



Mangaung Metropolitan Municipality

Annual Performance
Report

2011/2012

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CHAPTER 1 - MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

1.1. MAYOR'S FOREWORD

The Mangaung Metropolitan Municipality envisions that by 2030, the municipality is recognized as "a globally safe and attractive municipality to live, work and invest.

Consistent with the assigned developmental mandates emanating from the Constitution of the Republic of South Africa, the municipality has set itself the following development objectives for the year under review. These are:

- Service delivery excellence within and around Mangaung Local Municipality;
- Stimulating our integrated and sustainable economic development prospects;
- Improve and sustain financial, human resource excellence and management excellence;
- Evolve institutional excellence through institutional re-engineering, effective leadership and effective long range planning

For the year under review the municipality has made a significant progress in extending water services to households, providing refuse removal services, supporting households in accessing housing, greening the urban space through planting trees, providing effective environmental health services, supporting the police to reduce incidences of crime, providing effective emergency and fire fighting services, ensuring that Council and its Committees provide effective oversight, facilitating empowerment of staff, upgrading of social amenities (swimming pools, athletic tracks, tennis courts)

Importantly, the municipality is on course to implement bulk water and sanitation projects that would provide the requisite services and support future growth and development of the City

Despite the noticeable progress reported the municipality need to eradicate service delivery backlogs particularly those related to sanitation services, roads and storm-water, ensure the availability of fleet for providing refuse removal, cleansing and operation and maintenance services , accelerate revenue enhancement to set the municipality on a financial viability path, deal with low capital expenditure spent and audit matters.

The municipality has conducted a number of information sessions to raise civic awareness and meaningfully involve communities in planning, monitoring and budgeting processes.

The municipality will be embarking on a number of initiatives in the next few years to eradicate the VIP toilets in *Thaba Nchu and Botshabelo*, upgrade road and storm-water, upgrade bulk water and sanitation infrastructure, ratchet up its capital expenditure and enhance revenue enhancement.

(Signed by:)

Executive Mayor

CLlr Thabo Moses Manyoni

1.2. CITY MANAGER'S OVERVIEW

The municipality is making steady progress in relation to the provision of water services to households in the municipality. To ensure that there is continued provision of water and sanitation services, the municipality has begun in earnest to implement a number of bulk water and sanitation projects in the City. Importantly, these projects will strategically position the City to ignite the N8 corridor development and thus lay a solid foundation for broadening the revenue base of the municipality and dealing with distorted inherited spatial form of the City.

As indicated the municipality has made noticeable progress in providing water services, refuse removal services, providing effective environmental health services, providing effective emergency and fire fighting services, facilitating empowerment of staff, upgrading of social amenities (*swimming pools, athletic tracks, tennis courts*). However, the low capital expenditure rate of 66.55% attained for the year under review should be improved. The municipality has established a new department that will be focusing extensively on project managing all capital projects of the City and ensuring timely designing of projects to be implemented early in the new financial year.

The municipality has achieved the collection rate of 87.83% that should be improved to contain the rising service arrears debt. The municipality will be doubling its credit control efforts in the new- year by implementation a comprehensive revenue enhancement plan.

The municipality has adopted a project based approach in implementing its audit action plan and has meticulously following issues raised by the audit general and the result thereof will be known later when the Auditor General releasing its audit report for 2011/2012.

The municipality will be reviewing and strengthening its performance management system and modernize its operation to ensure that the municipality account to citizens and provide effective services that improve the quality of lives of its citizens.

1.3. SITUATIONAL ANALYSIS

THE STATE OF DEVELOPMENT IN MANGAUNG

INTRODUCTION

Mangaung covers 6 863 km² and comprises three prominent urban centres, which are surrounded by an extensive rural area. It is centrally located within the Free State and is accessible via National infrastructure including the **N1** (which links Gauteng with the Southern and Western Cape), the **N6** (which links Bloemfontein to the Eastern Cape), and the **N8** (which links Lesotho in the east with the Northern Cape in the west via Bloemfontein).

Bloemfontein is the sixth largest city in South Africa and the capital of the Free State Province in all respects. The City is the Judicial Capital of South Africa and serves as the administrative headquarters Province, whilst it also represents the economic hub of the provincial economy. The area is also serviced by an east/west and north/south railway line and a national airport.

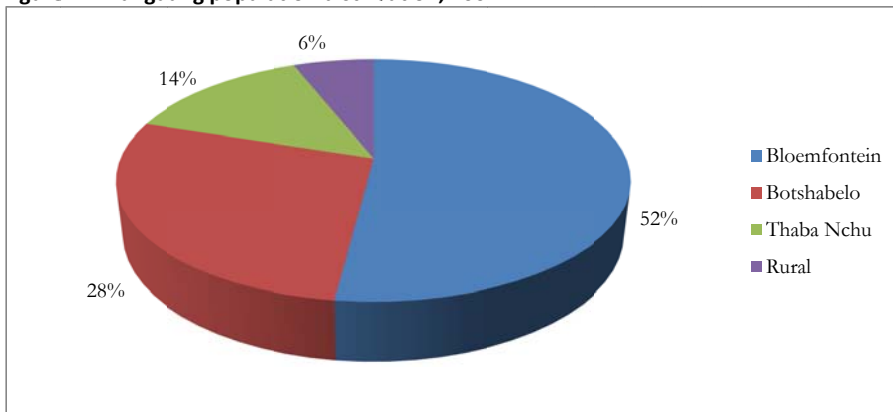
Botshabelo is located 55km to the east of Bloemfontein and represents the largest single township development in the Free State. Botshabelo was established in the early 1980s and was intended to provide the much needed labour in Bloemfontein without the inconvenience of having labour at the employers' doorstep.

Thaba Nchu is situated 12km further to the east of Botshabelo and used to be part of the Bophuthatswana "Bantustan". As a result it exhibits a large area of rural settlements on former trusts lands.

The Mangaung Local Municipality (MLM) was established in 2000 with the amalgamation of four former transitional councils, but was recently (April 2011) elevated from a category "B" municipality to a category "A" metropolitan municipality. This new status presents both challenges and opportunities to the Mangaung Metropolitan Municipality (MMM) and it is against this background that the Municipality is excited to fulfill its Constitutional mandate by focusing on effective and efficient municipal service delivery, growing the economy and empowering its community.

As far population distribution is concerned, more than half of the population is concentrated in the Bloemfontein area (52%), followed by Botshabelo (28%). The rural area has the lowest concentration of people, as indicated in Figure 1 below.

Figure 1 - Mangaung population distribution, 2007



Since Bloemfontein forms the economic hub of the Municipality, as well as the Province, many people are attracted to the area, and continue to stream to the city for better living conditions and employment opportunities. However, this trend has a serious downside as it is predominantly indigent families who migrate to the City seeking employment opportunities.

1.3.1. DEMOGRAPHICS

Mangaung population is growing at a fast pace. According to the Community Survey conducted by Statistics South Africa (Stats SA) in 2007, there were 752,909 people residing in the jurisdiction of Mangaung. This figure increased by almost 17% - that is, 752,907 and 645,438 in 2007 and 2001, respectively – see Table 1. Interestingly, major increases occurred among non-whites. The highest increase has been recorded among Indians or Asians followed by Whites. The former race group, and to a certain extent the latter, is known for bringing investment to South Africa. Therefore, the continued attraction of foreign nationals to our municipality corresponds with our persistent efforts to attract foreign investment.

Table 1 -Mangaung Population, 2001-2007

Population group	2007	2001	Increase/ Decrease (%)
Black	618,412	534,429	15.7
Coloured	32,066	32,022	0.1
Indian or Asian	1,255	962	30.5
White	101,174	78,025	29.7
Total	752,907	645,438	16.7

Furthermore, arrival of other races and nationalities is testimony to the fact that Mangaung is a safe City to invest, work and live in as envisaged by our vision. The cosmopolitan character which this phenomenon brings about would go a long way in facilitating social cohesion as citizens learn to live with people of other races, nationalities, religions and cultural practices.

With regard to migration by fellow South Africans, research indicates that the increase among Africans has been driven mainly by people migrating from adjacent municipalities (such as Mantsopa, Naledi and Masilonyana) and provinces (such as Eastern and Northern Cape), and not necessarily through fertility. The relative development of the city of Bloemfontein in particular as a regional hub, has attracted a number of people hoping to improve their livelihoods chances.

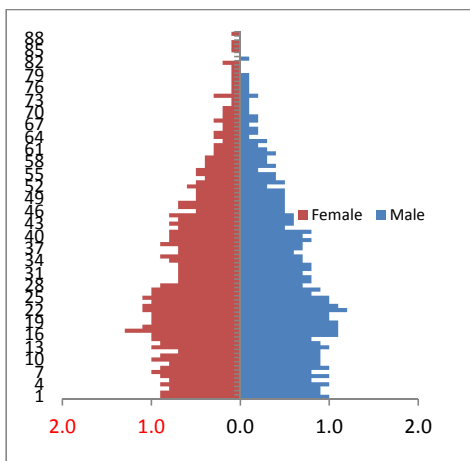
Moreover, due to the fact that Bloemfontein has a number of educational facilities of high quality, it attracts students from across the province and the country. Many of the students end up finding employment in the City upon completing their studies thereby remaining permanently in our municipal area.

The planning process should bear in mind the likely impact of the phenomenon of migration, particularly if it is found to be a common occurrence. Therefore, special attention should be paid to monitoring migration into our City with the aim of developing and implementing appropriate intervention plans. The monitoring aspects should look at the volume of migration with particular emphasis on who migrates to our City as well as what resources these people bring to our City.

The gender dimension of the Mangaung population indicates that as with national trends, there are more women than men; 394,060 (52.3%) and 358,845 (47.7%), respectively who reside in the City. At the same time, women seem to live longer than men as can be seen from the information presented in [Figure 2.0](#). ~~Figure 2.0~~ illustrates.

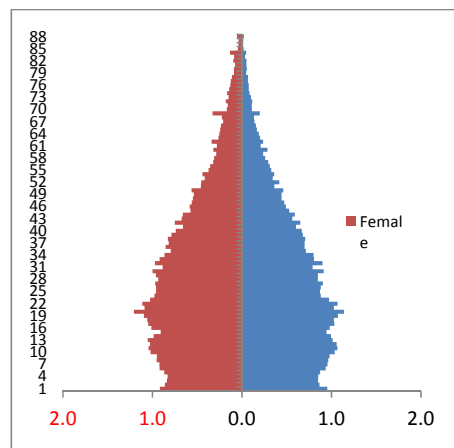
Furthermore, [Figure 2.0](#), [Figure 2.0](#), indicates that the population of Mangaung is fairly young. There is a high concentration of people between the ages of 16 and 27 years. This implies that development plans for Mangaung Metropolitan Municipality should pay special attention to youth.

Figure 2.0. Population Pyramid for Mangaung, 2007



Source: Stats SA (Community Survey, 2007)

Figure 2.1. Population Pyramid for Mangaung, 2001

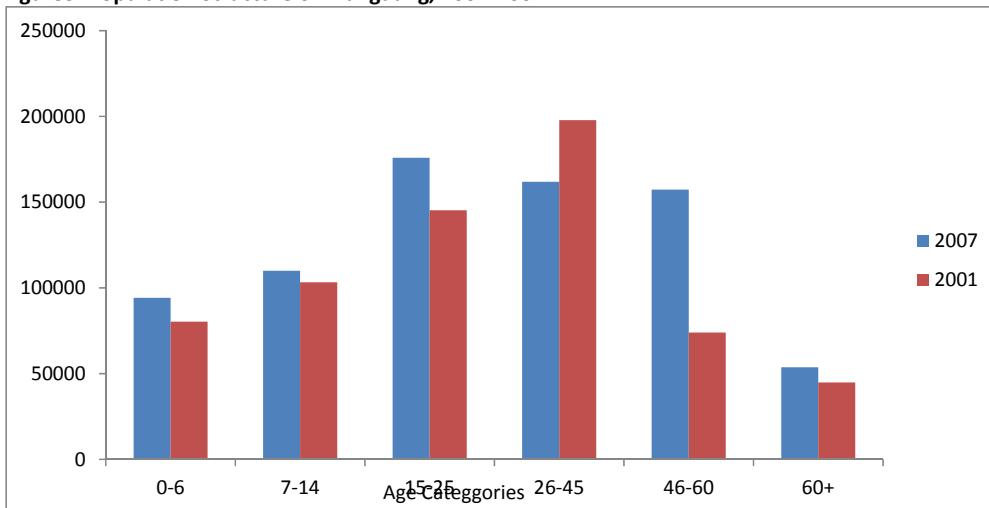


Source: Stats SA (Census, 2001)

There is an observable difference in the shift of age concentration. The number of adults has decreased in the last five years as [Figure 2.1](#), [Figure 2.1](#) attests. There is therefore, a need to reflect on how our past policies and development plans have impacted on young people.

This point is further enunciated in [Figure 3](#), [Figure 3](#). The Figure indicates that there has been a considerable increase in people younger than 25. The increase reached its maximum in the 26-45 age categories while declining at age 46+. This is a clear demonstration of the impact that the HIV/AIDS epidemic on the population of Mangaung.

Figure3: Population Structure of Mangaung, 2001-2007



It is a well-documented phenomenon that HIV/AIDS prevalence is high among people aged 15-50. Therefore, in the last five year between the Census 2001 and Community Survey 2007, there has been a dramatic decrease in the population size of those aged 26-45. This phenomenon provides a clear pointer of where HIV/AIDS interventions should be aimed at while not neglecting other age groups altogether.

HOUSEHOLD STRUCTURE

In line with the population growth, there has been an increase in the number of households in Mangaung. Household numbers increased from 188,647 in 2001 to 202,762 in 2007. The majority of households are headed by men, and the numbers are increasing. This implies that the majority of males reside in their households. It could therefore, be argued that migrant labour is limited in Mangaung. The social ramifications of the migrant labour system in South Africa are well-documented. It is therefore, a positive development to realise that more men reside in their households. It is important to realize that this contributes positively to the stability of families.

Table 2: Household Structure of Mangaung, 2001-2007

Gender of household head	2007	2001	Increase/ Decrease (%)
Male	126,478	111,806	13.1
Female	76,284	76,841	-0.7
Total	202,762	188,647	7.5
Source: Stats SA (2001, 2007)			

However, at face value this situation could mask the ugly reality of lack of access to services by women. That is, this could imply that men are more likely to receive houses more than women. Therefore, continuous research needs to be undertaken to monitor the situation closely to avoid such an undesirable situation.

HEALTH AND WELLBEING

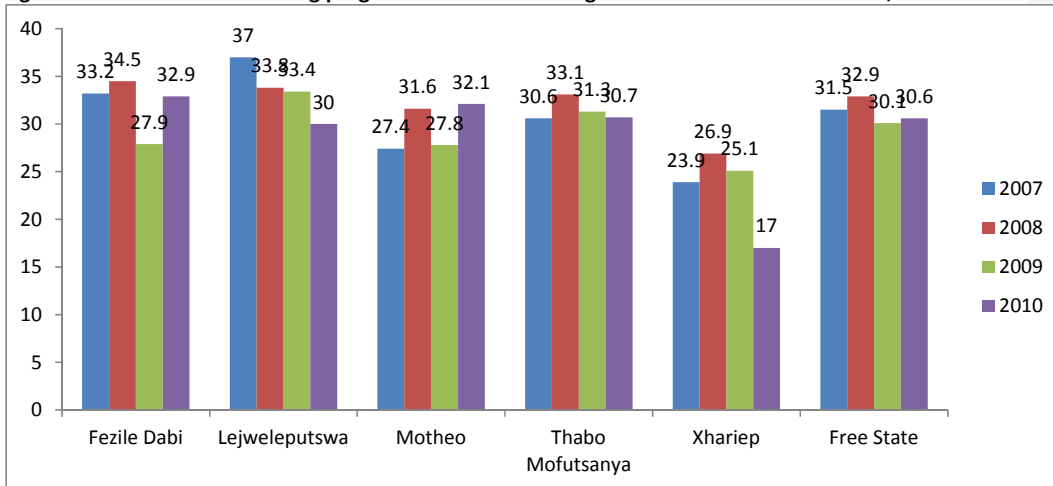
HIV, AIDS and Tuberculosis contribute significantly to the burden of disease faced by the South African Government. Huge amounts of resources are expended on serving the health needs of the citizens. If the situation continues unabated, it creates a situation whereby other services will be sacrificed in order to meet the costs of providing health services to a disproportionately large section of the population. It is for this reason that the South African Government has placed HIV/AIDS at the top of its health priorities. This goal is also in line with the Millennium Development Goals of eradicating HIV/AIDS by 2015.

The Mangaung Metro is equally challenged by its vulnerability to HIV/AIDS risks. Figure 4 shows the HIV prevalence rate at the district level in the Free State. Mangaung used to fall under Motheo District before the two municipalities were merged to form a Mangaung Metropolitan Municipality. Mangaung's figures are disappointingly high. The region accounts for the third largest HIV prevalence in the Province.

The figures were promisingly low in 2007 (27%), but shot up to a third (33%) of the population, in 2008. The trends replayed themselves in the subsequent years – 28.7% and 32.1% in 2009 and 2010 respectively. It can never be over-emphasised that the situation needs serious and urgent attention.

For South Africa to achieve its goal of eradicating HIV/AIDS by 2015, the responsibility lies with local municipalities, especially metropolitan municipalities, given their expanded functions which include the provision of health services and local municipalities' proximity to local residents.

Figure 4. HIV Prevalence among pregnant women attending Antenatal Clinic in Free State, 2007-2010



Source: Department of Health, 2011

HUMAN CAPACITY DEVELOPMENT

Access to education is critical for the development and economic growth in Mangaung. It is one of key pillars of fighting the problem of ubiquitous poverty in the region. Mangaung has institutions that cater for all levels of education commencing from pre-school, primary and secondary education to FETs and tertiary institutions. As such, the City is well positioned to nurture the skills of its citizens as well as those of neighbouring municipalities.

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Table 3

Table 3 - illustrates that the levels of residents with no schooling has reduced by 53 % whereas access to primary and secondary education is on the rise. The table also reflects that access to FETs and tertiary education has increased significantly. One of the key challenges for Mangaung will be the ability to absorb and retain those skills for the future development of our City.

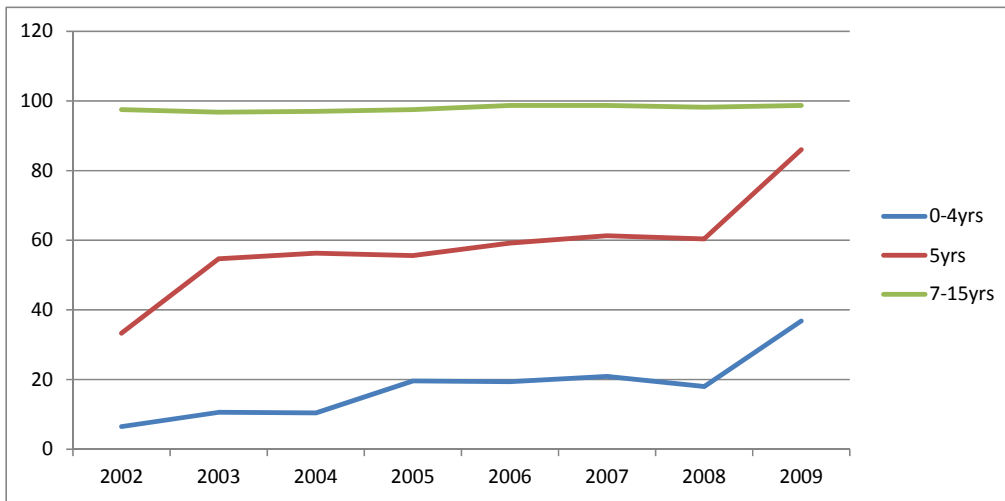
Table 3. Levels of Education in Mangaung, 2007

Education Level	2001	2007
No schooling	42833	23018
Grade 0	*	1770
Grade 1/Sub A	4027	4817
Grade 2/Sub B	6171	7141
Grade 3/Standard 1	10147	11014
Grade 4/Standard 2	14075	16787
Grade 5/Standard 3	16353	17766
Grade 6/Standard 4	22780	25199
Grade 7/Standard 5	29879	31913
Grade 8/Standard 6/Form 1	34635	33858
Grade 9/Standard 7/Form 2	25256	30430
Grade 10/Standard 8/Form 3/NTC1	36760	43150
Grade 11/Standard 9/Form 4/NTCII	27006	29014
Grade 12/Standard 10/Form 5/NTCIII	85183	99932
Certificate with less than Grade 12	1094	5171
Diploma with less than Grade 12	959	4155
Certificate with Grade 12	7533	6190
Diploma with Grade 12	14465	15359
Bachelors degree	6081	11714
Bachelors degree and diploma	2773	5134
Honours degree	2095	3937
Higher degree	2823	4068
* Data Not Available		

Source: Statsa, 2007

What is also encouraging is the level of school enrolment in the Free State. ~~Figure 5~~ indicates that nearly all children aged 7-15 are enrolled in schools. Enrolment figures for early childhood development have been increasing at a high rate over the years.

Figure 5 Enrolment Rates for children aged 0-15 in Free State, 2002-2009



Source: Department of Basic Education, 2011

1.3.2. THE ECONOMY OF MANGAUNG

GROWTH

Mangaung has a well developed economy and is the largest contributor to the GDP of the province (31, 35%), although regarded as one of the most diverse economies in nature. The relative contribution per sector for Mangaung is indicated in [Table 4](#).

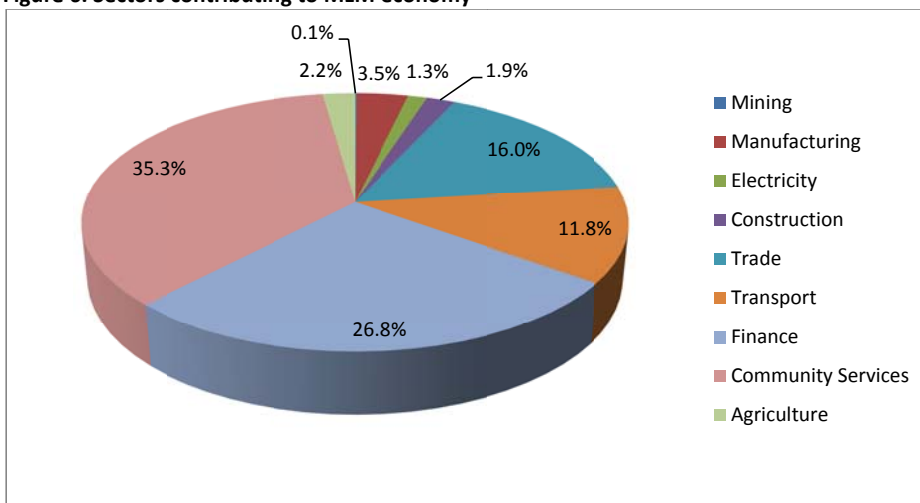
Table 4. GDP contribution per sector

Sector	Mangaung
Agriculture, forestry and fishing	136,580
Mining and quarrying	69,293
Manufacturing	1,742,087
Electricity, gas and water	429,956
Construction	246,287
Wholesale & retail trade	2,242,024
Transport , storage & communication	2,532,467
Finance, real estate & business services	4,037,763
Personal services	2,692,369
General government services	2,952,638
Total	17,081,464

Key sectors which play a major role in the economy of Mangaung are manufacturing, electricity, construction, trade, transport, finance, agriculture and community work. Sectors showing a steady growth are transport which contributes 11.8%, finance which makes a contribution of 26.9% and Community services that contributes 35.3% to the economy of Mangaung.

Manufacturing is, however, declining and serves as a matter of concern. Another concern is that the economy of Mangaung is driven largely by the financial and business services sector. There is a need to diversify the region's economy to cater for all the sectors of the population, including small-scale farmers. (Refer to [Figure 6](#) below).

Figure 6. Sectors contributing to MLM economy



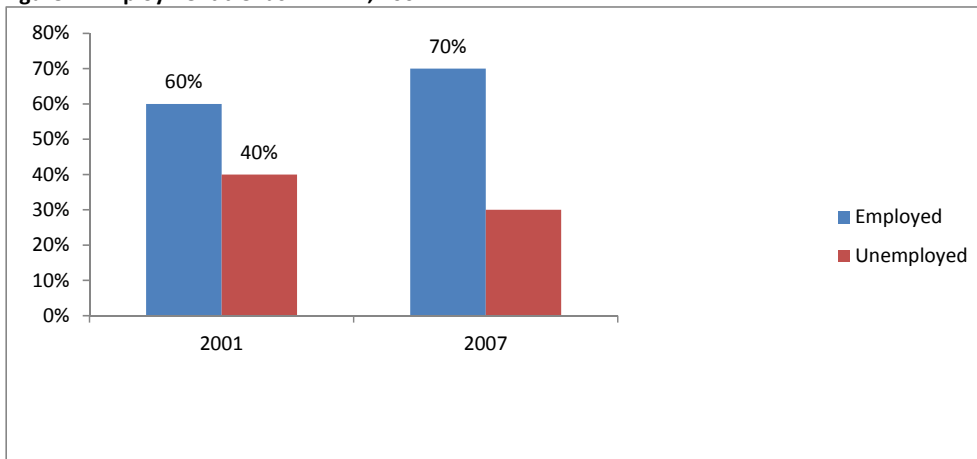
Despite the decline in some sectors, the economy of Mangaung continues to grow, albeit at a low rate of 3% per annum (UFS, 2007). The observed economic growth has resulted in a modest increase in employment, resulting in better living standards for residents. The Community Survey of 2007 (Stats SA, 2007) indicates that there has been a steady increase of 10% in the number of employed people between 2001 and 2007, despite the fact that Mangaung experienced a population growth of 16% in the same period.

As indicated already, Bloemfontein serves as the hub of economic activities in the municipal area, as well as in the province. As the administrative headquarters of the Provincial Government, the city offers a large number of employment opportunities within the community services sector.

EMPLOYMENT

The creation of employment opportunities amongst semi- and unskilled persons remains a challenge. As a result, unemployment figures are still unacceptably high at 30%, as indicated in Figure 7

Figure 7 Employment trends in MLM, 2007



As the national picture for the unemployment situation bears testimony, women and young people are adversely affected by the lack of participation in the economy and the migration of single parents and young children from surrounding towns is likely to add pressure to what is already considered as a dire situation.

INCOME LEVELS

Poverty levels in Mangaung are high with more than 50% of the people earning less than R1000 per month. The nature of inequitable distribution of wealth and services is demonstrated by the fact that those exposed to severe poverty levels are township dwellers.

Botshabelo, Thaba Nchu and Mangaung township residents are the worst affected. In fact, Botshabelo is considered to be one of the most deprived areas in the district and amongst the poorest in the Free State. In addition to facing economic hardships residents of these areas continue to experience inadequate levels of services compared to well-developed suburbs in Bloemfontein.

1.3.3. BASIC SERVICES IN MANGAUNG

HOUSING

The Mangaung Municipality has a huge housing backlog compared with other municipalities in the Free State. As indicated already, more than half of the population in Mangaung reside in the Bloemfontein/Mangaung region. Since Bloemfontein is perceived as an economic hub and due to the expectations by people of finding employment opportunities and bettering their living conditions here, this area is experiencing a high rate of influx from surrounding rural areas. [Table5](#) indicates the types of dwellings that people live in, as recorded during the 2007 community survey.

From the table it is clear that approximately 37 000 households were living in informal dwellings during 2007. An internal investigation by the Municipality during 2010, however, revealed that the current housing backlog stands at approximately 53,820 houses in Mangaung, the bulk of which are residing in the Bloemfontein / Mangaung Township.

Table5 Type of main dwelling for H/holds: MLM	
Type of dwelling	Households
House or brick structure on a separate stand or yard	139 022
Traditional dwelling/hut/structure made of traditional material	6 412
Flat in block of flats	6 323
Town/cluster/semi-detached house (simplex)	4 483
House/flat/room in backyard	7 883
Informal dwelling/shack in backyard	6 215

Informal dwelling/shack NOT in backyard	30 604
Room/flatlet NOT in backyard but on a shared property	1 234
Caravan or tent	227
Private ship/boat	55
Workers' hostel (bed/room)	127
Other	178
Total	202 762

Source: Stats SA - Community Survey 2007

Although the Municipality has done reasonably well to address the burning question of housing, efforts to eradicate the backlog are bearing modest fruits and huge gaps still exist. There are currently approximately 45 informal settlement areas within Mangaung, and the demand for housing far outweighs available resources. Table indicates the number of houses that were provided within Mangaung since the 2006/07 financial year.

Table 6. Number of Housing Units provided in MLM between 2006 and 2010

Financial Year	2006/7	2007/8	2008/9	2009/10
Number of Housing Units	2 850	1 097	3 600	3 904
Total Expenditure (Rm)	121 430 520	69 538 453	226 221 000	245 324 000

Source: MLM, 2006-2010

The table indicates that a total of 11 451 housing units were completed from 2006 to 2010. It needs to be pointed out that the relevant housing units were completed in close co-operation with the Free State Provincial Department of Human Settlements. All administrative functions in respect of subsidies were handled by the Provincial Government whilst the Municipality assumed a facilitation role.

In addition to the above, the following allocations were also made for the same period;

Table 7: Additional allocation provided 2006 - 2010

• Hostel Development (CRU)	200 units
• PHP	216 units
• Extended Discount Benefit Scheme	993 units
• Act 81 tenure conversions	4 089 units

In the last decade MLM has attempted to keep pace with illegal land invasion by either discouraging it or formalizing invaded areas that were able to be included within the urban context. So far the Municipality has upgraded more than 40000 units. [Table 8](#) gives a summary of the settlements that are currently undergoing formalisation.

