 334,386,420 | 1,092,865, 240 |
| Share of economic output (GVA % of SA in constant 2005 prices) | 7.6 | 37.4 | 100 |
| Economic growth performance 1996-2010 (GVA % growth pa constant 2005 prices) | 2.7 | 3.8 | 3.3 |

Table 1: Ekurhuleni Key Comparative Statistics (Source IHS Global Insight: Regional eXplorer 593 (2.4e))

Information used to derive economic activity estimates are in most cases reported by company head offices. Many manufacturing and warehousing operations have head offices in the Johannesburg and other metro areas, while the production plants and warehouses are located in Ekurhuleni. This may imply that some of the estimates obtained for Ekurhuleni may be on the conservative side.

Average annual GVA growth (Constant 2005 Prices)

| | Ekurhuleni | National Total |
|-----------|-------------------|-----------------------|
| 1997 | -0.6% | 2.6% |
| 1998 | -3.5% | 0.5% |
| 1999 | -1.9% | 2.3% |
| 2000 | 10.3% | 4.1% |
| 2001 | 2.1% | 2.7% |
| 2002 | 4.4% | 3.7% |
| 2003 | 1.9% | 2.9% |
| 2004 | 4.6% | 4.6% |
| 2005 | 4.3% | 5.3% |
| 2006 | 5.9% | 5.6% |
| 2007 | 5.6% | 5.5% |
| 2008 | 4.1% | 3.6% |
| 2009 | -2.7% | -1.5% |
| 2010 | 2.4% | 2.9% |
| 1996-2010 | 2.7% | 3.3% |

Table 2: Average Annual GVA Growth (Constant 2005 Prices) (Source IHS Global Insight: Regional eXplorer 593 (2.4e))

Ekurhuleni GVA growth trend 1997 to 2010

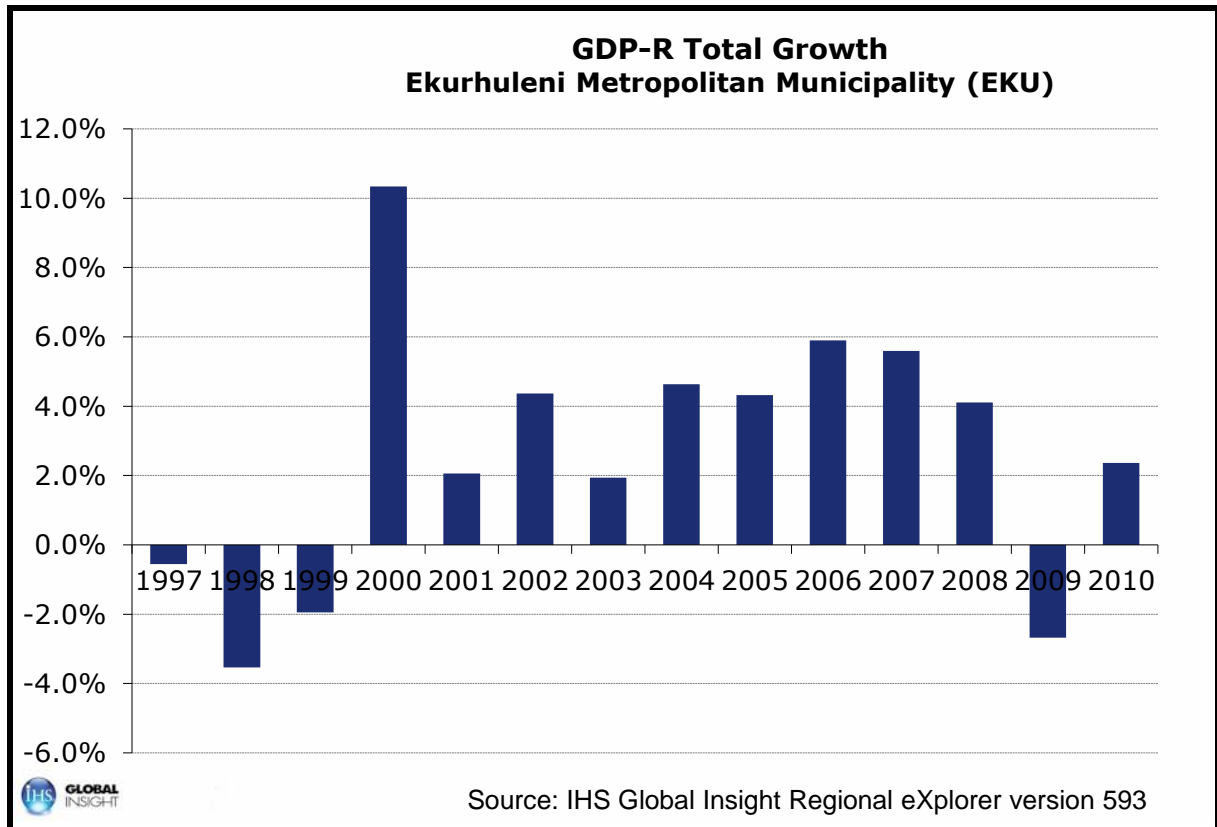


Figure 1: Ekurhuleni Growth Trend 1997 to 2009

Over the period 1997 to 2005 the economy of Ekurhuleni registered steady growth following a slump in 1998 and 1999. From the graph above it is evident that the growth trend over this period was quite volatile – reaching both lows of –3,8% and highs of +10.5% over the 12-year window.

The high growth in 2000 was mainly due to the exchange rate movements of the South African rand and its effect on mining and related industries. Construction, transport, trade and financial services also benefited from the depreciation of the rand and contributed to the exceptional growth over this period. (See table below). The opposite holds true for 2003, when local currency strengths resulted in a slowdown of growth in the various economic sectors. This point serves to illustrate that the economy of Ekurhuleni is relatively sensitive to exchange rate movements. The recorded -2, 4% in 2009 was due to the economic recession.

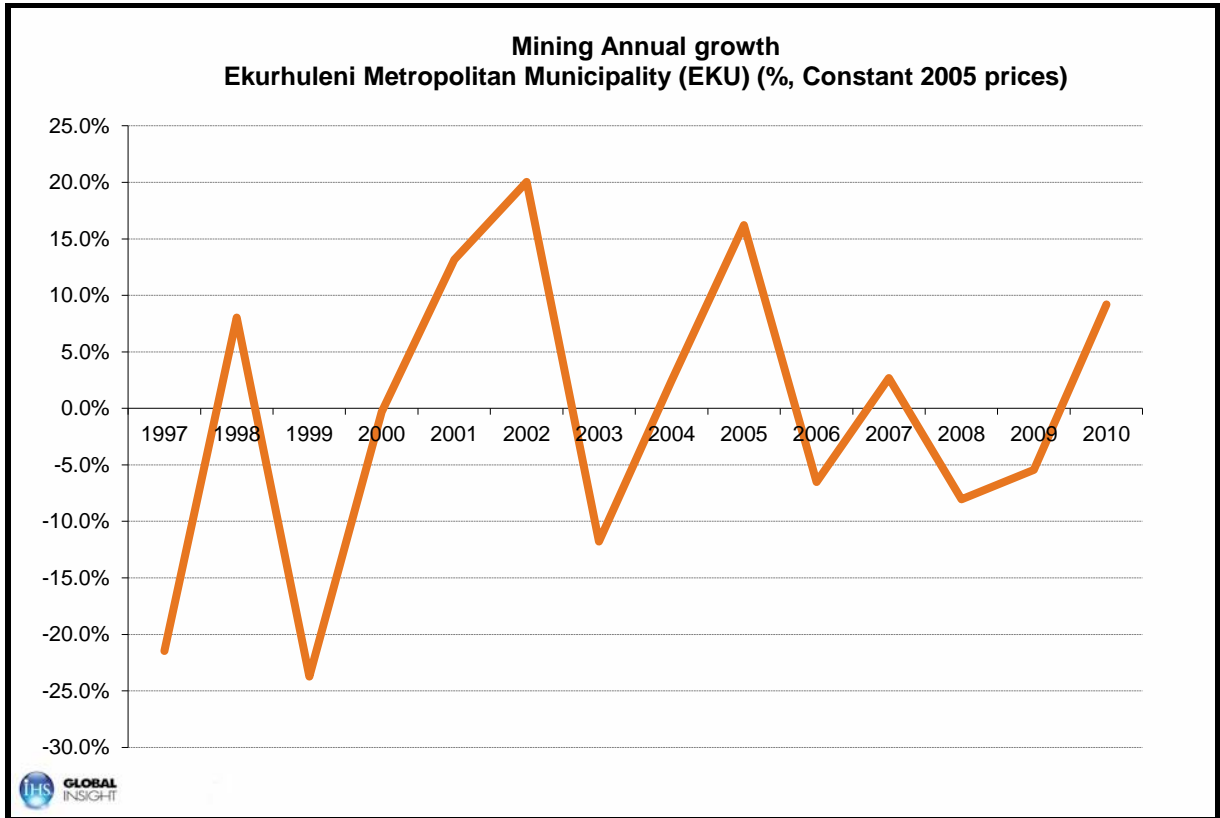


Figure 2: Mining Annual Growth - Source : (HIS Global Insight Regional eXplorer, version 530 (2.3f))

Mining has a life-cycle which is close to an end in the region. Of the three main mining operations in the region, one has already closed, and the remaining two have declared closure. The mines in Ekurhuleni are therefore marginal mines.

The GVA trend depicts the decline in mining activity. Although prospecting licences have been granted for mining activity in the region, these are not likely to improve the trend.

However, in view of the recent changes in mining legislation regarding the importance of realising the economic wealth of natural resources, it is suggested that this trend could be reversed with a possible marginal increase in the GVA contribution in the future.

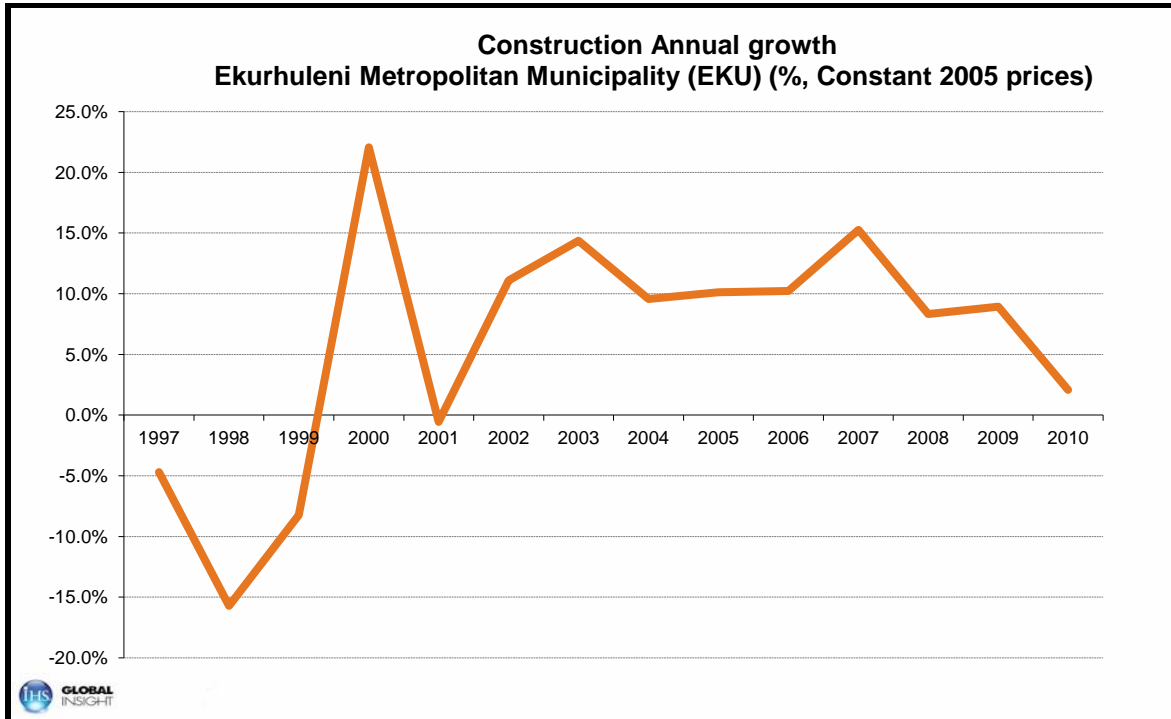


Figure 3: Construction Annual Growth - Source :(HIS Global Insight Regional eXplorer, version 530 (2.3f))

While the improvement in construction can be attributed to depreciation of the rand during 2001 and 2002, the positive outlook in the economy linked to government investment in infrastructure, in particular the massive housing development programme, roads and transport upgrading, as well as the improvements to stadia in the region, will have a small impact on the trend in the years to come.

Local government investment, coupled with private developer investments in low-, middle- and high-income residential property developments, will also add to this trend. A key issue for the local budget is the bulk infrastructure contributions that need to be made for such developments.

The expansion of the OR Tambo International Airport contributed to the GVA trend in construction. The expansion project, estimated at R3.5 billion for a second multi-story parking area, has been completed. In addition, the redesign and expansions of the international departures concourse have also been completed. To increase airside capacity, nine new aircraft stands were built, as well as a new international pier development. These were finalized before the World Cup in 2010.

Prices and inputs for this sector could escalate if the demand for raw materials increases and adequate project planning is not carried out. In addition, delays in zoning, rezoning, land use permissions, EIA's and passing of building plans could also lead to increasing costs.

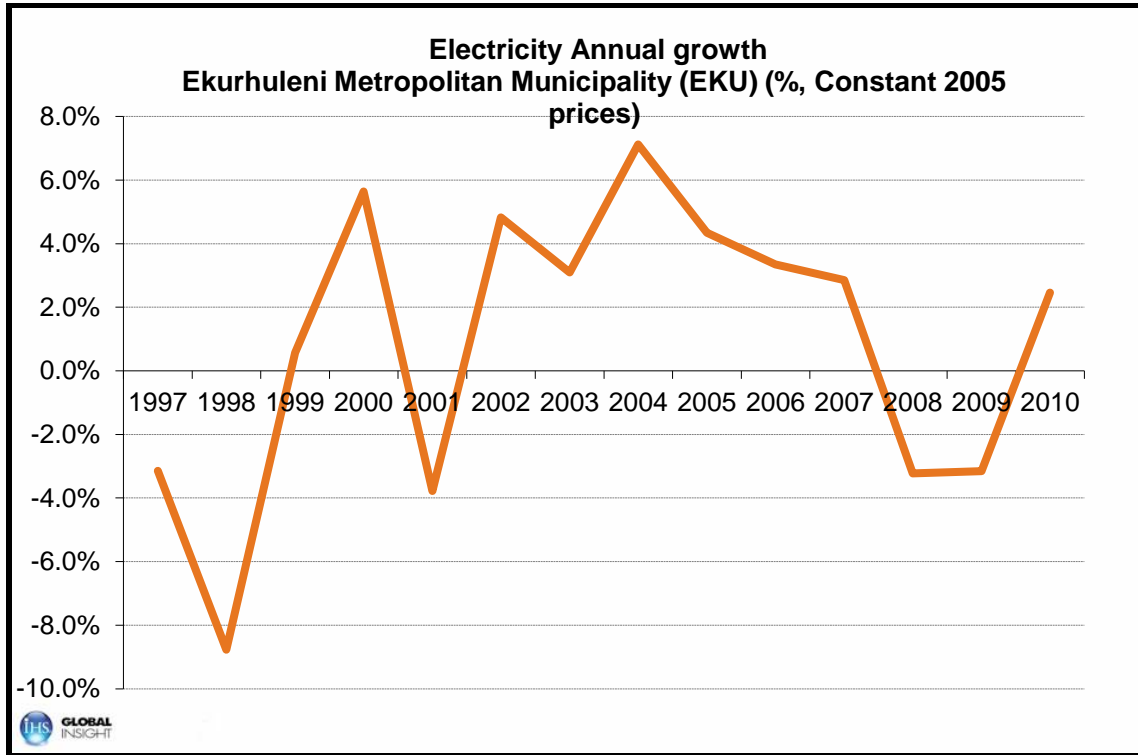


Figure 4: Electricity Annual Growth - Source : (HIS Global Insight Regional eXplorer, version 530 (2.3f))

With respect to the electricity sector, the development of new housing adds to the number of consumers for this sector. However, there also needs to be a concomitant investment in infrastructure and ongoing maintenance. The tariff structure for electricity charges adopted for Ekurhuleni takes this into account and the ring-fencing project for the electricity function have assisted in ensuring that the sector trend is improved. A balanced approach to having low, middle and high-income households as consumers of electricity needs to be developed to maintain a stable GVA trend for this sector.

The electricity sector is dependent on inputs from the mining sector. Alternative inputs for energy sources for the longer-range future must be considered.

The upgrade and modernization of the current electricity infrastructure from the national government's AsgiSA programme is in place. These needs to filter down to local level to ensure that a robust infrastructure is in place for continued manufacturing, commercial and domestic consumption. Should new developments, such as investment in property or manufacturing, continue to ignore the current infrastructure capacity it would not be possible to improve the volatile trend in this sector.

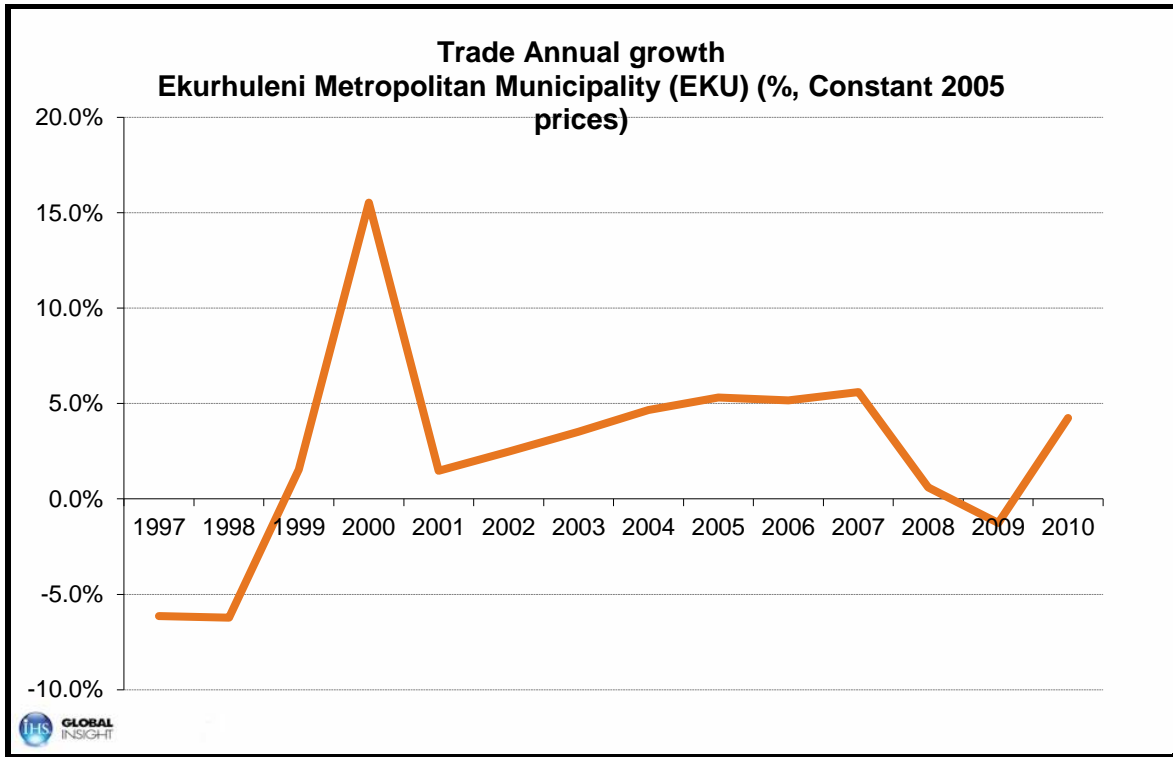


Figure 5: Trade Annual Growth Source : (HIS Global Insight Regional eXplorer, version 530 (2.3f))

While the supply side of the economy has been catching up, there is still a lag on the demand side, mainly due to import competition and substitution. The prolonged currency strength has to some extent inhibited export growth.

Telecommunications is included in the transport sector, noted below. The stimulation of value-added services, and the inclusion of all within the digital community as envisaged by the Blue Umbrella project, will improve the growth trend in the transport sector.

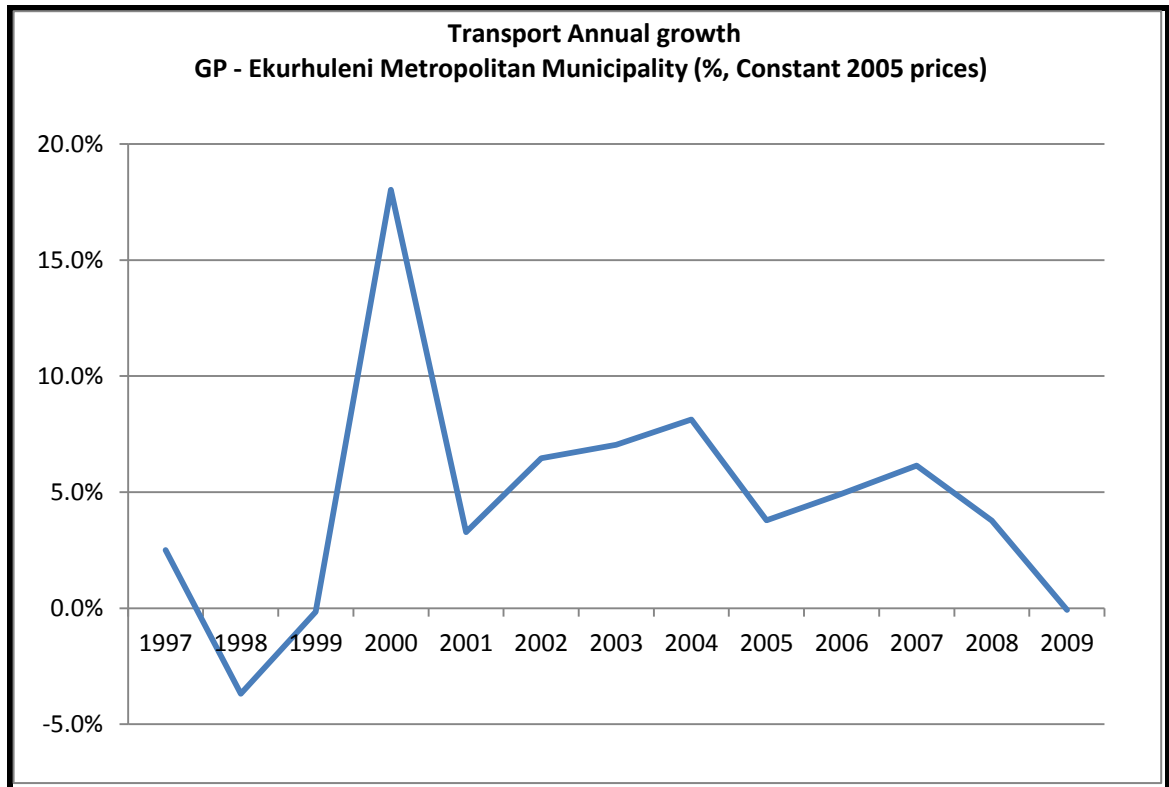


Figure 6: Transport Annual Growth (Source IHS Global Insight Regional eXplorer, version 530 (2.3f))

The growth trend in this sector will be directly affected by the recapitalization of the taxi industry as well as the Gautrain project. Public transport for commuters has not been fully planned for the city region. Should this be in place, the trend for this sector could substantially improve.

The services sector of the economy is the new frontier. This has a direct link to social development and longer-term sustainability. These services can be driven in a sustainable manner using the World Cup 2010 programmes as an effective building block towards tourism. An additional focus for new jobs in the local economy, which can be the pull factor for tourism, is the cultural industry.

Local Economic Development (LED) has a strategic role in fostering economic growth. It is about encouraging economic empowerment and bringing about social transformation. The unfolding of the Accelerated and Shared Growth Initiative for South Africa (AsgiSA), the National Spatial Development Perspective, as well as the provincial iteration of the Growth and Development Strategy is about LED being realized and aligned at a local level. Stimulating the local economy is a cross-cutting function. Service delivery of almost every department in the Municipality impacts on economic and social indicators. Service delivery is linked to growth, investment, poverty reduction, social cohesion and job creation.

NUMBER OF HOUSEHOLDS

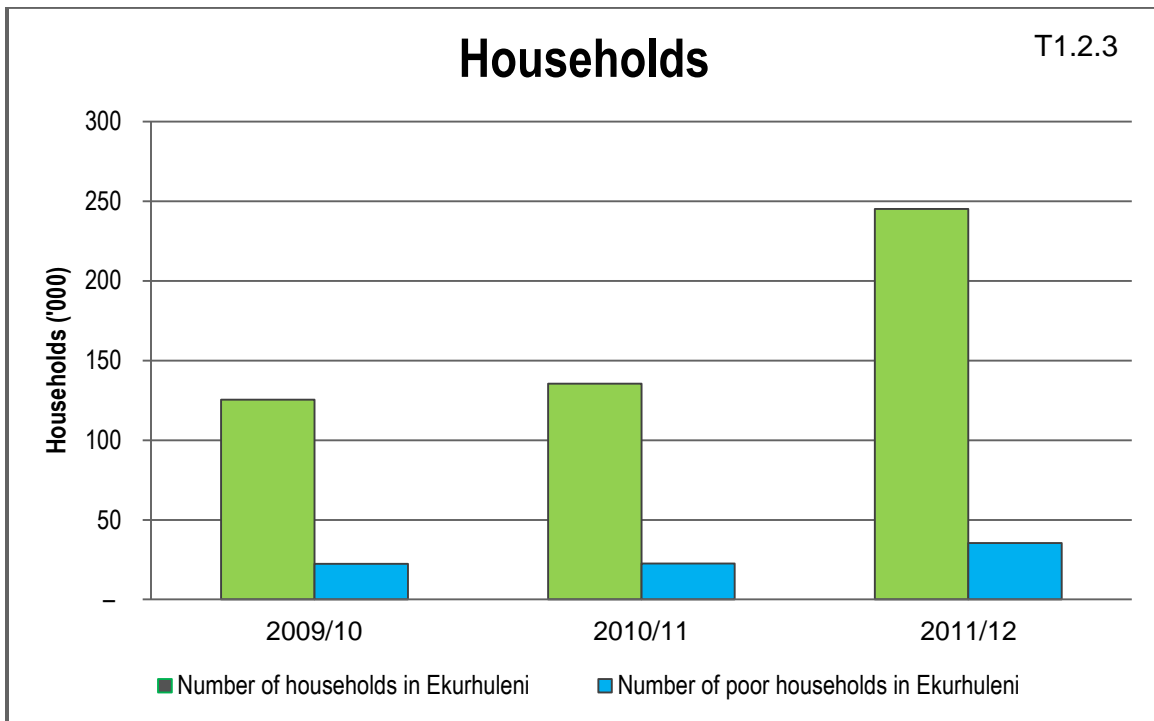


Figure 7: Number of Households

SOCIO ECONOMIC STATUS

| EKURHULENI | | | | | |
|------------|------------|---|--|--|---|
| Year | Population | Number of poor people in municipal area | ¹ Share of people living with less than \$1 per day | ² Share of people living with less than \$2 per day | ³ Share of people in Poverty |
| 2009 | 2,844,706 | 774,596 | 0.4% | 2.9% | 27% |
| 2010 | 2,873,997 | 752,317 | 0.2% | 2.0% | 26% |
| 2011 | 2,902,008 | 709,382 | 0.0% | 1.1% | 24% |

Table 3: Socio Economic Status

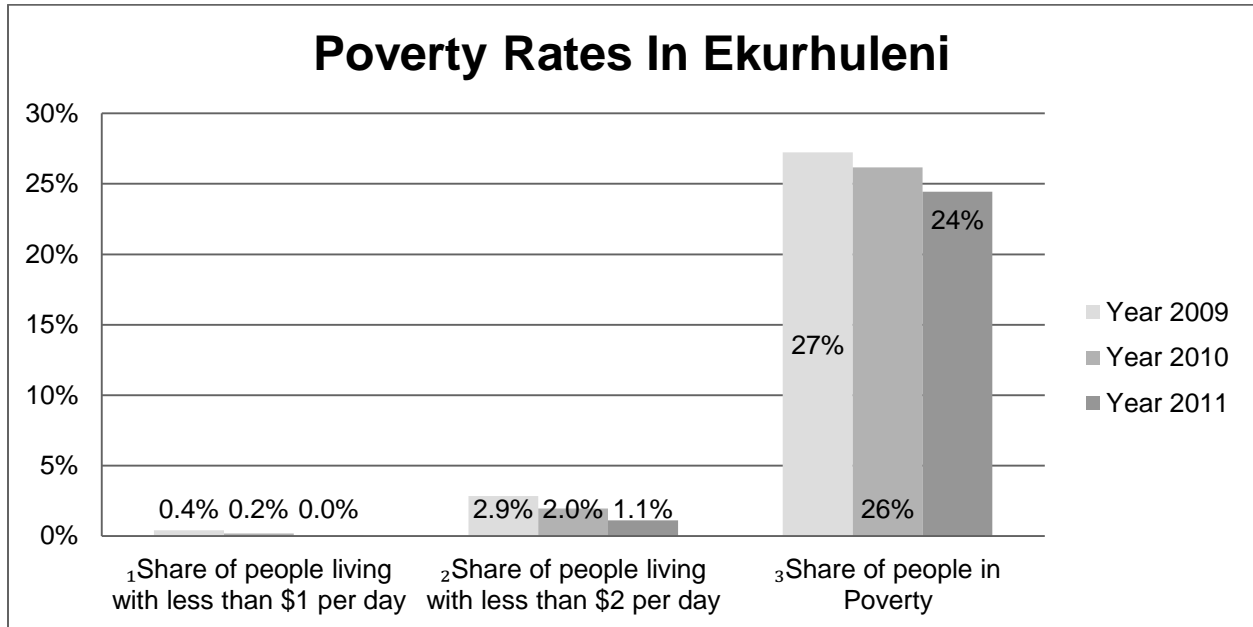


Figure 8: Poverty Rates in Ekurhuleni

| EKURHULENI | | | | | | | |
|------------|------------|----------------------|---|-------------------|--|--|--|
| | Population | Number of Households | Number of households living on less than R 12 000 a year (R 1000 a month) | Unemployment Rate | Share of households living on less than R 12 000 a year (R 1000 a month) | Share of Illiterate people aged 15 and older | Share of Illiterate people aged 20 and older |
| 2009 | 2,844,706 | 906,540 | 53,030 | 33.0% | 6% | 12% | 16% |
| 2010 | 2,873,997 | 910,450 | 38,423 | 36.7% | 4% | 11% | 16% |
| 2011 | 2,902,008 | 913,490 | 23,731 | 38.7% | 3% | 10% | 14% |

Table 4: Socio Economic Indicators (Source: Global Insight (Regional Explorer Version 2.5g))

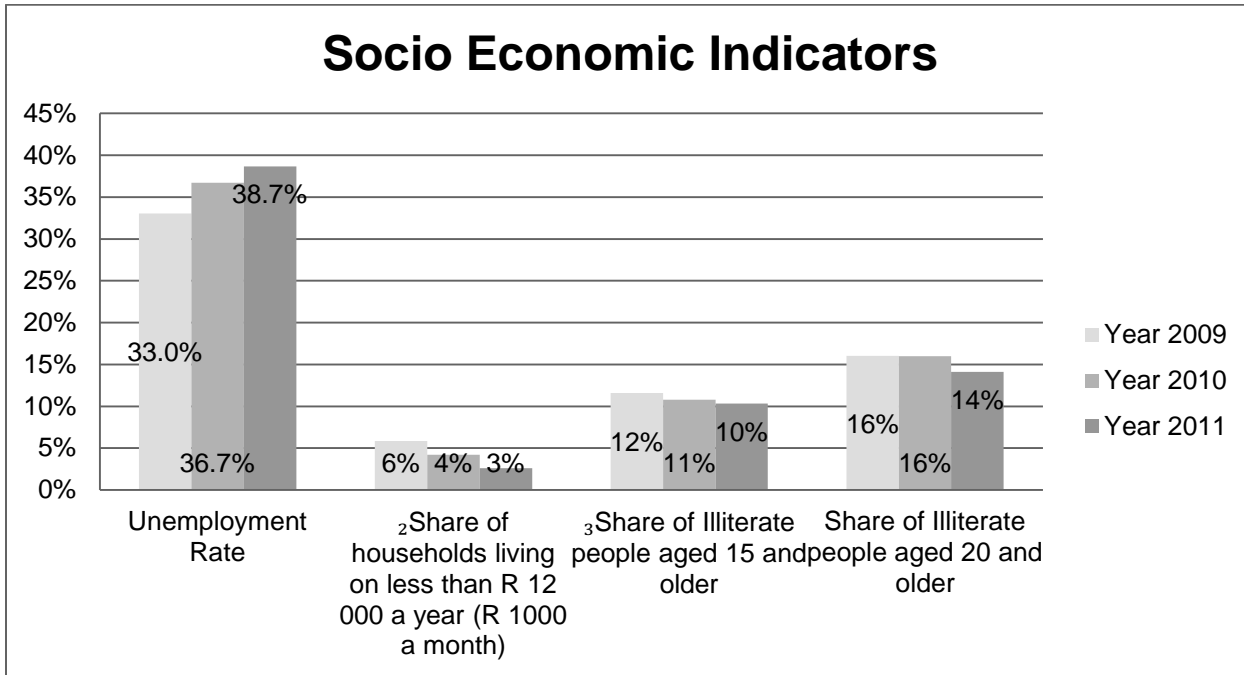


Figure 9: Socio Economic Indicators - Diagram

NATURAL RESOURCES

| Natural Resources | |
|---|--|
| Major Natural Resource | Relevance to Community |
| The hydrological systems which includes numerous wetlands dams and river systems and the associated grasslands biomes as presented in more detail in the EMM Bioregional plan | Protection of important Ecosystem services for the provision of basic natural resources such as clean water, air and land ; Open space systems for recreational use; potential for economic opportunities due to tourism related activities. |

Table 4: Natural Resources

COMMENT ON BACKGROUND DATA

The area itself does not have 5 natural resources. The main resources are hydrological systems which will become the only prevalent natural resource in the future. Mineral resources (mining) are in a rapidly declining mode. Agricultural areas are rapidly being urbanized due to immigration and industrialization.

2.1.2 SERVICE DELIVERY OVERVIEW

INTRODUCTION TO SERVICE DELIVERY OVERVIEW

In terms of basic service delivery Ekurhuleni is responsible for the following:

Electricity (in conjunctions with ESKOM in certain areas)
Water and Sanitation Services
Roads and Storm Water Services
Waste Management

The following was achieved:

Installation of 10,048 new subsidised electrical connections, 98 high mast lights, 2103 street lights and 10,300 solar geysers.

Provision of functional ablution facilities to three informal settlements, 12,251 water consumption management (WCM) meters were installed into households. Retention of Blue Drop Water Quality status.

More than 130 km of road was resurfaced, rehabilitated and built, and more than 52km of gravel road within informal settlements was maintained. In addition more than 26 km of walk ways were constructed.

All collected refuse was successfully managed and disposed of, and all business, formal and informal areas have access to a basic level of refuse removal service. In addition 12 illegal dumping sites were rehabilitated.

With all basic services eradication of backlogs to provide a full level of service remains a challenge.

All registered indigents receive free basic services above determined levels. The willingness of indigents to register however remains a problem.

PROPORTION OF HOUSEHOLDS WITH ACCESS TO BASIC SERVICES

| Proportion of households with minimum level to basic services | | | | |
|---|---------------------------------|--|---|---|
| Year | Electricity service connections | Water -available within 200m from dwelling | Sanitation-households using flush toilets | Waste collection -curbside collection once a week |
| 2009 | 78.5% | 93.2% | 89.2% | 93.1% |
| 2010 | 76.3% | 93.5% | 89.8% | 93.7% |
| 2011 | 73.8% | 93.2% | 89.7% | 93.6% |

Table 5: Proportion of households with minimum level to basic services

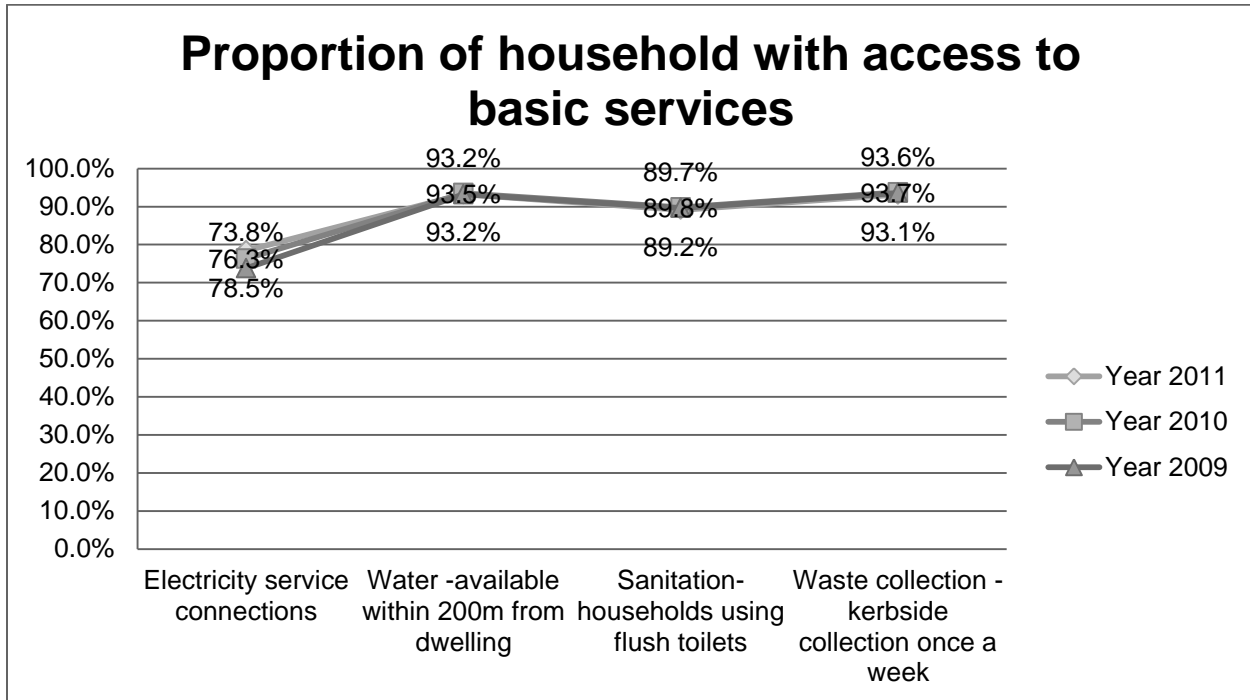


Figure 6: Proportion of Households with Access to Basic Services

COMMENT ON SERVICE DELIVERY OVERVIEW

Backlogs in upgrading basic services levels to full services remains a challenge.

2.1.3 FINANCIAL HEALTH OVERVIEW

The Municipality generated a surplus of R703 664 585 for the 2011/2012 financial year, which is 252% better than the budgeted surplus of R242 185 604. The figures for the 2010/2011 financial year have been restated (both revenue and depreciation) as a result of the following:

- Amendment in accounting treatment of pre-paid electricity sales: In the past electricity pre-paid sales has been accounted for as revenue in the period when sold. Electricity sales are now only accounted for as revenue once consumed and pre-paid sales not yet consumed are accounted for as receipts in advance.
- Re-calculation of billed services based on adjustments made to billing after financial year end.
- Housing schemes to be transferred to beneficiaries moved from PPE to inventory – this impacted on prior year depreciation as the housing schemes are no longer accounted for as assets.
- Accounting of salaries of staff working exclusively on repairs and maintenance to R and M and not salaries.

The 23% increase in operating revenue from 2010/2011 to 2011/2012 was mainly driven by the increased cost of services (of which electricity was the greatest) as well as increased government grants and subsidies (of which the USDG was the greatest).

Cost increases from 2010/2011 to 2011/2012 mainly related to increased Bulk purchases cost and increased grants and subsidies (Free basic services now accounted for as grants paid in line with National Treasury guidance received).

The municipality generated a surplus for the first time since 2009 and it is anticipated that this trend will continue.

Revenue was 3.09% below budget and expenditure 5.49% below budget which led to a surplus higher than budget (by R461 million).

Current assets increased mainly as a result of the increased cash and debtors.

Increases in debtors are resultant from the 7% of billed revenue not collected as well as the significant increase in the cost of municipal services, particularly the cost of electricity which increased by 20.8% (Eskom tariff increases between June 2011 and June 2012).

Cash and investments increased as follows:

| | 2010/2011 | 2011/2012 |
|--|-------------------------|----------------------|
| TOTAL CASH POSITION (Cash and Investments) | Restated | |
| Opening Cash and Cash Equivalents | 664,625,410.90 | 1,338,863,444 |
| Movement (as per above) | 674,238,033 | 1,466,743,844 |
| Closing Cash | 1,338,863,444 | 2,805,607,288 |
| Plus: Investments (excl Entities) | 246,895,311 | 456,449,642 |
| TOTAL CASH POSITION (Cash and Investments) | 1,585,758,755 | 3,262,056,930 |
| Less Encumbered Cash: | | |
| 1. Encumbered Investments and Investments in ME's | 240,924,357 | 476,528,663.80 |
| 2. Dedicated bank accounts (grants and capex) | 221,541,273.00 | 685,661,333.94 |
| TOTAL OPERATING CASH | 1,123,293,124.40 | 2,099,866,932 |
| Less funding of balance sheet as per EMM Policy | 1,050,837,347 | 1,072,941,342 |
| TOTAL UNENCUMBERED CASH | 72,455,777 | 1,026,925,590 |
| Number of day's total cash held (total cash and inv) | 40.32 | 83 |
| Number of day's total cash held (operating cash) | 28.56 | 53 |
| Number of day's total cash held (un-encumbered cash) | 1.84 | 26 |
| Cost Coverage in months (EXCL encumbered investments and unspent grants and loans) | 0.94 | 1.47 |
| Cost Coverage in days (EXCL encumbered investments and unspent grants and loans) | 28.56 | 44.73 |

OPERATING RESULTS

| Financial Overview: 2011/12 | | | |
|-----------------------------|---------------------|---------------------|---------------------|
| R' 000 | | | |
| Details | Original budget | Adjustment Budget | Actual |
| Income: | | | |
| Grants | (3,185,113) | (3,225,741) | (3,285,158) |
| Taxes, Levies and tariffs | (16,774,809) | (16,986,159) | (16,801,817) |
| Other | (1,191,926) | (1,234,982) | (1,209,479) |
| Sub Total | (21,151,848) | (21,446,882) | (21,296,454) |
| Less: Expenditure | 20,908,641 | 21,204,696 | 20,592,789 |
| Net Total* | (243,207) | (242,186) | (703,665) |
| * Note: surplus/(defecit) | | | T 1.4.2 |

Table 5 : Operating Results

OPERATING RATIOS

| Operating Ratios (Actual Results) | | 2011/12 |
|-----------------------------------|--------|---------|
| Detail | % | |
| Employee Cost | 19.96% | |
| Repairs & Maintenance | 8.44% | |
| Finance Charges & Impairment | 2.20% | |
| | | T 1.4.3 |

Table 6 : Operating Ratios

CAPITAL EXPENDITURE

| Total Capital Expenditure | | | |
|---------------------------|-----------|-----------|-----------|
| R'000 | | | |
| Detail | 2009/10 | 2010/11 | 2011/12 |
| Original Budget | 2,382,686 | 2,160,091 | 2,374,785 |
| Adjustment Budget | 2,268,170 | 2,237,722 | 2,252,104 |
| Actual | 1,933,699 | 1,926,053 | 2,001,014 |
| | | | T 1.4.4 |

Table 7 : Capital Expenditure

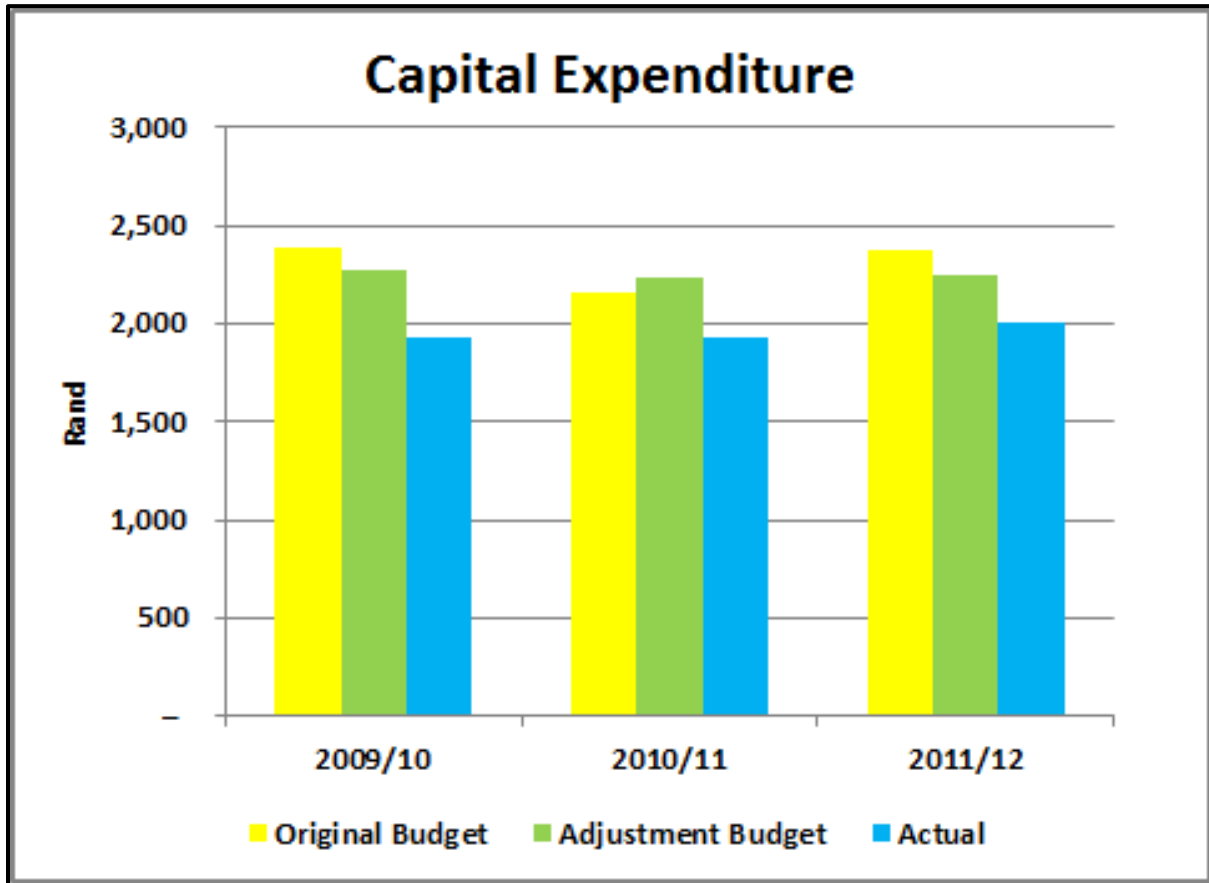


Figure 7 : Capital Expenditure

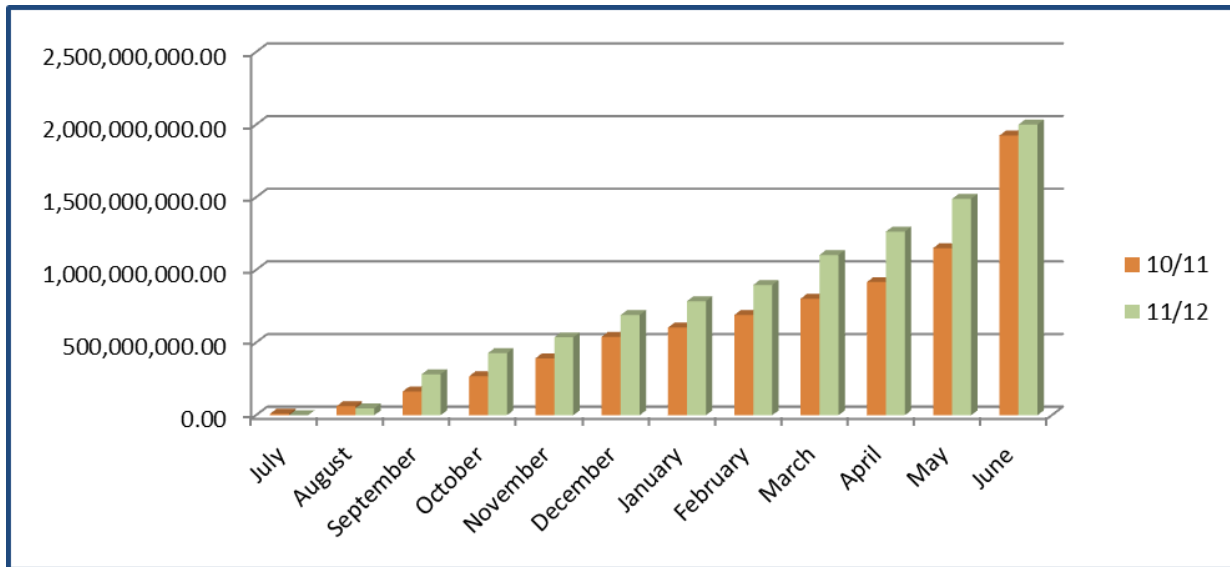
COMMENTS ON CAPITAL EXPENDITURE

Capital Expenditure for the year (per source of finance) was:

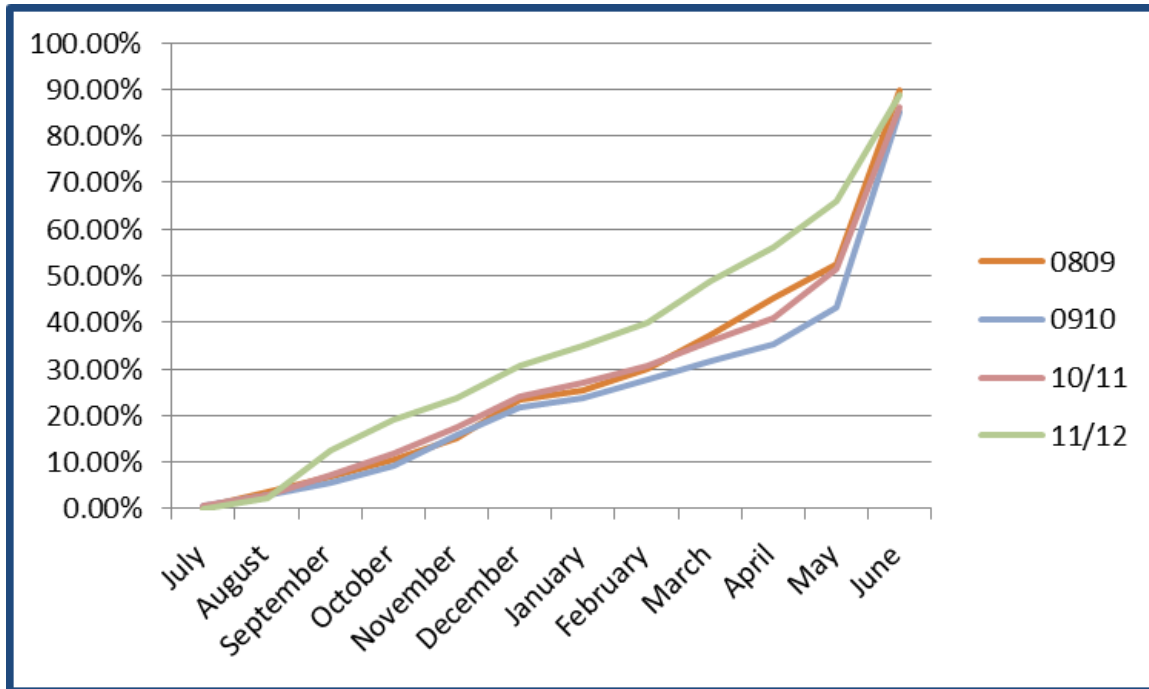
| SOURCE OF FINANCE | Budget | Actual |
|---------------------------|----------------------|-------------------------|
| Developer's Contributions | 21,461,041 | 21,617,505.24 |
| EPWP | - | - |
| HSDG | 31,953,000 | 348,291.80 |
| INEP | 100,000,000 | 99,082,885.21 |
| Municipal Bonds | 701,059,502 | 475,499,863.65 |
| Other National Grants | 79,276,280 | 81,521,995.94 |
| Other Provincial Grants | 42,945,699 | 31,156,279.44 |
| Revenue | 231,157,642 | 247,470,020.65 |
| USDG | 1,044,250,690 | 1,044,317,600.26 |
| Grand Total | 2,252,103,854 | 2,001,014,442.19 |

This means that 88.85% of the budget has been spent.

A comparison with the spending trend of the previous year shows that the hockey stick has not yet been eradicated in totality, but that a smoother pattern is starting to emerge.



The smoothing of the spending pattern is even more evident when comparing the trends of the last 4 financial years:



1.2.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

During the 10th Ordinary Council meeting, held on 25 November 2010, Council approved a macro structure for Ekurhuleni Metropolitan Municipality (Item A-Corp 117-2010). Inherent to this council resolution were the following institutional review assignments which needed to be undertaken:

- Establishment of newly approved Departments
- Reorganization of existing Departments
- Realignment of functions within divisions of Departments

The programme as approved for the implementation of the Institutional Review is as follows:

| INSTITUTIONAL REVIEW IMPLEMENTATION PROGRAMME | |
|---|--|
| 1. The Council resolution | On 25 November 2010 Council approved the new macro structure of EMM and further authorised the City Manager to implement the same. This approval necessitates that the following Organisational Development (OD) assignments be undertaken: The establishment of newly approved Departments The reorganisation of some of the existing Departments Realignment of functions within divisions of Departments |

INSTITUTIONAL REVIEW IMPLEMENTATION PROGRAMME

| | |
|---|---|
| | <p>However; all these OD assignments will involve the relocation of some functions between and within both existing and new Departments and the management of change resulting from these processes.</p> |
| <p>2. Immediate implications of the Council resolution</p> | <p>The immediate implication of the Council decision is that the institution must manage the transition and the migration process from the old macro structure to newly approved macro structure. In other words; this decision has the following requirements that need to be matched:</p> <ul style="list-style-type: none"> Revision of delegations of authority Redefinition of roles of Heads of Departments Filling of critical positions Implementation of interim arrangements in line with the new responsibilities informed by the new macro structure Consideration and utilisation of approved HR methods to provide capacity to ensure continuation of service delivery whilst implementing the approved macro-structure Formulation of a comprehensive programme for implementation of the approved macro structure; and consultation with relevant stakeholders <p>These requirements are captured in full detail below.</p> |
| <p>3. Inherent Institutional Review (OD) assignments as per Council resolution</p> | <p>Inherent to the above resolution are considerable OD assignments and interventions that may not necessarily be applicable and immediate across all Departments. These are the most obvious and immediate interventions that will be undertaken, notwithstanding the fact that those under (c) as indicated below are applicable once the OD interventions in (a) and (b) are completed.</p> |
| <p>OD Assignments</p> | <p>Immediate OD Interventions</p> |
| <p>a. Establishment of new Departments</p> | <ul style="list-style-type: none"> ✓ Formulation of strategy ✓ Determination of the functional structure and staff establishment ✓ Determination of the business and operating model |
| <p>b. Reorganisation of existing Departments</p> | <ul style="list-style-type: none"> ✓ Review of existing strategy ✓ Review of the existing functional structure and staff establishment ✓ Review of the existing business and operating model |
| <p>c. Realignment of functions within</p> | <ul style="list-style-type: none"> ✓ Work organisation |

INSTITUTIONAL REVIEW IMPLEMENTATION PROGRAMME

| | |
|--------------------------|--------------------------------|
| divisions of Departments | ✓ Redesign of Job Descriptions |
| | ✓ Job evaluation |

Table 8: Institutional Review Programme

Employment Equity

The Ekurhuleni Metropolitan Municipality implements comprehensive employment equity, training and development and education strategies to redress historic and existing inequalities, imbalances, prejudices and injustices in the workplace by:

- Ensuring equal employment opportunity practices;
- Enforcing the right of fundamental equality and opportunity between men and women in employment as well as the right of every person to be protected against employment or procurement discrimination on the grounds of race, gender ethnic or social origin, colour, age, culture, language, marital status, disability or economic status.
- Committing itself to a consultative process of effective planning and implementing affirmative action and employment equity to redress past imbalances, and identifying the skills, occupational categories required in the future to ensure the attainment of a socially responsible, efficient and racially integrated workforce, representative and sensitive to the needs of the community.

Implementation of National Treasury Regulations on Minimum Competency Requirements

National Treasury has issued **Regulations on the Minimum Competency Levels** (National Treasury Regulation No. R493 - gazetted on 15 June 2007). In terms of the Regulations, the City Manager of the Municipality and the Chief Executive Officers of the respective Municipal Entities must ensure that competencies of all financial officials and supply chain management officials are assessed in order to identify and address gaps in competency levels of those officials.

Staff will be assessed on, and must comply with, three areas by 1 January 2013:

- Formal qualification;
- Work-based experience; and
- Unit standards prescribed for financial and supply chain management competency areas.

A Task Team, comprising the Human Resources and Finance Departments as well as the municipal entities, has been established to drive the process of implementation.

On-going assessment on progress of implementation is managed through regular reporting to the Senior Management Team, Council and National Treasury. Ekurhuleni management perceive the intervention as being a win-win situation for staff and the municipality to benefit from enhanced skills sets in financial management and strategic leadership within the municipality.

Chapter 4 of the Annual Report contains various statistical information regarding the Organisational Development of the city.

2.1.4 AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT 2010/11

Refer to Chapter 6

2.1.5 STATUTORY ANNUAL PROCESS

| No. | Activity | Timeframe |
|-----|---|----------------------|
| 1 | Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period. | July |
| 2 | Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting). | |
| 3 | Finalise 4th quarter Report for previous financial year | |
| 4 | Submit draft 2011/2012 Annual Report to Internal Audit and Auditor General. | August |
| 5 | Municipal entities submit draft annual reports to MM | |
| 6 | Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant) | August |
| 7 | Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General. | August |
| 8 | Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase. | |
| 9 | Mayor tables the unaudited Annual Report | September |
| 10 | Auditor General assesses draft Annual Report including consolidated Annual Financial Statements and Performance data | September - December |
| 11 | Municipalities receive and start to address the Auditor General's comments | October - November |
| 12 | Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report | January |
| 13 | Audited Annual Report is made public and representation is invited | January |
| 14 | Oversight Committee assesses Annual Report | February- March |
| 15 | Council adopts Oversight report | March |
| 16 | Oversight report is made public | April |

| No. | Activity | Timeframe |
|-----|---|-----------|
| 17 | Oversight report is submitted to relevant provincial councils | April |

Table 9 : Statutory Annual Process

COMMENT ON THE ANNUAL REPORT PROCESS:

Ekurhuleni will endeavor to improve on the detailed statistical information given in the annual report. The information collected will be used for the compilation of the 2013/14 Budget.

Chapter 3 of the Report gives an overview of not only the financial position and results but also the detailed measurable performance targets set by departments to achieve the goals of the IDP.

CHAPTER 2 – GOVERNANCE

The Constitution S151(3) states that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community.

2.1 COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Ekurhuleni Metropolitan Municipality (EMM) has implemented a Mayoral Executive and Ward Participatory System of local governance which ensures that governance is taken right down to community level and that all citizens within the metropolis are represented in decision-making. This increases residents' sense of belonging, accountability and empowerment and actively involves them in all issues dealt with by the metropolitan municipality.

Since the elections on 18 May 2011, the municipality comprised 202 councillors, of both elected (101 ward representatives) and proportional (101 Councillors) representation. Each of the 101 ward councillors chairs a ward committee as part of the Ward Participatory System that brings participation down to community level.

Ward councillors play a central role in the communication process between the communities they represent and the Council, reporting back regularly through ward meetings and assisting the community in identifying needs and priority areas of development which feeds into the municipality's planning processes.

The Ekurhuleni Metropolitan Municipality has in April 2011 resolved to approve the separation of legislative and executive powers. This resolution found practical implementation with the approval of the new governance framework in August 2011 creating independent oversight over the effective implementation of the municipal mandate. The immediate outcome of the separation of powers model saw an improved political oversight function. Section 79 committees were established, which are aligned to the governing political structure in terms of the Municipal Structures Act, and such committees monitor and evaluate the performance of the departments and the Members of the Mayoral Committee as Political Heads. The model ensures that there are checks and balances built into the system, thereby ensuring balance of power, effective execution of the key performance areas and leading to the desired improvement in service delivery. This system is supported through well-crafted delegations of powers thereby ensuring that the respective role-players are able to execute their respective mandates without conflict or compromise.

2.1.1 POLITICAL GOVERNANCE – LEGISLATURE

On 18 August 2011, Council approved a new governance framework for EMM - the separation of powers model in terms of which Council's legislative and executive authority would be separated, thereby creating independent oversight by the legislative arm for the effective achievement of the municipal mandate. In the same meeting, a number of section 79 committees were established to assist Council in the execution of its oversight mandate and other functional areas.

Council resolved to establish the following as Oversight Committees –

1. Water & Energy
2. Human Settlements
3. Environmental Development
4. Transport
5. Health & Social Development
6. Corporate Services
7. City Planning & Economic Development
8. Community Safety
9. Roads & Storm-water
10. Sports, Heritage, Recreation, Arts & Culture
11. Finance
12. Gender, Children, Youth & Persons with Disabilities

Council further resolved to establish the following as Standing Committees –

1. Public Participation & Petitions
2. Development Tribunal
3. Gender, Children, Youth & Persons with Disabilities (GCYPD)
4. Rules
5. Ethics & Disciplinary
6. Programming
7. Municipal Public Accounts – (as a specialized Committee)

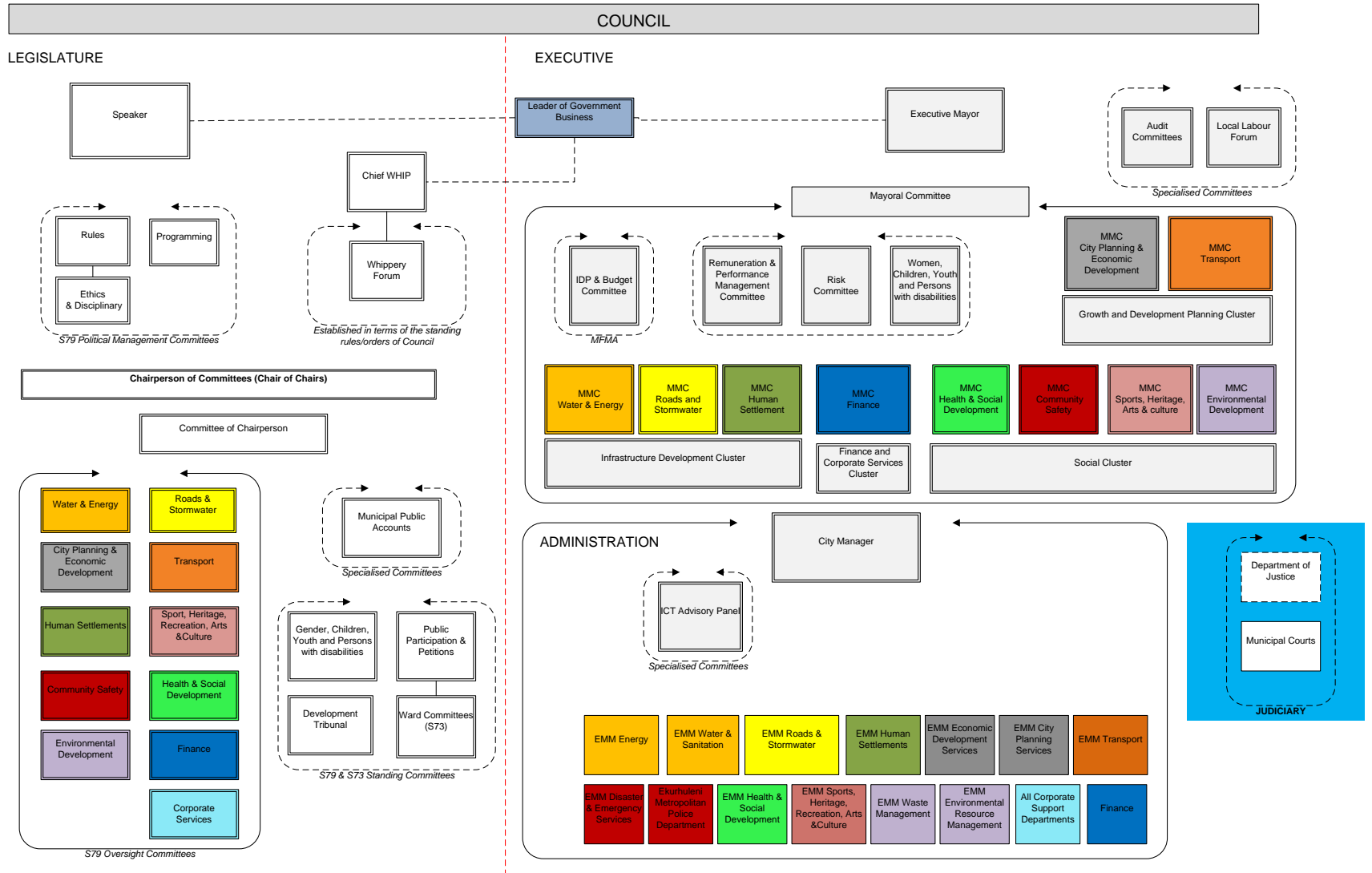
2.1.2. POLITICAL GOVERNANCE – EXECUTIVE ARM

The Committees within the Executive have been established in terms of section 80 of the Municipal Structures Act, as this section provides for committees to assist the Mayoral Committee. These are specialised committees which assist advice the Executive Mayor and the Mayoral Committee in discharging duties.

- The Council resolved to establish and locate some of the existing committee within the Executive arm of Council. The Committees are as follows: Audit Committee
- Risk Committee
- Remuneration and Performance Management Committee
- IDP and Budget Committee
- Local Labour Forum

The following is a reflection of the new Governance structure for EMM:

EMM GOVERNANCE STRUCTURE



A full list of Councilors is contained in Appendix A of the Report.

2.1.2 ADMINISTRATIVE GOVERNANCE

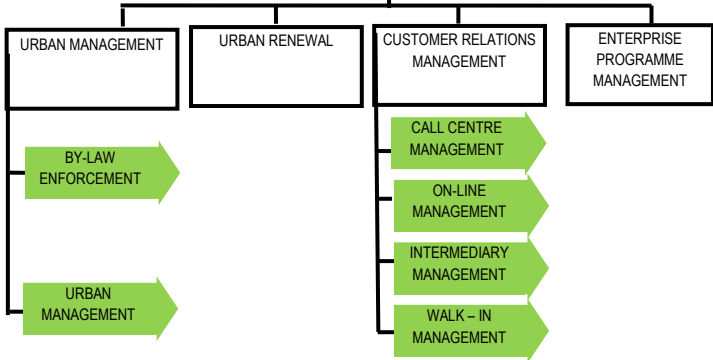
Ekurhuleni's top leadership directs the metropolitan along private sector business principles, implementing the strategies and plans needed to meet the organisation's long-term goals as set out in the Growth and Development Strategy 2025. Day-to-day management and administration of the municipality is carried out by the City Manager and his staff of more than 17 000 led by Heads of Departments, Directors, Customer Care Area Managers and operational levels of management.

The City Manager in discharging his duties and in line with the principle of good governance and legislative requirements has established administrative committees which are as follows

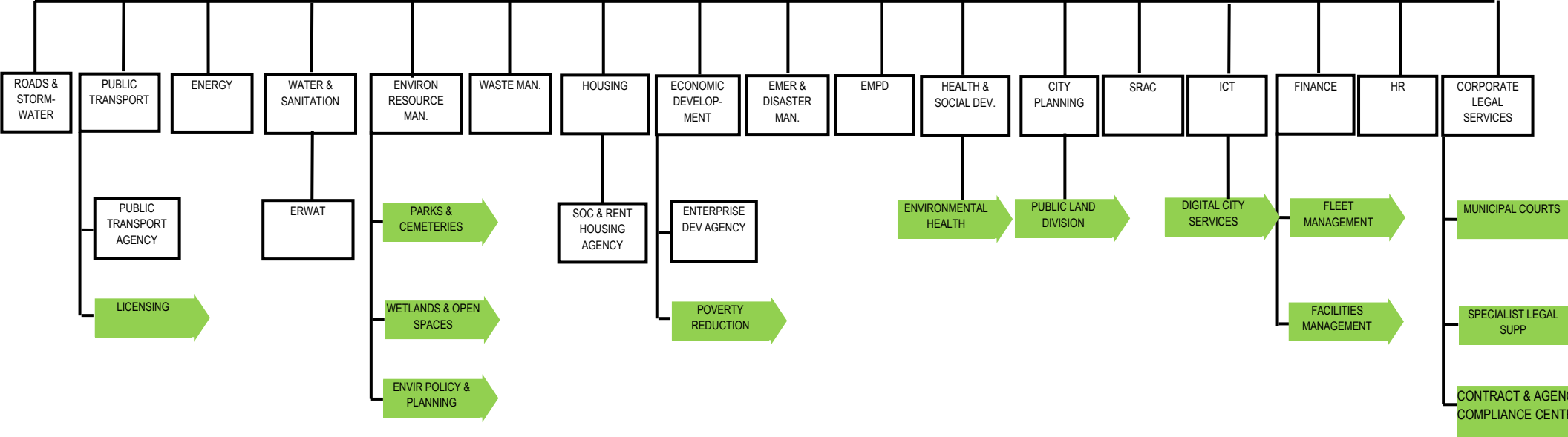
- **The Strategic Management Committee (SMT/EXCO)** is constituted as an executive management committee of Ekurhuleni Metropolitan Municipality (the Municipality). The duties and responsibilities of the members of the Committee are in addition to those as Heads of Departments. The deliberations of the SMT do not reduce the individual and collective responsibilities of the City Manager and Heads of Departments in regard to their fiduciary duties and responsibilities, and they must continue to exercise due care and judgement in accordance with their statutory and contractual obligations. The following committees have been established as committees of the executive committee (SMT):
- **Bid Specification, Evaluation and Adjudication Committees** that are legislated committees in terms of section 168 of the MFMA and Supply Chain Regulations. No councillor serve on or in any manner participate in the Bid Committee or any other committee evaluating or approving tenders, quotations, contracts or other bids.
- **ICT Steering Committee** – that deal with IT governance and risk related issues.
- **Developmental Facilitation Committee** - The role of the committee is to develop extraordinary measures to facilitate and speed up the implementation of construction and development programmes and projects in relation to land; and to lay down general principles governing land development. In addition the role of the committee includes hearing and deciding upon development applications within the municipality boundaries.
- **Governance, Risk and Compliance Committee** – that deals with issues related to governance, ethics, risk, compliance and assurance.
- **IDP, Budget Assets and Liabilities Committee (IBALCO)** – the MFMA has established a budget committee at Executive level, IBALCO will deal with administration issues related to budget and IDP and provide reports to the Executive budget committee.