Table 8. Informal settlements undergoing upgrading

Map No	Informal Area	Development Status		Output No Units	Planning cost	
		Planning	Services		Munic.	USDG
Bloemfontein						
8 & 9	**Caleb Motshabi and Kgotsong	In process	None – Electr of 857 in progress	12094	Financed	
11&12	Grasslands 2 & 3	Completed	Water & sanitation (2000 sites only)	5690		
13	Grasslands 4	No	None	2000		R 1,000,000.00
14	Bloemside 4 and 5	Completed	Water, sanitation & Electricity	3409	Financed	
15	Bloemside 6	Completed	Water and sanitation	3744	Financed	
10	**Bloemside 9 and 10	Completed	Electricity only	4200	Financed	
16	MK Square	In process	Electricity only	490	Financed	
Botshabelo						
18	Botshabelo West Ext. 1	In process	Electricity only	3700	R 1,000,000	
19	Botshabelo West Ext. 2	No	None	2000		R 1,000,000.00
20	Botshabelo F-extension	Completed	Electricity only	1228	Financed	

Thaba Nchu						
21	Selosesha ext 14	Completed	Electricity only	827	Financed	
22	Selosesha ext 15 and 16	Completed	Electricity only	788	Financed	
23	Selosesha ext 17	Completed	Electricity only	427	Financed	
24	Selosesha ext 25	Completed	Electricity only	253	Financed	
25	Selosesha ext 26	Completed	Electricity only	238	Financed	
26	Selosesha ext 27	Completed	Electricity only	377	Financed	
27	Thaba Nchu ext 26	Completed	Electricity only	374	Financed	
	TOTALS			41839	R 1,000,000	R 2,000,000.00

While a large majority of previously informal land parcels have been formalized over the past ten years, more than 95% of formalised areas still do not have basic infrastructure, except electricity. It is estimated that more than 22 200 occupied ervens must still be reticulated with water and sanitation.

In addition to the above, a total of 1 900 informal units scattered throughout the municipal area (not included in the above table), must also still be formalized. In some instances, new land parcels must be sought in order to relocate some families to suitable areas. It was pointed out above that Bloemfontein continues to receive immigrating families from Thaba Nchu and Botshabelo, as well as other surrounding areas in the region and province in large numbers. Therefore, the backlog is proportionally higher in the City than elsewhere in the Municipality.

ELECTRICITY

CENTLEC is responsible for providing electricity in Mangaung. All formalized areas within Mangaung have been provided with electricity and technically there are no shortages.

In order to facilitate the provision of electricity in informal areas, the National Government has set up strategies and guidelines to encourage service providers to electrify unproclaimed /informal settlements by making a contribution towards the cost of connection and treating these connections as part of Government's electrification targets. The initiative to support the electrification of unproclaimed /informal areas was sanctioned by the Minister of Minerals and Energy, as a strategy to eradicate backlog and ensure "Universal Access" by 2012.

For a number of years Centlec's infrastructure network has been perceived to be one of the best in the country. It is now evident by a number of faults occurring on the system that the utility is experiencing problems with its ageing infrastructure due to the lack of investing on network strengthening projects

and its maintenance plans. The utility has now built up a substantial backlog on both capital and maintenance projects.

With the Capital Expenditure budget cuts experienced for the past seven years it has been very difficult for Centlec to clear the backlogs on maintenance and network strengthening projects that maintains a constant, reliable electricity supply to the communities of Mangaung. The lack of investing in the main back bone projects is also a contribution factor to the outages that are being experienced in recent years. It is important to note that Mangaung Metro Municipality will also need a reliable electricity supply for all new developments that are mushrooming around the N8 corridor and the surrounding areas.

WATER AND STORM-WATER

Access to basic services such as water, sanitation, electricity and storm-water is very high. Access to water is at 90% average. However, huge backlogs are still being experienced by many communities.

Table 9 shows the fair (Current) value of the MMM Infrastructure assets. It shows that MMM must annually invest a minimum of R17.8 million, R23.8 million, R72.7 million and R10 million respectively on the upgrading of sanitation, water, roads and storm-water to ensure that these services do not exceed its optimistic remaining useful lives. These funds should be provided from capital funds. The table also indicates the optimistic remaining useful life, the annual replacement cost and the subsequent shortfall.

Table 9 Rehabilitation Backlog

Service	Fair Current Value	Remaining Useful Life (Optimistic)	Annual Replacement Cost	Provided on Annual Capital Budget	Annual Shortfall
Sanitation	R 1 251 395 388	70	R 17 877 077	R6 000 000	R11 877 077
Water	R 1 667 799 340	70	R 23 825 705	R6 000 000	R17 825 705
Roads	R1 819 500 000	25	R72 780 000	R12 000 000	R60 780 000
Storm-water	R702 000 000	70	R10 028 572	R1 500 000	R8 528 572

Table 9 does not demonstrate a long-term analysis of life-cycle for maintenance of ageing infrastructure. This is due to the (still current) absence of a comprehensive Asset Management Plan, but which is in the process of being compiled. The needs in terms of the asset management plan and the services backlogs must be weighed up against each other in an overall infrastructure strategic plan.

The following three tables indicate service levels and backlogs for water, sanitation, roads and storm-water respectively.

Table 10 Water service levels and backlogs

Water	Bloemfontein	Botshabelo	Thaba Nchu	Total
Water Connection	85,980	47,245	20,569	153,794
Connection (No meter)		479		479
No Services	89	2,761		2,850
Water Network Only		89		89
Communal Standpipes	2,996	3	881	3,880
Not Developed	6,955		1,093	8,048
Parks	451	119	47	617
Total Water	96,471	50,696	22,590	169,757
Water Connection Backlog	10,040	2,853	1,974	14,867
Estimated installation unit cost (R)	5,000	5,000	5,000	5,000
Estimated Upgrade Cost (R '000)	50,200	14,265	9,870	74,335
Other stands	4	4	877	885
Total Erven	96,475	50,700	22,374	169,549

Table 11. Sanitation service levels and backlogs

Sanitation	Bloemfontein	Botshabelo	Thaba Nchu	Total
Waterborne	84,453	15,695	6,874	107,022
VIPs	2,819	16,261	13,241	32,321
Pit Latrines	2,913	14,772	503	18,188
Buckets	344	1,131	4	1,479
Not Developed	5,559	2,761	790	9,110
Parks	383	76	85	544
Total sanitation	96,471	50,696	21,497	168,664
Waterborne Backlog	11,635	34,925	14,538	61,098
Estimated installation unit cost (R)	20,000	20,000	20,000	20,000
Estimated Upgrade Cost (R '000)	232,700	698,500	290,760	1,221,960
Other stands	4	4	877	885
Total Erven	96,467	50,692	20,620	167,779

Table 12 Roads and Storm-water backlogs

Existing Developments	No House Units	Length (m)	Unit cost	Total estimated Cost
Mangaung Road backlog	167,779	1186400	R 5,500	R 6,525,200,000
Mangaung Storm-water Backlog		830480	R 2,500	R 2,076,200,000
Informal settlements	No House Units	Length (m)	Unit cost	Total estimated Cost
Bloemfontein	31627			
Roads		790675	R 5,500	R 4,348,712,500
Storm-water		553472.5	R 2,500	R 1,383,681,250
Botshabelo	6928			
Roads		138560	R 5,500	R 762,080,000
Storm-water		110848	R 2,500	R 277,120,000
Thaba Nchu	3284			
Roads		65680	R 5,500	R 361,240,000
Storm-water		52544	R 2,500	R 131,360,000
Future Developments	No House Units	Length (m)	Unit cost	Total estimated Cost

7 Land Parcels	13671			
Roads		273420	R 5,500	R 1,503,810,000
Storm-water		218736	R 2,500	R 546,840,000

Storm-water management remains a big challenge for the Municipality, since continued urbanization interferes with the natural discharge of storm water. The volumes of discharge, as well as peak flows, increase radically in comparison with underdeveloped areas. The objective of storm water management is to limit development in sensitive areas and to provide guidelines for development in order to limit peak flows or to convey storm water in a controlled manner. Precautionary measures are included in the Storm-water Management System, in terms of which the relevant directorate is responsible to identify and prioritize projects, as well as to find solutions for problems via hydrological modelling.

ORGANISATIONAL DEVELOPMENT OVERVIEW

The municipality has attained a total employee related cost as % of total expenditure of 22.58% for the year under review. This is within the acceptable threshold recommended by National Treasury so as not to “crowd out” resources need for providing services and maintaining the service delivery infrastructure.

The municipality has embarked on the process of establishing a fully fledged metropolitan municipality to rise up to challenges wrought by the acquired Metropolitan Municipality status. Council approved the macro structure on 28 June 2011, followed by the approval of the appointments of the heads of Directorates on 29 September 2011.

Furthermore, on the 28th of February 2012 Council approved the organisational structure for the top three layers, i.e. up to General Manager (Sub-directorate) level. Subsequently, the micro structure reflecting all sub-components and concomitant positions was developed and refined and submitted to the City Manager on 23 May 2012. The municipality has implemented a number of skills development programmes targeting municipal employees

CHAPTER 2 - GOVERNANCE

2.1. POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1.1 POLITICAL GOVERNANCE

Municipalities in South Africa are governed by Municipal Councils. Mangaung Council is therefore the governing body of the Mangaung Metropolitan Municipality and the custodian of its powers, duties and functions, both legislative and administrative. Essentially, the Council performs a legislative and executive role. The Constitution of the Republic of South Africa, 1996, Chapter 7, Section 160 (1) defines the role of the Council as being:

- (making) decisions concerning the exercise of all the powers and the performance of all the functions of the municipality;
- (electing) its chairperson;
- (electing) an executive committee and other committees, subject to national legislation;
- (employing) personnel that are necessary for the effective performance of its functions.

Municipal Council comprises the governing and decision making body of the Municipality whilst municipal officials and staff focus on implementation. Council determines the direction for the municipality by setting the course and allocating the necessary resources. Council establishes the policies, and municipal staff ensures that those policies are implemented. Decisions made at Council or committee level are often the result of a lot of research, consultation and advice from staff, residents,

business people, and interested parties. Often there are competing interests and financial constraints that must be considered.

The table 2.1 below outlines the responsibilities, oversight and accountability of each structure in the Municipality.

Table 2.1 The Governance Structure of Mangaung Metropolitan Municipality

Structure	Responsible for	Oversight Over	Accountable to
Council	Approve policies and budget	Executive Mayor, Mayoral Committee and Audit Committee	Community
Executive Mayor	Policies, budget, outcomes, management and oversight over City Manager	City Manager	Council
City Manager	Outputs and implementation	The administration	Executive Mayor
CFO & EMT	Outputs and implementation	Financial management and operational functions	City Manager

The Mangaung Council is constituted by 97 elected public representatives of which 49 are ward representatives and 47 represent their political parties on a proportional basis. The parties in Council are illustrated in the table below.

Table 2.2.: Political parties represented in the Council

Political Parties in Council	Total Seats	Ward Seats	PR Seats
African National Congress	65	38	27
Democratic Alliance	26	11	15
Freedom Front	2	-	2
African People's Convention	1	-	1
African Christian Democratic Party	-	-	-
United Christian Democratic Party	-	-	-
Dikwankwetla Party	-	-	-
Congress of the People	3	-	3

The work of the Council is coordinated by the Executive Mayor who is elected by the Council. The Executive Mayor is at the centre of the system of governance, since executive powers are vested in him to manage the day-to-day affairs of the Municipality. The Executive Mayor has an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Executive Mayor, delegated by the Council, as well as the powers assigned by legislation. The Executive Mayor is also the first citizen of the City and attends to ceremonial duties.

The Executive Mayor is assisted by Councillors in a Mayoral Committee. The Mayoral Committee consists of councillors appointed by the Executive Mayor to serve on the Mayoral Committee. The Executive Mayor together with the Mayoral Committee also oversees the work of the administrative arm. Each member of the Mayoral Committee has a portfolio with specific functions.

Table

2.3. below lists the name and portfolio of each MMC in Mangaung.

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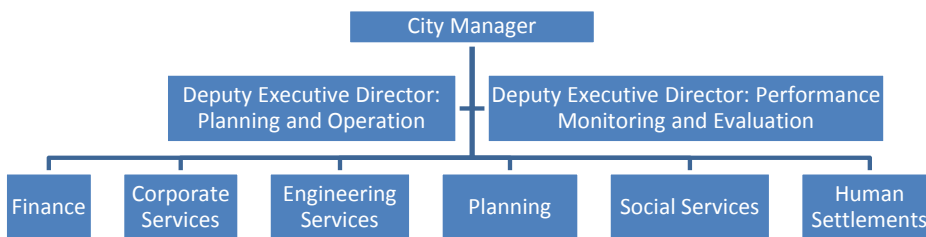
Table 2.3: Members of the Mayoral Committee

Members of the Mayoral Committee	Responsible Councillor
Finance	Councillor N Mokotjo
IDP, Service Delivery and Entities	Councillor M Siyonzana
Human Settlements	Councillor X Pongolo
Rural Development	Councillor M Sechoaro
Economic Development and Tourism	Councillor P Moeng
Urban Development and Planning	Councillor S Monnakgori
Health and Social Development	Councillor M Matsoetlane
Corporate Governance and Services	Councillor E Moilwa
Portfolio: Infrastructure and Services	Councillor L Masoetsa
Transport Security and Emergency	Councillor M Sekakanyo

2.1.2 ADMINISTRATIVE GOVERNANCE

The administration is headed by the City Manager as the chief accounting officer. The day-to-day management of the Municipality is done by staff under the direction of the City Manager and directorate’s heads. The City Manager and Heads of Directorates have broad and general management responsibilities, such as making sure staff is clear on Council’s direction, and identifying gaps in service delivery. Together with Council they must monitor progress on their established goals and priorities.

The administration is made up of the following directorates headed by Executive Management Teams: Finance, Corporate Services, Social Services, Engineering Services, Regional Operations, Planning and Human Settlements. The figure below provides an organogram of Mangaung.



2.2. INTERGOVERNMENTAL RELATIONS

2.2.1. Intergovernmental Relations

The municipality has participated in Intergovernmental Forum at national and provincial level. The municipality participates actively in the Premier Co-ordinating Forum (PCF) and the MECLOGA to raise

challenges facing the municipality with other municipalities, provincial government departments and South African Local Government Association (SALGA) Free State Provincial Chapter.

At national level, the municipality participates in Human Settlement MINMEC which is a platform to provide progress in implementing the Urban Settlement Development Grant (USDG) and tease out the impact and outcome thereof.

The benefit of participating in these structures is highlighting opportunities to be harnessed by the municipality is fostering strategic partnerships with government departments.

The municipality has established a municipal entity Centlec to provide electricity services to its citizen and manage and maintain public lightning on the behalf of the City. The decisions of Centlec, are taken by a duly constituted Board of Directors and through the business plan and Sale of Business agreement the entity account to the City through the Executive Mayor.

2.3. PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.3.1.. PUBLIC MEETINGS

The municipality convened a series of meetings using a ward clustering system from 20 April – 04 May 2011 to involve communities to participate actively in the unfolding planning, monitoring and budgeting processes.

2.3.2. IDP PARTICIPATION AND ALIGNMENT

The Municipal Systems Act (MSA) states that the IDP must include a vision for the long-term development of the municipality and development priorities, which must be aligned with national and/or provincial sectoral plans and planning requirements. In terms of the MSA and Municipal Finance Management Act (MFMA), the Municipality has been reviewing its Integrated Development Plan and the organizational scorecard on an annual basis whilst on the other hand compiling the Service Delivery and Budget Implementation Plans for each year.

Annual reports address the performance of the Municipality against its performance measures as outlined in the service delivery and budget implementation plan. The SDBIP primarily captures annual delivery agenda of the municipality as spelled out in the Integrated Development Plan and the budget. In sync with the deeply entrenched culture of public participation, the setting of the delivery for the period under review was highly participatory. The participation in the IDP as well as the budget

encompassed involvement in the planning for the development and budget allocation including implementation of programmes and projects that require community involvement for them to be sustainable and have the lasting impact.

2.4. CORPORATE GOVERNANCE

2.4.1 RISK MANAGEMENT

The Municipal Finance Management Act (MFMA) places an injunction on the municipality to maintain an effective, efficient and transparent system of risk management. Risk management is a systematic and formalised process instituted by an organisation to identify, assess, manage and monitor risk. The municipality had anticipated the following benefits to be derived from the implementation of risk management in the municipality. These were:

- Informed decisions underpinned by appropriate rigour and analysis;
- More sustainable and reliable delivery of services
- Innovation;
- Reduced waste;
- Prevention of fraud and corruption;
- Better value for money through more efficient use of resources; and
- Better outputs and outcomes through improved project and programme management

The municipality has developed twelve strategic risks that covers all of its operations and these have been rated. These are:

- High poverty and unemployment levels in the City;
- Threatened sustainability and financial viability of the City;
- Lack of integrated built environment;
- Inadequate service delivery;
- Inadequate housing opportunities;
- Ineffective public transport system;
- Climate change and environmental degradation;
- Inadequate social and community services;
- Reputation risk
- Fraud and corruption;
- Inadequate Information Technology and Communication
- Inability to assure good governance

The departmental risk registers have been developed and these will be guiding the municipality in mitigating risk inherent to their operations in the new financial year

2.4.2 ANTI-CORRUPTION AND FRAUD

The municipality has adopted the Anti-Fraud and Corruption Policy that guides its efforts in preventing the occurrence of fraudulent activities.

For the year under review the Anti-Fraud and Corruption Unit has conducted about seventeen investigations (4 investigations finalised; 6 at the disciplinary hearing level and 7 still under investigation)to deal with alleged fraudulent or corrupt activities.

The municipality has established an Audit Committee that is periodically reviewing and advising on internal controls of the municipality. The Audit Committee is administratively supported by the Internal Audit Unit. The Internal Audit Unit has completed the following assignment during the 2011/2012 financial year.

Table2.4: Internal Audit

Indicator	2011/12 Delivery Agenda	Annual Target	Actual Annual Achievement
Number of adhoc assignments completed			The municipality has concluded three ad hoc assignments
Number of audits completed as per the audit plan			Ten audit reports were issued
Number of Audit Committee meetings held	5	4	

2.4.3. POLICIES AND BY-LAWS

The legal services unit existed effectively for the last six months of the financial year in question.

Therefore there was no SDBIP for the legal services on by-laws.

However, during its sitting on the 11th of August 2011, the new Council of the Mangaung Metropolitan Municipality adopted the policies and by-laws of the former Mangaung Local Municipality and Motheo District Municipality.

In terms the Council resolution, 44 policies and 31 by-laws were adopted as the policies and by-laws of the new Mangaung Metropolitan Municipality.

During its sitting again in September 2011 and February 2012, the Council noted the following draft by-laws respectively: Removal of Unlawful Occupiers of Land and Solid Waste, and Commonages & Municipal Land and Impoundment of Animals.

2.4.4. WEBSITES

Website Information Published and Internet Website Traffic Statistics

The following is a list of documents published and made available to the public:

- The annual and adjustments budgets and all budget-related documents;
- All budget related policies
- The Annual Report
- All Performance Agreements required in terms of section 57 (1) (b) of the Municipal Systems Act
- All Service Delivery Agreements
- All Municipal Tenders
- All Weekly Quotations of the Municipality
- All quarterly reports tabled in the council in terms of section 52 (d)
- All Vacancies of the Municipality
- Information about Tourism and Places of interest in Mangaung
- Contact Information for all Directorates and Sub-Directorates
- The Integrated Development Plan (IDP)
- The Service Delivery and Budget Implementation Plan (SDBIP)
- Spatial Development Framework (SDF)
- Council Resolutions

WEB STATISTICS

www.mangaung.co.za

Time Period: 2011/07/01 - 2012/07/01

Hits	
Total Hits	7706546
Average Hits per Day	20998.763
Average Hits per Visitor	12.035
Total Reloads	944960
Average Reloads per Day	2574.823
Average Reloads per Visitor	1.476
Cached Requests	8651506
Visitors	
Total Visitors	640333
Average Visitors per Day	1744.777

Average Time Spent (min:sec)	6:06
Total Unique IPs	190072
Resource Accessed	
Total Page Views	1301760
Average Page Views per Day	3547.030
Average Page Views per Visitor	2.033
Total File Downloads	1311209
Average File Downloads per Day	3572.777
Average File Downloads per Visitor	2.048
Total Images	4085899
Average Images per Day	11133.240
Average Images per Visitor	6.381
Total Other Resources	1613669
Average Other Resources per Day	4396.918
Average Other Resources per Visitor	2.520

2.4.5.. PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The municipality has administered a customer satisfaction survey in partnership with the STATSSA, however, for the year under review, the survey report was not developed as yet.

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

3.1.WASTE WATER AND SANITATION PROVISION

3.1.1. Basic Water and Sanitation

IDP Objective	KPI	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reasons for Variance and Corrective Action
Households provided with water connections	% Households provided with water connections	93.02%	94.23%	95.19%	0.96%	Target Exceeded
	No. Households provided with water connections	156 231	158 263 2 032 Households	159 875 3 645 Households	1 612	
Households provided with sewer connections	% Households provided with sewer connections	74.18%	76.09%	76.06%	-0.03%	Scope of work reduced to cover sewer mains in section F, Botshabelo.
	No. Households provided with sewer connections	124 588	127 796 3 208 Households	127 746 3 158 Households	-50	

3.1.2 Bulk Water and Sanitation

(W0903) NORTH-EASTERN WWTWS & COLLECTORS

Project W0903A: North-Eastern Waste Water Treatment Works

This project is for the construction of a 15MI/day Waste Water Treatment Works and a 1,8 km x Ø600 - 800mm outfall sewer. The new WWTW is intended to be constructed on Municipal ground just north of the Bloemspruit Air force Base.

The EIA is currently in process and the project is practically committed because the main sewers towards the works are already in construction. It will



also assist to relieve the pressure on the current Bloemspruit WWTWs that is excessively overloaded.

- Environmental Authorisation and Waste License approved 8 November 2011
- Estimated Completion period: 24 Months

EXTENSION TO EASTERN WWTWS AND COLLECTORS

Project W0904: North Eastern Collectors (Bloemspruit to Racecourse):

This project forms part of the MLM internal water and sanitation bulk project and more specifically the N8 corridor development. It is for the construction of the 5,5km x Ø350-550mm Bloemspruit WWTW Outfall to the Race Course site towards the new NE WWTW.

Certain modifications need to be made to the Bloemspruit WWTW to divert the excess flow to the works by means of a new main sewer to the new North-Eastern WWTW.

This new main sewer will also provide for new development east of Bloemfontein but south of the Bloemspruit WWTW that cannot be developed currently because of a lack of bulk sewerage services. The consultants are Messrs Aurecon and Phethogo and progress with this project is as follows:

- Official EIA process (basic assessment) was submitted for approval and was finalised mid- August 2010.
- ROD received 28 Feb 2011.
- Revised completion date 31 July 2012.

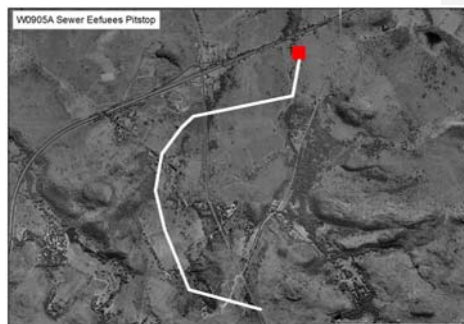
EXTENSION TO NORTHERN WWTWS (W0905A & B) AURECON(LEAD)/PHETHOGO

Project W0905A (Aurecon): Extension to Northern Collectors (Eeufees to Pitstop):

This project is for the construction of a 3,5km x Ø160-355mm gravity main sewer line from Eeufees Ave to Pitstop. It will assist to drain the new developments to the north of the city to the Northern WWTWs. It also includes the upgrading of a part of the *main sewer through the Botanical Gardens* (Ø 350mm x 570m).

The project is currently under construction and is practically completed.

- Contractor also assisted with the outstanding work in Thaba Nchu (Seroalo) – contractor was on site on 17 May 2011
- Programme:
- Construction started (Mapitsi Civil Works): 25 Jan 2012



- Practical Completion achieved end Jan 2012

Project W0905B (Phethogo): Extension to Northern Collectors (Pump Station and Pipeline):

This project is for the construction of sewer pump station and a 3,7km x Ø250-315mm pump line from Pitstop to Northern WWTWs. This will take the sewer outflow described under W0905A further to the existing Northern WWTWs. The project is currently under construction and is practically committed.



- Programme:
- Lohan JV proceeded with construction: mid July 2011
- Contract Practical Completion achieved end of June 2012

EXTENSION TO STERKWATER WASTEWATER TREATMENT WORKS (W0907) AURECON/BIGEN

Project W0907A: Extension to Sterkwater WWTWs Phase 1 (10Ml):

This project is for the extension of the current Sterkwater WWTWs that is currently running at its full capacity. The project is currently in construction phase. The contractor is making very good progress.

- Construction started: 09 September 2011
- Construction to be completed: 10 December 2012



GRASSLAND&BLOEMSPRUIT SEWER MAINS CONNECTIONS (W0913) AURECON

This project is for the construction of a 3,2km x Ø600-700mm gravity main sewer line from the Race Course site just south of the N8 main road to the gate of the Bloemspruit Air Force Base. The project is currently under construction and is practically committed.

This sewer main will drain new development south of the N8 and north of Bloemspruit. This main outfall sewer drains towards the new NE-WWTW. The outfall sewer from the Noordhoek pump station (currently pumping to Bloemspruit WWTW) as well as the Estoire area will connect to this line as well. The consultants are Messrs Aurecon Consulting and progress is as follows:

- Contractor Lohan Civil & High Point JV appointed 31 Aug 2011
- Completion: 30 March 2012

ESTOIRE RACE COURSE SEWER MAINS CONNECTION (W0906) AURECON

Project W0906: Estoire Race Course Sewer Mains (A/Pretorius St to Race Course):

This project is for the construction of a 7km x Ø200-450mm gravity main sewer line from Andries Pretorius St to the Race Course site just south of the N8 main road. It will intercept part of the northern sewer outflow that is currently draining to the overloaded Bloemfontein WWTWs and take it to the new NE WWTWs. It will also enable the decommissioning of a sewer pump station with the subsequent saving in operation and maintenance costs. The project is currently under construction and is practically committed. The consultants are Aurecon.

- Construction started (Q Civils): 25 January 2011
- Construction to be completed: 15 December 2011

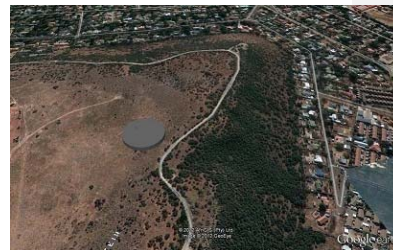


BULK WATER SUPPLY TO MANGAUNG (W0911A, B, C, D&E) BIGEN/ WORLEYPARSONS RSA

Internal Bulk Water Supply Systems are inadequate to assist in the demand as a result of continuous expansion of internal networks without investing in the internal bulk systems. Several reservoirs and main supply lines need to be built to relieve the pressure on the existing systems.

Project W0911A: Bulk Water Supply to Mangaung (35 MI Reservoir):

The North Eastern development area has the largest need for additional storage capacity due to continuous development. This project is for the construction of a 35MI Reservoir on Naval Hill. This is the first phase of a planned 70 MI additional reservoir capacity for Bloemfontein to provide emergency storage capacity for the eastern developments and also to provide a sufficient static head in order to supply the proposed secondary storage reservoirs and will be the main supply reservoir to the N8 corridor development. The project is phased due to budget constraints and will be addressed



under the 2011/14 Capital Budget.

- Contractor appointed:19 March 2012
- Construction started:23 April 2012
- Construction to be completed: November 2013

PROJECT W0911B: BULK WATER SUPPLY TO MANGAUNG (45 ML LONGRIDGE RESERVOIR):

This project is for the construction of a 45ML Reservoir at Longridge to improve the reservoir capacity in the southern side of Bloemfontein. The project is currently under tender evaluation and is practically committed.

- Contractor appointed:11 October 2011
- Construction started:27 October 2011
- Construction to be completed:27 August 2013

PROJECT W0911C: BULK WATER SUPPLY TO MANGAUNG (LONGRIDGE PIPE LINE):

This project is for the construction of a 8,3km x maximum Ø700mm water supply line from the new Longridge Reservoir described under W0911B to the southern side of Bloemfontein. The project is in the tender advertising stage and is practically committed because it is one of the projects approved under the MIG programme.

- Design and Documentation completed and tender to be advertised in the 2012/13 financial year.

PROJECT W0911D: BULK WATER SUPPLY TO MANGAUNG (NE BULK SUPPLY):

This project is for the construction of a 4,0km x Ø800mm lines DB, CE and GFH respectively on the diagram below. Point E will connect to the existing 300mm pipeline from the Freedom Square reservoir. The project is essential for the provision of water to the Naval Hill reservoir. For future developments lines CJK, EF and HI will have to be installed.

The project is in its design phase due to budget constraints that is addressed under the 2011/14 Capital Budget. Bulk Water Supply to Estoire, N8 Corridor, Eeufees Road, Andries Pretorius and Mangaung; Bulk Supply Pipelines of approximately 15,4km will be constructed to feed the reservoir and to supply the reticulation mains in sizes from 500mm to 800mm diameter.