The approved organisational structure of the Metro, as adopted by Council during 2010, is reflected below:

CITY MANAGER



7 DEPARTMENTS PROVIDING INSTITUTIONAL MANAGEMENT
4 CORPORATE SERVICES DEPARTMENTS
13 SERVICE DELIVERY DEPARTMENTS



TOP ADMINISTRATIVE STRUCTURE

The current list of top management leading the administrative function of Council is as follows:

| DESIGNATION | INCUMBENT |
|---|---------------------|
| CITY MANAGER | Khaya Ngema |
| CHIEF OPERATIONS OFFICER - Service Delivery Coordination | Margaret Diedricks |
| CHIEF AUDIT EXECUTIVE | Thabo Chiloane |
| CHIEF RISK OFFICER | Mildred Nkopane |
| CHIEF FINANCIAL OFFICER | Zakes Myeza |
| CHIEF INFORMATION OFFICER | Lillian Phahla |
| CHIEF OF POLICE | Hlula Msimang |
| HEAD OF DEPARTMENT - Institutional Strategy, Monitoring & Evaluation and Research | Mesuli Mlandu |
| HEAD OF DEPARTMENT - Communications and Marketing | Gwen Shole-Menyatso |
| HEAD OF DEPARTMENT - Roads and Storm Water | Moses Maliba |
| HEAD OF DEPARTMENT - Transport Planning, Provisioning and Maintenance | Yolisa Mashilwane |
| HEAD OF DEPARTMENT - Energy | Mark Wilson |
| HEAD OF DEPARTMENT - Water and Sanitation | Slindokuhle Hadebe |
| HEAD OF DEPARTMENT - Environment Resource Management | Sydney Nkosi |
| HEAD OF DEPARTMENT - Waste Management | Qaphile Gcwensa |
| HEAD OF DEPARTMENT - Human Settlement | David Morema |
| HEAD OF DEPARTMENT - Economic Development | Caiphus Chauke |
| HEAD OF DEPARTMENT - Disaster and Emergency Management Services | Moshema Mosia |
| HEAD OF DEPARTMENT - Health and Social Development | Dr. Imogen Mashazi |
| HEAD OF DEPARTMENT - City Planning | Oupa Nkoane |
| HEAD OF DEPARTMENT - Sports, Recreation, Arts and Culture | Vincent Cambell |
| HEAD OF DEPARTMENT - Human Resources Management & Development | Lerato Gumbi |
| HEAD OF DEPARTMENT - Corporate Legal Services | Moeketsi Motsapi |

2.2 COMPONENT B: INTERGOVERNMENTAL RELATIONS

Ekurhuleni established a number of platforms to ensure that the City and its councillors are complying with the National principles, guidelines and strategies. The following is a brief discussion of the various administrative relations with the spheres of government.

NATIONAL AND PROVINCIAL INTERGOVERNMENTAL STRUCTURES.

Ekurhuleni has to account and submit comprehensive reports to **National Treasury**. This includes the annual budget, monthly in-year reports, quarterly reports, the Annual Financial Statements, Annual Report and several other reports required by law.

Each year National Treasury conducts a detailed benchmarking and assessment of the draft budget. The assessment is not limited to a budget analysis only, but includes a number of other functions (i.e. IDP, SDBIP, performance reports, etc.).

Electricity tariffs have to be approved by NERSA annually.

Roads & Stormwater:

The department holds regular meetings with the Gauteng Provincial Department of Roads & Transport (GPDRT) with regard to specific Planning matters where roads under the jurisdiction of GPDRT are involved. At the meetings, the problems are discussed and consensus is reached in a most efficient manner. The decisions are later confirmed in a formal manner. These meetings have proven to be invaluable for the department in resolving development related problems where GPDRT roads are affected.

City Planning

Geo-Information Society of South Africa (GISSA) - EMM is represented by Director: Geo-Informatics at National Committee as Vice-Chairperson and representative of the local government at the Committee for Spatial Information.

The committee is responsible for the inclusions of the profession within the borders of SA. responsibilities: ensuring effectiveness of the Spatial Data Infrastructure Act 54 of 2003.

EMM **building control** is currently and actively participating in the Building Control Officers of South Africa . Two EMM staff are fully involved one serving as a Co- Chairperson and the other as an executive member. the meetings and workshops attended are: BCO Steering Meetings, Various workshops e.g. energy efficiency, green building etc.

Plan of action:

To understand and promote the role of the BCO in the built Environment value chain. The NRCS has developed a BCO audit questionnaire to be circulated to all local authorities in order to be able to map the country wide reflection of the current situation.

To foster closer collaborations and understanding between the legislator (the Department of Trade and industry), the NRCS and the enforcement arm (BCO) on Local Authority level.

Get all local authorities involved (through their BCO's) in order to stimulate awareness

Investigate the possibility of the establishment of dedicated courts or court systems

Create a Building Regulators Institute of learning that will ensure the accurate interpretation of the legislation as well as uniform implementation of the National Building Regulations.

Empower the BCO functions

Share knowledge

Build relationships with professional bodies

The positive implications for Ekurhuleni Metropolitan Municipality, through this participation/involvement at highest level.

The interaction with other Municipalities will create better understanding and providing the skills to address the law enforcement issues, with the aim to improve law enforcement as far as policing of Building Control Legislative requirements are concerned.

The way how other municipalities apply methods to increase revenue enhancement, will enable Ekurhuleni Metropolitan Municipality, to do the same.

How the challenge of urban decay and urban renewal are handled in other municipalities, will assist Ekurhuleni M.M to make sure that the same mistakes not be repeated.

SA Cities Network sharing information regarding effective Spatial Planning, Landuse Management of SA Municipalities.

Human Settlements

Joint Title deeds Outreach Programme for Palm Ridge ext. 9 undertaken by EMM Human Settlement and GDLGH

National Accreditation Panel Task Team held regular meetings with EMM, GDLGH and other Municipalities. The task team deals with issues of coordination of accreditation and assessment of municipal readiness for assignment. Two meetings were held in the 12/13 financial year.

Regional accreditation meetings - these are regular meetings held between the GDLGH and EMM.

The department also interacts with SALGA regarding human settlements issues. One coordination meeting held in 12/13 dealt with new housing amendment bill.

Health and Social Development Department participate in the following provincial structures:

District Health Council Technical Committee.

Primary Health Technical Committee

District Health Council

As part of the IDP Planning Cycle annual IDP engagements with the Provincial Government facilitated by the Department of Local Government and Housing is taking place. During this process all EMM Departments interact with all Provincial Sector Departments on the EMM IDP to facilitate alignment and integration.



RELATIONSHIP BETWEEN EMM AND THE ENTITIES AS WELL AS OTHER PROFESSIONAL ORGANISATIONS SERVING LOCAL GOVERNMENT

Finance Department participate actively in the CFO Forum as initiated between the CFO's of all the metropolitan cities and some of the larger municipalities. The entire purpose is to share information, get advice on common matters within the financial sector.

The **Energy Department** participates in the AMEU (Association for Municipal Engineers, and there is active technical participation in the Tariff Committee, through which Ekurhuleni has assisted smaller and larger municipalities (Madibeng) to design and implement their electricity tariffs. The Energy Department also participate in various NRS Committees which design and co-ordinate technical standards for the electrical industry.

The Energy Department also participates in SANEDI in respect of the smart grid standards development.

Since the active participation of the Energy Department in the National Department of Energy, the Department has secured increased INEP Funds.

The active participation of the Department in the National Department of Energy in respect of energy efficiency and demand side management has also led to the Department securing funds in terms of energy efficiency and demand side management.

The Metro has **three municipal entities**, namely:

| |
|---|
| Brakpan Bus Company |
| Provision of a Bus Service to the community of Brakpan. |
| East Rand Water Care Company (ERWAT) |
| Wastewater Purification for the entire Ekurhuleni Metro and portions of the City of Johannesburg. |
| Ekurhuleni Development Company (EDC), including the EDC Management Company, the Germiston Pharo Park Co, the Pharo Park Phase II Co and the Lethabong Housing Institute. Social Housing (Rental) in Germiston. |

In addition, the EMM holds a 20% share in the Rand Airport but has no control over the company and as such the company is accounted for as a long term investment and not an entity.

Legislation prescribes full reporting and accountability to EMM as the parent municipality. Consolidated budgets and annual financial statements is required by law, thus require full interaction between EMM and the entities.

2.3 COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

A total 101 ward committees were established by 2012. Inductions were conducted for elected ward committee members.



Further intervention on training is processed through departmental information workshops and sessions.

The ward committee monthly meetings are convened and serve as the platform for interaction, engagement and sharing of information.

The Legislature Outreach Programs were conducted in three regions during May 2012 to introduce and create awareness on the role of the Legislature and how the community should interact with Government through the EMM Legislature.

The Petition process is established and functional. Monthly Petition Committee meetings are convened to consider all received petitions

The benefits of these programs are more of ensuring that the Municipality converse, engage and act on matters relating to community concerns. The systems are available and functional for Ekurhuleni Metropolitan Municipality to expedite, consider and resolve inputs and comments by the community.

2.3.1 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

BERTUS – THE LIST OF MEETINGS MUST BE POPULATED ON TABLE 2.4.3

IDP and Budget Process

Both the IDP and Budget process Ekurhuleni Metropolitan Municipality's draft reviewed Integrated Development Plan (IDP) for the period 2012-2017 and the draft Multiyear Budget 2012/2013 – 2014/2015 was open for comment by the public during the period of 28 March - 2 May 2012. The documents were open for discussion at all public libraries, and customer care centres.

In addition public meetings were held throughout the month of April across the region. The following table reflect the schedule of meetings that took place over the period:

| Date | Customer Care Area | MMC | Chairpersons | Venue | Time | No of Clrs participating | No of Municipal Officials | No of community members |
|---------------|--------------------------------|-------------------------|--------------------|----------------------------|-------|--------------------------|---------------------------|-------------------------|
| 3 April 2012 | Business and Largest Consumers | Clr M Makwakwa | Clr M Makwakwa | Boksburg Council Chamber | 09:00 | 9 | 23 | 35 |
| 11 April 2012 | Ekurhuleni Religious Forum | Clr Khosi Maluleke | Clr Khosi Maluleke | Boksburg Council Chamber | 10:00 | 2 | 10 | 65 |
| 11 April 2012 | Springs | Clr M Makwakwa | Clr N Diamond | Springs Main Hall | 18:00 | 5 | 29 | 205 |
| 11 April 2012 | Daveyton | Clr Zeni Tshongweni | Clr S Ditshego | Mbikwa Cindi Hall | 18:00 | 6 | 26 | 178 |
| 11 April 2012 | Katlehong2 | Clr Mthuthuzeli Sibozza | Clr V Chauke | Palm Ridge Hall | 18:00 | 3 | 23 | 623 |
| 11 April 2012 | Kempton Park | Clr Khosi Maluleke | Clr N Yamba | Kempton Park City Hall | 18:00 | 3 | 19 | 143 |
| 12 April 2012 | Tsakane | Clr Bernard Nikani | Clr F Booi | Tsakane Community Hall | 18:00 | 9 | 44 | 263 |
| 12 April 2012 | Tembisa1 | Clr Thumbu Mahlangu | Clr V Chiloane | Tembisa Multi-Purpose Hall | 18:00 | 11 | 18 | 271 |
| 12 April 2012 | Alberton | Clr Aubrey Nxumalo | Clr P Mkhonza | Alberton Civic Centre Hall | 18:00 | 2 | 25 | 89 |
| 12 April | Germiston | Clr Tilly Mabena | Clr S Kraai | Dinwiddie hall | 18:00 | 16 | 26 | 193 |

| Date | Customer Care Area | MMC | Chairpersons | Venue | Time | No of Clrs participating | No of Municipal Officials | No of community members |
|---------------|--------------------|------------------------|----------------|---------------------------|-------|--------------------------|---------------------------|-------------------------|
| 2012 | | | | | | | | |
| 16 April 2012 | Nigel | Clr Q Duba | Clr N Shongwe | Nigel Town Hall | 18:00 | 3 | 13 | 114 |
| 16 April 2012 | Etwatwa | Clr Zeni Tshongweni | Clr S Ditshego | Stompi Skhosana | 18:00 | 5 | 19 | 335 |
| 16 April 2012 | Boksburg | Clr Phelisa Nkunjane | Clr T Thebe | Boksburg Town Hall | 18:00 | 10 | 23 | 211 |
| 16 April 2012 | Edenvale | Clr Khosi Maluleke | Clr N Yamba | Edenvale Community Centre | 18:00 | 8 | 28 | 215 |
| 17 April 2012 | Kwathema | Clr M Makwakwa | Clr N Diamond | Kwathema Civic Hall | 18:00 | 9 | 21 | 218 |
| 17 April 2012 | Benoni | Clr Zeni Tshongweni | Clr S Ditshego | Actonville Hall | 18:00 | 3 | 24 | 156 |
| 17 April 2012 | Thokoza | Clr Aubrey Nxumalo | Clr P Mkhonza | Thokoza Auditorium | 18:00 | 8 | 24 | 591 |
| 17 April 2012 | Katlehong1 | Clr Mthuthuzeli Siboza | Clr V Chauke | Tsolo Hall | 18:00 | 7 | 23 | 449 |
| 18 April 2012 | Duduza | Clr Q Duba | Clr N Shongwe | Monty Motloung Hall | 18:00 | 5 | 26 | 357 |



| Date | Customer Care Area | MMC | Chairpersons | Venue | Time | No of Clrs participating | No of Municipal Officials | No of community members |
|---------------|--------------------|----------------------|----------------|--------------------------------|-------|--------------------------|---------------------------|-------------------------|
| 18 April 2012 | Brakpan | Clr Bernard Nikani | Clr F Booi | Brakpan City Hall | 18:00 | 5 | 21 | 169 |
| 18 April 2012 | Vosloorus | Clr Phelisa Nkunjane | Clr T Thebe | Nguni Hall, Vosloorus | 18:00 | 7 | 29 | 740 |
| 18 April 2012 | Tembisa2 | Clr Thumbu Mahlangu | Clr V Chiloane | Olifantsfontein Community Hall | 18:00 | 6 | 25 | 350 |

REVIEW OF THE GDS 2025

GDS Stakeholder engagement process Background

Local government planning cycles constitutes long, medium and short term planning. The Growth and Development Strategy (GDS) is the Ekurhuleni Metropolitan Municipality's long-term plan to deliver services. It is a 20-30 year plan that sees to it that services are delivered in line with the needs of our people and the environment.

Nationally, the New Growth Path, the establishment of the National Planning Commission, and the reshaping of the Department of Human Settlements are a few of the developments that are shaping South Africa, and thus affecting its cities.

Dynamics shaping development include migration, globalization and capital mobility, climate change, and balancing competitiveness with livability in light of increasingly scarce resources. It is against this backdrop that the Ekurhuleni Metropolitan Municipality embarked on a process of reviewing its Growth and Development Strategy, which will eventually guide its new growth and development path.

A working document was developed by the Ekurhuleni Metropolitan Municipality which consists of a status quo report, but also reflects on growth and development opportunities taking into consideration global, national and provincial trends. It also considers the growth and development capacities in Ekurhuleni and identifies the risks.

Growth and development impact areas were identified on which a robust public participation and consultation drive was embarked on with the aim to ensure that all ideas and suggestions were solicited through diverse platforms with the aim of pursuing a common future. This process was required in order to come up with a Growth and Development Strategy 2055 for the Ekurhuleni Metropolitan Municipality.

In order to reach this objective, a stakeholder engagement and marketing strategy was developed.

The marketing objectives were as follows:

- Reposition Ekurhuleni as a city that is forward-thinking
- Promote the municipality's key objectives
- To ensure all stakeholders understand the EMM brand offering and rally support around the brand
- Develop close links and promote GDS 2055 confidence, interest, build and secure partnership
- To promote the city as an investment and tourism destination
- Use local and international media as a conduct to manage public issues and perceptions
- Increase awareness of EMM with target groups
- Synchronise and maximise opportunities to promote the GDS 2055 strategy
- Seamless integration and coordination among key project stakeholders – increased awareness of EMM brand across the spectrum of marketing.

The Communications /stakeholder engagement objectives were as follows:

- Internal and external stakeholder analysis based on the impact areas which formed part of the working document
- Compilation of data-bases
- Create awareness and understanding amongst all stakeholders of Ekurhuleni on the Growth and Development Strategy 2055 processes
- To create platforms for discussion and participation on the key impact areas and themes
- To create a sense of pride and ownership in GDS 2055 amongst all internal and external stakeholders.
- To create a media support programme in order to encourage stakeholders to participate and how to participate.
- To create supporting platforms for people not able to attend stakeholder engagement sessions such as website, suggestion boxes and social media

The engagement process consisted of three components

- 1) Internal stakeholder engagement
- 2) External stakeholder engagement
- 3) Supportive media/social media plan

Internal engagement

It was important for Ekurhuleni to, before engaging with communities, get employees and politician's buy in.

The aim was to create awareness and understanding amongst all internal stakeholders of Ekurhuleni on the Growth and Development Strategy 2055 processes in order to create a sense of pride and ownership in GDS 2055. Ekurhuleni views its internal stakeholders as ambassadors and by making them aware, word would spread on the importance of participation.

A parallel process was undertaken to inform and consult the political arms of local government in Ekurhuleni.

The processes started with top management engagement, where after it was taken to middle management. Staff then also had an opportunity to provide inputs. The invitation was open for staff on all levels in three regions. The first process took place in April 2012 with a second round of consultative platforms in June. Staff that was not part of the interactive engagement sessions was encouraged to submit contributions electronically and via employee suggestion boxes. Staff competitions were held to encourage participation and re-enforce awareness.

During the first round of engagement in April, participation was as follows:

| Area | Description | Number of participants |
|--------------|-------------------|------------------------|
| Germiston | Middle management | 45 |
| Kempton Park | Staff: all levels | 232 |
| Germiston | Staff: all levels | 180 |
| Springs | Staff: all levels | 210 |

During the second round in June, participation was as follows:

| Area | Description | Number of participants |
|--------------|---------------------------|------------------------|
| Kempton Park | Staff : all levels | 477 |
| Germiston | Staff: all levels | 419 |
| Springs | Staff: all levels | 228 |
| Germiston | Top and middle management | 143 |

After inputs were incorporated, the draft strategy was presented to top and middle management and politicians.

External Engagement

Impact areas were identified in the GDS working document, after which a stakeholder analysis process was undertaken. The first round of engagement focused on target audiences relevant to the impact areas/work streams, for example:

Participants: Social Development and Cohesion

Participants represented HIV/Aids Councils, women's organizations, private and government hospitals and clinics, sport clubs, members of ward committees, CBOs and NGOs, Ekurhuleni security companies, aged and disabled, SAPS etc.

Participants: Climate Change and Environmental Sustainability

Tourism & hospitality industry, Rand Water, large electricity consumers, local and national environmental organizations, environmental governance and regulators, dolomite experts, mining industry, members of ward committees, youth organizations, CBOs and NGOs were amongst participants that were invited to this session.

Participants: Economic Growth and Employment

Participants invited included educational institutions in Ekurhuleni, Government SETAs, training providers, Banking institutions, organized business, organized labor, local business, economists civil society, youth organizations etc.

Participants: Urban Planning and Build Environment

National departments, ACSA, PRASA, Blue IQ, City and Spatial planners, housing development agencies were invited to the sessions. Housing contractors, consultants, informal settlement regional structures and construction companies also formed part of the discussions.

Participants: Transport and Logistics

This work stream mainly concentrated on transport regulatory bodies, taxi industries and associations, airlines, Ekurhuleni taxi council, SANRAL, Ekurhuleni Bus company, relevant government departments, freight services, Metrorail etc.

Participants: City Governance & Financial Sustainability

Ratepayer associations, organized business, educational institutions, SETAs etc. were invited but this session was not well attended.

During the second round of engagement, the focus was on ward committees and residents and the engagement sessions were area specific, namely northern, southern and eastern areas of Ekurhuleni.

Focus group sessions were also held with specialists in respective fields such as economics, urban planning and spatial development, transport and the educational sector.

Ekurhuleni is a young city; in that close to 60% of its population are people below the age of 35. This makes Ekurhuleni generally vulnerable to a number of social and political factors. A participation session was held specifically aimed at youth, in order to give them an opportunity to input in GDS 2055 as future generation.

Supportive media/social media plan

The external stakeholder engagement was supported by a strong media campaign, radio and print to encourage participation. The media was also invited to the session and media releases drafted. GDS information was made available on the official Ekurhuleni website. Social media (Facebook) was introduced, but as Ekurhuleni does not yet have an established and well known page, it did not attract a lot of followers.

Key Message:

The overall theme for the Growth Development Strategy 2055 process is: Shaping Ekurhuleni for tomorrow - today

Communication and Marketing initiatives were based on the following themes:

- Ekurhuleni: Driving social and economic change through a new economic growth path
- Ekurhuleni: Transforming the city's landscape
- Ekurhuleni: My environment my livelihood
- Ekurhuleni: Connecting lines into a seamless logistical solution
- Ekurhuleni: Good governance, a catalyst for effective service delivery

The process is in its final stages of the approval of the GDS 2055.

WARD COMMITTEES

The following table reflect the number of wards and their respective meetings held since the establishment of the new ward committees in January 2012:

| Functionality of Ward Committees | | | | | |
|----------------------------------|--|----------------------------------|---|---|---|
| Ward Name (Number) | Name of Ward Councillor and elected Ward committee members | Committee established (Yes / No) | Number of monthly Committee meetings held during the year | Number of monthly reports submitted to Speakers Office on time (Quarterly Report) | Number of quarterly public ward meetings held during year |
| 1 | Clr. H. Shabalala | Y | 4 | 1 | 4 |
| 2 | Clr. S. Nhlabathi | Y | 5 | 1 | 1 |
| 3 | Clr. D. D. Sebilwane | Y | 4 | 1 | 0 |
| 4 | Clr. L. N. Mohlapamaswi | Y | 5 | 1 | 3 |
| 5 | Clr. M. E. Mvalo | Y | 5 | 1 | 1 |
| 6 | Clr. Z. Mpongose | Y | 4 | 1 | 10 |
| 7 | Clr. T. A. Sebola | Y | 2 | 1 | 1 |
| 8 | Clr. M. R. Lugongolo | Y | 4 | 1 | 1 |
| 9 | Clr. S. P. Mwelase | Y | 5 | 1 | 2 |
| 10 | Clr. S. Mokhethoa | Y | 3 | 1 | 3 |
| 11 | Clr. N.B. Mdluli | Y | 5 | 1 | 3 |
| 12 | Clr. M. S. Kwili | Y | 5 | 1 | 3 |
| 13 | Clr. N.G. Sibanyoni | Y | 4 | 1 | 4 |
| 14 | Clr. T. W. Ndizana | Y | 3 | 1 | 7 |
| 15 | Clr. J. D. Roos | Y | 5 | 1 | 0 |
| 16 | Clr. H. J. Terblanche | Y | 4 | 1 | 0 |
| 17 | Clr. T. Butler | Y | 5 | 1 | 1 |
| 18 | Clr. H. D. Hart | Y | 6 | 1 | 0 |
| 19 | Clr. W. G. R. Rundle | Y | 5 | 1 | 0 |
| 20 | Clr. M. Clarke | Y | 5 | 1 | 5 |
| 21 | Clr. T. Campbell | Y | 5 | 1 | 0 |
| 22 | Clr. B. Robinson | Y | 5 | 1 | 0 |
| 23 | Clr. A. du Plessis | Y | 5 | 1 | 1 |
| 24 | Clr. R. Ntsekhe | Y | 3 | 1 | 0 |
| 25 | Clr. M. Kgopa | Y | 6 | 1 | 5 |
| 26 | Clr. N. Tati | Y | 3 | 1 | 4 |
| 27 | Clr. G. Kriek | Y | 5 | 1 | 0 |
| 28 | Clr. M. Goby | Y | 3 | 1 | 1 |
| 29 | Clr. I. Loonat | Y | 6 | 1 | 4 |
| 30 | Clr. S. Sibiya | Y | 6 | 1 | 3 |
| 31 | Clr. S. Le Roux | Y | 6 | 1 | 2 |
| 32 | Clr. J. A. Hendricks | Y | 4 | 1 | 0 |
| 33 | Clr. H. D. Coke | Y | 5 | 1 | 0 |
| 34 | Clr. C. R. Crawford | Y | 5 | 1 | 0 |
| 35 | Clr. M. Xakambana | Y | 8 | 1 | 7 |
| 36 | Clr. C. Swanepoel | Y | 3 | 1 | 0 |
| 37 | Clr. B. Haipel | Y | 6 | 1 | 1 |
| 38 | Clr. E. Visser | Y | 6 | 1 | 0 |
| 39 | Clr. M. Van Niekerk Kriek | Y | 3 | 1 | 0 |
| 40 | Clr. K. Maluleke | Y | 5 | 1 | 15 |
| 41 | Clr. M. Msweli | Y | 4 | 1 | 2 |
| 42 | Clr. P. Morake | Y | 5 | 1 | 1 |
| 43 | Clr. B. Reid | Y | 4 | 1 | 0 |
| 44 | Clr. S. M.M. Mohoaladi | Y | 5 | 1 | 5 |
| 45 | Clr. S. Malope | Y | 5 | 1 | 5 |

| Functionality of Ward Committees | | | | | |
|----------------------------------|--|----------------------------------|---|---|---|
| Ward Name (Number) | Name of Ward Councillor and elected Ward committee members | Committee established (Yes / No) | Number of monthly Committee meetings held during the year | Number of monthly reports submitted to Speakers Office on time (Quarterly Report) | Number of quarterly public ward meetings held during year |
| 46 | Clr. N.S. Nonyana | Y | 7 | 1 | 10 |
| 47 | Clr. R. Maragana | Y | 7 | 1 | 7 |
| 48 | Clr. K.F. Mahloma | Y | 5 | 1 | 7 |
| 49 | Clr. P. J. Makaleng | Y | 5 | 1 | 3 |
| 50 | Clr. E.N. Ndimba | Y | 4 | 1 | 3 |
| 51 | Clr. T.C. Rampai | Y | 4 | 1 | 3 |
| 52 | Clr. C.L. Nkosi | Y | 6 | 1 | 4 |
| 53 | Clr. V.G. Zinde | Y | 3 | 1 | 9 |
| 54 | Clr. N. M Mabuza | Y | 3 | 1 | 5 |
| 55 | Clr. J. S. Maduna | Y | 3 | 1 | 3 |
| 56 | Clr. K. Msibi | Y | 5 | 1 | 6 |
| 57 | Clr. T.G. Nketele | Y | 5 | 1 | 8 |
| 58 | Clr. R. Pienaar | Y | 4 | 1 | 12 |
| 59 | Clr. J.T. Maama | Y | 3 | 1 | 8 |
| 60 | Clr. C. L. Komane | Y | 6 | 1 | 7 |
| 61 | Clr. K.T. Letsoha | Y | 6 | 1 | 4 |
| 62 | Clr. G. Sibeko | Y | 4 | 1 | 8 |
| 63 | Clr. E.N. Shabalala | Y | 6 | 1 | 9 |
| 64 | VACANT | Y | 6 | 1 | 9 |
| 65 | Clr. S. Mabaso | Y | 5 | 1 | 3 |
| 66 | Clr. V. Mxabangeli | Y | 4 | 1 | 2 |
| 67 | Clr. M. Madihlaba | Y | 6 | 1 | 4 |
| 68 | Clr. N. Badela | Y | 6 | 1 | 4 |
| 69 | Clr. V. Chauke | Y | 6 | 1 | 3 |
| 70 | Clr. T. Ditshego | Y | 6 | 1 | 5 |
| 71 | Clr. C.B. Maroleng | Y | 6 | 1 | 3 |
| 72 | Clr. R. Sheodin | Y | 3 | 1 | 1 |
| 73 | Clr. S. Ngobese | Y | 6 | 1 | 3 |
| 74 | Clr. G. Vilakazi | Y | 6 | 1 | 4 |
| 75 | Clr. D. Stone | Y | 4 | 1 | 2 |
| 76 | Clr. S. Shabangu | Y | 6 | 1 | 3 |
| 77 | Clr. W. Busakwe | Y | 6 | 1 | 3 |
| 78 | Clr. T. Radebe | Y | 6 | 1 | 4 |
| 79 | Clr. I. Nkosi | Y | 6 | 1 | 4 |
| 80 | Clr. D. Mlambo | Y | 6 | 1 | 2 |
| 81 | Clr. M. Nditha | Y | 2 | 1 | 3 |
| 82 | Clr. T. Saul | Y | 6 | 1 | 2 |
| 83 | Clr. S. Kodisang | Y | 6 | 1 | 5 |
| 84 | Clr. T.S. Letsimo | Y | 5 | 1 | 4 |
| 85 | Clr. A. Mnguni | Y | 5 | 1 | 3 |
| 86 | Clr. T. Mbonani | Y | 6 | 1 | 4 |
| 87 | Clr. T. P. Motaung | Y | 4 | 1 | 3 |
| 88 | Clr. W. Labuschagne | Y | 6 | 1 | 1 |
| 89 | Clr. F. Mooko | Y | 4 | 1 | 4 |
| 90 | Clr. O. Sebogole | Y | 3 | 1 | 3 |

| Functionality of Ward Committees | | | | | |
|----------------------------------|--|----------------------------------|---|---|---|
| Ward Name (Number) | Name of Ward Councillor and elected Ward committee members | Committee established (Yes / No) | Number of monthly Committee meetings held during the year | Number of monthly reports submitted to Speakers Office on time (Quarterly Report) | Number of quarterly public ward meetings held during year |
| 91 | Clr. B. J. Jordaan | Y | 0 | 1 | 0 |
| 92 | Clr. A.G. Gersbarch | Y | 4 | 1 | 1 |
| 93 | Clr. P. Sibidli | Y | 6 | 1 | 6 |
| 94 | Clr M. Basch | Y | 2 | 1 | 0 |
| 95 | Clr L. T. Khumalo | Y | 6 | 1 | 9 |
| 96 | Clr. R. Dladla | Y | 6 | 1 | 4 |
| 97 | Clr. V. Dyson | Y | 5 | 1 | 2 |
| 98 | Clr. N.A. Mabena | Y | 6 | 1 | 4 |
| 99 | Clr. C. Mabaso | Y | 6 | 1 | 3 |
| 100 | Clr. P. J. Henning | Y | 5 | 1 | 0 |
| 101 | Clr T. J. Matabane | Y | 5 | 1 | 9 |

2.3.2 IDP PARTICIPATION AND ALIGNMENT

| IDP Participation and Alignment Criteria* | Yes / No |
|--|----------|
| Does the municipality have impact, outcome, input, output indicators? | No |
| Does the IDP have priorities, objectives, KPIs, development strategies? | Yes |
| Does the IDP have multi-year targets? | Yes |
| Are the above aligned and can they calculate into a score? | No |
| Does the budget align directly to the KPIs in the strategic plan? | Yes |
| Do the IDP KPIs align to the section 57 Managers | Yes |
| Do the IDP KPIs lead to functional area KPIs as per the SDBIP? | Yes |
| Were the indicators communicated to the public? | Yes |
| Were the four quarter aligned reports submitted within stipulated time frames? | Yes |
| * Section 26 of Municipal Systems Act 2000 | |

Table 10: IDP Participation and Alignment Criteria

2.4 COMPONENT D: CORPORATE GOVERNANCE

The Municipality has enhanced its system of governance by developing the code of governance that is applied across the organisation. The aim of the the EMM Code of Governance and Framework is to encourage the effective, efficient and economic use of resources towards better service delivery and, equally, to require accountability and responsibility for the stewardship of those resources.

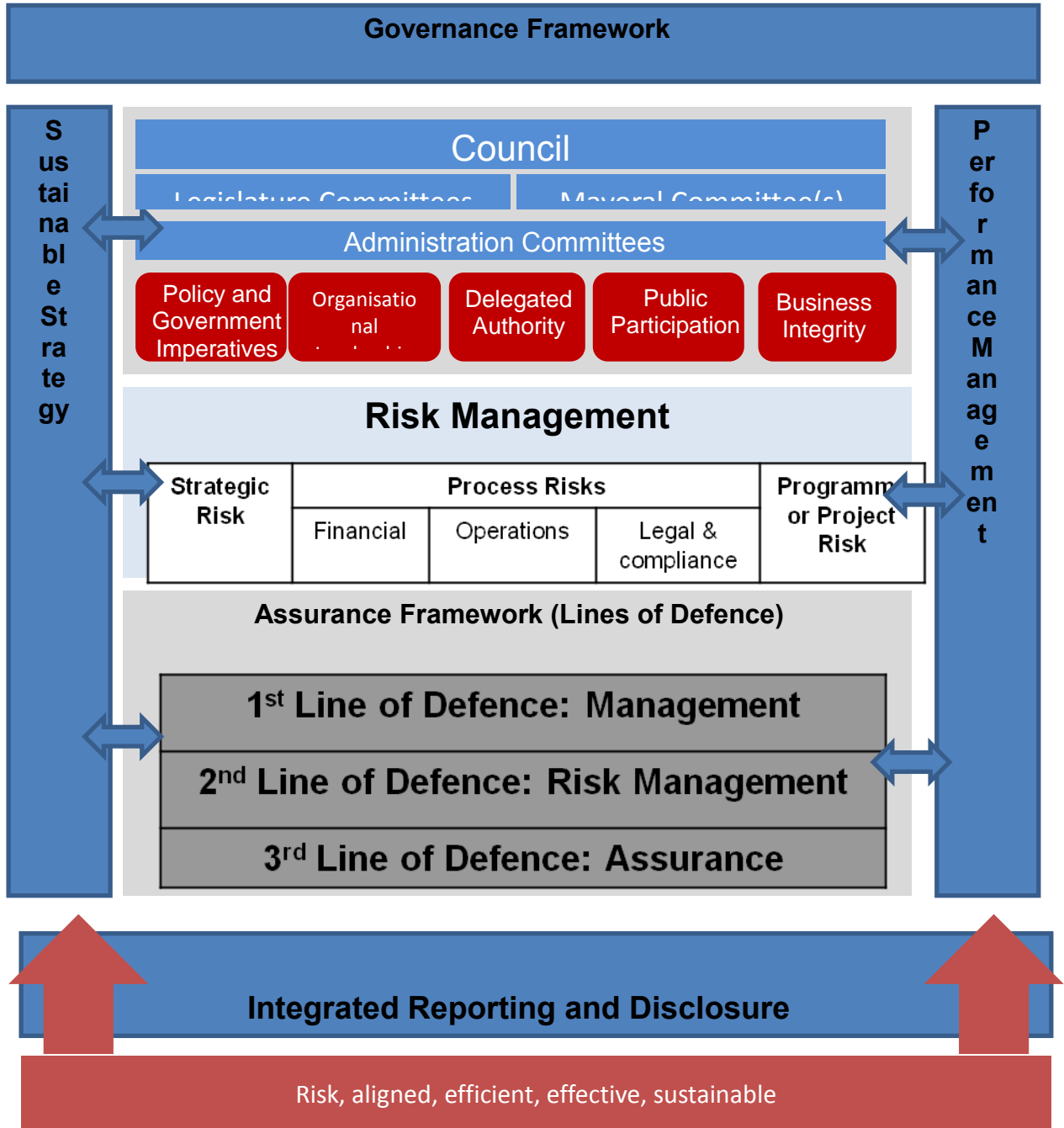
The Council approved the system of delegation in September 2011. The system of delegations has been developed to maximize administrative and operational efficiency and to provide for adequate checks and balances as required in terms of sections 59 to 65 of the Municipal Systems Act, 32 of 2000.



The municipality is in the process of finalising its Public Participation and Engagement Framework. The Public Participation and Engagement Framework has been developed to deepen democracy and to improve a culture of participatory governance in the Municipality. The framework requires developing a new, inclusive and constructive attitude towards local governance. This requires an open attitude on the part of councillors and officials, and conversely, an acknowledgement of the responsibilities of constructive engagement in the interests of all citizens.

The business Integrity Framework has been developed and in the process of being finalised and adopted by Council. The Framework sets out the behaviours, values and ethics that underpin the policy, processes and procedures for the work of EMM. It is designed to emphasise integrity as a key consideration in decision making and in our dealings with ourselves and others. Integrity and accountability are core values for EMM, continuing to command trust is fundamental to the success of the EMM. Our employees and business partners should be confident that we will deal with them fairly and ethically. Our Business Integrity Framework, consisting of the Business Integrity Policy and Business Integrity Principles (the Principles), set out the standards which guide the conduct of our business. The Framework is applicable to all EMM employees and all EMM business partners. The Framework makes it clear that we are implacably opposed to corruption, dishonesty and unethical behaviour. We will neither give nor accept bribes, nor permit others to do so in our name.

The following is a reflection of the new Governance Framework for EMM:



2.4.1 RISK MANAGEMENT

The effective management of risk is central to the achievement of the Municipality's vision of smart, creative and developmental City and the Growth and Development Strategy (GDS) 2025. By understanding and managing risk, we can provide greater certainty and security for our employees, citizens of Ekurhuleni and all our stakeholders.

2.4.1.1 Risk Governance

Risk Management in the Municipality is guided and monitored by various committees at Council and administrative level that have adopted certain principles to assist them in performing their duties. The Council through the Municipal Public Accounts Committee (MPAC), Risk Committee and the Audit Committee, acknowledges its overall accountability for ensuring an effective results-driven, Risk Management process in the Municipality. These Committees assist the Legislature and Executive Arm of Council in fulfilling its corporate governance responsibilities by monitoring and reviewing the Risk Management Policy and Framework for identifying and managing strategic, operational and financial risks associated with the EMM business. The Council has adopted a Risk Management Policy and Framework that enables management to proactively identify and respond appropriately to all significant risks that could impact on business objectives.

The City Manager as the Accounting Officer of the municipality has the overall responsibility for implementing the system of risk management in the organisation. The Senior Management Team (EXCO) is responsible for the design, implementation and monitoring of the risk management programme in the municipality. The City Manager has also established the Governance Risk and Compliance Committee at administrative level which gives effect to the Risk Management Policy and Framework defined by the Council.

Responsibility for the management of risk resides with line management in all departments and projects. Risk Management has been included as one of the key components of performance in the Heads of Departments (HODs) and Directors performance contracts. The Heads of Departments and management are responsible for the management of risks in their Departments and also to ensure that the necessary controls remain in place and are effective at all times. Control effectiveness focuses on improving our ability to manage risk effectively, so that we can quickly and confidently act on opportunities to improve and sustain the quality and continuity of municipal services.

2.4.1.2. Objective Setting, Risk Identification, Assessment and Response

In line with the approved risk management policy and framework a top down approach has been adopted in developing the risk profiles of the organisation. The results of the strategic and operational assessments were used to crystallise the problem statements, draft the departmental strategic thrust, and the result statements for the development of the Integrated Development Plan (IDP) and the Service Delivery Budget Implementation Plan (SDBIP). The risks associated with the implementation of the IDP and the SDBIP were identified and risk mitigation strategies were developed for risks with high residual rating. Budgets were allocated for the implementation of the risk mitigation strategies.

2.4.2 ANTI-CORRUPTION AND FRAUD

The municipality implemented an Anti -Corruption Strategy, which incorporates a Code of Conduct for Municipal Staff Members as well as an Anti-Fraud and Corruption policy.

The stance of the Municipality is:

- Fraud and corruption will not be tolerated - zero tolerance;
- All incidents will be investigated and followed up by the application of all remedies available within the full extent of the law;
- All incidents of fraud and corruption will be reported to the saps for criminal prosecution; and
- Losses or damages suffered will be recovered from such an employee/councilor if she/he is liable in law.

Management also leading by example as one of the tools to be used by management to create such a culture of zero tolerance towards fraud and corruption in the municipality.

The municipality instituted a Fraud hotline as part of the anti-corruption strategy. We also receive reports of possible fraud and corruption from the National fraud hotline as well from management. The Chief Audit Executive investigates every case reported and reports the results to the Head of the Department and the City Manager , who then institute disciplinary actions as well as criminal actions where deemed necessary.

The Audit Committee of the municipality consists of five external members appointed by the Executive Mayor. All officials (Heads of Department) attending the meetings are there on standing invitation and do not have any voting rights.

The municipality's Bid Evaluation Committee and Bid Adjudication Committee, which consist of senior managers in the municipality, evaluate all bids and tenders.

The Audit Committee recommendations for 2011/12 are set out per Appendix.

2.4.3 SUPPLY CHAIN MANAGEMENT

- The Council developed a Supply Chain Management Policy and practices in compliance with the guidelines set down by the Supply Chain Management Regulations, 2005, which was approved with effect from 1 March 2006.
The Council also adopted the new Preferential Procurement Regulations, 2011, with effect from 7 December 2011. A new SCM Policy, incorporating the abovementioned Regulations, as well as all other relevant legislation, regulations and circulars, is currently being developed.
- No councilors are members of any committee handling Supply Chain processes.
- No Supply Chain officials have reached the prescribed levels yet, but the relevant officials are currently attending training courses in order to reach the prescribed competency levels.
- Seven Supply Chain officials are yet to reach the necessary competency levels.

2.4.4 BY- LAWS

| By-Laws introduced during 2011/12 | | | | | |
|------------------------------------|-------------|---|---|---------------------------|---------------------|
| Newly Developed | Revised | Public Participation Conducted prior to Adoption (Yes/No) | Dates of Public Participation | By-Laws Gazetted (Yes/No) | Date of Publication |
| Tariff By-law (w.i.f. 1 July 2011) | New | Yes - also legal processes as prescribed by legislation | Part of budget processes - various regional public meetings on 19 March 2011. | YES | 1-Jun-2011 |
| Standing Orders By-law | 29-Sep-2011 | No - only legal processes as prescribed by legislation followed as this is an internal control document | n/a | YES | 10-Oct-2011 |

Table 11: By Laws Introduced

COMMENT ON BY-LAWS:

The Tariff By-law listed above gives effect to the implementation of the Ekurhuleni Metropolitan Municipality's individual tariff policies and provide for matters incidental thereto. It was thoroughly work shopped as part of the 2011/2012 Budget and IDP development processes. In compliance with legal requirements, the intention of council to adopt these By-laws were also advertised in the news media , Provincial Gazette, on the website, official notice boards and was open for inspection and comment at all libraries, Head Office and satellite offices of the Municipality. The final adopted By-law was promulgated in the Provincial Gazette.

The Standing Orders By-law provides for meeting procedures, order at Council meetings, conduct of Council business, debates, questions, roles of political office bearers and provides for matters incidental thereto. These By-laws because it is meant for control of internal processes was not subjected to public participation processes apart from the legal requirements that had to be complied with. These By-laws however were thoroughly work shopped with all internal stakeholders before council adopted it.

As part of a general initiative for the enforcement of Municipal By-laws, the municipality has embarked on an integrated approach to By-law enforcement through the implementation of an Integrated By-law Programme. This inter alia, involves multi-disciplinary By-law operations across EMM that focuses on enforcing all By-laws in a targeted area whilst conducting By-law awareness and education to the relevant communities. An Integrated By-law Enforcement Task Team was established in 2011 and meets on a monthly basis to discuss the enforcement of the applicable by-laws in all communities within Ekurhuleni. All the service departments are represented on the Task Team, and the Chief Operations Officer is the custodian of the Task Team.

The purpose of the team is to:

- Plan and execute By-law Blitz Enforcement operations
- Report back on progress made by departments in enforcing by-laws in their day to day operations
- Bring urgent infringements to the attention of the relevant departments, for instance EMPD or Waste Management

- Report back on infringement rectifications subsequent to By-law Blitz operations
- Report back on contravention cases by Corporate and Legal Services Department.

The By-law Blitz operations have proven to be very effective in the enforcement of by-laws, as it is not only cost effective, but also serves as a visual deterrent for possible infringers.

The Task Team was also responsible for the appointment of MK veterans as Urban Marshals in all the Customer Care Centers. The role of the Urban Marshals is to patrol the streets of Ekurhuleni, and bring any suspected by-law contravention to the attention of the CCC Manager, who will then bring it to the attention of the responsible Department for investigation.

2.4.5 WEBSITES

| Municipal Website: Content and Currency of Material | | | |
|---|-----------------|------------------------|--|
| Documents published on the Municipality's / Entity's Website | Yes / No | Publishing Date | COMMENTS |
| Current annual and adjustments budgets and all budget-related documents | Yes | 1 Jun 2012 | |
| All current budget-related policies | Yes | 23 Feb 2012 | |
| The previous annual report (2010/11) | Yes | 2 Feb 2012 | |
| The annual report (2011/12) published/to be published | No | | Planned for Sept. 2012 |
| All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2011/12) and resulting scorecards | No | 6 Aug 2012 | Only latest agreement was published |
| All service delivery agreements (2011/12) | No | 15 Mar 2012 | Only current agreements were published |
| All long-term borrowing contracts (2011/12) | No | 5 Mar 2012 | Only current information was published |
| All supply chain management contracts above a prescribed value (give value) for 2011/12 | No | 2 Jul 2012 | Only data from Sept 2011 onwards was placed – All contracts are published |
| An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2010/11 | No | 25 Apr 2012 | Only information relating to 2011/12 financial period was placed on 25 April 2012 |
| Contracts agreed in 2011/12 to which subsection (1) of section 33 apply, subject to subsection (3) of that section | No | 5 Mar 2012 | Only information from 2009/10 financial period to date was placed on 25 April 2012 |
| Public-private partnership agreements referred to in section 120 made in 2011/12 | No | N/A | |
| All quarterly reports tabled in the council in terms of section 52 (d) during 2011/12 | No | | |
| <i>Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.</i> | | | |

Table 12: Municipal Website

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS

According to the MFMA S75, the following information must be placed on the website of municipalities:

- (a) The annual and adjustments budgets and all budget-related documents;
 - (b) all budget-related policies;
 - (c) the annual report;
 - (d) all performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act;
 - (e) all service delivery agreements;
 - (f) all long-term borrowing contracts;
 - (g) all supply chain management contracts above a prescribed value;
 - (h) an information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14(2) or (4) during the previous quarter;
 - (i) contracts to which subsection (1) of section 33 apply, subject to subsection (3) of that section;
 - (j) public-private partnership agreements referred to in section 120;
 - (k) all quarterly reports tabled in the council in terms of section 52(d); and
 - (l) any other documents that must be placed on the website in terms of this Act or any other applicable legislation, or as may be prescribed.
- (2) A document referred to in subsection (1) must be placed on the website not later than five days after its tabling in the council or on the date on which it must be made public, whichever occurs first.

PUBLIC SATISFACTION ON MUNICIPAL SERVICES

| Satisfaction Surveys Undertaken during | | 2009/10 | and | 2010/11 | | |
|--|---|---------------------------------|---------------------------------|---|---------|---------|
| Subject matter of survey | Survey method | Survey date | No of people included in survey | Survey results indicating satisfaction or better (%)* | | |
| Overall satisfaction with: | | | | 2008/09 | 2009/10 | 2010/11 |
| (a) Municipality | Household Satisfaction Survey | ¹ July2008-Sept 2010 | 3152 | 55.1% | 56.1% | 58.9% |
| | ² Overall Service Level- Call Centre | July2008-Sept 2010 | | | 59.1% | 57.3% |
| (b) Municipal Service Delivery | ³ Overall Service Level- Drop In | July2008-Sept 2010 | | | 51.7% | 64.2% |
| (c) Mayor | ⁴ Councillor Performance | July2008-Sept 2010 | 3152 | 40.5% | 40.6% | 37% |
| | ⁵ Ward Committee Performance | July2008-Sept 2010 | 3152 | 37.3% | 37.6% | 42% |
| Satisfaction with: | | | | | | |
| (a) Refuse Collection | Household Satisfaction Survey | July2008-Sept 2010 | 3152 | 79.1% | 73.1% | 81.2% |
| (b) Road Maintenance ⁶ | Household Satisfaction Survey | July2008-Sept 2010 | 3152 | 56.3% | 67.0% | 63.2% |
| (c) Electricity Supply | Household Satisfaction Survey | July2008-Sept 2010 | 3152 | 67.1% | 73.0% | 76.5% |
| (d) Water Supply | Household Satisfaction Survey | July2008-Sept 2010 | 3152 | 74.0% | 71.9% | 78.4% |
| (e) Sanitation | Household Satisfaction Survey | July2008-Sept 2010 | 3152 | 73.5% | 73.9% | 77.0% |
| (f) Information supplied by municipality to the public ⁷ | Household Satisfaction Survey | July2008-Sept 2010 | 3152 | 55.3% | 45.6% | 48.4% |
| (g) Opportunities for consultation on municipal affairs | | | | | | |
| * The percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory | | | | | | T2.11.2 |
| ¹ The Household Satisfaction Survey was conducted for a three year period from July 2008 to September 2010. In 2011, a Customer ²⁻³ The percentages are provided for the overall satisfaction with the EMM Call Centre as well as the Drop-In at the Customer Care ⁴⁻⁵ There is no percentage provided for the overall satisfaction with the mayor however percentages for councillors and ward ⁶ Road Maintenance has been extracted from the 2010 Household Satisfaction Survey as Road Infrastructure ⁷ EMM Communication has been sourced from the 2010 Household Satisfaction Survey | | | | | | |

Table 13: Satisfaction Surveys Conducted

SATISFACTION WITH OVERALL EMM PERFORMANCE

| EMM GLOBAL RATING | Proportion of Households Reporting | | |
|---|------------------------------------|-------|--------|
| | 2008 | 2009 | 2010 |
| Satisfaction with Overall EMM Performance | 55.1% | 56.1% | 58.9% |
| Change | | +1%↑ | +2.8%↑ |

- Satisfaction with overall EMM performance was computed as an index from satisfaction ratings for individual services

- Satisfaction with overall municipal performance has risen for the second consecutive year.
- Improvement in 2010 is almost three times that in 2009
- Overall, 3 in every 5 households is satisfied with EMM performance
- While overall results show improvement, localized results are variable

| Type of Household | Proportion of Households Reporting | | |
|-------------------|------------------------------------|-------|---------|
| | 2009 | 2010 | Change |
| Suburban | 68.0% | 70.7% | +2.7%↑ |
| Township | 67.0% | 66.5% | -0.5%↓ |
| Informal | 20.0% | 34.6% | +14.6%↑ |

- Suburban and township households are quietly satisfied with municipal performance (2 in 3 households)
- Informal households remain quiet dissatisfied (only 1 in 3 households), despite a significant improvement in 2010

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

3.1.0 COMPONENT A: BASIC SERVICES

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

3.1.1 WATER AND SANITATION

3.1.1.1 INTRODUCTION

Departmental Vision and Mission

The provision and management of water services in an effective, efficient, affordable, equitable and sustainable manner, applying appropriate standards and the optimal utilisation of resources, guided by the principles of Batho Pele whilst taking into consideration the environment, developmental needs and services backlog of the communities.

Departmental Key Performance Areas

The main achievements for the year include:

- Retaining the Blue Drop Certificate – affirmation by Department of Water Affairs and Environment that the quality of water supply meet the stringent international and national standards
- Retaining the Green Drop Certificate – affirmation by the same department that the wastewater management (that includes effluent discharged) meets national standards. This certification also affirms that actions taken by EMM consider environmental impacts.
- 100% access to water services as per the national department's guidelines
- 100% access to sanitation services as per national department's guidelines

3.1.1.2 GENERAL INFORMATION

Water and Sanitation Services

The Water and Sanitation Department is committed to provide each household/customer/user with access to potable water in terms of the Water Services Act (Act 108 of 1997). Thus, all proclaimed formal stands (excluding farms / agricultural stands) are provided with a metered potable water connection to each stand. Agricultural stands, where infrastructure is in close proximity of those stands are provided with a rudimentary potable piping system. In the case of Bapsfontein (farmland) a rudimentary pipe system has been installed but not yet commissioned. The latter is due to a pending legal process to

obtain servitudes over privately owned land. The source for the Bapsfontein area will be a borehole owned by the Department of Water Affairs (DWA).

The top four service delivery priorities are:

1. Project 'Top 500': Industrial sites are physically being visited and all meters are located for each stand. Each stand is audited in terms of number of meters connected to those stands. Combination meters are installed and re-sized in order to measure the high and low flows and ensured that only one meter is connected per industrial stand. Stands visited during 2011/2012 financial year amount to 391. The financial increase due to this project for Council is estimated on R731,900/month.
2. Roll-out of Water Conservation Management (WCM) meters: It has been identified that domestic meters under-read approximately 30%, due to the non-replacement of these meters over the past years. A replacement program has been established and during the 2011/2012 financial year approximately 20 000 WCM meters have been installed and commissioned. It is difficult to state what the impact of these meters will have due to the fact that the Water and Sanitation Department's water balance is calculated on a 12 month rolling target.
3. Provide all indigents with 9kl potable water: All indigents as per the Health Department's registered have been provided with an additional 3kl of potable water (i.e. over and above the 6kl free basic water FBW).
4. Maintaining the Blue Drop excellence award. EMM was awarded the 1st place in Gauteng and 1st place in the country in this assessment process of Department of Water Affairs.

Rand Water (Service Provider) is responsible for the bulk potable water supply to EMM storage reservoirs and pressure towers. There is however a number of direct connections to customers/users which is administratively managed through EMM's Finance Department (i.e. paying Council tariffs). It should further be noted that there is a number of connections between neighboring municipalities as well. EMM provides potable water to the City of Johannesburg through 8 separate water meters. Likewise the City of Johannesburg is providing EMM potable water through 5 separate water meters. EMM also provides potable water to Lesedi through one water meter in the Springs area.

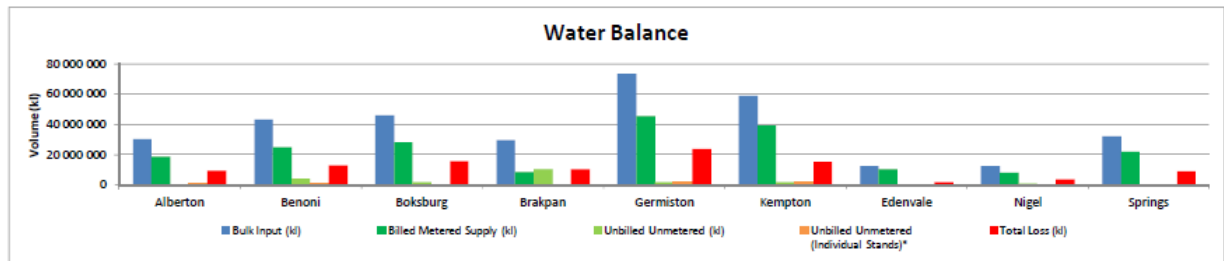
The EMM has 119 Informal Settlements within its area of jurisdiction. All informal settlements are provided with communal water standpipes at 200m radius (RDP standard). However, sanitation within the Informal Settlements is challenging. Due to the high density of these settlements sanitation facilities cannot effectively be provided. Currently chemical toilet facilities are in place in terms of a 1:10 ratio. This option however is not economically sustainable and thus the Water and Sanitation Department is rolling-out an alternative option, named project Xixima. The latter option consists of a custom made cargo container and fitted with water borne toilets, and wash basins to serve 20 households per container. Due to the high densities, this option is consequently founded on the periphery of the settlements.

The service providers within the area of jurisdiction of EMM are as follows:

Rand Water is responsible for the bulk potable water supply to EMM storage reservoirs and pressure towers. There is however a number of direct connections to customers/users which is administratively managed through EMM's Finance Department (i.e. paying Council tariffs). The East Rand Water Care Company (ERWAT) is responsible for the treatment of all waste water and industrial effluent reaching the treatment plants and emanating from EMM customers/users. Storm water/Surface run-off entering into the sewer reticulation is a huge challenge for the Water and Sanitation Department. These phenomena take up major capacities within the sewer system as well as the treatment plants.

a. TOTAL USE OF WATER BY SECTOR (CUBIC METRES)

| Area | Revenue Water | | Non Revenue Water | | | | | Water Loss KPI's | | Comment | |
|-----------|------------------|-------------------------------------|---|-----------------------------|--|---|-------------|----------------------|---------------------------|---------|--|
| | Total Bulk Input | Billed Metered: 'Formal Water Sales | Non Revenue Water: Net Input - Billed Metered | Non Revenue Water (% Input) | Unbilled Unmetered Supply (Informal Areas & large areas) | Unbilled Unmetered (Individual Stands)* | Water Loss | Water Loss (% Input) | Total Losses/ pipe length | | Total Losses/ connection |
| | kl/y | kl/y | kl/y | % | kl/y | kl/y | kl/y | % | l/min/km | | l/h/conn |
| Alberton | 30 293 372 | 18 985 216 | 11 308 156 | 37.3 | 716 351 | 910 453 | 9 681 352 | 32.0 | 23 | 29 | See individual comment in Annual sheet |
| Benoni | 43 209 968 | 24 923 364 | 18 286 604 | 42.3 | 4 267 766 | 815 356 | 13 203 482 | 30.6 | 18 | 21 | |
| Boksburg | 45 773 296 | 28 097 556 | 17 675 740 | 38.6 | 2 074 254 | 0 | 15 601 486 | 34.1 | 20 | 26 | See individual comment in Annual sheet |
| Brakpan | 29 499 640 | 8 796 058 | 20 703 582 | 70.2 | 10 178 861 | 34 595 | 10 490 126 | 35.6 | 22 | 39 | |
| Germiston | 73 257 488 | 45 269 220 | 27 988 268 | 38.2 | 2 053 545 | 2 071 681 | 23 863 042 | 32.6 | 22 | 39 | |
| Kempton | 58 854 144 | 39 171 796 | 19 682 348 | 33.4 | 1 999 371 | 2 190 231 | 15 492 746 | 26.3 | 18 | 20 | See individual comment in Annual sheet |
| Edenvale | 12 560 324 | 10 379 970 | 2 180 354 | 17.4 | 0 | 30 468 | 2 149 886 | 17.1 | 15 | 23 | |
| Nigel | 12 795 940 | 8 051 900 | 4 744 040 | 37.1 | 1 043 426 | 0 | 3 700 614 | 28.9 | 17 | 18 | See individual comment in Annual sheet |
| Springs | 31 919 408 | 21 821 950 | 10 097 458 | 31.6 | 669 345 | 357 094 | 9 071 019 | 28.4 | 20 | 27 | |
| | 338 163 580 | 205 497 030 | 132 666 550 | 39.2 | 23 002 919 | 6 409 878 | 103 253 753 | 30.5 | 20 | 25 | |



b. WATER SERVICE DELIVERY LEVELS

| Water Service Delivery Levels | | | | |
|---|------------|------------|------------|------------|
| Description | Households | | | |
| | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
| | Actual No. | Actual No. | Actual No. | Actual No. |
| Water: (above min level) | | | | |
| Piped water inside dwelling | | 445,477 | 479,726 | 353,996 |
| Piped water inside yard (but not in dwelling) | | | | 203,624 |
| Using public tap (within 200m from dwelling) | | 161,146 | 155,156 | 153,778 |
| Other water supply (within 200m) | | | | |
| <i>Minimum Service Level and Above sub-total</i> | - | 606,623 | 634,882 | 711,398 |
| <i>Minimum Service Level and Above Percentage</i> | #DIV/0! | 100% | 100% | 98% |
| Water: (below min level) | | | | |
| Using public tap (more than 200m from dwelling) | | | | 4,312 |
| Other water supply (more than 200m from dwelling) | | | | 7,145 |
| No water supply | | | | 100 |
| <i>Below Minimum Service Level sub-total</i> | - | - | - | 11,557 |
| <i>Below Minimum Service Level Percentage</i> | #DIV/0! | 0% | 0% | 2% |
| Total number of households* | - | 607 | 635 | 723 |
| * - To include informal settlements | | | | T 3.1.2.2 |

c. HOUSEHOLDS – WATER SERVICE DELIVERY LEVELS BELOW MINIMUM

| Households - Water Service Delivery Levels below the minimum | | | | | | |
|--|------------|------------|------------|---------------------|---------------------|------------|
| Description | Households | | | | | |
| | 2008/09 | 2009/10 | 2010/11 | 2011/12 | | |
| | Actual No. | Actual No. | Actual No. | Original Budget No. | Adjusted Budget No. | Actual No. |
| Formal Settlements | | | | | | |
| Total households | 442 | 446 | 451 | 455 | 455 | 457 |
| Households below minimum service level | - | - | - | - | - | - |
| Proportion of households below minimum service level | 0% | 0% | 0% | 0% | 0% | 0% |
| Informal Settlements | | | | | | |
| Total households | - | - | - | 164 | 164 | 164 |
| level | - | - | - | 12 | 12 | 12 |
| Proportion of households below minimum service level | #DIV/0! | #DIV/0! | #DIV/0! | 7% | 7% | 7% |
| | | | | | | T3.1.2.3 |

d. ACCESS TO WATER

e. SANITATION/SEWER GRAPHS

f. SANITATION SERVICE DELIVERY LEVELS

| Sanitation Service Delivery Levels | | | | |
|---|---------|---------|-----------|------------------------|
| Description | 2008/09 | 2009/10 | 2010/11 | *Households 2011/12 |
| | Outcome | Outcome | Outcome | Actual |
| | No. | No. | No. | No. |
| Sanitation/sewerage: (above minimum level) | | | | |
| Flush toilet (connected to sewerage) | | | | 456,720 |
| Flush toilet (with septic tank) | | | | 1,208 |
| Chemical toilet | | | 89,262 | 95,500 |
| Pit toilet (ventilated) | | | 675 | 675 |
| Other toilet provisions (above min.service level) | | | 104 | 104 |
| <i>Minimum Service Level and Above sub-total</i> | - | - | 90,041 | 554,207 |
| <i>Minimum Service Level and Above Percentage</i> | #DIV/0! | #DIV/0! | 100.0% | 89.0% |
| Sanitation/sewerage: (below minimum level) | | | | |
| Bucket toilet | | | | |
| Other toilet provisions (below min.service level) | | | | 68,500 |
| No toilet provisions | | | | |
| <i>Below Minimum Service Level sub-total</i> | - | - | - | 68,500 |
| <i>Below Minimum Service Level Percentage</i> | #DIV/0! | #DIV/0! | 0.0% | 11.0% |
| Total households | - | - | 90 | 622,707 |
| *Total number of households including informal settlements | | | | <i>T 3.1.2.6</i> |

g. HOUSEHOLDS – SANITATION SERVICE DELIVERY LEVELS BELOW MINIMUM

| Households - Sanitation Service Delivery Levels below the minimum | | | | | | |
|---|---------|---------|---------|-----------------|-----------------|------------------|
| Description | 2008/09 | 2009/10 | 2010/11 | 2011/12 | | |
| | Actual | Actual | Actual | Original Budget | Adjusted Budget | Actual |
| | No. | No. | No. | No. | No. | No. |
| Formal Settlements | | | | | | |
| Total households | | 626,229 | 634,882 | | | 456,720 |
| Households below minimum service | | | | | | - |
| Proportion of households below | | | | | | |
| minimum service level | #DIV/0! | 0% | 0% | | | 0% |
| Informal Settlements | | | | | | |
| Total households | | 161,146 | 164,699 | | | 164,000 |
| Households below minimum | | | | | | 68,500 |
| Proportion of households below | | | | | | |
| minimum service level | #DIV/0! | 0% | 0% | #VALUE! | #DIV/0! | 42% |
| | | | | | | <i>T 3.1.2.7</i> |

h. ACCESS TO SANITATION

2. POLICY OBJECTIVES TAKEN FROM IDP

| Water & Sanitation Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|--|---|---------------|----------------------------------|--------|---------|-----------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Increased provision of sanitation infrastructure | Number of prioritised informal settlements with functional ablution facilities | 40 | 0 | 0 | 4 | 3 | 6 | | |
| | Output | Installation of the sewer pipeline | Number of informal settlements with installed sewer lines | 40 | 0 | 0 | 4 | 3 | 6 | | |
| | Output | Technical maintenance of the sanitation infrastructure | Number of ablution units serviced | 80 | 0 | 0 | 8 | 13 | 11 | | |
| | Output | Identification of Prioritised informal settlements | Number of informal settlements prioritised | 40 | 0 | 0 | 4 | 3 | 6 | | |
| | Outcome | Reduced water losses | % water losses | 26% | 31.8% | 31.9% | 31% | 30% | 30% | | |
| | Outcome | Reduced unmetered properties | Number of unmetered households (hh) | 85000 | 155695 | 0 | 0 | Due in Y2 | 150000 | | |
| | Output | Installed water consumption management meters | Number of households with water consumption management (WCM) meters | 275000 | 450000 | 0 | 1000 | 12251 | 410000 | | |
| | Outcome | Reduced unplanned water interruptions | Reduction in unplanned interruptions | 20% | 21698 | 19781 | 18211 | 7997 | 17678 | | |
| | Outcome | Reduced water maintenance backlog | % maintenance levy spent | 100% | 95% | 95% | 95% | 87% | 95% | | |
| | Output | Implement the plan to eradicate maintenance backlog | % capex spent | 95% | 95% | 91% | 92% | 81% | 93% | | |
| | Output | Increased access to free basic water by registered indigents in line with applicable standards | % of indigent hh, registered on Indigent register as at end of Quarter and Year with access to free basic water | 100% | Total no of registered indigents | 100% | 100% | 100% | 100% | | |

T 3.1.3

Comments:

The department achieved 50% of the targets set for the 2011/2012 financial year. Underperformance was noted in respect of the increased provision of sanitation infrastructure. The main reason provided was the rejection of the project by the Ekurhuleni residents and this delayed the project substantially.