Contractor to be appointed: January 2013

Construction to start: February 2013
Construction to be completed: November 2013

PROJECT W0911E: BULK WATER SUPPLY TO MANGAUNG (MASELSPOORT):

This project is for the upgrading of the Maselspoort pumping main and pump station in order to supply water to the new Naval Hill reservoir. This is the first phase of the supply and delivery pipelines for the planned 2x35ML reservoirs. The section of pipeline that is affected by the railway line due to lack of cathodic protection will be re-routed (1700m x 800mm Dia). The 800 rising main to the new reservoir and the 800mm supply main to the network will also be constructed. The pumps in Maselspoort will also be upgraded to be able to supply the new reservoir with water.

- Contractor appointed: 19 March 2012
- Construction started: 16 April 2012
- Construction to be completed: December 2012

BULK WATER MAINS (BOTSHABELO AND THABA NCHU) W1106 AURECON(LEAD)/GIBB/PHETHOGO/VIP)

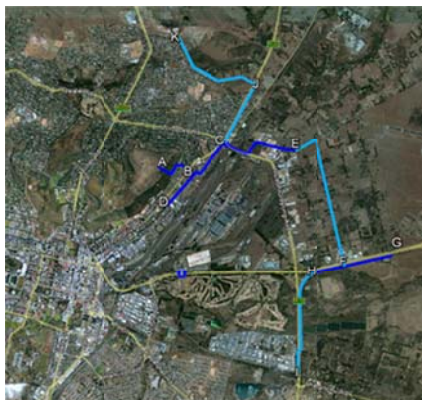
The project consists of planning, design and implementation stages. The planning and modelling of the overall bulk water network will be undertaken in parallel with the design and implementation of existing identified projects. The following three known problem areas were identified and will be prioritised:

- ❖ Investigate and implement solutions for the low pressure problems experienced in the high lying areas in Extension F of Botshabelo.
- ❖ Investigate and implement solutions for the summer peak problems experienced in the Bultfontein Area of Thaba Nchu
- ❖ Review and implement the storage capacity shortfall for all areas in Botshabelo and Thaba Nchu.

It is envisaged that the planning and implementation of the project will be undertaken in parallel. The existing identified projects will be prioritised and implemented while at the same time the bulk modelling and preliminary design will be completed.

PROJECT: BULK WATER METER MANHOLES

- ❖ Programme:
 - Technical reports: February 2012
 - Preliminary design: March 2012
 - Detail design: April 2012



PROJECT: BULTFONTEIN PRESSURE TOWER AND SUPPLY LINE

❖ Programme:

- Construction start: May 2012
- Construction complete: August 2013 (will work in phases)

Project: Botshabelo 8 MI Reservoir, supply line and Access Road

❖ Programme:

- Technical reports: February 2012
- Preliminary design: June 2012
- Detail design: September 2012
- Construction start: July 2013
- Construction complete: March 2014

3.2 SOLID WASTE MANAGEMENT

The Solid Waste Management Divisions of the four different Regional Offices in the Directorate: Regional Operations are responsible for the rendering of a weekly curbside domestic waste removal service to the community.

The annual target for the collection of domestic refuse is that 95% of the domestic refuse is collected on the scheduled day of the week. The actual performance against this target was as follows:

Table 3.1. Refuse removal services

IDP Objective	KPI	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reasons for Variance and Corrective action
Basic service delivery: To ensure service excellence within and around Mangaung Metropolitan Municipality	Removal of household refuse timeously	87%	95%	88.41%	6.59	Ensure availability of compaction vehicles through capital replacement plan and contracting in services

As can be seen from the information presented in the Table above the Directorate failed to meet its annual target with **6.59%**. The main reason for the failure to reach the target of 95% can directly be attributed to the low level of availability of compaction vehicles.

Many of the compaction vehicles are old and need to be replaced as they are unreliable and quite costly to maintain.

When one compares the Annual Actual Achievement of the 2011/12 financial year (i.e. **88, 41%**) with the Annual Actual Achievement of the 2010/11 financial year (i.e. **87%**) you will notice that there was a small improvement in the Annual Actual Achievement of **1, 41%**. This small improvement can be attributed to the fact that the Directorate now has a number of SMME's that assist with the collection of domestic refuse when we are experiencing mechanical problems with our compaction vehicle fleet.

This unfortunately also means that if the Directorate did not have these SMME's to fall back on, the Annual Actual Achievement would have been much less than the previous year's performance.

A solution with the availability of the compaction vehicle fleet will have to be found in order to enable the Solid Waste Management function to achieve its annual performance target.

3.3 HUMAN SETTLEMENT

Human Settlement Overview

The objectives and strategies of the housing sector have been aligned with those contained in the Sustainable Human Settlements Strategy and Breaking New Ground delivery agenda of the national and provincial departments.

The priority programme of the municipality therefore focuses on reducing housing backlog and the delivery of housing opportunities with access to subsidized affordable social and rental housing. These housing opportunities are provided in localities where there is adequate access to social and economic opportunities to promote sustainable human settlements.

Even though the competency to provide houses resides with the provincial government at this stage, the Municipality has worked extremely hard to facilitate the provision of sustainable, integrated human settlements in line with the IDP. About 134 development based disputes were processed from different residential areas, paving the way for housing opportunities with different tenure options for the residents of Mangaung. In the same year the City was assessed for its readiness to perform the human settlement function as an accredited municipality and to embark on a roadmap to full accreditation.

Table 3.2.: Human Settlements Indicator for MMM

IDP Objective	KPI	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Reduce housing backlog and promote sustainable human settlements	Number of households with access to subsidized low-cost quality accommodation with secure tenure	2400	3 500	The target has been reached in the year under review. 752 additional subsidy applications have been completed, captured and submitted to the Province.	N/A	
Reduce housing backlog and promote	Number of households with access to subsidized	264	264	237 applications have been placed on the waiting list for social/ rental	27	The unit are been refurbished

sustainable human	affordable social/rental housing			housing units.		and new ones constructed. Effective marketing of BrandWag Social Housing Projects
Reduce housing backlog and promote sustainable human settlement	Preparation of Mangaung Metro Municipality (MMM) for Accreditation Level 2	Level 2 Business Plan Finalised	Level 2 Business Plan finalized	MMM Business Plan has been finalized and the Municipality was assessed by CCAP on the 24 July 2012	N/A	

IDP Objective	KPI	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Avail land for socio-economic development and promote sustainable human settlements	Acquisition of properties for Human Settlement development <i>(Bloemspruit Phase 1A)</i>		20 small holdings	Five (5) land parcels were acquired through negotiated settlements (transfer pending) and eleven (11) land parcels were acquired through expropriation process due to impasse in reaching negotiated settlements bringing the total of acquired land parcels to sixteen (16) measuring a total of 74,1577 Ha	4 land parcels	This project was discontinued and the funds were transferred to Grassland Phase 4 (Khayelitsha) Project per Council Resolution. The money was then used to acquire 16 Smallholdings in Grassland
Avail land for socio-economic development and promote sustainable human settlements	Acquisition of properties for Human Settlement development <i>(Bloemside Phase 7)</i>		4 small holdings	The first two(2) land parcels were acquired through negotiated settlements (transfer pending) and the other two(2) through expropriation process due to impasse in reaching negotiated settlements bringing the total of land parcels acquired to four (4) measuring a total of 15.8 hectares in extent	N/A	
Create new erven to promote sustainable human settlements	Township establishment various residential areas	8 township registered	Township establishment various residential areas	Five (5) Townships registered	N/A	

IDP Objective	KPI	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Resolution of conflicts arising in the housing development process	Resolution of conflicts arising in the housing development process	100	100	52 conflicts arising in the housing development process have been resolved. 82 disputes being process at the end of the financial year and at different stages of finalization. <i>In total 134 conflicts have</i> been resolved	N/A	

3.4. ELECTRICITY SERVICES

For the year under, Centlec (SOC) Ltd has continued to discharge its primary mandate of providing electricity services to households. The key highlights of the achievements of Centlec (SOC) Ltd are as follows:

- Electricity connections have been extended to 1968 ervens;
- An infrastructure development master plan has been developed;
- Reliability of electricity network is improving;
- Substations have been maintained;
- South Free State (SFS) towns are assisted with capital expenditure;
- Erected 24 High mast lights;
- Conducted an outreach programme on safety and economical usage of electricity;
- Safety gap audit conducted by NOSA;
- Invested in ICT infrastructure and succeeded in implementing financial and HR systems;
- Attended to and maintained 12 244 street lights;
- Trained a total of 236 candidates in scheduled accredited training;
- Commenced with the implementation of a number of projects to upgrade distribution centres e.g (***establish 132/11kV Clover Distribution, establish 132/11kV Vista Park Distribution***) ;
- Approved 1743 building plans

For the year under review CENTLEC (SOC) has embarked on a number of initiatives to enhance its operation and thus progressively provide effective and efficient services:

Fitted remote meter reading meters to 950 bulk consumers to improve meter reading accuracy and billing;

Transferred to TOU tariff of all the MV & LV Bulk consumers has been completed;

Implemented two pilot schemes where Automated Meter Infrastructure (AMI) for smaller businesses as well as domestic households to roll out Time of Use tariff to more customers.

A board of Directors has been established to monitor the organisations' execution of its mandates.

A tabular of Centlec (SOC) performance is provided below (***It is important to note that for the year under review the municipal entity Centlec (SOC) did not develop a Board approved business plan and hence the Auditor General did not audit performance information for the year under review***)

The following table gives an indication of the work completed during the financial year in review.

Section	Key Objectives	Key Performance Deliverables, Standards and Indicators	Actual Performance	Reasons for Deviation	Budget Spent (Where applicable)
1. Design & Development	1.1 To improve the reliability of the Network	a) Develop, finalise and implement an infrastructure development and maintenance plan.	Electrical infrastructure development master plan has been developed		Not applicable
		b) Develop Botshabelo Master plan and establish 132/11kV Block F distribution centre	20%	The project is multiyear and shall be implemented in the 12/13 financial year	R 750 077.90
		c) Number of high mast lights installed in informal settlements	26		R 4 700 000.00
		d) Establish 132/11kV Clover Distribution centre	35%	The project is multiyear and will be completed in 2012-2013 financial year	R19 057 492.04
		e) Establish 132/11kV Vista Park Distribution centre	30%	The project is multiyear and shall be completed in 2012/13 financial year	R18 605 376.06
		f) Upgrade 132/11kV Shannon A Distribution Centre	60%	The project is multiyear and shall be completed in 2012/13 financial year	R 5 860 445.75
		g) Upgrade 132/11kV Meriting Distribution Centre	55%	The project is multiyear and will be completed in 2012/13 financial year	R 7 546 541.02
		h) Number of new households (RDP,SHACKS) provided with electricity connections (Mangaung)	1968		R14 586 046.31

Section	Key Objectives	Key Performance Deliverables, Standards and Indicators	Actual Performance	Reasons for Deviation	Budget Spent (Where applicable)
		i) Develop design capacity	60% of internal design capacity has been achieved	Technicians' vacancies that need to be filled and Training on Microstation V8i software required.	
		j) Building plan approvals	1743 per year	Performance standard was not set at start of year under review	Not applicable
		k) Wayleaves for Telkom	130 per year	Performance standard was not set at start of year under review	Not applicable
		l) Wayleaves for construction companies	166 per year	Performance standard was not set at start of year under review	Not applicable
		m) Project drawings for Construction	60 per year	Performance standard was not set at start of year under review	Not applicable
		n) All other drawings	48 per year	Performance standard was not set at start of year under review	Not applicable
		o) SDR projects drawings	12 per year	Performance standard was not set at start of year under review	Not applicable
		p) MV, LV, Streetlights Enquiries and printouts	480 per year	Performance standard was not set at start of year under review	Not applicable

Section	Key Objectives	Key Performance Deliverables, Standards and Indicators	Actual Performance	Reasons for Deviation	Budget Spent (Where applicable)
		q) Implement Digsilent (Network Monitoring)	Software is in place for HV and MV; Implemented 90% of low voltage network to be redesigned using the new software	The project is on track, training of engineers and technicians to be fast tracked.	R 650 000.00
		r) Spend at least 90% Expenditure on Capital Budget.	95%		R136 839 514
		s) Regain Eskom customers in CENTLEC's area of supply.	No progress.	CENTLEC must obtain MMM Council resolution	
2. Substation Maintenance	2.1 To Strengthen the strategic operational capacity of Centlec and the reliability of the network	a) Routine inspections 11kV substation	615	Inspector personnel was appointed during the middle of the year	Not applicable
		b) Routine inspection distribution centres	244	Inspector personnel was appointed during the middle of the year	Not applicable
		c) Routine services 11kV substations	70	The appointed service provider were unable to proceed due to unforeseen circumstances	Not applicable
		d) Routine services 11kV oil circuit breakers	132		R 2,100 000.00
		e) Routine services 33kV links	35	Lack of resources - budget, fleet and service provider appointment	

Section	Key Objectives	Key Performance Deliverables, Standards and Indicators	Actual Performance	Reasons for Deviation	Budget Spent (Where applicable)
		f) Routine services 132kV links	22	Lack of resources - budget, fleet and service provider appointment	
		g) Routine services 33kV circuit breakers	31	Lack of resources - budget, fleet and service provider appointment	
		h) Routine services 132kV circuit breakers	2	Lack of resources - budget, fleet and service provider appointment	
		i) De-weeding of distribution centres	50		
	2.2 Routine services to Distribution Transformers	a) Short term (inspection, silica gel replaced)	438		
		b) Medium term (annual gas analysis)	0	Lack of resources - budget, fleet and service provider appointment	
		c) Long term (leaks/faults repaired, TC serviced)	28		
	2.3 Routine services of tripping units	a) 110V battery units	470		
		b) 32V battery units	828		
		c) 32V capacitor tripping units	493		

Section	Key Objectives	Key Performance Deliverables, Standards and Indicators	Actual Performance	Reasons for Deviation	Budget Spent (Where applicable)
3. Infrastructural Support Services	3.1 To Strengthen the Strategic Operational Capacity of Centlec and the reliability of the network	a) Routine inspection for 11kV overhead lines and underground networks(km)	399	Lack of resources - budget, fleet and service provider appointment	
		b) Routine inspection for 33 and 132kV overhead lines and underground networks (km)	158	Lack of resources - budget, fleet and service provider appointment	
		c) Refurbishment of 11kV overhead and underground networks (km)	0	No budget allocated	
		d) Refurbishment of 33 and 132kV overhead and underground networks (km)	0	No budget allocated	
		e) Remedial work on the 11kV overhead networks (km)	168	Lack of resources - budget, fleet and service provider appointment	R 1 524 184.48
		f) Remedial work on the 33 and 132kV overhead networks (km)	50	Lack of resources - budget, fleet and service provider appointment (thermograph)	R 1 016 122.98
		g) Pruning of trees in urban and peri-urban areas(km)	20	Lack of resources - budget, fleet and service provider appointment	
4. Network Services	4.1 Routine Maintenances of Overhead Network	a) Routine Maintenance: Overhead Network (km)	0	Lack of resources viz. fleet, appointments of trade workers and electrician	

Section	Key Objectives	Key Performance Deliverables, Standards and Indicators	Actual Performance	Reasons for Deviation	Budget Spent (Where applicable)
		b) Routine inspection: Cable underground(number of distribution boxes)	0	Lack of resources viz. fleet, appointments of trade workers and electrician	
		c) Decrepit low voltage O/H lines	0	No budget allocation	
		d) Brittle O/H Connections	300	Lack of resources viz. fleet, appointments of trade workers and electrician	R106,007,45
		e) Routine inspection: Cable underground (number of distribution boxes)	0	Lack of resources viz. fleet, appointments of trade workers and electrician	
	4.2 Streetlight Maintenance	a) Routine Maintenance : Streetlights	12244	Lack of resources viz. fleet, appointments of trade workers and electrician	R 3 548 130.99
		b) Routine Maintenance of Decorative figures	500		R 887 032.75
		c) Routine Maintenance : Overhead Network	0	Lack of resources viz. fleet, appointments of trade workers and electrician	
		d) Routine inspection: Cable underground (number of distribution boxes)	0	Lack of resources viz. fleet, appointments of trade workers and electrician	

Section	Key Objectives	Key Performance Deliverables, Standards and Indicators	Actual Performance	Reasons for Deviation	Budget Spent (Where applicable)
5. Botshabelo	5.1 Maintenance of MV Network	a) Routine inspection and maintenance on 33kV lines and 11kV lines (km)	825		R 1 172 368.73
		b) Inspect, maintained and replaced TFR	32		R 32 036.93
	5.2 LV Network	a) Routine maintenance of LV lines (km)	536		R 639 473.85
6. Southern Free State Municipalities	6.1 Electrification	a) Number of new households (RDP,SHACKS) provided with electricity connections (Kopanong Local Munic - Fauresmith Fray ext 2)	71		R586,542.19
		b) Number of new households (RDP,SHACKS) provided with electricity connections (Kopanong Local Munic - Edenburg)	32		R276,853.87
		c) Number of new households (RDP,SHACKS) provided with electricity connections (Mantsopa Local Munic - Platberg Phase 1)	56	Slow pace of occupation	R504,000.00

Despite the mentioned achievements , the following challenges persisted:

Ineffective servicing of 4 400 business consumers due to inadequate human resources (***technicians, electricians/trade workers***) ;

Electricity line losses estimated at 11.1%;

Tampering of electricity; and

Implementation of electrification projects – soil conditions, sites disputes, theft of conductors during LV network construction, removal of pegs (beacons).

3.5. FREE BASIC SERVICES AND INDIGENT SUPPORT

Consistent with the government prescripts of providing a basket of Free Basic Services, the municipality has compiled an indigent register. For the year under review, the municipality has provided the following baskets of Free Basic Services to 38 000 registered indigents:

- 10 kilolitres of Free Basic Water;
- 5kwh of Free Basic Electricity;
- Free Basic Sanitation (inclusive of refuse removal services); and
- Property rates exceptions

3.6 ROADS AND STORM-WATER DRAINAGE

The main challenge with the regard to Roads and Storm-water is the eradication of backlogs and specifically the shortage of funding to provide a much better service than just ordinary basic service. The provision of basic services only (gravel roads) places an enormous burden on the operational and maintenance budget due to the high cost to maintain these roads. Gravel roads are also not acceptable to the communities due to these maintenance problems.

The existing grants and budget only allow for the tarring of major and minor collectors and those graveled residential streets, the pace of achieving this objective is, however, extremely slow. The main focus for backlogs is on major and minor collector roads and streets. If the residential streets are also targeted to be tarred, the shortfall in funding is approximately R1, 5 Billion per year for roads which is a total of 12 Billion over the next 8 years.

Table 3.3.- Roads and Storm-water

IDP Objective	Indicator	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Kilometre length of streets to be tarred to eliminate backlog	Length (km) of streets to be tarred measured at different levels of construction progress	60%	21.5 Km 100% R102,480,047	4km of Roads and 3km of Storm-water were completed at the end the year. Only the Operation Hlasela projects were completed.	17.5 km	Slow progress on the other projects was due to late appointment of contractors, which was done only in April and May 2012.

Below is the pictorial representation of some of the completed projects:



M Section: Bot Rd 675 –
3.8 Regional Operations



L Section: Bot Rd 551 –
Project completed



W Section: Project completed

The municipality had established regional operations directorate following an extensive decentralization exercise to determine what services would best be delivered to communities at regional levels. Services that were provided through regional operations were refuse removal services, maintenance of service delivery infrastructure, parks, housing and Local Economic development services. Importantly, the unit was also tasked with the responsibility of ensuring the maintenance of office blocks where service delivery efforts were co-ordinated.

Table 3.4. Summary of Performance

IDP Objective	Indicator	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Infrastructure Development and Service Delivery	Restoration of Office accommodation and building of the Cheetah Den		100% Subject to finalization of the lease agreement	0%	100%	Council only approved the process to be followed for the review of the lease agreement on the 19th June 2012. The office accommodation and Cheetah Den are dependent on the conclusion of the lease agreement.
Infrastructure Development and Service Delivery	Upgrading of Botshabelo Regional Office		25% Subject to inclusion of Regional Operations in the future macro structure	0%	100%	Funds were diverted to other projects
Infrastructure Development and Service Delivery	Additional New offices at Padkamp for Bloemfontein South		25% Subject to inclusion of Regional Operations in the future macro structure	0%	100%	Funds were diverted to the upgrading of Hamilton Cemetery

IDP Objective	KPI	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Infrastructure Development and Service Delivery	Additional New Office Block McKenzie Bloemfontein North		25% Subject to inclusion of Regional Operations in the future macro structure	0%	100%	Funds were diverted to the upgrading of Hamilton Cemetery
Infrastructure Development and Service Delivery	Upgrading of Hostel 1		25% Subject to inclusion of Regional Operations in the future macro structure	0%	100% Contractor only appointed in June	Effective contract management
Municipal Transformation and Organisational Development	Purchase two way radios		100% Subject to inclusion of Regional Operations in the future macro structure	40 radios purchased	60%	R113,240.29 was spent on purchase of 40 two way radios, the balance was diverted to other projects

3.7 PLANNING AND DEVELOPMENT OVERVIEW

Planning is a future oriented activity and is a means of preparing for actions with the aim of creating sustainable human settlements that meets the current needs of communities, but also protects the interests of future generations. Economic Development and Planning directorates is responsible to create harmonious municipal environments that will simultaneously generate economic growth, address urban and rural poverty and reduce ecological footprint of the municipality.

Appreciation of the importance of planning and development in the Mangaung Metropolitan Municipality as a powerful tool to combat urban and rural poverty, social inequality and negative environmental change has been increasing over the year under review. New legislation in development planning put more emphasis on social, environmental and economic sustainability which influence the shape of municipalities.

The role of the directorate has become more and more crucial due to urbanization and allied problems in addressing the daunting challenges of inequalities, increasing exclusion, poverty, mushrooming of informal settlements and insufficient investment in basic municipal services. The directorate seeks to address these social and economic inequalities to ensure a better future for the most vulnerable and secured future for all citizens.

In addressing those challenges the strategy of the directorate as outlined in the IDP include township establishment, formalization and upgrading of informal settlements, city regeneration and the management of urban and rural localities.

The 2011/12 Economic Development and Planning sector performance against planned delivery agenda is as follows:

Table 3.5 SUMMARY OF PERFORMANCE

IDP Objective	KPI	Past Year Performance	Annual Target	Actual Performance	Variance	Reason for Variance and Corrective action
Create new erven to promote sustainable human settlement	Township Establishment various residential areas (Caleb Motshabi)	Submission of township establishment applications	Submission of township establishment application	7594 Erven created Approved by townships board	General Plans have been submitted to the SG for approval	Continuous engagement with Surveyor General on progress made
Create new erven to promote sustainable human settlement	F Infill areas (MK Square / Bloemside 4	Submission of township establishment applications	Submission of township establishment applications	MK Square -478 erven Bloemside 4 - 91 erven Approved by townships board	General Plans have been submitted to the SG for approval	Continuous engagement with Surveyor General on progress made
Create new erven to promote sustainable human settlement	Township establishment Vista Park Phase 3	1500 erven established	Submission of township establishment applications	Not achieved	100%	The project is being implemented as part of the City's seven land parcels
Mangaung Aerial Photography	Finalise the project	-	Completion of the project	100%	None	None

IDP Objective	KPI	Past Year Performance	Annual Target	Actual Performance	Variance	Reason for Variance and Corrective action
Integrated Public Transport Network Planning	Finalise IRPTN	-	Procurement of consultants. Complete 20% of project	0%	100%	The scope of the work was extended
Inter-modal transport facility	Finalise Inter-modal transport facility	90% completion	100% completion	98 %	2%	Standoff between the municipality and taxi industry Modification project is currently underway and will be completed in September 2012

3.8 COMMUNITY AND SOCIAL SERVICES OVERVIEW

The Social Services directorate is one of the biggest directorates within the Mungaung Metropolitan Municipality. The ever changing socio-economic situations and especially in the rural areas in the municipality has posed enormous challenges for the directorate to be able to mobilise sufficient resources for it to operate effectively and efficiently. Additionally, affording rural residents access to community and social services is a challenge even in the best of times. Whilst the municipality appreciates that the costs per capita associated with service delivery tend to be higher in the rural areas because of their lower population density, this is also formidable in the urban area of the municipality. And with the decline in the municipal revenues the challenge will continue and be greater.

The directorate focuses primarily (although not exclusively) on the following key objectives:

- Attractive, clean, green and healthy environment that will serve as the basis for sustainable economic development and enhance the quality of life for present and future generations;
- Optimal public health for all the inhabitants.
- Reducing HIV infection amongst antenatal women and minimize the impact of HIV/AIDS on individuals, families and communities;
- Safe and secure environment for all its employees and citizens;
- Reducing crime levels at the top ten hot spots in the municipal area to the average of that particular area;
- Enhance order to voluntary compliance with road traffic rules in the road network;
- Ensure that disasters are avoided or their impact minimized;
- Ensure that appropriate corrective or supportive fire, rescue and emergency related services are provided.

The above objectives constitute the mandate for the directorate to better meet the community and social service needs of the residents of the municipality despite the colossal challenges pummeling the socio-economic situation in the municipality.

Holistically, the Social Services directorate promotes resilient and inclusive communities by supporting the people of Mangaung to improve their quality of life. The directorate provides a broad range of services that include environmental management, emergency management, health, parks and cemeteries, security, social development and traffic law enforcement.

The progress made by the Social Services directorate is accounted in terms of implementing performance measures covered in the municipal IDP and the SDBIP for the year under review. It is worth noting that some of the performance measures and programmes cut across other service delivery units of the municipality. The progress made also records the challenges experienced during the implementation period and how to improve on them.

SUMMARY OF PERFORMANCE

Zoo, Kwaggafontein and Parks

The zoo is committed to conservation for generations to come and provides an educational and recreational opportunity for all with a dignified and esthetical pleasing environment for the animals.

The four main functions of the zoo relates to conservation, education, recreation and research.

Highlights

- The Education Officer visited 14 schools during the past year, as part of the Conservation Outreach Programme. Over 7 500 learners were addressed during these visits, who would otherwise not have had the opportunity to learn about Conservation issues;
- The Education Officer was also involved in arranging special days in the Zoo for visitors, and these included Arbour Day (05 Sept), Family Day (24 Sept) and Environmental Day (5 June). Schools were invited from all over the Free State province as well as Lesotho, and there were partnerships formed with Food & Trees for Africa, Coca Cola, NBI, DEA&T and the Friends of the Zoo, in order to make a success of the days. The Zoo also participated in the Science Week held at the NBI (Botanical Gardens) from 13 – 17 June;
- During the annual Bloemshow, held from 26 April till 05 May, the exhibit of the Zoo and the Friends of the Zoo won a gold medal, and first prize.

Table3.6: Community Outreach

IDP Objective	KPI	Past year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Evolve institutional Excellence thoroughgoing institutional re-engineering, effective leadership and effective long range development planning	Conduct Conservation education/out-reach programmes	-	20	17	3	

During the past financial year, the Zoo was visited by 72 474 visitors. Group visits numbered 42 332, which is 58 % of the total. These figures are down from the previous financial year (2010/2011) when the zoo was visited by 76 915 visitors.

Natural Resource Management

The highlight of Natural Resource Management was the eradication of the Alien Plants at Botshabelo grazing land. The more common species was the prickly pear which if not attended it can destroy the grazing lands. The area of 100 hectares of land was cleaned of the alien plants by using contractor to service the area. The total amount of R120 000 was used to pay the services of the contractors.

Table 3.7: Clearing of invading plants indicator

IDP Objective	KPI	Past year Performance	Annual Target	Actual annual Achievement	Variance	Reason for Variance and Corrective action
Evolve institutional Excellence thoroughgoing institutional re-engineering, effective leadership and effective long range development planning	Eradicate of alien vegetation	75 hectares	100 hectares	100 hectares		

Parks

The objective of the Parks Unit is to have an attractive, clean, green and healthy environment in Mangaung that will serve as the basis for sustainable economic development and enhance the quality of life for present and future.

431 Trees were planted during this period and 13 184 trees were pruned during this period. The sub-directorate played a beautification role during the hosting of the ANC Centenary Celebrations in January 2012. All the city entrances and protocol routes were beautified with available operation funding to ensure the success of the event.

The Parks Division was part of the annual Rose Festival and a mass rose decoration was built in the Loch Logan Waterfront. As part of the Rose Festival, a garden competition was hosted where residents of Mangaung was invited to partake into.

The Old Hamilton Cemetery which is situated in Erhlichpark was revamped and upgraded in Collaboration with the Regional Operations Directorate as part of the ANC Centenary Celebrations which took place in January 2012.

Table 3.8: Clean and greening services indicators

IDP Objective	KPI	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Evolve institutional Excellence thoroughgoing institutional re-engineering, effective leadership and effective long range development planning	Plant trees in Mangaung Area	300	400	400		
	Prune Trees in Mangaung area	12 000?	12 000	13 184		

Comment [P1]: Variance and reasons not included

3.9. CEMETERIES AND CREMATORIA

SERVICE GOAL

The primary objective of the cemeteries division is to provide graves and crematoria services to the residents of Mangaung in accordance with their cultural requirements, The service unit aims to provide sustainable, innovative and affordable service informed by national guidelines and policies as well as by-laws of **MMM** and any other applicable legislation .

There are a total of eighteen (18) cemeteries under the control of the Municipality. The cemeteries are distributed as follows:

- Bloemfontein – a total of twelve (12) cemeteries of which three (3) are currently still being used for burials while nine (9) cemeteries are fully utilized;
- Botshabelo – a total of three (3) cemeteries of which one is currently still being utilized; one is full and the third is a new facility not yet entirely ready for use; and
- Thaba Nchu – a total of three (3) cemeteries of which one is currently still being utilized, the second utilized to full capacity and the third which is a new facility not yet in use but indeed ready for use.

The Crematorium situated in Bloemfontein is operated by a service provider.

During the period under review 7,838 burials took place in **MMM** cemeteries and during the same period 1,224 cremations were performed.

CAPITAL PROJECTS IN 2011 / 2012

- Construction of streets and storm water drainage in the South Park and Phahameng cemeteries to the value of R 6,887,662
- Construction of roads in the new cemetery in Thaba Nchu and rehabilitation of roads in the existing cemetery in Botshabelo amounting to R 4,604,515

3.10 ENVIRONMENTAL AND SOLID WASTE MANAGEMENT

Mangaung strives very hard to maintain a clean environment. Services of SMMEs have been procured for them to provide cleaning services across the streets of the three CBDs. In addition, waste is collected daily from the doorsteps of the residents. Last year, 87% solid waste was collected on time. Community participation is paramount in this regard. Public awareness and cleaning campaigns are organized on a regular basis in order to promote cleanliness. A total of 148 and 71 awareness and cleaning campaigns, respectively were undertaken last year.

Table 3.9: Environmental and Solid Waste Management Services Indicators

IDP Objective	KPI	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Basic service delivery: To ensure service excellence within and around Mangaung Metropolitan Municipality	Removal of Household refuse timeously	95%	95% of household refuse removed	87%	8%	Ensure availability of compaction vehicles through capital replacement plan and contracting in services
All landfill sites upgraded to comply with legislation	2	2	2	2	2	2
Basic Service Delivery: To ensure service excellence within and around Mangaung Metropolitan Municipality,	Number of clean up campaigns undertaken	-	10 clean up campaigns undertaken	21		

IDP Objective	KPI	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Basic Service Delivery: To ensure service excellence within and around Marga Metropolitan Municipality,	Number of sewer disruptions or failures per 1000 erven per month	-	8.54	8.23		
Basic Service Delivery: To ensure service excellence within and around Marga Metropolitan Municipality,	Number of water disruptions or failures per 1000 erven per month	-	6.8	12.21		
Basic Service Delivery: To ensure service excellence within and around Marga Metropolitan Municipality,	Number of Roads and storm water disruptions or failures per month	-	96	407		
Evolve institutional Excellence thoroughgoing institutional re-engineering, effective leadership and effective long range development planning	Conduct awareness campaigns around waste management	135	120	148		
Evolve institutional Excellence thoroughgoing institutional re-engineering, effective leadership and effective long range development planning	Number of cleaning and environmental awareness campaigns undertaken	-	20 awareness and education sessions	22		
Evolve institutional Excellence thoroughgoing institutional re-engineering, effective leadership and effective long range development planning	Organise cleanest taxi rank competition	-	1	1		

IDP Objective	KPI	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Evolve institutional Excellence thoroughgoing institutional re-engineering, effective leadership and effective long range development planning	Conduct environmental education sessions	65	100	63	37	Limited staff
	Organise a Cleanest school competition	1	1	1		
Evolve institutional Excellence thoroughgoing institutional re-engineering, effective leadership and effective long range development planning	Public clean-up campaigns supported	71 Clean up campaigns	60	71		
Evolve institutional Excellence through a thoroughgoing institutional re-engineering, effective leadership and effective long range development planning	Erect boards warning regarding illegal dumping	10	20	22		
	Revision of State of the Environment Report for Managaung Metropolitan Report	Was not included in 2010/11 SDBIP report	State of the environment report	Draft terms of Reference	100%	Insufficient funds
	Monitoring environmental risks in high risk premises	95 High risk premises inspections conducted	70 High risk premises (noxious trades) monitored	80 High risk premises (noxious trades) monitored		
	Air Quality Control	All non compliance of Sulphur Dioxide emmissions identified and handled within 2 days of onset	All non compliance of Sulphur Dioxide emmissions identified & within 2 days	No of Incidences identified and handled within 2 days of onset		

IDP Objective	KPI	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
	Attended to environmental pollution complaints received within 24hrs	9/10 complaints attended to within 24 hrs	All 714 Complaints attend to within 24 hrs	All 238 complaints were attended to within 24 hrs		
	Environmental Management pollution control	All 153 complaints were handled within 48hrs	All related environmental management complaints handled within 48hrs	All 11 cases handled within 48hrs		

Comment [P2]: No variance and reasons

3.11. HEALTH AND WELL-BEING

Mangaung takes the wellness of its residents seriously. Various initiatives have been undertaken to promote health and well-being. In relation to health and well-being, the objective this year has been to empower community with knowledge about HIV and AIDS. This programmed has registered high level of success. Twice the number of people targeted visited Voluntary Counseling and Testing Centres - 2587 (1200). Again more than twice the number of condoms was distributed in the past financial year - 2.6m.

The Environmental Health Services Division rendered municipal health services in order to ensure consumer protection (re: water and food safety), prevention of environmental pollution and surveillance of communicable diseases. The Division's contribution against the HIV/AIDS pandemic is to improve the quality status of foodstuffs and ensuring that drinking water supplied conform to national standards. Our drinking water compliance rate is 99.46% which is well above the National compliance standard of 97%.

MMM operates an ambient air quality monitoring network in Bloemfontein which consists of three ambient air quality monitoring stations situated in Rocklands, Pelonomi and Bayswater. Monitoring the ambient air is to ensure that the community is not exposed to high levels of pollutants which can compromise their health status.

Table3.10 : Health and Well-being Indicators

IDP Objective	KPI	Past year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Evolve institutional Excellence through a thoroughgoing institutional re-engineering, effective leadership and effective long range development planning	Surveillance of premises	All Building plans received to be scrutinized within 3 days	All Building plans received to be scrutinized within 3 days	1726 building plans were all scrutinised with 3 days of receipt		
	Management of energy and noise nuisance	All 8 noise complaints handled	9/10 noise complaints handled	All 33 noise complaints handled		
	Provide practical training to health professions associated students	6 students trained	10 students reduced	12 students trained		
	Samples taken per month in accordance with the Foodstuffs, Cosmetics and Disinfectants Act 54 1972	756 food samples taken	1000 food samples reduced	721 food samples taken	279 Human resources constraints	Filling of critical vacancies
	Conduct Food premise inspections	15 083 food premise inspected	16 000 food premise inspection	15 619 food premise inspections conducted	381 Human resources constraints	Filling of critical vacancies
	Conduct inspection of drinking water	1340 drinking water samples taken	1800 drinking water samples taken	1489 drinking water samples taken	311 Human resources constraints	Filling of critical vacancies
	Conduct inspection of recreational water	35 recreational water sample taken	60 recreational water samples taken	60 samples taken		

IDP Objective	KPI	Past year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Service excellence within and around Mangaung Metro	Surveillance of communicable diseases	All 3 cases attended within 48 hrs	All cases attended within 48 hrs	All 9 cases attended within 48 hrs		
	Provide Health education	10 groups reached	40 groups reached	30 groups reached	10	This service is rendered on demand basis
	Provide health education on farms	20 farms reached	20 farms reduced	40 farms reached		
	Ensure disposal of the dead(burial of Unidentified persons	All burials performed within 2 weeks	All burials performed within 2 weeks	All 83 burials performed within 2 weeks		
	Survey of Buffer zone camps (controlled commonages and open spaces) to control diseases bearing vectors.	12 camps surveyed	14 camps surveyed	17 camps surveyed.		
	Disinfestations and vector control actions conducted within 48 hours	All requests handled within 48 hrs	All requests handled within 48 hrs	All 119 requests were handled within 48 hrs		
	zoönotic diseases control	–	No cases reported	1 case was reported and investigated		
Evolve institutional Excellence through a thoroughgoing institutional re-engineering, effective leadership and effective long range development planning	Conduct training on HIV/AIDS	13 HIV/AIDS and counselling courses conducted	12Courses conducted	15 courses conducted		
	Intensify education and awareness HIV/AIDS	3 Seminars held	4 Seminars per annum to be held	6 Seminars held		

IDP Objective	KPI	Past year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
	Preventing the spread of HIV	1 520 706 condoms distributed	1 600 000 condoms distributed	2 937 960 condoms distributed		
	Encourage the community to know their status	1 789 community Tested	1 200 members of community tested	928 members of community tested	272	This a voluntary matter depending individuals
	Conducted Counseling and Testing outreach programmes	34 sessions held in rural area	26 sessions held in rural areas	53 sessions held in rural areas		

Concerns around HIV/AIDS are not unfounded. **MMM** is faced with a serious challenge of the HIV/AIDS epidemic. The rate of high HIV/AIDS prevalence is worryingly high. In 2007, 31% of expectant mothers tested HIV-positive. It goes without saying that if this pandemic is not adequately addressed, a huge sum of resources would be expended on dealing with direct socio-economic impact thereof rather than addressing issues of services delivery and growing the economy. It for these reasons that MMM has paid a special attention on the pandemic – especially on the issue of awareness raising and promoting access to those already infected with the disease

3.12 SAFETY AND TRAFFIC LAW ENFORCEMENT

The mission of traffic and law enforcement is to make sure that Mangaung is a globally secure and safe environment to live in, invest in and do business in. The core functions of both traffic and law enforcement is to enforce by-laws, secure the city and municipal property, provide traffic control and law enforcement functions, ensure voluntary compliance to applicable laws i.e. National Road Traffic Act 93 of 1996, control on-street parking, escort (VIP's, abnormal loads, funerals) etc. and crime prevention.

The traffic and law enforcement managed to install 141 CCTV cameras to monitor crime levels at the identified hotspots. Amongst the 141, 2 are installed in Thaba Nchu and 8 Botshabelo and 131 in Bloemfontein that is excluding 18 cameras in the Bram Fischer Building.

Table 3.11: Crime prevention and traffic indicators

IDP Objective	KPI	Past year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Evolve institutional Excellence through a thoroughgoing institutional re-engineering, effective leadership and effective long range development planning	Reduction in the number of crime related cases on municipal premise	9 campaigns conducted	16 awareness campaigns	67 awareness campaigns conducted		
	Embarked on operations on identified crime hotspots	2 eliminated	16 hotspots targeted(1 per region per quarter)	None: Ongoing visible patrols		
	Enforcing by-laws	1232 summonses issued	800 summonses issued	514 summonses issued	296	Variance is due to compliance that causes the reduction Effective implementation of by-laws
	Reduction in the number of road accidents in high risk areas by increasing by law enforcement activities and other measures	594 accidents attend to	440 Road accidents reduced	855 Road accidents attended to		
	Traffic cases successfully enforced to finality and payment received	4 342 traffic fines paid	5 000 traffic fines paid	4 273 traffic fines paid	727	Limited staff – summon servers and these will be appointed in the new financial year
	Implementation of a traffic contravention system and speed and robot violation cameras	–	50 000	Not achieved	100%	The system is not yet fully operational. No summonses have been sent to offenders due to the development of the forms and no speed and robot cameras are purchased.

Future Strategic Considerations

- The establishment of a municipal police service will facilitate vigorous crime prevention initiatives in the Mangaung area, the strong traffic law enforcement and will assist with the execution of municipal by-laws.
- Establishment of a municipal court will ensure that all council's by-laws will be dealt with in one single court with dedicated staff to ensure all cases are attended to timeously and in a professional manner.
- Introduction of the Marshall parking meter system will ensure that revenue collection for on-street parking increase and all motorists will have parking space to conduct their businesses.
- A fully operational / functional traffic contravention system will ensure that all traffic offenders are brought to book and that they pay their traffic fines which will result in an increase of revenue collection and create environment of law abiding citizens.
- Expansion and extension of the CCTV cameras will ensure a more rapid response and progressive law enforcement when incidents of crime happens and resulting in a decline of criminal activities.
- Integrated command and control centre will ensure a one stop quality service is rendered to the community

Emergency Management Services

The aims of the Emergency Services Unit are:

- To ensure that disasters are avoided or their impact minimized in the Mangaung area: and
- To limit the number of fire deaths in domestic and/or residential premises resulting from accidental fires.

Compared to 2010/11 very little rain fell in MMM during 2011/12. Few incidents of localized flooding were therefore experienced during the relatively dry rain season.

The abnormal rainfall experienced during 2010/11 resulted in an extremely lengthy and severe grass fire season, with the added challenge that on numerous occasions' vehicles became stuck while fighting the more than 800 grass fires that had to be extinguished.

During the period under review 28 (17 during 2010/11) persons lost their lives in 21 (12 during 2010/11) residential fires. Fires in informal shelters claimed the most lives, while 5 incidents claimed multiple lives. 2 Persons lost their lives in a fire in a retirement complex and 1 person in a fire in a hospital.

By far the biggest highlight for the Emergency Services Unit was the opening of the Botshabelo Fire Station in December 2011. After several previous failed attempts a 24 hours / 7 days per week / 365 days per year fire and rescue service are now available to the community of Botshabelo. The opening of the Botshabelo Fire Station has the added advantage that assistance to the Selosesha Fire Station in the event of a major incident is now much quicker as was previously the case when support had to be provided from Bloemfontein.

The Sub – Directorate played a major role during the hosting of the ANC Centenary Celebrations in January 2012. The fact that four venues (Free State Stadium, Athletics Stadium, Cricket Stadium and the Rose Garden) located in close proximity to each were utilized simultaneously coupled to the fact that at two of the stadiums (cricket and athletics) the playing fields were also used to accommodate attendees, posed a major challenge from an emergency evacuation perspective. Special measures like temporary ramps and additional exit gates were required based on the application of international best practices in order to address the concerns of all safety and security role players.

5 staff members successfully completed the fire technology training program at the Central University of Technology (CUT) thus obtaining their National Diploma. Amongst this group of successful students was also the first lady to acquire this qualification at the CUT.

Table 3.12: Emergency Services Indicators

IDP Objective	KPI	Past year Performance	Annual Target	Actual Annual Achievement
Evolve institutional Excellence through a thoroughgoing institutional re-engineering, effective leadership and effective long range development planning	Attendance of Joint operations Center at public events at <ul style="list-style-type: none"> All stadia in MMM All venues(capacity more than 2000 persons) 	90%	90%	100%
	Conduct Post incident assessment	7 out of 10	7 out of 10	9.6 out of 10 post incidents done within 24 hours
	Initiate compilation of Contingency plans	-	10	18
	Effective and efficient dispatching of emergency resources to fire and rescue calls	8 out of 10	8 out of 10	89%
	Customer satisfaction with services rendered by control centre	90%	9 out of 10	100%
	Delivery of operational fire and rescue services in the entire MMM area complying to SANS 10090	Compliance in respect of 7.8 out of 10	7.5 out of 10	85%
	Delivery of proactive fire safety service to MMM through regular inspections and scrutiny of building plan	137	90	145
	Number of inspections at Moderate Risk Premises	264	250	247
	inspect Low Risk Premises	1998	1800	2267

IDP Objective	KPI	Past year Performance	Annual Target	Actual Annual Achievement
	Scrutinize building plans for compliance with statutory fire safety measures within 5 working days	8 out of 10	8 out of 10	100%
Evolve institutional Excellence through a thoroughgoing institutional re-engineering, effective leadership and effective long range development planning	Issued fire safety compliance certificates	126	7 out of 10	98.6%
	Educating key target groups such as health care workers, learners at school and vulnerable members of the community in the fire safety and disaster management	8	6	8
	Train Health Care Facility staff members in fire safety and evacuation procedures	270	250	475
	Organise public outreach events aimed at creating public awareness i.r.o. Fire Safety and Disaster Management attended	7	6	16
	Provide formal fire training persons from the industrial and commercial community	189	200	280
	Enhance and maintain skills of fire and rescue staff	1	1	1
	Present "Aerial appliance operator" courses	2	1	2
	Develop and document operating procedure(SOP's) for safe operational use of equipment	10	10	10
	Present IFSAC "Hazmat Operations" courses	2	1	1
	Present "Fire Instructor 1" courses	-	1	1
	Present "Rescue Awareness" courses	1	1	1

Information relating to the achievements depicted above that may be of interest is as follows:

- 80 major public events were managed to ensure the safety and security of attendees;
- A total of 75 post incident assessments were conducted by the Disaster Management Unit;
- The Emergency Control Centre dealt with 2 060 calls relating to fire, rescue and humanitarian services;
- 135 callers were polled to determine the level of satisfaction with the service rendered by the Emergency Control Centre;
- The Fire and Rescue Service responded to a total of 1 325 calls;
- 350 building plans were scrutinized to ensure that the building work will comply to fire safety standards;
- 153 inspections relating to fire safety compliance as required by the Occupational Health and Safety Act were conducted; and
- 50 staff members from the Fire and Rescue Service underwent training to ensure skills development/maintenance.

3.13 STRATEGIC PROJECTS AND SERVICE REGULATION OVERVIEW

During the period under review, the creation of the Strategic Projects and Service Delivery Regulation new directorate was approved by Council on the 28th of February 2012, thus limited time was available to complete performance scorecard for the purposes of reporting adequately as part of the annual report compilation. Notwithstanding this, the current Head of the directorate was involved in the implementation of the following deliverables during the review period:

- Management of regional operations between July 2011 and Oct 2011.
- Coordination of Mangaung's preparations for the Centenary event during January 2012, between Sept 2011 and February 2012.
- Coordination of the compilation of the BEPP 2012 and assistance with the capital budget spending report, between Mar 2012 and Jun 2012

The progress will cover input on the Centenary work done during the review period, as the other two areas would be addressed in the reports submitted by the Head Engineering Services and the Chief Finance Officer.

Hosting Centenary Event

Following months of preparation by the ANC, the time to kick-off the centennial celebrations took place from the 6th of January 2012. The celebrations peaked on the 8th of January 2012 with the highest attendance record of 110 000 people present. The guest list included Heads of State from various countries, past presidents, government officials, businesses, media and members of the ANC and its alliance partners.

The visitors of the ANC were in high spirits when they filled the Free State Stadium and the overflow areas during the party's historic centenary celebrations held in Bloemfontein on the 8th of January 2012. The design capacity of the Free State stadium was exceeded by 22% as everyone wanted to be at the

main venue. An air of excitement enveloped the city of roses during the event area last weekend when the ANC celebrated its 100th year of existence in spectacular. The hospitality industry, in particular accommodation and those selling food and beverages, benefitted immensely from the event celebrations.

The Venue team completed all the venue preparations, well in time for each event hosted. Mangaung Metro spent about R360k on the internal venue infrastructure (e.g. Water connection, Electricity, Storm water management, Waste disposal and Extension of Gates at some of the venues).

The infrastructure such as roads, transport, water supply and electricity supply performed within the expected standards. Stakeholders such as Bloemwater played their part in ensuring delivery of services such as uninterrupted water supply. A total of 8 x 10 000 ltrs tankers were provided. The tankers were refilled twice, implying that a total of 160 kl of water was consumed during the Event. The team developed an Emergency Response Plan for Water Disruptions, which can be used in the future to deal with water disruptions that are of a serious nature.

Centlec and Eskom executed their responsibility without any problems as there was no disruption in the power supply to the city before, during or after the event. They also volunteered to avail 2 x Diesel Generators to provide emergency back-up power.

MMM compiled a detailed transport and traffic management operational plan, which was adopted by the SAPS Provincial Joint. The plan was strongly based upon 2010 FIFA World Cup™ experience.

The refined 2012 transport and traffic management operational plan was based on the key venues that include, airports, intermodal transport facility, Free State Stadium precinct, Waaihoek precinct, Vista University, hotels, park and rides, park and walks and tourist attraction places.

The plan included road closures and lane reservations around venues which were very successfully implemented and well coordinated between ANC Security, MMM Traffic, MMM Transport and SAPS.

The Park & Walk facilities were provided (Grey College School and Fountein Street Parkade) with a total capacity of ± 2000 vehicles;

The MMM Traffic enforcement deployment was supplemented by the officers from the provincial traffic department.

Mangaung Metro completed the maintenance of the repair of the non-functioning CCTV camera security system and installed additional cameras to improve the city and SAPS crime prevention and incident management methods.

A full priority planning committee was established, under the SAPS leadership. Initially the weekly Prov Joint provided leadership in the compilation of operational plans. Subsequently the daily Prov Jocom and Prov Joc were activated to operationalise the plans developed. A responsibility matrix was also compiled for role clarification. The Provincial Joint debrief meeting held on the 19th of January 2012 concluded that the event was a great success without any incident, however the following concerns were noted:

- Poor performance by the Marshalls
 - Presence of Marshalls at deployed areas
 - Capacity of the Marshalls
 - Knowledge of the venues
 - Unruly conduct of Marshalls (e.g. marching in Botshabelo and at Accreditation centre, etc)
- Logistical challenges relating to Marshalls
 - Late deployment
 - Accommodation
 - Transport
 - Catering
 - Accreditation
- Stampede situation at Gate 8 and 5 due to early arrival of members
- Late finish by service providers, affecting starting time for lock-down
- Accreditation process

All Department of Health officials were very visible patrolling with quads and golf carts in the vehicle free zone. The team that led the plan and execution maintained high levels of service delivery despite the challenges. Total deployment of Health officials including EMS was 436 officials; different medical posts were services by these officials.

More than 283 patients were treated on site for minor injuries and illnesses and only 21 had to be transported to hospitals because of medication they needed to be administered. All cases reported were mostly medical reasons such as high blood pressure; diabetic, epilepsy, etc.

Those cases reported as trauma related were all minor injuries which resulted by the minor stampede at gates (ankle sore, etc).

All medical venues and field hospital site for mass casualty were allocated as per plan and agreement.

Only one person lost his life on 7 January 2012 because of medical reasons, all other incidents were well managed without any challenges from medical skills shortage. The Mangaung Metro Traffic Officer, Ms. Nana Thoabala, was hit by a private motor vehicle whilst carrying out patrolling duties near N8/M10 during centenary celebrations.

The high accommodation demand resulted in the local accommodation owners and agencies inflating prices by as high as five times.

Due to lack of non-available hotels and guesthouses by December 2011, the accommodation task team resorted to assessing the list of available houses for the implementation of the home-based stay programme.

The coverage by the provincial print media for centenary celebrations was good throughout the built-up and during the main event. The Volksblad dedicated an eight page newspaper called Centenary News - which was a weekly publication, printed for free in English before the main celebration for three weeks. We received good coverage on our preparations for the celebration and also reporting on the history of the ANC.

The event in Mangaung was covered well on SABC radios (*Motsweding, Lesedi, and SAFM* to name a few). The rest of other media houses also reported positively.

The main negative story covered related to accommodation, Firstly it was the poor management of the Heads of State accommodation. Secondly it was the inability of the tourism and hospitality industry to cope with the requests for accommodation from more than 100 000 delegates.

It has been estimated that the value of the accommodation booked was in the region of R1 billion rands due to highly favourable demand which allowed excessive price inflation.

The Centenary celebrations were hosted successfully in Mangaung. The city leadership executed its responsibilities to ensure that all infrastructure is ready. It is however acknowledged that certain challenges relating to Event Accreditation process, VIP guest management, and Event Security were encountered.

It is also worth mentioning that the local stakeholder such as provincial government, SAPS, Venue users, and Waterfront owner were exemplary and should be praised for their commitment and contributing towards the successful event hosted.

Information Communication Technology (ICT)

The municipality uses ICT as an instrument to enhance its operations for effective service delivery.

IDP Objective	KPI	Past year performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Ensuring Service Excellence within the Mangaung Metro	Effective Administrative & institutional systems, structures and procedures including Human resources, financial policies, by laws and communication systems established and implemented	11 servers visualised	36 servers to be visualised	9 servers visualized	27	Insufficient funding
		Proof of concept	All buildings connected	53 municipal buildings connected		
		Integrated regional systems into central systems	Integrated digital PABX system	200 IP phones procured, programming is on-going		Multiphase project to be completed in the next two years
			File server installed	30TB NAS procured		Insufficient funding

IDP Objective	KPI	Past year performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
		11 policies endorsed by Council	Approved ICT Strategy	ICT strategy not developed		Slow response from stakeholders
		-	Working Automated procurement systems	No working automated procurement system	100%	Insufficient funding

3.14. EXECUTIVE AND COUNCIL

The Committee Services Unit of the municipality provide an indispensable committee and logistical support services to Council, its Committees, the Mayoral Committee and Section 80 committees that are legislated institutional arrangements to be presided over by elected leadership to provide and an effective and robust oversight. Instruments that are being used are the IDP, PMS and budgeting processes to ensure that the developmental priorities and service delivery needs of communities are addressed and communities are meaningfully engaged in the mentioned planning, monitoring and budgeting processes.

IDP objective	KPI	Past year performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Evolve institutional Excellence through thoroughgoing institutional engineering, effective leadership and effective long range development planning	Develop a City-Development Strategy Develop and implement a long term strategy		50% of the CDS achieved	Not achieved	50% implementation of CDS	Will be implemented in 2012/2013 financial year
	Ensure that IDP is implemented and projects not funded external funding is sourced for them	IDP reviewed	Approved IDP	IDP approved by Council	External funding sourced	A dedicated unit to be established to leverage additional sources and conduct programme management for the City
	Performance Management Systems aligned to the IDP is developed and implemented	88% compliance	Approved performance agreements	Performance agreement concluded and signed during the August and September months Incoming HODs have taken over the performance agreement of their predecessors on 01 December 2011		

IDP objective	KPI	Past year performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
	<p>Procedures for community participation processes as set out in legislation adhered to in terms of planning, budgeting, implementation, monitoring and reporting</p> <p>Optimal functioning of ward committees and support where applicable</p>	-	12 meetings per ward	156 community and area meetings		
Institutional Excellence through a thoroughgoing institutional re-engineering, effective leadership and effective long range development planning	<p>Ensure CBP is implemented</p> <p>Functioning of ward committees and support where applicable</p>		Ward plans	Few ward plans have been established	100%	Capacitating of ward committees in CBP and development of ward plans
	<p>Procedures for community participation processes as set out in legislation adhered to in terms of planning, budgeting, implementation, monitoring and reporting</p>	-	<p>10% of citizens participate in Municipal planning processes</p> <p>Establishment of the forum</p>	<p>More that 10% of communities were involved in the planning and budgeting processes of the municipalities</p> <p>A ward cluster based approach was used in involving communities</p> <p>A stakeholder forum has been established with Home Affairs</p>		

IDP objective	KPI	Past year performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
	Effective administrative and institutional systems, structures and procedures including human resources, financial policies, by-laws and communication systems established and implemented	Compliance achieved	10 meetings	14 Council meetings held 18 MAYCO meetings held 23 Section 80 Committees meetings held 11 Section 79 Committees meetings held 21 EMT Meetings meetings held 20 Bid Adjudication Committee meetings held 29 Bid Evaluation Committee meetings held		
Institutional Excellence through a thoroughgoing institutional re-engineering, effective leadership and effective long range development planning	Create a conducive environment for interface and also deepen participation Capacitated, efficient and skilled staff for the Mangaung Municipality	Provide translation of council documents and articles Providing interpreting services at Council meetings Achieved language implementation plan	12 policies translated to Sesotho	9 policies translated to Sesotho	3	<i>The project commenced later in the financial year</i>

IDP objective	KPI	Past year performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
	To ensure that there is effective and efficient functionality of institutional committees like sec 79 & 80 committees, LLF, Audit Committee Implementation of the bid adjudication committee resolutions Written and electronic reminders issued	-	90% of council decisions implemented	90% of council decisions implemented 100% Execution letters issued on all Bid Adjudication resolutions Electronic notices issued for all scheduled meetings		
	Effective Administrative & institutional systems, structures, procedures and communication systems established and implemented		Migration from the current manual system to electronic systems	100% of all documents received at archives scanned and stored electronically. Five modules created electronically		
Ensuring Service Excellence within the Mangaung Metro			90% delivered on time	Municipal accounts dispatched to the post office two days before the end of the month		
Ensuring Service Excellence within the Mangaung Metro	Regular communication with stakeholders	All monthly reports received Compliance met	Foundation phase: Development of system	An effective call centre is in operations Monthly reports are developed on service delivery complaints lodged and referred to appropriate directorate		
	Provision of basic municipal services to the satisfaction of residences	Survey started	Survey report	Collected survey information through STATSSA trained enumerators Information collected and data capturing has been concluded	100% Survey report	Process data and write survey report
	Regular communication with stakeholders	Intranet/ Internet	Information portal established	Information has been created to be used onto information portals	100% Information portal	Insufficient funds

IDP objective	KPI	Past year performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
	Awareness and communications	Consolidated information	Completed guidebooks and service standards		100%	Insufficient funds
	Effective Administrative & institutional systems, structures, procedures and communication systems established and implemented	-	Working automated procurement system	Not achieved	Automated procurement system	Insufficient funds
Compilation of integrated development plan	Development of 5 year IDP	Compilation of IDP	Development of 5 year IDP	Reviewed IDP		
SDBIP streamlined and linked to performance management and plans	Development of annual report	Annual report compiled	Development of annual report 2010/2011	Annual report developed Annual report approved by Council based on the developed oversight report on the said annual report by OPAC		

The municipality has succeeded in meeting its set performance targets in relation to the majority of delivery agenda to the exception of EMT and Section 79 Committees and translation of policies in Sesotho

3.15 FINANCIAL SERVICES

The Finance Department is very pivotal to the implementation of budgetary reforms introduced by National Treasury. Critically, the Department is responsible for modernising our administration to ensure effective accountability for intergovernmental fiscal transfers. The said department is expected to play a leading and coordinating role in ensuring that moneys owed to the municipality are collected as this is a lifeblood of any municipality given the architecture of a local government system in the country that dictate that municipality will be leveraging the majority (close to 80%) of monies it needs for its operation (service delivery and maintenance) from own funding sources (*rates, sale of tradeable services and user charges*)

Importantly, the Department with the support of the Office of the City Manager has co-ordinated the implementation of the Audit Action Plan to ensure that progressively the municipality attains better audit outcomes in the outer financial years that lays a solid foundation for achieving the Clean Audit Outcome by 2014 – the performance target set by government.