3.1.1.3 EMPLOYEE INFORMATION

| Employees: Water & Sanitation | | | | | |
|--|-----------|---------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 1 | 0 | 1 | 100% |
| 4 - 6 | 19 | 26 | 17 | 9 | 35% |
| 7 - 9 | 104 | 144 | 100 | 44 | 31% |
| 10 - 12 | 55 | 68 | 53 | 15 | 22% |
| 13 - 15 | 180 | 218 | 178 | 40 | 18% |
| 16 - 18 | 614 | 672 | 602 | 70 | 10% |
| 19 - 20 | | | | | |
| Total | 972 | 1129 | 950 | 179 | 16% |
| <p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.</i></p> <p><i>*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> | | | | | |
| | | | | | 3.1.1.4 |

Table 14: Employees: Water and Sanitation

3.1.1.4 FINANCIAL PERFORMANCE

| Financial Performance: Water & Sanitation | | | | | |
|--|------------------|------------------|-------------------|------------------|--------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | 3,524,827 | 4,391,672 | 4,150,843 | 4,101,802 | -7% |
| Expenditure: | | | | | |
| Employees | 230,133 | 57,576 | 53,547 | 35,448 | -62% |
| Repairs and Maintenance | 339,581 | 394,133 | 357,281 | 356,386 | -11% |
| Other | 2,297,231 | 3,150,733 | 3,032,719 | 3,033,232 | -4% |
| Total Operational Expenditure | 2,866,945 | 3,602,442 | 3,443,547 | 3,425,065 | -5% |
| Net Operational Expenditure / (Surplus) | (657,882) | (789,230) | (707,296) | (676,737) | -17% |
| <i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i> | | | | | 3.1.5 |

Table 15: Financial Performance: Water and Sanitation

3.1.1.5 CAPITAL EXPENDITURE

| Capital Expenditure: Water & Sanitation | | | | | |
|--|----------------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 603,660 | 459,210 | 420,640 | -44% | |
| Alberton: Install new OF Huntersfield | 1,000 | 200 | - | 0% | 20,500 |
| Alberton: Re-line water supply Delphinium str | 200 | 785 | 622 | 68% | 4,700 |
| Alberton: Replace gal water connections | 1,000 | 502 | 502 | -99% | 7,002 |
| Alra Park Essential services | - | 7,200 | 4,939 | 100% | 6,239 |
| Apex land (R/115IR Ptns 46 & 163 1000) E/Serv | 200 | 200 | - | 0% | - |
| Augmentation of Rondebuit Water Supply | 200 | 961 | 932 | 79% | 1,132 |
| Automatic Meter Reading Projects AMR) | 2,000 | 164 | 164 | -1119% | 164 |
| Bedford View bulk water upgrade | 2,000 | 155 | 155 | -1194% | 3,655 |
| Bedfordview: Upgrade bulk s & water r. | 200 | - | - | 0% | 584 |
| Benoni East: Augment water | 200 | 600 | 559 | 64% | 559 |
| Benoni East: Extend Sewers | 200 | 1,300 | 1,260 | 84% | 1,260 |
| Benoni North: Extend Sewers | 200 | 1,404 | 1,404 | 86% | 1,404 |
| Benoni South: Upgrade Sewers | 100 | 1,000 | - | 0% | - |
| Benoni South: Water Upgrades | 200 | 500 | - | 0% | - |
| Benoni: Extension of Rynfield w&s network | 6,000 | 3,823 | 3,823 | -57% | 30,123 |
| Benoni: Relining of Lakeside Mall | 7,000 | 6,279 | 4,837 | -45% | 19,393 |
| Blaauwpan: relocate the gravity sewer pipeline | - | 200 | 125 | 100% | 4,352 |
| Boksburg depot: Additions to standby quarters | 200 | 100 | 95 | -110% | 95 |
| Boksburg: Network Upgrade | 200 | 22,132 | 22,132 | 99% | 24,132 |
| Brakpan: Construct new r&p: Middelweg Rand Col | 2,000 | 68 | 68 | -2855% | 68 |
| Brakpan: New and upgrading supply pipework | 2,000 | 221 | 221 | -805% | 15,221 |
| Brakpan: Replace outfall sewer Casseldale | 1,000 | 576 | 576 | -74% | 5,576 |
| Brakpan: Upgrade feeder Rand Collieries | 1,500 | 2,100 | 2,058 | 27% | 11,501 |
| Brakpan: Upgrade Various Sewers | - | 1,500 | 1,499 | 100% | 2,599 |
| Brakpan: Upgrade Water Network | - | 1,825 | 1,825 | 100% | 4,325 |
| Brakpan: Upgrade water network in CBD area | 1,000 | - | - | 0% | - |
| Bulk supply for new water supply (Dawn Park) | 2,000 | 930 | - | 0% | 2,393 |

| Capital Expenditure: Water & Sanitation | | | | | |
|---|---------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Chief Albert Luthuli 6 bulk/link contributions | 3,101 | - | - | 0% | - |
| Clayville Ext 45 Bulk water and sewer | - | 900 | - | 0% | - |
| Construct new r&p;pumpst: Dalpark X13 | 2,000 | 907 | 907 | -121% | 6,907 |
| Construct new water supply (Atlas Rd) | 1,000 | 1,025 | 1,025 | 2% | 1,025 |
| Daveyton: Booster Pump Knoppiesfontein Res | 1,500 | 250 | 244 | -514% | 2,444 |
| Daveyton: Network Upgrade | 200 | - | - | 0% | - |
| Daveyton: Rehabilitate 450dia steel pipe | 3,500 | 500 | - | 0% | 395 |
| Ecaleni Erf 1 Essential services | 300 | - | - | 0% | 10,000 |
| Edenpark West & X 1 (858) Essential Services | 12,090 | 18,478 | 18,478 | 35% | 18,478 |
| Edenvale: Iliondale Outfall sewer | 12,000 | 4,431 | 4,431 | -171% | 21,117 |
| Emergency services to inf. settlements | 3,000 | 2,860 | 2,860 | -5% | 13,360 |
| ERWAT: Upgrade Hartebeestfontein WCW | 11,000 | - | - | 0% | 14,000 |
| Etwatwa Ext 35 Essential Services | 10,300 | - | - | 0% | 17,000 |
| Etwatwa Ext 37 Essential services | 11,135 | 6,535 | 6,072 | -83% | 6,152 |
| Etwatwa X 19 Essential service s/cial p/ | - | 1,079 | 1,079 | 100% | 1,079 |
| Etwatwa X 34 Essential service special project | 6,650 | 11,216 | 11,216 | 41% | 11,216 |
| Germiston depot: Additions to standby quarters | 500 | 15 | 15 | -3233% | 15 |
| Germiston: Elimination of Klippoortjie s pump s | 8,000 | 426 | 349 | -2194% | 10,889 |
| Germiston: Elsburg outfall sewer (H385) (P 2&3) C/F | 6,000 | 155 | 155 | -3760% | 8,155 |
| Germiston: Replace water pipes CBD | 2,000 | 6,505 | 6,505 | 69% | 15,057 |
| Germiston: Supply To Russel Rd Reservoir | 500 | 200 | - | 0% | 500 |
| Germiston: Upgrade and replace Dekema outfall sewer | 8,000 | 11,121 | 11,121 | 28% | 25,173 |
| ICT Equipment | 800 | 870 | 536 | -49% | 3,966 |
| Install comb meters Industrial areas | 10,000 | 17,271 | 17,271 | 42% | 129,271 |
| Installation of water meters | 5,000 | 65 | 65 | -7576% | 65 |
| Installation of water meters in various towns | 3,710 | 4,388 | 4,388 | 15% | 14,388 |
| Isolate Midblock water Kwa-Thema | 2,000 | 7,283 | 7,283 | 73% | 13,121 |
| Kathlehong: Network Upgrade | 200 | 620 | 620 | 68% | 1,620 |
| Kempton Park / Bapsfontein: Geesteveld Water | 683 | - | - | 0% | 583 |
| Kempton Park: Augment Water | 300 | 400 | 337 | 11% | 9,337 |

| Capital Expenditure: Water & Sanitation | | | | | |
|---|---------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Kempton Park: Network Upgrade | 200 | 1,794 | 1,794 | 89% | 1,794 |
| Kempton Park: Upgrade depot building | 2,500 | 382 | 146 | -1612% | 5,957 |
| Kwa Thema Ext 3 essential services(| 11,615 | 15,668 | 4,043 | -187% | 4,366 |
| Kwa-Thema: Upgrading of waternetwork C/F | 1,000 | 180 | 180 | -456% | 6,355 |
| Langaville: Upgrade water and sewer network | 1,500 | 500 | - | 0% | 1,651 |
| Leeupoort (Joe Slovo) essential services | 2,698 | - | - | 0% | - |
| Leeupoort bulk/link contributions | 17,643 | - | - | 0% | 63 |
| Lillianton Outfall sewer (H281) count | 2,000 | 817 | 817 | -145% | 6,317 |
| Mayfield X 1 Essential services | - | 5,634 | 5,634 | 100% | 5,634 |
| Modderfontein 76 IR Ptn 7 E/tial SVC C F | 16,850 | 6,342 | 6,342 | -166% | 6,342 |
| Moderfontein 76 IR Ptn 7 E/tial SVC C F | - | 6,773 | - | 0% | - |
| Moleleki Ext 1 & 2 Essential Services Completion | - | 2,559 | 2,559 | 100% | 2,559 |
| Ne District: Emergency Equipment At P/S | 800 | 800 | 687 | -16% | 2,987 |
| Nigel: New Nigel SDA depot building | 400 | - | - | 0% | - |
| Nigel: Tsakane: Zulu Water P/S | 200 | - | - | 0% | - |
| Nigel: Upgrade/Eliminate Rockville pumpst | 200 | 311 | 311 | 36% | 14,311 |
| Nigel: Water tower Visagie Park | 2,000 | 637 | 637 | -214% | 10,846 |
| Office Equipment | 500 | 423 | 119 | -319% | 1,734 |
| Office Furniture | 350 | 366 | 328 | -7% | 1,610 |
| Old Mutual Land Essential Services | 5,400 | - | - | 0% | 10,000 |
| Olifants: Upgrade reservoir | 1,000 | 1,876 | 1,876 | 47% | 4,376 |
| Palm Ridge Ext 4 Construction of Toilet Structures | - | 265 | 268 | 100% | 268 |
| Palm Ridge Phases 5 & 6 Bulk & Essential Services | 93,746 | 57,105 | 57,105 | -64% | 257,228 |
| Palm Ridge Phases 5 & 6 Essential Services | 59,035 | - | (0) | | 52 |
| Payneville Ext 1(1000) Essential Services | 23,415 | 28,879 | 28,879 | 19% | 28,879 |
| Phasing out of Dunswart pumpst C/F | 19,000 | 12,077 | 12,077 | -57% | 15,797 |
| Phomolong relocate mid-blocks | 500 | - | - | 0% | - |
| Phomolong: Augment supply pipeline to Phomolong and Commercia | 1,000 | - | - | 0% | 9,000 |
| Pipe replacement Phase1 | - | 8,610 | - | 0% | 13,000 |

| Capital Expenditure: Water & Sanitation | | | | | |
|--|---------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Pomona: Bulk supply Albertina Sisulu Corridor | 8,300 | 2,500 | 2,388 | -248% | 145,767 |
| Pomona: New Eastern OF sewer | 8,300 | 800 | 695 | -1094% | 145,430 |
| Pomona: Upgrade water A.H. Atlas rd | 1,000 | 427 | 427 | -134% | 2,927 |
| Pre-implementation Planning - various projects | - | 1,511 | 1,511 | 100% | 8,511 |
| Reiger Park: Decommission sewer p/station | 1,500 | 1,255 | 1,255 | -20% | 1,479 |
| Relocate midblock water Daveyton (W55) C/F | 5,000 | 3,864 | 3,864 | -29% | 4,012 |
| Relocate midblock water Vosloorus (MIG) | 400 | - | - | 0% | 3,203 |
| Replace and repair O/S Dawn Park | 2,500 | 100 | 30 | -8160% | 2,395 |
| Replace main water - Isekelo /Zephania Tembisa | 2,000 | 2,053 | 2,053 | 3% | 7,170 |
| Replace midblock s lines in Thokoza C/F | 4,100 | 1,431 | 1,431 | -187% | 7,139 |
| Replacement of Water Meters | - | 20,339 | 20,186 | 100% | 40,186 |
| Ring Conn. Water Network in Brakpan CBD | 500 | - | - | 0% | - |
| Sanitation developer | - | - | 9,699 | 100% | 9,699 |
| Sewer PumpStation Eliminate | - | 8,578 | - | 0% | 33,500 |
| South Eastern Outfall Sewer - Springs | 3,000 | 300 | - | 0% | 7,200 |
| Specialised Vehicles | 3,600 | 3,600 | 3,543 | -2% | 25,980 |
| Specialized Equipment | 500 | 491 | 291 | -72% | 2,360 |
| Springs: Augment Water | 400 | 200 | 185 | -116% | 3,285 |
| Springs: Casseldale Upgrade P/S | 100 | - | - | 0% | - |
| Springs: Kwa-Thema Augment Water | 500 | - | - | 0% | 7,000 |
| Springs: Kwa-Thema: Upgrade Water Network | 1,000 | 207 | 207 | -383% | 15,407 |
| Tembisa relocate mid-blocks | 1,000 | - | - | 0% | 46 |
| Tembisa: Building new & upg Depots (N Region) | 7,600 | 3,500 | 1,211 | -528% | 14,358 |
| Tembisa: New water pressure tower (MIG) | 2,000 | 100 | - | 0% | 5,647 |
| Tembisa: Relining of r feed for Tembisa res | 200 | 700 | - | 0% | 6,472 |
| Tembisa: Replace w/p Zephania str | 1,000 | - | - | 0% | - |
| Tembisa: Replace water pipe Isekelo | 2,000 | 89 | 89 | -2153% | 7,574 |
| Tembisa: Western OF sewer | 200 | 300 | - | 0% | 7,000 |
| Tsakane: Network Upgrade | 200 | 197 | 197 | -1% | 4,597 |
| Tsakane: New sewer p station Tsakane x 6 and 10 | 2,000 | 1,007 | 1,007 | -99% | 16,076 |

| Capital Expenditure: Water & Sanitation | | | | | |
|---|---------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Tsakane: Provide water Tsakane x 6 and 10 | 2,000 | 1,371 | 1,371 | -46% | 2,471 |
| Tsakane: Upgrade Xhosa / Zulu water P/S | 3,000 | 240 | 240 | -1150% | 35,556 |
| Upgrade and repair Depot Bldg Vosloorus | 200 | - | - | 0% | - |
| Upgrade Outfall Sewers in Vosloorus C/F | 10,000 | 534 | 534 | -1772% | 9,534 |
| Upgrade services Riverside, Mashimimi | 25,710 | 17,788 | 17,788 | -45% | 17,788 |
| Upgrade training venue at Boksburg water depot | 200 | 200 | - | 0% | 100 |
| Upgrade water main (C/F) Selcourt | 4,000 | 1,500 | 825 | -385% | 8,119 |
| Upgrade Water Network C/F Etwatwa X19 | 1,127 | 13 | 13 | -8446% | 31,479 |
| Upgrading of Benoni S/P | 12,000 | 4,089 | 4,089 | -193% | 42,089 |
| Viakfontein Portion 36 Essential services | 32,530 | 24,990 | 24,990 | -30% | 24,990 |
| Vosloorus: Extend the water net Mapleton | 200 | 282 | 282 | 29% | 2,927 |
| Vosloorus: Replace water main supply | 10,500 | 7,660 | 7,660 | -37% | 22,860 |
| Vosloorus: Upgrade and provide cathodic protection to steel pipes | 500 | - | - | 0% | 1,000 |
| Water and sewer refunds | 1,500 | 30 | 30 | -4899% | 1,130 |
| Water and Sewer Retic. Welgedacht | 5,500 | 3,500 | 3,447 | -60% | 16,693 |
| Water Demand Management Projects | 8,023 | 3,939 | 3,939 | -104% | 31,939 |
| Water developer created | - | - | 3,751 | 100% | 3,751 |
| Water Services Vehicles | 3,750 | 33,650 | 33,604 | 89% | 60,161 |
| Wattville erf 3130 Essential services | 1,000 | - | - | 0% | 1,100 |
| Witfontein: P/station East OF sewer | 100 | - | - | 0% | - |
| Zonkizizwe Proper Ext 1 & 2 Sanitation System | 3,300 | 1,653 | 1,253 | -163% | 1,436 |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.1.6 |

Table 16: Capital Expenditure: Water & Sanitation

3.1.1.6 COMMENTS ON DEPARTMENT'S OVERALL PERFORMANCE

WATER SERVICES:

The Water and Sanitation Department is committed to provide each household/customer/user with access to potable water in terms of the Water Services Act (Act 108 of 1997). Thus, all

proclaimed formal stands (excluding farms / agricultural stands) are provided with a metered potable water connection to each stand. Agricultural stands, where infrastructure is in close proximity of those stands are provided with a rudimentary potable piping system. In the case of Bapsfontein (farmland) a rudimentary pipe system has been installed but not yet commissioned. The latter is due to a pending legal process to obtain servitudes over privately owned land. The source for the Bapsfontein area will be a borehole owned by the Department of Water Affairs (DWA).

The top four service delivery priorities are:

- Project 'Top 500': Industrial sites are physically being visited and all meters are located for each stand. Each stand is audited in terms of number of meters connected to those stands. Combination meters are installed and re-sized in order to measure the high and low flows and ensured that only one meter is connected per industrial stand. Stands visited during 2011/2012 financial year amount to 391. The financial increase due to this project for Council is estimated on R731,900/month.
- 2. Roll-out of Water Conservation Management (WCM) meters: It has been identified that domestic meters under-read approximately 30%, due to the non-replacement of these meters over the past years. A replacement program has been established and during the 2011/2012 financial year approximately 20 000 WCM meters have been installed and commissioned. It is difficult to state what the impact of these meters will have due to the fact that the Water and Sanitation Department's water balance is calculated on a 12 month rolling target.
- Provide all indigents with 9kl potable water: All indigents as per the Health Department's registered have been provided with an additional 3kl of potable water (i.e. over and above the 6kl free basic water FBW).
- Maintaining the Blue Drop excellence award. EMM was awarded the 1st place in Gauteng and 1st place in the country in this assessment process of Department of Water Affairs. Rand Water (Service Provider) is responsible for the bulk potable water supply to EMM storage reservoirs and pressure towers. There is however a number of direct connections to customers/users which is administratively managed through EMM's Finance Department (i.e. paying Council tariffs). It should further be noted that there is a number of connections between neighbouring municipalities as well. EMM provides potable water to the City of Johannesburg through 8 separate water meters. Likewise the City of Johannesburg is providing EMM potable water through 5 separate water meters. EMM also provides potable water to Lesedi through one water meter in the Springs area.

SANITATION SERVICES

The Water and Sanitation Department is committed to provide each household/customer/user with access to at least basic waste water in terms of the Water Services Act (Act 108 of 1997). Thus, all proclaimed formal stands (excluding farms / agricultural stands / informal settlements) are provided with a water borne sewer connection to each stand. Agricultural stands, where infrastructure is in close proximity of those stands are provided a water borne sewer system. In the case of Bapsfontein (farmland) and other agricultural land where there is no nearby

infrastructure, self-provided ventilated pit latrine systems are utilised. However, when considering the Informal Settlements,, chemical toilet facilities have been provided by EMM (ratio 1:10). Alternative sanitation is also provided through project Xixima. This consists of a custom made 'cargo container' which contains toilets and wash basins and connected to a nearby water borne system. Due to the high densities within informal settlements these containers can only be placed on the periphery of the settlements.

The top three service delivery priorities are:

- Roll-out of project Xixima: This project is to target all informal settlements within the jurisdiction of EMM where water borne infrastructure is available.
- Green Drop Excellence award: The Water and Sanitation Department and ERWAT is jointly tasked to ensure that this excellence award similarly to that of the potable water be achieved.
- There are 17 waste water treatment plants which is evaluated separately. Thus meaning that should all treatment plants qualify, EMM /ERWAT jointly can effectively achieve to receive 17 Green Drops.

East Rand Water Care Company (ERWAT - Service Provider) is responsible for the bulk treatment of waste water emanating from EMM. It should further be noted that there is a number of connections between neighboring municipalities as well. EMM discharge waste water to the City of Johannesburg 4 points (i.e. Illiondale area, Bassonia Rock and South Crest).

3.1.2 ENERGY

3.1.2.1 INTRODUCTION

Departmental Key Performance Areas

- Revenue Services
- Energy Services
- Planning Services
- Operations & Maintenance Services
- Administrative Support Services.

The Strategic Focus of the Electricity and Energy Department is as follows:

- To reduce unplanned interruptions to ensure electricity service reliability
- To reduce the overall purchases from Eskom to create space for new development (Energy Efficiency)
- To generate adequate revenue in order to ensure that the entire revenue chain is effective
- To manage cable and copper theft
- To address the reduction of connection backlogs within the funding constraints
- The roll-out of the Solar Geyser Programme
- To provide street and area lighting
- To ensure the proper protection of electricity meters

GENERAL INFORMATION

The Energy Department installed 10 048 electricity supply connections in the 2011/2012 financial year and will be supplying electricity to 8 898 households in the 2012/2013 financial year. The number of electricity supply connections every year is limited to funding that is made available to the Energy Department for electrification.

Although the Energy Department address the electrification backlog every year, and 39,5% of the capital budget in the 2011/2012 financial year was allocated to electrification, the Human Settlements Department and the Provincial Housing Department are providing houses to beneficiaries every year which adds to the backlog.

3.1.2.1.1 ELECTRICITY SERVICE DELIVERY LEVELS

| Electricity Service Delivery Levels | | | | Households |
|---|------------|------------|------------|------------------|
| Description | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
| | Actual No. | Actual No. | Actual No. | Actual No. |
| <u>Energy: (above minimum level)</u> | | | | |
| Electricity (at least min.service level) | | | | 179,696 |
| Electricity - prepaid (min.service level) | | | | 323,000 |
| <i>Minimum Service Level and Above sub-total</i> | - | - | - | 503 |
| <i>Minimum Service Level and Above Percentage</i> | | | | 100.0% |
| <u>Energy: (below minimum level)</u> | | | | |
| Electricity (< min.service level) | | | | 0 |
| Electricity - prepaid (< min. service level) | | | | 0 |
| Other energy sources | | | | |
| <i>Below Minimum Service Level sub-total</i> | - | - | - | - |
| <i>Below Minimum Service Level Percentage</i> | | | | 0.0% |
| Total number of households | - | - | - | 503 |
| | | | | <i>T 3.2.2.2</i> |

3.1.2.1.2 HOUSEHOLDS – SERVICE DELIVERY LEVELS BELOW MINIMUM

| Households - Electricity Service Delivery Levels below the minimum | | | | | | |
|--|---------|---------|---------|----------|----------|------------------|
| Description | 2008/09 | 2009/10 | 2010/11 | 2011/12 | | |
| | Actual | Actual | Actual | Original | Adjusted | Actual |
| | No. | No. | No. | Budget | Budget | No. |
| | No. | No. | No. | No. | No. | No. |
| Formal Settlements | | | | | | |
| Total households | | | | | | 506,525 |
| Households below minimum service | | | | | | 120,000 |
| Proportion of households below minimum service level | | | | | | 24% |
| Informal Settlements | | | | | | |
| Total households | | | | | | 180,000 |
| Households ts below minimum service | | | | | | 180,000 |
| Proportion of households ts below minimum service level | | | | | | 100% |
| | | | | | | <i>T 3.2.2.3</i> |

3.1.2.2 POLICY OBJECTIVES TAKEN FROM IDP

| Energy Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|--|--|---------------|---------|--------|---------|--------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Improved revenue generation for the demand metered customer segment. | % units accounted for in the supply of electricity for the demand metered segment (which leads to improved revenue). | 57% | 56.90% | 56.90% | 57% | 59% | 57% | | |
| | Output | Reduced monthly demand meter reading and billing deviations are kept to levels of less than 5% | Monthly indication of successful upload in Venus. | 95% | 90% | 93% | 95% | 97.60% | 95% | | |
| | Outcome | Improved revenue generation from the prepayment customer segment. | % units accounted for in the supply of electricity for the prepayment metered segment (which leads to improved revenue). | 10% | 8.30% | 8.30% | 8.90% | 10% | 9% | | |
| | Output | Reduce number of customers not purchasing (prepaid vending) over a 90 day period | % of customers not purchasing over a 90 day period. | < 10% | 19 733 | 13% | 10% | 6,8% | 10% | | |

T3.2.3

Comments

The department achieved 95% of the targets set for the 2011/2012 financial year. Underperformance was noted in respect of the solar geysers since the Solar panels had to be imported and did not arrive on time

3.1.2.3 EMPLOYEE INFORMATION

| Employees: Energy | | | | | |
|-------------------------------------|-------------|-------------|------------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 31 | 37 | 31 | 6 | 16% |
| 7 - 9 | 128 | 148 | 123 | 25 | 17% |
| 10 - 12 | 245 | 273 | 238 | 35 | 13% |
| 13 - 15 | 323 | 383 | 303 | 80 | 21% |
| 16 - 18 | 295 | 343 | 298 | 45 | 13% |
| 19 - 20 | | | | | |
| Total | 1023 | 1185 | 994 | 191 | 16% |

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

3.1.2.4

Table 17: Employees: Energy

3.1.2.4 FINANCIAL PERFORMANCE

| Financial Performance: Energy | | | | | |
|--|--------------------|--------------------|----------------------|--------------------|-----------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | 8,243,727 | 9,994,759 | 10,312,531 | 10,179,220 | 2% |
| Expenditure: | | | | | |
| Employees | 282,230 | 117,702 | 76,999 | 102,047 | -15% |
| Repairs and Maintenance | 565,340 | 650,838 | 651,026 | 618,710 | -5% |
| Other | 6,265,593 | 8,218,122 | 8,472,389 | 8,346,273 | 2% |
| Total Operational Expenditure | 7,113,163 | 8,986,663 | 9,200,415 | 9,067,029 | 1% |
| Net Operational Expenditure / (Surplus) | (1,130,564) | (1,008,096) | (1,112,115) | (1,112,191) | 9% |

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

3.2.5

Table 18: Financial Performance: Energy

3.1.2.5 CAPITAL EXPENDITURE

| Capital Expenditure: Energy | | | | | |
|-----------------------------------|----------------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 385,254 | 393,316 | 388,401 | 1% | |
| Alberton Lighting | 600 | 663 | 663 | 10% | 2,713 |
| Alberton Network enhancement | 500 | 3,298 | 3,298 | 85% | 13,798 |
| Alberton Revenue enhancement | 1,000 | 1,006 | 1,006 | 1% | 4,956 |
| Benoni Lighting | 600 | 924 | 924 | 35% | 2,974 |
| Benoni Network enhancement | 2,500 | 2,524 | 2,524 | 1% | 15,024 |
| Benoni Revenue enhancement | 1,000 | 2,475 | 2,475 | 60% | 6,425 |
| Benoni Substations | 1,300 | 500 | 418 | -211% | 418 |
| Boksburg Lighting | 600 | 1,926 | 1,926 | 69% | 3,976 |
| Boksburg Network enhancement | 2,500 | 4,896 | 4,896 | 49% | 17,396 |
| Boksburg Revenue enhancement | 1,000 | 2,181 | 2,181 | 54% | 6,131 |
| Boksburg Substations | 500 | 586 | 586 | 15% | 586 |
| Brakpan Lighting | 600 | 1,500 | 1,493 | 60% | 3,543 |
| Brakpan Network enhancement | 2,500 | 2,512 | 2,512 | 0% | 15,012 |
| Brakpan Revenue enhancement | 1,000 | 1,468 | 1,468 | 32% | 5,418 |
| Brakpan Substations | 1,500 | 1,500 | 1,031 | -45% | 1,031 |
| Corporate Electrification | 59,311 | 72,258 | 72,258 | 18% | 277,836 |
| Corporate Electrification INEP | 100,000 | 100,000 | 99,083 | -1% | 321,083 |
| Corporate Energy efficiency | 27,000 | 47,114 | 47,114 | 43% | 59,114 |
| Corporate ICT equipment | 1,000 | 1,770 | 1,512 | 34% | 5,712 |
| Corporate Lighting | 2,000 | - | - | 0% | 7,300 |
| Corporate Network enhancement | 9,000 | 9,996 | 9,995 | 10% | 16,995 |
| Corporate Office furniture | 1,000 | 230 | 186 | -438% | 3,853 |
| Corporate Operational requirement | 3,000 | 330 | 318 | -843% | 16,855 |
| Corporate other equipment | 100 | 100 | 72 | -38% | 443 |
| Corporate Revenue enhancement | 5,200 | 5,062 | 5,062 | -3% | 29,762 |
| Corporate Specialized equipment | 2,500 | 3,500 | 3,398 | 26% | 11,898 |
| Corporate Substations | 50,000 | 12,231 | 12,231 | -309% | 152,658 |
| Corporate Substations MIG | 24,743 | 21,339 | 21,339 | -16% | 21,339 |
| Corporate vehicles | 12,800 | 12,800 | 12,786 | 0% | 64,978 |
| Daveyton Lighting | 1,500 | 1,811 | 1,811 | 17% | 5,061 |
| Daveyton Network enhancement | 500 | 7 | 7 | -7410% | 10,507 |
| Duduza Lighting | 1,500 | 2,114 | 2,114 | 29% | 5,364 |
| Edenvale Lighting | 600 | 700 | 700 | 14% | 2,750 |
| Edenvale Network enhancement | 2,500 | 4,644 | 4,644 | 46% | 17,144 |
| Edenvale Revenue enhancement | 1,000 | 1,850 | 1,845 | 46% | 5,795 |
| Edenvale Substations | 1,400 | 1,492 | 1,492 | 6% | 1,492 |
| Etwatwa Lighting | 1,000 | 1,700 | 1,681 | 41% | 4,931 |
| Etwatwa Network enhancement | 500 | 5 | 5 | -9726% | 5 |
| Germiston Lighting | 600 | 600 | 553 | -8% | 2,603 |
| Germiston Network enhancement | 6,000 | 10,101 | 10,101 | 41% | 42,901 |

| Capital Expenditure: Energy | | | | | |
|---|---------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Germiston Revenue enhancement | 1,000 | 3,507 | 3,507 | 71% | 7,457 |
| Germiston Substations | 5,500 | - | - | 0% | - |
| High Mast Lighting Thokoza | - | 28 | 26 | 100% | 807 |
| Katlehong Lighting | 1,000 | 1,707 | 1,707 | 41% | 4,957 |
| Kempton Park Lighting | 600 | 710 | 710 | 15% | 2,760 |
| Kempton Park Network enhancement | 3,500 | 3,625 | 3,625 | 3% | 31,125 |
| Kempton Park Revenue enhancement | 1,000 | 1,500 | 1,500 | 33% | 5,450 |
| Kempton Park Substations | 2,000 | - | - | 0% | - |
| Kwa-Thema Lighting | 2,000 | 2,880 | 2,859 | 30% | 6,109 |
| Kwa-Thema Network enhancement | 1,500 | 1,500 | 1,476 | -2% | 10,976 |
| Kwa-Thema Revenue enhancement | 1,000 | 1,920 | 1,860 | 46% | 5,810 |
| Kwa-Thema Substations | 1,500 | 1,500 | - | 0% | - |
| Nigel Lighting | 600 | 1,050 | 1,049 | 43% | 3,099 |
| Nigel Network enhancement | 2,500 | 2,500 | 2,452 | -2% | 9,952 |
| Nigel Revenue enhancement | 1,000 | 1,200 | 1,165 | 14% | 5,115 |
| Nigel Substations | 1,500 | 1,552 | 1,552 | 3% | 1,552 |
| Springs Lighting | 600 | 1,201 | 1,201 | 50% | 3,251 |
| Springs Network enhancement | 2,500 | 2,500 | 2,494 | 0% | 14,994 |
| Springs Revenue enhancement | 1,000 | 2,583 | 2,583 | 61% | 6,533 |
| Springs Substations | 1,000 | 393 | 306 | -227% | 306 |
| Tembisa 2 Lighting | 1,000 | 1,686 | 1,686 | 41% | 5,836 |
| Tembisa 2 Network enhancement | 1,500 | 1,521 | 1,521 | 1% | 10,521 |
| Tembisa 2 Revenue enhancement | 1,000 | 2,160 | 2,126 | 53% | 6,076 |
| Tembisa 2 Substations | 2,900 | 25 | - | 0% | - |
| Tembisa Lighting | 1,000 | 1,659 | 1,659 | 40% | 4,909 |
| Tembisa Network enhancement | 1,000 | 1,020 | 1,020 | 2% | 9,000 |
| Tembisa Revenue enhancement | 1,000 | 2,026 | 2,026 | 51% | 5,976 |
| Tembisa Substations | 1,000 | 1,000 | 998 | 0% | 998 |
| Thokoza Lighting | 1,000 | 1,023 | 1,023 | 2% | 4,273 |
| Thokoza Network enhancement | 1,500 | 1,568 | 1,568 | 4% | 14,068 |
| Thokoza Revenue enhancement | 1,000 | 1,023 | 1,023 | 2% | 4,973 |
| Thokoza Substations | 600 | - | - | 0% | - |
| Tsakane Lighting | 3,000 | 3,917 | 3,917 | 23% | 7,167 |
| Tsakane Network enhancement | 1,500 | - | - | 0% | 7,500 |
| Tsakane Substations | 500 | 500 | - | 0% | - |
| Vosloorus Lighting | 1,000 | 1,439 | 1,373 | 27% | 4,623 |
| Vosloorus Network enhancement | 500 | 500 | - | 0% | 7,122 |
| Vosloorus Revenue enhancement | 500 | 683 | 683 | 27% | 2,733 |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.2.6 |

Table 19: Capital Expenditure: Energy

3.1.2.6 COMMENTS ON DEPARTMENT'S OVERALL PERFORMANCE

Electricity supply connections were provided to Palm Ridge Phase 3 and 4, Geluksdal Extension 3 and Eden Park Extension 5. In total 10 048 electricity supply connections were installed. 98 High mast lights were installed and 2 103 street lights were provided. 16 745 Solar water heaters were provided to low income households.

A project to generate renewable energy from renewable sources was implemented, and the number of MegaWatts energy generated will be seen in the 2012/2013 financial year.

The Department has implemented certain energy efficient measures (replacement of lamps within EMM buildings with energy efficient lamps, replace streetlights with energy efficient lamps and the installation of solar water heaters) to save money on the OPEX Budget, and has generated a saving of R3 761 271.

The Energy Department complies with all standards set by NERSA in terms of NRS 048 and only has 0,8% kWh lost through downtime. The Department also complies with standards set for the restoration time of unplanned outages.

Electricity losses caused mainly by the non-technical loss component ie. illegal connections and bypassed meters is managed effectively through several key performance indicators contained in the SDBIP.

3.1.3 WASTE MANAGEMENT

3.1.3.1 INTRODUCTION

The Department's mission is to render essential and affordable municipal services with the view to create clean and healthy environment in the following key performance areas: Safe refuse storage, collection, transportation and safe disposal and treatment.

3.1.3.2 GENERAL INFORMATION

STABILIZATION OF REFUSE REMOVAL SERVICES IN EMM

The Directorate strove to stabilize refuse removal services in both in-house and outsourced areas of the EMM. A significant success was achieved in all outsourced areas where services were normalized in accordance with the routine schedule and the services rated in accordance with routine schedules rose above 95%. The Department Waste Management Services made some inroads in respect of improving service delivery to informal settlements by rolling out scheduled door to door refuse removal services covering 100 000 service points.

Challenges are still facing the in-house collection where human resource policies and fleet problems are still hampering service delivery improvements. Refuse removal services rate stood above 86.25%. Plans to improve the situation are in place and amongst others include the implementation of continuity plan and finalization of the Institutional Review.

DEPLOYMENT OF SPECIALIZED REFUSE REMOVAL VEHICLES

Deployment of the procured specialized refuse removal vehicles is progressing well and helped to alleviate the backlog caused by continuous breakdown of old vehicles.

The following vehicles were procured during the 2011/12 financial year:

19m³ RELs = 27
16T RoRos = 3
Skip loaders = 3
6m³ Crane trucks = 2
25 Seater personnel carriers = 10
Nissan NP300 LDVs = 9
VW transporter D/C LDVs = 5
Total number of vehicles procured = 59

The rollout of these specialized refuse removal vehicles increased the waste removal fleet capacity from 70% to above 85%.

ROLL OUT OF 240L WHEELIE BINS

As part of stabilization and refuse removal services improvements, the roll out of the 240l wheelie bins in Tembisa was completed during the financial year 2011/2012. A total number of 35 000 wheelie bins were issued to residents in Tembisa.

CLEAN AND GREEN PROJECT

The clean and green project was launched in March 2012 with the aim to improve the creation of education and awareness on recycling and illegal dumping. As a result of this project 12 illegal hot spots were cleaned and rehabilitated in the following areas Wattville, Katlehong, Tembisa and Dukathole Two (2) recycling projects, were initiated through cooperative model in Wattville/Actonville.

JOB CREATION

APPOINTMENT OF DEVELOPMENT CONTRACTORS IN EMM

In a bid to improve service delivery in EMM, the Directorate embarked on outsourcing some of the services areas in the Metro, Benefit realized in these areas are:

Sustainable waste management services
Skill development for local communities
Parity services delivery
Job creation

In this model approximately 449 746 services points are covered and is stable (Approximately 49.42 % of the total domestic service points), 798 jobs were created, and a total number of 57 Community Based Contractors were appointed.

OTHER JOB CREATION PROGRAMS



A total number of 220 jobs were created in the Department through capital projects and also temporary quotations and works orders.

LANDFILL SITES

To comply with the minimum requirements set by the Department of Water and Environmental Affairs (DWEA) and the Department of Agriculture & Rural Development (GDARD), the EMM's main objective is to establish and develop regional waste disposal facilities of a high standard, thus ensuring sound and effective waste disposal facilities for the region in years to come. At present, the EMM has five regional disposal facilities under its jurisdiction, and is planning to develop a new facility in the north. The facilities are:

- Simmer & Jack in Germiston
- Rooikraal in Boksburg
- Platkop near Heidelberg
- Weltevreden in Brakpan
- Rietfontein in Springs

The management of landfill sites remained up to standard throughout the year as commended by the Department of Agriculture and Rural Development. Compliance with regard to legislation governing the landfill sites improved tremendously with an overall percentage of 95%.

The tonnage of 1 758 112 received in 2011/2012 financial year represents a 1% increase in waste volumes compared to the previous year.

CDM PROJECTS AT THE LANDFILL SITES KYOTO PROTOCOL

The central feature of the Kyoto Protocol (international treaty to combat global warming) is its requirement that countries limit or reduce their greenhouse gas emissions. By setting such targets, emission reductions took on economic value. To help countries meet their emission targets, and to encourage the developing countries to contribute to emission reduction efforts, three market-based mechanisms were introduced to achieve the objective.

LANDFILL GAS RECOVERY CDM PROJECT

EMM introduced a Clean Development Mechanism (CDM) at four of the operational landfill site (Waste Disposal Facilities) namely: Rooikraal, Rietfontein, Weltevreden and Simmer & Jack. The Ekurhuleni Landfill gas recovery CDM project is one of the Municipalities' flagship projects.

LANDFILL GAS RECOVERY SYSTEMS

EMM currently recovers landfill gas using both vertical gas extraction wells and horizontal gas collection systems. Wellheads connect individual gas wells to the gas collection pipework laid to facilitate condensate management. Wellhead controls include gas monitoring points for quality, pressure and gas flow. Landfill gas is extracted from the landfill under a vacuum. Flow control valves control vacuum pressure at each well and pneumatic pumps installed in the vertical wells and the knockout pods extract leachate and condensate from the system.

CLOSED LANDFILL SITES

There are nine closed landfill sites within the EMM area of jurisdiction of which seven were rehabilitated in terms of the “Minimum Requirements for waste disposal by Landfill”.

MONITORING OF GROUND WATER AT CLOSED SITES

The majority of constituents monitored fall within the SAWQG and even though this water is not required for human consumption, it is an indication that the quality of the ground and surface water are generally good. Higher levels of TDS, Cl EC and SO₄ were noted throughout the ground and surface water samples (except for the upstream sample), however, which may indicate that the landfill site is exerting a minor impact on the associated water resources.

3.1.3.3 POLICY OBJECTIVES TAKEN FROM IDP

| Waste Management Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|---|--|---------------|------------|------------|---------|--------|---------|--------|---|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Improved waste collection and disposal | % refuse collected disposed of | 100% | 100% | 100% | 100% | 100% | 100% | | |
| | Outcome | Increased compliance with relevant legislation governing landfill sites | Percentage compliance with relevant legislation governing landfill sites (acceptable level of compliance is 90%) | 96% | 93% | 93% | 95% | 95% | 96% | | |
| | Output | Extraction of methane gas | Tons of methane gas extracted | 210,000 | 55369 tons | 55369 tons | 42,000 | 52,463 | 42,000 | | All flaring appliances are back in working conditions after a break because of breakdowns. |
| | Output | Waste received compacted into cells and covered daily | Percentage of waste received compacted into cells and covered daily | 100% | 100% | 100% | 100% | 100% | 100% | | |
| | Output | Provision of developed airspace for waste disposal | Number of years airspace remaining for landfill site | 15 | 15 | 15 | 15 | 15 | 15 | | |
| | Output | Recover costs from waste disposal services | % cost recovery from waste disposal services | 100% | 98% | 98% | 100% | 95% | 100% | | |
| | Outcome | Increased reliable and cost effective waste collection service | % of compliance with the weekly service delivery schedule | 100% | 92% | 92% | 95% | 85% | 96% | | Absenteesms, HR training programme, Pay day offs, Strike in Kwa-tema, Breakdowns, drivers shortages |

| Waste Management Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|---|---|---------------|---------|--------|---------|--------|---------|--------|---|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Output | Provision of Refuse removal services for business | % of businesses service points with access to basic level of refuse removal service | 100% | 100% | 100% | 100% | 100% | 100% | | |
| | Output | Provision of refuse removal services from hh in formal areas | % of hh in formal areas with access to basic level of refuse removal service | 100% | 100% | 100% | 100% | 100% | 100% | | |
| | Output | Provision of refuse removal services from hh in in-formal areas | % of hh in informal areas with access to basic level of refuse removal service | 100% | 61% | 61% | 61% | 61% | 61% | | |
| | Output | Provision of refuse removal services to indigent hh | Percentage of indigent hh with access to basic level of refuse removal service | 100% | 100% | 100% | 100% | 100% | 100% | | |
| | Outcome | Increased recycling of waste material | % reduction in waste disposed at landfill sites | 10% | 0% | 0% | 5% | 1% | 6% | | :Staff shortage. No capacity in the current structure to deal with waste minimization. No waste minimization strategy is in place |
| | Output | Capacitate communities to undertake recycling | Number of communities that are recycling | 22 | 2 | 2 | 10 | 12 | 12 | | |
| T 3.7.3 | | | | | | | | | | | |

Comments

The Waste Management department achieved 75% of its targets. There was an overall improvement across all departmental results for the 2011/2012 financial year compared to the 2010/2011 financial year. Underperformance was observed in the following targets:

1. Increased compliance with relevant legislation governing landfill sites:

There was a 2% underperformance due to a one month overlap/delay in the reporting between BVI (i.e. contractor doing financial management of landfills) and the Venus system. The actual performance was on track.

2. Increased reliable and cost effective waste collection service:

There was a 10% underperformance due to absenteeism resulting from the following: HR training programmes, Pay day offs, Strike in Kwa-thema, Breakdowns and driver shortages.

3. Increased recycling of waste material:

There was a 15% underperformance due to Staff shortages. In addition, there is no capacity in the current structure to deal with waste minimization.

A number of solutions will be put in place during the 2012/2013 financial year to mitigate the problems experienced by the department. These include the following:

1. To improve compliance the department will align its reporting to the BVI financial management systems.
2. To ensure that waste is collected on time and in a cost effective manner the department is in the process of drafting the Business Continuity plan which will minimize the impact of the service being interrupted.
3. To improve the recycling of waste material a waste minimisation strategy will be developed in the 2012/2013 financial year.

3.1.3.4 EMPLOYEE INFORMATION

| Employees: Waste Management | | | | | |
|--|-----------|---------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 16 | 19 | 15 | 4 | 21% |
| 7 - 9 | 23 | 25 | 21 | 4 | 16% |
| 10 - 12 | 34 | 41 | 33 | 8 | 20% |
| 13 - 15 | 164 | 181 | 156 | 25 | 14% |
| 16 - 18 | 1202 | 1332 | 1196 | 136 | 10% |
| 19 - 20 | | | | | |
| Total | 1440 | 1599 | 1422 | 177 | 11% |
| <p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> | | | | | |
| | | | | | 3.1.3.4 |

Table 20: Employees: Waste Management

3.1.3.5 FINANCIAL PERFORMANCE

| Financial Performance: Waste Management | | | | | | R'000 |
|--|------------------|------------------|-------------------|------------------|--------------------|-------|
| Details | 2010/11 | 2011/12 | | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget | |
| Total Operational Revenue | 1,060,070 | 1,181,954 | 1,248,028 | 1,253,784 | 6% | |
| Expenditure: | | | | | | |
| Employees | 251,539 | 307,285 | 306,771 | 276,580 | -11% | |
| Repairs and Maintenance | 82,455 | 97,796 | 90,316 | 82,550 | -18% | |
| Other | 524,489 | 578,312 | 677,643 | 611,943 | 5% | |
| Total Operational Expenditure | 858,483 | 983,393 | 1,074,731 | 971,073 | -1% | |
| Net Operational Expenditure / (Surplus) | (201,587) | (198,561) | (173,297) | (282,711) | 30% | |
| <i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i> | | | | | 3.3.5 | |

Table 21: Financial Performance: Waste Management

3.1.3.6 CAPITAL EXPENDITURE

| Capital Expenditure: Waste Management | | | | | |
|---|----------------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 137,264 | 114,826 | 118,116 | -16% | |
| Cell and storm water - Rooikraal | 19,296 | 11,855 | 11,860 | -63% | 26,310 |
| Cell development - Platkop | – | 76 | 76 | 100% | 24,979 |
| Cell Development - Rietfontein | 400 | 400 | 416 | 4% | 31,148 |
| Develop New Waste Site | 1,000 | – | – | 0% | – |
| Development of the public offloading facilities/recycling | 3,000 | 1,101 | 1,101 | -172% | 53,101 |
| Development Weltevreden Waste Site | 7,000 | 6,998 | 6,998 | 0% | 24,407 |
| Erection of palisade fence at Rietfontein | 8,000 | 6,707 | 6,707 | -19% | 6,707 |
| Facilities, Upgrade and construction of facilities | 3,000 | 13,919 | 14,069 | 79% | 44,202 |
| ICT Equipment | 800 | 720 | 368 | -118% | 3,455 |
| Installation Gas Flares & Wells | 5,000 | 8,452 | 8,452 | 41% | 30,165 |
| Installation of the underground recycling bin system | 5,800 | – | – | 0% | – |
| LANDFILL REHABILITATION: PREV-NEW | – | – | 7,249 | 100% | 7,249 |
| Office Furniture | 800 | 450 | 268 | -199% | 2,068 |
| Renewal of NSDA Transfer Stations | 1,000 | – | – | 0% | 566 |
| Renewal of Transfer Station in Alberton | 9,800 | 2,171 | 2,171 | -351% | 30,129 |
| Solid Waste Fleet Refurbishment | 1,000 | 149 | 149 | -569% | 149 |
| Specialised Equipment | – | 276 | 208 | 100% | 71,150 |
| Specialised Vehicles | 61,168 | 51,268 | 51,168 | -20% | 252,176 |
| Static Compactor - Nigel Transfer station | 1,000 | – | – | 0% | – |
| Supply of Bulk Containers | 5,000 | 3,924 | 3,314 | -51% | 32,619 |
| Supply of recycling bins | 1,200 | – | – | 0% | 2,871 |
| Upgrading of public offloading areas/recycling facilities | 3,000 | 6,360 | 3,542 | 15% | 12,542 |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.3.6 |

Table 22: Capital Expenditure: Waste Management

3.1.3.7 COMMENTS ON DEPARTMENT'S OVERALL PERFORMANCE

The overall general cleanliness of the city has improved and is showing more promise in reaching the desired level of cleanliness in terms of waste management operational norms and standards.

Irrespective of the improvement in general cleanliness the department experienced challenges pertaining to fleet maintenance and the fleet strategy will need to be addressed for more effective and efficient service delivery.

SUMMARY OF CORRECTIVE MEASURES TO BE INSTITUTED WHERE TARGETS WERE NOT ACHIEVED

The Department could not realize its targets particularly in the area of compliance with operational service standards due to a continuous pressure of lack of human capacity, truck breakdowns, and service delivery protests. A continuity plan has been drafted and will be implemented once approved by the Management.

Furthermore lack of integrated waste management Plan and waste minimization strategy resulted in a lack of direction and moves to guide the Department towards achievement of certain legislative requirements. Despite this factor the department coordinated and formalized many recycling initiatives under the clean and green project.

The department could not realize its targets in the area of cost recovery from disposal services due to clients who defaulted and they were handed over to debts collectors.

The department could not realize its targets in the area of upgrading of mini waste due to the fact that the mini site did not comply with the requirement stated in the legislation governing land fill sites

The department could not realize its targets in the area of number of waste removal calendars revised due to the fact that the process of revision involves labour relations issues and is also affecting conditions of services that will require time with regard to consultation needed to cover all affected parties. The process has been initiated with the Department of Human Resources.

Job creation initiatives were not achieved because that depended on approval from external funding sources. The department intends to strengthen this initiative by resubmitting the applications.

3.1.4 HUMAN SETTLEMENT DEPARTMENT

3.1.4.1 INTRODUCTION

The strategy: The strategic goal of the EMM human settlement department is to promote, facilitate, deliver, and monitor provision of and access to sustainable human settlements. The human settlements strategy promotes a proactive approach that seeks to ensure that the citizens of Ekurhuleni are adequately housed in a sustainable and integrated manner, taking into consideration the social and economic needs and related impact on the environment. The human settlements strategy follows a two pronged approach focussing on; (a) Consolidation and Upgrading and (b) Infill and Densification. The Consolidation and Upgrading Approach is specifically aimed at formalising existing settlements which are well-located in metropolitan context, and the Infill and Densification Approach is aimed at promoting and enhancing infill development, densification, and in some instances densification through redevelopment, within the existing urban fabric.

3.1.4.2 GENERAL INFORMATION

Service delivery priorities: The backlog in EMM informal settlement is 164 699 households. This number excludes backlog in backyard structures, hostels and waiting list. There are various housing programmes that are being implemented in order to redress this backlog. The key interventions include

- (1) the increased delivery of well-located houses
- (2) Provision of affordable rental stock and management thereof
- (3) Urban regeneration programmes in townships and towns
- (4) Provision of minimum basic services in informal settlements that are not prioritised for immediate upgrade.

3.1.4.3 POLICY OBJECTIVES TAKEN FROM IDP

| Human Settlement Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|--|---|---------------|---------|--------|---------|---------|---------|--------|--|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Reduced Housing Backlog | Number of beneficiaries with secured tenure: Rental stock | 10,040 | - | - | 1,040 | 1,237 | 2,250 | | |
| | Outcome | Increased provision of alternative tenure options in respect of the identified need. | Number of housing units completed | 11447 | - | - | 400 | - | 2,760 | | The implementation of the delegated projects in terms of accreditation of EMM was dependent on the following: - MOA (Signed in May 2012); - Funding Confirmation (1st Tranch received in April 2012, and incorrect confirmation of 2012/13 budget received 28 June 2012); - Funding Agreements not received for all projects (only 5 relevant agreements received in April 2012); and - Handover Documentation for Section 32 Reports (All information not yet received, only expected from GLG & H in July 2012); |
| | Outcome | Accreditation of the municipality by the Gauteng Department of local Government and Housing | Level of implementation of MOU between EMM and province | Level 3 | - | - | Level 2 | Level 2 | Level 3 | | |
| | Output | Delivery of transitional housing subject to the completion of land identification studies for appropriate typologies | Number of transitional housing areas developed | 1 | 1 | - | 1 | - | 1 | | The target was not achieved due to the delayed signing of MOU between Gauteng province and the municipality |
| | Outcome | Improved asset and property management | % of assets accounted for | 100% | 100% | 100% | 100% | 100% | 100% | | |
| | Output | Implementation of operational property management programme | % implementation of operational property management programme | 70% | 5% | 0% | 5% | 80% | | | |
| | | | | | | | | | | | T 3.4.3 |

Comments

The department achieved 76% of its 2011/2012 targets. Under performance is related to the delayed signing of the MOU between the municipality and the Gauteng Province. This caused the delay of the transfer of the housing projects to EMM, and impacted on the funding. The aforementioned delay in accreditation also impacted on Transitional Housing targets not being achieved, since there were no subsidies provided in the current financial year by province to cater for this type of housing.

3.1.4.4 EMPLOYEE INFORMATION

| Employees: Human Settlement | | | | | |
|-------------------------------------|-----------|---------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 19 | 29 | 22 | 7 | 24% |
| 7 - 9 | 7 | 17 | 6 | 11 | 65% |
| 10 - 12 | 66 | 78 | 69 | 9 | 12% |
| 13 - 15 | 14 | 21 | 16 | 5 | 24% |
| 16 - 18 | 105 | 112 | 94 | 18 | 16% |
| 19 - 20 | | | | | |
| Total | 212 | 258 | 208 | 50 | 19% |

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

Table 23: Employees: Human Settlements

3.1.4.5 FINANCIAL PERFORMANCE

| Financial Performance: Human Settlement | | | | | | R'000 |
|--|----------------|-----------------|-------------------|----------------|--------------------|-------|
| Details | 2010/11 | 2011/12 | | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget | |
| Total Operational Revenue | 164,101 | 44,988 | 74,322 | 95,167 | 53% | |
| Expenditure: | | | | | | |
| Employees | 54,436 | 67,158 | 65,370 | 60,979 | -10% | |
| Repairs and Maintenance | 14,872 | 15,887 | 15,313 | 12,205 | -30% | |
| Other | 383,457 | 273,394 | 276,046 | 207,433 | -32% | |
| Total Operational Expenditure | 452,765 | 356,439 | 356,729 | 280,617 | -27% | |
| Net Operational Expenditure / (Surplus) | 288,664 | 311,451 | 282,407 | 185,450 | -68% | |
| <i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i> | | | | | 3.4.5 | |

Table 24: Financial Performance: Human Settlement

3.1.4.6 CAPITAL EXPENDITURE

| Capital Expenditure: Human Settlement | | | | | | R' 000 |
|---|---------------|-------------------|--------------------|-------------------------------|---------------------|--------|
| Capital Projects | 2011/12 | | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value | |
| Total All | 26,800 | 53,488 | 53,659 | 50% | | |
| Driefontein 85-IR | - | 2,783 | - | 0% | - | |
| Dukathole | - | 500 | - | 0% | - | |
| Good Hope (Germiston Ext 37) | - | 5,000 | - | 0% | - | |
| Holdings 1 to 8 Breswol Agricultural Holdings | - | 375 | 80 | 100% | 80 | |
| ICT Equipment | - | 342 | 338 | 100% | 1,840 | |
| KLIPPORTJIE 112 IR | - | 830 | - | 0% | - | |
| New Feasibilities | - | 500 | - | 0% | - | |
| Office Furniture | 100 | 45 | 45 | -120% | 664 | |
| Olifantstontein 402- JR | - | 7,100 | - | 0% | - | |
| Other Equipment | - | 17 | 17 | 100% | 77 | |
| Refurbishment of Rental Property | 6,000 | 21,000 | 20,411 | 71% | 79,037 | |
| Specialised Equipment | - | 30 | 26 | 100% | 26 | |
| Summer Symphony Land Claim | - | - | 32,442 | 100% | | |
| Tembisa Urban Renewal Framework Projects | 20,000 | - | - | 0% | 57,656 | |
| Vehicles | 700 | 366 | 299 | -134% | 2,890 | |
| Witpoortjie 117IR | - | 14,600 | - | 0% | - | |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.4.6 | |

Table 25: Capital Expenditure: Human Settlement

3.1.4.7 COMMENTS ON DEPARTMENTS OVERALL PERFORMANCE

To achieve the ultimate outcome of delivering well located houses, a number of direct outcomes and activities have to be undertaken. This includes identification of well-located land, acquisition of well-located land, planning and approval of new townships and delivery of serviced stands. In the 2011/12 financial year, 500 hectares of well-located land was identified. The identified land could yield up to residential 20 000 stands at 40 dwelling units per hectare. The GDLGH delivered 6068 houses (top structure), which exceeded the year target of 4 576. The department aimed to acquire 9 land parcels with a total extent of 159 hectares. One land parcel to the extent of 21.4 hectares has been acquired and the acquisition of the rest of the land parcels has been approved by council and will be finalised in the first quarter of the 12/13 financial year.

EMM was delegated to implement 54 projects by GDLGH as part of level 1 and 2 accreditation. The target from these accreditation projects was to deliver 400 houses (top structure). The 400 houses were not delivered due to delays in obtaining project files and project information required to take over the existing contractors appointed by Province.

The biggest budget items in the 2011/12 Capital budget were (1) refurbishment of council owned stock and (2) land acquisition. There was a 98% expenditure on refurbishment of council rental stock. The land acquisition budget reflects as unspent in the 2011/12 financial year due to delays in obtaining necessary approvals prior to the release of funds. Approvals for 4 land parcels have now been obtained and the funds will be paid out in the first quarter of 2012/13.

The biggest capital cost items in 2012/13 will remain land acquisitions (39 683 000) due to the roll overs, followed by Tembisa Urban Renewal (20 000 000), feasibility studies and pre-planning (10 000 000) and refurbishment of council rental stock (8 000 000). The HSGD grant to construct the 600 houses shown as the EMM's current year is not yet reflecting on the 2012/13 approved budget, this will be captured in the January adjustment budget after all the accreditation projects hand over information is in place.

3.2.0 COMPONENT B: TRANSPORT SERVICES

3.2.1 ROADS AND STORMWATER

3.2.1.1 INTRODUCTION

Road Infrastructure

Ekurhuleni has approximately 7 686 kilometers of paved roads and 980 km of gravel roads. The main priority of the department in this regard is the reduction of the backlog of the provision of appropriate paved roads.

The Roads Strategy of the Department is primarily:

- The upgrading of gravel residential roads to paved roads, focussing on previously disadvantaged townships to improve the mobility and quality of life the affected areas;
- The maintenance of gravel roads in formal and informal areas to enhance access to these areas;
- The execution of patching, rehabilitation and resurfacing of paved roads to prevent the deterioration of the existing infrastructure;
- The improvement to or construction of major roads to reduce congestion and facilitate economic development.

Stormwater

The Stormwater Strategy and focus of the Department is primarily:

- The upgrading and installation of new stormwater systems related to the upgrading of paved roads, focussing on previously disadvantaged townships ;
- The construction of new major Stormwater systems to address flooding & erosion challenges;
- The maintenance of stormwater systems;

- The development of policies and procedures to address the growth in stormwater runoff resulting from development.
- The municipality does not have a dedicated Stormwater department or division. The functions are integrated into Roads & Stormwater divisions and sections.
- A Stormwater Masterplan study for a large portion of the municipal area was completed in the previous financial year. Priorities (major systems) to the value of R1,9bn were identified in study.

3.2.1.2 GENERAL INFORMATION

3.2.1.2.1 GRAVEL ROAD INFRASTRUCTURE

| Gravel Road Infrastructure | | | | |
|----------------------------|--------------------|------------------------------|------------------------------|---|
| | Total gravel roads | New gravel roads constructed | Gravel roads upgraded to tar | Kilometers Gravel roads graded/maintained |
| 2009/10 | | | 136 | Unknown |
| 2010/11 | 980 | Unknown | 94 | Unknown |
| 2011/12 | 980 | Unknown | 57 | 127 |
| | | | | <i>T 3.6.2.1</i> |

3.2.1.2.2 TARRED ROAD INFRASTRUCTURE

| Tarred Road Infrastructure | | | | | |
|----------------------------|--------------------|---------------|-------------------------------|-------------------------------|---------------------------------|
| | Total tarred roads | New tar roads | Existing tar roads re-tarred | Existing tar roads re-sheeted | Kilometers Tar roads maintained |
| 2009/10 | 7,456 | 136 | Included in re-sheeted column | 106 | Unknown |
| 2010/11 | 7,592 | 94 | Included in re-sheeted column | 255 | Unknown |
| 2011/12 | 7,686 | 57 | Included in re-sheeted column | 175 | Unknown |
| | | | | | <i>T 3.6.2.2</i> |

3.2.1.3 POLICY OBJECTIVES TAKEN FROM IDP

| Roads & Stormwater Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|---|---|---------------|---------|--------|----------------|----------------|----------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Reduced growth rate of Peak flows and Volumes of Storm-water runoff | No of storm-water systems improved | 100 | 4 | 4 | 20 | 20 | 20 | | |
| | Output | Formulate a Stormwater management strategy for EMM | Completion of Storm water strategy by target date | March-13 | - | - | - | - | March-13 | | |
| | Outcome | Increased Capacity of Stormwater Systems | Number of existing Stormwater systems with increased capacity | 100 | 9 | 9 | 20 | 21 | 20 | | |
| | Output | Construction of new and Upgrading of existing stormwater systems. | km of stormwater systems constructed. | 125 | 12 | 12 | 25 | 9.8 (31,6 tot) | 25 | | |
| | Outcome | Improve the Maintenance of Stormwater Systems | No of stormwater systems Maintained | 200 | 16 | 16 | 40 | 62 | 40 | | |
| | Output | Maintenance of minor stormwater systems. | km of minor stormwater systems maintained/cleaned. | 800 | 50 | 50 | 160 | 197 | 160 | | |
| | Output | Maintenance of major stormwater systems. | km of stormwater major systems maintained/cleaned. | 200 | 25 | 25 | 40 | 64 | 40 | | |
| | Outcome | Increased proportion of paved roads meeting required standards | % of paved roads in a good to very good condition | 90% | 86% | 86% | 0,5% per annum | 88% | 88,5% | | |

| Roads & Stormwater Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|--|---|---------------|----------|----------|---------|-----------------|---------|--------|---|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Output | Upgrade unpaved tertiary roads to paved roads in residential areas. | Km of constructed tertiary roads | 350km | 22.4km | 22.4km | 70km | 26 (57.5 tot) | 70 | | Large period in financial year without major contractors. Delay in appointment due to bid process and new implementation format (non Turnkey) |
| | Output | Resurface or rehabilitation of paved roads. | Km of roads resurfaced/ rehabilitated | 1200km | 255km | 255km | 240km | 66.3 (175 tot) | 240 | | Extensive patching and asphalt overlay work executed with a resultant reduction in funds for resurfacing. Cost of overlay approximately 2,5X that of resurfacing. |
| | Outcome | Improved condition of unpaved roads | Km of unpaved roads meeting minimum standards | 200km | 14km | 14km | 40km | 127 | 40km | | |
| | Output | Re-gravelling and grading of gravel roads in formal areas. | Km of gravel roads maintained in formal areas | 450km | 14km | 14km | 90km | 56.9 (127 tot) | 90 | | |
| | Output | Construction, re-gravelling and grading of gravel roads in informal areas. | Km of gravel roads maintained in informal areas | 200km | 7km | 7km | 40km | 24.4 (52.8 tot) | 40 | | |
| | Outcome | Increased provision of pedestrian walkways. | % of wards with in which pedestrian new walkways have been constructed. | 50% | Un-known | Un-known | 15% | 37% | 15% | | |
| | Output | Construction of new pedestrian walkways | km of new pedestrian walkways constructed | 100km | 5km | 5km | 20km | 7 (26.9 tot) | 20 | | |
| | Outcome | Reduced levels of congestion. | Km of road where the level of congestion is abated | 40km | 5km | 5km | 8km | 31 | 8 | | |
| | Output | Construction of new roads and improvements to existing major roads (classes 2,3 & 4) | km of newly constructed or upgraded major roads. | 20km | 1km | 1km | 4 | 4 | 4 | | |

| Roads & Stormwater Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|---|---|---------------|---------|--------|---------|--------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Improvement of signal timings and / or intersection changes to improve mobility | Number of intersections improved | 60 | 15 | 15 | 12 | 4 | 12 | | |
| | Output | Integrated road signage management systems | No of routes upgraded with signage | 30 | - | - | 6 | - | 6 | | 3.2.1.3 |
| | Output | Installation of compliant directional signs | No. of major directional signs erected. | 120 | - | - | 24 | - | 24 | | |
| | Output | Replacement of existing and installation of new regulatory signs | No. of regulatory signs installed | 1200 | 127 | 127 | 240 | 323 | 240 | | 3.2.1 |

Comments

The department achieved 78% of all set targets. The main deviations were noted on the following:

1. Km of constructed tertiary roads:

Due to the implementation of a new BID format, no turnkey projects could commence delaying the appointment of contractors.

2. Km of roads resurfaced/ rehabilitated:

This was due to the extensive patching and asphalt overlay work required with a resultant reduction in funds for resurfacing. Cost of overlay approximately 2,5X that of resurfacing.

3.2.1.4 EMPLOYEE INFORMATION

| Employees: Roads & Stormwater | | | | | |
|--|------------|------------|------------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 1 | 1 | 0 | 0% |
| 4 - 6 | 24 | 28 | 20 | 9 | 32% |
| 7 - 9 | 39 | 52 | 40 | 15 | 29% |
| 10 - 12 | 50 | 67 | 46 | 35 | 52% |
| 13 - 15 | 92 | 114 | 93 | 35 | 31% |
| 16 - 18 | 627 | 718 | 607 | 126 | 18% |
| 19 - 20 | | | | | |
| Total | 832 | 980 | 807 | 220 | 22% |
| <p>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</p> | | | | | |
| | | | | | 3.2.1.4 |

Table 26: Employees: Roads & Stormwater

3.2.1.5 FINANCIAL PERFORMANCE

| Financial Performance: Roads & Stormwater | | | | | |
|--|------------------|------------------|-------------------|------------------|--------------------|
| | | | | | R'000 |
| Details | 2010/11 | 2011/12 | | | Variance to Budget |
| | Actual | Original Budget | Adjustment Budget | Actual | |
| Total Operational Revenue | 379,978 | 299,509 | 256,710 | 246,516 | -21% |
| Expenditure: | | | | | |
| Employees | 277,405 | 55,113 | 51,762 | 48,938 | -13% |
| Repairs and Maintenance | 481,752 | 416,697 | 427,876 | 402,566 | -4% |
| Other | 1,138,687 | 952,787 | 988,457 | 907,806 | -5% |
| Total Operational Expenditure | 1,897,843 | 1,424,597 | 1,468,095 | 1,359,310 | -5% |
| Net Operational Expenditure / (Surplus) | 1,517,866 | 1,125,088 | 1,211,385 | 1,112,794 | -1% |
| <p>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</p> | | | | | 3.6.5 |

Table 27: Financial Performance: Roads & Stormwater

3.2.1.6 CAPITAL EXPENDITURE

| Capital Expenditure: Roads & Stormwater | | | | | |
|---|----------------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 327,556 | 323,087 | 316,999 | -3% | |
| Air-Conditioners SAAME Building | - | 100 | - | 0% | - |
| Albertina Sisulu (R21) Express Way System Implementation | 3,050 | 8,522 | 8,522 | 64% | 57,688 |
| Alberton sidewalks | 600 | 629 | 629 | 5% | 1,258 |
| Atlasville Spruit flood management | 5,500 | 3,646 | 3,246 | -69% | 21,373 |
| Bedfordview Stormwater Protection | 1,500 | 1,202 | 1,202 | -25% | 23,702 |
| Bedfordview, Geometric Rd Improvement | 5,000 | 921 | - | 0% | 11,139 |
| Buurendal SW Upgrade: Edenvale | 400 | 443 | 443 | 10% | 443 |
| Constr. Of Small Holding Roads | 5,000 | 5,000 | 4,954 | -1% | 22,703 |
| Construct Daveyton CBD/N12 Interchange | 15,000 | 600 | 201 | -7366% | 20,725 |
| Construct Flamboyant st west,Goedeburg | 1,000 | - | - | 0% | - |
| Construct Section K86 (Single Carriageway) | 2,000 | - | - | 0% | 987 |
| Contribution Township Development | 1,000 | - | - | 0% | 3,000 |
| Croydon Bulk SW System | 3,500 | 3,742 | 3,742 | 6% | 6,678 |
| De-silting Elsburg dam | 1,000 | - | - | 0% | 1,700 |
| Doubling Barry Marais Rd | 250 | - | - | 0% | 9,750 |
| East Duduza,Plan Link Rd K136 & Rd 1894 | 500 | 105 | 105 | -376% | 5,105 |
| East Puffontein,Upgr of First Road | 1,000 | 1,000 | 994 | -1% | 10,994 |
| East, Construction of K86 | 1,000 | 300 | 297 | -237% | 18,366 |
| East, Implementation of HOV lane between Daveyton and Benoni CBD | 500 | - | - | 0% | 1,051 |
| East, Replacement of Traffic Signals with LED Heads | 500 | 500 | 374 | -34% | 1,471 |
| East: Construction of Roads & Stormwater Payneville & Slovo Park | 1,000 | 897 | 897 | -11% | 3,897 |
| East: Contruction of Stormwater Outfall Sandpan Areas | 1,000 | 899 | 869 | -15% | 13,369 |
| East: Daveyton, Etwatwa, Slovo Park and Welgedacht Roads & Stormwater | 15,000 | 14,811 | 14,811 | -1% | 44,810 |
| East: Eastern Region, Upgr of Rds Depots | 500 | 296 | 296 | -69% | 1,796 |
| East: Etwatwa Stormwater | 3,000 | - | - | 0% | 4,000 |
| East: Implement Traffic Signals | 500 | 479 | 478 | -5% | 5,498 |
| East: Kheswa Stormwater Daveyton | 1,000 | 850 | 850 | -18% | 1,850 |
| East: Kwa-Thema Stormwater | 3,000 | 3,485 | 3,485 | 14% | 7,485 |

| Capital Expenditure: Roads & Stormwater | | | | | |
|---|---------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| East: Kwatsaduza Roads & Stormwater | 15,000 | 15,467 | 15,467 | 3% | 25,693 |
| East: Leachville Roads & Stormwater | 3,000 | 569 | 569 | -427% | 1,569 |
| East: Upgrade Joe Mzamane Road Kwa-Thema | 600 | 600 | 560 | -7% | 9,060 |
| East: Wattville, Leachville and Kingsway Roads & Stormwater | 5,200 | 3,152 | 3,152 | -65% | 32,793 |
| East: Benoni, Const of S W Outfall Rynfield | 1,000 | 500 | 247 | -305% | 18,292 |
| East: Brakpan, Const of Farghurson Road | 500 | - | - | 0% | 2,525 |
| East: Chris Hani, Constr of Stormwater Sys | 500 | - | - | 0% | - |
| East: Eastern Reg, Impl New Traffic Sign | 500 | 500 | 342 | -46% | 724 |
| East: Eastern Reg, Upgr of Pav & Sidewalks | 500 | 1,500 | 1,435 | 65% | 4,226 |
| East: Kwa-Thema, Implement of Stwater Sys | 500 | 950 | 921 | 46% | 921 |
| Eastleigh Spruit Channel | 5,000 | 1,178 | 1,178 | -324% | 29,178 |
| Elandsfontein, SW Implementation (North) | 500 | 505 | 505 | 1% | 5,005 |
| EPWP Projects | - | 6,222 | 6,185 | 100% | 6,185 |
| Esangweni Pedestrian facilities/bridge | 400 | 161 | 161 | -148% | 11,661 |
| Geometric Road Improvements (North) | 1,000 | 800 | 832 | -20% | 8,832 |
| Gladiator Stormwater System Implement | 400 | 181 | 172 | -132% | 4,672 |
| Greater Tembisa Roads and SW | 41,202 | 38,147 | 38,147 | -8% | 113,409 |
| Harmelia / Buurendal SW System Implementation | 5,000 | 5,246 | 5,246 | 5% | 13,386 |
| ICT Equipment | 1,290 | 1,277 | 1,059 | -22% | 6,044 |
| Impala Park Stormwater System Northrop Rd etc | 200 | 200 | 171 | -17% | 4,971 |
| Install SW in Palm Ridge | 2,000 | 2,027 | 2,027 | 1% | 11,540 |
| Isandovale, Erosion Protection Impl (North) | 1,800 | 1,284 | 1,284 | -40% | 8,869 |
| Kaal Spruit rehabilitation | 100 | 103 | 103 | 2% | 5,103 |
| Katlehong Implementation of Stormwater Masterplan | 9,500 | 9,506 | 9,506 | 0% | 56,012 |
| Kempton Park Depot | 5,500 | 6,646 | 6,646 | 17% | 21,716 |
| Khama Road Wattville Construction | 500 | - | - | 0% | - |
| Kingsway Leachville: Roads & SW | 5,002 | 2,272 | 2,272 | -120% | 12,432 |
| Kraai Barbara Road Intersection Upgrade | 1,500 | - | - | 0% | 1,250 |
| Minor Extensions to Stormwater Germiston | 600 | 604 | 604 | 1% | 3,294 |

| Capital Expenditure: Roads & Stormwater | | | | | |
|--|---------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Minor Road Improvements: East | 500 | 500 | 414 | -21% | 2,185 |
| Minor Works for Roads and Stormwater | 600 | 1,052 | 1,048 | 43% | 4,306 |
| N3 Construct Pedestrian Bridge | - | 103 | 103 | 100% | 586 |
| New Market Park Stormwater Drainage | 1,000 | - | - | 0% | 997 |
| Office Furniture | 259 | 259 | 216 | -20% | 1,758 |
| Operational Buildings - Airconditioners | - | 113 | 113 | 100% | 113 |
| Other Equipment | 210 | 110 | 85 | -147% | 576 |
| Pedestrian Management | - | 1 | - | 0% | 4,000 |
| Pedestrian Management Impl. (North) | 1,000 | 1,086 | 1,086 | 8% | 21,667 |
| Pomona Stormwater System | 100 | 100 | 96 | -4% | 9,096 |
| Pretoria Road Upgrading | 500 | - | - | 0% | 19,874 |
| Quinine Rd Stormwater System | 2,000 | 2,400 | 2,566 | 22% | 12,566 |
| Raceview Stormwater Drainage | 750 | - | - | 0% | 729 |
| Reconstruct Davidson Road | 500 | - | - | 0% | 486 |
| Reconstruction of Niemann Road | 750 | - | - | 0% | 6,461 |
| Rehabilitate Dam Spillways | 500 | 500 | - | 0% | 7,713 |
| Rehabilitate Roads in Eastern Region | 1,000 | 3,039 | 3,039 | 67% | 155,176 |
| Rehabilitation of Roads (North) | 250 | 3,058 | 3,058 | 92% | 152,752 |
| Rehabilitation of roads: South | 7,500 | 16,912 | 16,912 | 56% | 140,912 |
| Roads & Stormwater | | | | | |
| Rondebult/Buhlepark | 600 | 613 | 613 | 2% | 9,333 |
| Roads East (AS and When) | - | - | - | 0% | 65,000 |
| Roads on Dolomite | 7,000 | 7,500 | 7,287 | 4% | 39,394 |
| Sidewalks General | 500 | 205 | 205 | -144% | 1,116 |
| Sidewalks General (2Kathehong CCC) | 500 | 515 | 515 | 3% | 1,536 |
| Sidewalks General (Boksburg CCC) | 500 | 500 | 480 | -4% | 791 |
| Sidewalks General (Germiston CCC) | 500 | 500 | 451 | -11% | 1,170 |
| Sidewalks General (Kathehong CCC) | 500 | 513 | 512 | 2% | 1,590 |
| Sidewalks General (Thokoza CCC) | 500 | 489 | 479 | -4% | 1,341 |
| Sidewalks General (Vosloorus CCC) | 500 | - | - | 0% | 1,066 |
| Silt & rubbish trap: Boksburg lake | 2,500 | 265 | 265 | -842% | 10,447 |
| Sonneveld Stormwater Upgrading | 500 | 500 | - | 0% | 2,421 |
| South Traffic Signal Co ordination | 700 | 705 | 705 | 1% | 1,912 |
| South, Replacement of Traffic Signals with LED Heads | 700 | 702 | 702 | 0% | 1,709 |
| South:R59 Thokoza Link:Upg of Thokoza AC | 500 | - | - | 0% | - |
| South:Sidewalks and Rd Reserve | 300 | 20 | 20 | -1377% | 674 |
| Soutpansberg Drive Intersect Upgrading | 300 | 471 | 471 | 36% | 7,855 |
| Specialised Equipment | 1,241 | 1,141 | 242 | -414% | 6,101 |
| St Austell Stormwater Drainage | 750 | - | - | 0% | 2,227 |
| Stormwater M/Plan Tokoza | 1,500 | 1,520 | 1,520 | 1% | 2,540 |

| Capital Expenditure: Roads & Stormwater | | | | | |
|--|---------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | Total Project Value |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | |
| Stormwater improvements (Minor) (North) | 2,000 | 2,011 | 2,011 | 1% | 2,011 |
| Stormwater Upgrading Thintwa | 1,000 | 214 | 214 | -367% | 8,314 |
| Styx Road Improvements | 500 | 300 | 300 | -67% | 4,618 |
| SW in Vosloorus | 2,100 | 2,114 | 2,113 | 1% | 10,680 |
| SW Masterplan Implemt in Katlehong | 5,200 | 5,200 | 5,184 | 0% | 5,184 |
| SW Upgrade Klippoortje | 1,000 | 1,020 | 1,020 | 2% | 1,020 |
| SW Upgrade Nasmith Rd, Driehoek | 200 | - | - | 0% | 325 |
| Swartsspruit Rehabilitation: Kempton Park | 5,500 | 5,307 | 5,307 | -4% | 36,394 |
| Tembisa Depot Upgrading | 1,500 | 978 | 978 | -53% | 19,939 |
| Tembisa Natural Watercourses upgrading | 500 | 4,170 | 4,120 | 88% | 13,820 |
| Tertiary Rds South Dept Construction | 5,500 | 4,674 | 4,674 | -18% | 36,469 |
| Tertiary Roads in Katlehong | 14,602 | 14,629 | 14,629 | 0% | 69,946 |
| Tertiary roads in the Eastern Region | 1,000 | 1,260 | 1,253 | 20% | 11,310 |
| Tertiary Roads in Thokoza- Phase 3 | 7,000 | 6,628 | 6,628 | -6% | 24,648 |
| Tertiary Roads in Vosloorus- Phase 3 | 2,500 | 2,520 | 2,520 | 1% | 29,140 |
| Tertiary Roads: North | 5,500 | 8,687 | 8,687 | 37% | 88,959 |
| Thokoza Stormwater Drainage Masterplan Implementation | 3,500 | 3,514 | 3,514 | 0% | 7,496 |
| Township Develop:Ext Services ex Contributions | 500 | 465 | 465 | -7% | 5,974 |
| Township Develop:Ext Services ex Contributions (North) | 14,500 | 14,543 | 14,543 | 0% | 40,621 |
| Traffic Calming (North) | 300 | 300 | 296 | -1% | 3,126 |
| Traffic Calming in the Eastern Region | 500 | 1,004 | 1,004 | 50% | 5,480 |
| Traffic Calming South | 1,000 | 2,005 | 2,005 | 50% | 8,296 |
| Traffic Signal SARTSM Compliance | 750 | 765 | 765 | 2% | 1,859 |
| Traffic Signal Upgrades: East | 500 | 1,500 | 996 | 50% | 8,860 |
| Traffic Signal Upgrades: South | 1,000 | 1,009 | 1,009 | 1% | 22,170 |
| Traffic Signals Southern Region | 700 | 715 | 715 | 2% | 3,472 |
| Traffic Signals Upgrading (North) | 500 | 950 | 516 | 3% | 9,079 |
| Tunney Rds: Brollo & Brickfields rds | 200 | 404 | 404 | 51% | 9,404 |
| Turnkey Roads (East) | 4,500 | 19,446 | 19,446 | 77% | 88,436 |
| Turnkey Roads (South) | 5,500 | 5,710 | 5,710 | 4% | 89,130 |
| Turnkey Stormwater (East) | 4,900 | 8,667 | 8,625 | 43% | 53,389 |
| Turnkey Stormwater (North) | 500 | (538) | - | 0% | 8,073 |
| Turnkey Stormwater (South) | 1,000 | 1,804 | 1,804 | 45% | 30,800 |
| Upgrade of O'Reilly Merry Street | 1,000 | - | - | 0% | 9,000 |
| Upgrading of Agric Holding Roads (North) | - | 1,683 | 1,683 | 100% | 1,683 |

| Capital Expenditure: Roads & Stormwater | | | | | | R' 000 |
|---|---------|----------------------|-----------------------|-------------------------------------|------------------------|--------|
| Capital Projects | 2011/12 | | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value | |
| Upgrading of Agric Holding Roads (North) (Polo/Seventh) | 500 | 0 | - | 0% | 12,339 | |
| Vehicles | 5,000 | 5,000 | 4,958 | -1% | 32,309 | |
| Vosloorus New Depot | - | 500 | - | 0% | 1,500 | |
| Witfield SW System | 5,500 | 513 | 513 | -972% | 8,131 | |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.6.6 | |

Table 28: Capital Expenditure: Roads & Stormwater

3.2.1.7 COMMENTS ON DEPARTMENT'S OVERALL PERFORMANCE

Road Infrastructure

The major projects implemented by the department can be categorized as follows:

1. Construction of Roads & Stormwater infrastructure in township areas (backlog eradication)
2. Construction of new major Roads (economic development)
3. Construction of pedestrian walkways
4. Traffic Engineering projects (Traffic Signal upgrades, Traffic calming measures, Intersection improvements)
5. Other (Depot facilities etc)

Although the overall expenditure for the department was fair (91%), the target for the construction of paved roads in residential areas was not met. (57km Constructed vs 70km target). The major reason for not meeting the target is the late appointment of contractors. The available budget was also insufficient in relation to the increased construction costs.