Summary of Performance

The 2011/12 Finance section’s performance against planned delivery agenda is as follows:

IDP Objective	KPI	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Improve and sustain financial, HR and management excellence	Budget and revenue management is effective and complies to GRAP and MFMA and Treasury Regulation		95-100% of budgeted capital items	66.55%	28.45%	Establishment of a new department for dedicated monitoring the implementation of projects; Enhanced PMO; Timely designing of projects to be implemented early in the next financial year
	Debt Coverage Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objective	201,53:1	5:1	400.29:1	395.29	None
	Cost coverage Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objective	0.58 months(17.90 days)	> 3 months	0.12 month (3.5 days)	2.88 months	Aggressive debts collection efforts, as well as stringent cost containment measures and adherence to budget.
Improve and sustain financial, HR	% personnel cost over the total operation budget in line with regulatory	27.96%	29% including Centlec	22.58%	6.42%	Improvement on overtime management and permanent appointment of staff on critical

and management excellence	framework					position.
	<p>Budget is not overspent</p> <p>Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objective</p>	63.10%	95%	108.85%	13.85%	The variance is due proper accounting for immovable assets in implementing GRAP17 AR project. This is as a result of the development of the Asset Register.

IDP Objective	KPI	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Improve and sustain financial, HR and management excellence	External debt to revenue Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objective	0.35%	<5%	1.71%	3.29%	None. MMM exposure to external debts is still very low
	Number of creditor days Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objective	38.81 days	< 30 days	19.82 days	10.18 days	Increase in debt collection efforts and successful implementation of the revenue enhancement strategy
	Capital charges to total expenditure Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objective	3.51%	< 15%	12.69%	2.31%	None

IDP Objective	KPI	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Improve and sustain financial, HR and management excellence	Development of action plans which will address all audit queries and ensure that clean audit is achieved	Address 2009/10 audit issues and MFMA compliance and reporting	Qualified Audit Report	<p>Audit action plan developed and implemented</p> <p>2 progress reports developed and considered by OPAC and Council</p> <p>Qualified Opinion achieved on stand-alone Annual Financial Statements</p>		Implementation of an audit Action Plan to address audit issues

IDP Objective	Delivery Agenda	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Improve and sustain financial, HR and management excellence	<p>Cash collection defined as cash collected (last 12 months) / billings (last 12 months)</p> <p>Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objective</p>	99.10%	95%	87.83%	7.17%	Increase in debt collection efforts and successful implementation of the revenue enhancement strategy
	<p>Net debtors to annual income</p> <p>Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objective</p>	43.54%	15%	18.75%	-3.75%	Increase in debt collection efforts and successful implementation of the revenue enhancement strategy
	Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objective		N/A	N/A	Project Discontinued	The project was suspended due to challenges faced by consumers in the piloted area. Possible alternatives are being investigated

IDP Objective	KPI	Past year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Improve and sustain financial, HR and management excellence	Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objectives	-	15 000 meters Installation of pre-paid water meters to approved indigent households	900 meters installed	Project Discontinued	The project was suspended due to challenges faced by consumers in the piloted area. Possible alternatives are being investigated
	Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objectives		80% of meters read using handheld devices	100% of functional and accessible meters	None	
	Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objectives	None	Correct data information	Service Provider appointed	-100%	Project moved to 2012-13 financial due to budget constraint in 2011-12. The project commenced in October 2012 and will be completed by 30 April 2013.
	Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objectives	All standards complied with except GRAP 17	All standards complied with except GRAP 17	GRAP 17 complied with to the extend qualified by Auditor-General		Late completion of Asset Register

IDP Objectives	KPI	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Improve and sustain financial, HR and management excellence	Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objectives	Annual Financial statements signed on 31 August & Consolidated annual financial statements signed on 30 September.	Annual Financial statements signed on 31 August & Consolidated annual financial statements signed on 30 September.	AFS for 2011-12 were submitted by 31 August Consolidated AFS submitted in October 2012		Delay caused by the withdrawal of the entity's incomplete AFS that was submitted to Auditor-General.
	Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objectives	N/A	8 workshops attended when necessary.	8 workshops/ training attended	None	
	Sound financial management practices implemented in terms of MFMA priorities and timeframes	N/A	100% compliance with Act.	70%	30%	Compliance Unit to be strengthen to ensure compliance, and monitor MFMA Implementation plan on monthly basis

IDP Objective	KPI	Past Year Performance	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Improve and sustain financial, HR and management excellence	Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objectives	Team established to deal with issues raised by AG	Coordinate directorate to set up the structure to clear audit queries	Audit action plan developed and implemented 2 progress reports developed and considered by OPAC and Council	IT and Revenue are still a challenge	Constantly reviewing audit action plan and reporting progress periodically to OPAC and Council
	Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objectives	Conducted inquiry with other Municipalities on how to identify the states employees	All responsive tenders are checked with CIPRO	100%	None	
	Municipal financial viability target set and achieved which will ensure affective service delivery patterns and objectives	Conducted inquiry with other Municipalities on how to identify the states employees	All contracts and service level agreement monitored	100% of contracts registered with SCM and were monitored		

3.16 HUMAN RESOURCE SERVICES

The municipality has provided a basket of corporate related services for the year under review for enhancing skills and competencies of staff and the anticipated net result would be the steady improvement in the provision of services. Effective communication services on a variety of service delivery matters were provided to internal and external stakeholders of the municipality. Maintenance services were effected on municipal building and social amenities to provide a good working environment for municipal employee and access to these social amenities to citizens of the City .

Summary of Performance

IDP Objective	KPI	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Improve and sustain financial, human resource excellence and management excellence	Increase number of ABET level 1-4 learners	80 learners to participate in Bet level 1-4	53 completed Abet level 1-3	27	The variance is attributed to resignations, deaths and loss of interest from prospective learners
	Increase number of Learnerships	40 learners to participate in the learnership programme	41 learners are participating in the learnership programme		
	Increase number of artisans produced	80 learners participating in the electrical reticulation apprenticeship	15 Commenced with an electrical reticulation apprenticeship	65	DBSA only managed to fund this number
	Increase the number of unemployed entering the learnerships through the municipality	40 unemployed learners in learnership	16 Unemployed participate in the electrical reticulation programme	24	LG SETA approved 16 apprenticeship on electrical reticulation
	Staff availability as measured by % absenteeism	0.40%	7% due to strike in may 2012	6.6%	The variance is attributed due to the strike in May 2012
	Salaries budget as % of total expenditure	29% including Centlec	22.58% including Centlec	N/A	
	Implementation of IPMS	IPMS approved by the LLF	Awaiting the results of TASK Job Evaluation	Awaiting the results of TASK Job Evaluation	

IDP Objective	KPI	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Improve and sustain financial, human resource excellence and management excellence	Number of climate studies conducted	2 Climate studies conducted	2 Climate studies conducted	N/A	
Number of substantive and strategic engagements with residents	Media Invitations and support to internal directorates through invitations.	4	4	N/A	
Number strategic engagements with residents	Radio Interviews	12	75 plus one media release	N/A	
Number of substantive and strategic engagements with residents	Radio Adverts and Public notices	12	32	N/A	
Number of substantive and strategic engagements with residents	Media statements and alerts and interaction with the media	12	34	N/A	
Number of substantive and strategic engagements with residents	Media enquiries	12	234	N/A	
Number of substantive and strategic engagements with residents	Media Invitations and support to internal directorates through invitations.	6	17	N/A	
Number of substantive and strategic engagements with residents	Ads: Public notices	12	32	N/A	
Number of substantive and strategic engagements with residents	Adverts /Inserts (incl. informing public re council meetings)	6	5	1	

IDP Objective	KPI	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Number of substantive and strategic engagements with residents	Promotional materials developed for info dissemination	6	8		
Number of substantive and strategic engagements with residents	Breaking News or Electronic newsletter to update employees issued.	6	26 (plus 1 spin-off)		
Number of substantive and strategic engagements with residents	Electronic newsletter posted on website. (External)	6	3	3	annual target was 3 (this forms part of the previous point of news updates)
Number of substantive and strategic engagements with residents	No of newsletters printed (External)	4	0	4	Insufficient budget
Number of substantive and strategic engagements with residents	Hlasela TV/News: Continuous supply with content. On all screens installed within Mangaung jurisdiction	6	6		
Inter-Governmental Relations	Ghent programme on Youth and Economic Development	4	0	4	Ineffective co-ordinatin and lack of dedication resource for implementaiton. Provision has been made in the current stfructure for dedicated resource
Inter-Governmental Relations	Nanjing	4	1	3	Ineffective co-ordinatin and lack of dedication resource for implementaiton. Provision has been made in the current stfructure for dedicated resource
Inter-Governmental Relations	Swedesd (SUS training programme)	4	0	4	Ineffective co-ordinatin and lack of dedication resource for implementaiton. Provision has been made in the current stfructure for dedicated resource

IDP Objective	KPI	Annual Target	Actual Annual Achievement	Variance	Reason for Variance and Corrective action
Inter-Governmental Relations	Free State Tourism Authority (FSTA) VIC & Craft market promotion	1	2		
Inter-Governmental Relations	Exhibitions	New from July 2012	2		
	Rehabilitation of Botshabelo Swimming Pool	100%	1 x swimming pool completed	N/a	
	Rehabilitation of Mangaung Swimming Pool	100%	1 x swimming pool completed	N/a	
	Sports Facilities	100%	60% of work completed 14 Tennis Courts Completed Paving@Tennis Courts Completed	Late appointments of contractors	Timely appointment of contractors and effective contract management
	Upgrading of Seeisa Ramabodu Stadium	100%	Preliminary Designs Submitted	Service level agreement was not signed	
	Bram Fischer - Repairs	100%	50% completed	Late appointments of contractors	Timely appointment of contractors and effective contract management
	City hall repairs	100%	Tender Specification Processes	Late appointments of c contractors	Timely appointment of contractors and effective contract management
	Regional Building Repairs	100%	15% completed due to change in Structural Engineers proposal	Late appointments of contractors	Timely appointment of contractors and effective contract management
	Community hall	100%	Consultant Team appointed	Late appointments of c contractors	Timely appointment of contractors and effective contract management

3.17. SPORT AND RECREATION: FACILITIES MANAGEMENT

The priority programme of Facilities Management relating to sport facilities focuses on ensuring that Mangaung becomes a city of sports. This is by making sure that the municipality focuses on current facilities, by upgrading them to national and international standards.

Below is a summary of current sports and recreation projects

Mangaung Swimming Pools

This swimming pool was recently upgraded after it was closed for a period of four years due to filtration system that was under ground. During the upgrading, the pool was then upgraded to FINA Standards and became the first municipal pool to be heated, by means of heat pumps



Botshabelo Swimming Pool

The pool was closed since 2002, due to malfunctioning of filtration. The pool after rehabilitation was opened for public use in December 2012.



Sports Facilities

Athletic Track and Tennis Courts

The Mangaung Metropolitan Municipality has determined the need for the removal and resurfacing of the existing synthetic athletic track and the associated field event facilities. This track is expected to be used for schools, provincial, regional and national athletics meetings and possibly international athletics meetings and further to reconstruct 36 of Mangaung tennis courts. Both project are currently under way and near completion.

Athletic Track



Tennis Courts



CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

4.1 CORPORATE SERVICES OVERVIEW

The Corporate Services is responsible for effective and efficient execution of all supporting administrative functions that include support needed to attract, retain, and develop talented individuals for the municipality, high level coordination of systems and processes, to enable the municipality to perform maximally on matters of service delivery. This is accomplished by promoting the principles and practices of fairness and merit. The Corporate Services partner with Municipal directorates to hire, compensate, support and create a workforce dedicated to delivering high-quality services, which makes Mangaung Municipality a safe and attractive place to live, work and invest.

The Corporate Services administers the Municipality's human resource development and management, political offices, labour relations, legal services and facilities management.

4.2 WORK PROFILE

The staff establishment of the municipality increased with a total of 154 positions during the reporting period. There was a slight decrease in the number of vacancies albeit the total positions on the staff establishment increased.

DEPARTMENT	INCUMBENTS	VACANCIES	TOTAL	TURNOVER
Office of the City Manager	255	170	425	4
Regional Operations	1430	275	1705	56
Social Services	557	309	866	17
Planning	164	51	215	3
Corporate Services	332	295	627	7
Finance	216	119	335	3
Engineering Services	347	191	538	26
Centlec (Pty) Ltd	489	203	692	23
Human Settlement	1	2	3	2
Motheo Administration	6	0	6	0
Total	3797	1615	5412	141

	End of June 2011	End of June 2012	
Filled positions	3 633	3797	
Vacancies	1 717	1615	
TOTAL	5 350	5412	

As at June 2011, women comprised 31% of the employment profile of MMM and males 69%. Black people make up 85% of the senior management level of the municipality.

Employee related costs

The total employee related costs as a percentage of total expenditure is 22.58% which is less than the National Treasury benchmark of 29%.

Comment [P3]: Percentage is incorrect.

Table 4.3 Employee related costs

Year	Total Employee Related Costs	Total Expenditure	Total Employee Related Costs as % of Total Expenditure
2009/10	663 078 728	1 643 525 401	40, 34
2010/11	749 171 468	2 986 176 081	25.09
2011/12	860 487 677	3 811 283 302	22, 58

Table 4.4. Employee related costs for 2010/11 and 2011/12

Item	2010/11	2011/12
Basic Salary	509 608 125	568 464 610
Employee related costs – Contributions for UIF, pensions, and medical aid	110 995 977	128 920 333
Travel, motor car, accommodation, subsistence and other allowances	39 783 169	52 189 106
Housing benefits and allowances	2 790 346	3 038 755
Overtime payments	55 632 880	73 300 900
Performance bonuses	-	-
Defined Benefit Obligation	25 508 000	18 821 000
Provision for bonuses	2 050 524	(758 130)
Provision for leave	2 802 447	16 511 103
Total employee related costs	749 171 468	860 487 677

The table below shows the trends of total employee related costs over the last nine (9) years when expressed as a percentage of total expenditure:

Table 4.5. Trends of total employee related costs over the last nine years, expressed as a percentage of total expenditure

Year	Total Employee Related Costs	Total Expenditure	Total Employee Related Costs as % of Total Expenditure
2003/2004	R 339 965 290	R 1 153 556 564	29.47%
2004/2005	R 412 662 113	R 1 334 125 281	30.93%
2005/2006	R 442 097 983	R 1 363 811 259	32.42%
2006/2007	R 504 262 384	R 1 773 744 046	28.43%
2007/2008	R530 166 477	R1 745 890 143	30.37%
2008/2009	R590 789 149	R2 009 283 824	29.40%
2009/2010	647 580 255	2 612 582 054	24.7%
2010/2011	749 171 468	2 986 176 081	25.09%
2011/2012	860 487 677	3 811 283 302	22, 58

Table4.6 - Total Employee Related Costs as a percentage of total income during 2007/08to 2011/12 financial years

Year	Total Employee Related Costs	Total Income	Total Employee Related Costs as % of Total Income
2007/2008	R530 166 477	1 828 232 706	28.41%
2008/2009	R590 789 149	2 081 225 077	28,87%
2009/2010	663 078 728	1 958 680 985	33. 85%
2010/ 2011	749 171 468	3 138 140 054	23.87%
2011/ 2012	860 487 677	4 072 877 392	21.13%

The table below shows the overtime costs in relation to the total employee related costs over the past five financial years:

Table4.7- Overtime costs as a percentage of Total Employee Related Costs

Year	Total Employee Related Costs	Overtime Costs	Overtime Costs as % of Total Employee Related Costs
2007/2008	530 166 477	28 978 394	5.47%
2008/2009	590 789 149	35 061 137	5.93%
2009/ 2010	663 078 728	47 433 564	7.15%
2010/2011	749 171 468	55 632 880	7.43%
2011/2012	860 487 677	73 300 900	8.52%

Table 4.8: Allocation of overtime cost to the different Directorates during 2011/12 financial year

Directorate	Amount spent on overtime
Office of the City Manager	425,738.66
Corporate Services	3,354,875.11
Fresh Produce Market	315,437.95
Finance	162,052.77
Community and socia Development	9,371,378.92
Economic Development	10,090.80
Housing	7,445.59
Infrastructure	2,050,951.94
Water	3,726,255.08
Centlec	-
Miscellaneous services	13,040,454.87
Regional Operations	40,836,217.17
TOTAL	73,300,898.86

4.3.POLICIES

The Corporate Services: HRM & D developed the following policies:

- Employment Equity Policy
- Learnership Policy
- Human Resource Development Strategy

In line with the SALGBC Collective Agreement the above policies must still be consulted with organised labour at the Local Labour Forum before approval by Council.

4.4. INJURIES, SICKNESS AND SUSPENSIONS

Table 4.9- Injuries on duty for the period 1 July 2011 – 30 June 2012

Total number of Injuries on duty	Disabling Injuries (employees ceased work)	Non Disabling Injuries	Days employees were booked of due to Injury on Duty	Section 24 Cases (Booked of longer than 14 days or sustained fracture)	Financial Implication (Medical bills, ect.)
105	60	45	319	10	R1 610 361-00

Comment [P4]: Does not agree to note 28 of AFS R1 610 361 on claims that was processed

The table 4.10 below illustrates Employee Sick Leave Absenteeism for the 2011/2012 financial year.

SICK LEAVE ABSENTEEISM: JULY 2011 - JUNE 2012				
	July 2011 - Sept 2011	Oct 2011 - Dec 2011	Jan 2012 – March 2012	Apr 2012 - June 2012
Total number of employees in service	3 666	3 739	3812	3 755
Number of employees who took sick leave	1 234	1 191	1 253	1199
Percentage of employees who took sick leave	34%	32%	33%	32%
Total number of days taken as sick leave	5 174	4 860	4830	5101
Average days sick leave taken per employee	4.19	4.08	3.85	4.25
Number of employees who took sick leave more than twice for the quarter	167	174	161	186

Suspensions

As part of a broader programme by the municipality to pro-actively prevent any acts of fraud and corruption. A total of 3 employees were put on suspensions relating to alleged fraud and corruption. Out of the 3 the suspension of 1 employee was lifted and the other 2 the municipality initiated disciplinary procedures which are still ongoing.

4.5 SKILLS DEVELOPMENT AND TRAINING

MMM is committed to the continuous and consistent development of employees through various forms capacity and skills development initiatives and interventions. The *table below* reflect the training conducted and delivered and provided to internal MMM staff members.

Course Name	Training Service Provider	Total Trained
Training Conducted by External Training Service Providers		
ABET Level 1 and 2	Training Force (Pty) Ltd	50
Aerial Apparatus	MMM HRD Fire and Rescue	8
CPMD	Wits Business School	5
CPMD	SAICA/ Delloite	9
CPMD	DBSA Vulindlela Academy	7
Risk Management	University of the Free State	33
Excel level 1	ACCS IT Solutions	1
Operating and Counter Balance Lift Truck	STS Specialised Training Services	4
Mentoring and Coaching	Primeserve Corporate Solutions (Pty) Ltd	38
Excel level 1	Dialnex	50
Word Level 1	Dialnex	55
Word Level 2	Dialnex	31
Word level 1 and 2	ATTI	19
ODETDP	Manata Training Consultancy	19
LED Learnership	DBSA Vulindlela Academy	3
Advanced Local Government Accounting Certificate	North West University	16
Training Conducted by Internal MMM HRD Training Units		
Supervisory Management Skills	MMM HRD	10
Rescue Awareness	MMM HRD Fire and Rescue	9
Pump Operators Course	MMM HRD Fire and Rescue	12

FETC: Road Traffic law Enforcement	MMM HRD Traffic College	1
Financial Life Skills	MMM HRD Admin Training	13
Fire Services Instructor 1	MMM HRD Fire and Rescue	19
First Aid Level 1 and 2	MMM HRD First Aid Centre	22
Hazmat Operational	MMM HRD Fire and Rescue	11
Employee Induction	MMM HRD Admin Training	141
Operationalise Use of firearms	MMM HRD Traffic College	56
Presentation Skills	MMM HRD Admin Training	9

4.6. EMPLOYMENT EQUITY PLAN

Occupational Categories	Female					Male					TOTAL
	African	Coloured	Indian	White	Total	African	Coloured	Indian	White	Total	
Top Management	2	0	0	0	2	6	0	0	1	7	9
Senior Management	10	0	0	0	10	33	1	0	8	42	52
Professionally qualified and experienced specialists and mid-management	69	5	2	21	97	152	11	2	69	234	331
Skilled academically qualified workers	418	50	0	93	561	666	62	0	175	903	1464
Semi-skilled and discretionary decision making	46	5	0	9	60	339	14	1	14	368	428
Unskilled and defined decision making	425	11	0	2	438	1049	23	0	3	1075	1513
TOTAL PERMANENT	970	71	2	125	1168	2245	111	3	270	2629	3797
Permanent Workforce Profile	26%	2%	0.08%	3.3%	31%	59%	3%	0.08%	7%	69%	100.00%

The table below illustrates the employment equity profile of MMM.

As at June 2011, women comprised 31% of the employment profile of MMM and males 69%. Black people make up 85% of the senior management level of the municipality.

4.7 DISCLOSURE OF INFORMATION

The remuneration of the MMM's Councillors was as follows:

Table 4.11 : Remuneration of Councillors over the last two financial years:

REMUNERATION OF COUNCILLORS	2010/2011	2011/2012
Executive Mayor	708 438	1 031 719
Deputy Executive Mayor	560 113	816 940
Speaker	561 207	835 957
Chief Whip	319 044	784 021
Mayoral Committee Members	5 304 134	7 086 296
Councillors	15 172 702	30 762 706
Total Councillors' Remuneration	22 625 638	41 317 639

Comment [P5]: This figure should be R22 625 635

The remuneration of the MMM Senior officials was as follows:

Table 4.12 : Remuneration of Senior Managers over the last two years

REMUNERATION OF THE CITY MANAGER	2010/2011	2011/2012
Annual remuneration	1 176 129	1 743 680
Car allowance and cell phone	240 000	258 515
Contribution to UIF, medical and pension funds	211 452	101 648
Total	1 627 581	2 103 843

Comment [P6]: Agree to note 42 of AFS totals but the 2010/11 does not count dif R209 905 2011/12 does not count dif R51 952

REMUNERATION OF THE CHIEF FINANCIAL OFFICER		
Annual remuneration	960 082	1 663 936
Car allowance and cell phone	156 000	236 115
Contribution to UIF, medical and pension funds	228 382	194 796
Total	1 344 464	2 094 847

Comment [P7]: Agree to AFS totals 2011/12 does not count R80 115

REMUNERATION OF THE EXECUTIVE DIRECTOR: COMMUNITY AND SOCIAL DEVELOPMENT		
Annual remuneration	903 043	1 185 926
Car allowance	120 000	120 000
Contribution to UIF, medical and pension funds	176 255	227 470
Total	1 199 298	1 533 396

Comment [P8]: Totals agree to AFS note 42 2011/12 does not count dif R197

REMUNERATION OF THE EXECUTIVE DIRECTOR: CORPORATE SERVICES		
Annual remuneration	1 372 424	1 305 160
Car allowance	84 000	129 000
Other benefits or allowances	1546	209 693
Total	1 457 970	1 643 853

REMUNERATION OF THE EXECUTIVE DIRECTOR: ECONOMIC DEVELOPMENT AND PLANNING		
Annual remuneration	1 179 060	1 045 199
Car Allowance	120 000	170 000
Contribution to UIF, medical and pension funds	158 910	63 879
Total	1 457 970	1 279 078

REMUNERATION OF THE EXECUTIVE DIRECTOR: INFRASTRUCTURE		
Annual remuneration	993 398	1 156 497
Medical aid	14 067	13804
Car allowance	240 000	360 000
Other benefits or allowances	49	14 580
Total	1 247 514	1 544 881

REMUNERATION OF THE EXECUTIVE DIRECTOR: REGIONAL OPERATIONS		
Annual remuneration	1 240 158	1 259 680
Car allowance and cell phone	168 000	180 000
Medical aid	17 753	51 212
Total	1 425 911	1 490 892

4.8. RETIREMENT FUNDS

Mangaung Metro Municipality employees are members of the following retirement funds.

Table 4.13 – Retirement Funds

Name of fund	Membership	Employer Contribution
SAMWU National Provident Fund	1 204	18.07%
SALA Pension Fund	1 098	20.78%
Free State Municipal Pension Fund	230	18.07%
Free State Municipal Provident Fund	367	18.07%
Government Employee Pension Fund	467	13.00%
Old Mutual Pension Fund	35	17.50%
SALA Provident Fund	85	20.78%

The following retirement funds claims were processed for the period 1 June 2011- 30 June 2012.

Table4.14- Retirement funds claims

Retirement Funds	Deaths	Retirement	Resignations	Dismissals	Ill-Health
SAMWU National Provident Fund	20	18	11	3	6
SALA Pension Fund	18	11	13	0	0
Free State Municipal Pension Fund	3	3	3	0	0
Free State Municipal Provident	3	6	0	0	0
Government Employee Pension Fund	18	12	0	0	1
Total	62	50	38	3	7

With regard to future risks or liabilities the following number of employees is due for compulsory retirement within the 2012/13 financial year.

Table4.15- Employees due for compulsory retirement

Name of Fund	Number of employees
SAMWU National Provident	9
SALA Pension Fund	9
Free State Municipal Pension Fund	2
Free State Municipal Provident Fund	3
Government Employee Pension Fund	12
Old Mutual Orion Pension Fund	1
No retirement Fund	1
Total	37

4.9. MEDICAL AID SCHEMES

The following Medical Aid Schemes are accredited by SALGBC.

Table4.16- Medical Aid Schemes accredited by SALGBC

Medical Aid Schemes	Membership
Key Health	132
Bonitas	606
Hosmed	396
Samwumed	395
LA Health	586
Total	2115

CHAPTER 5 – FINANCIAL PERFORMANCE

Consolidated Annual Financial Statements for the year ended 30 June 2012 is hereto attached.

**REPORT OF THE AUDITOR-GENERAL TO THE FREE STATE LEGISLATURE AND THE COUNCIL
ON THE MANGAUNG METROPOLITAN MUNICIPALITY**

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

INTRODUCTION

1. I was engaged to audit the consolidated and separate financial statements of the Mangaung Metropolitan Municipality set out on pages **xx to xx**, which comprise the consolidated and separate statement of financial position as at 30 June 2012, the consolidated and separate statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

ACCOUNTING OFFICER'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The accounting officer is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Local Government: Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2010 (Act No. 1 of 2010) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR-GENERAL'S RESPONSIBILITY

3. My responsibility is to express an opinion on the consolidated and separate financial statements based on conducting the audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Because of the matters described in the Basis for disclaimer of opinion paragraphs, however, I was unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

BASIS FOR DISCLAIMER OF OPINION

PROPERTY, PLANT AND EQUIPMENT

4. Sufficient appropriate audit evidence could not be obtained to support the amounts disclosed for property, plant and equipment with a carrying value of R2 997 219 011 (2011: R3 050 432 267) and R344 778 540 (2011: R378 986 421), included in the carrying value amounting to R9 786 996 613 (2011: R9 619 230 873) and R7 134 556 148 (2011: R6 947 785 027) as disclosed in note 11 to the consolidated and separate financial

statements, respectively. I was unable to confirm the amounts by alternative means. Consequently, I was unable to determine whether any adjustments relating to property, plant and equipment in the consolidated and separate financial statements were necessary. Furthermore, the municipality did not in all instances account for the decline in future service potential embodied in these assets during the current and previous years, as required by South African Statement of Generally Accepted Accounting Practice, IAS36, *Impairment of assets*. I have not determined the correct net carrying amount of property, plant and equipment as it was impracticable to do so.

5. Projects completed by the parent municipality in the current and previous years could not always be traced to the infrastructure additions to which they relate. This was mainly due to a reconciliation not being performed between the previous and reconstructed asset registers. As a result, I was unable to obtain sufficient appropriate audit evidence for additions to infrastructure assets amounting to R50 893 073 (2011: R47 697 883) and for work in progress amounting to R46 693 235 (2011: R18 405 671). I was unable to confirm the amounts by alternative means. Consequently, I was unable to determine whether any further adjustment relating to infrastructure assets in the consolidated and separate financial statements was necessary.
6. Sufficient appropriate audit evidence could not be obtained to determine whether the parent municipality had acquired servitudes amounting to R748 445 906 included in infrastructure assets as per note 11 to the financial statements, or whether the servitudes were exercised in terms of rights granted through legislation. Consequently, I could not confirm whether the servitudes had to be recognised as infrastructure assets, as required by SA Standards of GRAP, GRAP 17, *Property, plant and equipment*, or as intangible assets as required by SA Standards of GRAP, GRAP 102, *Intangible assets*. Furthermore, I could not confirm that all servitudes acquired were included as assets in the financial statements. I was unable to confirm the amounts by alternative means. Consequently, I was unable to determine whether any further adjustment relating to infrastructure assets in the consolidated and separate financial statements was necessary.
7. The parent municipality did not, as per SA Standards of GRAP, GRAP 17, *Property, plant and equipment* and accounting policy note 1.7 to the financial statements, consider the fair value increases of land and buildings in arriving at the carrying amounts of R878 826 945 (2011: R878 829 945) and R531 799 104 (2011: R415 988 505) as per note 11 to the financial statements. In addition, all municipal land and buildings which conform to the definition and recognition criteria of property, plant and equipment, as per SA Standards of GRAP, GRAP 17, *Property, plant and equipment*, were not always accounted for and recognised in the financial statements. The parent municipality did not include 1 456 erven and 315 buildings in the fixed asset register. I have not determined the correct net carrying amount of land and buildings in the consolidated and separate financial statements as it was impracticable to do so.
8. Municipal land and buildings with a significant service delivery element amounting to R200 903 433 were incorrectly accounted for as investment property instead of property, plant and equipment. In addition, land and buildings were not appropriately classified between property, plant and equipment, investment property and inventory as the management processes for identifying the intention with these assets had not been finalised at year-end. I have not determined the correct net carrying amount of land and buildings in the consolidated and separate financial statements as it was impracticable to

do so.