The target for the construction of Pedestrian Walkways was exceeded (26,7km Constructed vs 20km target).

Stormwater

The large number of the stormwater projects implemented relate to the roads associated stormwater. A number of "independent" conduit systems were upgraded while the allocation for the upgrading of natural watercourses is increasing. Generally, all stormwater related targets in the SDBIP were met.

Going forward, the addressing of problems in natural watercourses will become a higher priority. The environmental compliance requirements will result in a less than preferred progress being made. The formulation and approval of a Stormwater Policy and related procedures aimed at reducing the growth of stormwater runoff is a high priority for the municipality.

3.2.2 PUBLIC TRANSPORT

3.2.2.1 INTRODUCTION

The Department of Transport Planning and Provision is a newly established Department that is made up of the Transport Planning, Public Transport Operations, Licensing and the Integrated Rapid Transit Network Units.

The core functions include:

- Establishing an integrated and sustainable transport system to meet the transport demands holistically;
- Strategically manage the Public Transport, Transport Planning, Licensing Services and relevant entities to ensure the provision of best services in the Municipality;
- The effective transport planning and implementation; of all Transport related initiatives planning and design of the Integrated Rapid Public Transport Network;
- Strategically manage and oversee motor vehicle registrations and licensing as well as driver and learner and vehicle testing within Ekurhuleni Metropolitan Municipality.

The 2011/12 Financial year was a very challenging one as the Department was established as a new Department with limited resources and yet with a very big mandate of changing the face of Public Transport in Ekurhuleni.

The City also has a Bus Service serving the following areas: Tsakane to Brakpan and Springs; Germiston and Katlehong and Boksburg (primarily a service to cater for scholars)

The other challenge we continue to face as a Department is the limited service of our buses which do not serve the entire Ekurhuleni community. The biggest challenge to date is a limited budget as the expansion would need more buses and personnel.

In the midst of these challenges the Department managed to achieve the following.

The Municipal Bus service was able to secure 5 new permits from the Gauteng Licensing Board (GOLB), these would see our bus services being extended to the following areas:

Spruitview –Meadowbrook

Joburg – Meadowbrook

Katlehong – Rhodesfield

Vosloorus – Rhodesfield and



Reiger Park – Rhodesfield.

The Department also constructed 3 Licensing Drive Thru's in Katlehong, Kwa-Thema and Duduza. These drive thus, will ensure that the licensing services are extended to the Previously Disadvantaged Areas of Ekurhuleni.

The Department also developed the Operational Plan for Phase 1 of the IRPTN, which will move from Tembisa to Vosloorus.

Last but not least the Department saw to the completion of the Daveyton Station Intermodal Facility, the facility will ensure that our commuters are provided with all the facilities and amenities they require.

3.2.2.2 POLICY OBJECTIVES TAKEN FROM IDP

| Public Transport Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|---|---|---------------|--------------|--------------|---------------------------------------|-------------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Development of comprehensive integrated Transport Plan | finalization and review of the integrated CITP by target date | 100% | 0% | 0% | 40% completion of CITP June 2012 | 40% | 100% | | |
| | Output | Completion of Integrated Rapid Public Transport Network Plan (IRPTN) planning | % completion of 5 work streams (Ops, Business, comm. & marketing, EAI, Proj. Man & detailed design of Phase 1 (Pilot Project) | 100% | 5% | 5% | 50% of planning completed for Phase 1 | 50% | 25% | | |
| | Output | Planning and design of inter-modal transfer facilities | Number of modal transfer facilities planned and designed | 10 | 1 | 1 | 2 | 2 | 2 | | |
| | Output | Upgrading and maintenance of public transport facilities | Number of facilities upgraded and maintained | 15 | 5 Taxi ranks | 5 Taxi ranks | 5 | 5 | 2 | | |
| | Output | Configuration of the municipal bus services & BBC (Extension, Expansion) | % completion of the configuration of the municipal bus services & BBC | 100% | 20% | 20% | 20% | 100% | 25% | | |
| | Output | Securing of fleet | Number of fleet secured | 15 | 4 | 4 | 5 | - | 10 | | |
| | Outcome | Develop transport contingency plan-(PT routes published and communicated) | % Transport contingency plan developed by target date | 100% | 0% | 0% | 50% | 100% | 25% | | |
| | Output | Review operating licenses (new & amendments) | Number of OL applications | 30 | - | - | 10 New applications | 93 approved | 5 | | |
| | Output | Establishment of an Integrated Metro Bus Service | Integrated Metro Bus Service established by target date | 1 | 10 | 10 | 0 | 1 | | | |

T 3.7.3

Comments

The department achieved the majority of the targets (84%) set for the 2011/2012 financial year. The only target not achieved by the department was the purchasing of the fleet since funds for this purchase could not be secured.

3.2.2.3 EMPLOYEE INFORMATION

| Employees: Public Transport | | | | | |
|-------------------------------------|-----------|---------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 1 | 1 | 0 | 0% |
| 4 - 6 | 9 | 12 | 8 | 4 | 33% |
| 7 - 9 | 31 | 37 | 34 | 3 | 8% |
| 10 - 12 | 178 | 197 | 174 | 23 | 12% |
| 13 - 15 | 371 | 395 | 354 | 41 | 10% |
| 16 - 18 | 79 | 91 | 75 | 16 | 18% |
| 19 - 20 | | | | | |
| Total | 668 | 733 | 646 | 87 | 12% |

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

Table 29: Employees: Public Transport

3.2.2.4 FINANCIAL PERFORMANCE

| Financial Performance: Public Transport | | | | | |
|--|---------|-----------------|-------------------|----------------|--------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | - | 212,957 | 242,500 | 231,553 | 8% |
| Expenditure: | | | | | |
| Employees | - | 198,617 | 196,419 | 181,027 | -10% |
| Repairs and Maintenance | - | 18,182 | 20,507 | 16,143 | -13% |
| Other | - | 27,984 | 30,746 | 28,891 | 3% |
| Total Operational Expenditure | - | 244,784 | 247,671 | 226,061 | -8% |
| Net Operational Expenditure / (Surplus) | - | 31,827 | 5,172 | (5,493) | 679% |
| <i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i> | | | | | 3.7.5 |

Table 30: Financial Performance: Public Transport

3.2.2.5 CAPITAL EXPENDITURE

| Capital Expenditure: Public Transport | | | | | |
|---|----------------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 106,750 | 80,647 | 70,171 | -52% | |
| Bluegumview Taxi Rank | 50 | - | - | 0% | 16,170 |
| Brakpan Station Taxi Rank | 50 | - | - | 0% | - |
| C.K. Taxi Rank (Tsakane) | 50 | - | - | 0% | - |
| Daveyton Station Taxi Rank (C/F) | 12,000 | 26,220 | 21,113 | 43% | 22,191 |
| Du Plessis Taxi Rank | 50 | 1,138 | 1,031 | 95% | 1,031 |
| Edenvale Taxi Rank | - | 800 | 681 | 100% | 681 |
| ICT Equipment (LIC) | 500 | 993 | 885 | 43% | 3,255 |
| Integrated Rapid Public Transport Network (IRPTN) | 71,800 | 30,662 | 33,140 | -117% | 246,817 |
| Leralla station Rank | - | 3,891 | - | 0% | - |
| Oakmoor Taxi Rank (MIG) | - | 3,464 | 3,464 | 100% | 9,371 |
| Office Furniture (Licensing) | 40 | 100 | 61 | 34% | 1,625 |
| Operational Buildings - Airconditioners | - | 93 | 93 | 100% | 93 |
| Operational Buildings - Security Control | - | 430 | 430 | 100% | 430 |
| Other Equipment (LIC) | 500 | 7 | 7 | -7231% | 1,921 |
| Phuthadijaba Taxi Rank (Tokoza) | 500 | 558 | 494 | -1% | 16,494 |
| Provide Dunswart station modal transfer facility | 3,200 | 1,500 | 1,268 | -152% | 1,469 |
| Provide Palm Ridge Taxi Rank | 50 | - | - | 0% | 173 |
| Provide Thokoza Entrance Taxi Rank | 50 | - | - | 0% | - |
| Provide Windmill Park Taxi Rank | 50 | - | - | 0% | 170 |
| Ramaphosa Taxi Rank | 1,500 | 1,250 | - | 0% | 30,791 |
| Refurbish All Metro Licensing Premises | 1,000 | 1,616 | 1,616 | 38% | 7,656 |
| Replace Municipal buses | 1,000 | - | - | 0% | 42,000 |
| Rondebult Taxi Rank | 50 | - | - | 0% | 170 |
| Sharon Park Taxi Rank | 50 | - | - | 0% | - |
| Specialized Equipment (Licensing) | 1,500 | 976 | 26 | -5669% | 5,244 |
| Upgrade Daveyton CBD Taxi Rank | 9,100 | 2,100 | 1,274 | -614% | 1,274 |
| Upgrading Germiston Station Taxi Rank | 450 | - | - | 0% | 40,500 |
| Upgrading of all weighbridges in EMM | 1,660 | 1,690 | 1,690 | 2% | 2,031 |
| Upgrading of Germiston Bus Depot | 500 | 1,800 | 1,684 | 70% | 2,321 |
| Upgrading of various drive thrus | - | 357 | 357 | 100% | 357 |
| Vehicles (Licensing) | 1,000 | 1,000 | 857 | -17% | 4,659 |
| Vosloorus x 28 Taxi Rank | 50 | - | - | 0% | 157 |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.7.6 |

Table 31: Capital Expenditure: Public Transport

3.3.0 COMPONENT C: PLANNING AND DEVELOPMENT

3.3.1 CITY PLANNING

3.3.1.1 INTRODUCTION

The department has five core functions in ensuring that the mandate of planning and development carried forward in a sustainable manner.

- Spatial Planning: the key focus area of the division is the formulation of the Metropolitan, Regional and Local Spatial Development Frameworks that guide investment and development in the city;
- Land Use Management: the key focus area of the division is to facilitate development and control land use in the EMM built environment in the manner that ensures orderly and legally compliant development;
- Corporate Geo-Informatics: the key focus area of the division is ensure that the spatial data of EMM is captured and maintained centrally for ease of reference in decision making regarding the properties information.
- Dolomite and Risk Management: management of hazardous features such sink holes and subsidence's. Inspections of hazardous conditions reported on EMM or privately owned land which is followed-up by inspections to determine the course and extent of the problem whether it is dolomite related or not.
- Building Control: To approve building plans, execute building inspections and initiate legal actions in accordance with the provisions of national building regulations and building standard act, Act 103, 1977 as amended and other related legislation.
- Outdoor Advertising: to regulate and manage all forms of outdoor advertising which fall within the jurisdiction of the municipality.

3.3.1.2 GENERAL INFORMATION:APPLICATION FOR LAND USE DEVELOPMENT

| Detail | Applications for Land Use Development | | | | | |
|---------------------------------------|---------------------------------------|---------|----------|---------|-------------------|------------------|
| | Formalisation of Townships | | Rezoning | | Built Environment | |
| | 2010/11 | 2011/12 | 2010/11 | 2011/12 | 2010/11 | 2011/12 |
| Planning application received | | | | | 12,173 | 10,823 |
| Determination made in year of receipt | | | | | 7,965 | 7,441 |
| Determination made in following year | | | | | 2,940 | TBD |
| Applications withdrawn | | | | | 0 | 0 |
| Applications outstanding at year end | | | | | 4,208 | 3,382 |
| | | | | | | <i>T 3.8.2.1</i> |

3.3.1.3 POLICY OBJECTIVES TAKEN FROM IDP

| City Planning Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|---|---|---------------|-------------|--------|---------|--------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Increased finalization of land development applications. | % of legally & technically compliant land development applications finalised within EMM prescribed period | 100% | 80% | 75% | 85% | 90% | 90% | | |
| | Output | Land use Scheme finalization and promulgation | % completion of Uniform Land Use Scheme | 1 | 1 | 0 | 1 | 1 | 1 | | |
| | Output | Formulation of revised Land Use Management policies | Number of revised Land Use Management policies | 10 | 10 outdated | - | 2 | 2 | 2 | | |
| | Output | Implementation of land development applications tracking system | % implementation of Land Development Applications Tracking System | 100% | 0% | 0% | 0% | 0% | 100% | | |
| | Outcome | Increased compliance with the applicable Land Use Scheme(s) | % Compliance with the notices issued regarding contraventions of the applicable Land Use Scheme(s) | 100% | 50% | 45% | 60% | 55% | 65% | | |
| | Output | Conduct land use inspections | Level of productivity for development planning inspectors | 100% | 60% | 60% | 80% | 65% | 90% | | |
| | Outcome | Increased utilization of the MSDF aligned to guide land use application considerations for public and private investment decisions. | % Utilization of MSDF | 100% | 80% | 60% | 70% | 95% | 100% | | |

| City Planning Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|--|---|---------------|-----------|--------|-----------|--------|------------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Output | Compilation of RSDFs | Number of RSDFs compiled | 6 | - | - | 1 | - | 1 | | |
| | Outcome | Improved functionality of the integrated geographic data management system | Level of functionality of geographic data management system | 100% | 20% | 20% | 30% | 10% | 50% | | |
| | Output | Data cleansed between GIS, Billing and Valuations datasets | % Matching of the property information, i.e. GIS & Billing | 100% Match | 98% match | 98% | 1 | 99% | 100% Match | | |
| | Output | | % Matching of the property information, i.e. GIS & Valuations | 96% match | 95% match | 95% | 96% match | 98% | 96% match | | |
| | Output | Dissemination of spatial data and mapping services to stakeholders | % of maps and geographic data produced as and when required | 100% | 100% | 100% | 100% | 100% | 100% | | |

T 3.8.3

Comments:

The department achieved 70% of the set targets for the 2011/2012 Financial Year. Underperformance was noted on the following targets:

1. Increased compliance with the applicable Land Use Scheme(s)
2. Conduct land use inspections

3.3.1.4 EMPLOYEE INFORMATION

| Employees: City Planning | | | | | |
|-------------------------------------|-----------|---------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 24 | 34 | 23 | 11 | 32% |
| 7 - 9 | 42 | 47 | 36 | 11 | 23% |
| 10 - 12 | 96 | 120 | 98 | 22 | 18% |
| 13 - 15 | 5 | 7 | 6 | 1 | 14% |
| 16 - 18 | 7 | 8 | 6 | 2 | 25% |
| 19 - 20 | | | | | |
| Total | 175 | 217 | 170 | 47 | 22% |

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

3.3.1.4

Table 32: Employees: City Planning

3.3.1.5 FINANCIAL PERFORMANCE

| Financial Performance: City Planning | | | | | |
|--|---------------|--------------------|----------------------|---------------|-----------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | 2,300 | 1,815 | 2,115 | 1,873 | 3% |
| Expenditure: | | | | | |
| Employees | 75,182 | 87,750 | 86,328 | 78,679 | -12% |
| Repairs and Maintenance | 398 | 741 | 705 | 415 | -78% |
| Other | 14,110 | 12,103 | 11,729 | 8,148 | -49% |
| Total Operational Expenditure | 89,689 | 100,593 | 98,761 | 87,242 | -15% |
| Net Operational Expenditure / (Surplus) | 87,389 | 98,778 | 96,646 | 85,369 | -16% |

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

3.8.5

Table 33: Financial Performance: City Planning

3.3.1.6 CAPITAL EXPENDITURE

| Capital Expenditure: City Planning | | | | | | R' 000 |
|---|--------------|-------------------|--------------------|-------------------------------|---------------------|--------|
| Capital Projects | 2011/12 | | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value | |
| Total All | 1,800 | 1,800 | 1,216 | -48% | | |
| ICT Equipment | 1,000 | 1,000 | 671 | -49% | 6,178 | |
| Office Furniture | 300 | 272 | 261 | -15% | 1,505 | |
| Specialized Equipment | 450 | 380 | 220 | -105% | 1,220 | |
| Other Equipment | 50 | 50 | 36 | -40% | 661 | |
| Supply of Movable Security Guard-House/Office | - | 70 | - | 0% | - | |
| Operational Buildings - Security Control | - | 28 | 28 | 100% | 28 | |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.8.6 | |

Table 34: Capital Expenditure: City Planning

3.3.1.7 COMMENTS ON DEPARTMENT'S OVERALL PERFORMANCE

Achievements

The completion of the Vacant Land Audit report internally, i.e. analysis of the status quo of the vacant land owned by EMM, State and/or Private;

Data cleansing between the GIS, Billing and Valuations databases, exceeding the set target;

The completion of the Land Use Management Scheme.

3 Service delivery priorities:

- Provision of the on line mapping services and empowerment of users;
- Educate the community about building plans ,their importance and
- Advice the public on any other matters relevant, including dolomite awareness.

Measures taken to improve performance

Training stopped due to ICT network connectivity that is limited and not reliable. Secondly, the viewer is being enhanced, i.e. being simplified, as users requested and should be completed by end of quarter 1 2012/13;

Continuously monitor vacant, dilapidated and/or abandoned buildings within the metro.

3.3.2 ECONOMIC DEVELOPMENT

3.3.2.1 INTRODUCTION

The Department of Economic Development comprises the following divisions:

Economic Empowerment;
Special Programmes;
Tourism Development & Marketing; and
Investment Facilitation

The department' mandate seeks to provide leadership in economic planning and facilitate strategic partnerships to derive economic development, growth, competitiveness, job creation, skills development, economic Empowerment and poverty alleviation as anticipated by the NDP, NGP, GEGDS, GDS, MEDS and NIPF through:

- (i) Economic Planning;
- (ii) SMME & Co-operatives Development & Incubation;
- (iii) Sector Development and Support;
- (iv) Industrial Planning, Development and Retention;
- (v) Investment & Development Facilitation and Attraction;
- (vi) Business & Informal Trade Regulation;
- (vii) BBBEE Producer & Supplier Development;
- (viii) Catalytic & Enabling Projects Conceptualization & PM;
- (ix) PPP and Stakeholder Relationship Managements.

The City of Ekurhuleni being one of the three metropolitan municipalities in Gauteng also faces unprecedented endogenous and exogenous factors and challenges that are manifested through, inter alia: higher unemployment rates, low education and skills base; high crime rates, service delivery induced protests and civil unrests; shrinking economic diversification & dominance by a few sectors; crowding-out of private sector investment, lower investor confidence, and loss of strategic investments to neighbouring Metros and Cities due to competitiveness considerations, etc. The strategic objectives of the Economic development Strategy in Ekurhuleni is to stimulate economic sectors, establish industrial clusters and related activities to drive efficiencies and competitiveness through:

- Sector Development and Support.
- Industrial Park Regeneration & Development.
- Special Economic Zone Classifications.
- Investment and Development Facilitation.
- Industrial Incubation and Local Content.
- Economic Infrastructure Development.

As provided for in the National Development Plan, New Growth Path, Gauteng Employment, Growth & Development Strategy, National Industrial Policy Framework (IPAP1,2 &3); and Ekurhuleni Growth & Development Strategy. This approach will ensure that the City of Ekurhuleni does leverage its current industrial capability to anchor the creation of smart industries through the formation of the following economic & industrial development clusters:

- Metals fabrication, capital and transport equipment, green and energy-saving industries and agro-processing.
- Automotive and components; medium and heavy vehicles; plastics, pharmaceuticals and chemicals; clothing, textiles, footwear and leather; bio-fuels; forestry, paper, pulp and furniture; creative and cultural industries; and Business Process Services.
- Advanced materials, aerospace and defence, and electro-technical and ICT sectors.

In this regard, the economic development strategy development programme in the City of Ekurhuleni will be undertaken through the following pillars:

- Comprehensive situation analysis of household and business financial/economic dynamics within the City through primary surveys and secondary data analysis.
- Update of economic and socio-economic data basis through secondary data sources.
- 10 years Comprehensive Economic strategy and development Programme.

DEVELOPMENTAL APPROACH

City of Ekurhuleni as a developmental local municipality acknowledges its obligation and responsibility to ensure that the City's economic trajectory is firmly poised to effectively redress challenges of underdevelopment, poverty, unemployment and inequalities. City of Ekurhuleni seeks to pass the litmus test by ensuring that its economic & industrial development, empowerment, emancipation and community development strategies, programmes and plans are symbiotic in order to systematically uproot inequalities, unemployment, underdevelopment and poverty. City of Ekurhuleni is resolved that the more people are lifted from the trappings of absolute poverty, unemployment and hopelessness, the faster the economy will grow.

Partnership with the Institute of Market Agents of South Africa (IMASA) to reposition and rehabilitate the Springs Fresh Produce Market and investigate future governance options.

3.3.2.2 GENERAL INFORMATION

3.3.2.2.1 ECONOMIC EMPLOYMENT BY SECTOR

| Economic Employment by Sector | | | |
|-------------------------------------|----------------|----------------|----------------|
| Sector | Jobs | | |
| | 2009/10 No. | 2010/11 No. | 2011/12 No. |
| Agric, forestry and fishing | 6,247 | 5,950 | 5,563 |
| Mining and quarrying | 9,296 | 9,528 | 8,360 |
| Manufacturing | 164,084 | 149,505 | 155,644 |
| Wholesale and retail trade | 151,400 | 144,426 | 145,996 |
| Finance, property, etc. | 140,938 | 130,515 | 134,852 |
| Govt, community and social services | 117,221 | 120,174 | 125,626 |
| Infrastructure services | 48,946 | 47,007 | 47,123 |
| Total | 638,132 | 607,105 | 623,164 |
| | | | T 3.9.2.2 |

3.3.2.3 POLICY OBJECTIVES TAKEN FROM IDP

| Economic Development Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|---|---|---------------|---------|--------|---------|--------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | | Increased public investment and large scale private investments through the proposals submitted | Rand value of submitted proposals actualized | R10bn | R2.9bn | R2.9b | R2.9bn | R5.5bn | R4bn | | |
| | | Increased capacitation of cooperatives in the city | Number of Cooperatives provided with workshops on business and technical skills | 250 | 72 | 77 | 50 | 75 | 100 | | |
| | | Increased development of the township economy | A completed report of the status of Townships Economy by target date | | | 0% | 100% | 100% | | | |
| | | Increased Support for the development of community based agriculture | Number of cooperatives and emerging farmers supported | 50 | 10 | 11 | 10 | 5 | 20 | | |
| | | Increased development of economic clusters across sectors and metro-wide | Number of economic clusters supported across the metro | 9 | 3 | 3 | 3 | 3 | 5 | | |
| | | Increased skills base | % people placed in jobs | 100% | 0% | 20% | | 10% | 32% | | |
| | | Improved tourism product offering | % improvement in tourism product offering | 20% | 2% | 2% | 5% | 2% | 5% | | |
| | | Increased marketing of tourism products and services | % increase in tourism marketing efforts | 50% | 5% | 5% | 10% | 10% | 20% | | |
| | | Refurbishment of the Springs Fresh Market | Maintenance program in place | 1 | - | 1 | 1 | 1 | 1 | | |

T 3.9.3

Comments:

The department achieved 80% of its targets for the 2011/2012 financial year. Underperformance were noted on the following targets:

1. Improved tourism product offering:

The 20 B&B's submitted by the department to TGCSA for grading could not be considered due to the B&B's not meeting the minimum criteria. The Department will work closely with TGCSA and the B&B owners when resubmitting the request for successful grading in 2012/13.

2. Increased marketing of tourism products and services:

Due to cost and functionality implications, tourism research is conducted bi-annually, and the next research will be undertaken in 2012/2013.

3.3.2.4 EMPLOYEE INFORMATION

| Employees: Economic Development | | | | | |
|---|-----------|---------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 11 | 12 | 10 | 2 | 17% |
| 7 - 9 | 15 | 21 | 13 | 8 | 38% |
| 10 - 12 | 8 | 10 | 9 | 1 | 10% |
| 13 - 15 | 17 | 20 | 17 | 3 | 15% |
| 16 - 18 | 16 | 16 | 12 | 4 | 25% |
| 19 - 20 | | | | | |
| Total | 68 | 80 | 62 | 18 | 23% |
| <i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i> | | | | | |
| | | | | | 3.3.2.4 |

Table 35: Employees: Economic Development

3.3.2.5 FINANCIAL PERFORMANCE

| Financial Performance: Economic Development | | | | | |
|--|---------------|-----------------|-------------------|---------------|--------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | Variance to Budget |
| | Actual | Original Budget | Adjustment Budget | Actual | |
| Total Operational Revenue | 17,024 | 28,602 | 28,252 | 16,738 | -71% |
| Expenditure: | | | | | |
| Employees | 25,477 | 29,703 | 29,187 | 23,727 | -25% |
| Repairs and Maintenance | 1,230 | 807 | 1,634 | 1,560 | 48% |
| Other | 7,975 | 21,282 | 20,298 | 12,056 | -77% |
| Total Operational Expenditure | 34,682 | 51,792 | 51,119 | 37,343 | -39% |
| Net Operational Expenditure / (Surplus) | 17,658 | 23,190 | 22,866 | 20,605 | -13% |
| <i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i> | | | | | 3.9.5 |

Table 36: Financial Performance: Economic Development

3.3.2.6 CAPITAL EXPENDITURE

| Capital Expenditure: Economic Development | | | | | | R' 000 |
|---|---------------|----------------------|-----------------------|-------------------------------------|------------------------|--------|
| Capital Projects | 2011/12 | | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value | |
| Total All | 34,060 | 38,716 | 33,880 | -1% | | |
| CCTVSystem | 250 | 250 | - | 0% | 770 | |
| Fencing Wholesale Centre | 200 | - | - | 0% | 600 | |
| ICT Equipment | 75 | 75 | 70 | -6% | 846 | |
| Implementation Poultry Project | - | 262 | 200 | 100% | 6,300 | |
| Industrial Parks & Community Agric Projects | 5,500 | 8,998 | 8,998 | 39% | 62,248 | |
| New Wholesale Centre | 7,000 | - | - | 0% | - | |
| Office Furniture | 40 | 40 | 10 | -308% | 491 | |
| Other Equipment | 40 | 40 | 28 | -44% | 338 | |
| Other Equipment(Tourism) | 40 | 40 | 36 | -12% | 301 | |
| Recycling - Buy Back Centre | - | 500 | 261 | 100% | 1,261 | |
| Refurbishment of Fresh Produce Market | - | 4,265 | 4,125 | 100% | 39,125 | |
| Shared industrial Production Facilities in Tembisa & Thokoza | 3,850 | 2,500 | 105 | -3550% | 2,455 | |
| Specialized Equipment | 65 | 465 | - | 0% | 3,458 | |
| Tamboekiesfontein Infrastructure | - | 1,726 | 1,726 | 100% | 14,466 | |
| Tembisa Township Hub | 1,000 | 800 | - | 0% | 1,700 | |
| Thokoza Fabrication Laboratory | - | 700 | 700 | 100% | 1,700 | |
| Tourism Route Signage | 4,000 | 3,302 | 2,867 | -40% | 11,867 | |
| Upgrade to Economic Infrastructure | 12,000 | 14,753 | 14,753 | 19% | 73,184 | |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.9.6 | |

Table 37: Capital Expenditure: Economic Development

3.3.3 INSTITUTIONAL STRATEGY, M & E AND RESEARCH

3.3.3.1 INTRODUCTION

The department is responsible for the following functions:

- Monitoring and Evaluation
- Growth and Development Strategy
- Research and Development
- Integrated Development Planning

3.3.3.2 GENERAL INFORMATION

Service delivery surveys; Household, Business and Customer Care Areas - The overall purpose of the surveys is was to measure the satisfaction levels of the people of Ekurhuleni with regards the services provided to them by the EMM. The aim of the surveys is to provide updated information on Ekurhuleni, and inform indicators of governance, service delivery, human development and communication.

The surveys assessed the following indicators;

- *Profile Indicators* - critical features of the household profile such as demographics and income and expenditure.
- *Municipal Service Delivery Indicators* - the availability, accessibility, affordability and satisfaction with all municipal services provided to the household directly at the homestead and the neighbourhood, as well as more general services provided at other locations (e.g., municipal offices, etc) and via specialised units (e.g., emergency services, etc.)
- *Quality of Life Indicators* – To assess overall quality of household life so as to properly contextualise satisfaction with the EMM
- *Income-Expenditure Indicators* – household financial state of health and vulnerability to short term crises and shocks
- *Municipal Governance Indicators* – citizen participation in municipal governance at ward and other levels and evaluation of ward and municipal governance.

Review of the GDS 2025 - Local government planning cycles constitutes long, medium and short term planning. The Growth and Development Strategy (GDS) is the Ekurhuleni Metropolitan Municipality’s long-term plan to deliver services. It is a 20-30 year plan that sees to it that services are delivered in line with the needs of our people and the environment. Nationally, the New Growth Path, the establishment of the National Planning Commission, and the reshaping of the Department of Human Settlements are a few of the developments that are shaping South Africa, and thus affecting its cities.

Dynamics shaping development include migration, globalization and capital mobility, climate change, and balancing competitiveness with liveability in light of increasingly scarce resources. It is against this backdrop that the Ekurhuleni Metropolitan Municipality embarked on a process of reviewing its Growth and Development Strategy, which will eventually guide its new growth and development path.

A working document was developed by the Ekurhuleni Metropolitan Municipality which consists of a status quo report, but also reflects on growth and development opportunities taking into consideration global, national and provincial trends. It also considers the growth and development capacities in Ekurhuleni and identifies the risks.

Growth and development impact areas were identified on which a robust public participation and consultation drive was embarked on with the aim to ensure that all ideas and suggestions were solicited through diverse platforms with the aim of pursuing a common future. This process was required in order to come up with a Growth and Development Strategy 2055 for the Ekurhuleni Metropolitan Municipality. This process is in its final stages of approval, which should be concluded in the second half of 2012.

Socioeconomic data - The directorate conducted a study to update the socioeconomic status of Ekurhuleni. The study produced an extensive “AS IS PICTURE” of Ekurhuleni covering all the important indicators such as population, economy, education and Ekurhuleni’s contribution to the economy of the country. The study also looked at some international trends in terms of the



economic growths and developments and how Ekurhuleni compares to them. The study also played an important role in informing the Growth and Development Strategy review process.

Support to other departments – With its limited capacity, the department provides strategic planning, research support to other departments.

Integrated Development Planning – The process of reviewing the Integrated Development Plan (IDP) is coordinated. The process is facilitated with all departments and stakeholders to ensure the timely adoption of the IDP. Through this process the focus has been on reviewing the IDP to become more outcomes and results based orientated. This also helped to focus the plans of all departments to start measuring the impact and change the implementation of their respective plans will deliver to the Ekurhuleni residents.

This division also coordinates the process of performance reporting on the Service delivery and Budget Implementation Plan (SDBIP). Quarterly, mid-year reviews and the annual report compilation is coordinated through this office.

3.3.3.3 POLICY OBJECTIVES TAKEN FROM IDP

| Institutional Strategy, M & E and Research Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|---|---|---------------|---------|--------|---------|--------|---------|--------|--|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Increased utilisation of the metro-wide planning methodology, approach and system | Utilisation rate by departments of the results based metro-wide planning methodology, approach and system | 100% | 0% | 0% | 30% | 30% | 50% | | |
| | Output | Development standardized planning process, methodologies and tools metro wide | Standardized planning process, methodologies and tools metro wide completed by target date | Jun-12 | | | Jun-12 | Jun-12 | | | |
| | Output | Development of long term strategy | Approved GDS by target date | Mar-12 | 0% | 0% | Mar-12 | Jan-00 | | | Consultation process with various stakeholders took longer than anticipated but have been finalised. |
| | Output | Development of medium term strategy | Approved IDP by target date | Jun-12 | - | - | 1 | Jan-00 | 1 | | |
| | Outcome | Increased evidence based planning Metro wide | % of plans that are evidence based | 100% | N/A | N/A | 0% | 100% | 1 | | |
| | Output | Development standardized research process, methodologies and tools metro wide | Standardized research process, methodologies and tools metro wide completed by target date | Jun-12 | 0% | 0% | Jun-12 | Jun-12 | 100% | | |
| | Output | Development of the medium and long term research strategy | Approved research strategy by target date | Mar-12 | - | - | Mar-12 | Apr-12 | - | | |

| Institutional Strategy, M & E and Research Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|---|---|---------------|---------|--------|---------|--------|----------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Increased responsiveness and appropriateness of the research to the metro's strategic imperatives | % of research initiatives respond to the needs of the metro | 100% | | | 100% | 100% | 100% | | |
| | Output | Conduct Annual metro wide surveys (household and Customer Care Areas satisfaction surveys) | Annual metro wide surveys conducted by target date | End FY | - | - | Jun-12 | Jul-12 | 7/1/2013 | | |
| | Outcome | Improved functionality of an M&E system | Level of functionality of a M&E system | 100% | N/A | N/A | 30% | 30% | 30% | | |
| | Output | Development standardised M&E process, methodologies and tools metro wide | Standardised M&E process, methodologies and tools metro wide by target date | Jun-12 | - | - | N/A | N/A | 0% | | |
| | Output | Development of the medium and long term M&E strategy | Approved M&E strategy by target date | Jun-12 | - | - | Jun-12 | Jul-12 | 0% | | |
| | Outcome | Improved quality of organisational performance reporting | % of departments meeting the quality reporting standards | 100% | N/A | N/A | 70% | 100% | 100% | | |
| | Output | Development of a Reporting Framework | Reporting Framework developed by target date | Jun-12 | - | - | Jun-12 | Jun-12 | N/A | | |
| | Output | Development standardised reporting process, methodologies and tools metro wide | Standardised reporting process, methodologies and tools metro wide developed by target date | Jun-12 | - | - | Jun-12 | Jun-12 | 0% | | |

T 3.10.3

Comments

The department met 73% of its targets. Underperformance was noted on the following targets:

1. Increased utilization of the metro-wide planning methodology, approach and system:

There was a delay in finalising the GDS due to the consultation process with various stakeholders taking longer than anticipated. It has since been finalised.

2. Improved functionality of integrated archiving system:

The outcome and associated outputs were not achieved since the function was migrated to the ICT department.

3. Improved functionality of an M&E system:

The M&E system is a new function in the metro and a number of processes had to be instituted prior to the implementation. To support the roll-out of the strategy a long and medium term action plan has been developed.

4. The integration of M&E into departmental processes has been hampered by the institutional review process. It was expected that some capacity would be established in the department but this has not happened as yet.

3.3.3.4 EMPLOYEE INFORMATION

| Employees: Institutional Strategy, M & E and Research | | | | | |
|--|-----------|---------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 7 | 6 | 6 | 0 | 0% |
| 7 - 9 | 1 | 5 | 3 | 2 | 40% |
| 10 - 12 | 6 | 9 | 3 | 6 | 67% |
| 13 - 15 | 4 | 6 | 4 | 2 | 33% |
| 16 - 18 | 0 | 0 | 0 | 0 | |
| 19 - 20 | | | | | |
| Total | 19 | 27 | 17 | 10 | 37% |
| <p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.</i></p> <p><i>*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> | | | | | |
| | | | | | 3.3.3.4 |

Table 38: Employees: Inst. Strategy, M & E and Research

3.3.3.5 FINANCIAL PERFORMANCE

| Financial Performance: Institutional Strategy, M & E and Research | | | | | |
|--|---------|-----------------|-------------------|--------|--------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | 120 | - | - | 5 | 100% |
| Expenditure: | | | | | |
| Employees | 8,036 | 12,502 | 12,292 | 10,504 | -19% |
| Repairs and Maintenance | 22 | 41 | 36 | 9 | -350% |
| Other | 7,818 | 13,228 | 18,217 | 13,920 | 5% |
| Total Operational Expenditure | 15,876 | 25,772 | 30,545 | 24,433 | -5% |
| Net Operational Expenditure / (Surplus) | 15,756 | 25,772 | 30,545 | 24,427 | -6% |
| <i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i> | | | | | 3.10.5 |

Table 39: Financial Performance: Inst. Strategy, M&E and Research

3.3.3.6 CAPITAL EXPENDITURE

| Capital Expenditure: Institutional Strategy, M & E and Research | | | | | |
|---|---------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 50 | 50 | 45 | -12% | |
| Office Furniture | 20 | - | - | 0% | 317 |
| ICT Equipment | 30 | 50 | 45 | 33% | 392 |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.10.6 |

Table 40: Capital Expenditure: Inst. Strategy, M&E and Research

3.4.0 COMPONENT D: COMMUNITY AND SOCIAL SERVICES

3.4.1 SRAC: ARTS, CULTURE AND LIBRARIES

3.4.1.1 INTRODUCTION



The strategic thrust of Arts, Culture and Heritage is to develop, promote and sustain the arts in Ekurhuleni. The strategic thrust of library and information Services is to provide services which is free, equitable and readily accessible

Key Result areas for Arts, Culture and Heritage is the development and implementation of Arts and Culture Programmes and to improve the artistic talent of artists, youth and children in Ekurhuleni. Art Programmes are also used to increase income generation through the marketing and promotion of arts, crafts and cultural products. Heritage Programmes are used to increase the awareness of the protection, preservation and promotion of Ekurhuleni Heritage

The top 3 service delivery priorities in Sport and Recreation are as follows:

- Provision of sport and recreation facilities,
- Implementation of sport and recreation programmes,
- Hosting of provincial, national and international sport and recreation events.

3.4.1.2 GENERAL INFORMATION

Departmental Vision and Mission

- Utilization of Sport, Recreation, Arts and Culture programs to enhance social cohesion
- Provision of sports, libraries and arts and culture facilities
- To ensure equitable access to Sport ,Recreation Arts and Culture Facilities
- Preservation and Promotion of Ekurhuleni's Heritage and Identity
- Transformation and Development of Library media resources, services and access to information
- Transformation of society to be self-reliant through capacity building

Departmental Key Performance Areas

The Key Deliverables for the 2011/2012 financial year as guided by the departmental focus areas are as follows:

- Preservation and Promotion of Ekurhuleni's Heritage and Identity
- Transformation and Development of Library Media Resources, Services and Access to information

3.4.1.3 POLICY OBJECTIVES TAKEN FROM IDP

| SRAC: Arts, Culture & Libraries Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|---|--|---------------|-----------|-----------|---------|--------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Increased participation of communities in all codes of sport | % community participation of communities in all codes of sport | 0.6 | - | - | 0 | 0 | 0 | | |
| | Outcome | Increased success rate of athletes in all codes of sport at provincial, national and international levels | % of talented athletes performing at provincial, national and international levels | 0.15 | - | - | - | 0 | 0 | | |
| | Outcome | Increased implementation of Talent Identification Programmes | Number of talent identification programmes implemented | 150 | 15 | 15 | 15 | 33 | 60 | | |
| | Outcome | Improved effective, integrated management systems for sport | Number of functional sporting facilities with an integrated programme | 150 | 20 | 20 | 20 | 82 | 100 | | |
| | Outcome | Increased participation of learners in school sport | % of learners participating in school sports | 0.5 | - | - | 0 | 0 | 0 | | |
| | Outcome | Increased provision of Recreational facilities and programmes | Number of recreational facilities implementing programmes | 103 | 12 | 12 | 12 | 22 | 40 | | |
| | Outcome | Increased implementation of arts and culture programmes across the development continuum | Number of arts and culture programmes implemented across the development continuum | 50 | 36 | 36 | 20 | 97 | 60 | | |
| | Outcome | Increased development and nurturing of the identified talent | % of people with identified talent being nurtured and developed | 1 | Not known | Not known | - | 0 | 25 | | |

| SRAC: Arts, Culture & Libraries Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|---|--|---------------|-----------|-----------|---------|--------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Increased success rate of people in the performing arts at provincial, national and international levels | % of Ekurhuleni based talented artists performing at provincial, national and international levels | 0.4 | Not known | Not known | 0 | 0 | 35 | | |
| | Outcome | Improved effective, integrated and quality systems for arts and culture activities | Number of functional arts and culture facilities with an integrated programme | 9 | 3 | 3 | - | 8 | 7 | | |
| | Outcome | Increased opportunities for income generation through marketing of arts, crafts and cultural products | Number of income generation opportunities provided for the marketing of arts, crafts and cultural products | 15 | 3 | 3 | - | 11 | | | |
| | Outcome | Increased access to elite theatres | Number of people accessing elite theatres | 6000 | 800 | 800 | 400 | 2,000 | 2,800 | | |
| | Outcome | Nomination of heritage facilities to be graded and declared | Number of facilities nominated for grading and declaration | 5 | - | - | - | 1 | 2 | | |
| | Outcome | Increased participation in library activities | Number of library patrons participating in library activities | 0 | 100,000 | | - | 0 | 70,000 | | |
| | Outcome | Increased participation of communities in all codes of sport | % community participation of communities in all codes of sport | 60% | 0% | 0% | 15% | 30% | 40% | | |
| | Outcome | Increased success rate of athletes in all codes of sport at provincial, national and international levels | % of talented athletes performing at provincial, national and international levels | 15% | 0% | 0% | 0% | 5% | 7% | | |

| SRAC: Arts, Culture & Libraries Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|--|--|---------------|-----------|-----------|---------|--------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Increased implementation of Talent Identification Programmes | Number of talent identification programmes implemented | 150 | 15 | 15 | 15 | 33 | 60 | | |
| | Outcome | Improved effective, integrated management systems for sport | Number of functional sporting facilities with an integrated programme | 150 | 20 | 20 | 20 | 82 | 100 | | |
| | Outcome | Increased participation of learners in school sport | % of learners participating in school sports | 50% | 0% | 0% | 12% | 35% | 40% | | |
| | Outcome | Increased provision of Recreational facilities and programmes | Number of recreational facilities implementing programmes | 103 | 12 | 12 | 12 | 22 | 40 | | |
| | Outcome | Increased implementation of arts and culture programmes across the development continuum | Number of arts and culture programmes implemented across the development continuum | 50 | 36 | 36 | 20 | 97 | 60 | | |
| | Outcome | Increased development and nurturing of the identified talent | % of people with identified talent being nurtured and developed | 100% | Not known | Not known | 0% | 3% | 25% | | |
| | Outcome | Increased success rate of people in the performing arts at provincial, national and international levels | % of Ekurhuleni based talented artists performing at provincial, national and international levels | 40% | Not known | Not known | 2% | 2% | 35% | | |
| | Outcome | Improved effective, integrated and quality systems for arts and culture activities | Number of functional arts and culture facilities with an integrated programme | 9 | 3 | 3 | - | 8 | 7 | | |

| SRAC: Arts, Culture & Libraries Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|---|--|---------------|---------|--------|---------|--------|---------|--------|--|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Increased opportunities for income generation through marketing of arts, crafts and cultural products | Number of income generation opportunities provided for the marketing of arts, crafts and cultural products | 15 | 3 | 3 | - | 11 | | | |
| | Outcome | Increased access to elite theatres | Number of people accessing elite theatres | 6000 | 800 | 800 | 400 | 2,000 | 2,800 | | |
| | Outcome | Nomination of heritage facilities to be graded and declared | Number of facilities nominated for grading and declaration | 5 | - | - | - | 1 | 2 | | |
| | Outcome | Increased participation in library activities | Number of library patrons participating in library activities | 0 | 100,000 | | - | 0 | 70,000 | | |
| | Outcome | Increased utilization rate of library media | Utilization rate of library media | 567600 | 1 | | 567,600 | 60,000 | 1 | | |
| | Outcome | Increased access to information for the visually impaired by extending library services | Number of libraries that have services to support the visually impaired | 35 | 49 | | 35 | 35 | 46 | | |
| | Outcome | Improved functionality of libraries | Number of libraries that are functional | 5 | 24 | | 5 | | 15 | | |
| | Outcome | Improved community library infrastructure, ICT and services | Number of libraries with improved infrastructure and ICT services | 22 | 49 | | 22 | 4 | 45 | | Libraries have internet access, however, the services are very unreliable due to network and technical constraints |
| | Outcome | Increased publications and reading in indigenous languages | Number of libraries with publications and reading of indigenous language material | 43 | 49 | | 43 | 10 | 45 | | |
| | Outcome | Increased capacity of library personnel | % libraries with the requisite personnel according to the established posts | 85% | 60% | 60% | 60% | 60% | 70% | | |
| | Outcome | Improved coordination and awareness-raising in respect of Official Publications Depository (OPD) | Level of establishment of the OPD | 0 | 1 | | - | 1 | - | | |

Comments:

The department achieved 80% of its targets. Underperformance was noted on the following:

1. Improved learning and reading levels amongst children:

Consultation with schools took longer because of a new programme being implemented resulting in a delayed launching thereof. Launching during the second quarter could not be accommodated due to the clash with preparations for final exams. The launch took place on 28 February 2012, resulting in target not being met.

2. Increased participation in library activities:

Although Library committees were established in most of the Libraries across the City, only a few are still active. The Department is currently analyzing this to design interventions to improve the situation.

3. Established functional library systems:

Libraries have internet access, but the services is very unreliable due to network and technical constraints

4. Improved access to legal deposit material: ?

This is a multi-year project. The Department is in the process of concluding the approval and accreditation processes.

3.4.1.4 EMPLOYEE INFORMATION

| Employees: SRAC: Arts, Culture & Libraries | | | | | |
|--|------------|------------|------------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 15 | 15 | 14 | 1 | 7% |
| 7 - 9 | 22 | 25 | 23 | 2 | 8% |
| 10 - 12 | 101 | 105 | 92 | 13 | 12% |
| 13 - 15 | 185 | 191 | 181 | 10 | 5% |
| 16 - 18 | 86 | 91 | 85 | 6 | 7% |
| 19 - 20 | | | | | |
| Total | 410 | 428 | 396 | 32 | 7% |

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

3.4.1.4

Table 41: Employees: SRAC: Arts, Culture & Libraries

3.4.1.5 FINANCIAL PERFORMANCE

| Financial Performance: SRAC: Arts, Culture & Libraries | | | | | |
|--|---------|--------------------|----------------------|----------------|-----------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | – | 2,805 | 5,530 | 5,407 | 48% |
| Expenditure: | | | | | |
| Employees | – | 116,075 | 114,741 | 108,660 | -7% |
| Repairs and Maintenance | – | 2,598 | 3,100 | 2,613 | 1% |
| Other | – | 9,440 | 16,273 | 15,986 | 41% |
| Total Operational Expenditure | – | 128,112 | 134,113 | 127,259 | -1% |
| Net Operational Expenditure / (Surplus) | – | 125,308 | 128,583 | 121,852 | -3% |

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

3.11.5

Table 42: Financial Performance: SRAC: Arts, Culture & Libraries

3.4.1.6 CAPITAL EXPENDITURE

| Capital Expenditure: SRAC: Arts, Culture & Libraries | | | | | |
|---|---------------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 92,081 | 83,609 | 67,283 | -37% | |
| Chris Hani Memorial | 4000000 | 500000 | 374308 | -969% | 790254 |
| Chris Hani Museum | 3000000 | 25000 | 0 | 0% | 4500000 |
| Construction & Development of Duduza Reconciliation Park | 1200000 | 273118 | 236559 | -407% | 2236559 |
| Construction: New Library Brakpan | 0 | 504275 | 21375 | 100% | 21375 |
| Construction: New Library Langaville | 7000000 | 10842330 | 10840493 | 35% | 10840493 |
| Construction: New Library Tsakane | - | 480 | - | 0% | - |
| Construction: New Library: Vosloorus | 12,000 | - | - | 0% | 17,463 |
| Construction: New Library: Winnie Mandela | 6,000 | 4,072 | 4,026 | -49% | 8,594 |
| Fencing: Sport & Recreational Facilities | - | 1,742 | 1,742 | 100% | 8,742 |
| Furniture & Equipment: Arts & Culture | 31 | (26) | 5 | -520% | 3,099 |
| Furniture: Community and Sport centres | 500 | 198 | 198 | -152% | 1,498 |
| Germiston Theatre | 14,000 | 2,118 | 2,061 | -579% | 22,061 |
| ICT Equipment | 100 | 812 | 458 | 78% | 3,907 |
| Libraries Books | - | 1,750 | 223 | 100% | 736 |
| Libraries ICT Equipment | - | 441 | 441 | 100% | 3,135 |
| Office Furniture | 50 | 50 | 49 | -2% | 1,209 |
| OR Tambo Precinct and surrounding development (2010 projects as Mayoral decision) | 20,000 | 34,005 | 32,374 | 38% | 54,318 |
| Other Equipment | 100 | 75 | 75 | -34% | 147 |
| Reconstruction of Olifantsfontein Library | 5,000 | 10,100 | 2,835 | -76% | 2,835 |
| Rehabilitation of Duduza stadium | 3,000 | 499 | 499 | -501% | 5,999 |
| Rehabilitation of Katlehong Swimming Pool | 2,500 | - | - | 0% | 2,500 |
| Rehabilitation of Swimming Pools | 7,500 | 4,563 | 4,563 | -64% | 18,071 |
| Rehabilitation of Watville stadium | 2,500 | 600 | 549 | -355% | 5,549 |
| Specialized Equipment | 1,000 | 974 | 930 | -8% | 3,121 |
| Upgrade of Libraries | 500 | 1,518 | 1,290 | 61% | 1,744 |
| Upgrade Tembisa Library | - | 4,000 | - | 0% | - |
| Upgrade: Art Centres | 300 | 798 | 798 | 62% | 1,998 |
| Upgrade: Construction of Memorial Sites | 1,800 | 874 | 874 | -106% | 1,874 |
| Vehicles | - | 1,821 | 1,821 | 100% | 39,321 |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3,11.6 |

Table 43: Capital Expenditure: SRAC: Arts, Culture & Libraries

3.4.2 ENVIRONMENTAL RESOURCE MANAGEMENT

3.4.2.1 INTRODUCTION

ENVIRONMENTAL PROTECTION

Functions:

- Monitoring of Air Quality
- Atmospheric admission of licencing of industries
- Compliance and enforcement of green scorpions
- Air Quality reduction programmes : Basa Njngo M0gogo- Diesel Admission Testing

Even though environmental protection is not a competency allocated to Local authorities in term of the constitution, the EMM has a "duty of care" in terms of section 28 of the National Environmental Management Act 107 of 1998. In terms hereof the EMM has to see to it that no development taking place within its area of jurisdiction which impacts negatively on the environment.

3.4.2.2 GENERAL INFORMATION

In order to contribute towards this duty of care various activities and actions are undertaken by various divisions in the EMM including the Environmental Resource Department's Air Quality Policy and Planning and Parks and cemetery divisions.

Wetlands maintenance

Tembisa wetlands rehabilitation: 2 weirs were constructed in the Kaalspruit in order to curb the erosion due to the uncontrolled flow in the stream

+/- 100 Tembisa women were employed to assist with the cleaning of a section of Kaalspruit.

The Department has managed to clean and keep water hyacinth under control in the four Benoni lakes (Homestead, Middle, Civic and Kleinfontein). This was achieved through routine removal and herbicide spraying to curb emerging plant growth. The lakes are now in a state that contributes to the aesthetics of the city along the Maputo corridor (N12) highway.

3.4.2.3 POLICY OBJECTIVES TAKEN FROM IDP

| Environmental Resource Management Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|---|--|---------------|---------------|---------------|---------|--------|---------|--------|---|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Increased compliance with ambient air quality standards | Number of ambient stations operational | 45 | 6 | - | 9 | 9 | 9 | | |
| | Output | Implementation of Air Quality Management Plan | Number of projects implemented | 35 | 3 | 3 | 5 | 5 | 6 | | |
| | Output | Licensing of listed activities and industries | Number of industries licensed | 200 | 9 licenses is | 9 licenses is | 25 | 25 | 50 | | |
| | Output | Implement reduction emission strategy | Level of compliance to diesel emissions standards | 99% | 90% | 90% | 95% | 95% | 96% | | |
| | Outcome | Increased compliance with environmental legislation for the metro | % of non-compliance with environmental legislation by the metro | 0% | 0% | 0% | 0% | 0% | 0% | | |
| | Output | Rehabilitation of wetlands | Number of Wetlands rehabilitated | 23 | 3 | 3 | 4 | 2 | 5 | | There was a delay in the finalisation of the supply chain process for the appointment of a contractor to implement the Tembisa wetlands rehabilitation plan |
| | Output | Monitor compliance of EMM departments to EIA requirements | Number of contraventions in respect of EIA and Nat Water Act requirements | 0 | 6 | 6 | - | - | - | | |
| | Output | Implement environmental awareness and education programmes | Number of programmes implemented to reach community through awareness and education programmes | 15 | 7 | 7 | 4 | - | 3 | | |

| Environmental Resource Management Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|---|---|---------------------|---------------------|---------------------|---------------------|--------|---------|--------|--|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Output | Develop environmental development policy | Number of environmental development policies updated by target date | 2 | - | - | 1 | - | - | | Due to unforeseen problems with the procurement procedures the project was delayed by a month. The appointment of the consultants was finalized in beginning March 2012. |
| | Outcome | Improved maintenance, upgrade and safety of the environment | % completion of sites requiring maintenance and upgrading | 100% | 40% baseline | 40% baseline | 100% | 100% | 100% | | |
| | Output | Development of new parks | No of parks developed | 11 | 2 | 2 | 3 | 3 | 2 | | |
| | Output | Upgrading of parks | No of parks upgraded/ developed | 90 | 29 | 29 | 10 | 4 | 20 | | |
| | Output | Grass cutting in targeted areas | Area of grass cut (km ²) | 195 km ² | 195 km ² | 195 km ² | 195 Km ² | 286 | 195 | | |
| | Output | Upgrading of town entrances | No of entrances developed | 10 | 2 | 2 | 2 | 1 | 2 | | |
| | Output | Planting of trees in targeted areas | No trees planted | 57200 | 12,000 | 12,000 | 9,200 | 13,027 | 12,000 | | |
| | Outcome | Increased availability of burial space | % of burial space available | 100% | 100% | 100% | 100% | 100% | 100% | | |
| | Output | Development / upgrading of additional burial space | No of cemeteries developed (existing for development or new) | 2 | 1 | 1 | 1 | 1 | - | | |
| | Outcome | Increased compliance with ambient air quality standards | Number of ambient stations operational | 45 | 6 | - | 9 | 9 | 9 | | |
| | Output | Implementation of Air Quality Management Plan | Number of projects implemented | 35 | 3 | 3 | 5 | 5 | 6 | | |

| Environmental Resource Management Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|---|--|---------------|--------------------------------------|--------------------------------------|---------|--------|---------|--------|---|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Output | Licensing of listed activities and industries | Number of industries licensed | 200 | 9 licenses issued. Backlog is 468 | 9 licenses issued. Backlog is 468 | 25 | 25 | 50 | | |
| | Output | Implement reduction emission strategy | Level of compliance to diesel emissions standards | 99% | 90% | 90% | 95% | 95% | 96% | | |
| | Outcome | Increased compliance with environmental legislation for the metro | % of non-compliance with environmental legislation by the metro | 0% | 0% | 0% | 0% | 0% | 0% | | |
| | Output | Rehabilitation of wetlands | Number of Wetlands rehabilitated | 23 | 3 | 3 | 4 | 2 | 5 | | There was a delay in the finalisation of the supply chain process for the appointment of a contractor to implement the Tembisa wetlands rehabilitation plan |
| | Output | Monitor compliance of EMM departments to EIA requirements | Number of contraventions in respect of EIA and Nat Water Act requirements | 0 | 6 | 6 | - | - | - | | |
| | Output | Implement environmental awareness and education programmes | Number of programmes implemented to reach community through awareness and education programmes | 15 | 7 | 7 | 4 | - | 3 | | |

| Environmental Resource Management Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|---|--|---------------------|---------------------|---------------------|---------|--------|---------|--------|--|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Output | Develop environmental development policy | Number of environmental development policies updated by target date | 2 | - | - | 1 | - | - | | Due to unforeseen problems with the procurement procedures the project was delayed by a month. The appointment of the consultants was finalized in beginning March 2012. |
| | Outcome | Improved maintenance, upgrade and safety of the environment | % completion of sites requiring maintenance and upgrading | 100% | 40% baseline | 40% baseline | 100% | 100% | 100% | | |
| | Output | Development of new parks | No of parks developed | 11 | 2 | 2 | 3 | 3 | 2 | | |
| | Output | Upgrading of parks | No of parks upgraded/ developed | 90 | 29 | 29 | 10 | 4 | 20 | | |
| | Output | Grass cutting in targeted areas | Area of grass cut (km ²) | 195 km ² | 195 km ² | 195 km ² | 195 Km2 | 286 | 195 | | |
| | Output | Upgrading of town entrances | No of entrances developed | 10 | 2 | 2 | 2 | 1 | 2 | | |
| | Output | Planting of trees in targeted areas | No trees planted | 57200 | 12,000 | 12,000 | 9,200 | 13,027 | 12,000 | | |
| | Outcome | Increased availability of burial space | % of burial space available | 100% | 100% | 100% | 100% | 100% | 100% | | |
| | Output | Development / upgrading of additional burial space | No of cemeteries developed (existing for development or new) | 2 | 1 | 1 | 1 | 1 | - | | |
| | Output | Maintenance and upgrade of cemeteries | Number of cemeteries maintained and upgraded | 64 | 63 | 63 | 63 | 63 | 64 | | |
| | Output | Implement education and awareness programmes in respect of alternative burial methods | Number of community based awareness and education programmes on alternate burial methods implemented | 18 | 2 | 2 | 2 | 1 | 4 | | |

Comments

The department achieved 80% of the targets set for the 2011/2012 financial year.

Underperformance was noted only on the increased compliance with environmental legislation for the metro:

Due to unforeseen problems with the procurement process the project was delayed by a month. The appointment of the consultants was finalized in beginning March 2012. The final product would be available around the end of July to middle August 2012.

The revised draft policy has been completed and a Stakeholder workshop was held in this regard on 21 June. The Implementation plan for the Policy is being developed at present and another stakeholder engagement (EMM departments) will be held in July. The finalized Policy and Implementation plan should then be ready by end July to middle August depending on the input received and buy-in from the other EMM departments.

3.4.2.4 EMPLOYEE INFORMATION

| Employees: Environmental Resource Management | | | | | |
|--|-----------|---------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 11 | 13 | 9 | 4 | 31% |
| 7 - 9 | 35 | 40 | 38 | 2 | 5% |
| 10 - 12 | 83 | 99 | 83 | 16 | 16% |
| 13 - 15 | 100 | 126 | 95 | 31 | 25% |
| 16 - 18 | 1739 | 1924 | 1760 | 164 | 9% |
| 19 - 20 | | | | | |
| Total | 1969 | 2203 | 1986 | 217 | 10% |
| <p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.</i></p> <p><i>*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> | | | | | |
| | | | | | 3.4.2.4 |

Table 44: Employees: Environmental Resource Management

3.4.2.5 FINANCIAL PERFORMANCE

| Financial Performance: Environmental Resource Management | | | | | |
|--|----------------|-----------------|-------------------|----------------|--------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | 69,257 | 50,615 | 47,702 | 49,084 | -3% |
| Expenditure: | | | | | |
| Employees | 382,645 | 444,940 | 437,884 | 414,150 | -7% |
| Repairs and Maintenance | 53,868 | 54,058 | 55,038 | 51,459 | -5% |
| Other | 109,237 | 98,837 | 105,459 | 121,113 | 18% |
| Total Operational Expenditure | 545,751 | 597,835 | 598,381 | 586,721 | -2% |
| Net Operational Expenditure / (Surplus) | 476,494 | 547,220 | 550,678 | 537,637 | -2% |
| <i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i> | | | | | 3.12.5 |

Table 45: Financial Performance: Environmental Resource Management

3.4.2.6 CAPITAL EXPENDITURE

| Capital Expenditure: Environmental Resource Management | | | | | |
|--|---------------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 46,192 | 45,314 | 41,924 | -10% | |
| Alarms: Metro Parks Facilities | 480 | 717 | 710 | 32% | 2,732 |
| Ambient Air Quality Monitoring Stations | 311 | 1,853 | 1,419 | 78% | 9,919 |
| Bokkie Park | 500 | 1,250 | 1,242 | 60% | 4,742 |
| Construct Metro Parks Depots | 800 | 1,266 | 1,266 | 37% | 8,195 |
| Construction of Environmental Development Corporate Offices | 1,000 | - | - | 0% | - |
| Develop Korsmans Bird Sanctuary Regional Park | 500 | 545 | 545 | 8% | 1,311 |
| Develop: Blesbokspruit for tourism | 600 | 1,430 | 1,430 | 58% | 5,318 |
| Develop: Bunny Park | 1,000 | 1,355 | 1,355 | 26% | 4,855 |
| Develop: Cemeteries - Berms | 500 | 754 | 753 | 34% | 3,503 |
| Develop: Community Park: Zonkizizwe | 1,500 | 2,234 | 2,234 | 33% | 3,734 |
| Develop: Conservation areas Southern Region Rondebuit | 1,000 | 1,358 | 1,298 | 23% | 5,044 |
| Develop: Kromvlei Cemetery - phase 2 | 2,000 | 2,000 | 1,944 | -3% | 10,833 |
| Develop: Multi Purpose Park Motsua | 8,500 | 6,803 | 6,579 | -29% | 8,579 |
| Develop: Multi Purpose Park: Winnie Mandela | 1,000 | 1,064 | 1,064 | 6% | 9,212 |
| Develop: Nyoni Park | 1,500 | 110 | 59 | -2423% | 4,451 |
| Develop: President Regional Park | 500 | 940 | 940 | 47% | 2,100 |
| Develop: Vlakfontein Cemetery | 1,000 | 1,027 | 1,027 | 3% | 10,088 |
| Development and Upgrading Community Environmental Education Centres: | | | | | |
| Blesbok spruit | 801 | 816 | 816 | 2% | 1,172 |
| Development of Town Entrances | 500 | 500 | 495 | -1% | 3,495 |
| Development: Mahlathini Park | 250 | 257 | 257 | 3% | 257 |
| Fencing ; Metro Parks Facilities: Phase 3 | - | 523 | 519 | 100% | 5,519 |
| Germiston Lake | 250 | 400 | 400 | 38% | 4,900 |
| ICT Equipment | 640 | 947 | 702 | 9% | 4,541 |
| Murray Park | - | 428 | 428 | 100% | 428 |
| Office Furniture | 590 | 349 | 294 | -100% | 3,939 |
| Operational Buildings - Airconditioners | - | 30 | 30 | 100% | 30 |
| Other Equipment | 350 | 350 | 307 | -14% | 1,287 |
| Payneville Ext 3 rehabilitation | 6,000 | 1,000 | - | 0% | 6,000 |
| Playground Equipment | 500 | 517 | 503 | 1% | 4,337 |
| Purchase Specialized Equipment | 2,000 | 2,123 | 2,076 | 4% | 27,182 |
| Rehabilitation of the Boksburg Lake | 1,500 | 2,112 | 2,112 | 29% | 6,444 |
| Rehabilitation of the Brakpan Dam | 1,500 | 1,068 | 948 | -58% | 1,969 |
| Rehabilitation of the Natalspruit Catchment | 1,500 | 377 | 374 | -301% | 5,674 |

| Capital Expenditure: Environmental Resource Management | | | | | | R' 000 |
|---|---------------|----------------------|-----------------------|-------------------------------------|------------------------|--------|
| Capital Projects | 2011/12 | | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value | |
| Total All | 46,192 | 45,314 | 41,924 | -10% | | |
| Rehabilitation: Degraded Wetlands/ Catchment | 1,500 | 2,509 | 1,813 | 17% | 7,241 | |
| Software: Cemetery management system | - | 500 | 182 | 100% | 182 | |
| Upgrade of Civic Centre: Germiston Grounds | - | 315 | 315 | 100% | 315 | |
| Vehicles | 5,620 | 5,487 | 5,487 | -2% | 96,446 | |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.12.6 | |

Table 46: Capital Expenditure: Environmental Resource Management

3.4.2.7 COMMENTS ON DEPARTMENT'S OVERALL PERFORMANCE

3.5.0 COMPONENT E: HEALTH SERVICES

3.5.1 HEALTH AND SOCIAL DEVELOPMENT

3.5.1.1 INTRODUCTION

Departmental Key Performance Areas

- Primary Health Care
- Community Development
- Special Programmes
- Programmes and Logistical Support Services

The following were the key deliverables of the department for 2010/11:

- Access to Primary Health Care
- Minimization of Life threatening Communicable Diseases
- Minimization of Life threatening Non-Communicable Diseases
- To conduct Community HIV and AIDS Programme to increase awareness on HIV and AIDS
- Improved education, information and awareness on socio economic status of all target groups
- To eradicate poverty through establishment of co –operatives
- Verify and register all deserving Indigents in the Indigent register

3.5.1.2 GENERAL INFORMATION

3.5.1.2.1 SERVICE DATA FOR CLINICS

| Service Data for Clinics | | | | |
|-----------------------------|--|-----------|----------|-----------|
| DETAILS | | 2010/2011 | | 2011/2012 |
| | | ACTUAL | ESTIMATE | ACTUAL |
| 1 | average number of patient visits on an average day | 21,734 | | 24,009 |
| 2 | total medical staff available on an average day | 3 | 5 | 3 |
| 3 | average patient waiting time | 1hr 3min | | 1hr 4 min |
| 4 | number of HIV/AIDS tests undertaken in the year | 284,673 | | 356,885 |
| 5 | number of tests in 4 above that proved positive | 90,028 | | 88,052 |
| 6 | number of children that are immunized at under 1 year of age | 52,625 | | 57,582 |
| 7 | child immunizations above compared with the child population under 1 year of age | 103 | | 109 |

The average waiting time for 2009/10 was 1:34min and reduced to 1:04min in 2011/12. This is monitored on a daily basis. Targeting a sample of 3 patients per day at 3 hourly intervals.