9. Due to the material effect of the identified misstatements and scope limitations as reported in paragraphs 4 to 8 above, I was unable to determine whether any further adjustments to the related depreciation charges, as presented in the consolidated and separate statement of financial performance, and the related prior period error notes as disclosed in note 52 to the consolidated and separate financial statements, were necessary.

CASH AND CASH EQUIVALENTS

10. Sufficient appropriate audit evidence could not be obtained from the municipal entity to confirm cash and cash equivalents amounting to R162 784 175 included in note 8 to the consolidated financial statements. I was unable to confirm the disclosed amounts by alternative means. Consequently, I was unable to determine whether any adjustments to the cash and cash equivalents figure were necessary.

INVENTORY

11. The municipal entity did not carry its inventory amounting to R38 893 971 included in note 3 to the consolidated financial statements at the lower of cost or net realisable value, as required by SA Standards of GRAP, GRAP 12, *Inventories* and in line with accounting policy note 1.12. Due to weaknesses in the recording of inventory items and the volume thereof I have not determined the correct amount for inventory in the consolidated financial statements as it was impracticable to do so.

OTHER RECEIVABLES FROM EXCHANGE TRANSACTIONS

12. Sufficient appropriate audit evidence could not be obtained from the parent municipality to confirm the existence of sundry receivables with gross balances of R33 920 690 (2011: R38 824 759) included in the gross balance amounting to R56 577 459 (2011: R46 283 483), as disclosed in note 5 to the consolidated and separate financial statements. In addition, sufficient appropriate audit evidence could not be obtained from the municipal entity to confirm other receivables with a carrying amount of R188 679 035 (2011: R30 491 700) in the consolidated financial statements due to an inadequate system of internal control to account for these receivables. The municipality's records did not permit the application of reasonable alternative procedures. Consequently, I was unable to determine whether any adjustments to the other receivables from exchange transactions figure were necessary. Furthermore, an analysis of the age of sundry receivables that are overdue at year-end but not impaired, was not disclosed in the consolidated and separate financial statements in accordance with the requirements of International Financial Reporting Standards, IFRS 7, *Financial instruments: disclosures*. In the absence of appropriate records and information, I was unable to determine the relevant disclosures.

CONSUMER RECEIVABLES FROM EXCHANGE TRANSACTIONS

13. Sufficient appropriate audit evidence could not be obtained from the municipal entity to confirm consumer receivables amounting to R276 438 203 (2011: R142 507 514) included in note 7 to the consolidated financial statements due to an inadequate system of internal

control to account for consumer receivables. I was unable to confirm the consumer receivables by alternative means. Consequently, I was unable to determine whether any adjustment relating to consumer receivables in the consolidated financial statements was necessary.

DEFINED BENEFIT PLAN OBLIGATION

14. The defined benefit plan obligations, amounting to R497 437 000 (2011: R442 310 000) as disclosed in note 22 to the consolidated and separate financial statements, were understated as a number of employees were not included or their details were incorrectly captured in the source data that was used to calculate the carrying amount of this liability. Furthermore, the multi-employer-defined benefit plans were also not disclosed in the consolidated and separate financial statements. In the absence of an updated actuarial valuation and due to the complexity of the calculations involved, it was impracticable to determine the full extent of the misstatements involved.

PAYABLES FROM EXCHANGE TRANSACTIONS

15. I was unable to obtain sufficient appropriate audit evidence from the municipal entity to confirm the payables amounting to R375 420 356 (2011: R294 161 703), as included in note 17 to the consolidated financial statements, due to an inadequate system of internal control to account for these payables. Consequently, I was unable to determine whether any adjustment relating to payables from exchange transactions in the consolidated financial statements was necessary.
16. The municipal entity applied for exemption from normal tax as per section 10(1)(c)(A) of the Income Tax Act of South Africa, 1962 (Act No. 58 of 1962). At year-end, the municipal entity had been granted exemption from normal tax by the Commissioner of South African Revenue Service. However, the income tax exemption granted does not cover the period since the company started trading in 2005. The municipal entity had a present legal obligation to recognise a current tax liability as well as a deferred tax liability in the consolidated financial statements as required by SA Statement of GAAP, IAS 12 (AC 102), *Income taxes* for the period 2005 to January 2007. In the absence of appropriate records and information I have not determined the correct amount payable as it was impracticable to do so.
17. The parent municipality incorrectly disclosed unallocated deposit suspense accounts amounting to R17 960 583 as payments received in advance, instead of decreases in other or consumer receivables as per notes 5 and 7 to the consolidated and separate financial statements, respectively. In addition, sufficient appropriate audit evidence could not be obtained from the parent municipality to substantiate movements during the year on these suspense accounts. Furthermore, sufficient appropriate audit evidence could not be obtained to confirm the existence and valuation of and obligations pertaining to payments received in advance amounting to R81 462 611 (2011: R79 168 073), included in payables amounting to R958 510 488 (2011: R639 245 215) and R1 621 702 433 (2011: R1 381 909 839) as disclosed in note 17 to the consolidated and separate financial statements respectively. The municipality's records did not permit the application of reasonable alternative procedures. Consequently, I was unable to determine whether any further adjustment relating to payables from exchange transactions in the consolidated

and separate financial statements was necessary.

CONSUMER DEPOSITS

18. Sufficient appropriate audit evidence could not be obtained from the municipal entity to confirm electricity consumer deposits amounting to R51 606 472 (2011: R46 331 130) included in note 19 to the consolidated financial statements due to an inadequate system of internal control to account for consumer receivables. I was unable to confirm the consumer deposits by alternative means. Consequently, I was unable to determine whether any adjustment relating to consumer deposits in the consolidated financial statements was necessary.

REVALUATION RESERVE

19. The corresponding figures for the revaluation reserve, as disclosed in the consolidated and separate statement of financial position and note 25 to the consolidated and separate financial statements, were overstated by R80 363 290 as this amount was incorrectly allocated to the revaluation reserve instead of accumulated surplus by the parent municipality.

ACCUMULATED SURPLUS

20. Sufficient appropriate audit evidence could not be obtained from the municipal entity to confirm the accumulated surplus amounting to R253 496 237 (2011: R334 415 958) as included in the amount of R7 683 668 195 (2011: R7 321 875 546) disclosed in the consolidated financial statements due to the material effect on the accumulated surplus of the identified misstatements and scope limitations as mentioned in this report. The municipal entity's available records and information did not permit the application of alternative procedures. Consequently, I was unable to determine whether any adjustments were necessary to the amount disclosed for accumulated surplus in the consolidated financial statements.

REVENUE

21. I was unable to obtain sufficient appropriate audit evidence from the municipal entity to confirm the sale of electricity revenue amounting to R1 211 974 409 (2011: R909 782 472) as disclosed in the consolidated statement of financial performance due to weaknesses in the accounting records. I was unable to confirm the amount disclosed by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to the amount disclosed for sale of electricity revenue.
22. All water meters were not billed on a monthly basis and the reasonability of the estimated units levied on the billing system could not be confirmed. Due to the volume of transactions it was impracticable to determine the full extent of the misstatement involved. Consequently, I was not able to determine the effect on water service charges amounting to R447 910 378 (2011: R406 241 759) as per note 37 to the consolidated and separate financial statements and water consumer receivables amounting to R726 633 045 (2011: R481 589 595) as disclosed in note 7 to the consolidated and separate financial

statements.

23. Rental income from premises amounting to R91 749 400, as disclosed in the consolidated and separate statement of financial performance and note 36 to the consolidated and separate financial statements, was not recognised on a straight-line basis over the lease term, as required by SA Standards of GRAP, GRAP 13, *Leases*. As the relevant information was not available I was unable to calculate what the rental income and deferred income should have been had GRAP 13 been correctly applied.
24. The municipal entity did not have a system of internal control over the recognition of conditional government grants and subsidies revenue of R89 074 626 (2011: R15 502 883) as included in note 31 to the consolidated financial statements on which could be relied for audit purposes. In addition, the supporting documents provided by the municipal entity revealed that the conditions of each grant were not met and thus I was unable to confirm whether the expenditure against grants should have been transferred to revenue in the consolidated statement of financial performance. Furthermore, I was unable to obtain sufficient appropriate evidence from the municipal entity to provide reasonable assurance that government grants and subsidies were properly recorded in the consolidated financial statements. Consequently, I was unable to determine whether any adjustment relating to government grants and subsidies in the consolidated financial statements was necessary.

EXPENDITURE

25. The municipal entity could not provide sufficient appropriate audit evidence to support the bulk electricity purchases and journal entries of R181 347 304 and R20 516 832 credited and debited, respectively, to and included in bulk purchases as disclosed in note 39 to the consolidated financial statements. Due to an inadequate system to account for expenditure, the management of the filing system not functioning effectively and transactions being recorded when payment is made, instead of when goods and services are received, I was unable to confirm the amount disclosed by alternative means. Consequently, I was unable to determine whether any adjustment relating to bulk purchases expenditure in the consolidated financial statements was necessary.
26. The municipal entity could not provide sufficient appropriate audit evidence to support the transactions and journal entries of R10 914 520 and R45 771 196 debited and credited, respectively, to consulting and professional fees, contractors fees, travelling and subsistence, vendor commission and other expenses due to an inadequate system to account for expenditure. The municipal entity's management of the filing system also did not function effectively. There were no satisfactory alternative audit procedures that I could perform to obtain reasonable assurance that all goods and services were properly recorded in the consolidated financial statements. I was unable to determine whether any adjustment relating to general expenditure as per note 45 to the consolidated financial statements was necessary.
27. I was unable to obtain sufficient appropriate audit evidence from the parent municipality for the restatement in the corresponding figure of repairs and maintenance. As disclosed in note 52.39 to the consolidated and separate financial statements, the restatement of R33 480 045 was made in order to rectify a prior year misstatement. However, the corresponding amount of repairs and maintenance decreased by R15 638 209 compared

to that reported in the prior year. The parent municipality could not provide an explanation for the difference of R49 118 254. Consequently I was unable to determine whether any adjustments to repairs and maintenance corresponding figure were necessary.

CAPITAL COMMITMENTS

28. Paragraph 83(c) of SA Standards of GRAP, GRAP 17, *Property, plant and equipment* states that the financial statements shall disclose for each class of property, plant and equipment recognised in the financial statements, the amount of contractual commitments in this regard. The parent municipality and the municipal entity did not have adequate contract management systems in place for the identification and recognition of contracts and there were no satisfactory alternative audit procedures that I could perform to obtain reasonable assurance that all commitments were properly recorded. Consequently, I was unable to determine whether any adjustments to the commitments disclosure of R604 607 080 (2011: R272 555 457) and R551 714 690 (2011: R203 042 374), as stated in note 49 to the consolidated and separate financial statements, were necessary.

IRREGULAR EXPENDITURE

29. Irregular expenditure amounting to R26 994 305 was identified during the audit due to non-adherence by the municipal entity to its supply chain management (SCM) policy and the SCM regulations. Furthermore, the municipal entity overspent its budgeted amount by R317 550 826. This irregular expenditure was not completely disclosed in note 59 to the consolidated financial statements, as required in terms of section 125(2)(d) of the MFMA. In addition, sufficient appropriate audit evidence could not be obtained that all the expenditure transactions for the current and previous years were investigated to ensure that all instances where irregular expenditure transactions occurred were identified, recorded and investigated. I was unable to perform reasonable alternative audit procedures. Consequently, I could not obtain adequate audit assurance as to the completeness of irregular expenditure amounting to R403 627 113 (2011: R299 363 858) and R255 032 009 (2011: R207 212 944), as disclosed in note 59 to the consolidated and separate financial statements, respectively.

FRUITLESS AND WASTEFUL EXPENDITURE

30. Fruitless and wasteful expenditure amounting to R21 170 839 was identified at the municipal entity during the audit. Furthermore, the municipal entity could not provide sufficient appropriate audit evidence that management had properly identified, investigated and recorded all fruitless and wasteful expenditure transactions during the current and prior years. Due to the limitations placed on the scope of the work performed relating to expenditure of the municipal entity, there were no satisfactory alternative audit procedures that I could perform to confirm the completeness of fruitless and wasteful expenditure amounting to R79 714 747 (2011: R76 685 448), as disclosed in note 58 to the consolidated financial statements.

PRESENTATION AND DISCLOSURE

31. The completeness and accuracy of electricity losses of R183 033 832 (2011:

R130 533 189), as disclosed in note 60 to the consolidated financial statements, could not be confirmed as the municipal entity was unable to provide supporting documentation to substantiate the calculation. Consequently, I was unable to determine whether any adjustment to the electricity losses disclosure as per the consolidated financial statements was necessary.

32. The municipal entity has not disclose street lighting service revenue as a separate category of revenue as required by paragraph 39 (b)(i) of SA Standards of GRAP, GRAP 9, *Revenue from exchange transactions*. Consequently, street lighting service revenue was not disclosed separately in the consolidated financial statements. I have not determined the correct amount as it was impracticable to do so.

CASH FLOW STATEMENT

33. The consolidated and separate cash flow statement and the related notes are not fairly stated due to the material effect on the cash flow statement and related notes of the identified misstatements and scope limitations as mentioned in this report.

ACCUMULATION OF IMMATERIAL UNCORRECTED MISSTATEMENTS

34. The consolidated and separate financial statements are materially misstated due to the cumulative effect of numerous individually immaterial uncorrected misstatements in the following elements making up the consolidated and separate statement of financial position, the consolidated and separate statement of financial performance and the notes to the consolidated and separate financial statements:

- Rental income reflected as R106 106 515 (2011: R45 992 460) is understated by R17 101 941 (R16 046 185) in the consolidated and separate financial statements.
- Repairs and maintenance expenditure reflected as R177 942 530 and R148 390 544 in the consolidated and separate financial statements, respectively, is overstated by R16 434 598.

In addition, I was unable to obtain sufficient appropriate audit evidence and was unable to confirm or verify the following elements by alternative means.

- Free services recovered revenue reflected as R3 368 071 in the consolidated financial statements
- Repairs and maintenance expenditure of R8 576 227 included in the amount of R177 942 530 and R148 390 544 as reflected in the consolidated and separate financial statements, respectively
- Employee-related costs of R13 624 425 included in the amount of R860 487 677 as reflected in the consolidated financial statements
- Intangible assets of R10 942 829 (2011: R705 551) included in the amount of R18 461 880 (2011: R8 189 349) as reflected in the consolidated financial statements
- Contingent liabilities of R33 868 634 included in the amount of R40 123 487(2011: R51 168 642) as reflected in the consolidated financial statements.

DISCLAIMER OF OPINION

35. Because of the significance of the matters described in the Basis for disclaimer of opinion paragraphs, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.

EMPHASIS OF MATTERS

36. I draw attention to the matters below. My opinion is not modified in respect of these matters.

RESTATEMENT OF CORRESPONDING FIGURES

37. As disclosed in notes 52 and 53 to the consolidated and separate financial statements, the corresponding figures for 30 June 2011 have been restated as a result of errors discovered during the 2011-12 financial year in the consolidated and separate financial statements of the parent municipality and municipal entity at, and for the year ended, 30 June 2011.

MATERIAL LOSSES

38. As disclosed in note 60 to the consolidated and separate financial statements, material water losses amounting to R111 479 285 (2011: R114 210 109) were incurred by the parent municipality mainly due to the deterioration of the water reticulation system and unmetered water connections. In addition, the municipal entity suffered a significant electricity distribution loss to the value of R183 033 832 (2011: R130 533 189) as disclosed in note 60 to the consolidated financial statements.

MATERIAL IMPAIRMENTS

39. As disclosed in note 4 to the consolidated financial statements, a provision for a decrease in value to the amount of R55 507 665 (77,9%) (2011: R56 238 181) (80,4%) was made with regard to housing-selling scheme loans, erven loans, vehicle loans and study loans granted by the parent municipality amounting to R71 197 911 (2011: R69 986 546).
40. As disclosed in note 5 to the consolidated financial statements, a provision for a decrease in value to the amount of R36 937 970 (65,3%) (2011: R33 902 241) (73,2%) was made with regard to amounts owing to the parent municipality in respect of commercial rental income and other miscellaneous services rendered by the parent municipality amounting to R56 577 459 (2011: R46 283 483).
41. As disclosed in note 6 to the consolidated financial statements, a provision for a decrease in value to the amount of R272 433 076 (71,9%) (2011: R237 398 622) (79,4%) was made with regard to amounts owing to the municipality in respect of property rates amounting to R378 880 397 (2011: R299 111 645).
42. As disclosed in note 7 to the consolidated financial statements, a provision for a decrease in value to the amount of R1 038 584 578 (69,8%) (2011: R635 279 659) (69,3%) was made with regard to amounts owing to the municipality in respect of electricity, water, sewerage and housing rentals amounting to R1 487 359 654 (2011: R916 118 333).

UNAUTHORISED EXPENDITURE

43. As disclosed in note 57 to the consolidated and separate financial statements, non-budgeted expenditure of R307 256 486 (2011: R67 711 892) was incurred by the parent municipality during the current and previous financial year, which is regarded as unauthorised expenditure. The total reported unauthorised expenditure that was still under investigation at 30 June 2012 amounted to R374 968 378 (2011: R466 793 278).

FRUITLESS AND WASTEFUL EXPENDITURE

44. As disclosed in note 58 to the consolidated and separate financial statements, fruitless and wasteful expenditure of R11 092 862 (2011: R40 953 136) and R183 514 (2011: R11 836 142), respectively, was incurred in the current and previous financial year for the reasons set out in the note. The total reported fruitless and wasteful expenditure that was still under investigation at 30 June 2012 amounted to R79 714 747 (2011: R76 685 448) and R27 000 205 (2011: R34 880 254), respectively.

IRREGULAR EXPENDITURE

45. As disclosed in note 59 to the consolidated and separate financial statements, irregular expenditure of R113 698 713 (2011: R148 765 509) and R57 254 523 (2011: R108 427 595), respectively, was incurred in the current and previous financial year mainly as a result of contracts awarded to suppliers in contravention of the Local Government: Municipal Supply Chain Management Regulations (GNR 868 of 30 May 2005) (Municipal SCM Regulations) and policies. Accumulated irregular expenditure amounting to R403 627 113 (2011: R299 363 858) and R255 032 009 (2011: R207 212 944), respectively, is awaiting condonement by the council.

FINANCIAL SUSTAINABILITY

46. As disclosed in note 55 to the financial statements, certain going concern ratios are regarded as unfavourable.
- (a) The current liabilities of the municipality significantly exceeded its current assets.
 - (b) The municipality did not always settle its debt within 30 days as required by the MFMA.
 - (c) Although an improvement in the collection of business and government accounts are visible, the municipality is experiencing serious difficulties with regard to its debt collection from domestic customers.
 - (d) Furthermore, as disclosed in note 22 to the financial statements, no funds have been set aside to settle defined benefit obligations amounting to R497 437 000 (2011: R442 310 000).

The municipality may therefore be unable to realise its assets and discharge its liabilities in the normal course of business.

ADDITIONAL MATTER

47. I draw attention to the matter below. My opinion is not modified in respect of this matter.

UNAUDITED SUPPLEMENTARY SCHEDULES

48. The supplementary information set out in appendices A, C, D and F does not form part of the consolidated and separate financial statements and is presented as additional information. I have not audited these appendices.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

ANNUAL PERFORMANCE REPORT NOT PREPARED

50. I was unable to report findings on the usefulness and reliability of the annual performance report of Centlec Limited [state-owned company (SOC)] as it was not prepared as required by section 121(4)(d) of the MFMA.

PREDETERMINED OBJECTIVES

51. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report of the parent municipality as set out on pages xx to xx of the annual report.
52. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury *Framework for managing programme performance information*.
- The reliability of the information in respect of the selected objectives is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).
53. The material findings are as follows:

USEFULNESS OF INFORMATION

PRESENTATION

MEASURES TAKEN TO IMPROVE PERFORMANCE NOT SUPPORTED BY SUFFICIENT APPROPRIATE EVIDENCE

54. Section 46 of the Municipal Systems Act requires the disclosure of measures taken to improve performance in the annual performance report where planned targets were not

achieved. Adequate and reliable corroborating evidence could not be provided for 27% of measures taken to improve performance as disclosed in the annual performance report. This was due to the absence of proper processes and information systems. Consequently, I did not obtain sufficient appropriate audit evidence to satisfy myself as to the validity, accuracy and completeness of the reasons for major variances.

MEASURES TAKEN TO IMPROVE PERFORMANCE NOT DISCLOSED

55. Improvement measures in the annual performance report of the parent municipality for a total of 58% of the planned targets not achieved were not disclosed as required by section 46 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA). This was due to inadequate internal policies and procedures regarding the processes pertaining to the reporting of performance information.

CONSISTENCY

REPORTED OBJECTIVES NOT CONSISTENT WITH PLANNED OBJECTIVES

56. Section 41(c) of the MSA requires that the Integrated Development Plan (IDP) should form the basis for the annual report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents. A total of 32% of the reported objectives of the parent municipality are not consistent with the objectives as per the approved IDP. This is due to a lack of proper review and monitoring to ensure that the Service Delivery Budget Implementation Plan (SDBIP) and the IDP are consistent and fully aligned.

MEASURABILITY

PERFORMANCE TARGETS NOT MEASURABLE

57. The National Treasury *Framework for managing programme performance information* (FMPPI) requires that performance targets be measurable. The required performance could not be measured for a total of 25% of the parent municipality's targets relevant to *the service delivery excellence within and around Mangaung Metropolitan Municipality and stimulating of our integrated and sustainable economic development prospects* objectives. This was due to the fact that management did not capacitate the IDP office or implement adequate internal control measures to ensure that the criteria as per the FMPPI were applied consistently.

PERFORMANCE INDICATORS NOT WELL DEFINED

58. The FMPPI requires that indicators should have clear unambiguous data definitions so that data is collected consistently and is easy to understand and use. A total of 36% of the parent municipality's indicators relevant to *the service delivery excellence within and around Mangaung Metropolitan Municipality and stimulating of our integrated and sustainable economic development prospects* objectives were not well defined in that clear, unambiguous data definitions were not available to allow for data to be collected consistently. This was due to the fact that management did not capacitate the IDP office

or implement adequate internal control measures to ensure that the criteria as per the FMPPI were applied consistently.

RELIABILITY OF INFORMATION

VALIDITY

REPORTED PERFORMANCE NOT VALID

59. The FMPPI requires that processes and systems which produce the indicator should be verifiable. I was unable to obtain all the information and explanations I considered necessary to satisfy myself as to the validity of the actual reported performance relevant to 73% of *the service delivery excellence within and around Mangaung Metropolitan Municipality and stimulating of our integrated and sustainable economic development prospects objectives*. This was due to the parent municipality's records not permitting the application of alternative audit procedures.

ADDITIONAL MATTER

In addition to the above material findings, I draw attention to the following matters.

ACHIEVEMENT OF PLANNED TARGETS

60. Of the total number of 169 targets planned for the parent municipality for the year, 69 were not achieved during the year under review. This represents 40,83% of total planned targets that were not achieved during the year under review. This was as a result of the municipality not considering relevant systems and evidential requirements during the annual strategic planning process.

COMPLIANCE WITH LAWS AND REGULATIONS

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

STRATEGIC PLANNING AND PERFORMANCE MANAGEMENT

62. The parent municipality did not ensure that annual performance objectives and indicators are established by agreement with its municipal entity and included in its municipal entity's multi-year business plan, as required by section 93B(a) of the MSA.
63. The parent municipality did not afford the local community at least 21 days to comment on the final draft of its IDP before the plan was submitted to the council for adoption, as required by regulation 15(3) of the Municipal Planning and Performance Management Regulations.
64. The parent municipality did not establish a performance management system in line with

the priorities, objectives, indicators and targets contained in its IDP, as required by section 38(a) of the MSA and Municipal Planning and Performance Management Regulation 7(2)(c).

65. The performance of Centlec Ltd (SOC) was not monitored and annually reviewed as part of the annual budgetary process, as required by section 93B(b) of the MSA.
66. Sufficient appropriate audit evidence could not be obtained that the accounting officer of the municipal entity submitted the results of the assessment on the performance of the entity during the first half of the financial year to the board of directors and the parent municipality, as required by section 88(1)(b) of the MFMA.

BUDGETS

67. The parent municipality and municipal entity incurred expenditure that was in excess of the limits of the amounts provided for in the votes of the approved budget, in contravention of section 15 of the MFMA.
68. Sufficient appropriate audit evidence could not be obtained that the accounting officer of the municipal entity submitted the monthly budget statements to the accounting officer of the parent municipality, as required by section 87(11) of the MFMA.

ANNUAL FINANCIAL STATEMENTS AND ANNUAL REPORT

69. The financial statements submitted for auditing by the parent municipality and its municipal entity were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements in non-current assets, current assets, liabilities, revenue, expenditure and disclosure items identified by the auditors were subsequently corrected, but the uncorrected material misstatements resulted in the financial statements receiving a qualified audit opinion.
70. The accounting officer of the parent municipality did not submit consolidated annual financial statements for auditing within three months after the end of the financial year, as required by section 126(1)(b) of the MFMA.
71. The accounting officer of the municipal entity did not submit the financial statements for auditing within two months after the end of the financial year, as required by section 126(2) of the MFMA.

AUDIT COMMITTEE

72. The audit committee did not timeously advise the council on matters relating to performance management and performance evaluation, as required by section 166(2)(a) of the MFMA.
73. The audit committee did not timeously submit an audit report on the review of the performance management system to the council, as required by Municipal Planning and Performance Management Regulation 14(4)(a)(iii).
74. The audit committee did not effectively discharge its mandate as required by section 166(2) of the MFMA.

75. The municipal entity did not appoint and budget for a performance audit committee nor was another audit committee utilised as the performance audit committee as required by Municipal Planning and Performance Management Regulation 14.

INTERNAL AUDIT

76. The internal audit unit of the parent municipality did not function as required by section 165(2) of the MFMA in that it did not advise the accounting officer and report to the audit committee on matters relating to loss control.
77. The internal audit unit of the parent municipality did not assess the functionality of the performance management system and whether the performance management system complied with the requirements of the MSA and also did not adequately assess the extent to which the performance measurements were reliable in measuring the performance of the municipality on key and general performance indicators, as required by Municipal Planning and Performance Management Regulation 14(1)(b)(i)(ii)(iii).
78. The internal audit unit of the parent municipality did not audit the performance measurements on a continuous basis and did not submit quarterly reports on their audits to the municipal manager and the performance audit committee, as required by Municipal Planning and Performance Management Regulation 14(1)(c).

PROCUREMENT AND CONTRACT MANAGEMENT

79. Goods and services with a transaction value of between R10 000 and R200 000 were procured by the municipal entity without obtaining written price quotations from at least three different prospective providers as per the requirements of SCM regulations 12(1)b and 16(a).
80. In seven instances sufficient appropriate audit evidence could not be obtained from the parent municipality that goods and services with a transaction value of below R200 000 were procured by obtaining the required price quotations, as required by SCM regulation 17(a) and (c).
81. Quotations were accepted by the parent municipality and the municipal entity from prospective providers who are not registered on the list of accredited prospective providers and do not meet the listing requirements prescribed by the SCM policy, in contravention of SCM regulations 14(1)(b), 16(a),(b) and 17(b).
82. The prospective providers lists for the parent municipality and municipal entity for procuring goods and services through quotations were not updated at least quarterly to include new suppliers that qualify for listing and prospective providers were not invited to apply for such listing at least once a year as per the requirements of SCM regulation 14(1)(a)(ii) and 14(2).
83. The parent municipality failed to obtain independence certificates, which led to awards being made to providers who are persons in service of other state institutions, in contravention of SCM regulation 44. In addition, the municipal entity made awards to providers whose directors/principal shareholders are persons in the service of other state institutions in contravention of the requirements of SCM regulations 44. Furthermore, the municipal entity's provider failed to declare that he/she is in the service of the state as

required by SCM regulation 13(c).

84. Contrary to the requirements of section 105 of the MFMA, the municipal entity did not take all reasonable steps to ensure that any irregular, fruitless and wasteful expenditure and other losses were prevented. In addition, section 111 of the MFMA and section 2(1) of the SCM regulations were not complied with as the municipal entity did not implement a SCM policy, which resulted in the incurring of irregular, fruitless and wasteful expenditure for the municipal entity.
85. Contrary to the requirements of SCM regulation 19, the municipal entity did not always procure goods and services of transactional value above R200 000 through a competitive bidding process.
86. The bid specification committee of the municipal entity was not functional throughout the financial year as required by SCM regulation 27(3).
87. Bids were evaluated by the bid evaluation committees of the municipal entity, which did not consist of officials from the departments requiring the goods or services and at least one SCM practitioner of the entity, as per the requirements of SCM regulation 28(2).
88. Awards were made by the municipal entity to providers whose tax matters had not been declared by the South African Revenue Services to be in order as required by SCM regulation 43.