3.5.1.3 POLICY OBJECTIVES TAKEN FROM IDP

| Health & Social Development Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|---|---|---------------|---------|--------------|---------|--------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | | Increased completion of newly constructed facilities functional | Number of newly constructed facilities functional | 16 | 5 | 2 | 5 | 5 | 1 | | |
| | | Reduced mortality and morbidity in respect of communicable diseases | Mortality Rate in respect of communicable diseases (Tuberculosis) | 6% | | 8% | 7% | 7% | 7% | | |
| | | Increased immunization coverage of children under one (1) year | Immunization coverage under 1 year | 1 | 1 | 100.3% (Feb) | 1 | 1 | 1 | | |
| | | Effective management of OAH centres. | Number of older persons participating in community based services | 25965 | 5,139 | 3,193 | 5,193 | 6,407 | 10,386 | | |
| | | Increased participation of PwD in integrated rights based workshop, skills development and access to employment opportunities | Number of People with Disabilities securing opportunity in integrated skill development and integrated programmes | 1680 | 336 | 336 | 840 | 4,180 | 672 | | |
| | | Improve quality of ECD centres | Number of ECD centres providing accredited programmes | 753 | 347 | 347 | 393 | 916 | 303 | | |
| | | Increased utilisation by youth of certified youth friendly facilities | Number of youth attending high risk behaviour programmes | 10000 | 370 | 370 | 3,500 | 19,935 | 4,000 | | |

| Health & Social Development Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|--|--|---------------|---------|--------|---------|--------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | | Increased Subsidisation of approved indigents | Number of new indigent subsidized | 35000 | 13,327 | 41 690 | 3,250 | 70,900 | 14,000 | | |
| | | Increased monitoring and evaluation of formal and informal food premises | Percentage of food samples that are compliant with set standards | 75% | 55% | 55% | 58% | 64% | 63% | | |
| | | Increased implementation of Rodent Control Programme | % of households participating in the Rodent Control programme | 30% | 0% | 0% | 5% | 15% | 26% | | |
| | | | | | | | | | | | T 3.13.3 |

Comments

The department achieved all its set targets and exceeded the majority of the targets set for the 2011/2012 financial year. It is recommended that the targets for the 2012/2013 be reviewed in light of the high levels of achievement.

3.5.1.4 EMPLOYEE INFORMATION

| Employees: Health & Social Development | | | | | |
|--|-----------|---------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 54 | 62 | 52 | 10 | 16% |
| 7 - 9 | 188 | 245 | 226 | 19 | 8% |
| 10 - 12 | 576 | 625 | 573 | 52 | 8% |
| 13 - 15 | 306 | 338 | 323 | 15 | 4% |
| 16 - 18 | 297 | 326 | 315 | 11 | 3% |
| 19 - 20 | | | | | |
| Total | 1422 | 1597 | 1490 | 107 | 7% |

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

3.5.1.4

Table 47: Employees: Health & Social Development

3.5.1.5 FINANCIAL PERFORMANCE

| Financial Performance: Health & Social Development | | | | | |
|--|----------------|--------------------|----------------------|----------------|-----------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | Variance to Budget |
| | Actual | Original Budget | Adjustment Budget | Actual | |
| Total Operational Revenue | 234,972 | 250,248 | 258,175 | 247,720 | -1% |
| Expenditure: | | | | | |
| Employees | 377,211 | 453,383 | 448,380 | 427,252 | -6% |
| Repairs and Maintenance | 6,828 | 4,358 | 8,672 | 8,052 | 46% |
| Other | 109,706 | 105,117 | 103,060 | 106,826 | 2% |
| Total Operational Expenditure | 493,744 | 562,858 | 560,112 | 542,131 | -4% |
| Net Operational Expenditure / (Surplus) | 258,772 | 312,609 | 301,937 | 294,410 | -6% |

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

3.13.5

Table 48: Employees: Health & Social Development

3.5.1.6 CAPITAL EXPENDITURE

| Capital Expenditure: Health & Social Development | | | | | |
|--|----------------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | Total Project Value |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | |
| Total All | 113,582 | 116,477 | 116,239 | 2% | |
| Air Conditioners Clinics East | 800 | 816 | 816 | 2% | 2,616 |
| Air Conditioners Clinics North | 800 | 901 | 901 | 11% | 3,014 |
| Air Conditioners Clinics South | 800 | 737 | 737 | -9% | 3,000 |
| Building - Youth Friendly Services | 3,000 | 2,449 | 2,449 | -22% | 6,949 |
| Care Centres (Social Development) | 18,000 | 25,600 | 25,618 | 30% | 80,160 |
| Carports & Garages Clinics East | 250 | 366 | 366 | 32% | 1,380 |
| Carports & Garages Clinics North | 250 | 338 | 201 | -24% | 1,262 |
| Carports & Garages Clinics South | 250 | 257 | 257 | 3% | 1,343 |
| EXT & UPGRADE DAVEYTON EXT. CLINIC (Chris Hani /ZENZELE)Clinic | 800 | - | - | 0% | - |
| EXT & UPGRADE EDENVALE CLINIC | 700 | - | - | 0% | 3,500 |
| EXT & UPGRADE EMAPHUPENI CLINIC | 8,500 | 4,732 | 4,732 | -80% | 4,742 |
| EXT & UPGRADE Etafeni Clinic | 10 | 7 | 338 | 97% | 338 |
| EXT & UPGRADE KEMPTON PARK CLINIC | 200 | - | - | 0% | 7,900 |
| Ext & Upgrade PalmRidge Clinic | - | 730 | 733 | 100% | 733 |
| EXT& UPGRADE JOY CLINIC | 1,200 | 1,989 | 1,989 | 40% | 20,989 |
| Extension & Upgrade BARCELONA CLINIC | 800 | - | - | 0% | 4,050 |
| Extension & upgrade CLINIC WHITE CITY | 3,000 | 1,600 | 1,622 | -85% | 19,222 |
| EXTENTION & UPGRADE THCC FOR PHAPHAMA | 14,600 | 19,477 | 19,495 | 25% | 19,545 |
| GENERATORS AT CLINICS | 3,000 | 3,788 | 3,788 | 21% | 11,737 |
| Guard House Ablution Facilities East | 100 | 100 | 93 | -7% | 1,043 |
| Guard House Ablution Facilities North | 200 | 35 | 32 | -521% | 982 |
| Guard House Ablution Facilities South | 100 | 132 | 132 | 24% | 1,082 |
| ICT Equipment | 4,650 | 4,677 | 4,448 | -5% | 15,449 |
| Implementation Poultry Project | 3,000 | 1,175 | 1,175 | -155% | 1,211 |
| Improve Access Disabled at Clinics (East) | 50 | 63 | 63 | 21% | 563 |
| Improve Access Disabled at Clinics (North) | 50 | 64 | 64 | 22% | 602 |
| Improve Access Disabled at Clinics (South) | 50 | 51 | 51 | 1% | 551 |
| MEDICAL WASTE STORAGE FACILITIES | 500 | 150 | 150 | -234% | 4,300 |
| NEW ALRA PARK CLINIC | 800 | 1,254 | 1,254 | 36% | 19,204 |

| Capital Expenditure: Health & Social Development | | | | | | R' 000 |
|---|---------|-------------------|--------------------|-------------------------------|---------------------|--------|
| Capital Projects | 2011/12 | | | | Total Project Value | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | | |
| NEW CLINIC KATHLEHONG NORTH Level 2 | 110 | - | - | 0% | - | |
| New Clinic Ward 83 (Tsakane) | 1,800 | 2,857 | 2,857 | 37% | 10,162 | |
| New Dukatole Clinic | 2,000 | - | - | 0% | 5,100 | |
| NEW FIRST AVE CLINIC LEVEL 2 | 14,000 | 14,014 | 14,014 | 0% | 14,014 | |
| New Phomolong (ITHERELENG)Clinic (North) Level 2 | 1,000 | 4,493 | 4,493 | 78% | 16,322 | |
| New Reiger Park X5 Clinic | 1,965 | 1,250 | 1,251 | -57% | 19,201 | |
| New Tamaho Clinic | 2,000 | 1,954 | 1,954 | -2% | 21,604 | |
| New VOSLOORUS Poly Clinic Level 2 | 110 | - | - | 0% | - | |
| Office Furniture | 140 | 225 | 218 | 36% | 296 | |
| Office Furniture (Family Health) | 2,500 | 2,503 | 2,306 | -8% | 10,040 | |
| Other Equipment | 1,650 | 1,569 | 1,546 | -7% | 8,377 | |
| Pharmaceutical Requirements Clinics | 1,990 | 1,003 | 1,003 | -98% | 2,009 | |
| Security Upgrade Facilities (East) | 250 | 254 | 254 | 2% | 1,154 | |
| Security Upgrade Facilities (North) | 250 | 234 | 233 | -7% | 1,133 | |
| Security Upgrade Facilities (South) | 250 | 278 | 278 | 10% | 1,178 | |
| Specialised vehicles | 3,300 | 824 | 824 | -300% | 10,417 | |
| Specialized Equipment | 1,700 | 1,692 | 1,692 | 0% | 5,955 | |
| Tamboekiesfontein Infrastructure | 3,500 | 619 | 587 | -496% | 1,255 | |
| Tswelopele Vosloorus | - | 250 | 254 | 100% | 254 | |
| Upgrade Erin Clinic | 300 | - | - | 0% | 5,100 | |
| Upgrade Esangweni Clinic | 700 | 727 | 741 | 6% | 25,541 | |
| Upgrade Motsamai Clinic | 100 | 265 | 265 | 62% | 22,515 | |
| Vector Control vehicles | 200 | 171 | 171 | -17% | 171 | |
| Vehicles NEW | 1,307 | 1,454 | 1,443 | 9% | 9,479 | |
| Vehicles REPLACEMENT | 6,000 | 8,358 | 8,351 | 28% | 17,351 | |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.13.6 | |

Table 49: Capital Expenditure: Health & Social Development

3.5.1.7 COMMENTS ON DEPARTMENT'S OVERALL PERFORMANCE

The department met all the objectives set in the 2011/12 SDBIP.

There was an increase in attendance at clinics from 4,005,636 to 4,132,127. This can be attributed to among others the following.

- Extended clinic hours
- Extensions / additional clinic facilities

- Roll out of the full PHC package of services. This resulted in among other the following:
 - Reduction in Tuberculosis mortality rate from 7.5% to 5.5%.
 - Increase in Tuberculosis cure rate from 87.0% to 87.5%.
 - Increase in the number of new HIV positive patients initiated on ARV's from 25,424 to 54,559.
 - Reduction in percentage of antenatal clients who tested positive from 38.6% to 31.5%
- Community Development focused on priority groups with specific reference to Early Childhood Development and day Care Centre for Older People.
- Registration of indigents was still a priority and a new policy was approved by council.
- Environmental Health Services focused on food safety and rodent control. The rodent control strategy was approved by council during the year.

3.6.0 COMPONENT F: SAFETY AND SECURITY

3.6.1 EKURHULENI METRO POLICE DEPARTMENT

3.6.1.1 INTRODUCTION

The EMPD is mandated by legislation to enforce by-laws, enforce traffic law enforcement and conduct crime prevention. In this respect, the EMPD priorities for the year were also couched in terms of these three areas.

In respect of traffic law enforcement, the major annual priority for the EMPD was to reduce traffic fatalities by 5% (five year target is 25% reduction of fatalities). In this respect, the EMPD was able achieve well beyond its target. One major intervention that assured the achievements in this respect was the setting up of a dedicated team with the sole purpose of coordination operations in hot spot areas. EMPD visible patrol and deployment strategies have also contributed in large measure to this achievement.

By-laws have been elevated to a strategic law enforcement imperative through dedicated EMPD operations but also through joint interdepartmental task teams, which approach the EMPD has been championing for the last two years.

EMPD has also made its mark in respect of crime prevention. In this regard, the social crime prevention initiatives have been stepped up, as well as operational interventions in hot spot, areas which have resulted in the increase in arrests made for criminal offences. Joint operations with the SAPS have also been stepped up in an effort to reduce crime in general in Ekurhuleni.

3.6.1.2 POLICY OBJECTIVES TAKEN FROM IDP

| Ekurhuleni Metropolitan Police Department (EMPD) Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|---|---|---------------|---------|---------|---------|---|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Increased implementation of crime prevention programmes | Number of crime prevention programmes implemented | 60 | 60 | 60 | 12 | 148 | 24 | | |
| | Output | Joint operations with SAPS | Number of Joint operations with SAPS conducted | 210 | 36 | 36 | 42 | 565 | 84 | | |
| | Output | Conduct social crime awareness campaigns | Number of social crime awareness campaigns | 240 | 48 | 48 | 48 | 98 | 96 | | |
| | Output | Implementation of EMPD targeted operations | Number of EMPD targeted operations conducted | 180 | 36 | 36 | 36 | 563 | 72 | | |
| | Outcome | Reduced traffic violations | Increased number of tickets issued for traffic violations | 10% | 501,446 | 501,446 | | 968460 * (Excluding June figures - 3 weeks to capture) | 0 | | |
| | Output | Conduct "Hot Spot" road blocks | Number of "Hot Spots" with road blocks conducted | 480 | 20 | 20 | 120 | 378 | 120 | | |
| | Output | Conduct traffic education campaigns with EMM community | Number of traffic education campaigns conducted | 236 | 9 | 9 | 36 | 73 | 40 | | |
| | Outcome | Improved coordination in respect of by law enforcement | Number of by-law violations attended to by EMPD collaborating with other role players | 3490 | 100 | 100 | 560 | 410 | 650 | | |
| | Output | Conduct education campaigns in respect of by-laws | Number of by-laws education campaigns implemented | 60 | 12 | 12 | 12 | 46 | 1 | | |

| Ekurhuleni Metropolitan Police Department (EMPD) Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|--|--|---------------|---------|--------|---------|--------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Reduced security breaches | % incidents of security breaches | 50% | 0% | 0% | 10% | 0% | 10% | | |
| | Output | Conduct threat assessments | Number of Threat assessments conducted | 60 | 12 | 12 | 12 | 11 | 24 | | |
| | Output | Institute physical security counter measures | Number of EMM facilities with physical security counter measures – installed | 60 | 0 | 0 | 5 | 3 | 10 | | |
| | Outcome | Increased capacitating of the metro police | Number of metro police trained in advanced courses | 500 | 100 | - | 100 | 304 | 100 | | |
| | Output | Improve supervisory capacity in EMPD | % of supervisors who have gone through a supervisors course | 100% | N/A | N/A | 20% | 29% | 40% | | |
| <i>T 3.14.3</i> | | | | | | | | | | | |

Comments:

The department achieved 100% of the targets set for the 2011/2012 financial year.

3.6.1.3 EMPLOYEE INFORMATION

| Employees: Ekurhuleni Metropolitan Police Department (EMPD) | | | | | |
|--|-----------|-------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | | 2011/12 | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 0 | 0 | 0 | |
| 4 - 6 | 8 | 13 | 7 | 6 | 46% |
| 7 - 9 | 40 | 57 | 37 | 20 | 35% |
| 10 - 12 | 206 | 235 | 205 | 30 | 13% |
| 13 - 15 | 1214 | 1274 | 1219 | 55 | 4% |
| 16 - 18 | 514 | 538 | 400 | 138 | 26% |
| 19 - 20 | | | | | |
| Total | 1983 | 2117 | 1868 | 249 | 12% |
| <p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.</i></p> <p><i>*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> | | | | | |
| | | | | | 3.6.1.4 |

Table 50: Employees: EMPD

3.6.1.4 FINANCIAL PERFORMANCE

| Financial Performance: Ekurhuleni Metropolitan Police Department (EMPD) | | | | | |
|---|----------------|--------------------|----------------------|----------------|-----------------------|
| | | | | | R'000 |
| Details | 2010/11 | 2011/12 | | | Variance to Budget |
| | Actual | Original Budget | Adjustment Budget | Actual | |
| Total Operational Revenue | 126,262 | 51,325 | 67,735 | 73,322 | 30% |
| Expenditure: | | | | | |
| Employees | 533,698 | 620,704 | 610,712 | 555,994 | -12% |
| Repairs and Maintenance | 14,942 | 16,149 | 22,086 | 19,990 | 19% |
| Other | 149,277 | 121,033 | 151,279 | 151,026 | 20% |
| Total Operational Expenditure | 697,917 | 757,887 | 784,077 | 727,009 | -4% |
| Net Operational Expenditure / (Surplus) | 571,655 | 706,562 | 716,342 | 653,687 | -8% |
| <p><i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i></p> | | | | | 3.14.5 |

Table 51: Financial Performance: EMPD

3.6.1.5 CAPITAL EXPENDITURE

| Capital Expenditure: Ekurhuleni Metropolitan Police Department (EMPD) | | | | | |
|---|---------------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 42,386 | 32,869 | 30,165 | -41% | |
| Const Precinct Stations Zonkezizwe | 11,800 | 2,518 | 2,518 | -369% | 8,218 |
| Construct of Precinct Station Etwatwa | 7,800 | 6,925 | 6,925 | -13% | 10,282 |
| Establishment of Equestrian Unit | 50 | 51 | 51 | 2% | 1,038 |
| ICT Equipment (EMPD) | 500 | 700 | 623 | 20% | 3,715 |
| ICT Equipment(Demill) | - | 20 | - | 0% | - |
| Installation and upgrading of Security Systems in EMM | 5,000 | 4,912 | 2,850 | -75% | 8,013 |
| Office Furniture (EMPD) | 40 | 40 | 39 | -2% | 1,042 |
| Office Furniture(Demill) | - | 55 | 39 | 100% | 1,539 |
| Other Equipment (EMPD) | 496 | 436 | 325 | -52% | 2,412 |
| Other Equipment(Demill) | - | 5 | 5 | 100% | 5 |
| Refurbishment All EMPD facilities | 1,700 | 2,200 | 2,198 | 23% | 10,425 |
| Specialized Equipment (EMPD) | 2,500 | 2,500 | 2,385 | -5% | 8,802 |
| Specialized Vehicles (EMPD) | 1,000 | 1,000 | 841 | -19% | 1,829 |
| Training Academy Kwa-Thema | 500 | 507 | 507 | 1% | 2,733 |
| Vehicles (EMPD) | 11,000 | 11,000 | 10,858 | -1% | 50,823 |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.14.6 |

Table 52: Capital Expenditure: EMPD

3.6.2 EMERGENCY MANAGEMENT SERVICES

3.6.2.1 INTRODUCTION

AMBULANCE SERVICES

In terms of the Constitution Ambulance Services is a provincial competency. Gauteng Province opted for a service rendering model of entering into Memorandums of Agreement with Local Authorities to render the service on their behalf.

In Ekurhuleni Ambulance Services are rendered on an agency basis for Gauteng Provincial Government, as integral part of the Fire Services, in terms of the Fire Brigade Services Act, 99 of 1987, within the obligations of the Memorandum of Agreement between GPG and Ekurhuleni Metropolitan Municipality.

The top three service delivery priorities for the rendering of ambulance services are:

- Response times
- Complying with the provincial norms and standards in terms of staff and ambulance vehicles
- Adequately qualified staff

Impact on the top 3 service delivery priorities

Response times-

Ekurhuleni complied with and achieved 58 % of the target of reaching all Priority 1 patients within 15 minutes.

Complying with the provincial norms and standards-

Ekurhuleni only achieved 33% of the set norms and standards regarding number of ambulance operational availability. This is due mainly to an inability to replace old and unreliable vehicles by the Gauteng Provincial Government, as well as insufficient numbers of staff from the side of Ekurhuleni.

The insufficient numbers of staff can be attributed to the agency fee from GPG to Ekurhuleni Metropolitan Municipality, which only allows for a 33% staffing level based on the cost to company costs of ambulance staff.

In addition there was major uncertainty as to whether GPG will change the model of service rendering by ending their contracts with the local authorities. Discussions with GPG and SALGA are on- going.

Adequately qualified staff:

All staff has the minimum qualification and are registered with the HPCSA. Continued Medical Education also receives a high priority.

Measures taken to improve performance

Response times:

A local authority owned disaster bus and transporter vehicle was introduced to deal with major incidents and backlogs of calls received.

Complying with the provincial norms and standards:

Communication was opened with GPG in order to achieve a cost reflective agency fee.

Adequately qualified staff:

Although the responsibility to train ambulance staff lies with the Gauteng provincial Government, the Ekurhuleni Metropolitan Municipality has also cultivated a relationship with the SANDF to train additional staff for Ekurhuleni on the Intermediate Life Support level.



Staff is sent to private medical training institutions in accordance with the Workplace Skills plan.

Continuous Medical education takes place by offering refresher courses in house at the Ekurhuleni Emergency Services training Academy.

Major efficiencies achieved during the year:

2 previously vacant Advanced Life Support Paramedics were funded and appointed, with an additional 4 members who qualified internally and augment the capacity of the Advanced Life Support section.

Support given to those communities that are living in poverty:

The majority of the patients transported and treated by the Ekurhuleni Ambulance Service come from the poor communities.

Tariffs are determined by GPG, based on income levels, with exemption of payment for indigent community members.

Public Education to train vulnerable communities in first aid and CPR.

EMERGENCY SERVICES (FIRE & RESCUE)

The service is rendered in terms of Fire Brigade Service Act 99 of 1987.

Protect life and property, subject to the provisions of the Health Act, 1977 (Act 63 of 1977), the rendering of an ambulance service as an integral part of the fire brigade service;

The strategic outcome in terms of the 12 National Outcomes: People to be safe and feel safe.

The Fire services in Ekurhuleni renders fire fighting services, fire prevention services, rescue services, hazardous material response, public education, risk management, training and humanitarian services to the community, in terms of the Constitution, which makes it a local government competency, as well as in terms of the Fire Brigade Services Act, 99 of 1987 and the Emergency Services By-laws Provincial Gazette no 60 of 22 February 2006.

It also renders an ambulance service as integral part of the fire service, in terms of the Fire Brigade Services Act, based on a Memorandum of Agreement with Gauteng Provincial Government who has the Constitutional mandate for ambulance services.

Ekurhuleni renders the services from 27 fire stations throughout the jurisdictional area, with plans to expand the number of fire stations to ensure equitable service rendering based on the risk profile of the city.

The top 3 service delivery priorities for the fire service are:

- Improved response times to effect less losses during incidents
- Public Education to lower fire risks to property and life in high risk areas



- By-law enforcement and fire safety compliance inspections to lower incidents and losses during incidents

Impact during year:

Improved response times to lower losses during incidents-

The response times within the set targets dropped by 0.41 %, which was mainly due to an increase of call outs of 21 % over the previous year.

- Public Education to lower fire risks in high risk areas:

90 community members from various informal settlements, which pose a high risk to loss of life and property due to fires was trained as CERT (Community Emergency Response Team) members in order to create immediate intervention in case of a fire or similar incident, to cover the critical time span until the Fire Brigade services can arrive on scene to further mitigate the incident.

- By law enforcement and fire safety compliance inspections to lower incidents and losses during incidents:

A project to ensure compliance at all social and health facilities such as old age homes, protected workplaces, hospitals and homes for the handicapped was held. In addition 50 by law enforcement operations was held as part of a multi departmental task team and 1000 compliance inspections was performed. 1400 permit inspections was done.

Measures taken to improve performance

Improved Response times

9 old fire fighting vehicles were replaced, which will improve availability of vehicles used to respond to incidents.

The Tsakane Fire Station is practically complete, which will improve response times in the area.

The call taking software was upgraded to improve call taking and dispatching times.

Major efficiencies achieved:

Training of 90 CERT members from the various informal settlement communities, compared to 40 in the previous financial year.

399 Public Education (PIER) sessions targeting communities and profile groups at risk, compared to 150 in the previous financial year.

The number of inspections that were performed increased by 600 above the number in the previous financial year.

Support given to communities living in poverty

The majority of Public Education efforts are focussed on areas where poverty is the highest. In addition, indigent members of the community are exempted from service fees and tariffs. Recovery support is also given to poor communities in case of major incidents and disasters.

3.6.2.2 GENERAL INFORMATION

3.6.2.2.1 AMBULANCE SERVICE DATA

| Ambulance Service Data | | | | | |
|------------------------|--|------------|--------------|------------|--------------|
| | Details | 2009/2010 | 2010/2011 | 2011/2012 | |
| | | Actual No. | Estimate No. | Actual No. | Estimate No. |
| 1 | Number of patients taken to medical facilities during the year | 157,390 | | 110,675 | 126,794 |
| 2 | Average time from emergency call to arrival at the patient - in urban areas(priority 1- patients) | 15 minutes | | 18 minutes | 20 minutes |
| 3 | Average time from emergency call to arrival at the patient - in rural areas | 0 | | 0 | 0 |
| 4 | Average time from emergency call to the transportation of patient to a medical facility - in urban areas(mission time) | 60 minutes | | 60 minutes | 60 minutes |
| 5 | Average time from emergency call to the transportation of patient to a medical facility - in rural areas | 0 | | 0 | 0 |
| 6 | No. of ambulance | 44 | | 40 | 40 |
| 7 | No. of paramedics | 369 | | 337 | 337 |
| T 3.18.2 | | | | | |

3.6.2.2.2 COMMENTS ON AMBULANCE SERVICE DATA

Ambulance Services are performed within the allocated funding from the Gauteng Provincial Government.

Various challenges were experienced through the year under review, such as the high kilometre reading of the ambulance fleet, which impacts on the reliability and availability of vehicles.

Ambulance vehicles are supplied by Gauteng Provincial Government, and the impact of insufficient replacement of vehicles can be seen in the declining number of available ambulances over the period covered in the report.

This leads to major complaints from the communities and leads to long delays or multiple patients that have to be transported together in one ambulance.

The agency fee received from the Gauteng Provincial Government is also insufficient based on the required norms and standards, and inhibits the creation of sufficient positions to operationalize enough ambulances to meet the mentioned norms and standards. The allocation

also do not cover all cost items, which gets funded from the Emergency Services budget funded by Ekurhuleni Metropolitan Municipality, and not by the controlling authority. Revenue for the ambulance services showed a variance of R36 068 647-00, which was due to an agency fee payment from Gauteng Provincial Government which was not paid in the 2010/2011 financial year, but only in the 2011/2012 financial year.

3.6.2.2.3 FIRE SERVICE DATA

| Metropolitan Fire Service Data | | | | | |
|--------------------------------|--|------------|--------------|------------|--------------|
| | Details | 2010/11 | 2011/12 | | 2012/13 |
| | | Actual No. | Estimate No. | Actual No. | Estimate No. |
| 1 | Total fires attended in the year | 2,055 | | 2,494 | 2,550 |
| 2 | Total of other incidents attended in the year | 3,795 | | 4,435 | 4 |
| 3 | Average turnout time - urban areas | 15 minutes | | 15 minutes | 15 minutes |
| 4 | Average turnout time - rural areas | 23 minutes | | 23 minutes | 23 minutes |
| 5 | Fire fighters in post at year end | 563 | | 564 | 611 |
| 6 | Total fire appliances at year end | 157 | | 157 | 157 |
| 7 | Average number of appliance off the road during the year | 44 | | 38 | 32 |
| T 3.21.2 | | | | | |

3.6.2.3 POLICY OBJECTIVES TAKEN FROM IDP

| Disaster & Emergency Management Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|--|---|---------------|---------|--------|---------|--------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Increased implementation of pre-disaster risk and emergency reduction measures to prevent and mitigate consequences of disasters and emergencies | Number of pre-disaster risk and emergency reduction measures implemented | 13940 | 2,001 | | 2,604 | 4,568 | 2,684 | | |
| | Output | Conduct public education and awareness campaign sessions | Number of public education and awareness campaign sessions conducted | 890 | 150 | | 150 | 567 | 170 | | |
| | Output | Conduct By-Law Enforcement Operations | Number of By-Law Enforcement Operations conducted. | 250 | 50 | | 50 | 80 | 50 | | |
| | Output | Conduct fire prevention Inspections | Number of fire prevention Inspections conducted | 10000 | 500 | | 1,000 | 1,641 | 1,500 | | |
| | Output | Conduct risk assessment on premises with reportable dangerous goods | Number of risk assessments conducted on Premises with reportable dangerous goods. | 8,000 | 1,300 | | 1,400 | 2,276 | 1,500 | | |
| | Output | Functional Disaster Management Advisory Forum | Number of Disaster Management Advisory Forum Meetings held. | 20 | 1 | | 4 | 4 | 4 | | |
| | Outcome | Reduced fire incidents in informal settlements | % reduction of Fire incidents reported in informal settlements | <5% | N/A | | <384 | 382 | <10% | | |

| Disaster & Emergency Management Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|--|---|---------------|---------|--------------|---------|--------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Output | Implement a Risk Reduction Programme for informal settlements | Number Risk Reduction Programme implemented in targeted informal settlements | 100 | 6 | | 20 | 22 | 20 | | |
| | Output | Implementation of an Integrated disaster and emergency response programme for informal settlements | Number of community members trained on Emergency Response Team (CERT) Program | 780 | 40 | | 80 | 89 | 100 | | |
| | Output | Increased management efficiency of emergencies | % of compliance with the prescribed SANS 10090 standards | 1 | 1 | 80% of calls | | 1 | 1 | | |
| | Output | Replacement of old aged specialized Emergency Vehicles | Number of specialized Emergency Vehicles replaced. | 35 | 48 | | 7 | 11 | 8 | | |
| | Output | Monitor emergency call taking times. | Time (minutes) within which emergency calls are taken. | 3 | 3 | | 3 | 1min | 3 | | |
| | Output | Development of an integrated Metro wide system for Special Events | % completion of an integrated Metro wide system for Special Events | 100% | 0% | | 100% | 100% | 0% | | |
| | Output | Construction of new fire stations | No of new fire stations constructed | 4 | 2 | | 1 | - | - | | |
| | Output | Establishment of new disaster management satellite offices/focal point | No. of new disaster management focal points established | 2 | 2 | | 1 | - | - | | |
| | Output | Conduct disaster risks and vulnerability assessment in flood and fire prone areas. | Number of disaster risks and vulnerability assessments conducted | 1 | - | | 1 | - | - | | |
| | | | | | | | | | | | T 3.15.3 |

Comments:

The department achieved 100% of the 2011/2012 targets set.

3.6.2.4 EMPLOYEE INFORMATION

| Employees: Disaster & Emergency Management | | | | | |
|--|-----------|-------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | | 2011/12 | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 12 | 15 | 13 | 2 | 13% |
| 7 - 9 | 84 | 92 | 83 | 9 | |
| 10 - 12 | 106 | 141 | 105 | 36 | 26% |
| 13 - 15 | 798 | 818 | 769 | 49 | 6% |
| 16 - 18 | 76 | 82 | 77 | 5 | 6% |
| 19 - 20 | 0 | 0 | 0 | 0 | |
| Total | 1077 | 1149 | 1048 | 101 | 9% |

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

3.6.2.4

Table 53: Employees: Disaster & Emergency Management

3.6.2.5 FINANCIAL PERFORMANCE

| Financial Performance: Emergency Management | | | | | |
|--|----------------|--------------------|----------------------|----------------|-----------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | Variance to Budget |
| | Actual | Original Budget | Adjustment Budget | Actual | |
| Total Operational Revenue | 265,720 | 165,071 | 154,344 | 203,756 | 19% |
| Expenditure: | | | | | |
| Employees | 548,238 | 372,374 | 368,086 | 345,029 | -8% |
| Repairs and Maintenance | 18,856 | 12,408 | 14,556 | 12,306 | -1% |
| Other | 170,788 | 63,068 | 62,461 | 71,600 | 12% |
| Total Operational Expenditure | 737,882 | 447,850 | 445,102 | 428,935 | -4% |
| Net Operational Expenditure / (Surplus) | 472,161 | 282,779 | 290,758 | 225,179 | -26% |

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

3.15.5

Table 54: Financial Performance: Disaster & Emergency Management

3.6.2.6 CAPITAL EXPENDITURE

| Capital Expenditure: Emergency Management | | | | | | R' 000 |
|---|---------------|-------------------|--------------------|-------------------------------|---------------------|--------|
| Capital Projects | 2011/12 | | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value | |
| Total All | 57,466 | 45,386 | 43,178 | -33% | | |
| Const Fire Station/House Duduza | 10,000 | 4,924 | 4,976 | -101% | 23,176 | |
| Const Fire Station/House Kwa-Thema | 1,000 | 924 | 806 | -24% | 20,806 | |
| Const Fire Station/House Tsakane | 9,000 | 8,775 | 8,775 | -3% | 15,176 | |
| Const Fire Station/House Zonkezizwe | 10,000 | 4,977 | 4,977 | -101% | 23,177 | |
| ICT Equipment (EMS) | 500 | 499 | 494 | -1% | 1,899 | |
| Office Furniture (EMS) | 300 | 300 | 298 | -1% | 1,048 | |
| Other Equipment (EMS) | 546 | 563 | 65 | -738% | 3,417 | |
| Refurb of All Metro Fire Stations/House | 1,450 | 1,068 | 854 | -70% | 9,381 | |
| Refurbishment Community Safety HQ | 232 | 245 | 245 | 5% | 790 | |
| Specialized Equipment (ES) | 1,700 | 516 | 301 | -465% | 9,187 | |
| Specialized Vehicles (ES) | 14,500 | 14,351 | 13,999 | -4% | 99,462 | |
| Two way Radio Communication Equipment | 5,738 | 5,738 | 4,959 | -16% | 11,522 | |
| Upgrade all Repeater Sites Phase 1 | 500 | 506 | 506 | 1% | 2,653 | |
| Vehicles (ES) | 2,000 | 2,000 | 1,924 | -4% | 11,170 | |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.15.6 | |

Table 55: Capital Expenditure: Disaster & Emergency Management

3.6.2.7 COMMENTS ON DEPARTMENT'S OVERALL PERFORMANCE

Relating to the 4 biggest capital projects that the fire services are busy with the following performance was attained:

Tsakane Fire Station- The project is practically complete and within the allocated budget amount, the total project costs, as well as timeframes set for the project. A deviance of -3% based on savings was achieved.

Duduza Fire Station- The project is on target both relating to budget spent, total project costs and timeframes. The project is currently in the construction phase. A deviance of 1% was incurred due to the project moving faster than anticipated.

Sonkesizwe Fire Station- The project is on target both relating to budget spent, total project costs and timeframes. The project is currently in the construction phase A- deviance of 1% was incurred due to the project moving faster than anticipated.

Specialised vehicles- Due to a stable currency and slower manufacturing economy during the period under review, the original target was exceeded by the replacement of two additional vehicles compared to SDBIP target within allocated budget and timeframe and is in line with the total project costs. A deviance of -3% occurred and accrued as a saving due to discounts from the supplier in line with the contract.

Sufficient funding has been made available in the approved budget to **attain** the above.

Funding for 5 year IDP: The funding of the Germiston Fire Station will need additional funds in year 3 of the project. Based on the total project costs- The department will request budget and prioritise budget submission for final year which falls outside of the current 5 year window.

Variations from budget for net operating expenditure: The expenditure for the operating budget went according to plan, with a target set to achieve savings on the approved budget by more stringent controls and by postponing certain activities and expenses to future financial years.

The two items with variations that should be mentioned are:

Staffing costs: minus 37% due to unfilled vacancies.

Repair and Maintenance: minus 8% due to fewer geyser breakages, which are supported by the solar geyser replacement program. The department however had to keep the balance in abeyance as a backstop measure should unexpected events occur.

The newer fire service fleet also had an impact on repairs and maintenance which decreased as the newer vehicles are still under warranty and more reliable.

Variations from budget for capital expenditure:

Tsakane Fire Station: minus R 256 621-00

Duduza Fire Station: R55 186-00

Sonkesizwe Fire Station: R 56 346-00

Specialised vehicles: minus R388 794-00

Explain likely variations to the total approved project value:

Tsakane Fire Station: Savings due to more accurate bid prices.

Duduza Fire Station- A deviance of 1% was incurred due to the project moving faster than anticipated.



Sonkesizwe Fire Station- A deviance of 1% was incurred due to the project moving faster than anticipated

Specialised vehicles- Savings due to discount for payments effected early.

3.6.3 DISASTER MANAGEMENT SERVICES

3.6.3.1 INTRODUCTION

The Disaster Management service delivery priorities for the 2011/2012 period were:

- Implementation of pre-disaster risk reduction measures to prevent and mitigate the consequences of disasters.
- The implementation of a risk reduction programme for informal settlements
- Development of an integrated system for special events

The community of Ekurhuleni are now more aware of the disaster management function because of the awareness programmes run especially those residing in informal settlements. A risk and vulnerability assessment was undertaken by engaging residents, door to door, in 6 communities and the opportunity was also used to educate the community on disaster risk reduction actions. The risk reduction actions referred to in this case are those associated with floods and shack fires.

3.6.3.2 GENERAL INFORMATION

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

Disaster Management Statistics

Number of informal settlements where risk and vulnerability assessments were conducted = 6

Number of awareness sessions conducted = 24

Number of Homes for the Frail and Aged at which emergency planning was introduced = 64

Number of declared disasters responded to (Duduza; Tornado) = 1

Number of National Key Points and High Risk Undertakings at which emergency planning was provided = 5 (OR Tambo, Rand Airport, Eskom, Rand Water, Petroleum/gas depots at Alrode)

Number of humanitarian incidents (i.e. shack fires) at which assistance was provided = 100 incidents / disasters

3.6.3.3 POLICY OBJECTIVES TAKEN FROM IDP (included in Disaster Management's SDBIP)

Comments

No IDP comments

3.6.3.4 EMPLOYEE INFORMATION

| Employees: Disaster & Emergency Man: Disaster Management | | | | | |
|--|-----------|---------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 0 | 0 | 0 | |
| 4 - 6 | 6 | 6 | 5 | 1 | 17% |
| 7 - 9 | 26 | 29 | 26 | 3 | 10% |
| 10 - 12 | 8 | 8 | 8 | 0 | 0% |
| 13 - 15 | 146 | 158 | 143 | 15 | 9% |
| 16 - 18 | 2 | 3 | 2 | 1 | 33% |
| 19 - 20 | | | | | |
| Total | 188 | 204 | 184 | 20 | 10% |

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

3.6.3.4

Table 56: Employees: Disaster Management

3.6.3.5 FINANCIAL PERFORMANCE

| Financial Performance: Disaster Management | | | | | |
|--|---------|--------------------|----------------------|--------|-----------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | - | - | - | 52 | 100% |
| Expenditure: | | | | | |
| Employees | - | 75,828 | 74,094 | 73,604 | -3% |
| Repairs and Maintenance | - | 2,050 | 2,163 | 1,839 | -11% |
| Other | - | 1,804 | 3,430 | 3,135 | 42% |
| Total Operational Expenditure | - | 79,682 | 79,687 | 78,578 | -1% |
| Net Operational Expenditure / (Surplus) | - | 79,682 | 79,687 | 78,526 | -1% |

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

3.16.5

Table 57: Financial Performance: Disaster Management

3.6.3.6 CAPITAL EXPENDITURE

| Capital Expenditure: Disaster Management | | | | | |
|---|--------------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | Total Project Value |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | |
| Total All | 2,830 | 4,837 | 4,789 | 41% | |
| DM Satellite Offices in Tsakane | - | 466 | 466 | 100% | 815 |
| Emergency Vehicle Navigation and Dispatching System | 300 | 1,284 | 275 | -9% | 575 |
| Establishment DMC Regional Office | 1,500 | 2,063 | 2,063 | 27% | 2,263 |
| ICT Equipment (DMC) | 300 | 254 | 254 | -18% | 2,408 |
| Office Furniture: (DMC) | 100 | 100 | 98 | -2% | 589 |
| Operational Buildings - Security Control | - | 12 | 12 | 100% | 12 |
| Other Equipment (DMC) | 100 | 75 | 73 | -37% | 764 |
| Refurbishment of DMC Premises / facilities | 300 | 359 | 359 | 16% | 1,535 |
| Specialized Equipment (DMC) | 100 | 94 | 58 | -71% | 1,527 |
| Specialized Vehicles (DMC) | - | - | 1,009 | 100% | 1,009 |
| Vehicles (DMC) | 130 | 130 | 122 | -6% | 1,752 |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.16.6 |

Table 58: Capital Expenditure: Disaster Management

3.6.3.7 COMMENTS ON DEPARTMENT'S OVERALL PERFORMANCE

The Disaster Management Division had the following capital projects:

Construction of Disaster Management Regional Office - Kempton Park: Original budget was R1, 868,369.00 with the final expenditure standing at: R1, 859,503.30

Construction of Disaster Management Satellite Office Tsakane R300, 000.00 was availed and the amount of R299, 827.20 was utilised.

Two way Radio Communication Equipment: R5, 738,200.00 was provided and R4, 918,335.70 was used. An amount of R819, 864.00 could not be utilised as the SA Police tender had not been awarded and the project was dependent upon this tender being awarded in order to integrated the systems

Upgrade all Repeater Sites Phase 1: Available funds = R500, 000.00 and the full amount was utilised.

It is envisioned that the 5 year IDP will be complied with but that additional funds may be required to complete the building of the Corporate Disaster Management Centre which project begins in 2013/2014. Additional funds will be requested for the third (3rd) and 4th year of the project during the budgeting process.

3.7.0 COMPONENT G: SPORT AND RECREATION

3.7.1 SRAC: SPORTS AND RECREATION

3.7.1.1 INTRODUCTION

Departmental Vision and Mission

- To ensure equitable access to Sport and Recreation Facilities
- Utilization of Sport and Recreation programs to enhance social cohesion
- Provision of sports facilities
- Transformation of society to be self-reliant through capacity building

Departmental Key Performance Areas

The Key Deliverables for the 2011/2012 financial year as guided by the departmental focus areas are as follows:

- Provision of Sport, Recreation, Arts and Cultural facilities
- Utilization of Sport, Recreation, Arts and Culture programs to enhance Social Cohesion

3.7.1.2 GENERAL INFORMATION

3.7.1.3 POLICY OBJECTIVES TAKEN FROM IDP (Included in the SRAC SDBIP as supplied in the cemeteries and libraries previously)

Comments:

No IDP comments

3.7.1.4 EMPLOYEE INFORMATION

| Employees: SRAC: Sport & Recreation | | | | | |
|-------------------------------------|-----------|---------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 0 | 0 | 0 | #DIV/0! |
| 4 - 6 | 11 | 12 | 11 | 1 | 8% |
| 7 - 9 | 46 | 49 | 45 | 4 | 8% |
| 10 - 12 | 48 | 58 | 43 | 15 | 26% |
| 13 - 15 | 187 | 214 | 188 | 26 | 12% |
| 16 - 18 | 692 | 754 | 682 | 72 | 10% |
| 19 - 20 | | | | | |
| Total | 984 | 1087 | 969 | 118 | 11% |

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

3.7.1.4

Table 59: Employees: SRAC: Sports & Recreation

3.7.1.5 FINANCIAL PERFORMANCE

| Financial Performance: SRAC: Sport & Recreation | | | | | |
|---|----------------|--------------------|----------------------|----------------|-----------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | 57,914 | 78,275 | 64,721 | 74,520 | -5% |
| Expenditure: | | | | | |
| Employees | 299,742 | 225,907 | 214,569 | 204,881 | -10% |
| Repairs and Maintenance | 22,757 | 18,047 | 18,577 | 16,842 | -7% |
| Other | 220,695 | 147,053 | 171,014 | 153,305 | 4% |
| Total Operational Expenditure | 543,194 | 391,007 | 404,160 | 375,028 | -4% |
| Net Operational Expenditure / (Surplus) | 485,280 | 312,732 | 339,439 | 300,507 | -4% |

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

3.17.5

Table 60: Financial Performance: SRAC: Sports & Recreation

3.7.1.6 CAPITAL EXPENDITURE

| Capital Expenditure: SRAC: Sport & Recreation | | | | | | R' 000 |
|---|--------------|-------------------|--------------------|-------------------------------|---------------------|--------|
| Capital Projects | 2011/12 | | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value | |
| Total All | 2,600 | 23,130 | 15,906 | 84% | | |
| Construction of a Softball Field & Golf driving range in Tsakane | 2,600 | 484 | 484 | -437% | 484 | |
| Reconstruct. Kalebong Stadium | - | 1,700 | - | 0% | - | |
| Reconstruct. Tsakane Stadium | - | 14,151 | 14,151 | 100% | 58,277 | |
| Rehabilitation of boksburg and kwa-thema stadiums | - | 650 | 334 | 100% | 334 | |
| Rehabilitation of Swimming Pools | - | 3,937 | - | 0% | - | |
| Replacement of heating system: Boksburg | - | 2,208 | 937 | 100% | 937 | |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.17.6 | |

Table 61: Capital Expenditure: SRAC: Sports & Recreation

3.7.1.7 COMMENTS ON DEPARTMENT'S OVERALL PERFORMANCE

The priority of the four largest capital projects in sport and recreation is to ensure accessibility and equitable distribution of facilities across communities. The following projects were completed in the previous financial year:

- Tsakane Stadium
- Faranani Swimming Pool
- Impala Park Community Centre

3.8.0 COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES

3.8.1 FINANCIAL SERVICES

3.8.1.1 INTRODUCTION

Departmental Key Performance Areas

The department is tasked with the provision of financial services in an accountable, effective and transparent manner, through service excellence with a cohesive and motivated team.

The department has the following divisions:

- Income
- Expenditure

- Financial Control
- Budget and Financial Management
- Administration and Support Services

3.8.1.2 GENERAL INFORMATION

3.8.1.2.1 DEBT RECOVERY

Refer to Chapter 5 for full details regarding Debtors.

3.8.1.3 POLICY OBJECTIVES TAKEN FROM IDP

| Financial Services: Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|--|--|---------------|---------------|---------------|-------------|-------------------------|-------------|--------|---|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Revenue Generation, Protection and Management | % match between Valuation roll and billing | 100% | 99% | 99% | 99% | 100% | 99% | | |
| | Output | Reconciliation of Valuation Roll to Billing Database | % of billing against valuation roll | 100% | 99% | 99% | 98% | 100% | 99% | | |
| | Output | Reduction of interim levies as more accounts are billed based on actual meter readings | % of billing based on meter readings vs. interim | 95% | 85% | 85% | 89% | 92% | 92% | | |
| | Output | Collection of all amounts billed to customers | % of amounts billed collected | 95% | 91% | 91% | 93% | 97% | 93% | | |
| | Output | Maximizing of existing sources of revenue and supplement with new sources of revenue | % Increase in revenue measured in real terms on a year-on-year basis | 13% | R13,0 billion | R13,0 billion | 3% | 4% | 3% | | |
| | Outcome | Increased Supply Chain Management Efficiencies | Turnaround time on award of tenders | 18/16 weeks | 22/19 weeks | 22/19 weeks | 18/16 weeks | Bids within 18 weeks 5% | 21/18 weeks | | |
| | Output | Automation of Ordering System | % Orders placed via automated system | 100% | 0% | 0% | 70% | 0% | 50% | | Progress hampered by network instability and server problem. The establishment of the supplier database could only proceed after the network and server problems had been sorted out during May 2012. |

| Financial Services: Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|---|---|-----------------|--------------|---------------|--|--|----------|--------|--|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Output | Review procurement processes | Procurement review processes completed by target date | 100% | 0% | 0% | Procurement review completed by 31 July 2012 | Implementation continuous | 4136400% | | |
| | Output | Develop procurement processes in line with Economic development priorities | % of tenders awarded in support of the economic development priorities | 100% | 0% | 0% | | 0% | 100% | | Consultation with the MMC Finance and MMC Economic Development did not take place due to the un-availability of the MMCs |
| | Outcome | Cost containment / Elimination of wastage | % savings on operating budget (controllable cost / general expenditure) | 6% | 6% | 6% | 6% | 21% | 6% | | |
| | Output | Establish parameter benchmark pricing to eliminate paying an excessive premium for goods and services | % deviation from benchmark price | 10% | N/A | N/A | 75% | Parameter benchmarking is now part of the Tender process | 50% | | |
| | Output | Suppliers paid within 30 days after receipt of invoice by the finance department to comply with the MFMA and to maximize settlement discounts | % of invoices paid within 30 days of receipt of invoice by the finance department | 100% | 99% | 99% | 99% | 99% | 99% | | |
| | Output | Develop cost curtailment processes | Cost containment processes completed by target date | 6% | 6% | 6% | 6% | 21% | | | |
| | Outcome | Achievement of diversified funding sources | No of funding sources for project implementation | 6 | 4 | 4 | 4 | 4 | 5 | | |
| | Output | Development of long term funding strategy | Rand value raised through Bond raised of | R4b | R1 615b | R1 616m | R800m | R800m | R800m | | |
| | Output | | Rand value raised through Grants | R1.3 b per year | R1b per year | R1 b per year | R1.3b | R4.2b | R1.3 b | | |

| Financial Services: Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|--|---|---------------------|--|---|----------|---|---------|--------|--|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Output | Issuing of municipal bond as funding mechanism for capital projects | Accumulative Rand value of municipal bonds raised over 5 year period | R4 billion | R1.615 b | R1.615 b | R2.415 b | R2.415 b | R4 b | | |
| | Output | Management of external grants and donations as funding mechanism for capital projects | Rand of external grants and donations over 5 year period | R1.3 b per year | R1 b per year | R1 b per year | R1.3 b | R4.2b - R980b capital | R1.3 b | | |
| | Outcome | Achievement of allocation efficiencies through the use of appropriate budget methodologies | % utilisation of results based budgeting | 100% | Line Item Budgeting –of zero based and incremental with limited project prioritization | Line Item Budgeting – combination of zero based and incremental with limited project prioritization | 100% | IDP, Budget and SDBIP Approved by Council | 100% | | |
| | Output | Establish new results based method for budgeting | Operating Procedure documented for results based budgeting methodology by target date | Process implemented | N/A | N/A | 4096900% | 100% | 100% | | Process established, training process completed, budget approved, SDBIP / Budget physical link now being done. |
| | Output | | % implementation of the new results based method for budgeting | 100% | N/A | 0% | 100% | 80% | 100% | | Capital Budget results based, opex due for 2012/2013 year |
| | Output | Capacity building on new results based budget methodology | % of targeted councillors and targeted staff trained on results based budgeting | 100% | N/A | N/A | 75% | 75% | 100% | | |

| Financial Services: Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|--|--|---------------|-------------|-------------|---------|-------------|-------------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Improved Cash Management | No of days cash holdings (total cash) | 70 days | 40 days | 40 days | 35 | 86 | 45 | | |
| | Output | Financial viability ratio's: Debt coverage as per Performance Regulations | Debt coverage = (total operating revenue - operating grants) / debt service payments (int and redemption) | > 15 | 1637% | 1637% | > 15 | 3300% | > 15 | | |
| | Output | Financial viability ratio's: Outstanding service debtors to revenue as per Performance Regulations | Outstanding service debtors to revenue = total outstanding service debtors / annual revenue actually received for services | < 8% | 15% | 15% | < 20% | 15% | <15% | | |
| | Output | Financial viability ratio's: Cost coverage as per Performance Regulations | Cost Coverage = Available cash at particular time + Investments / monthly fixed operating expenditure | > 1 | 94% | 94% | >0.8 | 132% | > 1 | | |
| | Output | Achievement of acceptable Credit Rating to attract institutional investments | Attainment of Credit Rating of AA2za (Moody's rating scale) | AA2za | AA2za | AA2za | N/A | AA2za | AA2za | | |
| | Outcome | Increased implementation of Operation Clean Audit Project Implementation | % implementation of Operation Clean Audit Project | Unqualified | Unqualified | Unqualified | N/A | Unqualified | Unqualified | | |

| Financial Services: Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|---|--|---------------|---------------------------------------|---|---------|--|----------|--------|--|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Output | Compliance to AG Key Controls to mitigate risks for the 2010/2011 audit | % compliance to AG Key Controls to mitigate risks for the 2010/2011 audit | 100% | 80% | 80% | 100% | 80% recons in place | 0% | | |
| | Output | Improved Management of EMM assets | Level of integration of Asset Management Plans to the EGDS and IDP informing the MTEF | CMIP Plans | Limited integration | Asset register compiled CMIP plans outstanding | 100% | 0% | 100% | | Can only be completed once GDS review has been finalised |
| | Outcome | Improved monitoring of capex | Expenditure trends between planned and capital spend | 86% | 90% | 86% | 90% | 79% | 95% | | Not final spending level, creditors still being created. Expect 85% spending level |
| | Output | Excel based procurement plans completed | Level of Functionality of PCS | 100% | Limited Reporting | Limited Reporting | 100% | 100% | 100% | | |
| | Output | PCS based project timelines completed | % finalization project time lines (PCS based) | 100% | Limited Reporting | Limited Reporting | 100% | 100% | 100% | | |
| | Output | System Enhancements Finalised | Level of functionality of project monitoring and reporting system with early warning signals | 100% | Limited Reporting | Limited Reporting | 100% | 100% | 100% | | |
| | Output | Projects not completed in 2010/2011 carried forward to 2011/2012 budget | % of Carry Over Adjustments budget approved as per MFMA Budget and Reporting Regulations | 100% | No adjustments budget for carry overs | No adjustments budget for carry overs | N/A | 100% | N/A | | |
| | Output | Delayed projects identified and budget adjusted | Approval of adjustments budget by target date | Annual | Limited Reporting | Limited Reporting | N/A | Adjustments Budget approved end January 2012 | 4133400% | | |
| | Output | Monitoring and Reporting | % of Monthly reports submitted to SMT and Mayoral Committee | 100% | Limited Reporting | Limited Reporting | 100% | 100% | 100% | | |

T3.18.3

Comments:

Overall performance of the department is at 78%. The department underperformed on the following targets:

1. Increased Supply Chain Management Efficiencies:

The system is at the testing stage and progress is hampered by network instability and server problems. The establishment of the supplier database can only proceed after the network and server problems have been addressed.

2. Increased implementation of Operation Clean Audit Project Implementation:

The Comprehensive Municipal Infrastructure Plan (CMIP) supported by Infrastructure Plans was completed. The only remaining deliverable is to ensure that these plans link with the EGDS after approval plan for the latter part of 2012.

90% of the Infrastructure Plan is in place and remaining 10% requires further work. Once the GDS review has been finalised the remaining 10% will be done.

3.8.1.4 EMPLOYEE INFORMATION

| Employees: Finance | | | | | |
|--|-----------|---------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 43 | 47 | 41 | 6 | 13% |
| 7 - 9 | 145 | 182 | 144 | 38 | 21% |
| 10 - 12 | 317 | 347 | 316 | 31 | 9% |
| 13 - 15 | 461 | 536 | 453 | 83 | 15% |
| 16 - 18 | 79 | 104 | 74 | 30 | 29% |
| 19 - 20 | | | | | |
| Total | 1046 | 1217 | 1029 | 188 | 15% |
| <p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.</i></p> <p><i>*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> | | | | | |
| | | | | | 3.8.1.4 |

Table 62: Employees: Finance

3.8.1.5 FINANCIAL PERFORMANCE

| Financial Performance: Finance | | | | | |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | Variance to Budget |
| | Actual | Original Budget | Adjustment Budget | Actual | |
| Total Operational Revenue | 4,146,362 | 4,334,274 | 4,394,665 | 4,451,658 | 3% |
| Expenditure: | | | | | |
| Employees | 307,016 | 359,053 | 344,323 | 319,557 | -12% |
| Repairs and Maintenance | 4,161 | 21,491 | 15,082 | 6,498 | -231% |
| Other | 1,191,664 | 299,784 | 326,614 | 265,407 | -13% |
| Total Operational Expenditure | 1,502,841 | 680,328 | 686,018 | 591,463 | -15% |
| Net Operational Expenditure / (Surplus) | (2,643,520) | (3,653,946) | (3,708,647) | (3,860,195) | 5% |
| <i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i> | | | | | 3.18.5 |

Table 63: Financial Performance: Finance

3.8.1.6 CAPITAL EXPENDITURE

| Capital Expenditure: Finance | | | | | |
|---|----------------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 179,025 | 142,344 | 75,777 | -136% | |
| Ad Hoc Allocation | 1,000 | - | - | 0% | 2,069 |
| Business Intelligence System | - | 7,000 | - | 0% | - |
| Business Process Re-Engineering | 15,000 | 8,000 | 7,975 | -88% | 7,975 |
| CPO/Germiston Stores | 8,000 | 5,200 | 4,379 | -83% | 20,879 |
| Credit Control and Debt Management Syst | - | 7,000 | - | 0% | - |
| Customer Revenue Call Centre | - | 6,000 | 5,056 | 100% | 5,056 |
| ICT Equipment | 2,000 | - | - | 0% | - |
| ICT Equipment | 2,160 | 1,279 | 1,001 | -116% | 14,026 |
| Implementation of Waste to Energy projects | 10,000 | - | - | 0% | - |
| Langaville Electricity Network Restitution | - | 26,479 | 26,479 | 100% | 26,479 |
| Meter Management System | - | 7,500 | 6,696 | 100% | 6,696 |
| Office Furniture | 735 | 735 | 722 | -2% | 3,853 |
| Operational Buildings - Airconditioners | - | 290 | 290 | 100% | 290 |
| Operational Buildings - Security Control | - | 203 | 203 | 100% | 203 |
| Other Equipment | - | 50 | 30 | 100% | 2,427 |
| Paving Open Spaces K/park & Alberton St | 530 | 721 | 721 | 27% | 721 |
| Payment Receipting System | - | 5,000 | - | 0% | - |
| Procurement of Equipment to effect cut-offs | 6,000 | 3,007 | 994 | -503% | 994 |
| Renewable Energy | - | 10,000 | 9,953 | 100% | 9,953 |
| Renovate Paypoints | 3,000 | 3,000 | 2,928 | -2% | 2,928 |
| Revenue Enhancement Projects | 130,000 | - | - | 0% | - |
| Vehicles | 600 | 880 | 877 | 32% | 8,887 |
| Water Intelligent Meters | - | 50,000 | 7,471 | 100% | 7,471 |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.18.6 |

Table 64: Capital Expenditure: Finance

3.8.2 HUMAN RESOURCES MANAGEMENT

3.8.2.1 INTRODUCTION

Departmental Key Performance Areas

The department comprises of six divisions that are responsible for the entire Human Resource function.



The labour relations division manages the disputes, disciplinary cases and grievances. This division facilitates and co-ordinates all disputes/grievances and disciplinary cases. The Division also deals with collective bargaining, conflict management, and inter-governmental relations.

The Provisioning and Maintenance division implements an integrated recruitment process by filling the vacant positions. This Division is also responsible for compensation and benefits and the management of the HR System.

The Education, Training and Development division provides Human Resource Development services to the EMM departments and members of the community. The Division advertises for bursaries, learner ships and experiential training. This Division has to plan and schedule training for employees. One hundred and forty one employees from technical departments have been assessed against technical qualification for recognition of prior learning purposes. It is the vision of the department that lower level employees who do not have formal education are assisted to acquire formal qualifications. Sixty two learners have been placed on experiential learning programmes in different departments, with the purpose of assisting them to acquire workplace experience. Six of the employees have been appointed as permanent employees.

The Organisation Management Division conducts organization and work studies. This division aligns the EMM structure to the strategic objectives of the organisation and the facilitation of productivity enhancement in the EMM. The Division also develops and maintains all OM related policies for the EMM.

The Employee Well-Being division provides employee well-being services [psychological and Occupational Health and Safety (OHS)] to employees by providing counselling, occupational health services and support. The division also ensures the maintenance of a healthy and safe work environment.

The Employment Equity and Transformation division promotes the equality and diversity in the workplace. This division implements and develops employment equity in respect of recruitment, employment and promotions.

3.8.2.2 GENERAL INFORMATION

Service statistics

Recruited 845 employees in funded vacant positions. 30 % of offers made were to internal candidates. Turnover rate was 0,39% and the vacancy rate was 12,74 %.

A total of 17 Educational and Awareness programmes, were implemented and a total 10702 employees were reached. The programs/services rendered included Women's Health and Wellness Awareness Campaigns, Substance abuse in the workplace, Supervisor Toolkit workshops, Financial Wellness workshops, Peer Educator Training for the Wellness Champions, HIV and AIDS awareness Campaigns, providing HIV and Aids Counseling and Testing in the workplace and providing support to infected and affected employees.

Disciplinary Cases

Handled cases - 242



Finalized cases - 149 (143 presided over and 6 Withdrawals)

Outstanding cases - 93 (includes new cases from DEMS) Includes 5 withdrawals agreed to by EMPD and 1 agreed to by DEMS, during July 2012.

Suspensions

Meetings have been held with the various departments, to address the number of suspended employees.

There were 56 employees on suspension with pay. After intervention with the departments, 21 suspensions have been lifted. The total number of employees still on suspension and which have been suspended for more than three months, is 23. An additional 12 employees have been suspended for less than 3 months. In total there are 35 employees on suspension.

Grievances

The number of grievances lodged during 2011/2012 is 67. 55 grievances were finalised and 12 remain unresolved and are planned to be finalized in the ensuing financial year.

| <u>SERVICE</u> | <u>TOTAL NUMBER</u> |
|--|---------------------|
| Total Number of Employees Trained | 3559 |
| Community Bursaries Awarded | 162 |
| RPL | 237 |
| Learnerships for Employees Implemented: | 2 |
| Horticulture Learnership | 172 |
| Water Reticulation | 130 |
| Learnerships for Communities Implemented | 4 |
| ICT Systems Support | 99 |
| Pharmacist Assistant | 6 |
| Social Auxiliary Work | 15 |
| Emergency Services | 195 |
| Experiential Training offered | 110 |

3.8.2.3 POLICY OBJECTIVES TAKEN FROM IDP

| Human Resources Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|---|---|---------------|--------------------------|--------|---------|--------|---------|--------|---|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Increased utilisation of interventions by staff that were targeted for critical and scarce skills | % of scarce and critical skills staff utilising the acquired skills and knowledge | 100% | 0% | 20% | 0% | 0% | 20% | | |
| | Outcome | Reduced attrition for critical and scarce skills | Rate of staff turn-over in critical and scarce skill positions | 5% | 10% | 10% | 1% | 0% | 2% | | |
| | Outcome | Increased percentage of employees with the essential skills and competencies for the job | percentage of employees with the essential skills and competencies for the job | 100% | 0% | 0% | 25% | 0% | 40% | | |
| | Outcome | Increased equity levels Metro-wide | Equity rating achieved | 100% | 0% | 9,6% | 20% | 20% | 40% | | |
| | Outcome | Improved alignment of the organizational structure with the EMM Strategy | Number of departments with organisational structures that are aligned to the EMM Strategy | 24 | Approved Macro Structure | - | 8 | 8 | 8 | | The target of finalisation of 8 Department was amended during the Mayoral Lekgotla in March 2012 to reflect the completion of a total of 25 top structure of Departments (HOD's and Direct reports) |
| | Outcome | Increased roll-out of Performance Management to all levels | Number of staff that are performance managed | 16000 | 77 | 77 | 485 | 485 | 3,969 | | |
| | Outcome | Improved turn-around time Disciplinary Cases and Grievances | % of Disciplinary Cases and Grievances concluded | 100% | 50% | 40% | 30% | 80% | 85% | | |
| | Outcome | Increased compliance to occupational health and safety act | % of departments in compliance with occupational health and safety act | 80% | 40% | 40% | 50% | 50% | 60% | | |
| | Outcome | Increased functionality of the HRIS | % functionality of the HRIS | 80% | 50% | 50% | 50% | 50% | 60% | | |
| | | | | | | | | | | | T 3.19.3 |

Comments:

Overall performance of the department is at 43%. Underperformance was noted on the following targets:

1. Reduced attrition on critical and scarce skills:

The implementation was delayed pending finalisation of the report of the Remuneration Specialist. The Remuneration Specialist was provided with a list of scarce skills for benchmarking and developing a retention strategy.

2. Improved alignment of the organizational structure with the EMM Strategy:

The target for 2011/2012 was not met due to a change in the priorities of Council. Although alignment of the organizational structure was piloted in Risk Management the further 8 targeted departments were not pursued. The Institutional review steering Committee Meeting on 20 April 2012 resolved that priority be given to the stabilization of the top structures of all Departments instead of pursuing the alignment of departments to the organizational structure.

3. Increased roll-out of Performance Management to all levels:

Workshops to engage Executive Managers and Managers were scheduled to take place in June 2012. Labor Unions however advised their members not to attend the workshops as they were of the view that it interferes with the Conditions of Service. Only 147 Executive Managers and Managers attended the workshops.

4. Increased functionality of the HRIS:

Tender process was delayed by ICT pending finalisation of the ring-fencing of ORACLE for HRMIS purposes. ICT advised HR not to invest in the Oracle Module as they intend to move to another platform. The possibility of utilising the Pay Day self-service was investigated and presented to the ICT Steering Committee. The Steering Committee was not in favor of the proposal and indicated that they will ring-fence ORACLE for HRMIS

3.8.2.4 EMPLOYEE INFORMATION

| Employees: Human Resources | | | | | |
|-------------------------------------|------------|------------|------------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 31 | 37 | 24 | 13 | 35% |
| 7 - 9 | 75 | 84 | 72 | 12 | 14% |
| 10 - 12 | 45 | 49 | 45 | 4 | 8% |
| 13 - 15 | 70 | 77 | 70 | 7 | 9% |
| 16 - 18 | 10 | 12 | 10 | 2 | 17% |
| 19 - 20 | | | | | |
| Total | 232 | 260 | 222 | 38 | 15% |

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

3.8.2.4

Table 65: Employees: Human Resources

3.8.2.5 FINANCIAL PERFORMANCE

| Financial Performance: Human Resources | | | | | |
|--|----------------|--------------------|----------------------|----------------|-----------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | 91,033 | 17,730 | 17,760 | 23,564 | 25% |
| Expenditure: | | | | | |
| Employees | 99,169 | 119,383 | 117,504 | 104,911 | -14% |
| Repairs and Maintenance | 767 | 1,430 | 1,440 | 1,234 | -16% |
| Other | 41,315 | 8,041 | 17,601 | 10,905 | 26% |
| Total Operational Expenditure | 141,251 | 128,854 | 136,544 | 117,051 | -10% |
| Net Operational Expenditure / (Surplus) | 50,218 | 111,123 | 118,784 | 93,487 | -19% |

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

3.19.5

Table 66: Financial Performance: Human Resources

3.8.2.6 CAPITAL EXPENDITURE

| Capital Expenditure: Human Resources | | | | | | R' 000 |
|---|---------|----------------------|-----------------------|-------------------------------------|------------------------|--------|
| Capital Projects | 2011/12 | | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value | |
| Total All | 450 | 450 | 345 | -30% | | |
| ICT Equipment | 150 | 150 | 83 | -81% | 1,745 | |
| Office Furniture | 100 | 100 | 96 | -4% | 490 | |
| Other Equipment | 50 | 50 | 37 | -36% | 223 | |
| Vehicles | 150 | 150 | 129 | -16% | 129 | |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.19.6 | |

Table 67: Capital Expenditure: Human Resources

3.8.2.7 COMMENTS ON DEPARTMENT'S OVERALL PERFORMANCE

3.8.3 INFORMATION COMMUNICATION TECHNOLOGY

3.8.3.1 INTRODUCTION

Departmental Vision and Mission

The ICT department is responsible for the provision of an integrated information, communication and technology function for the Metro.

The four strategic priorities are intended to move ICT from only executing the mandate to leveraging on the investments already made and giving EMM a competitive advantage.

The department has defined flagship projects that build the Innovation focus area. These projects have been identified based on the problem statement and the current business challenges. The flagship projects are:

1. Business Process Management
2. Information Management
3. Enterprise Resource Planning
4. Digital City Services - consisting of four streams which are: Broadband (Fibre and Wireless); Unified Command Centre; Internet Service Provisioning and Digital services and products.

All projects have been budgeted for with the exception of Enterprise Resource Planning as it is still in the conceptual phase.

3.8.3.2 GENERAL INFORMATION

Future variations are expected for the Digital City Services' due to the fibre audit that is being finalised.



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

Libraries:

The department has provided connectivity for 42 libraries with free internet access for the public through Kiosks. Out of 42 connected libraries, 4 are still experiencing problems with stability. The department together with the SRAC department are looking at an optimised layout of the Internet Kiosk to reduce the downtime

Clinics:

72 out of 81 clinics have been connected. 9 clinics are not yet capacitated. The department has procured new equipment to get the outstanding clinics operational.

Cemeteries:

Environmental Resource Management department has procured the Cemetery Manager Software and has been installed in EMM environment, to be used by the selected 6 out of 10 (ten) cemeteries. The new system will address the following areas:

1. Improve management operation i.e. bookings, statistical information and reporting;
2. Reduce duplication;
3. Eradicate inconsistency and temptations for corruption;
4. Enhance financial processes;
5. Improve service delivery and efficiency;
6. Minimize fraud;
7. Regulate undertakers; and
8. Easy access to historical information regarding burials.

The future plan is to roll-out the software application to all 63 cemetery offices.

SERVICE STATISTICS FOR ICT SERVICES

During the financial year 2011/2012, the department received 27 862 calls logged. 26 122 of the calls were resolved while the outstanding calls were delayed by procurement of new equipment.

Resolved within SLA - 14 351

Resolved out of SLA - 11 771

Statistics:

| Service Category | Resolved Calls |
|----------------------------|----------------|
| Application Support | 1 205 |
| Desktop Support | 14 354 |
| Network Administration | 1 057 |
| Peelow (HR System) Support | 46 |
| Systems Administration | 2 203 |
| Telecommunications | 4 595 |
| Unix Support | 678 |
| Procurement | 1 984 |

3.8.3.3 POLICY OBJECTIVES TAKEN FROM IDP

| ICT Policy Objectives Taken From IDP | | | | | | | | | | | |
|--------------------------------------|----------------|--|---|---------------|---------|--------|---------|--------|---------|--------|--|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Increased functionality of the fibre optic network to support the Aerotropolis | Level of functionality of the fibre optic network | 100% | 60% | 60% | 90% | 100% | 100% | | |
| | Output | Installation of fibre optic cable throughout the Aerotropolis | % of the Aerotropolis with fibre optic cable | 100% | 70% | 70% | 90% | 100% | 100% | | |
| | Outcome | Increased implementation of the Digital City Strategy | % implementation of digital city | 100% | 5% | 5% | 55% | 53% | 100% | | |
| | Output | Secure ICT infrastructure and systems | Completion rate of security of ICT infrastructure and systems across four component as per the project plan | 100% | 5% | 5% | 80% | 75% | 100% | | Delays with the Host-to-host solution |
| | Output | Migration of service onto the next generation network (NGN) | % completion of Migration of service onto the next generation network (NGN) | 100% | 0% | 0% | 100% | 80% | 100% | | Tender for the required equipment was a non award, section 32 was used to appoint a service integrator |
| | Output | Implementation of a digital City services | % Implementation of a digital City services | 100% | 0% | 0% | 20% | 35% | 50% | | Delays in identifying a suitable location for the UCC |
| | Output | Establishment of ICT Network / Security / Services Operations Centre | % implementation of ICT Network / Security / Services Operations Centre | 100% | 0% | 0% | 20% | 20% | 60% | | |
| | Outcome | Increased implementation of Knowledge and Information Management framework | % implementation of knowledge management framework | 100% | 5000% | 5000% | 50% | 80% | 80% | | |
| | Output | Implement Master Data Management (MDM) | Implementation rate of Master Data Management (MDM) | 100% | 0% | 0% | 100% | 90% | 100% | | Delays are due to availability of business to verify the data |

| ICT Policy Objectives Taken From IDP | | | | | | | | | | | |
|--------------------------------------|----------------|---|--|---------------|---------|--------|---------|--------|---------|----------|---|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Output | Improved Knowledge and Information Management | Implementation rate of Knowledge and Information Management System | 100% | 0% | 0% | 80% | 70% | 100% | | |
| | Outcome | Improved alignment between ICT, business and customers | Level of functionality of the ICT steering committee | 100% | 35% | 35% | 100% | 100% | 100% | | |
| | Output | Develop and operationalising ICT security Framework | Completion rate of ICT security framework | 100% | 5% | 5% | 100% | 100% | 100% | | |
| | Output | Implement ICT business continuity plan | Completion rate of ICT business continuity plan | 100% | 50% | 50% | 50% | 100% | 100% | | |
| | Output | Sustainable CT skills development | Number of internships and learnerships completed | 100 | 50 | 50 | 50 | 100 | 30 | | |
| | Outcome | Increased automation of processes | Number of automated business processes optimised | 1 | - | - | 1 | 1 | 1 | | |
| | Output | Establish permanent EMM service call centre | permanent EMM service call centre established by target date | 1 | - | - | 1 | 1 | 1 | | Permanent call centre is now part of the Unified Command Centre |
| | Output | Complete development of CRM solution | Level of functionality of CRM solution | 100% | 10% | 10% | 100% | 90% | 100% | | Oracle failed to completed the work on CRM. |
| | Output | Implementation of an Electronic Documents and Records Management (EDRM) | Implementation rate of an Electronic Documents and Records Management (EDRM) | 100% | 0% | 0% | 0% | 75% | 100% | | |
| | Output | Undertake the redesign analysis of business processes | Number of business processes redesign completed | 80 | - | - | 38 | 7 | 80 | | |
| | | | | | | | | | | T 3.20.3 | |

Comments:

Overall performance of the department is at 78%. Underperformance in the department was noted on the following targets:

1. Increased implementation of the Digital City Strategy

- Delays with the Host-to-host solution caused by the installation of the ISDN line.
- Tender for the required equipment was not awarded and section 32 was used to appoint a service integrator
- Delays in identifying a suitable location for the UCC

2. Increased automation of processes:

Permanent call center is now part of the Unified Command Centre.

3.8.3.4 EMPLOYEE INFORMATION

| Employees: ICT | | | | | |
|--|-----------|---------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 21 | 23 | 20 | 3 | 13% |
| 7 - 9 | 41 | 55 | 45 | 10 | 18% |
| 10 - 12 | 75 | 80 | 70 | 10 | 13% |
| 13 - 15 | 24 | 28 | 19 | 9 | 32% |
| 16 - 18 | 3 | 3 | 3 | 0 | 0% |
| 19 - 20 | | | | | |
| Total | 165 | 190 | 158 | 32 | 17% |
| <p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.</i></p> <p><i>*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> | | | | | |
| | | | | | 3.8.3.4 |

Table 68: Employees: ICT

3.8.3.5 FINANCIAL PERFORMANCE

| Financial Performance: ICT | | | | | |
|--|--------------|-----------------|-------------------|----------------|--------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | 197,112 | - | 70,000 | 3 | 100% |
| Expenditure: | | | | | |
| Employees | 74,733 | 90,311 | 88,722 | 83,998 | -8% |
| Repairs and Maintenance | 33,721 | 78,936 | 78,587 | 67,196 | -17% |
| Other | 94,843 | 61,465 | 75,859 | 58,978 | -4% |
| Total Operational Expenditure | 203,297 | 230,712 | 243,167 | 210,172 | -10% |
| Net Operational Expenditure / (Surplus) | 6,185 | 230,712 | 173,167 | 210,169 | -10% |
| <i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i> | | | | | 3.20.5 |

Table 69: Financial Performance: ICT

3.8.3.6 CAPITAL EXPENDITURE

| Capital Expenditure: ICT | | | | | |
|---|---------------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 89,000 | 161,472 | 139,431 | 36% | |
| Acquisition of Electronic document Management system | 5,000 | - | - | 0% | 21,000 |
| Database Security | - | 4,500 | 3,539 | 100% | 3,575 |
| Enterprise Architecture/ Business process management including Document and Records Management | 20,000 | 24,231 | 24,129 | 17% | 64,898 |
| Fibre Backbone | 39,440 | 39,405 | 39,393 | 0% | 204,040 |
| Fibre Verification for excess capacity towards digital city | - | 14,000 | 8,521 | 100% | 8,521 |
| Fix the fibre breakages and new links for Digital City positioning to be an Internet Service Provider | - | 12,000 | 7,738 | 100% | 7,738 |
| ICT Equipment | 945 | 945 | 851 | -11% | 6,107 |
| installation of equipments parameters at Hosting Centre for the establishment of PoP (point of presence) and internet access point. | - | 29,000 | 28,992 | 100% | 28,992 |
| Migration to Next Generation Network | 11,295 | 15,295 | 8,141 | -39% | 52,973 |
| Office Furniture | 340 | 264 | 218 | -56% | 1,965 |
| Operational Buildings - Airconditioners | - | 76 | 76 | 100% | 76 |
| Security for ICT Infrastructure | 3,800 | 14,835 | 14,835 | 74% | 48,114 |
| Upgrade of Data Centers and Disaster Recovery centre | 2,500 | - | - | 0% | 15,700 |
| Upgrade of the Call Manager with automated reporting capability | 680 | 680 | 218 | -213% | 2,183 |
| Upgrading aged server equipment | 5,000 | 6,241 | 2,781 | -80% | 14,200 |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.20.6 |

Table 70: Capital Expenditure: ICT

3.8.4 FACILITIES, FLEET, RISK MANAGEMENT AND LEGAL

3.8.4.1 INTRODUCTION

RISK MANAGEMENT



The effective management of risk is central to the achievement of the Municipality's vision of smart, creative and developmental City and the Growth and Development Strategy (GDS) 2025. By understanding and managing risk, we can provide greater certainty and security for our employees, citizens of Ekurhuleni and all our stakeholders.

2.4.1.1 Risk Governance

Risk Management in the Municipality is guided and monitored by various committees at Council and administrative level that have adopted certain principles to assist them in performing their duties. The Council through the Municipal Public Accounts Committee (MPAC), Risk Committee and the Audit Committee, acknowledges its overall accountability for ensuring an effective results-driven, Risk Management process in the Municipality. These Committees assist the Legislature and Executive Arm of Council in fulfilling its corporate governance responsibilities by monitoring and reviewing the Risk Management Policy and Framework for identifying and managing strategic, operational and financial risks associated with the EMM business. The Council has adopted a Risk Management Policy and Framework that enables management to proactively identify and respond appropriately to all significant risks that could impact on business objectives.

The City Manager as the Accounting Officer of the municipality has the overall responsibility for implementing the system of risk management in the organisation. The Senior Management Team (EXCO) is responsible for the design, implementation and monitoring of the risk management programme in the municipality. The City Manager has also established the Governance Risk and Compliance Committee at administrative level which gives effect to the Risk Management Policy and Framework defined by the Council.

Responsibility for the management of risk resides with line management in all departments and projects. Risk Management has been included as one of the key components of performance in the Heads of Departments (HODs) and Directors performance contracts. The Heads of Departments and management are responsible for the management of risks in their Departments and also to ensure that the necessary controls remain in place and are effective at all times. Control effectiveness focuses on improving our ability to manage risk effectively, so that we can quickly and confidently act on opportunities to improve and sustain the quality and continuity of municipal services.

2.4.1.2. Objective Setting, Risk Identification, Assessment and Response

In line with the approved risk management policy and framework a top down approach has been adopted in developing the risk profiles of the organisation. The results of the strategic and operational assessments were used to crystallise the problem statements, draft the departmental strategic thrust, and the result statements for the development of the Integrated Development Plan (IDP) and the Service Delivery Budget Implementation Plan (SDBIP). The risks associated with the implementation of the IDP and the SDBIP were identified and risk mitigation strategies were developed for risks with high residual rating. Budgets were allocated for the implementation of the risk mitigation strategies.

CORPORATE LEGAL SERVICES

The objective of Corporate Legal Services is to provide an efficient and effective legal service to EMM. The top three services delivered are as follows:

- Render comments to departments and committees timeously so as to allow for decisions not to be delayed.
- Reduce number of current litigious matters in which EMM is involved.
- Be proactive in solving legal disputes in order to prevent litigation.

The department achieved an average of a 93% on the turnaround time for rendering comments. Of the 41 matters dealt with 25 were won, and 12 were settled.

Where possible the department has attempted to settle matters thus avoiding long and costly litigation. Problem areas have also been identified (e.g.; poor contract management by project managers) and remedial action will be taken.

PROPERTY MANAGEMENT

Property management is going through some transformation aimed at re-organising the processes, systems and structures to maximise efficiency. The transformation process began in 2010 when Council pronounced on the macro organisational structure as part of the institutional review.

Delivery Priorities

The 3 delivery priorities for property management are

- Reduction of the applications backlog,
- Resolve issues around council owned shops and
- Implement an integrated property management system.

In terms of the reduction of the applications backlog, significant progress has been made to process the applications up to the approvals by the relevant structures of Council. Significant development applications which have an impact in terms of job creation and revenue enhancement were fast tracked (e.g. Distil expansion in Springs, Technopol expansion in Springs and FB Crane Builders business expansion in Wadeville).

In terms of resolving the long outstanding issues around council owned shops, the assessment of 389 claims was concluded and presented to Council for approval. Those who qualify for transfer of the shops in terms of the Conversion of Leasehold to Freehold Act, were forwarded to the Gauteng Local Government and Housing Department for finalisation with a view to effecting transfers. However, there has been a delay from the side of Gauteng Government to finalise qualifying claims due to budgetary constraints.

In terms of implementing an integrated property management system, significant progress has been made through the introduction of customer oriented business process management system. Currently the development application solution is in the final stage of development. The system will firstly be tested internally within the EMM environment before

it is finally deployed for use by the potential investors and applicants interested in acquiring council owned properties for various development projects.

DOLOMITE MANAGEMENT

A total surface area of 51% of the Ekurhuleni Metropolitan Municipality area of jurisdiction is underlain by dolomite land that needs to be managed, controlled and developed in accordance with current legislation to prevent the formation of sinkholes and subsidence's that can have a detrimental impact on infrastructure and human life.

The management and control of dolomite areas is conducted through various functions, including: To ensure compliance of new developments on dolomite, privately and Ekurhuleni owned, with current legislation; sinkhole or subsidence inspections, investigations and rehabilitation; replacement of wet services affected by instability features; monitoring on a quarterly basis and control of groundwater levels within the various dolomite groundwater compartments to ensure the safety of developments within areas potentially affected by groundwater level drawdown; regional development planning and management via a dolomite database, updated monthly on a Global Information System and public awareness campaigns to inform people of dolomite and how to manage the situation on their own properties.

An Ekurhuleni Dolomite Policy and by-laws had been developed in this past year, currently under review, in order to give Ekurhuleni the necessary legal back-up required to manage and control development on dolomite within its area of jurisdiction.

As sinkholes and subsidence's are a sudden and unexpected occurrence requiring specialist studies, a dolomite specialist consultancy company is appointed on a three yearly basis to assist Ekurhuleni with the effective management and control of dolomite and related instability features within its area of jurisdiction and to provide assistance to other departments within Ekurhuleni with dolomite related issues.

The Dolomite Risk Management of Ekurhuleni is analyzed by several key functions in Table 1 below.

| | Number | Annual Target | Actual (%) Performance of Target |
|--|---------|---------------|-------------------------------------|
| Unlock dolomite land | 1 732ha | 220ha | >100 |
| Township Applications | 299 | 100% | 100 |
| Inspections: Potential sinkholes | 39 | 80% | >100 |
| EMM Developments: Investigations | 33 | 100% | 100 |
| Groundwater Monitoring & Control | 40% | 40% | 100 |
| Sinkhole Investigation & Rehabilitation | 16 | 80% | 94 |
| Dolomite Database (GIS) continuous update | 95% | 100% | 95 |
| Total | | | 99 |

FLEET SERVICES

FACILITIES MANAGEMENT

Ekurhuleni Metropolitan Municipality has a large real estate portfolio comprising infrastructure, office space, commercial properties, parks, sports facilities and more. Most specialised real estate assets (like roads) are managed by dedicated departments, but the management of generic properties is currently fragmented across the city. This has resulted in inefficiency and underutilisation of some assets. Several interventions have been already been undertaken to improve the management of real estate assets, but more work is needed to improve efficiencies. For this reason, council resolved that a central Real Estate unit should be established, with the aim of unlocking the social, environmental and economic potential of the portfolio.

Establishing a Real Estate unit is the responsibility of the Finance Department, but many other departments will be affected by the project, as all use property in some way. Therefore, an extensive programme of consultation has been initiated to ensure affected departments' views are taken into account.

At the time of writing, the real estate project team had developed several key proposals which were being debated by senior management. The proposals under consideration include a vision and mission for the unit, a detailed mandate that sets out which properties the Real Estate unit will be responsible for and what services it must provide, a top-level organisational structure for the unit, a draft strategy for the portfolio and the unit itself, and required modifications to the city's system of delegated authority. It is hoped that the appointment of top level positions may begin once the aforementioned proposals have been approved by council.

As well as the items mentioned above, the real estate project team was also engaged in revising the city's outdoor advertising strategy, preparing a change management plan for the implementation of the new structure, designing a system of performance indicators to enable effective management of the unit, supporting the Facilities Management division in various areas, and identifying potential ways to enhance the city's revenue from its property. These initiatives will become the responsibility of the new Real Estate unit once the appropriate appointments have been made.

The city's real estate portfolio (of land parcels) is analysed by several key dimensions in Table 71 below. The table indicates that the city's property holdings are highly diverse; residential land makes up 85% of land parcels (numerous but small in extent), while 67% of land area is municipal or community property (fewer land parcels, larger in extent).

Table 71: Analysis of real estate portfolio (as of June 2011)

| | Number | Area (ha) | Book value | Market value (2009) |
|-----------------------------|--------|-----------|------------|---------------------|
| Municipal properties | 4,792 | 9,165 ha | R 440 M | R 2,170 M |
| Community | 950 | 4,220 ha | R 238 M | R 2,273 M |

| | Number | Area (ha) | Book value | Market value (2009) |
|-----------------------|--------|-----------|------------|---------------------|
| Residential | 43,600 | 3,219 ha | R 409 M | R 7,546 M |
| Infrastructure | 1,461 | 952 ha | R 47 M | R 177 M |

3.8.4.2 GENERAL INFORMATION

SERVICE STATISTICS FOR CORPORATE LEGAL SERVICES

- Rendering of comments within 10 days (93%)
- Litigious matters won (25)
- Litigious matters settled (12)

3.8.4.3 POLICY OBJECTIVES TAKEN FROM IDP

| Facilities; Fleet; Risk Management and Legal Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|---|--|---------------|---------|--------|---------|--------|---------|--------|--|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Risk | | | | | | | | | | |
| | Outcome | Development of the metro-wide governance framework | Development of the metro-wide governance framework | 100% | - | | 100 | 100 | - | | |
| | Output | Development of the Entity governance framework | Development of the Entity governance framework by target date | 100% | - | | 100% | 60% | - | | The project has become complex due to legal compliance that the entities have to comply with. Delays in obtaining information relating to the incorporation of the entities and unavailability of original documentation on certain areas. |
| | Output | Operationalise the governance framework and monitor compliance thereof. | Rate implementation of the governance framework. | 100% | 0% | | 40% | 40% | 60% | | |
| | Output | Develop business integrity framework and monitor compliance. | Development of the business integrity framework by target | 100% | - | | 100 | 100 | - | | |
| | Output | redesign internal controls of critical processes to ensure adequacy and effectiveness | Number of critical processes internal control deficiencies redesigned. | 10 | - | | 1 | 1 | 2 | | |
| | Outcome | Increased risk management maturity level from 3 to 5. | Level of management maturity. | 6 | 3 | | 4 | 4 | 4 | | |
| | Output | Operationalise the risk management framework. | % implementation of the risk management framework. | 100% | 0% | | 40% | 40% | 70% | | |

| Facilities; Fleet; Risk Management and Legal Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|--|--|--------------------------------------|---------------|---------------|---------|--------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| Legal | | | | | | | | | | | |
| | Outcome | Increased functionality of the Committee Secretariat for the legislature | Level of functionality of the Committee Secretariat | 100% | 60% | 60% | 85% | 90% | 90% | | |
| | Outcome | Increased functionality of the City Secretariat | Level of functionality of the Committee Secretariat | 100% | 60% | 60% | 85% | 85% | 90% | | |
| | Outcome | Increased effectiveness of councillors to execute their mandate | % of councillors with capacity to execute their mandate | 100% | 25% | 25% | 50% | 100% | 100% | | |
| | Outcome | Increased capacity of ward and sectoral committees | % of Ward Committees fully capacitated | 100% | 0% (new term) | 0% (new term) | 95% | 100% | 100% | | |
| | Outcome | Increased compliance by councillors, departments, entities and communities to the legal framework governing the municipality | % of contraventions reported on in respect of non-compliance | | - | - | 1 | 1 | 1 | | |
| | Outcome | Increased functionality of the electronic document / Records management system and Registries | Utilization rate of the electronic document management system to facilitate compliance with EMM file plan and resolution tracking system | 100% | 20% | 5% | 40% | 40% | 100% | | |
| | Outcome | Increased financial support to beneficiaries through a well administered Grants-in-Aid scheme | % of qualifying beneficiaries supported through a well administered Grants-in-Aid scheme | 100% to all qualifying beneficiaries | 100% | 100% | 100% | 100% | 100% | | |
| | Outcome | Administration of Grants-in-Aid policy and its functional applications | % completeness of annual Grants-in-aid process terms of Council's policy: | 100% | 50% | 50% | 100% | 100% | 100% | | |
| | Outcome | Increased functionality of an integrated property management system | % increase of functionality of an integrated property management system | 100% | 10% | 10% | 100% | 100% | 100% | | |

| Facilities; Fleet; Risk Management and Legal Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|---|--|-------------------------------|---------|-------------------------|---------|------------------------------------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Fleet | | | | | | | | | | |
| | Outcome | Improved fleet management, | % implementation of fully fledged integrated fleet management strategy | 100% | 0% | N/A | 100% | 76% | 100% | | |
| | Outcome | Conduct a Fleet audit to reconcile asset register with actual Fleet size, to determine condition of vehicle and value of vehicles | Completion of audit and verification process by target date | Jun-12 | - | - | Jun-12 | Jun-12 | | | |
| | Outcome | Monitoring of individual vehicles to track vehicle movement productivity and prevent theft | % Vehicles on live tracking | 100% | 0% | 20% | 50% | 90% | 60% | | |
| | Outcome | Implementation of a vehicle maintenance management system | Procurement of fleet management system by targeted date June 2013 | Jun-12 | - | - | Jun-12 | The department is doing evaluation | | | |
| | Outcome | implementation of fleet management system at the targeted date June 2013 | % implementation of fleet management system | | 0% | | | 0% | 100% | | |
| | Outcome | Reduction of Fleet age | Average age of fleet | reduce average age to 7 years | - | Average age is 18 years | 16 | 16 years | 14 | | |

| Facilities; Fleet; Risk Management and Legal Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|--|---|----------------|----------------|----------------|---------|--------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Real Estate | | | | | | | | | | |
| | | Establish single Facilities Management Department | Level of functionality of the independent Real Estate management Department | 100% | 0% | 0% | 0% | 10% | 0% | | |
| | | Improve the aesthetics and functionality (look and feel) of EMM property portfolio | Improved appearance of EMM buildings | 0.8 | IMQS report | Not determined | 0 | 0 | 0 | | |
| | | Improved compliance of existing buildings to OHS Act standards | % existing buildings compliant with relevant legislation | 90% | 30% | 30% | 30% | 10% | 50% | | |
| | | Increase the % of pro active maintenance work done according to a prioritization model. | % of available budget expenditure on pro active maintenance | 80% pro active | 5% pro active | 5% | 10% | 80% | 50% | | |
| | | Set a realistic and achievable expenditure target attributed to physical achievements. | % of the Building Development (new buildings) | 95% | 95% | 45% | 95% | 40% | 90% | | |
| | | Set a realistic and achievable expenditure target attributed to physical achievements. | % of the approved building maintenance (OPEX) budget actually spent for maintenance | 95% | 77% | 77% | 95% | 100% | 80% | | |
| | | Create employment opportunities through the Maintenance and new buildings programme (CAPEX + OPEX) | % jobs created to annually | Not determined | Not determined | Not determined | 10% | 84% | 10% | | |

T 3.21.3

Comments: Risk Management

The overall performance of the department is at 85%. Underperformance was noted in relation to improved level of accountability and compliance with the code of ethics and conduct.

The project became complex due to legal requirements that the entities had to comply with. Delays were experienced in obtaining information relating to the incorporation of the entities and the unavailability of original documentation in certain areas.

Corporate and Legal

Overall performance of the department is at 73%. Underperformance was noted on:

1. Improved effectiveness of oversight function for enhanced service delivery:

At the time of setting the targets Ward Committee meetings were most probably, wrongly, also brought into the equation while in fact the indicator refers to committees of the Legislature only, resulting in only 49 Committee meetings received support during the quarter under review.

2. Increased functionality of Ward and sectorial Committees:

The new Ward Committee members are not yet informed on how to establish subsectors

3.8.4.4 EMPLOYEE INFORMATION

| Employees: Facilities; Fleet; Risk Management and Legal | | | | | |
|--|-----------|-------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | | 2011/12 | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | |
| 4 - 6 | 52 | 57 | 50 | 7 | 12% |
| 7 - 9 | 164 | 184 | 155 | 29 | 16% |
| 10 - 12 | 233 | 270 | 221 | 49 | 18% |
| 13 - 15 | 223 | 261 | 211 | 50 | 19% |
| 16 - 18 | 259 | 292 | 254 | 38 | 13% |
| 19 - 20 | | | | | |
| Total | 932 | 1065 | 892 | 173 | 16% |
| <p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.</i></p> <p><i>*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> | | | | | |
| | | | | | 3.8.4.4 |

Table 72: Employees: Facilities, Fleet, Risk and Legal

3.8.4.5 FINANCIAL PERFORMANCE

| Financial Performance: Facilities; Fleet; Risk Management and Legal | | | | | |
|--|----------------|-----------------|-------------------|----------------|--------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | 74,625 | 44,793 | 45,483 | 30,463 | -47% |
| Expenditure: | | | | | |
| Employees | 190,977 | 226,028 | 217,562 | 245,260 | 8% |
| Repairs and Maintenance | 8,650 | 9,390 | 12,973 | 10,657 | 12% |
| Other | 130,859 | 75,216 | 106,823 | 194,175 | 61% |
| Total Operational Expenditure | 330,486 | 310,633 | 337,358 | 450,092 | 31% |
| Net Operational Expenditure / (Surplus) | 255,861 | 265,841 | 291,875 | 419,629 | 37% |
| <i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i> | | | | | 3.21.5 |

Table 73: Financial Performance: Facilities, Fleet, Risk and Legal

3.8.4.6 CAPITAL EXPENDITURE

| Capital Expenditure: Facilities; Fleet; Risk Management and Legal | | | | | |
|---|---------------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | Total Project Value |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | |
| Total All | 16,950 | 25,203 | 16,875 | 0% | |
| Alberton : Motorization of the lift system | 300 | 26 | – | 0% | 4,180 |
| Boksburg Civic Centre; Modernization of the lift system | – | 68 | – | 0% | 6,824 |
| Brakpan CCC Boundary Fence | – | 1,064 | 1,047 | 100% | 1,047 |
| Buildings fleet MNGNT & MECH ENG | 3,000 | 2,466 | 26 | -11483% | 7,197 |
| Departmental ICT Equipment | 450 | 438 | 433 | -4% | 3,558 |
| Departmental Office Equipment | 50 | 95 | 95 | 47% | 553 |
| Erf 598 Ring Road, New Redruth | – | 387 | 387 | 100% | 387 |
| Erf 987 Ring Road, New Redruth | – | 357 | 357 | 100% | 357 |
| Fuel Management System | – | 4,974 | 593 | 100% | 593 |
| Furniture for new Fleet building | 500 | 200 | 149 | -234% | 686 |
| Furniture for the Banquet hall @the Chamber Germ. | 400 | 496 | 484 | 17% | 2,902 |
| Hi-volume photocopiers (Agendas) | 800 | 1,553 | 1,393 | 43% | 6,500 |
| ICT Equipment | 480 | 480 | 335 | -43% | 1,240 |
| Modernisation Replacement of Lifts at Germiston City Hall | 1,600 | 556 | 499 | -220% | 1,132 |
| Modernisation Replacement of Lifts in the BENONI CIVIC CENTRE | 3,200 | 1,211 | 1,090 | -194% | 2,745 |
| Other Equipment | 500 | 21 | – | 0% | 1,820 |
| Replace lifts in the springs civic centre | 1,450 | 194 | 194 | -649% | 2,418 |
| Replace various air conditioners | 50 | 50 | 20 | -148% | 235 |
| Springs Filing System | 150 | 66 | 63 | -139% | 720 |
| Vehicles | 1,000 | 7,479 | 7,421 | 87% | 34,707 |
| Ward councillors accomodation | 2,000 | 2,002 | 2,002 | 0% | 4,009 |
| Workshop Equipment | 1,020 | 1,020 | 289 | -253% | 3,806 |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3,21.6 |

Table 74: Capital Expenditure: Facilities, Fleet, Risk and Legal

3.8.4.7 COMMENTS ON DEPARTMENT'S OVERALL PERFORMANCE

Property Management

The processing of applications in terms of the SDBIP has been consistent at 100% throughout the financial year. Although there are 482 properties still to be finalised through the tender system.

In respect of council owned shops, the project is a 5 year programme. A total of 10 out of 152 claims were submitted to Gauteng Government. In respect of the integrated property management system, the solution development of Business Process Management is at 80% complete. It is expected to be tested internally from the beginning of September 2012 with a possible full deployment of the system by March 2013

3.8.5 EXECUTIVE AND COUNCIL

3.8.5.1 POLICY OBJECTIVES TAKEN FROM IDP

No IDP comments

3.8.5.2 EMPLOYEE INFORMATION

| Employees: Executive and Council | | | | | |
|--|-----------|-------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | | 2011/12 | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 4 | 3 | 0 | 0% |
| 4 - 6 | 12 | 31 | 16 | 15 | 48% |
| 7 - 9 | 14 | 37 | 8 | 29 | 78% |
| 10 - 12 | 46 | 78 | 43 | 35 | 45% |
| 13 - 15 | 28 | 67 | 37 | 30 | 45% |
| 16 - 18 | 2 | 4 | 3 | 1 | 25% |
| 19 - 20 | 0 | 36 | 26 | 10 | 28% |
| Total | 103 | 257 | 136 | 120 | 47% |
| <p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.</i></p> <p><i>*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> | | | | | |
| | | | | | 3.8.5.4 |

Table 75: Employees: Executive and Council

3.8.5.3 FINANCIAL PERFORMANCE

| Financial Performance: Executive and Council | | | | | |
|--|----------------|-----------------|-------------------|----------------|--------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | 86,217 | 453 | 5,453 | 10,380 | 96% |
| Expenditure: | | | | | |
| Employees | 266,608 | 202,645 | 244,734 | 323,449 | 37% |
| Repairs and Maintenance | 18,175 | 380,340 | 69,061 | 41,113 | -825% |
| Other | 389,823 | 28,847 | 307,097 | 319,912 | 91% |
| Total Operational Expenditure | 674,606 | 611,832 | 620,892 | 684,474 | 11% |
| Net Operational Expenditure / (Surplus) | 588,390 | 611,378 | 615,439 | 674,093 | 9% |
| <i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i> | | | | | 3.22.5 |

Table 76: Financial Performance: Executive and Council

3.8.5.4 CAPITAL EXPENDITURE

| Capital Expenditure: Executive and Council | | | | | |
|---|---------------|-------------------|--------------------|-------------------------------|---------------------|
| R' 000 | | | | | |
| Capital Projects | 2011/12 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 65,610 | 66,770 | 19,959 | -229% | |
| Germiston Precinct Building | 60,000 | 60,000 | 15,515 | -287% | 27,051 |
| ICT Equipment | 600 | 1,318 | 901 | 33% | 11,330 |
| Office Furniture | 813 | 2,028 | 1,099 | 26% | 12,388 |
| Other Equipment | 197 | 159 | 79 | -151% | 1,369 |
| Upgrade of EGSC Building | 1,000 | 1,000 | 872 | -15% | 1,720 |
| Vehicles | 3,000 | 2,265 | 1,494 | -101% | 2,841 |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.22.6 |

Table 77: Capital Expenditure: Executive and Council

3.8.6 MARKETING AND COMMUNICATION

3.8.6.1 INTRODUCTION

Departmental Key Performance Areas

The Communications and Marketing department contributed towards various projects in the Metro in terms of advertising, marketing, media liaison, designing and printing of publications, organising events as well as internal and external communication.

3.8.6.2 GENERAL INFORMATION

DEPARTMENT OF COMMUNICATIONS AND MARKETING

The Department of Communications Marketing plays a role in both consultation and in encouraging participation in local decision making. It is not just about talking, but also about listening to what people want to improve decision making.

It is essential then to advertise consultation opportunities, feedback results and be creative in promoting opportunities to participate (such as the annual Integrated Development Planning Process).

Communications need to be planned and managed and requires council-wide commitment. The Communications team has a central role to direct, manage and deliver the council's internal and external communications. It works to support and promote the council's corporate plan, policies and business plans. This is done through the use of media relations, electronic communications, print publications, interactive communication and internal communications in a strategic way to meet people's communication needs with the right approach at the right time.

The department consists of three legs:

1. *Communications:*
 - *Internal Communications*
 - *External Communications*
2. *Marketing:*
 - *Advertising*
 - *Services Marketing*
3. *Media and Special Projects:*
 - *Media Liaison*
 - *Design and Publications*
 - *Special Projects*

During the 2011/12 financial year, the department continued to play a support role to departments within the organization in an effort to communicate with the EMM's communities and stakeholders as well as market the Metro as a destination of choice.

Special Projects

In February 2012 the Special Projects unit led the Ride for Sight 2012 cycle race, the third largest in South Africa. This partnership with race organizers Dischem sees Retina South Africa as the beneficiary of the race which saw national television exposure. The race received accolades as one of the safest races compared to European conditions, which was a huge compliment for Ekurhuleni. The 2012 race saw a 43% increase in participation compared to 2011 which ultimately led to a growth in sponsorship and more funds for eye research.



This division also led the Centrum Guardian 2011 Heroes competition, which saw television exposure as well as wide media coverage, including internally. EMM was a finalist in the competition for the work done when responding to a fire at an old age home in Dunnottar. Media coverage saw much positive exposure for the Metro and its services. While EMM did not win, the cheque prize given to the team of emergency workers was donated to the same old age home where they carried out a rescue mission, thus showing the Metro's social responsibility.

As its name implies, this division handled an average of 89 special events during the 2011/12 financial year ranging from the State of the City Address, Budget Speech to numerous visits by Prof John Kasarda regarding the Aerotropolis to strategic sessions and the GDS workshops.

Services Marketing and Advertising

The Ekurhuleni Metropolitan Municipality embarked on a process to formulate its Growth and Development Strategy (GDS) 2055. This process follows the review of the GDS 2025 which was adopted in 2005 with four key performance areas, namely infrastructure transformation, economic transformation, social transformation and institutional transformation.

EMM stakeholders were engaged in an intense outreach process aimed at ensuring that all ideas and suggestions are solicited through diverse platforms with the aim of pursuing a common future. The marketing objectives were as follows:

- Reposition Ekurhuleni as a city that is forward-thinking.
- Promote the municipality's key objectives.
- To ensure all stakeholders understand the EMM brand offering and rally support around the brand.
- Develop close links and promote GDS 2055 confidence, interest, build and secure partnership.
- To promote the city as an investment and tourism destination.
- Use local and international media as a conduit to manage public issues and perceptions.
- Increase awareness of EMM with target groups.
- Synchronise and maximise opportunities to promote the GDS 2055 strategy.
- Seamless integration and coordination among key project stakeholders - Increased awareness of EMM brand across the spectrum of marketing.

In terms of the Revenue Enhancement campaign, one of the biggest challenges faced by municipalities in delivering sustainable services is to ensure that the metro can deliver a sustainable service to all communities. If the collections are not sufficient, then either the services will not be delivered or the metro would have to go to the capital market and borrow the funds at a considerable cost.

As a result, a comprehensive Communications and Marketing Strategy and Implementation Plan was developed to focus on the strategic ability to create a framework for the *Siyakhokha Siyathutuka* revenue collection programme, with the aim of successfully creating new conviction and trust with its stakeholders, specifically customers.

The City of Ekurhuleni played host to what can only be described as the most significant professional golfing event to take place in the history of the game in South Africa - the 2011 SA Open Championship.

The tournament was positioned to achieve the following objectives:

- a. *Building the profile of Ekurhuleni nationally and internationally*
 - International exposure as the tournament was watched by millions of viewers world-wide (pre-negotiated TV package broadcasted to 300 million homes across 41 countries and live/delayed four hours international broadcast on each tournament day);
 - Was featured on all the communication elements about the tournament.
- b. Opportunity for Ekurhuleni to sell its New Growth Path – the Aerotropolis
 - Future economic growth as investors become attracted to investment opportunities in the region;
 - An international platform to raise an enquiry into the Aerotropolis as the Metro prepares for the launch this concept.

A wide range of advertising campaigns were run including the Stop Cable Theft in December and January in an effort to bring home the effects of cable theft. The Blue Drop Status campaign, which promotes the quality of water in Ekurhuleni, communicated the message that Ekurhuleni has for three consecutive years maintained this high standard of tap water quality.

Ongoing branding at numerous events took place throughout the year including the Ekurhuleni Sports Awards. Over 40 events were marketed, branded and promoted for the different departments and include bylaw education and awareness, road safety. June saw a month long youth programme to celebrate the role played by the youth towards a non racist, non sexist unitary and democratic society as well as to inform the youth of opportunities available in EMM towards skill development and education, encouraging the youth to map out their career path and encourage them to further their learning and help develop skills and training.

Billboards were erected by this division for the Clean and Green campaign, and Blue Drop certification. Both mediums of print and radio were used for campaigns.

Signage was done at 15 CCC buildings, both inside, as well as 11 other buildings such as Germiston Civil Works and Kempton Park Clinic.

Design and Publications

An approximate 200 designs were produced for various projects by the Design and Publications Division during the 2011/12 financial year – from posters to billboards, flyers, books, annual reports and flyers and corporate budget documents.

Communicating with the Ekurhuleni community is essential and two publications that are produced by this division include the external newsletter circulated through the monthly services accounts. The format of this newsletter was updated and all residents who receive a service account received a copy of the newsletter. For those who do not receive a service account, such as residents in informal settlements, the community newspaper Lentswe La Ekurhuleni was produced and knocks and drop distribution took place. In addition, copies were also made available at customer care centres, libraries, clinics as well as other offices within the metropolitan municipality.

The official website is managed by this division and queries received through this medium from the public were continuously handled. The website is used to communicate and marketing the organization and its services and projects. Main projects which used this platform were the GDS 2055 process, which also saw the introduction of a Facebook page specifically for this project, as well as the Budget Tips programme.

Communications

Internal Communications is used to create awareness and understanding amongst staff on EMM projects, policies, procedures and the like. One of the tools used in which to do this is the internal newsletter of which three issues were produced and distributed to all staff members. An electronic bulletin was sent to all computer users within Ekurhuleni of which approximately 10 were published per month. Messages communicated included strike notices, weekly events, services emergencies, GDS road shows and the like.

Internal communication with staff who do not have access to computers remains a challenge but in an effort to get messages across, posters and pamphlets were printed on key topics and distributed at outside offices and buildings. An SMS system was used in co-operation with the ICT and DEMS departments in an attempt to reach more staff with key messages.

Internal Communications assisted with the production of departmental newsletters for the departments of Human Settlement and Legal and Administration.

To enhance two-way communications, 220 suggestion boxes were installed at depots, Customer Care Centres and Clinics.

Various internal communication plans were developed and implemented for departments such as the HIV & Aids candlelight memorial remembrance, healthy lifestyle campaign, long service and achievement award, internal Blue Drop Status road shows which will be implemented in August/September 2012.

Support was given to the Growth and Development Strategy (GDS) both internally and externally with a second round in June, through assisting with reaching stakeholders and continuous communication on the process.

The EMM games are held annually for staff to create an opportunity for employees and councillors to interact outside of the working environment. The event was held September 2011 and again assistance was given in mobilizing staff through posters and electronic mediums.

External Communication

In terms of corporate campaigns, various communication strategies were developed and implemented, for example the OR Tambo Liberation Walk. This is an annual event in partnership with the Oliver and Adelaide Tambo Foundation, ACSA and the Department of International Relations and Co-operation. *Siyakhokha Siyathuthuka* 2011/2012 Campaign focused on the Ekurhuleni Interest Waiver Incentive Scheme for the Revenue Enhancement Unit.

The IRPTN Communications and Marketing plan was formulated and will be implemented once approved by the head of department of Transport Department.

Other projects handled included Mandela Day in July and communication support given to various departmental projects and programmes through information pamphlets, posters, articles in external publications, certificates, banners, radio scripts, distribution of information material and assistance with departmental events. Examples of these campaigns include clean-up campaigns, opening of clinics, OR Tambo Month, Water Week, Transport Month campaign, and Business Week. Educational material was conceptualized and produced for the Clean and Green campaign for the Environment Department, and included a deck of playing cards with applicable messages. It is a project carried over into the 2012/13 financial year.

Media

Ekurhuleni Metropolitan Municipality has a responsibility of ensuring participative democracy by making sure that it continues to communicate with its various stakeholders using various platforms. The media forms a critical component of this aspect. Through the Media Relations Unit the municipality strives to create healthy relations with the media at all levels (locally, regionally and nationally) as the major stakeholder to ensure free flow of information to-and-from the communities it serves.

In the financial year under review the Media Relations Unit carried out the following tasks:

An average of 16 media statements were issued while an average of 70 media enquiries was received monthly. Furthermore, media coverage is being monitored on a daily basis and daily media briefs are shared with senior management and the executive to advise them of what is being reported about Ekurhuleni.

A Rapid Response system was introduced to properly assist with the reading of the media environment and to advise decision makers in Council of key developments in the media so that where necessary intervention can be made.

The media office continued with its stakeholder engagement exercises with the media through the monthly council meetings, hosting the media at council events, holding meeting to strengthen relations with various media and holding a quarterly media breakfast.

The process to review EMM's Media Policy to meet new organizational imperatives in the light of the institutional review and the separation of powers processes was kick started and is 90% completed.

Continued management took place of the reputation of EMM through the active profiling of various service delivery projects in line with the Metro's priorities and also communicating of service delivery interruptions such as the installation of CCTV cameras in the Alberton area as a crime prevention tool, the opening of new state-of-the-art health can facilities, workshops on indigent support and indigent burial policy, Grand-in-Aid for institutions that do work in Ekurhuleni communities, new fire stations at communities, Ekurhuleni playing a leading role towards renewable energy, issuing of title deeds to home owners, electricity connections to homes that never had electricity before, IDP and Budget public participation, State of the City Address and the Budget Speech.

The Executive Mayor and Members of the Mayoral Committee's initiatives were profiled in the media, of which the following are some: hosting of the successful Ekurhuleni HIV and Aids



Indaba; Signing of performance agreement by Members of the Mayoral Committees; the hosting of the first ever Oliver and Adelaide Tambo Liberation Walk; disaster relief after the Duduza Tornado, Mayoral Imbizo programme to give feedback to communities; Chris Hani Month and OR Tambo Month programmes.

The following flagship projects and achievements were also profiled:

GDS 2055 process, Aerotropolis, Revenue Enhancement – *Siyakhokha-Siyathuthuka* campaign, introducing various ways of paying for services, Urban Management – Cleaner and Greener Ekurhuleni Starts with You Campaign, the introduction of Urban Marshals at Customer Care Areas and the impact this will have on service delivery, the taking off of the Integrated Rapid Public Transport Network, prioritization of the Digital City programme in EMM in line with the Aerotropolis growth path.

Achievement of an unqualified audit report and moving towards a cleaner audit, the maintaining of Credit Rating, Blue Drop award and the 2012 Water Conservation and Water Demand Management (WC/WDM) Sector Awards in the category Domestic and Local Government are others.

3.8.6.3 POLICY OBJECTIVES TAKEN FROM IDP

| Communication Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|---|--|---------------|---------|--------|---------|--------|---------|---------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Improved metro-wide communication systems instituted | % functionality of metro-wide communication systems | 100% | 60% | 60% | 70% | 70% | 100% | | |
| | Outcome | Increased access to and availability of information by all metro stakeholders | % of metro stakeholders with access to and availability of information | 80% | 60% | 60% | 70% | 70% | 80% | | |
| | Outcome | Increased feedback from internal and external stakeholders | Level of feedback from internal and to external stakeholders | 90% | 25% | 25% | 60% | 60% | 60% | | |
| | Outcome | Increased implementation of stakeholder management strategy | % implementation of stakeholder management strategy | 80% | 10% | 10% | 40% | 40% | 50% | | |
| | Outcome | Increased and distinct brand awareness | % of citizens in EMM aware of the brand | 90% | 50% | 40% | 70% | 65% | 80% | | |
| | | | | | | | | | | T3.23.3 | |

Comments:

The overall performance of the department is at 75%. Underperformance was noted on the following targets:

1. Increased implementation of stakeholder management strategy

- Currently no formal business plan in place
- Currently no structure in place
- Currently no stakeholder management strategy in place

3.8.6.4 EMPLOYEE INFORMATION

| Employees: Communication | | | | | |
|-------------------------------------|-----------|-----------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 0 | 0 | 0 | |
| 4 - 6 | 8 | 10 | 5 | 5 | 50% |
| 7 - 9 | 27 | 30 | 27 | 3 | 10% |
| 10 - 12 | 3 | 3 | 3 | 0 | 0% |
| 13 - 15 | 6 | 6 | 6 | 0 | 0% |
| 16 - 18 | 1 | 1 | 1 | 0 | 0% |
| 19 - 20 | | | | | |
| Total | 45 | 50 | 42 | 8 | 16% |

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

3.8.6.4

Table 78: Employees: Communication

3.8.6.5 FINANCIAL PERFORMANCE

| Financial Performance: Communication | | | | | |
|--|---------------|--------------------|----------------------|---------------|-----------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | 1,084 | 1 | 11 | 1 | 14% |
| Expenditure: | | | | | |
| Employees | 23,201 | 25,244 | 24,838 | 23,899 | -6% |
| Repairs and Maintenance | 98 | 123 | 93 | 32 | -283% |
| Other | 20,864 | 18,472 | 18,592 | 17,680 | -4% |
| Total Operational Expenditure | 44,163 | 43,839 | 43,523 | 41,611 | -5% |
| Net Operational Expenditure / (Surplus) | 43,079 | 43,838 | 43,512 | 41,610 | -5% |

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

3.23.5

Table 79: Financial Performance: Communication

3.8.6.6 CAPITAL EXPENDITURE

| Capital Expenditure: Communication | | | | | | R' 000 |
|---|------------|----------------------|-----------------------|-------------------------------------|------------------------|--------|
| Capital Projects | 2011/12 | | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value | |
| Total All | 364 | 364 | 335 | -9% | | |
| ICT Equipment | 64 | 34 | 29 | -120% | 685 | |
| Other Equipment | 30 | 25 | 18 | -65% | 358 | |
| Office Furniture | 70 | 25 | 9 | -674% | 171 | |
| Vehicles | 200 | 280 | 279 | 28% | 425 | |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.23.6 | |

Table 80: Capital Expenditure: Communication

3.8.7 INTERNAL AUDIT

3.8.7.1 INTRODUCTION

Departmental Vision and Mission

The mission of the Internal Audit Function is to provide independent, objective assurance and consulting services, within Ekurhuleni and its entities, designed to add value and improve the organisation's operations. It helps the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Departmental Key Performance Areas

In order to achieve its aims, Internal Audit strives to:

- meet and/or exceed, the stakeholder's objectives for internal audit;
- meet and/or exceed, the requirements of internal audit from the Institute of Internal Auditors, the latest King report on Corporate Governance and other leading practice requirements;
- maintain the required skills and competencies of internal auditors; and
- Uphold high standards of ethics and independence.

3.8.7.2 GENERAL INFORMATION

The scope of work of the internal audit function is to determine whether the organization's risk management, control, and governance processes, as designed and represented by management, is adequate and functioning in a manner to ensure:

- Risks are appropriately identified and managed.
- Inter-action with the various governance groups occurs, as needed.
- Significant financial, managerial, and operating information is accurate, reliable, and timely.
- Employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations.
- Resources are acquired economically, used efficiently, and adequately protected;
- Programs, plans, and objectives are achieved.
- Quality and continuous improvement are fostered in Ekurhuleni's control processes.
- Significant legislative or regulatory issues impacting Ekurhuleni are recognized and addressed properly.

The scope of internal audit encompasses the following activities:

- Facilitate a risk assessment through obtaining an understanding of the Ekurhuleni's objectives and related risks impacting its performance, assessing the business risks after consultation with management which includes interviews/workshops with management of each department evaluation and assessment of significant risks areas and related key control;
- Prepare a strategic three-year rolling internal audit plan, inclusive of an annual internal audit coverage plan and submit to the Audit Committee for approval;
- Review the adequacy and effectiveness of internal control systems;
- Reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information;
- Reviewing the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations that could have significant impact on its operations and reports, and determining whether the organization is in compliance;
- Reviewing operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned;
- Review means of safeguarding assets and, as appropriate, verifying the existence of such assets;
- Reviewing and appraising the economy and efficiency with which resources are employed;
- Review contracts and other agreements with outside firms providing goods and services as appropriate. Review the records and documentation of these outside firms when deemed necessary to ascertain compliance with the contracts terms;
- Co-ordinate audits efforts with those of the external auditors and to eliminate duplication of audit efforts;
- Examine the validity of measures used to assess the achievement of operational objectives;
- Review the organization's compliance guidelines for ethical business conduct;
- Evaluate plans and actions taken to correct reported conditions;
- Provide adequate follow-up to ensure corrective action is taken and evaluate its effectiveness;
- Conduct special examinations or investigations at the request of management or audit committee;
- Monitor fraud control and preventative mechanisms;
- Report on loss control;
- Manage the and create awareness of the Fraud Hotline; and

- Report to the Audit Committee as to whether;
 - Appropriate action has been taken on significant audit findings and the status of corrective action;
 - Audit activities have been directed toward highest exposures to risk and toward increasing efficiency, economy, and effectiveness of operations;
 - There is any unwarranted restriction on access by management to internal auditors on all organizations activities, records, property, and personnel.
- Opportunities for improving management control, service delivery and the organisation's image may be identified during audits and, communicated to the appropriate level of management.

3.8.7.3 POLICY OBJECTIVES TAKEN FROM IDP

| Internal Audit Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|---|---|---------------|---------|--------|---------|--------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| 1.1. | Direct Outcome | Reduction of high risk incidence | Success rate in mitigating risks | 1 | None | None | 1 | 1 | 1 | | |
| 1.1. | Output | Finalize risk based audit reports as stipulated on the approved annual audit plan | % of departments with completed Audit reports produced in accordance with the approved audit plan | 1 | 1 | 1 | 1 | 1 | 1 | | |
| 1.1. | Output | Implementation of controls and processes | Level of adherence to the controls and processes | 1 | None | None | | 1 | 1 | | |
| 1.1. | Output | Implementation and Monitoring of quality assurance and improvement programs. | % compliance with checklist per audit | 100% | None | None | 100% | 100% | 100% | | |
| 1.1. | Output | Implement and Monitor innovative business solutions and best practices | % Implementation of innovative business solutions and best practices | 100% | 100% | 100% | 100% | 100% | 100% | | |
| 1.1. | Direct Outcome | Increased achievement of organizational results | % organizational results achieved | 100% | 100% | 100% | 100% | 100% | 100% | | |
| 1.1. | Output | Finalize Audit of Performance Information (AoPI) audit reports as stipulated on the approved annual audit plan and Regulation 14 of the Municipal planning and performance management Regulations | % of Audit reports produced in accordance with the approved audit plan every quarter | 100% | 100% | 100% | 100% | 100% | 100% | | |

| Internal Audit Policy Objectives Taken From IDP | | | | | | | | | | | |
|---|----------------|---|---|---------------|---------|--------|---------|--------|---------|--------|------------------------|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| 1.2. | Direct Outcome | Improved functionality of the system to mitigate fraud and corruption | Level of functionality of the system to mitigate fraud and corruption | 1 | None | None | 1 | 1 | 1 | | |
| 1.2. | Output | Implementation of processes to mitigated fraud and corruption | % implementation of processes to mitigated fraud and corruption | 100% | None | None | 100% | 100% | 100% | | |
| 1.2. | Output | Increased Resolution of cases reported through the fraud hotline | % of cases resolved | 100% | 100% | 100% | 100% | 100% | 100% | | |
| 1.2. | Output | Evaluate reported cases | % of reported cases evaluated | 100% | 100% | 100% | 100% | 100% | 100% | | |
| 1.2. | Output | Investigation of cases | % of cases investigated and finalised with clear recommendations | 100% | 100% | 100% | 100% | 100% | 100% | | |
| T 3.24.3 | | | | | | | | | | | |

Comments:

The Overall performance of the department is at 93%

3.8.7.4 EMPLOYEE INFORMATION

| Employees: Internal Audit | | | | | |
|-------------------------------------|-----------|---------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | |
| 4 - 6 | 5 | 7 | 5 | 2 | 29% |
| 7 - 9 | 10 | 12 | 10 | 2 | 17% |
| 10 - 12 | 29 | 33 | 31 | 2 | 6% |
| 13 - 15 | 2 | 3 | 3 | 0 | 0% |
| 16 - 18 | | | | | |
| 19 - 20 | | | | | |
| Total | 47 | 56 | 50 | 6 | 11% |

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

3.8.7.4

Table 81: Employees: Internal Audit

3.8.7.5 FINANCIAL PERFORMANCE

| Financial Performance: Internal Audit | | | | | |
|--|---------------|--------------------|----------------------|---------------|-----------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | 7,175 | 1 | 1 | - | #DIV/0! |
| Expenditure: | | | | | |
| Employees | 20,241 | 22,785 | 22,589 | 21,681 | -5% |
| Repairs and Maintenance | 151 | 247 | 254 | 179 | -38% |
| Other | 9,381 | 9,753 | 14,322 | 14,090 | 31% |
| Total Operational Expenditure | 29,773 | 32,785 | 37,166 | 35,949 | 9% |
| Net Operational Expenditure / (Surplus) | 22,598 | 32,784 | 37,165 | 35,949 | 9% |

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

3.24.5

Table 82: Financial Performance: Internal Audit

3.8.7.6 CAPITAL EXPENDITURE

| Capital Expenditure: Internal Audit | | | | | | R' 000 |
|---|------------|-------------------|--------------------|-------------------------------|---------------------|--------|
| Capital Projects | 2011/12 | | | | Total Project Value | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | | |
| Total All | 237 | 237 | 213 | -11% | | |
| Upgrade of Office building | 25 | 46 | 23 | -8% | 217 | |
| Vehicles | 140 | - | - | 0% | 614 | |
| ICT Equipment | 42 | 182 | 181 | 77% | 1,058 | |
| Office Furniture | 30 | 9 | 9 | -231% | 180 | |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3.24.6 | |

Table 83: Capital Expenditure: Internal Audit

3.8.8 CUSTOMER RELATIONS MANAGEMENT

3.8.8.1 INTRODUCTION

The Metro has adopted a service delivery model that takes services closer to the community through the establishment of 20 Customer Care Areas with a Customer Care Centre in each of the areas. These centres ensure that there is a “one-stop shop” for customers. This reduces customers’ frustrations of being sent from pillar to post. This also allows for immediate interventions to correct/ intervene on any service delivery matter.

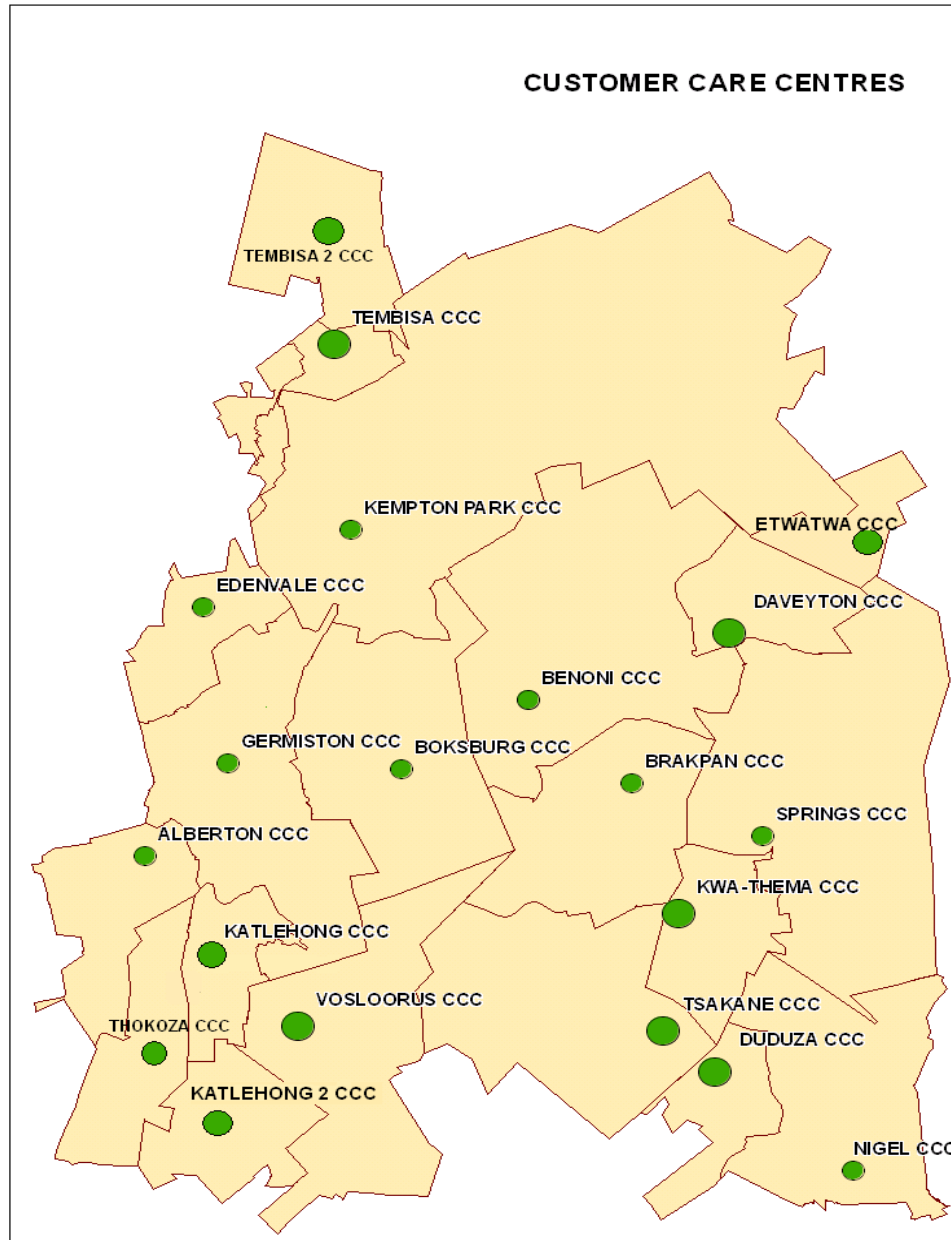


Figure 8:Customer Care Areas

GENERAL INFORMATION

ANNUAL ACHIEVEMENTS

1. Completion of 5 Greenfields CCC.
The department has completed 5 Greenfields Customer Care Centres i.e. Katlehong 2, Etwatwa, Tsakane, Thokoza & Kwa-Thema.
2. Completion of 3 Brownfield CCC
We have completed 3 brownfield CCC i.e. Alberton, Duduza & Katlehong 1.

The above achievements were a direct response to the Government objective that of creating a one stop shop thereby bringing Government closer to the people.

3. We have implemented the “rate our service” boxes & provided customers with wheelchairs in all our Customer Care Centres.
4. Conducted By-Law blitzes in most of our Customer Care areas as part of the by-law awareness.
5. Concluded the appointment & training of the 40 urban marshals.
6. We contributed in the establishment of the Edenvale CID & lastly
7. The department has implemented the new customer complaints management system in all our Customer Care areas i.e. Emis system.

3.8.8.2 POLICY OBJECTIVES TAKEN FROM IDP

| Customer Relations Management Policy Objectives Taken From IDP | | | | | | | | | | | |
|--|----------------|---|--|---------------|---------|--------|---------|--------|---------|--------|---|
| Ref | Planning Level | Planning Statements | Indicators | 5 Year Target | 2010/11 | | 2011/12 | | 2012/13 | | Reasons for Deviations |
| | | | | | Target | Actual | Target | Actual | Target | Actual | |
| | Outcome | Improved functionality of CRM systems | Level of functionality of the CRM systems | 100% | 10% | 10% | 40% | 0% | 50% | | CRM system has ben abanded , new EMIS system been implemented |
| | Output | Operationalising the one-stop CCCs | % of the one-stop CCCs fully of operational | 100% | 20% | 20% | 40% | 40% | 50% | | |
| | Output | Capacitate staff on the requirements of the ICT system | % of staff capacitated on the requirements of the ICT system | 80% | 20% | 20% | 40% | 40% | 50% | | staff been capacited on EMIS system at the installation phase |
| | Output | Operationalising the call centre | % of the services call centre Operationalised | 100% | 10% | 10% | 50% | 50% | 60% | | |
| | Output | Operationalising the on-line customer interface service | % of the on-line customer interface service Operationalised | 80% | 10% | 10% | 40% | 40% | 50% | | |
| | Output | Implementation of an integrated intermediary services | % Implementation of an integrated intermediary services | 70% | 10% | 10% | 30% | 30% | 40% | | |
| | Output | Capacitate sectoral and ward committees to liaise between the community and the metro | % of sectoral and ward committees capacitated | 100% | 20% | 10% | 40% | 40% | 55% | | |
| | Output | Reporting and feedback mechanism for elected representatives and ward committees | % of customer queries or complaints raised with the elected representatives and ward committees resolved within the specified period | 90% | 40% | 40% | 50% | 50% | 60% | | |
| | Output | Arrangement area - based meetings | % of area -based meetings facilitated quarterly | 90% | 30% | 30% | 50% | 50% | 50% | | |
| T 3.25.3 | | | | | | | | | | | |

Comments:

Overall performance of the department is at 60%. The main reason for the underperformance is the non-functionality of the CRM system. A new EMIS system has been introduced to replace the non-functional CRM system, and is currently being rolled out.

Key reasons for non-performance were:

Increased utilisation by customers of the EMM CRM system; the CRM system being abandoned and new EMIS system being implemented. The new EMIS system will be a pilot project at Vosloorus CCA.

3.8.8.3 EMPLOYEE INFORMATION

| Employees: Customer Relations Management | | | | | |
|--|-----------|---------|-----------|-------------------------------------|--------------------------------------|
| Job Level (Based on X-Scales) | 2010/11 | 2011/12 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 0 | 1 | 0 | 1 | 100% |
| 4 - 6 | 21 | 23 | 19 | 4 | 17% |
| 7 - 9 | 0 | 0 | 0 | 0 | |
| 10 - 12 | 41 | 41 | 38 | 3 | 7% |
| 13 - 15 | 19 | 20 | 19 | 1 | 5% |
| 16 - 18 | 20 | 20 | 20 | 0 | 0% |
| 19 - 20 | | | | | |
| Total | 101 | 105 | 96 | 9 | 9% |
| <p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.</i></p> <p><i>*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> | | | | | |
| | | | | | 3.8.8.4 |

Table 84: Employees: Customer Relations Management

3.8.8.4 FINANCIAL PERFORMANCE

| Financial Performance: Customer Relations Management | | | | | |
|--|----------------|-----------------|-------------------|----------------|--------------------|
| R'000 | | | | | |
| Details | 2010/11 | 2011/12 | | | Variance to Budget |
| | Actual | Original Budget | Adjustment Budget | Actual | |
| Total Operational Revenue | - | 0 | 0 | (135) | 100% |
| Expenditure: | | | | | |
| Employees | 36,367 | 45,620 | 44,796 | 39,278 | -16% |
| Repairs and Maintenance | 8,577 | 13,938 | 9,053 | 6,635 | -110% |
| Other | 66,598 | 68,394 | 68,933 | 72,230 | 5% |
| Total Operational Expenditure | 111,542 | 127,952 | 122,782 | 118,143 | -8% |
| Net Operational Expenditure / (Surplus) | 111,542 | 127,952 | 122,782 | 118,278 | -8% |
| <i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i> | | | | | 3.25.5 |

Table 85: Financial Performance: Customer Relations Management

3.8.8.5 CAPITAL EXPENDITURE

| Capital Expenditure: Customer Relations Management | | | | | | R' 000 |
|---|---------------|-------------------|--------------------|-------------------------------|---------------------|--------|
| Capital Projects | 2011/12 | | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value | |
| Total All | 42,819 | 38,503 | 25,469 | -68% | | |
| Daveyton Building Upgrade | 2,000 | 3,706 | 537 | -273% | 5,777 | |
| Duduza Building Upgrade | 1,630 | 4,950 | 3,642 | 55% | 4,819 | |
| Etwatwa New Building (NDPG) | 1,800 | 5,700 | 3,671 | 51% | 4,491 | |
| ICT Equipment | 1,183 | 723 | 354 | -234% | 3,439 | |
| Katlehong 2 New Building | - | 3,429 | 3,148 | 100% | 7,807 | |
| Katlehong Building Upgrade | 1,421 | 6,420 | 4,351 | 67% | 6,064 | |
| Kwa Thema New Building | - | 3,050 | 2,788 | 100% | 8,477 | |
| Nigel Building Upgrade | 1,000 | 3,913 | 695 | -44% | 8,434 | |
| Office Furniture | 350 | 750 | 693 | 49% | 3,056 | |
| Other Equipment | - | 60 | 58 | 100% | 58 | |
| Tembisa 2/ Winnie Mandela New Building | 16,000 | - | - | 0% | 28,756 | |
| Tembisa Building Upgrade | 14,393 | 36 | 36 | -39468% | 14,498 | |
| Thokoza New Building | - | 2,979 | 2,711 | 100% | 9,811 | |
| Tsakane New Building | - | 2,786 | 2,786 | 100% | 5,130 | |
| Vosloorus Building Upgrade | 3,041 | - | - | 0% | 3,955 | |
| <i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i> | | | | | 3,25.6 | |

Table 86: Capital Expenditure: Customer Relations Management

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

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Number of Employees

| Total Number of Employees: Ekurhuleni | | | | | |
|---|---------------|-----------------------|---------------|--------------|-----------|
| Description | 2010/11 | Approved Posts No. | 2011/12 | | |
| | Employees | | Employees | Vacancies | Vacancies |
| | No. | | No. | No. | % |
| Water & Sanitation | 972 | 1,129 | 950 | 179 | 16% |
| Energy | 1,023 | 1,185 | 994 | 191 | 16% |
| Waste Management | 1,440 | 1,599 | 1,422 | 177 | 11% |
| Housing | 212 | 258 | 208 | 50 | 19% |
| Roads & Stormwater | 832 | 980 | 807 | 220 | 22% |
| Public Transport | 668 | 733 | 646 | 87 | 12% |
| City Planning | 175 | 217 | 170 | 47 | 22% |
| Economic Development | 68 | 80 | 62 | 18 | 23% |
| Institutional Strategy, M & E and Research | 19 | 27 | 17 | 10 | 37% |
| SRAC: Sport & Recreation | 410 | 428 | 396 | 32 | 7% |
| Environmental Resource Management | 1,969 | 2,203 | 1,986 | 217 | 10% |
| Health & Social Development | 1,422 | 1,597 | 1,490 | 107 | 7% |
| Ekurhuleni Metropolitan Police Department (EMPD) | 1,983 | 2,117 | 1,868 | 249 | 12% |
| Disaster & Emergency Management | 1,077 | 1,149 | 1,048 | 101 | 9% |
| Disaster & Emergency Man: Disaster Management | 188 | 204 | 184 | 20 | 10% |
| SRAC: Sport & Recreation | 984 | 1,087 | 969 | 118 | 11% |
| Finance | 1,046 | 1,217 | 1,029 | 188 | 15% |
| Human Resources | 232 | 260 | 222 | 38 | 15% |
| ICT | 165 | 190 | 158 | 32 | 17% |
| Facilities; Fleet, Risk Management and Legal | 932 | 1,065 | 892 | 173 | 16% |
| Executive and Council | 103 | 257 | 136 | 120 | 47% |
| Communication | 45 | 50 | 42 | 8 | 16% |
| Internal Audit | 47 | 56 | 50 | 6 | 11% |
| Customer Relations Management | 101 | 105 | 96 | 9 | 9% |
| Totals | 16,113 | 18,193 | 15,842 | 2,397 | 0 |
| Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June, as per the approved organogram. | | | | | T 4.1.1 |

Table 87: Number of Employees

Vacancy Rate

| Vacancy Rate: 2011/12 | | | |
|---|------------------------------|---|--|
| Designations | *Total Approved Posts No. | *Vacancies (Total time that vacancies exist using fulltime equivalents) No. | *Vacancies (as a proportion of total posts in each category) % |
| Municipal Manager | 1 | 0 | 0.00 |
| CFO | 1 | 0 | 0.00 |
| Other S57 Managers (excluding Finance Posts) | 83 | 17 | 20.48 |
| Other S57 Managers (Finance posts) | 5 | 1 | 20.00 |
| Police officers | 1915 | 194 | 10.13 |
| Fire fighters | 766 | 29 | 3.79 |
| Senior management: Levels X05-X06 (excluding Finance | 460 | 85 | 18.48 |
| Senior management: Levels X05-X06 (Finance posts) | 42 | 4 | 9.52 |
| Highly skilled supervision: levels X07-X09 (excluding Finance | 1435 | 218 | 15.19 |
| Highly skilled supervision: levels X07-X09 (Finance posts) | 182 | 31 | 17.03 |
| Other Positions | 13538 | 1795 | 13.26 |
| Total | 18428 | 2374 | 12.88 |

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

T 4.1.2

Table 88: Vacancy Rate for Ekurhuleni

Turn-Over Rate

| Turn-over Rate | | | |
|----------------|--|--|-----------------|
| Details | Total Appointments as of beginning of Financial Year No. | Terminations during the Financial Year No. | Turn-over Rate* |
| 2009/10 | 683 | 602 | 88% |
| 2010/11 | 1775 | 1392 | 78% |
| 2012/13 | 693 | 813 | 117% |

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

T 4.1.3

Table 89: Turn-Over Rate

4.2 MANAGING THE MUNICIPAL WORKFORCE

4.3 POLICIES

| HR Policies and Plans | | | | |
|-----------------------|---|-------------|------------|--|
| | Name of Policy | Completed % | Reviewed % | Date adopted by council or comment on failure to adopt |
| 1 | Affirmative Action | | | |
| 2 | Attraction and Retention | 100% | 70% | Consultation with Labour |
| 3 | Code of Conduct for employees | 100% | 70% | Consultation with Labour |
| 4 | Delegations, Authorisation & Responsibility | 100% | | |
| 5 | Disciplinary Code and Procedures | 100% | 90% | SALGBC negotiating new code |
| 6 | Essential Services | 70% | | SALGBC negotiating on matter |
| 7 | Employee Assistance / Wellness | 70% | | Consultation with Labour |
| 8 | Employment Equity | 100% | 70% | Consultation with Labour |
| 9 | Exit Management | 100% | 70% | Consultation with Labour |
| 10 | Grievance Procedures | 100% | 90% | SALGBC review |
| 11 | HIV/Aids | 100% | 70% | Consultation with Labour |
| 12 | Human Resource and Development | 100% | 70% | Consultation with Labour |
| 13 | Information Technology | 100% | | |
| 14 | Job Evaluation | 100% | 80% | SALGBC review |
| 15 | Leave | 70% | | Consultation with Labour |
| 16 | Occupational Health and Safety | 100% | | |
| 17 | Official Housing | | | |
| 18 | Official Journeys | 100% | | |
| 19 | Official transport to attend Funerals | 100% | 80% | Currently under review |
| 20 | Official Working Hours and Overtime | 100% | | 2004 |
| 21 | Organisational Rights | 100% | | SALGBC agreement |
| 22 | Payroll Deductions | | | |
| 23 | Performance Management and Development | | | |
| 24 | Recruitment, Selection and Appointments | 100% | 70% | Consultation with Labour |
| 25 | Remuneration Scales and Allowances | 100% | | SALGBC determination |
| 26 | Resettlement | | | |
| 27 | Sexual Harassment | 100% | 70% | Consultation with Labour |

| HR Policies and Plans | | | | |
|---|----------------------------------|-------------|------------|--|
| | Name of Policy | Completed % | Reviewed % | Date adopted by council or comment on failure to adopt |
| 28 | Skills Development | | | |
| 29 | Smoking | 100% | | Approved |
| 30 | Special Skills | | | |
| 31 | Work Organisation | | | |
| 32 | Uniforms and Protective Clothing | 100% | 70% | Consultation with Labour |
| Use name of local policies if different from above and at any other HR policies not listed. | | | | |
| T4.2.1 | | | | |

Table 90: HR Policies

The HR has amended and developed policies for all HR divisions and is ready to be submitted for consultation in the forums of organised Labour. The EMM is committed to ensure efficient workforce management and procedures and practices are in place and continuously improved.