HUMAN RESOURCE MANAGEMENT AND COMPENSATION START HERE

89. The competencies of financial and SCM officials of the municipal entity and parent municipality were not assessed promptly in order to identify and address gaps in competency levels, as required by the Municipal Regulations on Minimum Competency Levels, regulations 8 and 13.
90. The parent municipality did not submit a report on compliance with prescribed competency levels to the National Treasury and the relevant provincial treasury, as required by the Regulations on Minimum Competency Levels, regulation 14(2)(a).
91. The annual report of the parent municipality did not reflect information on compliance with prescribed minimum competencies, as required by the Regulations on Minimum Competency Levels, regulation 14(2)(b).
92. Contrary to the requirement of section 84 of the MFMA, key management positions of the municipal entity were not filled and remained vacant for the major part of the financial year.

EXPENDITURE MANAGEMENT

93. The accounting officers of the municipal entity and parent municipality did not take reasonable steps to prevent unauthorised, irregular as well as fruitless and wasteful expenditure, as required by section 9(d) and section 62(1)(d) of the MFMA.
94. The accounting officer of the municipal entity did not take all reasonable steps to ensure that the entity had and maintained a management, accounting and information system which recognised expenditure when it was incurred or accounted for creditors of the municipal entity as required by section 99(2)(c) of the MFMA.

95. Contrary to the requirements of section 32(2) of the MFMA, the municipal entity did not have an investigation committee in place throughout the period to make recommendations to council for the recovery of irregular or fruitless and wasteful expenditure from the person liable for that expenditure.
96. Contrary to the requirements of section 99(2)(b) of the MFMA, the municipal entity did not make payments within the required 30 days from the receipt of an invoice, or such a period as prescribed for certain categories of expenditure.

CONDITIONAL GRANTS

97. The parent municipality did not always within 30 days after the end of each quarter submit quarterly reports to the transferring national officer and the National Treasury on municipal performance for the quarter against the targets stipulated in the infrastructure performance framework, as required by section 11(2)(c)(ii) of DoRA.
98. Contrary to the requirements of section 15(1) of DoRA, the municipal entity utilised conditional grants for purposes other than those stipulated for the respective grants.

REVENUE MANAGEMENT

99. Revenue received by the parent municipality and municipal entity was not always reconciled at least on a weekly basis, as required by sections 64(2)(h) and 98(a) of the MFMA.
100. An adequate management, accounting and information system was not in place at the parent municipality and municipal entity which accounted for debtors, as required by section 64(2)(e) and section 97(h) of the MFMA, respectively.

ASSET MANAGEMENT

101. The accounting officers of the parent municipality and municipal entity did not take all reasonable steps to ensure that the municipality had and maintained a management, accounting and information system that accounts for the assets of the municipality, as required by section 63(2)(a) and section 96(2)(a) of the MFMA, respectively.
102. The accounting officers of the parent municipality and municipal entity did not take all reasonable steps to ensure that the municipality had and maintained an effective system of internal control for assets, as required by section 63(2)(c) and section 96(2)(b) of the MFMA, respectively.
103. The right to manage a capital asset with a value in excess of R10 million was granted by the parent municipality without a public participation process, in contravention of Asset Transfer Regulation 34(1)(a) and 34(2).

INTERNAL CONTROL

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

and the findings on compliance with laws and regulations included in this report.

LEADERSHIP

105. Significant changes in the executive leadership team of the parent municipality during the latter part of the financial year resulted in the deliverables and time frames of the project to compile a GRAP-compliant immovable asset register not being adequately monitored. This resulted in this project not being completed in time to provide the chief financial officer with all the relevant information required for financial reporting purposes.
106. A high vacancy rate for technical resources in the infrastructure section of the parent municipality resulted in poor maintenance of water meters in the network. This resulted in the excessive use of estimates to determine water consumption to be billed to consumers.
107. The organisational structure of the parent municipality did not provide for a compliance officer. As a result, monitoring of and reporting on compliance with laws and regulations were not prioritised.
108. The accounting officer of the parent municipality did not develop and implement standard operating procedures and processes that detailed how the monitoring of the reported performance information would be conducted, organised and managed, including the determination of clear responsibilities for all the relevant role players.
109. The leadership culture of ethical business practices was not fully embedded throughout the municipal entity to prevent non-compliance with laws and regulations, which resulted in some instances of irregular and fruitless and wasteful expenditure.
110. Effective human resource management was not implemented by the municipal entity to ensure that adequate and sufficiently skilled resources were in place and that performance was monitored.
111. The implementation of action plans was not adequately monitored by the municipal entity to address internal control deficiencies. As a result, matters reported in the prior years were recurring and also affected the opening balances and comparative figures.

FINANCIAL AND PERFORMANCE MANAGEMENT

112. Inadequate communication between the finance unit and other directorates within the parent municipality and municipal entity resulted in incomplete and inaccurate financial reporting relating to future contractual commitments and capital projects in progress.
113. A proper record keeping system was not implemented by the parent municipality and municipal entity to ensure that complete, timely, relevant, accurate and accessible information was available to support information included in the annual performance report of the municipality.
114. The municipal entity lacks adequate and appropriately skilled resources to carry out its operations and simultaneously maintain the records of all transactions and events for future reference.
115. The lack of adequate and appropriately skilled resources, as mentioned above, resulted in the management of the municipal entity not being able to implement basic controls over

daily and monthly processing and reconciling of transactions, the safeguarding of assets, gathering of information on performance against predetermined objectives and compliance with laws and regulations.

GOVERNANCE

116. The internal audit unit of the parent municipality was utilised to assist with non-internal audit-related work to clear audit findings of the previous years, which resulted in internal audits planned according to the audit plan not being executed. The evaluation of the daily and monthly controls, monthly asset counts, performance information reporting and information systems audits was not adequately performed.
117. Due to the limited number of audit committee members, the joint audit committee could not adequately fulfil all their oversight responsibilities in terms of the committee's charter.
118. The parent municipality performed a formal risk assessment late in the current financial year as the chief risk officer position was vacant. Consequently, the parent municipality did not timeously analyse risks and implement appropriate internal controls to mitigate these risks. In addition, appropriate risk management activities were not implemented at the municipal entity to ensure that regular risk assessments, including considering information technology risks and fraud prevention, were conducted and a risk strategy to address the risks was developed and monitored.

OTHER REPORTS

INVESTIGATIONS

119. During the year under review, an investigation was launched by an independent consulting firm into alleged irregularities in the following directorates of the parent municipality:
 - Fleet and mechanical workshop
 - Human resources
 - Supply chain management

The investigation had not been completed at the date of this report.

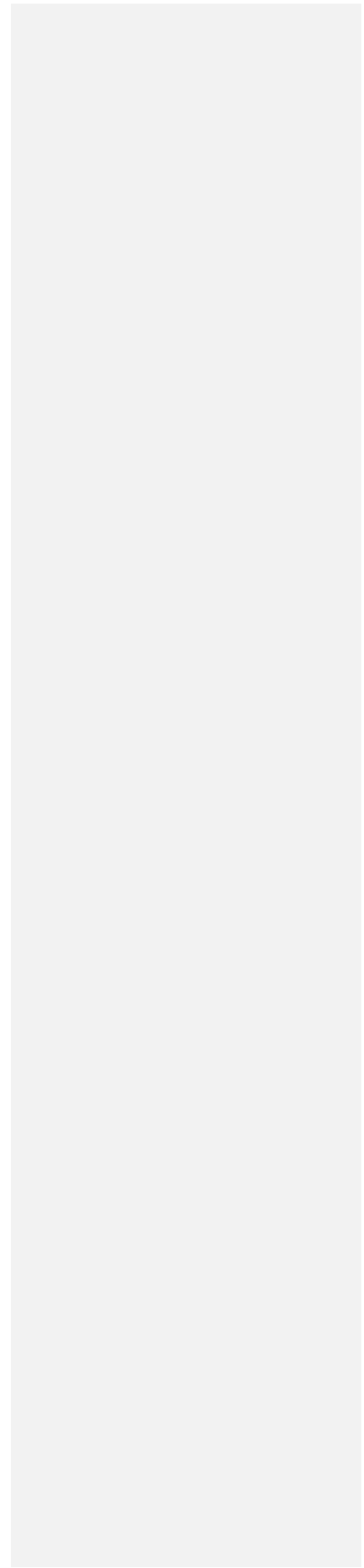
Pretoria

5 February 2013

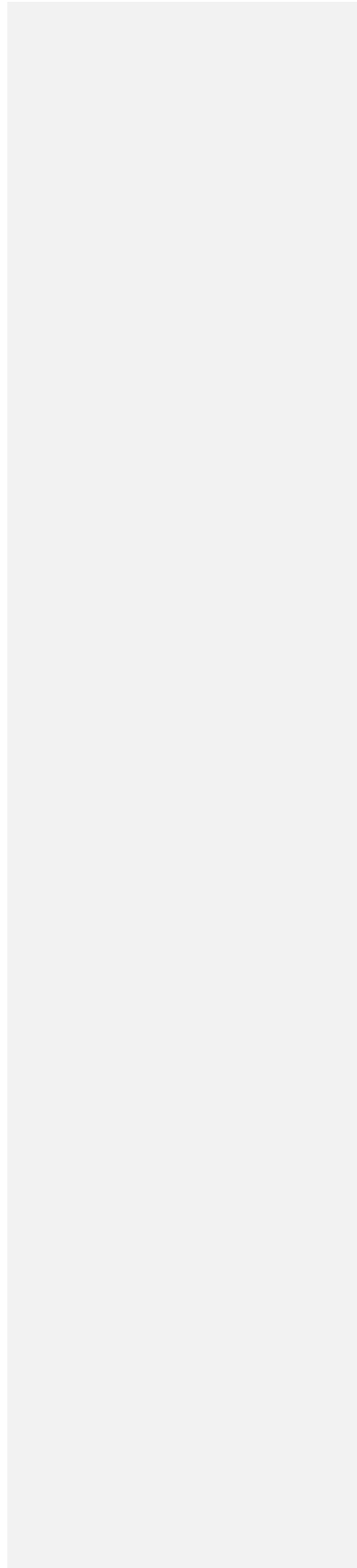


AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



APPENDICES



APPENDIX A

INFORMATION AND ATTENDANCE OF MEMBERS OF THE COUNCIL FOR THE FINANCIAL YEAR : JULY 2011 UNTIL JUNE 2012

COUNCIL MEETINGS 2011 = 8

COUNCIL MEETINGS 2012 = 6

COUNCIL MEMBER	PARTY	COMMITTEES ALLOCATED (Portfolio : Section 80 Committees)	WARD / PROPORTIONAL	Number of meetings attended
Clr GM BACELA	ANC	-	Ward 46	14
Clr FR BOTES	DA	-	Ward 25	9
Clr JF BRITZ	DA	-	Proportional	12
Clr SKM CHOENE (deceased July 6, 2011)	ANC	-	-	-
Clr ME DENNIS	DA	-	Ward 23	12
Clr MD DIBECO-MASUKU	ANC	-	Ward 42	14
Clr S DYOSIBA	ANC	-	Ward 9	14
Clr MJ ETI	ANC	-	Ward 27	14
Clr MD HLUJANE	ANC	-	Ward 37	13
Clr W HORN	DA	-	Proportional	11
Clr TA JACOBS	ANC	-	Proportional	12
Clr TB JACOBS	ANC	-	Ward 2	14
Clr DE JANSE v VUUREN	DA	-	Ward 24	11

COUNCIL MEMBER	PARTY	COMMITTEES ALLOCATED (Portfolio : Section 80 Committees)	WARD / PROPORTIONAL	Number of meetings attended
Clr LR JULY	ANC	-	Proportional	13
Clr SG KALIYA	ANC	-	Ward 5	12
Clr ZT KHI	ANC	-	Ward 4	12
Clr PA KUAPE	ANC	-	Ward 35	11
Clr TS LALA	ANC	-	Ward 33	9
Clr JAA LAZENBY	DA	-	Proportional	10
Clr D LEECH	DA	-	Ward 22	12
Clr LE LEKGELA	COPE	-	Proportional	11
Clr MJ LEPHOI	ANC	-	Ward 11	14
Clr TK LITABE	DA	-	Proportional	12
Clr BNV MADELA	ANC	-	Ward 19	14
Clr ET MAKHELE	ANC	-	Ward 36	14
Clr P MAKOKO (resigned August 2011)	DA	-	Proportional	0
Clr MC MALEBO	DA	-	Proportional	13
Clr ZE MANGCOTYWA	ANC	Council Whip	Proportional	13
Clr TM MANYONI	ANC	Executive Mayor	Proportional	10
Clr LE MAPHAKISA (resigned 19 May 2012)	DA	-	Proportional	10
Clr LA MASOETSA	ANC	Section 80 Committee : Infrastructure and Services	Proportional	8

COUNCIL MEMBER	PARTY	COMMITTEES ALLOCATED (Portfolio : Section 80 Committees)	WARD / PROPORTIONAL	Number of meetings attended
Clr ML MATHOBISA	ANC	-	Ward 43	9
Clr MV MATSEMELELA	ANC	-	Ward 12	14
Clr MJ MATSOETLANE	ANC	Section 80 Committee : Health and Social Development	Proportional	13
Clr TM MFAZWE	ANC	-	Proportional	12
Clr H MINNIE	DA	-	Proportional	10
Clr MA MOENG	ANC	Section 80 Committee : Economic Development and Tourism	Proportional	10
Clr MJ MOFOKENG	ANC	-	Ward 49	13
Clr ID MOGAMISE	ANC	-	Proportional	12
Clr MW MOHAPI (resigned November 2011)	ANC	-	Proportional	4
Clr ME MOILWA	ANC	Section 80 Committee : Corporate Governance and Administration	Proportional	13
Clr PR MOKOLOKO	ANC	-	Ward 34	14
Clr KO MOKONE (appointed 17 November 2011)	DA	-	Proportional	6
Clr NG MOKOTJO	ANC	Section 80 Committee : Finance	Proportional	9
Clr RLAE MOLOABI	ANC	-	Ward 40	13
Clr SA MONNAKGORI	ANC	Section 80 Committee : Development Planning and Urban Management	Proportional	14
Clr MB MONONYANE	COPE	-	Proportional	13
Clr TM MOPELO	ANC	-	Ward 30	12
Clr TA MOPHETHE	ANC	-	Ward 39	14

COUNCIL MEMBER	PARTY	COMMITTEES ALLOCATED (Portfolio : Section 80 Committees)	WARD / PROPORTIONAL	Number of meetings attended
Clr TCL MOROE	ANC	-	Ward 14	13
Clr MM MORURI	ANC	-	Ward 41	13
Clr SS MORUTLE	ANC	-	Ward 29	11
Clr TA MOSIUOA	DA	-	Proportional	13
Clr MZ MOTLADILE	ANC	-	Ward 10	11
Clr HJ MOTLATSI	ANC	-	Ward 15	14
Clr TS MPAKATHE	DA	-	Proportional	12
Clr MS MPEQEKA	ANC	-	Proportional	11
Clr KJ MTSHIWANE	ANC	-	Ward 7	14
Clr TJ NAILE	ANC	-	Ward 38	13
Clr SS NDAMANE	ANC	-	Ward 1	13
Clr MJ NKOE	ANC	-	Ward 6	11
Clr J NOTHNAGEL	ANC	-	Proportional	14
Clr GJ OLIVIER (appointed 26 January 2012)	ANC	-	Proportional	4
Clr TD PARKIE	DA	-	Proportional	13
Clr TWG PATO (appointed 24 August 2011)	ANC	-	Proportional	10
Clr MA PHAJANE	DA	-	Proportional	13
Clr SD PHOKOJE	ANC	-	Ward 31	14

COUNCIL MEMBER	PARTY	COMMITTEES ALLOCATED (Portfolio : Section 80 Committees)	WARD / PROPORTIONAL	Number of meetings attended
Clr NA PHUPHA	ANC	-	Ward 17	11
Clr XD PONGOLO	ANC	Section 80 Committee : Human Settlements and Housing	Ward 3	13
Clr JD POWELL	FF+	-	Proportional	9
Clr C PRETORIUS	ANC	-	Ward 8	13
Clr JC PRETORIUS	DA	-	Ward 48	8
Clr KN RABELA	ANC	-	Proportional	12
Clr MA RAMETSE	COPE	-	Proportional	13
Clr FP RAMOKOTJO	ANC	-	Ward 13	13
Clr TM RAMONA	ACP	-	Proportional	11
Clr CLM RAMPAI	ANC	Speaker	Proportional	14
Clr NA RATSIU	ANC	-	Ward 28	12
Clr ME SEBOTHELO	ANC	-	Ward 32	14
Clr CSK SECHOARO	ANC	Section 80 Committee : Rural Development and Environment	Proportional	7
Clr DM SEKAKANYO	ANC	Section 80 Committee : Transport, Security and Emergency	Proportional	13
Clr M SELALEDI	ANC	-	Proportional	10
Clr MA SIYONZANA	ANC	Deputy Executive Mayor Section 80 Committee : Integrated Development Planning	Proportional	13
Clr E SNYMAN-VAN DEVENTER	FF+	-	Proportional	6

COUNCIL MEMBER	PARTY	COMMITTEES ALLOCATED (Portfolio : Section 80 Committees)	WARD / PROPORTIONAL	Number of meetings attended
Clr ZG SOKOYI	ANC	-	Proportional	13
Clr ED TEKO	ANC	-	Ward 45	14
Clr AP TERBLANCHE	DA	-	Ward 16	10
Clr GTM THIPENYANE	ANC	-	Proportional	13
Clr LM TITI ODILIE	ANC	-	Proportional	14
Clr AL TOBA	ANC	-	Proportional	14
Clr EC TOBIE	DA	-	Ward 18	12
Clr M TSOMELA	ANC	-	Proportional	14
Clr PJJ VAN BILJON	DA	-	Ward 44	11
Clr R VAN DER MERWE	DA	-	Ward 20	9
Clr P vd WESTHUIZEN	DA	-	Proportional	12
Clr HJC VAN NIEKERK	DA	-	Ward 26	13
Clr BJ VIVIERS	DA	-	Ward 21	12
Clr VW WARD	ANC	-	Ward 47	13
Clr AS ZERWICK	DA	-	Proportional	9
Clr NM ZOPHE	DA	-	Proportional	11

APPENDIX B COMMITTEES AND COMMITTEE PURPOSES

MAYORAL COMMITTEE

Purpose of the Mayoral Committee

The Municipal Structures Act 117 of 1998, Section 80 sub-section (1) to (3) read as thus with regard to the purpose of the Mayoral Committee:

- (1) If a Municipal Council has an Executive Committee or Executive Mayor, it may appoint in terms of Section 79 (of the same Act), committees of Councillors to assist the Executive Committee or Executive Mayor;
- (2) Such Committees may not in number exceed the number of members of the Executive Committee or Mayoral Committee;
- (3) The Executive Committee or Executive Mayor-
 - (a) appoints a Chairperson for each Committee from the Executive Committee or Mayoral Committee;
 - (b) may delegate any powers and duties of the Executive Committee or Executive Mayor to the Committee;
 - (c) is not divested of the responsibility concerning the exercise of the power or the performance of the duty and
 - (d) may vary or revoke any decision taken by a Committee, subject to any vested rights.
- (4) Such a committee must report to the Executive Committee or Executive Mayor in accordance with the directions of the Executive Committee or Executive Mayor.

The purpose of the Mayoral Committee is to assist the Executive Mayor with the powers and duties as shall be delegated the Executive Mayor.

List of members of the Mayoral Committee members after the Local Government Election in May 2011 till the end of June 2012

COUNCILLOR TM MANYONI	Executive Mayor (Chairperson)
COUNCILLOR MA SIYONZANA	Deputy Executive Mayor
COUNCILLOR LA MASOETSA	Infrastructure and Services
COUNCILLOR MJ MATSOETLANE	Health and Social Development
COUNCILLOR ME MOILWA	Corporate Governance and Administration
COUNCILLOR SA MONNAKGORI	Development Planning and Urban Management
COUNCILLOR NG MOKOTJO	Finance
COUNCILLOR CSK SECHOARO	Rural Development and Environment
COUNCILLOR XD PONGOLO	Human Settlements/ Housing
COUNCILLOR DM SEKAKANYO	Transport, Security and Emergency
COUNCILLOR MA MOENG	Economic Development and Tourism

DATE OF MEETING	NAMES OF MEMBERS PRESENT	LEAVE OF ABSENCE AND APOLOGIES
July 20, 2011 (Ordinary meeting)	COUNCILLOR TM MANYONI (Executive Mayor) (Chairperson) COUNCILLOR MA SIYONZANA (Deputy Executive Mayor) COUNCILLOR LA MASOETSA COUNCILLOR MJ MATSOETLANE COUNCILLOR MA MOENG COUNCILLOR ME MOILWA COUNCILLOR NG MOKOTJO COUNCILLOR SA MONNAKGORI COUNCILLOR XD PONGOLO COUNCILLOR DM SEKAKANYO COUNCILLOR CSK SECHOARO	None
September 15, 2011 (Ordinary meeting)	COUNCILLOR TM MANYONI (Executive Mayor) (Chairperson) COUNCILLOR MA SIYONZANA (Deputy Executive Mayor) COUNCILLOR LA MASOETSA COUNCILLOR MJ MATSOETLANE COUNCILLOR MA MOENG COUNCILLOR ME MOILWA COUNCILLOR NG MOKOTJO COUNCILLOR SA MONNAKGORI COUNCILLOR XD PONGOLO COUNCILLOR DM SEKAKANYO COUNCILLOR CSK SECHOARO	Councillor MA Moeng (sick leave) and Councillor MJ Matsoetlane (family related matters)
October 20, 2011 (Special meeting)	COUNCILLOR TM MANYONI (Executive Mayor) (Chairperson) COUNCILLOR LA MASOETSA COUNCILLOR MJ MATSOETLANE COUNCILLOR MA MOENG COUNCILLOR NG MOKOTJO COUNCILLOR SA MONNAKGORI COUNCILLOR XD PONGOLO COUNCILLOR DM SEKAKANYO COUNCILLOR CSK SECHOARO	Councillor MA Siyonzana (Deputy Executive Mayor) (work related matters) and Councillor ME Moliwa (work related matters)

November 17, 2011 (Ordinary meeting)	<p>COUNCILLOR MA SIYONZANA (Deputy Executive Mayor) (Acting Chairperson)</p> <p>COUNCILLOR LA MASOETSA</p> <p>COUNCILLOR MJ MATSOETLANE</p> <p>COUNCILLOR MA MOENG</p> <p>COUNCILLOR ME MOILWA</p> <p>COUNCILLOR SA MONNAKGORI</p> <p>COUNCILLOR DM SEKAKANYO</p> <p>COUNCILLOR CSK SECHOARO</p>	<p>Councillor TM Manyoni (Executive Mayor) (Chairperson) (work related matters), Councillor XD Pongolo (family related matters) and Councillor NG Mokotjo (sick leave).</p>
January 25, 2012 (Special meeting)	<p>COUNCILLOR TM MANYONI (Executive Mayor) (Chairperson)</p> <p>COUNCILLOR MA SIYONZANA (Deputy Executive Mayor)</p> <p>COUNCILLOR LA MASOETSA</p> <p>COUNCILLOR ME MOILWA</p> <p>COUNCILLOR NG MOKOTJO</p> <p>COUNCILLOR SA MONNAKGORI</p> <p>COUNCILLOR XD PONGOLO</p> <p>COUNCILLOR DM SEKAKANYO</p> <p>COUNCILLOR CSK SECHOARO</p>	<p>Councillor MJ Matsoetlane (absent with leave) and Councillor MA Moeng (absent with leave)</p>
February 24, 2012 (Ordinary meeting)	<p>COUNCILLOR TM MANYONI (Executive Mayor) (Chairperson)</p> <p>COUNCILLOR MA SIYONZANA (Deputy Executive Mayor)</p> <p>COUNCILLOR MJ MATSOETLANE</p> <p>COUNCILLOR MA MOENG</p> <p>COUNCILLOR ME MOILWA</p> <p>COUNCILLOR NG MOKOTJO</p> <p>COUNCILLOR SA MONNAKGORI</p> <p>COUNCILLOR XD PONGOLO</p> <p>COUNCILLOR DM SEKAKANYO</p> <p>COUNCILLOR CSK SECHOARO</p>	<p>Leave of Absence and Apologies: Councillor LA Masoetsa (sick leave)</p>

<p>March 28, 2012 (Special meeting)</p> <p>)</p>	<p>COUNCILLOR MA SIYONZANA (Deputy Executive Mayor) (Acting Chairperson) COUNCILLOR MJ MATSOETLANE COUNCILLOR MA MOENG COUNCILLOR SA MONNAKGORI COUNCILLOR XD PONGOLO COUNCILLOR DM SEKAKANYO COUNCILLOR CSK SECHOARO</p>	<p>Councillor TM Manyoni (Executive Mayor) (Chairperson) (work related matters) Councillor LA Masoetsa (sick leave), Councillor NG Mokotjo absent with leave) and Councillor ME Moilwa absent with leave</p>
<p>April 17, 2012 (Ordinary meeting)</p>	<p>COUNCILLOR TM MANYONI (Executive Mayor) (Chairperson) COUNCILLOR MA SIYONZANA (Deputy Executive Mayor) COUNCILLOR LA MASOETSA COUNCILLOR MJ MATSOETLANE COUNCILLOR MA MOENG COUNCILLOR ME MOILWA COUNCILLOR NG MOKOTJO COUNCILLOR SA MONNAKGORI COUNCILLOR DM SEKAKANYO</p>	<p>Councillor XD Pongolo (work related matters) and Councillor CSK Sechoaro (work</p>
<p>June 12, 2012 (Ordinary meeting)</p>	<p>COUNCILLOR TM MANYONI (Executive Mayor) (Chairperson) COUNCILLOR MA SIYONZANA (Deputy Executive Mayor) COUNCILLOR LA MASOETSA COUNCILLOR MJ MATSOETLANE COUNCILLOR MA MOENG COUNCILLOR ME MOILWA COUNCILLOR NG MOKOTJO COUNCILLOR SA MONNAKGORI COUNCILLOR XD PONGOLO COUNCILLOR DM SEKAKANYO COUNCILLOR CSK SECHOARO</p>	<p>Councillor CSK Sechoaro (sick leave)</p>

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State title and name)
1. OFFICE OF THE CITY MANAGER	1.1 CITY MANAGER: S MAZIBUKO
	1.2 DEPUTY EXECUTIVE DIRECTOR: MONITORING & EVALUATION: MASEKOANE
	1.3 DEPUTY EXECUTIVE DIRECTOR: PLANNING & OPERATIONS: VACANT
	1.4 GM: STRATEGIC SUPPORT: VACANT
	1.5 GM: INTERNAL AUDIT: GA NTSALA
	1.6 CHIEF RISK OFFICER: SOLFAFA
	1.7 GM: COMMUNICATIONS: VACANT
	1.8 GM: LIAISON & PUBLIC RELATIONS: QJ KHEDAMA
	1.9 HEAD OF OFFICE: OFFICE OF THE EXECUTIVE MAYOR: HM NTSHINGANE
	1.10 HEAD OF OFFICE: OFFICE OF THE DEPUTY EXECUTIVE MAYOR: MA MORAKE
	1.11 HEAD OF OFFICE: OFFICE OF THE SPEAKER: VACANT
2. CORPORATE SERVICES	2.1 HOD: CORPORATE SERVICES: WH BOSHOFF
	2.2 GM: HUMAN RESOURCE MANAGEMENT: VACANT
	2.3 GM: HUMAN RESOURCE DEVELOPMENT: MB COMAKAE
	2.4 GM: COMMITTEE SERVICES: MP MOTHEKHE
	2.5 CHIEF TECHNOLOGY OFFICER: SS RADEBE
	2.6 GM: STRATEGIC SUPPORT: VACANT
3. ENGINEERING SERVICES	3.1 HOD: ENGINEERING SERVICES: LX NTOYI
	3.2 GM: FLEET MANAGEMENT: JL MAHOKO
	3.3 GM: ROADS & STORM WATER: MG LETSIE
	3.4 GM: WATER & SANITATION: MS TSOMELA
	3.5 GM: STRATEGIC SUPPORT: VACANT
4. SOCIAL SERVICES	4.1 HOD: SOCIAL SERVICES: HE RADEBE
	4.2 GM: EMERGENCY MANAGEMENT SERVICES: C LAMPRECHT
	4.3 GM ENVIRONMENTAL MANAGEMENT SERVICES: VACANT
	4.4 GM: PARKS AND CEMETERIES: MA MAFISA
	4.5 GM: PUBLIC SAFETY : LE SEGOBO

Third Tier Structure	
Directorate	Director/Manager (State title and name)
5. STRATEGIC PROGRAMMES & SERVICE DELIVERY:	5.1 HOD: G MOHLAKOANE
	5.2 GM: STRATEGIC SUPPORT: MT SEKOTO
	5.3 GM: BOTSHABELO REGION: TDJ MATUTLE
	5.4 GM: THABA NCHU REGION: HE GAETSEWE
6. HUMAN SETTLEMENT & HOUSING	6.1 HOD: HUMAN SETTLEMENT & HOUSING: MM MOKOENA
	6.2 GM: STRATEGIC SUPPORT: VACANT
	6.3 GM: BNG PROJECT MANAGEMENT: VACANT
	6.4 GM: HOUSING: MD MOKOENA
	6.5 GM: IMPLEMENTATION SUPPORT: VACANT
	6.6 GM: PROPERTY & LAND MANAGEMENT: VACANT
	6.7 GM: HOUSING: MD MOKOENA
7. FINANCE	7.1 CHIEF FINANCIAL OFFICER: ME MOHLAHLLO
	7.2 GM: STRATEGIC SUPPORT: SE MOFOKENG
	7.3 GM: ACCOUNTING & COMPLIANCE: N SITISHI
	7.4 GM: ASSET MANAGEMENT: VACANT
	7.5 GM: DEBT COLLECTION: R LEBUSHO
	7.6 GM: FINANCIAL MANAGEMENT: MJ KHUNONG
	7.7 GM: REVENUE MANAGEMENT: KS RAPULUNGOANE
	7.8 GM: SUPPLY CHAIN MANAGEMENT: FE MOLABA
8. PLANNING	8.1 HOD: PLANNING: HK KABAGAMBE
	8.2 GM: FRESH PRODUCE MARKET: MRM MOLEME
	8.3 GM: STRATEGIC SUPPORT: VACANT
	8.4 GM: LOCAL ECONOMIC DEVELOPMENT: VACANT
	8.5 GM: PLANNING: VACANT
9. CENTLEC	9.1 CHIEF EXECUTIVE OFFICER: VACANT
	9.2 GM: CORPORATE SERVICES CENTLEC: MW SEOKE
	9.3 GM: ENGINEERING CENTLEC: VACANT
	9.4 GM: FINANCE: VACANT