Number and Period of Suspensions

| Number and Period of Suspensions | | | | |
|----------------------------------|---------------------------------------|--------------------|--|----------------|
| Position | Nature of Alleged Misconduct | Date of Suspension | Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised | Date Finalised |
| Director: ICT | Tender irregularities | 1-Mar-2011 | Charged. SIU still investigating. | on going |
| Director: Waste Management | Tender irregularities | Oct. 2010 | Charged. SIU investigations | on going |
| Director: Water | Tender irregularities | Nov. 2011 | Resigned. | 1-Feb-2012 |
| Executive Manager | Tender irregularities | Oct. 2010 | Charged. SIU investigations | on going |
| Executive Manager | Non-disclosure of financial interests | 1-Feb-2009 | Charged. Matter finalised | 1-Jun-2012 |
| Director: Fleet | Dishonesty | 1-Feb-2008 | Charged. Dismissed. | 1-Feb-2011 |
| Executive Director | Incompatibility | 1-Feb-2011 | Charged. Matter settled | 1-Jul-2011 |
| Executive Director | Incompetence | 1-Feb-2011 | Charged. Matter settled | 1-Jun-2011 |
| CFO | Tender irregularities | 1-Jul-2012 | Investigations underway | on going |
| Chief Director | Tender irregularities | 1-Jul-2012 | Investigations underway | on going |
| Chief Director | Tender irregularities | 1-Jul-2012 | Investigations underway | on going |
| Director: Water | Tender irregularities | 1-Jul-2012 | Investigations underway | on going |
| Executive Manager | Tender irregularities | 1-Mar-2011 | Charged. SIU investigations | on going |
| Executive Manager | Council disrepute | 1-Apr-2012 | Investigations underway | on going |
| Manager: Waste | Tender irregularities | 1-Jun-2012 | Charged. SIU investigations | on going |
| Executive Manager | Tender irregularities | 1-Oct-2010 | Charged. SIU investigations | on going |
| Manager: Waste | Tender irregularities | Oct. 2010 | Charged. SIU investigations | on going |
| Development planner | Failure to disclose private interests | Oct. 2010 | Disciplinary hearing ongoing | on going |
| Development planner | Failure to disclose private interests | Oct. 2010 | Finalised - dismissed | 17-Aug-2011 |
| Secretary | Fraud & corruption | 1-Feb-2010 | Charged and dismissed | 1-Jul-2012 |
| Cashier | Fraud & corruption | 1-Sep-2010 | Charged. Lengthy DC. | on going |
| Cashier | Fraud & corruption | 1-Sep-2010 | Charged. Lengthy DC. | on going |
| Cashier | Fraud & corruption | 1-Sep-2010 | Charged. Lengthy DC. | on going |
| Cashier | Fraud & corruption | 1-Sep-2010 | Charged. Lengthy DC. | on going |
| Cashier | Fraud & corruption | 1-Sep-2010 | Charged. Lengthy DC. | on going |
| Cashier | Fraud & corruption | 1-Sep-2010 | Charged. Lengthy DC. | on going |
| Cashier | Fraud & corruption | 1-Sep-10 | Charged. Lengthy DC. | on going |
| Cashier | Fraud & corruption | 1-Sep-10 | Charged. Dismissed. | |
| Cashier | Fraud & corruption | 1-Sep-10 | Charged. Dismissed. | |
| Cashier | Fraud & corruption | 1-Sep-10 | Charged. Dismissed. | |
| Cashier | Fraud & corruption | 1-Sep-10 | Charged. Dismissed. | |
| Cashier | Fraud & corruption | 1-Sep-10 | Charged. Dismissed. | |
| Cashier | Fraud & corruption | 1-Sep-10 | Charged. Dismissed. | |
| Cashier | Fraud & corruption | 1-Sep-10 | Charged. Dismissed. | |
| Cashier | Fraud & corruption | 1-Sep-10 | Charged. Dismissed. | |
| Cashier | Fraud & corruption | 1-Sep-10 | Charged. Dismissed. | |
| Cashier | Fraud & corruption | 1-Sep-10 | Charged. Dismissed. | |
| Cashier | Fraud & corruption | 1-Sep-10 | Charged. Dismissed. | |
| Cashier | Fraud & corruption | 1-Sep-10 | Charged. Dismissed. | |
| Cashier | Fraud & corruption | 1-Sep-10 | Charged. Dismissed. | |
| Cashier | Fraud & corruption | 1-Sep-10 | Charged. Dismissed. | |
| Cashier | Fraud & corruption | 1-Sep-10 | Charged. Dismissed. | |
| Building inspector | Failed to follow procedures | 7-Apr-11 | Charged . Lengthy DC | on going |
| Metro Police Officer | Murder | 22-Feb-11 | Case proceeding | on going |
| Metro Police Officer | Corruption | 5-Jan-12 | Case proceeding | on going |
| Metro Police Officer | Drunk in public | 5-Jan-12 | Case proceeding | on going |

| Number and Period of Suspensions | | | | |
|----------------------------------|------------------------------|--------------------|--|----------------|
| Position | Nature of Alleged Misconduct | Date of Suspension | Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised | Date Finalised |
| Metro Police Officer | Fraud & corruption | 5-Jan-12 | Case proceeding | on going |
| Metro Police Officer | Fraud & corruption | 5-Jan-12 | Case proceeding | on going |
| Metro Police Officer | Fraud & corruption | 12-Jan-12 | Case proceeding | on going |
| Metro Police Officer | Fraud & corruption | 20-Jan-12 | Case proceeding | on going |
| Metro Police Officer | Assault | 13-Apr-12 | Case proceeding | on going |
| Metro Police Officer | Firearm misuse | 17-Apr-12 | Case proceeding | on going |
| Metro Police Officer | Fraud & corruption | 27-Sep-11 | Finalised | |
| Metro Police Officer | Fraud & corruption | 27-Sep-11 | Finalised | |
| Metro Police Officer | Fraud & corruption | 28-Sep-11 | Finalised | |
| Metro Police Officer | Fraud & corruption | 28-Sep-11 | Finalised | |
| Metro Police Officer | Fraud & corruption | 8-Oct-11 | Finalised | |
| Metro Police Officer | Fraud & corruption | 8-Oct-11 | Finalised | |
| Metro Police Officer | Fraud & corruption | 2-Nov-10 | Finalised- dismissed | |
| Metro Police Officer | Fraud & corruption | 8-Apr-11 | Finalised- dismissed | |
| Metro Police Officer | Fraud & corruption | 11-Apr-11 | Finalised- dismissed | |
| Metro Police Officer | Fraud & corruption | 9-Dec-11 | Finalised- dismissed | |
| Metro Police Officer | Fraud & corruption | 12-Dec-11 | Finalised | |
| Metro Police Officer | Fraud & corruption | 20-Jan-12 | Finalised | |
| Metro Police Officer | Fraud & corruption | 5-Jan-12 | Finalised | |
| Metro Police Officer | Fraud & corruption | 5-Jan-12 | Finalised | |
| Fire fighter | Unprotected strike | 8-Mar-11 | Finalised | |
| Fire fighter | Unprotected strike | 8-Mar-11 | Finalised | |
| Fire fighter | Unprotected strike | 8-Mar-11 | Finalised | |
| Fire fighter | Unprotected strike | 8-Mar-11 | Finalised | |
| Fire fighter | Unprotected strike | 8-Mar-11 | Finalised | |
| Fire fighter | Unprotected strike | 8-Mar-11 | Finalised | |
| Fire fighter | Unprotected strike | 8-Mar-11 | Finalised | |
| Fire fighter | Unprotected strike | 8-Mar-11 | Finalised | |
| Fire fighter | Unprotected strike | 8-Mar-11 | Finalised | |
| Fire fighter | Unprotected strike | 8-Mar-11 | Finalised | |
| Fire fighter | Unprotected strike | 8-Mar-11 | Finalised | |
| Fire fighter | Unprotected strike | 8-Mar-11 | Finalised | |
| Fire fighter | Unprotected strike | 8-Mar-11 | Finalised | |
| Fire fighter | Unprotected strike | 8-Mar-11 | Finalised | |
| Fire fighter | Unprotected strike | 8-Mar-11 | Finalised | |
| Fire fighter | Unprotected strike | 11-Feb-11 | Finalised | |
| Fire fighter | Unprotected strike | 1-Apr-11 | Finalised | |
| Fire fighter | Unprotected strike | 1-Apr-11 | Finalised | |
| Fire fighter | Unprotected strike | 1-Apr-11 | Finalised | |
| Fire fighter | Unprotected strike | 1-Apr-11 | Finalised | |
| Fire fighter | Unprotected strike | 1-Apr-11 | Finalised | |
| Fire fighter | Unprotected strike | 1-Apr-11 | Finalised | |
| Fire fighter | Unprotected strike | 16-Feb-11 | Finalised | |
| Fire fighter | Unprotected strike | 16-Feb-11 | Finalised | |
| Manager | Fraud & corruption | 10-Nov-11 | On going | on going |
| Snr Civil Engineer | Fraud & corruption | 9-Nov-11 | On going | on going |
| Chief Area Eng | Fraud & corruption | 9-Nov-11 | On going | on going |
| Controller | Fraud & corruption | 18-Aug-11 | Dismissed | |
| Manager | Fraud & corruption | 7-Apr-11 | On going | on going |

T 4.3.5

| Skills Matrix | | | | | | | | | | | |
|--|--------|--|--|---------------------|------------|---------------------------------|---------------------|--------------|---------------------|---------------------|--------------|
| Management level | Gender | No of Employees in post as at 30 June 2012 | Number of skilled employees required and actual as at 30 June 2012 | | | | | | | | |
| | | | Learnerships | | | Skills programmes & other short | | | Total | | |
| | | | Actual 30 June 2011 | Actual 30 June 2012 | Target | Actual 30 June 2011 | Actual 30 June 2012 | Target | Actual 30 June 2011 | Actual 30 June 2012 | Target |
| MM and S57* | Female | | | | | | | | | | |
| | Male | | | | | | | | | | |
| Councillors, senior officials and managers | Female | 209 | - | - | - | 183 | 102 | 108 | 183 | 102 | 108 |
| | Male | 402 | - | - | - | 302 | 212 | 241 | 302 | 212 | 241 |
| Technicians and associate professionals | Female | 83 | 24 | 24 | 24 | 157 | 95 | 270 | 181 | 119 | 294 |
| | Male | 1,003 | 148 | 148 | 148 | 151 | 149 | 393 | 299 | 297 | 541 |
| Professionals | Female | 602 | - | - | - | 304 | 129 | 687 | 304 | 129 | 687 |
| | Male | 462 | - | - | - | 86 | 158 | 591 | 86 | 158 | 591 |
| Total | | 2,761 | 172 | 172 | 172 | 1,183 | 845 | 2,290 | 1,355 | 1,017 | 2,462 |
| | | | | | | | | | | | T4.5.1 |
| *The SOC Codes of the LGSETA are utilised and the Section 57 employees is calculated with Legislators, Senior Officials and Managers | | | | | | | | | | | |

Table 91: Skills Matrix

Financial Competency Development: Progress Report

| Financial Competency Development: Progress Report* | | | | | | |
|---|---|---|--------------------------------|--|--|--|
| Description | A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c)) | B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c)) | Consolidated: Total of A and B | Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d)) | Consolidated: Total number of officials whose performance agreements comply with Regulation 16 | Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e)) |
| Financial Officials | | | | | | |
| Accounting officer | | 1 | 3 | 4 | 3 | 0 |
| Chief financial officer | | 1 | 3 | 4 | 3 | 0 |
| Senior managers | | 27 | 24 | 51 | 28 | 0 |
| Any other financial officials | | 441 | | 441 | 391 | 0 |
| Supply Chain Management Officials | | | | | | |
| Heads of supply chain management units | | 1 | 0 | 1 | 1 | 0 |
| Supply chain management senior managers | | 1 | 1 | 2 | 14 | 0 |
| TOTAL | | 472 | 31 | 503 | 440 | 0 |
| * This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007) | | | | | | T4.5.2 |

Table 92: Financial Competency Development: Progress Report

Skills Development Expenditure

| Skills Development Expenditure | | | | | | | | | | R'000 |
|---|--------|------------------|---|------------------|---------------------|-------------------|-------------------------|------------------|--------------------|-------------------|
| Management level | Gender | Employees No. | Original Budget and Actual Expenditure on skills development Year 1 | | | | | | Total | |
| | | | Learnerships | | Skills programmes & | | Other forms of training | | Original Budget | Actual |
| | | | Original Budget | Actual | Original Budget | Actual | Original Budget | Actual | | |
| MM and S57 * | Female | - | - | - | | | | | | |
| | Male | - | - | - | | | | | | |
| Legislators, senior officials and managers | Female | 243 | - | - | 2,193,600 | 2,193,600 | | 126,384 | 2,193,600 | 2,319,984 |
| | Male | 462 | - | - | 3,806,400 | 3,806,400 | | 149,087 | 3,806,400 | 3,955,487 |
| Professionals | Female | 479 | - | - | 646,482 | 493,000 | | 443,840 | 646,482 | 936,840 |
| | Male | 650 | - | - | 883,813 | 673,986 | | 492,960 | 883,813 | 1,166,946 |
| Technicians and associate professionals | Female | 787 | 310,155 | 310,155 | 1,070,039 | 816,000 | | 422,347 | 1,380,194 | 1,548,502 |
| | Male | 1,768 | 1,912,625 | 1,912,625 | 2,403,970 | 1,833,242 | | 518,892 | 4,316,595 | 4,264,759 |
| Clerks | Female | 1,513 | - | - | 2,050,908 | 1,564,000 | | 644,684 | 2,050,908 | 2,208,684 |
| | Male | 824 | - | - | 1,120,403 | 854,407 | | 566,064 | 1,120,403 | 1,420,471 |
| Service and sales workers | Female | 1,290 | - | - | 1,754,028 | 1,337,603 | | 841,234 | 1,754,028 | 2,178,837 |
| | Male | 2,155 | - | - | 2,930,179 | 2,234,523 | | 691,856 | 2,930,179 | 2,926,379 |
| Plant and machine operators and | Female | 332 | - | - | 451,424 | 344,251 | | 78,620 | 451,424 | 422,871 |
| | Male | 1,544 | - | - | 2,095,493 | 1,598,000 | | 31,448 | 2,095,493 | 1,629,448 |
| Elementary occupations | Female | 1,424 | - | - | 1,937,216 | 1,477,300 | | 305,011 | 1,937,216 | 1,782,311 |
| | Male | 2,924 | - | - | 3,974,748 | 3,031,100 | 7,200,000 | 380,056 | 3,974,748 | 3,411,156 |
| Total | | 16,395 | 2,222,780 | 2,222,780 | 27,318,702 | 22,257,412 | 7,200,000 | 5,692,483 | 43,941,483 | 30,172,675 |
| *% and *R value of municipal salaries (original budget) allocated for workplace skills plan. | | | | | | | | | 7 | 30,172,675 |
| *The SOC Codes of the LGSETA are utilised and the Section 57 employees is calculated with Legislators, Senior Officials and | | | | | | | | | | T4.5.3 |
| *The bursary budget is a global budget and provision is not made for specific categories of employees. | | | | | | | | | | |

Table 93: Skills Development Expenditure

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

Adequacy of Training Plans

There is adequate training plans which are reflected in the Work Place Skills Plan for 2011/2012 financial year.

Effectiveness of Implementation

The implementation was effective in the sense that all the training interventions on the Work Place Skills Plan were implemented and it is evident through the budget expenditure and on the certificates of competency achieved by the learners.

Explain the Variance Between Actual And Budgeted Expenditure

The Municipality has spent 81 % of its allocated budget on training. The variances are due to courses being provided in house with none or minimal costs which affected the budgeted expenditure. The variances are also due to the shortage of accredited training providers for scarce and critical skills.

Adequacy of Funding

Due to the size of the workforce and the compliance training (National Treasury Minimum Competency requirements training) and training on scarce and critical skills the funding for training is not adequate.

Budget Forecast at this level of spending

This level of spending in the future is likely to increase, this is due to the drive to increase the number of skilled employees and Artisans on Critical and Scarce Skills, and the accelerated programme to ensure that officials comply with the National Treasury Regulations on Minimum Competency Requirements of which the due date is January 2013.

How is the value of training activity assessed.

The value of training activity has been assessed by means of return on investment (RoI) on training implemented for officials affected by the National Treasury Minimum Competency requirements training. The amount spent during 2011/2012 for MFMA Training Amounts to R6 million.

4.5 EMPLOYEE EXPENDITURE

Workforce Expenditure Trends

The purpose of the Institutional Review is inter alia to identify workforce and skills deficiencies within the municipality. It is believed that the results of the will impact on the workforce expenditure trends, which will have to be addressed in the Operating Budget over the medium-term.

The implementation of the SALGA – salary scales together with the results of the job evaluation process showed some decrease in expenditure, but not significantly. The main reason being that current employees retain their salary benefits, irrespective the outcomes of the job evaluation and the newly salary scales linked to a position.

Number of Employees whose salaries were increased due to their positions being upgraded

| Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded | | |
|---|--------|--------------|
| Beneficiaries | Gender | Total |
| Lower skilled (Levels 1-2) | Female | - |
| | Male | 3 |
| Skilled (Levels 3-5) | Female | 44 |
| | Male | 102 |
| Highly skilled production (Levels 6-8) | Female | 89 |
| | Male | 177 |
| Highly skilled supervision (Levels 9-12) | Female | 121 |
| | Male | 306 |
| Senior management (Levels 13-16) Incl. level 17 | Female | 131 |
| | Male | 113 |
| MM and S 57 | Female | - |
| | Male | - |
| Total | | 1,086 |
| Those with disability are shown in brackets '(x)' in the 'Number of | | T4.6.2 |

Table 94: No of employees whose salaries were increased due to their positions being upgraded.

Employees whose salaries exceed the grade determined by job evaluation

The upgraded positions are mainly on the higher levels and represents only 14% of the workforce. The rest of the workforce are being remunerated on a contractual to incumbent (CTI) bases. This had an effect on the morale of employees as promotions and career pathing has been severely undermined. On the other hand new appointees are disillusioned when they find their counterparts earning more than them.

| Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation | | | | |
|---|---------------------|----------------------|--------------------|----------------------------------|
| Occupation | Number of employees | Job evaluation level | Remuneration level | Reason for deviation |
| Lower skilled (Levels 1-2) | 1,813 | T02 | X10, X15, X18 | Implementation of SALGA T-scales |
| Skilled (Levels 3-5) | 2,317 | T03 | X14-X18 | Implementation of SALGA T-scales |
| | 1,279 | T04 | X13-X18 | Implementation of SALGA T-scales |
| | 1,572 | T05 | X11-X18 | Implementation of SALGA T-scales |
| | 1,560 | T06 | X09-X18 | Implementation of SALGA T-scales |
| Highly skilled production (Levels 6-8) | 1,149 | T07 | X08, X10-X17 | Implementation of SALGA T-scales |
| | 12 | T08 | X09, X12, X13 | Implementation of SALGA T-scales |
| | 593 | T09 | X07-X13, X18 | Implementation of SALGA T-scales |
| Highly skilled supervision (Levels 9-12) | 1,679 | T10 | X07-X14 | Implementation of SALGA T-scales |
| | 1,209 | T11 | X06-X12 | Implementation of SALGA T-scales |
| | 266 | T12 | X06-X10 | Implementation of SALGA T-scales |
| | 64 | T13 | X06-X08 | Implementation of SALGA T-scales |
| Senior Management (Levels 13-17) | 162 | T14 | X05-X10 | Implementation of SALGA T-scales |
| | 143 | T15 | X05-X08 | Implementation of SALGA T-scales |
| | 69 | T16 | X05, X06, X08 | Implementation of SALGA T-scales |
| | 1 | T17 | X05 | Implementation of SALGA T-scales |
| TOTAL | 13,888 | | | T4.6.3 |

Table 95: Employees whose salary levels exceed the grade determined by job evaluation

Disclosures of Financial Interest

| Disclosures of Financial Interests | | |
|------------------------------------|--|--|
| Period 1 July 2011 to 30 June 2012 | | |
| Position | Name | Description of Financial interests* (Nil / Or details) |
| Executive Mayor | | |
| Member of MayCo / Exco | MMC: Health & Social Development, Cnr MM Maluleke | Member of Community Medical Scheme Board of Trustees -Stipend |
| | MMC: Roads & Stormwater, Cnr Pelisa Nkunjana | R500.00 gift card from Women of Eden Ministries |
| | MMC: Transport Planning, Cnr Mafutha Isaac Thumbu Mahlangu | Mahlangu family Trust: 100% Ndzuza Investment:50% |
| Councillor | Cnr Patrick Kumalo | Bo Dupa PA Events Management Promotion & Marketing Service (Pty) Ltd 2112 011763/07: 33% |
| | Cnr Lebohlang IT Moagi | Ntsekiseng Trading Enterprise CK i: 50% [in the process of withdrawing my name] NF Moagi & Projects: 100% My sister's involved in EPWP Learnership for 2 yrs under Ntsekiseng Trading Enterprise |
| | Cnr Hendrik Jacobus Terblanche | Townhouse-Kaapzicht 23, Stegman Avenue 72, Terenure, Kempton Park : 100% |
| | Cnr E Vivienne Chauke | Themba Security: 100% 350 ML & Compressor (2007) Avonte Gorde: 100% Residential Home + Contents MTN & Sanlam Shares: R600 000 - R1,2m public shares |
| | Cnr Neil Diamond | Neil Diamond Group (Pty) Ltd:100% Justco Investment CC: 100% Casio Retail (Pty) Ltd: 100% Hyperception Properties CC: 100% RHC Properties CC: 62% Afropulse 132 (Pty) Ltd Bella Tramonto CC: 20% Erf 1256 Meyersdal CC: 100% Neil Diamond Family Trust: 100% Western Cape Fynbos Conservation Trust: 100% Sonex (Pty) Ltd: 100% Unit 8, Sagewood, Meyersdal: 100% Unit CG03 Sunset Beach, Milnerton, Cape Town: 100% Erf 750 Brackenhurst, Alberton: 100% Erf 3234 Brackenhurst, Alberton: 100% Erf 361 Meyersdal Nature Estate Ext 3: 100% Erf 324 Randhart, Alberton: 62.5% Justco Investments CC trading as Verwoerd Park Hardware & Paint Centre: 100% Justco Investments CC trading as Randhart Hardware & Paint Centre: 100% RHC Properties CC ck 2008/038466/23: 100% |
| | Cnr Mluleki S France | Staff Transport Minov: 100% |
| | Cnr J Nomvete | Nomtutuzeli Const & Projects: 100% Mr Michael & Claren Kgobe Estates: 20% |

| Disclosures of Financial Interests | | |
|--|------------------------|---|
| Period 1 July 2011 to 30 June 2012 | | |
| Position | Name | Description of Financial interests* (Nil / Or details) |
| | Clr Khetha Shandu | Sweets Manufacturers cc (Inactive):100% Old Mutual Employee Benefit member: Medical Aid subsidy Old Mutual Retirement Fund Member: Employee Benefit Fairbain Capital Investment |
| | Clr Charlie R Crawford | Charlie West Refurbishers & Maintenance: 100% Beukraw Refurbishment & General Maintenance [dormant]: 40% |
| | Clr Phillip De Lange | Phillip De Lange Properties:100% Erf 725 Jacmar Str, Eden Park: Ownership Erf 1846 Ext 1 Paura Ridge100% 46 Leon Str Erf 1511 Ext 1, Eden Park: Guardianship Eagle Excellence Erf 1639 81 Langa, Eden Park: Lease |
| | Clr O Sehebele | Leshiri General Construction Dormant: 100% |
| Municipal Manager | Mr. KW Ngema | Shares in listed companies Land and Property |
| Chief Financial Officer | Mr. ZG Myeza | Shares in listed companies Directorship |
| Deputy MM and (Executive) Directors | Ms. M Diedricks | Shares in listed companies Directorship Land and properties |
| | Mr. MP Mosia | Shares in listed companies Sponsorship Land and Properties |
| | Ms. DL Phahla | Shares in listed companies Gifts and hospitality Land and properties |
| | Mr. M Mlandu | Directorship Property |
| | Ms. MI Mashazi | Directorship |
| | Mr. M Wilson | Land and Property |
| | Mr. H Msimang | Directorship Land and Property |
| | Mr. D Morema | Directorship Gifts and hospitality Land and properties |
| Other S57 Officials | Ms. GT Moloi | Land and property |
| | Mr. H Chiloane | Directorship Gifts and hospitality |
| | Ms. MM Nkopane | Shares in Listed companies Membership Land and property |
| | Ms. N.E Ledwaba | Directorship Land and Property |

* Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A

- **CHAPTER 5 – FINANCIAL PERFORMANCE**

5.1 COMPONENT A: STATEMENT OF FINANCIAL PERFORMANCE

5.1.1 STATEMENT OF FINANCIAL PERFORMANCE

| Financial Summary | | | | | | |
|--|--------------------|-------------------|-------------------|-------------------|-----------------|--------------------|
| Description | 2011/12 | | | | 2011/12 | |
| | Actual | Original Budget | Adjusted Budget | Actual | Original Budget | Adjustments Budget |
| Financial Performance | | | | | | |
| Property rates | 2,478,862 | 2,817,729 | 2,849,410 | 2,785,995 | 1% | 2% |
| Service charges | 10,556,595 | 12,972,764 | 13,111,849 | 12,990,381 | 0% | 1% |
| Investment revenue | 119,553 | 372,630 | 105,000 | 353,623 | 5% | -237% |
| Transfers recognised - operational | 1,699,363 | 1,944,866 | 1,963,770 | 3,285,158 | -69% | -67% |
| Other own revenue | 1,804,897 | 1,716,818 | 1,983,947 | 608,915 | 65% | 69% |
| Total Revenue (excluding capital transfers and contributions) | 16,659,270 | 19,824,807 | 20,013,975 | 20,024,072 | -1% | 0% |
| Employee costs | 4,364,281 | 4,333,687 | 4,253,023 | 4,109,532 | 5% | 3% |
| Remuneration of councillors | 66,908 | 78,572 | 78,572 | 79,406 | -1% | -1% |
| Depreciation & asset impairment | 2,114,361 | 1,016,745 | 1,067,199 | 2,029,144 | -100% | -90% |
| Finance charges | 382,613 | 488,227 | 461,487 | 453,418 | 7% | 2% |
| Materials and bulk purchases | 7,590,487 | 10,161,014 | 9,806,611 | 9,667,706 | 5% | 1% |
| Transfers and grants | 123,697 | 231,250 | 296,727 | 359,476 | -55% | -21% |
| Other expenditure | 3,234,495 | 3,514,772 | 4,049,816 | 3,894,108 | -11% | 4% |
| Total Expenditure | 17,876,843 | 19,824,267 | 20,013,435 | 20,592,789 | -4% | -3% |
| Surplus/(Deficit) | (1,217,573) | 540 | 540 | (568,718) | 105398% | 105398% |
| Transfers recognised - capital | 581,561 | 1,327,042 | 1,334,330 | 1,272,382 | 4% | 5% |
| Contributions recognised - capital & contributed assets | | | | | | |
| Surplus/(Deficit) after capital transfers & contributions | (636,013) | 1,327,582 | 1,334,871 | 703,665 | 47% | 47% |
| Share of surplus/ (deficit) of associate | | | | | | |
| Surplus/(Deficit) for the year | (636,013) | 1,327,582 | 1,334,871 | 703,665 | 47% | 47% |
| Capital expenditure & funds sources | | | | | | |
| Capital expenditure | 1,926,053 | 2,374,785 | 2,252,104 | 2,001,014 | 16% | 11% |
| Transfers recognised - capital | 581,561 | 1,327,042 | 1,326,020 | 1,256,427 | 5% | 5% |
| Public contributions & donations | - | - | - | 21,618 | | |
| Borrowing | 1,043,572 | 867,935 | 695,309 | 475,500 | 45% | 32% |
| Internally generated funds | 300,921 | 179,809 | 230,775 | 247,470 | -38% | -7% |
| Total sources of capital funds | 1,926,053 | 2,374,785 | 2,252,104 | 2,001,014 | 16% | 11% |
| Financial position | | | | | | |
| Total current assets | 3,659,144 | 4,632,241 | 4,812,666 | 6,028,037 | -30% | -25% |
| Total non current assets | 46,630,646 | 47,086,681 | 46,913,545 | 43,195,635 | 8% | 8% |
| Total current liabilities | 3,492,760 | 3,913,963 | 3,913,965 | 3,775,802 | 4% | 4% |
| Total non current liabilities | 5,596,979 | 6,361,700 | 6,361,699 | 6,468,724 | -2% | -2% |
| Community wealth/Equity | 41,200,051 | 41,443,258 | 41,450,547 | 38,979,145 | 6% | 6% |
| Cash flows | | | | | | |
| Net cash from (used) operating | 1,241,882 | 2,576,098 | 2,633,841 | 3,003,320 | -17% | -14% |
| Net cash from (used) investing | (1,815,917) | (2,557,154) | (2,434,473) | (2,173,775) | 15% | 11% |
| Net cash from (used) financing | 1,248,273 | 654,844 | 654,844 | 670,016 | -2% | -2% |
| Cash/cash equivalents at the year end | 1,338,863 | 2,012,651 | 2,193,076 | 2,838,424 | -41% | -29% |
| Cash backing/surplus reconciliation | | | | | | |
| Cash and investments available | 1,589,759 | 2,445,771 | 2,626,195 | - | 100% | 100% |
| Application of cash and investments | 2,409,164 | 2,485,669 | 2,791,188 | - | 100% | 100% |
| Balance - surplus (shortfall) | (819,406) | (39,898) | (164,992) | - | 100% | 100% |
| Asset management | | | | | | |
| Asset register summary (WDV) | 46,397,418 | 46,671,084 | 46,497,948 | - | 100% | 100% |
| Depreciation & asset impairment | 2,114,361 | 1,016,745 | 1,067,199 | - | 100% | 100% |
| Renewal of Existing Assets | 904,696 | 901,765 | 716,873 | - | 100% | 100% |
| Repairs and Maintenance | 1,155,270 | 2,897,742 | 1,881,053 | - | 100% | 100% |
| Free services | | | | | | |
| Cost of Free Basic Services provided | 464,132 | 663,235 | 672,040 | - | 100% | 100% |
| Revenue cost of free services provided | 944,573 | 1,014,239 | 1,119,571 | - | 100% | 100% |
| Households below minimum service level | | | | | | |
| Water: | 20,000 | 20,000 | 20,000 | 20,000 | 0% | 0% |
| Sanitation/sewerage: | - | 1,000,000 | 1,000,000 | 1,000,000 | 0% | 0% |
| Energy: | 287,713 | 287,713 | 287,713 | 240,603 | 16% | 16% |
| Refuse: | 64,000 | 64,000 | 64,000 | 64,000 | 0% | 0% |
| <i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR</i> | | | | | | |
| | | | | | | T 5.1.1 |

Table 96: Financial Summary

Financial Performance of Operational Services

| Financial Performance of Operational Services | | | | | | | R '000 |
|---|--------------------|--------------------|--------------------|-----------------------|-----------------|--------------------|--------|
| Description | 2010/11 | 2011/12 | | Year 2011/12 Variance | | | |
| | Actual | Original Budget | Adjustments Budget | Actual | Original Budget | Adjustments Budget | |
| Operating Cost | | | | | | | |
| Water & Sanitation | (657,882) | (789,230) | (707,296) | (676,737) | -16.62% | -4.52% | |
| Energy | (1,130,564) | (1,008,096) | (1,112,115) | (1,112,191) | 9.36% | 0.01% | |
| Waste Management | (201,587) | (198,561) | (173,297) | (282,711) | 29.77% | 38.70% | |
| Housing | 288,664 | 311,451 | 282,407 | 185,450 | -67.94% | -52.28% | |
| BASIC SERVICES: sub-total | (1,701,370) | (1,684,436) | (1,710,301) | (1,886,189) | 10.70% | 9.33% | |
| Roads & Stormwater | 1,517,866 | 1,125,088 | 1,211,385 | 1,112,794 | -1.10% | -8.86% | |
| Public Transport | - | 31,827 | 5,172 | (5,493) | 679.46% | 194.16% | |
| ROAD TRANSPORT: sub-total | 1,517,866 | 1,156,915 | 1,216,557 | 1,107,301 | -4.48% | -9.87% | |
| City Planning | 87,389 | 98,778 | 96,646 | 85,369 | -15.71% | -13.21% | |
| Economic Development | 17,658 | 23,190 | 22,866 | 20,605 | -12.55% | -10.98% | |
| Institutional Strategy, M & E and Research | 15,756 | 25,772 | 30,545 | 24,427 | -5.50% | -25.04% | |
| PLANNING AND DEVELOPMENT: sub-total | 120,803 | 147,740 | 150,057 | 130,402 | -13.30% | -15.07% | |
| SRAC | - | 125,308 | 128,583 | 121,852 | -2.84% | -5.52% | |
| Environmental Resource Management | 476,494 | 547,220 | 550,678 | 537,637 | -1.78% | -2.43% | |
| COMMUNITY AND SOCIAL SERVICES: sub-total | 476,494 | 672,527 | 679,261 | 659,490 | -1.98% | -3.00% | |
| Health & Social Development | 258,772 | 312,609 | 301,937 | 294,410 | -6.18% | -2.56% | |
| HEALTH: sub-total | 258,772 | 312,609 | 301,937 | 294,410 | -6.18% | -2.56% | |
| Ekurhuleni Metropolitan Police Department (EMPD) | 571,655 | 706,562 | 716,342 | 653,687 | -8.09% | -9.58% | |
| Disaster & Emergency Management | 472,161 | 282,779 | 290,758 | 225,179 | -25.58% | -29.12% | |
| Disaster & Emergency Man: Disaster Management | - | 79,682 | 79,687 | 78,526 | -1.47% | -1.48% | |
| SECURITY AND SAFETY: sub-total | 1,043,816 | 1,069,023 | 1,086,787 | 957,393 | -11.66% | -13.52% | |
| SRAC: Sport & Recreation | 485,280 | 312,732 | 339,439 | 300,507 | -4.07% | -12.96% | |
| SPORT AND RECREATION: sub-total | 485,280 | 312,732 | 339,439 | 300,507 | -4.07% | -12.96% | |
| Finance | (2,643,520) | (3,653,946) | (3,708,647) | (3,860,195) | 5.34% | 3.93% | |
| Human Resources | 50,218 | 111,123 | 118,784 | 93,487 | -18.87% | -27.06% | |
| ICT | 6,185 | 230,712 | 173,167 | 210,169 | -9.77% | 17.61% | |
| Facilities; Fleet, Risk Management and Legal | 255,861 | 265,841 | 291,875 | 419,629 | 36.65% | 30.44% | |
| Executive and Council | 588,390 | 611,378 | 615,439 | 674,093 | 9.30% | 8.70% | |
| Communication | 43,079 | 43,838 | 43,512 | 41,610 | -5.35% | -4.57% | |
| Internal Audit | 22,598 | 32,784 | 37,165 | 35,949 | 8.80% | -3.38% | |
| Customer Relations Management | 111,542 | 127,952 | 122,782 | 118,278 | -8.18% | -3.81% | |
| CORPORATE POLICY OFFICES AND OTHER : sub-total | (1,565,648) | (2,230,318) | (2,305,922) | (2,266,978) | 1.62% | -1.72% | |
| Net Operational Expenditure / (Surplus) | 636,013 | (243,207) | (242,186) | (703,665) | 65.44% | 65.58% | |
| In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. | | | | | | T 5.1.2 | |

Table 97: Financial Performance of Operational Services

5.1.2 GRANTS

| Grant Performance | | | | | | | R' 000 |
|---|------------------|------------------|--------------------|-------------------|---------------------|------------------------|--------|
| Description | 2010/11 | 2011/12 | | Variance: 2011/12 | | | |
| | Actual | Budget | Adjustments Budget | Actual | Original Budget (%) | Adjustments Budget (%) | |
| Operating Transfers and Grants | | | | | | | |
| National Government: | 1,476,037 | 2,957,350 | 2,957,350 | 2,957,283 | 100.00% | 100.00% | |
| Equitable share | 1,471,409 | 1,644,128 | 1,644,128 | 1,644,128 | 100.00% | 100.00% | |
| Municipal Systems Improvement | – | | | | | | |
| Department of Water Affairs | – | | | | | | |
| Levy replacement | | 1,261,972 | 1,261,972 | 1,261,972 | 100.00% | 100.00% | |
| Other transfers/grants [insert description] | 4,628 | 51,250 | 51,250 | 51,183 | 99.87% | 99.87% | |
| Provincial Government: | 209,210 | 249,488 | 268,392 | 293,781 | 117.75% | 109.46% | |
| Health subsidy | 113,431 | 106,264 | 106,264 | 89,321 | 84.06% | 84.06% | |
| Housing | | | | | | | |
| Ambulance subsidy | 52,870 | 110,314 | 110,314 | 163,184 | 147.93% | 147.93% | |
| Sports and Recreation | | | | | | | |
| Other transfers/grants [insert description] | 42,909 | 32,910 | 51,814 | 41,275 | 125.42% | 79.66% | |
| District Municipality: | – | – | – | – | | | |
| [insert description] | | | | | | | |
| Other grant providers: | 12,464 | – | – | – | | | |
| Public Contributions | 12,464 | – | – | – | | | |
| | – | – | – | – | | | |
| Total Operating Transfers and Grants | 1,697,711 | 3,206,838 | 3,225,742 | 3,251,063 | | | |
| <i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.</i> | | | | | | T 5.2.1 | |

Table 98: Grant Performance

5.1.2. ASSET MANAGEMENT

Treatment of the five largest assets acquired

| Capital Expenditure of 5 largest projects* | | | | | |
|---|--|-------------------|--------------------|-----------------------|-------------------------|
| R' 000 | | | | | |
| Name of Project | Current: 2011/12 | | | Variance: 2011/12 | |
| | Original Budget | Adjustment Budget | Actual Expenditure | Original Variance (%) | Adjustment variance (%) |
| A - Corporate Electrification INEP | 100,000,000 | 100,000,000 | 99,082,885 | 1% | 1% |
| B - Corporate Electrification | 59,311,490 | 72,257,840 | 72,257,840 | -22% | 0% |
| C - Corporate Energy efficiency | 27,000,000 | 47,114,228 | 47,114,228 | -74% | 0% |
| D - Palm Ridge Phases 5 & 6 Bulk | 93,746,100 | 57,105,190 | 57,105,190 | 39% | 0% |
| E - Water Intelligent Meters | 0 | 50,000,000 | 7,471,239 | #DIV/0! | 85% |
| * Projects with the highest capital expenditure in Year 0 | | | | | |
| A - Corporate Electrification INEP | | | | | |
| Objective of Project | Electrification of subsidised houses | | | | |
| Delays | None | | | | |
| Future Challenges | None | | | | |
| Anticipated citizen benefits | Provision of electricity to customers in Endayeni, Palm Ridge, Mayfield and Chief Albert | | | | |
| B - Corporate Electrification | | | | | |
| Objective of Project | Electrification of subsidised houses | | | | |
| Delays | None | | | | |
| Future Challenges | None | | | | |
| Anticipated citizen benefits | Provision of electricity to customers in Palm Ridge, Chief Albert Luthuli, Geluksdal Ext 3, | | | | |
| C - Corporate Energy efficiency | | | | | |
| Objective of Project | Implementation of energy efficiency and Demand Side management projects | | | | |
| Delays | None | | | | |
| Future Challenges | None | | | | |
| Anticipated citizen benefits | Freeing capacity for electrification, Reducing municipal expenses on electricity bills , hence | | | | |
| D - Palm Ridge Phases 5 & 6 Bulk | | | | | |
| Objective of Project | To provide bulk water & sanitation and internal water & sanitation services and toilet | | | | |
| Delays | 1) Expiry of Consultant's contract causes delays in the implementation of some of the | | | | |
| Future Challenges | High demand for housing in the area will require that in future more land be identified for | | | | |
| Anticipated citizen benefits | 1) Moving from staying in shacks to owning a piece of land / property. | | | | |
| E - Water Intelligent Meters | | | | | |
| Objective of Project | To install WCM meters in order to ensure correct meter reading through Automated Meter | | | | |
| Delays | The project was on hold from 24/11/11 to 14/02/12. There has been ±22 500 WCM | | | | |
| Future Challenges | Acceptance of the meter by community of Ekurhuleni and associated vandalism | | | | |
| Anticipated citizen benefits | Correct billing based on accurate consumption reading by the meter; | | | | |
| T 5.7.1 | | | | | |

Table 99: Treatment of 5 largest projects acquired

Repair and Maintenance Expenditure

| Repair and Maintenance Expenditure: 2011/12 | | | | |
|---|-----------------|-------------------|---------------|-----------------|
| | | | | R' 000 |
| | Original Budget | Adjustment Budget | Actual | Budget variance |
| Repairs and Maintenance Expenditure | 2,215,461,210 | 1,881,057,449 | 1,737,189,295 | 92% |
| | | | | T 5.3.4 |

Table 100: Repair and Maintenance Expenditure

5.1.3 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Liquidity Ratio

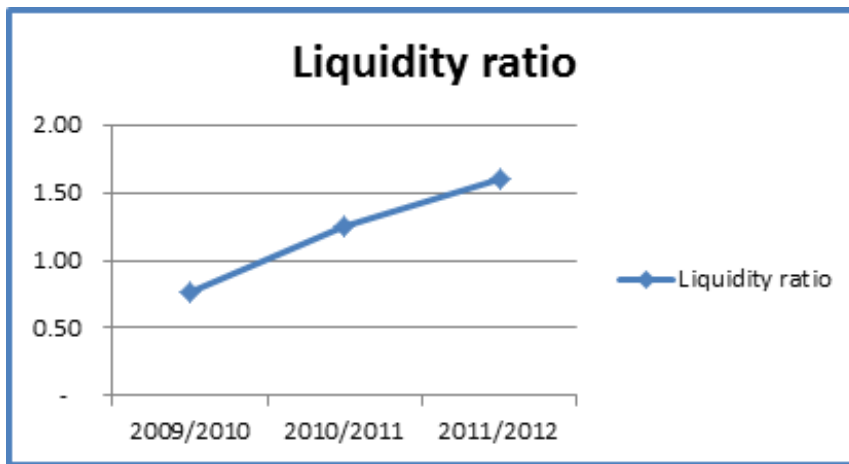


Figure 9: Liquidity Ratio

(Table 5.4.1EMM)

The liquidity ratio states the proportion of current assets to current liabilities. The intention is to determine whether the municipality will be in a position to settle all current liabilities with the existing current assets. The ratio of 1.6 means that the municipality can settle its short term liabilities 1.6 times with the current assets. A liquidity ratio of less than 1 is indicative of cash constraints.

The liquidity position of the municipality has steadily increased over the last three years. The liquidity ratio has increased both as a result of increased cash as well as increased debtors. While creditors have also increased, the proportionate increase in cash was far higher than the increase in debtors. It must be noted that the cash balances includes unspent conditional grants of R100m and unspent loan funding of R293 million.

Cost Coverage

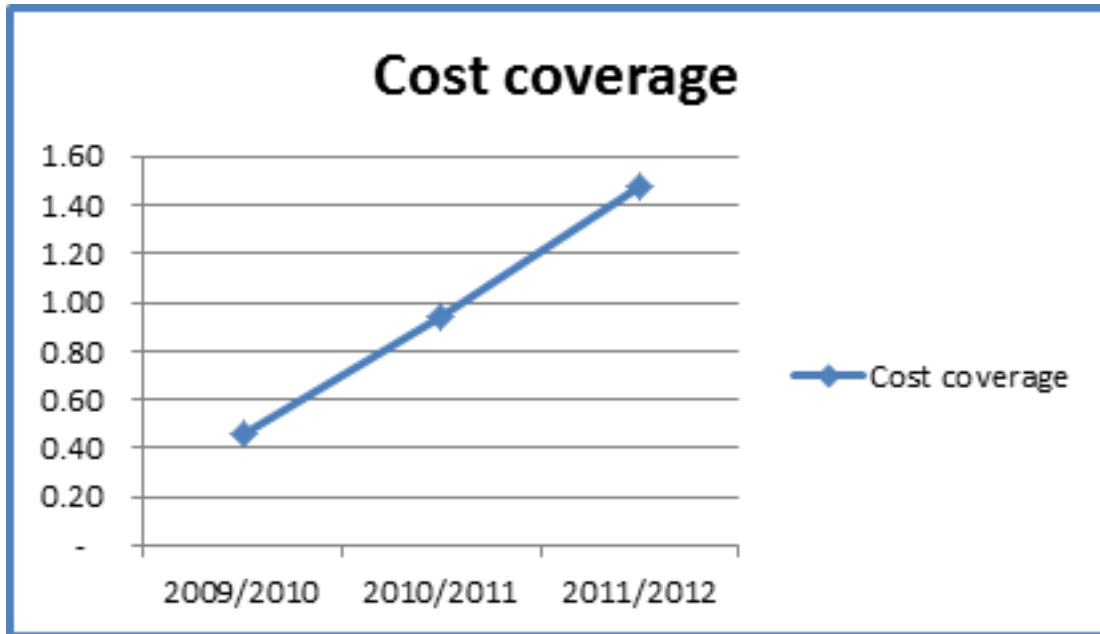


Figure 10: Cost Coverage

(T5.4.2EMM)

Cost coverage indicates the number of months' worth of cash expenditure that the current cash balances will be able to cover in the event of no further income being received.

Cost coverage has increased in line with the improved liquidity position. The ideal cost coverage is 3 months. Cost coverage is calculated after unspent conditional grants and unspent borrowings have been deducted from the available cash balances to give a true reflection of the liquidity position. The municipality aims to improve cost coverage to 2.5 within the next five years.

Outstanding Service Debtors to Revenue

Consumer Debtors

| Net Outstanding Debtors | 2010/11 | 2011/12 |
|---|-----------------------|-----------------------|
| Total Debtors | 10 009 886 266 | 11 115 228 390 |
| Consumer Debtors deemed to be collectable | 2 447 472 950 | 2 822 359 047 |
| Consumer Debtors provided for as bad Debt | 7 187 582 562 | 8 157 452 860 |
| Other Debtors | 374 830 754 | 135 416 483 |

Table 101: Consumer Debtors as at 30 June 2012

Consumer and Other Debtors have increased during the year under review, mainly as a result of increased service costs and not due to a weakening in collections. The collection rate increased to 93.24% from the previous high of 91.94% in 2010/2011.

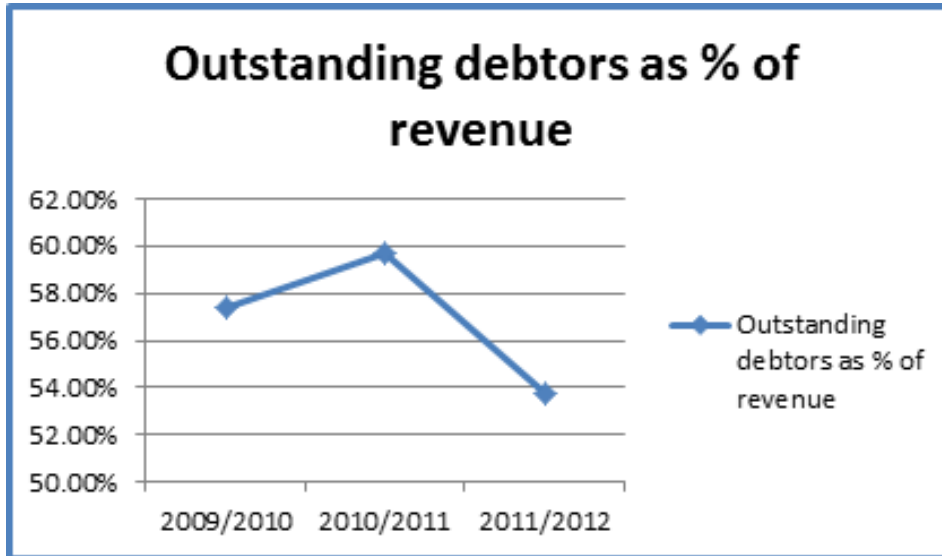


Figure 11: Total Outstanding Service Debtors

(T5.4.3EMM)

Outstanding debtors as a percentage of revenue show the gross consumer and other debtors as a percentage of the year's operating revenue. The decline is as a result of the increase in revenue and not so much a decrease in debtors. Debtors' balances are increasing on an annual basis, but revenue is increasing at a faster pace. The collection rate for the 2011/2012 financial year was the highest in the history of the Metro.

Arrears owed to the municipality by staff and councillors

Municipal Staff - As at 30 June 2012, an amount of R 23,3 million was owed by 5 960 staff members in respect of municipal services accounts. This amount represents debt older than 30 days of R 6,6 million (2011 = R 9.98) as well as debt repayment arrangements of R 9,1 million (2011 = R 10,1) and debt hand-over accounts to value of R 7,5 million.

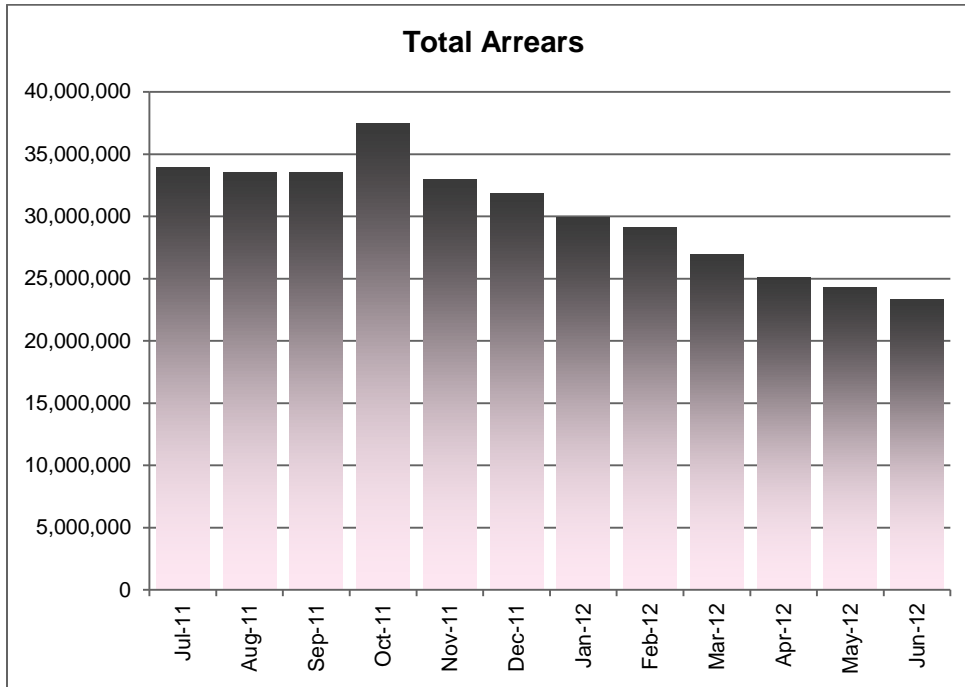


Figure 12: Staff arrears: Amounts in arrears plus arrangement accounts

Councillors – As at 30 June 2012, an amount of R 534 924 million was owed by councillors in respect of municipal services accounts. This amount represents debt older than 30 days of R 199 424 as well as debt repayment arrangements of R 262 723 and debt hand-over accounts to value of R 72 767.

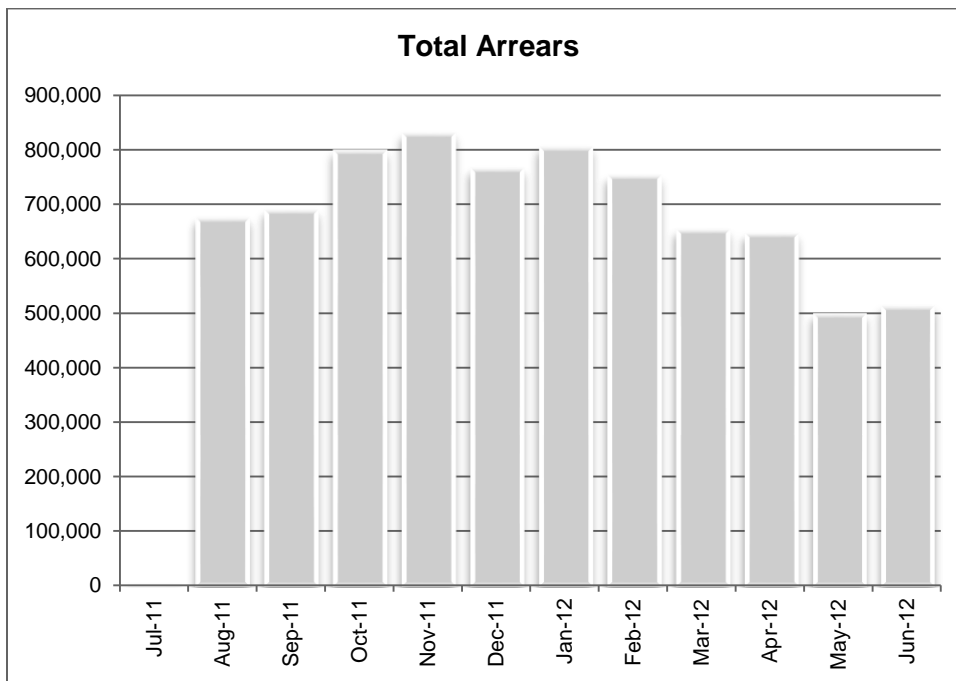


Figure 13: Councillor arrears: Amounts in arrears plus arrangement accounts

Debt Coverage

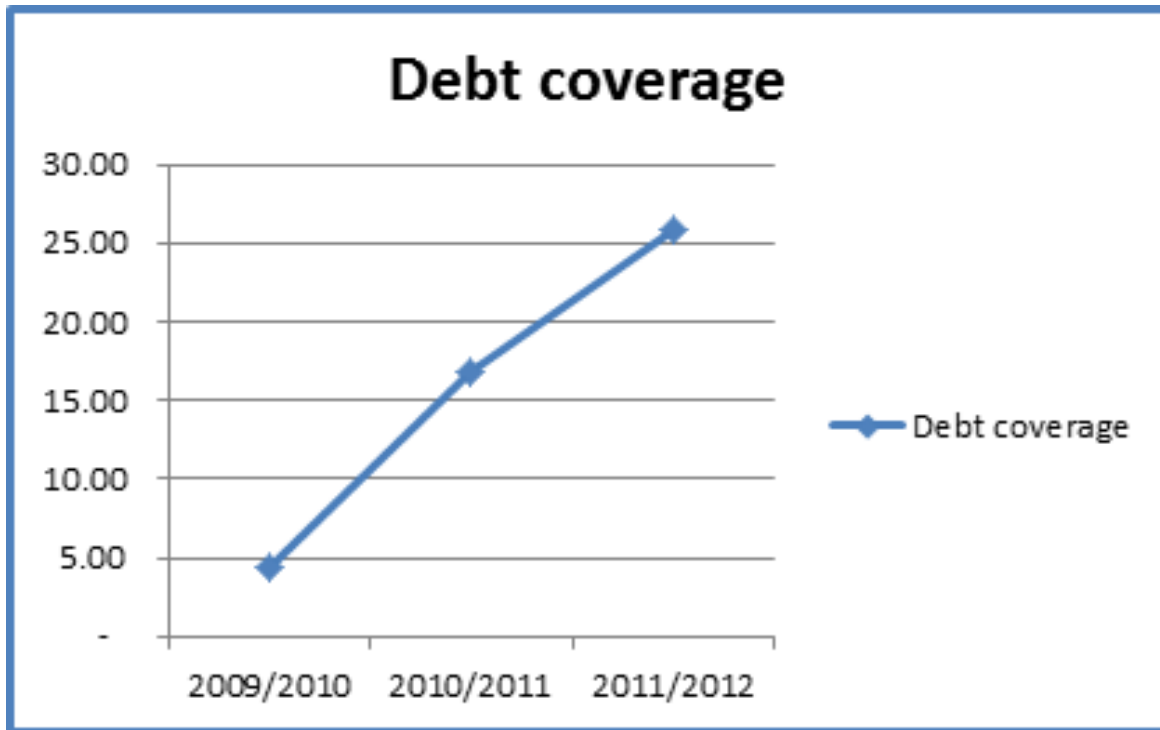


Figure 14: Debt Coverage

(T5.4.4EMM)

Debt coverage shows how many times the operating revenue excluding government grants can settle the interest and redemption liability for the year. The intention of this ratio is to give lenders a sense of the municipality's ability to settle debt obligations.

The debt coverage ratio of 26 is indicative that the municipality has a relatively low debt book in comparison to the annual revenue generated.

Statistics on Registered Indigents

Table 102: Movement on indigent register for the 2011/2012 financial year

| | Disabled | Medically Boarded | Pensioner | Unemployed | Total |
|------------------------------|------------|-------------------|---------------|---------------|---------------|
| Approved 30 June 2011 | 926 | 1 189 | 11 388 | 16 994 | 30 497 |
| <i>Alberton</i> | 48 | 43 | 1 246 | 1 531 | 2 868 |
| <i>Benoni</i> | 53 | 15 | 1 607 | 1 031 | 2 706 |
| <i>Boksburg</i> | 181 | 66 | 1 002 | 2 000 | 3 249 |

| | | | | | |
|--|--------------|--------------|---------------|---------------|---------------|
| <i>Brakpan</i> | 95 | 188 | 1 336 | 3 762 | 5 381 |
| <i>Edenvale</i> | 59 | 103 | 667 | 935 | 1 764 |
| <i>Germiston</i> | 211 | 544 | 1 653 | 2 388 | 4 796 |
| <i>Kempton Park</i> | 188 | 183 | 1 815 | 3 029 | 5 215 |
| <i>Nigel</i> | 52 | 17 | 692 | 687 | 1 448 |
| <i>Springs</i> | 39 | 30 | 1 370 | 1 631 | 3 070 |
| New Applications / Renewals 2011-12 | 788 | 1 207 | 7 855 | 11 082 | 20 932 |
| <i>Alberton</i> | 107 | 89 | 922 | 1 264 | 2 382 |
| <i>Benoni</i> | 120 | 34 | 1 682 | 1 251 | 3 087 |
| <i>Boksburg</i> | 79 | 47 | 584 | 637 | 1 347 |
| <i>Brakpan</i> | 71 | 45 | 956 | 1 927 | 2 999 |
| <i>Edenvale</i> | 56 | 57 | 632 | 790 | 1 535 |
| <i>Germiston</i> | 165 | 638 | 1 130 | 2 109 | 4 042 |
| <i>Kempton park</i> | 150 | 138 | 1 419 | 2 609 | 4 316 |
| <i>Nigel</i> | 31 | 142 | 281 | 236 | 690 |
| <i>Springs</i> | 9 | 17 | 249 | 259 | 534 |
| Cancelled 2011-12 | 484 | 421 | 5 701 | 9 232 | 15 838 |
| <i>Alberton</i> | 21 | 11 | 578 | 629 | 1 239 |
| <i>Benoni</i> | 32 | 7 | 642 | 306 | 987 |
| <i>Boksburg</i> | 120 | 46 | 558 | 1 317 | 2 041 |
| <i>Brakpan</i> | 44 | 80 | 630 | 1 879 | 2 633 |
| <i>Edenvale</i> | 29 | 74 | 396 | 581 | 1 080 |
| <i>Germiston</i> | 46 | 43 | 166 | 536 | 791 |
| <i>Kempton Park</i> | 133 | 132 | 1 273 | 2 070 | 3 608 |
| <i>Nigel</i> | 31 | 6 | 378 | 504 | 919 |
| <i>Springs</i> | 28 | 22 | 1 080 | 1 410 | 2 540 |
| Approved 30 June 2012 | 1 230 | 1 975 | 13 542 | 18 844 | 35 591 |
| <i>Alberton</i> | 134 | 121 | 1 590 | 2 166 | 4 011 |
| <i>Benoni</i> | 141 | 42 | 2 647 | 1 976 | 4 806 |
| <i>Boksburg</i> | 140 | 67 | 1 028 | 1 320 | 2 555 |
| <i>Brakpan</i> | 122 | 153 | 1 662 | 3 810 | 5 747 |
| <i>Edenvale</i> | 86 | 86 | 903 | 1 144 | 2 219 |
| <i>Germiston</i> | 330 | 1 139 | 2 617 | 3 961 | 8 047 |
| <i>Kempton Park</i> | 205 | 189 | 1 961 | 3 568 | 5 923 |
| <i>Nigel</i> | 52 | 153 | 595 | 419 | 1 219 |
| <i>Springs</i> | 20 | 25 | 539 | 480 | 1 064 |
| Pending Verification 30 June 2012 | 193 | 662 | 2 169 | 3 895 | 6 919 |
| <i>Alberton</i> | 20 | 25 | 279 | 319 | 643 |
| <i>Benoni</i> | 21 | 3 | 401 | 406 | 831 |
| <i>Boksburg</i> | 28 | 62 | 222 | 472 | 784 |
| <i>Brakpan</i> | 5 | 2 | 56 | 195 | 258 |
| <i>Edenvale</i> | 2 | 2 | 27 | 112 | 143 |

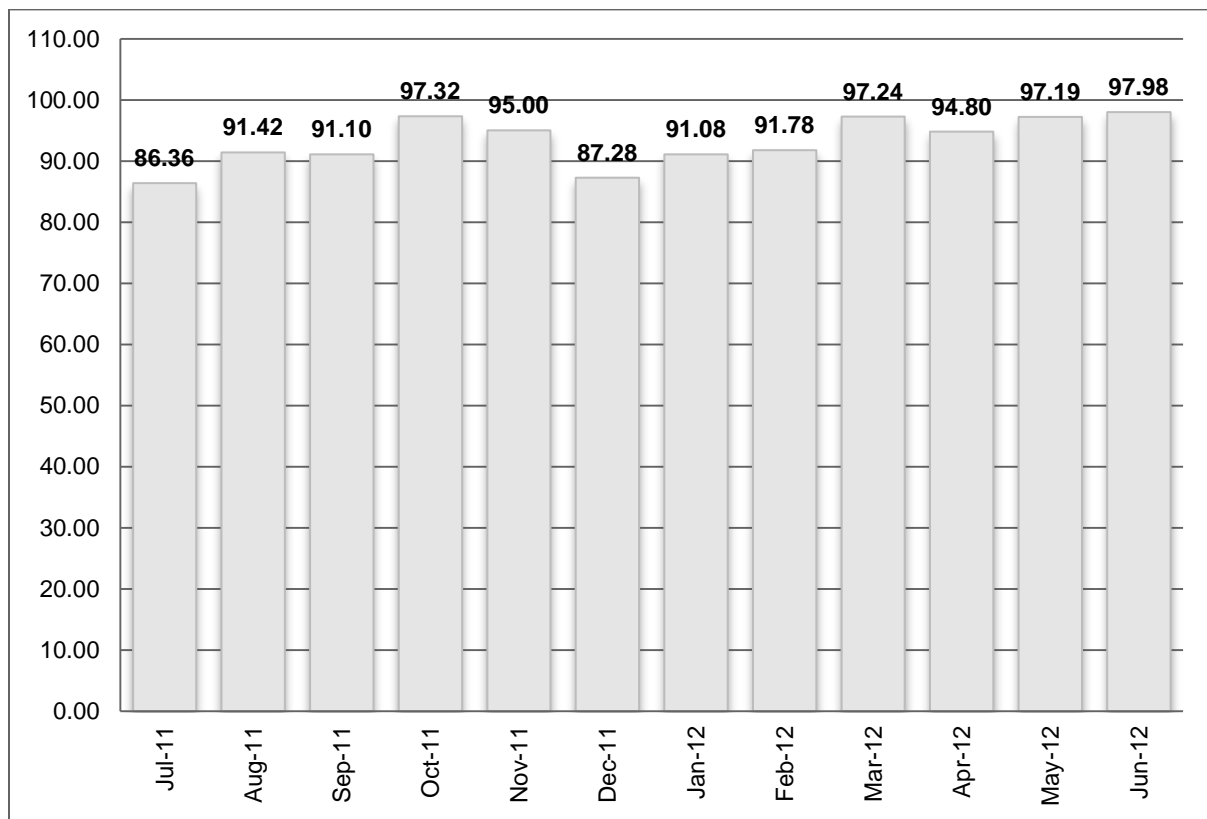
| | | | | | |
|---------------------|----|-----|-----|-------|-------|
| <i>Germiston</i> | 86 | 405 | 564 | 1 291 | 2 346 |
| <i>Kempton Park</i> | 8 | 24 | 157 | 333 | 522 |
| <i>Nigel</i> | 19 | 128 | 139 | 241 | 527 |
| <i>Springs</i> | 4 | 11 | 324 | 526 | 865 |

Collection Rate

Annual collection target of 93% has been set for 2011/12 financial year. During the four quarters of the financial year, collection performance was as follows:

- 1st Quarter 89.90%
- 2nd Quarter 93.48%
- 3rd Quarter 93.25%
- 4th Quarter 96.71%

Figure 15: Twelve month collection rate



Capital Charges to Operating Expenditure

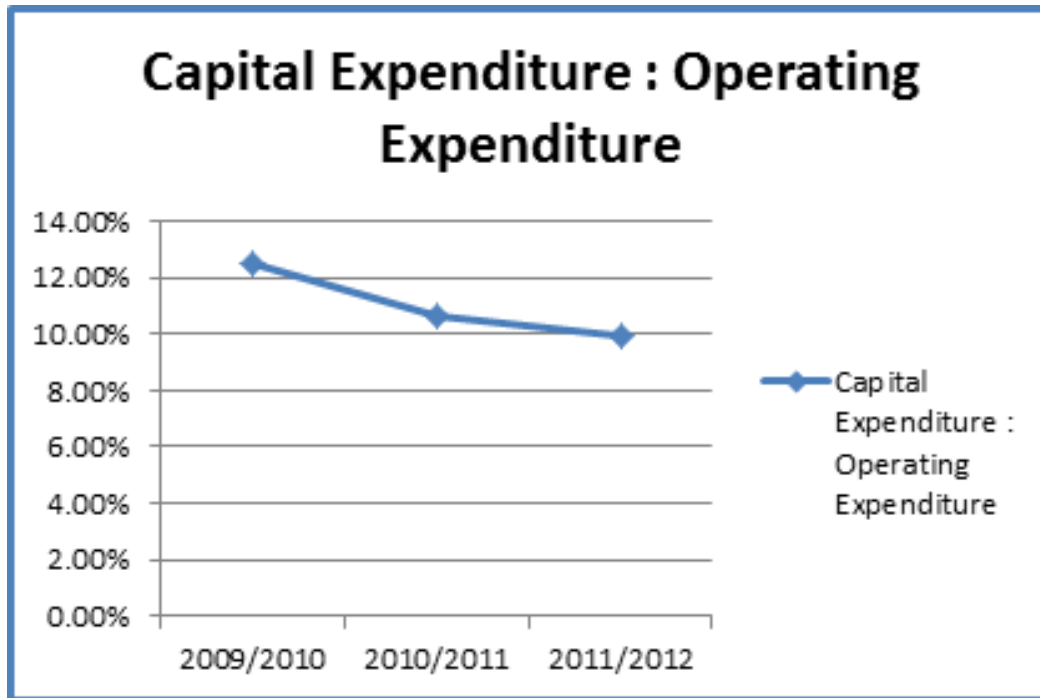


Figure 16: Capital Charges to Operating Expenditure

(T5.4.6EMM)

Capital Expenditure to Operating Expenditure shows the proportions between the capital and operating budget. This graph indicates that the capital budget equals only 10% of the operating budget, and in addition, it shows a declining trend. The decline is despite a marginal increase in the capital budget on a year on year basis, but due to the rapid growth of operating expenditure without a corresponding increase in capital spending, the proportion is reducing.

Employee Costs

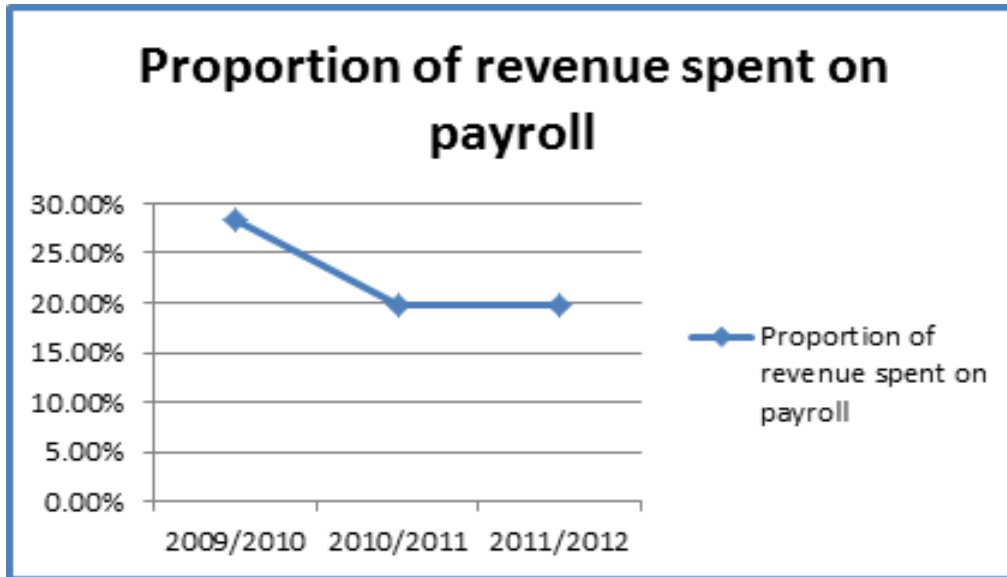


Figure 17: Employee Costs

(T5.4.7)

The percentage of the annual operating revenue spent on salaries has been stable at 20% over the last two years. Due to the high increases in bulk purchases (higher than inflation), the relative proportion spent on salaries show a declining trend over the last number of years. In addition, the change in the costing methodology to account for the salaries of staff working exclusively on repairs and maintenance and repairs and maintenance cost and not salaries had an impact between 2009/10 and 2010/11.

National Treasury confirmed in Circular 59 that there is not an accepted benchmark for salaries and the explanation from the circular is quoted:

“4.2 The ratio of personnel expenditure to operating expenditure

Is there a prescribed or recommended benchmark for the ratio of personnel expenditure to operating expenditure? The short answer is: no.

The ratio of personnel expenditure to operating expenditure is widely used as an indicator of the sustainability of municipal budgets and expenditures. This raises important questions of exactly how the ratio should be interpreted and whether National Treasury should set a benchmark for purposes of assessing the sustainability of municipal finances.

First, on the issue of interpreting the ratio, one needs to be aware of the factors that can influence it. These include:

the nature of the functions allocated to the municipality and types and extent of services it delivers;

the municipality’s organisational structure, particularly the ratio of management to technical and unskilled employees;

the labour intensity of the municipality’s operations versus the extent of mechanization;

the extent to which the municipality has outsourced the more labour intensive components of its operations; and

the composition of the non-personnel components of operating expenditure, particularly trends in expenditure on maintenance and payments for bulk water and electricity services.

Second, on the issue of setting a benchmark, it is clear that the interpretation of the ratio is specific to the context of each municipality. It would therefore be inappropriate for National Treasury to set a specific benchmark, consequently there is NO benchmark.

Nevertheless, should the ratio for a municipality be significantly above or below the average ratio for its peers (municipalities of similar size and functional responsibility) or if the ratio for a municipality move upward or downward, it should be treated as a warning signal and should trigger an enquiry into the factors that are driving the ratio in a particular direction. It is after all these underlying factors that may be threatening the financial sustainability of the municipality and not the ratio itself.

Currently, among municipalities with the electricity function, this ratio is tending to move downward despite fairly large increases in personnel spending. This is because spending on bulk electricity purchases is increasing at a very fast rate, driving the relative share of all other expenditure categories down. In such instances the ratio tells one very little about the appropriateness of a municipality's level of expenditure on personnel relative to the overall operating budget."

Repair and Maintenance Costs

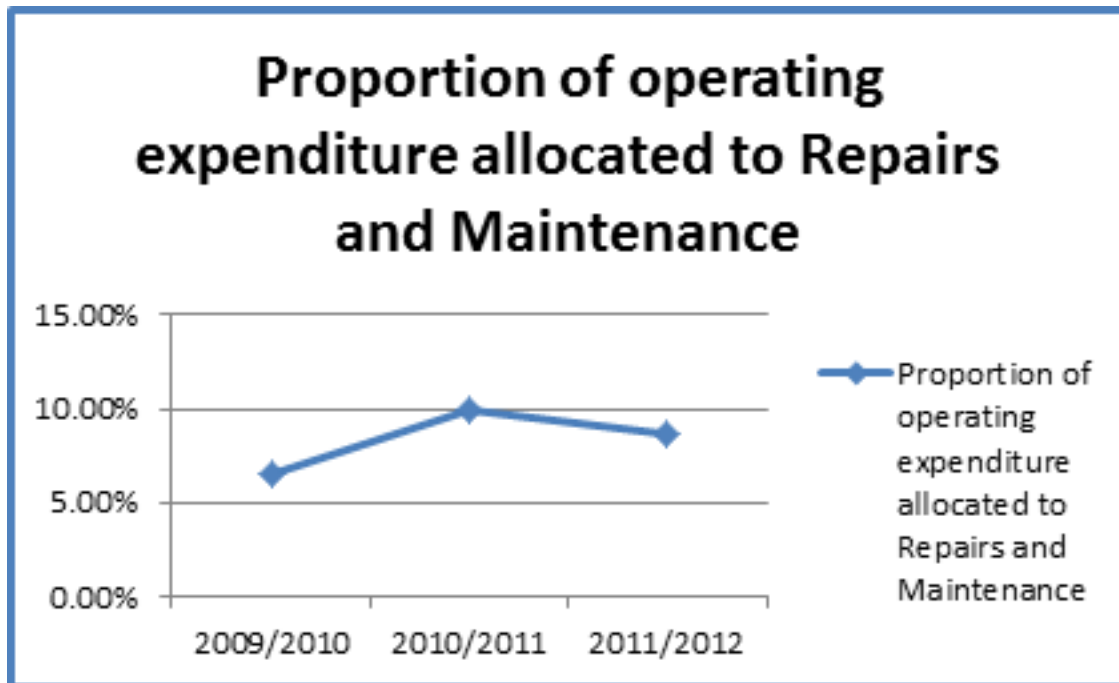


Figure 18: Repair and Maintenance Costs

(T5.4.8EMM)

The graph shows the percentage of the operating budget that is spent on Repairs and Maintenance. The steep increase from 2009/10 is as a result of a change in the costing methodology to account for the salaries of staff working exclusively on repairs and maintenance

and repairs and maintenance cost and not salaries. The decrease in 2011/2012 is due to the high increase in bulk purchases which shows a proportional reduction in the R and M cost.

5.2 COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.2.1 CAPITAL EXPENDITURE

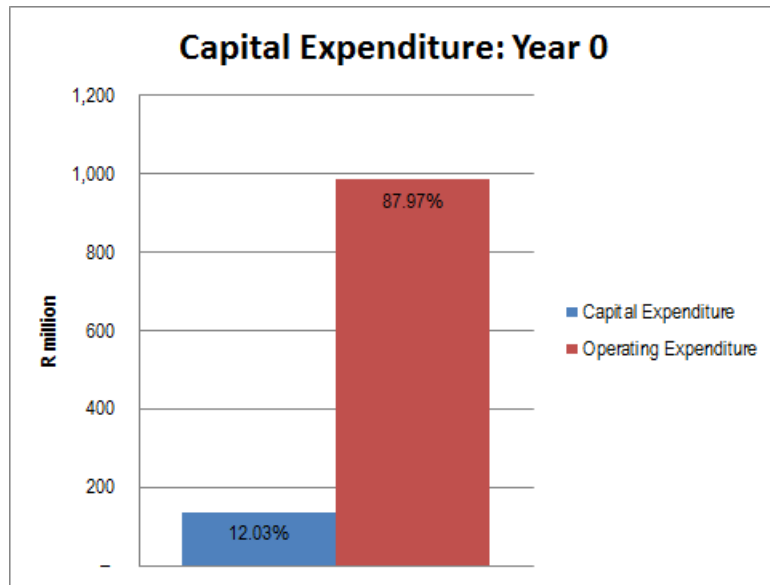


Figure 19: Capital and Operating Expenditure

Refer to T5.5.1

5.2.2 SOURCES OF FUNDING

| Capital Expenditure - Funding Sources: 2010/11 to 2011/12 | | | | | | | R' 000 |
|---|----------------------|----------------------|----------------------|----------------------|-------------------------------|---------------------------|--------|
| Details | 2010/11 | 2011/12 | | | | | |
| | Actual | Original Budget (OB) | Adjustment Budget | Actual | Adjustment to OB Variance (%) | Actual to OB Variance (%) | |
| Source of finance | | | | | | | |
| External loans | 1,043,571,750 | 867,934,512 | 701,059,502 | 475,499,864 | -19.23% | -45.21% | |
| Public contributions and donations | 22,677,262 | 21,500,000 | 21,461,041 | 21,617,505 | -0.18% | 0.55% | |
| Grants and subsidies | 573,716,524 | 1,296,183,235 | 1,298,425,669 | 1,256,427,053 | 0.17% | -3.07% | |
| Other | 286087462.4 | 189,167,738 | 231,157,642 | 247,470,021 | 22.20% | 30.82% | |
| Total | 1,926,052,998 | 2,374,785,485 | 2,252,103,854 | 2,001,014,442 | 2.96% | -16.91% | |
| <i>Percentage of finance</i> | | | | | | | |
| External loans | 54.2% | 36.5% | 31.1% | 23.8% | -649.0% | 267.3% | |
| Public contributions and donations | 1.2% | 0.9% | 1.0% | 1.1% | -6.1% | -3.2% | |
| Grants and subsidies | 29.8% | 54.6% | 57.7% | 62.8% | 5.8% | 18.1% | |
| Other | 14.9% | 8.0% | 10.3% | 12.4% | 749.3% | -182.2% | |
| Capital expenditure | | | | | | | |
| Water and sanitation | 199,069,616 | 591,569,945 | 416,322,291 | 387,683,784 | -29.62% | -34.47% | |
| Electricity | 357,956,670 | 389,254,190 | 396,617,536 | 391,267,997 | 1.89% | 0.52% | |
| Housing | 189,563,439 | 38,890,000 | 96,376,152 | 86,615,461 | 147.82% | 122.72% | |
| Roads and storm water | 497,373,853 | 434,306,000 | 403,733,917 | 387,169,387 | -7.04% | -10.85% | |
| Other | 682,089,420 | 920,765,350 | 939,053,958 | 748,277,814 | 1.99% | -18.73% | |
| Total | 1,926,052,998 | 2,374,785,485 | 2,252,103,854 | 2,001,014,442 | 115.03% | 59.18% | |
| <i>Percentage of expenditure</i> | | | | | | | |
| Water and sanitation | 10.3% | 24.9% | 18.5% | 19.4% | -25.8% | -58.2% | |
| Electricity | 18.6% | 16.4% | 17.6% | 19.6% | 1.6% | 0.9% | |
| Housing | 9.8% | 1.6% | 4.3% | 4.3% | 128.5% | 207.3% | |
| Roads and storm water | 25.8% | 18.3% | 17.9% | 19.3% | -6.1% | -18.3% | |
| Other | 35.4% | 38.8% | 41.7% | 37.4% | 1.7% | -31.7% | |
| <i>T 5.6.1</i> | | | | | | | |

Table 103: Sources of Funding

5.2.3 CAPITAL SPENDING ON 5 LARGEST PROJECTS

| Capital Expenditure of 5 largest projects* | | | | | | R' 000 |
|--|--|-------------------|--------------------|-----------------------|-------------------------|--------|
| Name of Project | 2011/12 | | | 2011/12 | | |
| | Original Budget | Adjustment Budget | Actual Expenditure | Original Variance (%) | Adjustment variance (%) | |
| A - Corporate Electrification INEP | 100,000,000 | 100,000,000 | 99,082,885 | 1% | 1% | |
| B - Corporate Electrification | 59,311,490 | 79,311,490 | 72,257,840 | -22% | 9% | |
| C - Corporate Energy efficiency | 27,000,000 | 47,114,228 | 47,114,228 | -74% | 0% | |
| D - Palm Ridge Phases 5 & 6 Bulk & Essential Services | 93,746,100 | 57,105,190 | 57,105,190 | 39% | 0% | |
| E - Water Intelligent Meters | 0 | 50,000,000 | 38,936,824 | -100% | 22% | |
| <i>* Projects with the highest capital expenditure in Year 0</i> | | | | | | |
| A - Corporate Electrification INEP | | | | | | |
| Objective of Project | Electrification of subsidised houses | | | | | |
| Delays | None | | | | | |
| Future Challenges | None | | | | | |
| Anticipated citizen benefits | Provision of electricity to customers in Endayeni, Palm Ridge, Mayfield and Chief Albert | | | | | |
| B - Corporate Electrification | | | | | | |
| Objective of Project | Electrification of subsidised houses | | | | | |
| Delays | None | | | | | |
| Future Challenges | None | | | | | |
| Anticipated citizen benefits | Provision of electricity to customers in Palm Ridge, Chief Albert Luthuli, Geluksdal Ext 3, Kwa-Thema Ext 3, Eden Park and Winnie Mandela. | | | | | |
| C - Corporate Energy efficiency | | | | | | |
| Objective of Project | Implementation of energy efficiency and Demand Side management projects | | | | | |
| Delays | None | | | | | |
| Future Challenges | None | | | | | |
| Anticipated citizen benefits | Freeing capacity for electrification, Reducing municipal expenses on electricity bills , hence freeing funds | | | | | |
| D - Palm Ridge Phases 5 & 6 Bulk & Essential Services | | | | | | |
| Objective of Project | structures for the proposed new Housing Development in Palm Ridge Extension 9, Katlehong 2. | | | | | |
| Delays | 1) Expiry of Consultant's contract causes delays in the implementation of some of the projects as new consultants need to be appointed. 2) EMM - Human Settlement Department took long to finalize the beneficiary list. 3) Phase 3 project: Contractor experienced some cash flow problems in the beginning which resulted in the late completion of the contract. 4) Bulk Water project: Late delivery of steel pipes from China caused delays. At some stage the work had to be stopped due to community unrests | | | | | |
| Future Challenges | High demand for housing in the area will require that in future more land be identified for similar projects to reduce housing backlog. | | | | | |
| Anticipated citizen benefits | 1) Moving from staying in shacks to owning a piece of land / property. | | | | | |
| E - Water Intelligent Meters | | | | | | |
| Objective of Project | To install WCM meters in order to ensure correct meter reading through Automated Meter Reading (AMR), implementation of credit control, correct billing and consumption | | | | | |
| Delays | The project was on hold from 24/11/11 to 14/02/12. There has been ±22 500 WCM meters installed to date after this stoppage. | | | | | |
| Future Challenges | Acceptance of the meter by community of Ekurhuleni and associated vandalism | | | | | |
| Anticipated citizen benefits | Correct billing based on accurate consumption reading by the meter; Promotion of water conservation and responsible use of water. | | | | | |

T 5.7.1

Table 104: Capital Expenditure on 5 largest projects

5.2.4 BASIC SERVICES AND INFRASTRUCTURE BACKLOGS - OVERVIEW

Service Backlogs

The budget provides for 50 000 households to be registered as indigent in 2012/13, and therefore entitled to receiving Free Basic Services. The number has been left at a constant 50 000 over the MTREF period, mainly due to affordability. The equitable share grant currently does not cover the cost of free basic services. The level of free basic services will have to be reviewed to cover the cost of additional indigents given the rapid rate of in-migration to the Metro, especially by poor people seeking economic opportunities.

It is anticipated that these Free Basic Services will cost the municipality R1.9 billion in 2012/13. This 'tax expenditure' needs to be seen within the context of the municipality's overall revenue management strategy – the more the municipality gives away, the less there is available to fund other services.

Attach hereto is an extract of the statistics of Council's backlog as determined during the compilation of the new year's budget.

| Description | 2008/9 | | | 2009/10 | | 2010/11 | | Current Year 2011/12 | | | 2012/13 Medium Term Budget Year | | Budget Year +1 | | Budget Year +2 | |
|--|----------------|----------------|----------------|----------------|----------------|------------------|------------------|----------------------|---------------------|------------------------|---------------------------------|---------------------|------------------------|------------------------|------------------------|----------------|
| | Outcome | Outcome | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | Budget Year +2 2014/15 | |
| Household service targets | | | | | | | | | | | | | | | | |
| Water: | | | | | | | | | | | | | | | | |
| Piped water inside dwelling | 456,077 | 456,077 | 456,077 | 456,077 | 456,077 | 456,077 | 456,077 | 456,077 | 456,077 | 471,715 | 479,735 | 463,830 | 471,715 | 479,735 | 479,735 | 479,735 |
| Piped water inside yard (but not in dwelling) | 159,526 | 159,526 | 159,526 | 159,526 | 159,526 | 159,526 | 159,526 | 159,526 | 159,526 | 159,526 | 159,526 | 159,526 | 159,526 | 159,526 | 159,526 | 159,526 |
| Using public tap (at least min.service level) | 130,000 | 130,000 | 130,000 | 130,000 | 130,000 | 130,000 | 130,000 | 130,000 | 130,000 | 130,000 | 130,000 | 130,000 | 130,000 | 130,000 | 130,000 | 130,000 |
| Other water supply (at least min.service level) | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| <i>Minimum Service Level and Above sub-total</i> | 747,603 | 747,603 | 747,603 | 747,603 | 747,603 | 747,603 | 747,603 | 747,603 | 747,603 | 763,241 | 771,261 | 755,356 | 763,241 | 771,261 | 771,261 | 771,261 |
| Using public tap (< min.service level) | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Other water supply (< min.service level) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No water supply | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| <i>Below Minimum Service Level sub-total</i> | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Total number of households | 767,603 | 767,603 | 767,603 | 767,603 | 767,603 | 767,603 | 767,603 | 767,603 | 767,603 | 783,241 | 791,261 | 775,356 | 783,241 | 791,261 | 791,261 | 791,261 |
| Sanitation/sewerage: | | | | | | | | | | | | | | | | |
| Flush toilet (connected to sewerage) | 615,603 | 615,603 | 615,603 | 615,603 | 615,603 | 615,603 | 615,603 | 615,603 | 615,603 | 636,711 | 647,536 | 626,068 | 636,711 | 647,536 | 647,536 | 647,536 |
| Flush toilet (with septic tank) | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Chemical toilet | 90,000 | 90,000 | 90,000 | 90,000 | 90,000 | 90,000 | 90,000 | 90,000 | 90,000 | 90,000 | 90,000 | 90,000 | 90,000 | 90,000 | 90,000 | 90,000 |
| Pit toilet (ventilated) | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| Other toilet provisions (> min.service level) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| <i>Minimum Service Level and Above sub-total</i> | 768,603 | 768,603 | 768,603 | 768,603 | 768,603 | 768,603 | 768,603 | 768,603 | 768,603 | 789,711 | 800,536 | 779,068 | 789,711 | 800,536 | 800,536 | 800,536 |
| Bucket toilet | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other toilet provisions (< min.service level) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No toilet provisions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| <i>Below Minimum Service Level sub-total</i> | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total number of households | 768,603 | 768,603 | 768,603 | 768,603 | 768,603 | 1,768,603 | 1,768,603 | 1,768,603 | 1,768,603 | 789,711 | 800,536 | 779,068 | 789,711 | 800,536 | 800,536 | 800,536 |

| GT000 Ekurhuleni Metro - Table A10 Basic service delivery measurement | | | | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------------|----------------------|--------------------|---------------------------------|------------------------|----------------------------|--|
| Description | 2008/9 | | 2009/10 | | 2010/11 | | Current Year 2011/12 | | 2012/13 Medium Term Budget Year | | Term Revenue & Expenditure | |
| | Outcome | Outcome | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 | |
| Energy: | | | | | | | | | | | | |
| Electricity (at least min. service level) | 188,705 | 188,705 | 188,705 | 188,705 | 188,705 | 188,705 | 221,000 | 221,000 | 223,000 | 225,230 | 227,482 | |
| Electricity - prepaid (min. service level) | 291,185 | 291,185 | 291,185 | 291,185 | 291,185 | 291,185 | 306,000 | 306,000 | 316,000 | 319,160 | 322,352 | |
| <i>Minimum Service Level and Above sub-total</i> | 479,890 | 479,890 | 479,890 | 479,890 | 479,890 | 479,890 | 527,000 | 527,000 | 539,000 | 544,390 | 549,834 | |
| Electricity (< min. service level) | 287,713 | 287,713 | 287,713 | 287,713 | 287,713 | 287,713 | 287,713 | 240,603 | 236,356 | 238,851 | 241,427 | |
| Electricity - prepaid (< min. service level) | - | - | - | - | - | - | - | - | - | - | - | |
| Other energy sources | - | - | - | - | - | - | - | - | - | - | - | |
| <i>Below Minimum Service Level sub-total</i> | 287,713 | 287,713 | 287,713 | 287,713 | 287,713 | 287,713 | 287,713 | 240,603 | 236,356 | 238,851 | 241,427 | |
| Total number of households | 767,603 | 767,603 | 767,603 | 767,603 | 767,603 | 767,603 | 814,713 | 767,603 | 775,356 | 783,241 | 791,261 | |
| Refuse: | | | | | | | | | | | | |
| Removed at least once a week | 672,336 | 672,336 | 672,336 | 672,336 | 672,336 | 1,004,798,918 | 1,008,084,449 | 955,280,226 | 972,999,400 | 972,999,400 | 972,999,400 | |
| <i>Minimum Service Level and Above sub-total</i> | 672,336 | 672,336 | 672,336 | 672,336 | 672,336 | 1,004,798,918 | 1,008,084,449 | 955,280,226 | 972,999,400 | 972,999,400 | 972,999,400 | |
| Removed less frequently than once a week | - | - | - | - | - | - | - | - | - | - | - | |
| Using communal refuse dump | 64,000 | 64,000 | 64,000 | 64,000 | 64,000 | 64,000 | 64,000 | 64,000 | 64,000 | 64,000 | 64,000 | |
| Using own refuse dump | - | - | - | - | - | - | - | - | - | - | - | |
| Other rubbish disposal | - | - | - | - | - | - | - | - | - | - | - | |
| No rubbish disposal | - | - | - | - | - | - | - | - | - | - | - | |
| <i>Below Minimum Service Level sub-total</i> | 64,000 | 64,000 | 64,000 | 64,000 | 64,000 | 64,000 | 64,000 | 64,000 | 64,000 | 64,000 | 64,000 | |
| Total number of households | 736,336 | 736,336 | 736,336 | 736,336 | 736,336 | 1,004,862,918 | 1,008,148,449 | 955,344,226 | 973,063,400 | 973,063,400 | 973,063,400 | |
| Households receiving Free Basic Service | | | | | | | | | | | | |
| Water (6 kilolitres per household per month) | 768,603 | 768,603 | 768,603 | 768,603 | 768,603 | 436,255 | 436,255 | 436,255 | 436,255 | 436,255 | 436,255 | |
| Sanitation (free minimum level service) | 768,603 | 768,603 | 768,603 | 768,603 | 768,603 | 436,255 | 436,255 | 436,255 | 436,255 | 436,255 | 436,255 | |
| Electricity/other energy (50kwh per household per month) | 291,185 | 291,185 | 291,185 | 291,185 | 291,185 | 189,281 | 189,281 | 189,281 | 189,281 | 189,281 | 189,281 | |
| Refuse (removed at least once a week) | 43,254 | 38,001 | 38,001 | 38,001 | 38,001 | 189,281 | 189,281 | 189,281 | 189,281 | 189,281 | 189,281 | |
| Cost of Free Basic Services provided (R'000) | | | | | | | | | | | | |
| Water (6 kilolitres per household per month) | 135,115 | 143,713 | 143,713 | 157,225 | 157,225 | 256,553 | 256,553 | 256,553 | 304,254 | 239,527 | 260,366 | |
| Sanitation (free sanitation service) | 58,345 | 62,951 | 62,951 | 72,932 | 72,932 | 199,172 | 199,172 | 199,172 | 235,306 | 123,186 | 141,864 | |
| Electricity/other energy (50kwh per household per month) | 55,158 | 61,844 | 61,844 | 75,216 | 75,216 | 48,750 | 57,555 | 57,555 | 60,000 | 146,873 | 176,978 | |
| Refuse (removed once a week) | 22,387 | 21,241 | 21,241 | 158,760 | 158,760 | 158,760 | 158,760 | 158,760 | 215,460 | 215,460 | 215,460 | |
| Total cost of FBS provided (minimum social package) | 271,005 | 289,750 | 289,750 | 464,132 | 464,132 | 663,235 | 672,040 | 672,040 | 815,019 | 725,047 | 794,468 | |

| GT000 Ekurhuleni Metro - Table A10 Basic service delivery measurement | | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|------------------|------------------|----------------------|---------------------|---|------------------------|
| Description | 2008/9 | | 2009/10 | | 2010/11 | | Current Year 2011/12 | | 2012/13 Medium Term Revenue & Expenditure | |
| | Outcome | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2012/13 | Budget Year +1 2013/14 | Budget Year +2 2014/15 |
| Highest level of free service provided | | | | | | | | | | |
| Property rates (R value threshold) | | 150,000 | | | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Water (kilolitres per household per month) | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Sanitation (kilolitres per household per month) | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Sanitation (Rand per household per month) | 34 | 37 | 43 | 43 | 51 | 51 | 51 | 58 | 67 | 77 |
| Electricity (kwh per household per month) | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Refuse (average litres per week) | 100 | 100 | 240 | 240 | 240 | 240 | 240 | 240 | 240 | 240 |
| Revenue cost of free services provided (R'000) | | | | | | | | | | |
| Property rates (R15 000 threshold rebate) | | 434,290 | | | 432,064 | 472,289 | 472,289 | 599,127 | 552,454 | 594,992 |
| Property rates (other exemptions, reductions and rebates) | | 4,172 | | | 29,700 | 88,001 | 86,001 | 83,243 | 5,307 | 5,716 |
| Water | 168,894 | 179,642 | 196,531 | 196,531 | 256,553 | 256,553 | 256,553 | 304,254 | 299,409 | 325,457 |
| Sanitation | 116,690 | 125,903 | 145,863 | 145,863 | 199,172 | 199,172 | 199,172 | 235,306 | 246,372 | 283,328 |
| Electricity/other energy | 84,859 | 95,145 | 115,716 | 115,716 | 48,750 | 57,555 | 57,555 | 60,000 | 225,959 | 272,274 |
| Refuse | 22,387 | 21,241 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 72,000 | 72,000 | 72,000 |
| Municipal Housing - rental rebates | - | - | - | - | - | - | - | - | - | - |
| Housing - top structure subsidies | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - | - |
| Total revenue cost of free services provided (total social package) | 392,830 | 421,930 | 944,573 | 944,573 | 1,014,239 | 1,119,571 | 1,119,571 | 1,353,929 | 1,401,501 | 1,553,768 |

Table 105: Services Backlogs

Municipal Infrastructure Grant – Expenditure on Service Backlogs

| Municipal Infrastructure Grant (MIG)* Expenditure Year 2011/12 on Service Backlogs | | | | | | R' 000 |
|--|----------------------|----------------------|----------------------|----------|--------------------|---|
| Details | Budget | Adjustments Budget | Actual | Variance | | Major conditions applied by donor (continue below if necessary) |
| | | | | Budget | Adjustments Budget | |
| Infrastructure - Road transport | | | | % | % | |
| Roads, Pavements & Bridges | 170,406,000 | 197,279,970 | 205,655,283 | % | % | |
| Storm water | | | | % | % | |
| Infrastructure - Electricity | | | | % | % | |
| Generation | | | | % | % | |
| Transmission & Reticulation | 176,054,190 | 174,205,541 | 172,292,020 | % | % | |
| Street Lighting | | | | % | % | |
| Infrastructure - Water | | | | % | % | |
| Dams & Reservoirs | | | | % | % | |
| Water purification | | | | % | % | |
| Reticulation | 109,250,000 | 120,696,489 | 112,430,670 | % | % | |
| Infrastructure - Sanitation | | | | % | % | |
| Reticulation | | | | % | % | |
| Sewerage purification | 299,959,500 | 205,026,245 | 198,687,978 | % | % | |
| Infrastructure - Other | | | | % | % | |
| Waste Management | 42,696,000 | 30,570,924 | 30,699,503 | % | % | |
| Transportation | - | 26,122,153 | 25,696,616 | % | % | |
| Gas | | | | % | % | |
| Other Specify: | 245,885,000 | 302,324,955 | 298,855,531 | % | % | |
| | | | | % | % | |
| | | | | % | % | |
| | | | | % | % | |
| Total | 1,044,250,690 | 1,056,226,277 | 1,044,317,600 | % | % | |

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

T 5.8.3

Table 106: MIG (Should be USDG) Funding Expenditure

5.3 COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

Cash Flow Outcomes

| | 2010/2011 | 2011/2012 |
|--|-------------------------|----------------------|
| TOTAL CASH POSITION (Cash and Investments) | Restated | |
| Opening Cash and Cash Equivalents | 664,625,410.90 | 1,338,863,444 |
| Movement (as per above) | 674,238,033 | 1,499,555,134 |
| Closing Cash | 1,338,863,444 | 2,838,418,578 |
| Plus: Investments (excl Entities) | 246,895,311 | 456,449,642 |
| TOTAL CASH POSITION (Cash and Investments) | 1,585,758,755 | 3,294,868,220 |
| Less Encumbered Cash: | | |
| 1. Encumbered Investments and Investments in ME's | 240,924,357 | 476,528,663.80 |
| 2. Dedicated bank accounts (grants and capex) | 221,541,273.00 | 717,308,493.36 |
| TOTAL OPERATING CASH | 1,123,293,124.40 | 2,101,031,063 |
| Less funding of balance sheet as per EMM Policy | 1,050,837,347 | 1,072,941,342 |
| TOTAL UNENCUMBERED CASH | 72,455,777 | 1,028,089,721 |
| Number of day's total cash held (total cash and inv) | 40.32 | 84 |
| Number of day's total cash held (operating cash) | 28.56 | 53 |
| Number of day's total cash held (un-encumbered cash) | 1.84 | 26 |
| Cost Coverage in months (EXCL encumbered investments and unspent grants and loans) | 0.94 | 1.47 |
| Cost Coverage in days (EXCL encumbered investments and unspent grants and loans) | 28.56 | 44.76 |

Table 107: Cash Flow Outcomes

5.3.1 INVESTMENT

| Municipal and Entity Investments | | | |
|--|---------|---------|-----------------|
| | | | R' 000 |
| Investment* type | 2009/10 | 2010/11 | 2011/12 |
| | Actual | Actual | Actual |
| Municipality | | | |
| Securities - National Government | | | |
| Listed Corporate Bonds | | | |
| Deposits - Bank | | | |
| Deposits - Public Investment Commissioners | | | |
| Deposits - Corporation for Public Deposits | | | |
| Bankers Acceptance Certificates | | | |
| Negotiable Certificates of Deposit - Banks | | | |
| Guaranteed Endowment Policies (sinking) | - | 72 | 339 |
| Repurchase Agreements - Banks | | | |
| Municipal Bonds | 4 | 4 | 4 |
| Other | 334 | 238 | 151 |
| Municipality sub-total | 338 | 314 | 494 |
| Municipal Entities | | | |
| Securities - National Government | | | |
| Listed Corporate Bonds | | | |
| Deposits - Bank | | | |
| Deposits - Public Investment Commissioners | | | |
| Deposits - Corporation for Public Deposits | | | |
| Bankers Acceptance Certificates | | | |
| Negotiable Certificates of Deposit - Banks | | | |
| Guaranteed Endowment Policies (sinking) | | | |
| Repurchase Agreements - Banks | | | |
| Other | | | |
| Entities sub-total | - | - | - |
| Consolidated total: | 338 | 314 | 494 |
| | | | <i>T 5.10.4</i> |

5.3.2 BORROWINGS

| Actual Borrowings: Year 2009/10 to 2011/12 | | | |
|--|------------|------------|------------|
| | R' 000 | | |
| Instrument | 2009/10 | 2010/11 | 2011/12 |
| Municipality | 300 | 382 | 355 |
| Long-Term Loans (annuity/reducing balance) | 200 | 250 | 270 |
| Long-Term Loans (non-annuity) | | | |
| Local registered stock | | | |
| Instalment Credit | | | |
| Financial Leases | | | |
| PPP liabilities | | | |
| Finance Granted By Cap Equipment Supplier | | | |
| Marketable Bonds | | | |
| Non-Marketable Bonds | | | |
| Bankers Acceptances | | | |
| Financial derivatives | | | |
| Other Securities | | | |
| Municipality Total | 500 | 632 | 625 |
| Municipal Entities | | | |
| Long-Term Loans (annuity/reducing balance) | | | |
| Long-Term Loans (non-annuity) | | | |
| Local registered stock | | | |
| Instalment Credit | | | |
| Financial Leases | | | |
| PPP liabilities | | | |
| Finance Granted By Cap Equipment Supplier | | | |
| Marketable Bonds | | | |
| Non-Marketable Bonds | | | |
| Bankers Acceptances | | | |
| Financial derivatives | | | |
| Other Securities | | | |
| Entities Total | 0 | 0 | 0 |

T 5.10.2

Table 108: Actual Borrowings

5.4 COMPONENT D: OTHER FINANCIAL MATTERS

5.4.1 SUPPLY CHAIN MANAGEMENT

- The Council developed a Supply Chain Management Policy and practices in compliance with the guidelines set down by the Supply Chain Management Regulations, 2005, which was approved with effect from 1 March 2006.
The Council also adopted the new Preferential Procurement Regulations, 2011, with effect from 7 December 2011. A new SCM Policy, incorporating the abovementioned Regulations, as well as all other relevant legislation, regulations and circulars, is currently being developed.
- No councilors are members of any committee handling Supply Chain processes.
- No Supply Chain officials have reached the prescribed levels yet, but the relevant officials are currently attending training courses in order to reach the prescribed competency levels.
- Seven Supply Chain officials are yet to reach the necessary competency levels.

5.4.2 GRAP AND LEGISLATIVE COMPLIANCE

Legislation Related To Departmental Functions

Finance

- Local Government Municipal Systems Act 32 of 2000
- Local Government Municipal Finance Management Act 56 of 2003
- Local Government Municipal Property Rates Act 6 of 2004

Human Resource Management & Development

- Labour Relations Act
- Basic Conditions of Employment Act
- Employment Equity Act
- Skills Development Act 97 of 1998
- Occupational Health and Safety Act
- Skills Development Levies Act

Information Communications Technology

- Telecommunications Act 103 of 1996
- Electronic Communications Act 36 of 2005

Corporate Legal Services

As custodians of legal support and interpretation for the Municipality and all its structures, the Department must interpret all Local Government Legislation to enhance good governance processes within the Constitutional framework of which a few examples are:

- The Constitution of the Republic of South Africa
- Promotion of Access to Information Act 2 of 2000
- Promotion of Administrative Justice Act 3 of 2000
- Local Government: Municipal Finance Management Act 56 of 2003
- Local Government: Municipal Structures Act 117 of 1998
- Local Government: Municipal Systems Act 32 of 2000
- National Credit Act 34 of 2005

Health Department

- National Health Act 61 of 2003
- Nursing Act 1978 (Act No. 50 of 1978) as amended
- Pharmacy Act 1974 (Act No. 53 of 1974)

Disaster and Emergency Management Services

- Fire Brigade Services Act 99 of 1987
- Disaster Management Act 57 of 2002
- Road Traffic Management Corporation Act 29 of 1999
- National Road Traffic Act 93 of 1996

EMPD

- Road Traffic Act 29 of 1989
- National Road Traffic Act 93 of 1996
- Administrative Adjudication of Road Traffic Offences Act 46 of 1998
- Also see Traffic and Road Transport Library on Jutastat
- SA Police Services Act 68 of 1995

Housing

- Housing Act 107 of 1997
- Gauteng Housing Act 6 of 1998
- Rental Housing Act 50 of 1999
- Formalities in respect of leases of Land Act 18 of 1969
- Prevention of illegal eviction from and unlawful occupation of Land Act 19 of 1998

Infrastructure Services

- Electricity Act 41 of 1987
- Electricity Regulation Act 4 of 2006
- Local Government Roads Ordinance 44 of 1904
- Roads Ordinance 22 of 1957
- Local Government Ordinance 17 of 1939

- Water Services Act 108 of 1997
- National Water Act 36 of 1998
- National Land Transport Act 5 of 2009
- National Building Regulations and Building Standards Act 103 of 1977

Environmental Resource Management

- Environment Conservation Act 73 of 1989
- Environment Conservation Extension Act 100 of 1996
- National Environmental Management Act 107 of 1998

City Planning

- Removal of restrictions Act 84 of 1967
- Physical Planning Act 88 of 1967
- Environment Conservation Act 73 of 1989
- Less Forman Township Establishment Act 113 of 1991
- Physical Planning Act 125 of 1991
- Development Facilitation Act 67 of 1995
- Gauteng Removal of Restrictions Act 3 of 1996
- Town Planning and Townships Ordinance 15 of 1986
- Division of Land Ordinance 20 of 1986

Sport, Recreation, Arts and Culture

- Commission for the promotion and protection of the rights of Cultural, Religious and Linguistic Communities Act 200, No 19 of 2002
- Cultural Institutions Act 1998, No 119 of 1998
- Cultural Promotion Act 1983, No 35 of 1983
- Safety at Sport and Recreational Events Bill, September 2006
- National Arts Council Act 1997, No 56 of 1997
- National Heritage Council Act 1999, No 11 of 1999
- National Heritage Resources Act 1999, No 25 of 1999
- South African World Heritage Convention 1999, No 49 of 1999
- South African Geographical names Council Act, Act 1998, No 118 of 1998
- National White Paper on Arts, Culture and Heritage, 1996
- National Sport and Recreation Act of 1998
- Safety at Sport and Recreation events Act of 2010
- South African Boxing Act of 2001
- 2010 FIFA World Cup South Africa special measures Act of 2010
- The South African Sports Commission Act of 1998.
- Provincial Library and Information Services Act, No 7 of 2001
- The Promotion of Access to Information Act, No 2 of 2002
- The National Council for Library and Information Services Act, No 6 of 2001.
- The Copyright Act, No 98 of 1978.
- The Legal Deposit Act, No 54 of 1997,
- The South African Library for the Blind Act, No 91 of 1998

- The National Library of South Africa Act, No 2 of 1998.

In addition to the above Acts, the municipality has the legislative authority to pass by-laws to govern and regulate issues within its area of jurisdiction.

Generally there is compliance with the above acts and by-laws. However there have been isolated incidents of non-compliance with the above legislation.

More information on litigation in which Council is involved can be found in Note 43 of the Annual Financial Statements dealing with contingent assets and liabilities.

Areas of known material non-compliance

Ekurhuleni Metro

- The performance contracts of senior management has not been finalised within the deadlines as prescribed by Section 75(d) of the MFMA. *This was as a result of the review of the GDS and Institutional review and the need to incorporate the revised deliverables in the contracts. The contracts have been finalised in the last quarter of the financial year.*

ERWAT

- None.

Ekurhuleni Development Company

- None

Brakpan Bus Company

- None

CHAPTER 6 – AUDITOR-GENERAL AUDIT FINDINGS

6.1 COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS FOR 2010/2011

Auditor-General Opinion on Financial Performance for 2010/2011

| Auditor-General Report on Financial Performance: 2010/11 | |
|--|--|
| Audit Report Status*: | Unqualified with other matters |
| Non-Compliance Issues | Remedial Action Taken |
| Compliance with Laws and Regulations - Expenditure | OPCA Steering has been enhanced as far as possible to deal with past findings as well as to assist with identifying and correcting any new issues that might have an impact on the financial statements. Additional processes has been introduced to get more inputs from departments to ensure the financial statements submitted for audit is free from material misstatements, as far as possible. |
| Compliance with Laws and Regulations - Expenditure | This has been corrected in the current financial year. The MPAC report Additional processes have been introduced to ensure that providers, with a view to ensuring that the processes to identify and prevent such awards are more than just a formality. Processes are constantly being enhanced to prevent irregular expenditure. Sensitivity of key management and officials towards prevention of irregular expenditure. The Performance Management section facilitates the drafting and signing of contracts. |
| Internal Control - Leadership: The municipality did not have sufficient monitoring controls to ensure adherence to all laws and regulations, specifically in the area of supply chain management. | Processes are constantly being enhanced to prevent irregular expenditure. Sensitivity of key management and officials towards adherence to all laws and regulations, specifically to supply chain management, are also constantly being monitored and enhanced, as far as possible. |
| Internal Control - Financial and performance management: Material misstatements made to the financial statements were mainly due to senior management not reviewing the accuracy and completeness of the financial statements, prior to submission for auditing. | OPCA Steering has been enhanced as far as possible to deal with past findings as well as to assist with identifying and correcting any new issues that might have an impact on the financial statements. Additional processes has been introduced to get more inputs from departments to ensure the financial statements submitted for audit is free from material misstatements, as far as possible. |
| <i>Note: *The report status is supplied by the Auditor General and ranges from unqualified (at best); to</i> | |
| | T 6.1.1 |

6.2 COMPONENT B: AUDITOR-GENERAL OPINION FOR 2011/2012

Auditor-General Report for 2011/2012



Auditor-General Opinion on Financial Performance for 2011/2012

Auditor-General Opinion on Service Delivery Performance for 2011/2012

Signed (Chief financial Officer)..... Dated

GLOSSARY

APPENDIX A: COUNCILORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE

| Council Members | Full Time / Part Time FT/PT | Committees Allocated | *Ward and/ or Party Represented | Percentage Council Meetings Attendance | Percentage Apologies for non- attendance |
|-----------------|--|-----------------------------|------------------------------------|---|---|
| | | | | % | % |
| KUMALO, N P | FT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| GUNGUBELE, M | FT | Executive Mayor | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| MASHEGO, M R | FT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| DUBA, Q B | FT | Member of Mayoral Committee | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| MABENA, V M | FT | Member of Mayoral Committee | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| MAHLANGU, M I T | FT | Member of Mayoral Committee | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MAKWAKWA, M | FT | Member of Mayoral Committee | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MALULEKE, M M | FT | Member of Mayoral Committee | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| NIKANI, B M | FT | Member of Mayoral Committee | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| NKUNJANA, P | FT | Member of Mayoral Committee | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| NXUMALO, A | FT | Member of Mayoral Committee | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| SIBOZA, M H | FT | Member of Mayoral Committee | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| TSHONGWEN, Z KI | FT | Member of Mayoral Committee | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| BADELA, N K | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 0 |
| BALE, N E | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| BOOI, F P | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| BUSAKWE, J W | PT | | AFRICAN NATIONAL CONGRESS | 71.4 | 28.6 |
| CHAUKE, E V | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| CHAUKE, H M | PT | | AFRICAN NATIONAL CONGRESS | 71.4 | 28.6 |
| CHILOANE, V W | PT | | AFRICAN NATIONAL CONGRESS | 71.4 | 28.6 |
| CHIYA, N K | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 0 |
| CWERA, P A | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| DHLADHLA, M K | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| DIAMOND, N | PT | | AFRICAN NATIONAL CONGRESS | 71.4 | 28.6 |
| DITSEGO, T S | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| DLADLA, R | PT | | AFRICAN NATIONAL CONGRESS | 71.4 | 28.6 |
| DLOMO, M S | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| GUMEDE, T | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| HASANI, T R | PT | | AFRICAN NATIONAL CONGRESS | 71.4 | 28.6 |
| KGOPA, M A | PT | | AFRICAN NATIONAL CONGRESS | 71.4 | 28.6 |
| KHOZA, B J | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| KHUMALO, T L | PT | | AFRICAN NATIONAL CONGRESS | 42.85 | 42.85 |
| KODISANG, S C | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| KOMANE, C L | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| KRAAI, S D | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| KWILI, M S | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| LESHABANE, S M | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| LETSIMO, S T | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| LETSOHA, K T | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| LOONAT, I A | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| LUGONGOLE, M R | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| LUTHULI, T C | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| MAAMA, J T | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MABASO, C N | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MABASO, S J | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MABENA, N A | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |

| Councillors, Committees Allocated and Council Attendance | | | | | |
|--|--------------------------------|----------------------|---------------------------------|--|---|
| Council Members | Full Time / Part Time FT/PT | Committees Allocated | *Ward and/ or Party Represented | Percentage Council Meetings Attendance | Percentage Apologies for non-attendance |
| | | | | % | % |
| MABOTE, M I | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MABUZA, N M | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| MABUZA, T H | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 0 |
| MADIHLABA, M S | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MADUNA, J S | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MAHLOMA, K F | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MAKALENG, P J | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MAKGOBOLA, T E | PT | | AFRICAN NATIONAL CONGRESS | 71.4 | 28.6 |
| MALEME, M J | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MALOPE, S | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MARAQANA, S R | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MAROLEN, C B | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MASANGO, M L | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MASEKO, N M | PT | | AFRICAN NATIONAL CONGRESS | 71.4 | 28.6 |
| MASHIGO, A M | PT | | AFRICAN NATIONAL CONGRESS | 71.4 | 14.3 |
| MASHININI, S J | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| MATABANE, T J | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MATHEBULA, H A | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MBONANI, T P | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| MDLULI, N B | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| MKHABELA, P J | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MKHONZA, D P | PT | | AFRICAN NATIONAL CONGRESS | 42.85 | 57.15 |
| MLAMBO, M D | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MMOKO, P F | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MNGUNI, N A | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 0 |
| MOAGI, T L | PT | | AFRICAN NATIONAL CONGRESS | 71.4 | 14.3 |
| MOGALE, E A | PT | | AFRICAN NATIONAL CONGRESS | - | - |
| MOHLAPAMASWI, L N | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| MOHOALADI, M S | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MOKHETHOA, S S | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MOKOENA, P M | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| MORAKE, P | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| MOTARA, E A | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MOTAUNG, A | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| MOTAUNG, T P | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| MPONGOSE, Z | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MSIBI, K S | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| MSWELI, M | PT | | AFRICAN NATIONAL CONGRESS | 71.4 | 28.6 |
| MVALO, M E | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MWELASE, S P | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| MXABANGELI, V S | PT | | AFRICAN NATIONAL CONGRESS | 71.4 | 28.6 |
| NDEBELE, M J | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| NDIMA, E N | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| NDITA, M | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| NDIZANA, T W | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| NGOBESE, S S | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| NGUBENI, G V | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 0 |
| NHLABATHI, S | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| NKETLE, T G | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| NKOSI, B N | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| NKOSI, C L | PT | | AFRICAN NATIONAL CONGRESS | 57.1 | 28.6 |
| NKOSI, M I | PT | | AFRICAN NATIONAL CONGRESS | 71.4 | 14.3 |
| NONYANA, S N | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| NXUMALO, I S | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| PHETLA, W M | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |

| Councillors, Committees Allocated and Council Attendance | | | | | |
|--|--------------------------------|----------------------|---------------------------------|--|---|
| Council Members | Full Time / Part Time FT/PT | Committees Allocated | *Ward and/ or Party Represented | Percentage Council Meetings Attendance | Percentage Apologies for non-attendance |
| | | | | % | % |
| PIENAAR, R | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| RADEBE, T G | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| RAMPAI, T C | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| SAUL, T J | PT | | AFRICAN NATIONAL CONGRESS | 71.4 | 28.6 |
| SEBILOANE, D D | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| SEBOLA, T A | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| SEHOBELE, N O | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| SHABALALA, E N | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| SHABALALA, H V | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| SHONGWE, N G | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 0 |
| SIBANYONI, N G | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| SIBEKO, G | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| SIBIDLI, L P | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| SIBIYA, S J | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| TATI, E N | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| THEBE, T F | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| VILAKAZI, G | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| XAKAMBANA, M | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| XHAKAZA, D N | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| YAMBA, N N | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 14.3 |
| YENDE, C Z | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| ZIDE, V G | PT | | AFRICAN NATIONAL CONGRESS | 100 | 0 |
| ZUMA, L Z | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 0 |
| ZWANE, T S | PT | | AFRICAN NATIONAL CONGRESS | 85.7 | 0 |
| ANTICEVICH, J A | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| BABA, N J | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| BASCH, M J | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| BODIBE, R S | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| BUTLER, T | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| CAMPBELL, T L | PT | | DEMOCRATIC ALLIANCE | 71.4 | 28.6 |
| CLARKE, M O | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| COKE, H D | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| CRAWFORD, C R | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| DA SILVA, N B | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| DE LANGE, P R | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| DU PLESSIS, A | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| DYSON, V | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| FENN, G A P | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| GERSBACH, G A K | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| GOBY, M E | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| HAGGARD, M | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| HAIPEL, B T | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| HARRISON, B | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| HART, H D | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| HENDRICKS, J A | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| HENNING, P J | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| HLATSHWAYO, J E | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| JORDAAN, B J | PT | | DEMOCRATIC ALLIANCE | 57.1 | 28.6 |
| KLAAS, G | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| KRIEK, G | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| KRIEK, M V | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| KUBAYI, E M | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| LABUSCHAGNE, N W | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| LAWRENCE, V G | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| LE ROUX, S | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |

| Councillors, Committees Allocated and Council Attendance | | | | | |
|---|--------------------------------|----------------------|--|--|---|
| Council Members | Full Time / Part Time FT/PT | Committees Allocated | *Ward and/ or Party Represented | Percentage Council Meetings Attendance | Percentage Apologies for non-attendance |
| | | | | % | % |
| LOE, S J | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| MAHANO, F L | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| MOSEHLA, V D | PT | | DEMOCRATIC ALLIANCE | 71.4 | 28.6 |
| MOTHA, M J | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| MOTSHIDI, T K | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| MTSHALI, G L | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| MZIZI, M B | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| NAIR, S | PT | | DEMOCRATIC ALLIANCE | 71.4 | 28.6 |
| NTSEKHE, R | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| PATTERSON, C F | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| RADEBE, N M | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| REID, B | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| REILLY, J | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| ROBINSON, B C | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| ROOS, J D | PT | | DEMOCRATIC ALLIANCE | 71.4 | 28.6 |
| RUNDLE, W G R | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| SARUPEN, A N | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| SAULS, A E K | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| SCALLAN, G N | PT | | DEMOCRATIC ALLIANCE | 71.4 | 28.6 |
| SHABALALA, R R | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| SHABALALA, S M | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| SHABANGU, S P | PT | | DEMOCRATIC ALLIANCE | 71.4 | 28.6 |
| SHANDU, V K | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| SHEODIN, R | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| SHILABE, H M | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| STONE, D D | PT | | DEMOCRATIC ALLIANCE | 71.4 | 28.6 |
| SWANEPOEL, C D | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| TAYLOR, E L | PT | | DEMOCRATIC ALLIANCE | 100 | 0 |
| TERBLANCHE, H J | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| THAMAHANE, M | PT | | DEMOCRATIC ALLIANCE | 71.4 | 28.6 |
| VISSER, M I | PT | | DEMOCRATIC ALLIANCE | 85.7 | 14.3 |
| PAPU, E M | PT | | AFRICAN CHRISTIAN DEMOCRATIC PARTY | 57.1 | 28.6 |
| MATHUME, R D | PT | | AFRICAN PEOPLE'S CONVENTION | 71.4 | 28.6 |
| NOMVETE, J P | PT | | CONGRESS OF THE PEOPLE | 85.7 | 0 |
| SENTSHO, L D | PT | | CONGRESS OF THE PEOPLE | 85.7 | 14.3 |
| MKHIZE, P S | PT | | DISPLACED RATEPAYERS ASSOCIATION | 71.4 | 28.6 |
| VAN DER WALT, H J | PT | | FREEDOM FRONT PLUS | 85.7 | 14.3 |
| ESTERHUIZEN, J A | PT | | INKATHA FREEDOM PARTY | 85.7 | 14.3 |
| NGOBESE, A K | PT | | INKATHA FREEDOM PARTY | 85.7 | 14.3 |
| BERG, I D | PT | | INDEPENDENT RATEPAYERS ASSOCIATION OF SA | 85.7 | 14.3 |
| NTOMBELA, S I | PT | | NATIONAL FREEDOM PARTY | 71.4 | 14.3 |
| NYANDENI, N J | PT | | NATIONAL FREEDOM PARTY | 57.1 | 14.3 |
| SITHOLE, M M | PT | | NATIONAL FREEDOM PARTY | 57.1 | 28.6 |
| KUMALO, P | PT | | PAN AFRICANIST CONGRESS OF AZANIA | 100 | 0 |
| NKOANA, B | PT | | PAN AFRICANIST CONGRESS OF AZANIA | 100 | 0 |
| FRANCE, M S | PT | | UNITED DEMOCRATIC MOVEMENT | 85.7 | 14.3 |
| Note: * Councillors appointed on a proportional basis do not have wards allocated to them | | | | | T A |

Table 109: Councillors, committees allocated and Council attendance

APPENDIX B: COMMITTEES (OTHER THAN MAYORAL/EXECUTIVE COMMITTEE AND PURPOSE OF COMMITTEE

| Committees (other than Mayoral / Executive Committee) and Purposes of Committees | |
|--|---|
| Municipal Committees | Purpose of Committee |
| Rules Committee | To manage and monitor the governance and decision making processes of Council and its committees |
| Programming Committee | 1. To oversee and regulate the programming of Council's agenda and proceedings 2. To recommend a programme of debate for Council |
| Ethics and Disciplinary Committee | Dealing with matters of ethics and discipline in respect of councillors |
| Committee of Chairpersons | Dealing with and advising Chairpersons matters to be considered by the various committees of the legislature |
| MPAC | To promoting good governance, Governance goals of greater transparency, accountability ensuring efficient and effective use of municipal resources. |
| Gender, Children, Youth and Persons with Disabilities (GCYPD) | Dealing with matters in respect of gender, children, youth and persons with disabilities |
| Grants-in-Aid | Political oversight of allocation of grants-in-aid |
| Development Tribunal | Hearings in respect of city planning matters (rezonings, etc.) |
| Public Participation and Petitions | Dealing with matters in respect of public participation and petitions |
| Ward Committees x 101 | Facilitation and overseeing the implementation of service delivery and development in the ward committees |
| City Planning & Economic Development | Political oversight over matters relating to city planning and economic development |
| Community Safety | Political oversight over matters relating to community safety |
| Finance | Political oversight over matters relating finances |
| Human Settlements | Political oversight over matters relating to human settlements |
| Sport, Heritage, Recreation, Arts and Culture | Political oversight over matters relating to sport, heritage, recreation, arts and culture |
| Water & Energy | Political oversight over matters relating to water and energy |
| Corporate Services | Political oversight over matters relating to corporate services (HR, ICT, Legal Matters, etc.) |
| Environmental Development | Political oversight over matters relating to the environment |
| Health and Social Development | Political oversight over matters relating to health and social development |
| Public Transport, Planning and Provision | Political oversight over matters relating to public transport |
| Roads & Storm Water | Political oversight over matters relating to roads and storm water |

Table 110: Committees (other than Mayoral / Executive Committee) and Purposes of Committees

APPENDIX C: MUNICIPAL / ENTITY FUNCTIONS

| Municipal / Entity Functions | | |
|---|---|--|
| MUNICIPAL FUNCTIONS | Function Applicable to Municipality (Yes / No)* | Function Applicable to Entity (Yes / No) |
| Constitution Schedule 4, Part B functions: | | |
| Air pollution | Yes | |
| Building regulations | Yes | |
| Child care facilities | Yes | |
| Electricity and gas reticulation | Yes | |
| Firefighting services | Yes | |
| Local tourism | Yes | |
| Municipal airports | Yes | |
| Municipal planning | Yes | |
| Municipal health services | Yes | |
| Municipal public transport | Yes | Yes |
| Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law | Yes | Yes |
| Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto | No | |
| Stormwater management systems in built-up areas | Yes | |
| Trading regulations | Yes | |
| Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems | Yes | Yes |
| Beaches and amusement facilities | No | |
| Billboards and the display of advertisements in public places | Yes | |
| Cemeteries, funeral parlours and crematoria | Yes | |
| Cleansing | Yes | |
| Control of public nuisances | Yes | |
| Control of undertakings that sell liquor to the public | Yes | |
| Facilities for the accommodation, care and burial of animals | No | |
| Fencing and fences | Yes | |
| Licensing of dogs | No | |
| Licensing and control of undertakings that sell food to the public | No | |
| Local amenities | Yes | |
| Local sport facilities | Yes | |
| Markets | Yes | |
| Municipal abattoirs | No | |
| Municipal parks and recreation | Yes | |
| Municipal roads | Yes | |
| Noise pollution | Yes | |
| Pounds | Yes | |
| Public places | Yes | |
| Refuse removal, refuse dumps and solid waste disposal | Yes | |
| Street trading | Yes | |
| Street lighting | Yes | |
| Traffic and parking | Yes | |
| * If municipality: indicate (yes or No); * If entity: Provide name of entity | | T D |

Table 111: Municipal / Entity Functions

APPENDIX D: FUNCTIONALITY OF WARD COMMITTEES

| Functionality of Ward Committees | | | | | |
|----------------------------------|--|----------------------------------|---|---|---|
| Ward Name (Number) | Name of Ward Councillor and elected Ward committee members | Committee established (Yes / No) | Number of monthly Committee meetings held during the year | Number of monthly reports submitted to Speakers Office on time (Quarterly Report) | Number of quarterly public ward meetings held during year |
| 1 | Clr. H. Shabalala | Y | 4 | 1 | 4 |
| 2 | Clr. S. Nhlabathi | Y | 5 | 1 | 1 |
| 3 | Clr. D. D. Sebilwane | Y | 4 | 1 | 0 |
| 4 | Clr. L. N. Mohlapamaswi | Y | 5 | 1 | 3 |
| 5 | Clr. M. E. Mvalo | Y | 5 | 1 | 1 |
| 6 | Clr. Z. Mpongose | Y | 4 | 1 | 10 |
| 7 | Clr. T. A. Sebola | Y | 2 | 1 | 1 |
| 8 | Clr. M. R. Lugongolo | Y | 4 | 1 | 1 |
| 9 | Clr. S. P. Mwelase | Y | 5 | 1 | 2 |
| 10 | Clr. S. Mokhethoa | Y | 3 | 1 | 3 |
| 11 | Clr. N.B. Mdluli | Y | 5 | 1 | 3 |
| 12 | Clr. M. S. Kwili | Y | 5 | 1 | 3 |
| 13 | Clr. N.G. Sibanyoni | Y | 4 | 1 | 4 |
| 14 | Clr. T. W. Ndizana | Y | 3 | 1 | 7 |
| 15 | Clr. J. D. Roos | Y | 5 | 1 | 0 |
| 16 | Clr. H. J. Terblanche | Y | 4 | 1 | 0 |
| 17 | Clr. T. Butler | Y | 5 | 1 | 1 |
| 18 | Clr. H. D. Hart | Y | 6 | 1 | 0 |
| 19 | Clr. W. G. R. Rundle | Y | 5 | 1 | 0 |
| 20 | Clr. M. Clarke | Y | 5 | 1 | 5 |
| 21 | Clr. T. Campbell | Y | 5 | 1 | 0 |
| 22 | Clr. B. Robinson | Y | 5 | 1 | 0 |
| 23 | Clr. A. du Plessis | Y | 5 | 1 | 1 |
| 24 | Clr. R. Ntsekhe | Y | 3 | 1 | 0 |
| 25 | Clr. M. Kgopa | Y | 6 | 1 | 5 |
| 26 | Clr. N. Tati | Y | 3 | 1 | 4 |
| 27 | Clr. G. Kriek | Y | 5 | 1 | 0 |
| 28 | Clr. M. Goby | Y | 3 | 1 | 1 |
| 29 | Clr. I. Loonat | Y | 6 | 1 | 4 |
| 30 | Clr. S. Sibiya | Y | 6 | 1 | 3 |
| 31 | Clr. S. Le Roux | Y | 6 | 1 | 2 |
| 32 | Clr. J. A. Hendricks | Y | 4 | 1 | 0 |
| 33 | Clr. H. D. Coke | Y | 5 | 1 | 0 |
| 34 | Clr. C. R. Crawford | Y | 5 | 1 | 0 |
| 35 | Clr. M. Xakambana | Y | 8 | 1 | 7 |
| 36 | Clr. C. Swanepoel | Y | 3 | 1 | 0 |
| 37 | Clr. B. Haipele | Y | 6 | 1 | 1 |
| 38 | Clr. E. Visser | Y | 6 | 1 | 0 |
| 39 | Clr. M. Van Niekerk Kriek | Y | 3 | 1 | 0 |
| 40 | Clr. K. Maluleke | Y | 5 | 1 | 15 |

| Functionality of Ward Committees | | | | | |
|----------------------------------|--|----------------------------------|---|---|---|
| Ward Name (Number) | Name of Ward Councillor and elected Ward committee members | Committee established (Yes / No) | Number of monthly Committee meetings held during the year | Number of monthly reports submitted to Speakers Office on time (Quarterly Report) | Number of quarterly public ward meetings held during year |
| 41 | Clr. M. Msweli | Y | 4 | 1 | 2 |
| 42 | Clr. P. Morake | Y | 5 | 1 | 1 |
| 43 | Clr B. Reid | Y | 4 | 1 | 0 |
| 44 | Clr S. M.M. Mohoaladi | Y | 5 | 1 | 5 |
| 45 | Clr. S. Malope | Y | 5 | 1 | 5 |
| 46 | Clr. N.S. Nonyana | Y | 7 | 1 | 10 |
| 47 | Clr. R. Maragana | Y | 7 | 1 | 7 |
| 48 | Clr. K.F. Mahloma | Y | 5 | 1 | 7 |
| 49 | Clr. P. J. Makaleng | Y | 5 | 1 | 3 |
| 50 | Clr. E.N. Ndima | Y | 4 | 1 | 3 |
| 51 | Clr. T.C. Rampai | Y | 4 | 1 | 3 |
| 52 | Clr. C.L. Nkosi | Y | 6 | 1 | 4 |
| 53 | Clr. V.G. Zinde | Y | 3 | 1 | 9 |
| 54 | Clr. N. M Mabuza | Y | 3 | 1 | 5 |
| 55 | Clr. J. S. Maduna | Y | 3 | 1 | 3 |
| 56 | Clr. K. Msibi | Y | 5 | 1 | 6 |
| 57 | Clr. T.G. Nkettle | Y | 5 | 1 | 8 |
| 58 | Clr. R. Pienaar | Y | 4 | 1 | 12 |
| 59 | Clr. J.T. Maama | Y | 3 | 1 | 8 |
| 60 | Clr. C. L. Komane | Y | 6 | 1 | 7 |
| 61 | Clr. K.T. Letsoha | Y | 6 | 1 | 4 |
| 62 | Clr. G. Sibeko | Y | 4 | 1 | 8 |
| 63 | Clr. E.N. Shabalala | Y | 6 | 1 | 9 |
| 64 | VACANT | Y | 6 | 1 | 9 |
| 65 | Clr. S. Mabaso | Y | 5 | 1 | 3 |
| 66 | Clr. V. Mxabangeli | Y | 4 | 1 | 2 |
| 67 | Clr. M. Madihlaba | Y | 6 | 1 | 4 |
| 68 | Clr. N. Badela | Y | 6 | 1 | 4 |
| 69 | Clr. V. Chauke | Y | 6 | 1 | 3 |
| 70 | Clr. T. Ditshego | Y | 6 | 1 | 5 |
| 71 | Clr. C.B.Maroleng | Y | 6 | 1 | 3 |
| 72 | Clr. R. Sheodin | Y | 3 | 1 | 1 |
| 73 | Clr. S. Ngobese | Y | 6 | 1 | 3 |
| 74 | Clr. G. Vilakazi | Y | 6 | 1 | 4 |
| 75 | Clr. D. Stone | Y | 4 | 1 | 2 |
| 76 | Clr. S. Shabangu | Y | 6 | 1 | 3 |
| 77 | Clr. W. Busakwe | Y | 6 | 1 | 3 |
| 78 | Clr. T. Radebe | Y | 6 | 1 | 4 |
| 79 | Clr. I. Nkosi | Y | 6 | 1 | 4 |
| 80 | Clr. D. Mlambo | Y | 6 | 1 | 2 |

| Functionality of Ward Committees | | | | | |
|----------------------------------|--|----------------------------------|---|---|---|
| Ward Name (Number) | Name of Ward Councillor and elected Ward committee members | Committee established (Yes / No) | Number of monthly Committee meetings held during the year | Number of monthly reports submitted to Speakers Office on time (Quarterly Report) | Number of quarterly public ward meetings held during year |
| 81 | Clr. M. Nditha | Y | 2 | 1 | 3 |
| 82 | Clr. T. Saul | Y | 6 | 1 | 2 |
| 83 | Clr. S. Kodisang | Y | 6 | 1 | 5 |
| 84 | Clr. T.S. Letsimo | Y | 5 | 1 | 4 |
| 85 | Clr. A. Mnguni | Y | 5 | 1 | 3 |
| 86 | Clr. T. Mbonani | Y | 6 | 1 | 4 |
| 87 | Clr. T. P. Motaung | Y | 4 | 1 | 3 |
| 88 | Clr. W. Labuschagne | Y | 6 | 1 | 1 |
| 89 | Clr. F. Mooko | Y | 4 | 1 | 4 |
| 90 | Clr. O. Sebogole | Y | 3 | 1 | 3 |
| 91 | Clr. B. J. Jordaan | Y | 0 | 1 | 0 |
| 92 | Clr. A.G. Gersbarch | Y | 4 | 1 | 1 |
| 93 | Clr. P. Sibidli | Y | 6 | 1 | 6 |
| 94 | Clr M. Basch | Y | 2 | 1 | 0 |
| 95 | Clr L. T. Khumalo | Y | 6 | 1 | 9 |
| 96 | Clr. R. Dladla | Y | 6 | 1 | 4 |
| 97 | Clr. V. Dyson | Y | 5 | 1 | 2 |
| 98 | Clr. N.A. Mabena | Y | 6 | 1 | 4 |
| 99 | Clr. C. Mabaso | Y | 6 | 1 | 3 |
| 100 | Clr. P. J. Henning | Y | 5 | 1 | 0 |
| 101 | Clr T. J. Matabane | Y | 5 | 1 | 9 |

Table 112: Functionality of Ward Committees

APPENDIX E: MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS

APPENDIX F: LONG TERM CONTRACTS (20 LARGEST CONTRACTS)

| Long Term Contracts (20 Largest Contracts Entered into during Year 2012) | |
|--|---------------------------|
| Name of Service Provider (Entity or Municipal Department) | Amount based on June 2012 |
| Eskom | 492,052,971 |
| Rand Water | 159,395,543 |
| Nedbank Limited | 87,370,744 |
| Gauteng Provincial Government | 58,662,446 |
| East Rand Water Care Company | 43,896,049 |
| Development Bank of Southern Africa | 24,886,680 |
| ABSA Project Finance Admin | 23,914,301 |
| African Cables a Div of ATC (Pty) Ltd t/a CBI Elec | 21,472,902 |
| Red Ant Security Services | 19,445,825 |
| Baatshuma Electrical cc | 18,093,002 |
| Sekumane General Service cc | 13,969,560 |
| Tsekema Consulting Engineers (Pty) Ltd | 12,878,752 |
| Universal Cables cc | 12,172,054 |
| Passenger Rail Agency of South Africa | 12,000,000 |
| Sasol Oil (Pty) Ltd | 11,894,110 |
| Investec Bank Limited Sandton | 11,631,606 |
| Ran Merchant Bank Limited | 11,507,731 |
| Secrete Steps Trading cc | 10,819,257 |
| Nissan South Africa (Pty) Ltd | 10,744,331 |
| Werner SA Pumps & Equipment (Pty) Ltd | 9,689,407 |
| TOTAL | 1,066,497,271 |

APPENDIX G: DISCLOSURE OF FINANCIAL INTEREST

| Disclosures of Financial Interests | | |
|------------------------------------|--|---|
| Period 1 July 2011 to 30 June 2012 | | |
| Position | Name | Description of Financial interests* (Nil / Or details) |
| Executive Mayor | | |
| Member of MayCo / Exco | MMC: Health & Social Development, Clr MM Maluleke | Member of Community Medical Scheme Board of Trustees -Stipend |
| | MMC: Roads & Stormwater, Clr Pelisa Nkunjana | R500.00 gift card from Women of Eden Ministries |
| | MMC: Transport Planning, Clr Mafutha Isaac Thumbu Mahlangu | Mahlangu family Trust: 100% Ndzuza Investment:50% |
| Councillor | Clr Patrick Kumalo | Bo Dupa PA Events Management Promotion & Marketing Service (Pty) Ltd 2112 011763/07: 33% |
| | Clr Lebohlang IT Moagi | Ntsekiseng Trading Enterprise CK i: 50% [in the process of withdrawing my name] NF Moagi & Projects: 100% My sister's involved in EPWP Learnership for 2 yrs under Ntsekiseng Trading Enterprise |
| | Clr Hendrik Jacobus Terblanche | Townhouse-Kaapzicht 23, Stegman Avenue 72, Terenure, Kempton Park : 100% |
| | Clr E Vivienne Chauke | Themba Security: 100% 350 ML & Compressor (2007) Avonte Gorde: 100% Residential Home + Contents MTN & Sanlam Shares: R600 000 - R1,2m public shares |
| | Clr Neil Diamond | Neil Diamond Group (Pty) Ltd:100% Justco Investment CC: 100% Casio Retail (Pty) Ltd: 100% Hyperception Properties CC: 100% RHC Properties CC: 62% Afropulse 132 (Pty) Ltd Bella Tramonto CC: 20% Erf 1256 Meyersdal CC: 100% Neil Diamond Family Trust: 100% Western Cape Fynbos Conservation Trust: 100% Sonex (Pty) Ltd: 100% Unit 8, Sagewood,Meyersdal: 100% Unit CG03 Sunset Beach, Milnerton, Cape Town: 100% Erf 750 Brackenhurst, Alberton: 100% Erf 3234 Brackenhurst, Alberton: 100% Erf 361 Meyersdal Nature Estate Ext 3: 100% Erf 324 Randhart, Alberton: 62.5% Justco Investments CC trading as Verwoerd Park Hardware & Paint Centre: 100% Justco Investments CC trading as Randhart Hardware & Paint Centre: 100% RHC Properties CC ck 2008/038466/23: 100% |
| | Clr Mluleki S France | Staff Transport Minov: 100% |
| | Clr J Nomvete | Nomtutuzeli Const & Projects: 100% Mr Michael & Claren Kgobe Estates: 20% |

| Disclosures of Financial Interests | | |
|--|------------------------|---|
| Period 1 July 2011 to 30 June 2012 | | |
| Position | Name | Description of Financial interests* (Nil / Or details) |
| | Clr Khetha Shandu | Sweets Manufacturers cc (Inactive):100% Old Mutual Employee Benefit member: Medical Aid subsidy Old Mutual Retirement Fund Member: Employee Benefit Fairbain Capital Investment |
| | Clr Charlie R Crawford | Charlie West Refurbishers & Maintenance: 100% Beukraw Refurbishment & General Maintenance [dormant]: 40% |
| | Clr Phillip De Lange | Phillip De Lange Properties:100% Erf 725 Jacmar Str, Eden Park: Ownership Erf 1846 Ext 1 Paura Ridge100% 46 Leon Str Erf 1511 Ext 1, Eden Park: Guardianship Eagle Excellence Erf 1639 81 Langa, Eden Park: Lease |
| | Clr O Sehebele | Leshiri General Construction Dormant: 100% |
| Municipal Manager | Mr. KW Ngema | Shares in listed companies Land and Property |
| Chief Financial Officer | Mr. ZG Myeza | Shares in listed companies Directorship |
| Deputy MM and (Executive) Directors | Ms. M Diedricks | Shares in listed companies Directorship Land and properties |
| | Mr. MP Mosia | Shares in listed companies Sponsorship Land and Properties |
| | Ms. DL Phahla | Shares in listed companies Gifts and hospitality Land and properties |
| | Mr. M Mlandu | Directorship Property |
| | Ms. MI Mashazi | Directorship |
| | Mr. M Wilson | Land and Property |
| | Mr. H Msimang | Directorship Land and Property |
| | Mr. D Morema | Directorship Gifts and hospitality Land and properties |
| Other S57 Officials | Ms. GT Moloi | Land and property |
| | Mr. H Chiloane | Directorship Gifts and hospitality |
| | Ms. MM Nkopane | Shares in Listed companies Membership Land and property |
| | Ms. N.E Ledwaba | Directorship Land and Property |

* Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A

Table 113: Disclosures of Financial Interests