APPENDIX E& F – WARD REPORT AND WARD INFORMATION

CAPITAL PROJECTS PER WARD 2011/12

Ward	Description	Sub Dir	Budget 2011/12	Exp Jun-12
1	UPGRADING OF MOILOA STREET	ROADS AND STORMWATER	1 233 579	1 236 690.98
	UPGRADING OF SESING STREET	ROADS AND STORMWATER	1 500 000	1 075 274.93
	UPGRADING OF ROADS AND SW: BATHO: TONA ST	ROADS AND STORMWATER	6 137 920	7 123 412.30
	UPGRADING OF ROADS AND SW: BATHO: MOILOA ST	ROADS AND STORMWATER	2 987 594	3 177 472.27
	UPGRADING OF ROADS AND SW: BATHO: SESING ST	ROADS AND STORMWATER	6 384 264	6 820 231.53
	1 Total			18 243 357
2	FORT HARE & MAKGATHO INTERSECTION & TRAF	ROADS AND STORMWATER	500 000	0.00
	KING STREET (T0916 A)	ROADS AND STORMWATER	114 086	0.00
	UPGRADING OF ROADS - KING ST	ROADS AND STORMWATER	323 122	233 112.99
	UPGRADING OF ROADS AND SW BATHO HARTZER	ROADS AND STORMWATER	2 594 892	0.00
	UPGRADING OF ROADS AND SW BATHO KHUMALO	ROADS AND STORMWATER	2 372 364	1 523 736.66
	UPGRADING OF ROADS AND SW BATHO LOVEDALE	ROADS AND STORMWATER	7 104 120	5 582 092.53
	UPGRADING OF ROADS AND SW BATHO SEGONEGO	ROADS AND STORMWATER	1 203 118	0.00
	UPGRADING OF ROADS: KING ST	ROADS AND STORMWATER	1 846 409	143 876.79
	UPGRADING OF MAKGATHO STREET	ROADS AND STORMWATER	1 200 000	651 536.64
	UPGRADING OF ROADS AND SW: BATHO: COOPER AVE	ROADS AND STORMWATER	1 000 000	0.00
	UPGRADING OF ROADS AND SW: BATHO: MAKGATHO ST	ROADS AND STORMWATER	3 422 054	2 827 700.26
	UPGRADING OF ROADS AND SW: BATHO: AFRICAN RD	ROADS AND STORMWATER	4 288 058	0.00
	2 Total			25 968 223
3	HEAVY REHABILITATION OF CHURCH STREET	ROADS AND STORMWATER	3 200 000	1 419 709.88
	REHABILITATION OF CHURCH STREET	ROADS AND STORMWATER	2 582 693	561 376.14
	UPGRADING OF ROADS: MATHAMBO ST	ROADS AND STORMWATER	1 506 841	1 510 642.71
	UPGRADING OF STREETS IN SEVEN DAYS AREA	ROADS AND STORMWATER	572 787	0.00
3 Total			7 862 321	3 491 728.73

Ward	Description	Sub Dir	Budget 2011/12	Exp Jun-12
4	T0912 A UPGRADING OF ROADS: MAN RD 242	ROADS AND STORMWATER	106 924	148 917.58
	UPGRADING OF ROADS - MAN RD 242	ROADS AND STORMWATER	27 775	31 580.00
	UPGRADING OF ROADS: MAN RD 242	ROADS AND STORMWATER	1 671 303	1 675 521.27
4	Total		1 806 002	1 856 018.85
5	T0912 A UPGRADING OF ROADS: NAZO ST	ROADS AND STORMWATER	204 356	210 947.95
	UPGRADING OF ROADS - NAZO ST	ROADS AND STORMWATER	67 972	59 775.02
	UPGRADING OF ROADS&SW: &DLHABU STREET	ROADS AND STORMWATER	1 500 000	0.00
	UPGRADING OF ROADS&SW: ZIM STREET	ROADS AND STORMWATER	2 000 000	243 801.16
	UPGRADING OF ROADS: NAZO ST	ROADS AND STORMWATER	23 762	23 821.78
	STORMWATER: INNERRING/MOSHOESHOE (REGIONAL OFFICE)	ROADS AND STORMWATER	1 630 000	462 940.51
5	Total		5 426 090	1 001 286.42
7	UPGRADING OF ROADS: BLOEM RD 4	ROADS AND STORMWATER	5 373 430	5 662 885.79
	UPGRADING OF ROADS: MAN RD 650	ROADS AND STORMWATER	476 491	363 392.56
7	Total		5 849 921	6 026 278.35
10	UPGRADING OF ROADS&SW: LEEPILE	ROADS AND STORMWATER	2 200 000	621 414.96
10	Total		2 200 000	621 414.96
11	UPGRADING OF ROADS&SW: ROAD 6	ROADS AND STORMWATER	2 060 000	363 901.39
11	Total		2 060 000	363 901.39
12	UPGRADING OF ROADS - MAN RD 797	ROADS AND STORMWATER	25 345	22 288.56
	UPGRADING OF ROADS: MAN RD 797	ROADS AND STORMWATER	784 060	747 612.33
12	Total		809 405	769 900.89
14	UPGRADING OF ROADS - MOJATAU ST	ROADS AND STORMWATER	143 480	126 177.24
	UPGRADING OF ROADS: MOJATAU ST	ROADS AND STORMWATER	3 587 380	3 346 026.56
14	Total		3 730 860	3 472 203.80

Ward	Description	Sub Dir	Budget 2011/12	Exp Jun-12
15	UPGRADING OF ROADS - THAKALEKOALA ST	ROADS AND STORMWATER	6 289	6 304.63
	UPGRADING OF ROADS - TSUENE ST	ROADS AND STORMWATER	102 776	98 434.60
	UPGRADING OF ROADS: THAKALEKOALA ST	ROADS AND STORMWATER	2 380 360	2 384 615.42
	UPGRADING OF ROADS: TSUENE ST	ROADS AND STORMWATER	200 194	200 699.03
15	Total		2 689 619	2 690 053.68
17	BASIC SANITATION TO ERVEN GRASSLANDS 2&3	SANITATION	23 395	23 406.93
	NORTH EASTERN WASTEWATER TREATMENT WORKS AND COLLECTORS	SANITATION	13 203 216	12 886 591.77
17	Total		13 226 611	12 909 998.70
18	UPGRADING AND CONSTRUCTION OF SOUTHERN LANDFILL SITES	LANDFILL SITE MANAGEMENT	3 050 000	1 347 695.35
	W0911B: BULK WATER SUPPLY TO MANGAUNG (LONGRIDGE RESERVOIR 45 ML)	WATER	18 840 463	16 629 188.08
	W0911C: BULK WATER SUPPLY TO MANGAUNG (LONGRIDGE RESERVOIR PIPELINE 8.3 KM)	WATER	1 156 421	1 157 052.72
18	Total		23 046 884	19 133 936.15
19	ANDRIES PRETORIUS & ALEXANDER AVE INTERS	ROADS AND STORMWATER	630 353	367 878.79
	HEAVY REHABILITATION OF HANGER STREET	ROADS AND STORMWATER	700 000	449 600.23
	HEAVY REHABILITATION OF HARVEY ROAD	ROADS AND STORMWATER	3 300 000	1 154 252.24
	INTERMODAL -HEAVY REHABILITATION HANGER	ROADS AND STORMWATER	3 142 400	0.00
	INTERMODAL -HEAVY REHABILITATION HARVEY	ROADS AND STORMWATER	3 213 600	0.00
	REHABILITATION OF ANDRIES PRETORIUS STRE	ROADS AND STORMWATER	3 150 000	2 876 856.15
	INTERMODAL -HEAVY REHABILITATION ST GEORGES STR	ROADS AND STORMWATER	1 837 664	0.00
	REHABILITATION OF NELSON MANDELA STREET (ALEXANDER AND EAST BURGER - NELSON MANDELA STATUE)	ROADS AND STORMWATER	600 000	304 946.75
	HEAVY REHABILITATION OF ST GEORGES STREET	ROADS AND STORMWATER	2 000 000	288 866.21
	ANDRIES PRETORIUS & ALEXANDER AVENUE INTERSECTION ROAD AND TRAFFIC SIGNAL CONTROL IMPROVEMENTS	ROADS AND STORMWATER	600 000	0.00
19	Total		19 174 017	5 442 400.37
21	LESSING AVENUE (T0916 B)	ROADS AND STORMWATER	310 004	288 522.10
	MULLER & DU PLESSIS INTERSEC IMPROVEMENT	ROADS AND STORMWATER	554 639	0.00
	UPGRADING OF ROADS - LESSING AVE	ROADS AND STORMWATER	539 537	532 740.04
	UPGRADING OF ROADS: LESSING AVE	ROADS AND STORMWATER	2 340 680	2 267 306.23

Ward	Description	Sub Dir	Budget 2011/12	Exp Jun-12
	REHABILITATION OF ANDRIES PRETORIUS STREET	ROADS AND STORMWATER	6 850 000	1 301 463.83
	W0911A: BULK WATER SUPPLY TO MANGAUNG (NAVAL HILL RESERVOIR 35 ML)	WATER	3 072 810	3 169 585.57
21	Total		13 667 670	7 559 617.77
26	HALDON/ VAN SCHALKWYK INTERSECTION ROAD IMPROVEMENTS AND TRAFFIC SIGNAL CONTROL	ROADS AND STORMWATER	2 700 000	0.00
	W0905B: EXTENSION TO NORTHERN WASTEWATER TREATMENT WORKS AND COLLECTORS	SANITATION	5 803 148	5 932 009.54
	W0905A: EXTENSION TO NORTHERN WASTEWATER TREATMENT WORKS AND COLLECTORS	SANITATION	3 636 598	2 744 516.35
26	Total		12 139 746	8 676 525.89
27	BASIC SANITATION TO ERVEN BOSHABELO F E	SANITATION	90 923	90 971.73
	BASIC SANITATION TO STANDS: SECTION F, F EXT, INFORMAL (5 776)	SANITATION	6 150 000	5 966 321.54
27	Total		6 240 923	6 057 293.27
28	UPGRADING OF ROADS: ROAD B 9	ROADS AND STORMWATER	1 178 451	1 181 425.54
28	Total		1 178 451	1 181 425.54
29	UPGRADING OF ROADS - BOT RD 80	ROADS AND STORMWATER	169 095	169 521.29
	UPGRADING OF ROADS: BOT RD 80	ROADS AND STORMWATER	917 835	920 150.86
29	Total		1 086 930	1 089 672.15
32	T0912 B UPGRADING OF ROADS: BOT RD 498	ROADS AND STORMWATER	298 038	324 242.28
	UPGRADING OF ROADS - BOT RD 498	ROADS AND STORMWATER	141 312	194 552.22
	UPGRADING OF ROADS: BOT RD 498	ROADS AND STORMWATER	4 589 644	4 601 224.90
32	Total		5 028 994	5 120 019.40
33	UPGRADING AND REHABILITATIONS OF BOTSHABELO LANDFILL SITES	LANDFILL SITE MANAGEMENT	2 000 000	0.00
33	Total		2 000 000	0.00
34	UPGRADING OF ROADS - BOT RD 874	ROADS AND STORMWATER	1 171 241	1 029 996.50
	UPGRADING OF ROADS: BOT RD 874	ROADS AND STORMWATER	3 358 694	3 367 168.77
34	Total		4 529 935	4 397 165.27

Ward	Description	Sub Dir	Budget 2011/12	Exp Jun- 12
35	T0913 B UPGRADING OF ROADS: BOT RD 551	ROADS AND STORMWATER	127 466	112 094.43
	UPGRADING OF ROADS - BOT RD 551	ROADS AND STORMWATER	499 174	463 670.05
	UPGRADING OF ROADS: BOT RD 551	ROADS AND STORMWATER	3 701 461	3 710 801.23
35	Total		4 328 101	4 286 565.71
36	T0913 B UPGRADING OF ROADS: BOT RD 1107	ROADS AND STORMWATER	128 895	113 351.10
	UPGRADING OF ROADS: BOT RD 1107	ROADS AND STORMWATER	2 186 874	2 192 391.65
36	Total		2 315 769	2 305 742.75
37	T0913 A UPGRADING OF ROADS: BOT RD 675	ROADS AND STORMWATER	2 818 416	2 837 185.83
	UPGRADING OF ROADS - BOT RD 675	ROADS AND STORMWATER	549 828	642 284.20
	UPGRADING OF ROADS & SW BOT RD 1055 SEC	ROADS AND STORMWATER	1 843 418	7 058.19
	UPGRADING OF ROADS&SW: BOT RD 1055 SEC V	ROADS AND STORMWATER	667 250	680 239.99
	UPGRADING OF ROADS: BOT RD 675	ROADS AND STORMWATER	1 971 650	1 966 899.05
	UPGRADING OF ROADS&SW: Bot Rd 1055 (Section V)	ROADS AND STORMWATER	2 130 000	1 041 101.64
37	Total		9 980 562	7 174 768.90
39	CLOSURE OF THABA NCHU LANDFILL SITES	LANDFILL SITE MANAGEMENT	880 000	0.00
	UPGRADING OF ROADS & SW BOT RD 470	ROADS AND STORMWATER	1 187 403	396 794.19
	UPGRADING OF ROADS & SW BRAND STREET	ROADS AND STORMWATER	660 158	0.00
	UPGRADING OF ROADS & SW CAMP	ROADS AND STORMWATER	731 633	0.00
	UPGRADING OF ROADS&SW: BRAND ST	ROADS AND STORMWATER	7 000 000	6 983 415.80
	UPGRADING OF ROADS&SW: CAMP	ROADS AND STORMWATER	4 000 000	2 966 112.38
	UPGRADING OF ROADS AND SW: CAMP (WEDGE TO WILGE)	ROADS AND STORMWATER	1 935 000	649 537.82
	UPGRADING OF ROADS AND SW: MILNER (CAMP TO BRIDGE)	ROADS AND STORMWATER	3 025 000	310 165.16
	UPGRADING OF ROADS AND SW: FLANAGANG (KLOPPER TO CAMP)	ROADS AND STORMWATER	5 040 000	5 020 739.46
	BASIC SANITATION TO STANDS (WATERBORNE): RATAU & MOROKA (2 192)	SANITATION	6 000 000	2 735 230.64
39	Total		30 459 194	19 061 995.45
40	UPGRADING OF ROADS - THA RD 2207	ROADS AND STORMWATER	209 218	203 806.82
	UPGRADING OF ROADS: THA RD 2207	ROADS AND STORMWATER	91 395	106 516.94

Ward	Description	Sub Dir	Budget 2011/12	Exp Jun- 12
40				310
Total			300 613	323.76
41	UPGRADING OF ROADS - THA RD 106	ROADS AND STORMWATER	9 072	9 094.11
	UPGRADING OF ROADS: THA RD 106	ROADS AND STORMWATER	44 250	-1 007.85
41 Total			53 322	8 086.26
42	UPGRADING OF ROADS: THA RD 254	ROADS AND STORMWATER	522 902	524 220.80
42 Total			522 902	524 220.80
43	UPGRADING OF ROADS - THA RD 2040	ROADS AND STORMWATER	125 858	115 858.72
43 Total			125 858	115 858.72
44	REHABILITATION OF WILCOCKS ROAD	ROADS AND STORMWATER	2 883 371	1 071 759.93
	UPGRADING AND CONSTRUCTION OF NORTHERN LANDFILL SITES	LANDFILL SITE MANAGEMENT	2 000 000	0.00
44 Total			4 883 371	1 071 759.93
45	BASIC SANITATION TO ERVEN	SANITATION	3 737 693	1 131 727.30
	EXTENSION TO STERKWATER WASTEWATER TREATMENT WORKS	SANITATION	8 995 775	9 533 883.23
45 Total			12 733 468	10 665 610.53
46	BLOEM RD 4 (T0916 A)	ROADS AND STORMWATER	300 000	85 076.92
	UPGRADING OF ROADS - BLOEM RD 4	ROADS AND STORMWATER	2 231 696	5 597.09
	EXTENSION TO STERKWATER WASTEWATER TREATMENT WORKS	SANITATION	14 183 273	9 223 894.48
46 Total			16 714 969	9 314 568.49
48	UPGRADING OF ROADS&SW: STORMLAAN	ROADS AND STORMWATER	1 700 000	0.00
48 Total			1 700 000	0.00
1,2,15 ,19	UPGRADING OF COOPER STREET	ROADS AND STORMWATER	481 438	0.00
1,2,15,19 Total			481 438	0.00
1,2,19	UPGRADING HAMILTON ROAD	ROADS AND STORMWATER	1 500 000	1 432 351.81

Ward	Description	Sub Dir	Budget 2011/12	Exp Jun-12
	UPGRADING OF ROADS AND SW: BATHO: HAMILTON RD	ROADS AND STORMWATER	3 293 799	3 578 595.71
1,2,19 Total			4 793 799	5 010 947.52
13,14	UPGRADING OF STORMWATER MAKGASHANE ST	ROADS AND STORMWATER	1 665 000	1 444 281.41
13,14 Total			1 665 000	1 444 281.41
14,13	UPGRADING OF ROADS - MAKHONOFANE STREET	ROADS AND STORMWATER	569 513	570 949.21
14,13 Total			569 513	570 949.21
15,19	SLEEPER REPLACEMENT AND THERMIT WELDS	ROADS AND STORMWATER	100 000	0.00
15,19 Total			100 000	0.00
17,44	REHABILITATION OF RUDOLPH GREYLING ROAD	ROADS AND STORMWATER	4 600 000	1 798 310.13
17,44 Total			4 600 000	1 798 310.13
17,45	ESTOIRE RACE COURSE SEWER MAINS CONNECTION	SANITATION	7 111 508	7 115 393.13
	GRASSLAND & BLOEMSPRUIT SEWER MAINS CONNECTION	SANITATION	10 113 218	10 506 865.43
17,45 Total			17 224 726	17 622 258.56
18,21	BULK WATER SUPPLY TO MANGAUNG (NAVAL HILL)	WATER	4 824 202	4 670 542.61
18,21 Total			4 824 202	4 670 542.61
18,24	CURIE AVENUE STORMWATER	ROADS AND STORMWATER	850 000	0.00
18,24 Total			850 000	0.00
20,22, 23	UPGRADING OF PARFITT AVENUE	ROADS AND STORMWATER	416 304	417 354.35
20,22,23 Total			416 304	417 354.35
31,33	UPGRADING OF ROADS&SW: Bot Rd 350 (Section C)	ROADS AND STORMWATER	700 000	0.00
31,33 Total			700 000	0.00
33,32	UPGRADING OF ROADS&SW: BOT RD 470	ROADS AND STORMWATER	9 332 750	9 701 677.33
33,32 Total			9 332 750	9 701 677.33

Ward	Description	Sub Dir	Budget 2011/12	Exp Jun- 12
42/43	BASIC SANITATION TO STANDS: BULTFONTEIN 2,3,4 (4 021)	SANITATION	850 000	275 042.94
42/43 Total			850 000	275 042.94
6,7,8, 11	UPGRADING OF SEWER SYSTEM IN FREEDOM SQUARE	SANITATION	42 764 961	43 654 749.82
6,7,8,11 Total			42 764 961	43 654 749.82
9&10	UPGRADING OF ROADS&SW: HOKATHO VAPHI	ROADS AND STORMWATER	1 000 000	20 290.08
9&10 Total			1 000 000	20 290.08
All	COMPUTER EQUIPMENT FOR MIG MIS 4	ROADS AND STORMWATER	100 000	0.00
	FLEET 1251: GRASS FIRE UNIT	MECHANICAL SERVICES	260 000	0.00
	FLEET1219: GRASS FIRE UNIT	MECHANICAL SERVICES	260 000	0.00
	HEALTH AND SAFETY ASSESSMENTS	ROADS AND STORMWATER	700 000	0.00
	HEALTH AND SAFETY ASSESSMENTS	SANITATION	300 000	0.00
	LEASE TO OWN VEHICLES AND EQUIPMENT	MECHANICAL SERVICES	29 452 500	3 223.78
	METERING OF UNMETERED SITES	WATER	4 992 799	4 995 526.65
	NEW TRAFFIC LIGHTS	ROADS AND STORMWATER	341 796	0.00
	PREPAID WATER METERS	WATER	6 097 270	6 100 601.49
	REAL LOSS REDUCTION PROGRAMME (WATER)	WATER	731 874	732 273.53
	REFURBISHMENT OF SEWER SYSTEMS	SANITATION	10 340 000	7 732 549.40
	REFURBISHMENT OF WATER SUPPLY SYSTEMS	WATER	23 642 277	23 532 159.80
	REHABILITATION OF BRIDGES	ROADS AND STORMWATER	800 000	239 937.14
	REHABILITATION OF STORMWATER CANALS	ROADS AND STORMWATER	1 250 000	220 053.92
	REPLACE WATER METERS AND FIRE HYDRANTS	WATER	16 089 025	15 191 737.08
	RESEALING OF ROADS	ROADS AND STORMWATER	30 214 353	32 061 872.65
	TELEMETRY AND SCADA SYSTEM	WATER	2 718 341	2 719 825.90
	UNFORESEEN STORMWATER IMPROVEMENTS	ROADS AND STORMWATER	1 300 000	97 287.38
	STREETS AND STORMWATER MANAGEMENT SYSTEM	ROADS AND STORMWATER	700 000	0.00
	REPLACEMENT OF OBSOLETE AND ILLEGAL SIGNAGE AND TRAFFIC SIGNALS	ROADS AND STORMWATER	1 000 000	879 406.48
	BULK WATER MAINS (BOTSHABELO, THABA NCHU)	WATER	932 481	932 990.48

Ward	Description	Sub Dir	Budget 2011/12	Exp Jun- 12
All			132 222	95 439
Total			716	445.68
Grand Total			484 479	357 721
			497	330.40

**APPENDIX K (i) REVENUE COLLECTION
PERFORMANCE BY VOTE**

REVENUE BY VOTE	2012	2011
	Actual	Actual
	Income	Income
	R	R
Property Rates	638,346,749	557,729,633
Office of the City Manager	28,760	22,352,232
Corporate Services	6,034,317	4,673,933
Finance	32,091,390	32,358,496
Community and Social Development	7,729,211	20,482,634
Economic Development and Planning	9,341,286	12,426,611
Fresh Produce Market	17,279,723	16,804,280
Infrastructural Services	346,475,587	334,567,351
Water	605,845,895	541,421,338
Miscellaneous Services	925,597,459	656,414,886
Housing	95,242,822	4,740,257
Regional Operations	9,260,960	-
Electricity	1,379,603,233	935,168,919
	4,072,877,391	3,139,140,570

**APPENDIX K (ii) REVENUE COLLECTION
PERFORMANCE BY SOURCE**

REVENUE BY SOURCE	2012	2011
	Actual	Actual
	Income	Income
	R	R
Property rates	463,255,703	396,843,392
Service charges	615,996,782	557,558,699
Rental of facilities and equipment	106,106,515	45,992,460
Income for agency services	-	-
Public contributions and donations	-	-
Fines	2,883,969	1,642,301
Licenses and permits	350,660	203,192
Government grants and subsidies	1,211,974,408	888,845,901
Regional Operations	9,260,959	-
Other income	43,065,003	678,377,877
Interest earned	92,387,219	55,737,152
Electricity	1,527,596,173	909,782,472
	4,072,877,391	3,138,140,054

APPENDIX H: LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

			Values
Financing	Sub Dir	Description	Revised Budget
	SEWAGE PURIFICATION	UPGRADING OF SEWER SYSTEM IN FREEDOM SQU	18,000,000
MIG		EXTENSION TO STERKWATER WASTEWATER TREAT	729,237
	SEWER PURIFICATION Total		18 729 237
	BULK WATER SERVICES	W0911B: BULK WATER SUPPLY TO MANGAUNG (LONGRIDGE RESERVOIR)	25,063,451
		BULK WATER SUPPLY TO MANGAUNG (NAVAL HILL RESERVOIR)	5,644,891
		W0911E: BULK WATER SUPPLY TO MANGAUNG (NAVAL HILL RESERVOIR)	5,000,000
		W0911B: BULK WATER SUPPLY TO MANGAUNG (LONGRIDGE RESERVOIR)	3,800,000
		W0911C: BULK WATER SUPPLY TO MANGAUNG (L	5,000,000
	BULK WATER SERVICES Total		44 508 342
	WATER DEMAND MANAGEMENT	METERING OF UNMETERED SITES	5,000,000
		PREPAID WATER METERS	15,169,704
		REAL LOSS REDUCTION PROGRAMME (WATER)	4,500,000
		REPLACE WATER METERS AND FIRE HYDRANTS	5,000,000
		TELEMETRY AND SCADA SYSTEM	4,000,000
	WATER DEMAND MANAGEMENT Total		33,669,704
	TOTAL		96 907 283
USDG Total			124,953,617

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July 2011 to 30 June 2012		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor	Mr T.M Manyoni	Submitted
Member of MayCo / Exco	Ms C.L.M Rampai	Submitted
	Mr Z.E Mangcotwa	Submitted
	Mr S.A Siyonzana	Submitted
	Mr L.A Masoetla	Submitted
	Ms M.J Matsoetlane	Submitted
	Mr M.A Moeng	Submitted
	Ms M.E Moilwa	Submitted
	Ms N.G Mokotjo	Submitted
	Mr S.A Monnagori	Submitted
	Mr X.D Pongolo	Submitted
	Ms C.S.K Sechoaro	Submitted
	Mr D.M Sekakanyo	Submitted
Councillor	Mr S.S Ndamane	Submitted
	Mr T.B Jacobs	Submitted
	Mr X.D Pongolo	Submitted
	Ms Z.T Khi	Submitted
	Mr S.G Kaliya	Submitted
	Mr M.J Nkoe	Submitted
	Mr K.J Mtshwane	Submitted
	Ms C Pretorious	Submitted
	Mr S Dyosiba	Submitted
	Mr M.Z Motladile	Submitted
	Mr M.j Iephoi	Submitted
	Ms M.V Matsemelela	Submitted
	Mr F.P Ramokotjo	Submitted
	Mr T.C.L Moroe	Submitted

	Ms H.J Motlatsi	Submitted
	Mr A.P Terblanche	Submitted
	Ms N.A Phupha	Submitted
	Mr E.C Tobie	Submitted
	Ms B.N.V Madela	Submitted
	Mr Van Der Merwe	Submitted
	Mr B.J Viviers	Submitted
	Ms D Leech	Submitted
	Ms M.E Dennis	Submitted
	Mr D.E Janse Van Vuuren	Submitted
	Mr F.R Botes	Submitted
	Mr H.J.C Van Niekerk	Submitted
	Ms M.J Eti	Submitted
	Ms N.A Ratsiu	Submitted
	Ms S.S Morutle	Submitted
	Ms T.M Moopelo	Submitted
	Mr S.D Phokoje	Submitted
	Ms M.E Sebothelo	Submitted
	Mr T.S Lala	Submitted
	Mr P.R Mokoloko	Submitted
	Mr P.A Kuape	Submitted
	Ms E.T Makhele	Submitted
	Mr M.D Hlujane	Submitted
	Mr T.J Naile	Submitted
	Mr T.A Mophethe	Submitted
	Mr R.L.A.E Moloabi	Submitted
	MR M.M Moruri	Submitted
	Ms M.D Dibeco-Masuku	Submitted
	Mr M.L Mathobisa	Submitted
	Mr P.J.J Van Biljon	Submitted
	Ms E.D Teko	Submitted
	Mr G.M Bacela	Submitted
	Mr V.W Ward	Submitted
	Mr J.C Pretorious	Submitted
	Mr M.J Mofokeng	Submitted
	Mr J.F Brits	Submitted
	Ms S.K.M Choene	Not submitted
	Mr W Horn	Submitted
	Ms T.A Jacobs	Submitted

	Ms L.R July	Submitted
	Prof J.A.A Lazenby	Submitted
	Mr L.E Lekgela	Submitted
	Mr T.K Litabe	Submitted
	Mr P Makoko	Submitted
	Mr M.C Malebo	Submitted
	Mr L.E Maphakisa	Submitted
	Mr T.M Mfazwe	Submitted
	Mr H Minnie	Submitted
	Ms I.D Mogamise	Submitted
	Mr M.W Mohapi	Submitted
	Mr M.B Mononyane	Submitted
	Mr T.A Mosiouoa	Submitted
	Mr T.S Mpakathe	Submitted
	Mr M.S Mpeqeka	Submitted
	Ms J Nothnangel	Submitted
	Mt T.D Parkie	Submitted
	Mr M.A Phajane	Submitted
	Mr J.D Powell	Submitted
	Ms K.N Rabela	Submitted
	Ms M.A Rametse	Submitted
	Ms T.M Ramona	Submitted
	Ms M Selaledi	Submitted
	Prof E Snyman-van Deventer	Submitted
	Mr Z.G Sokoyi	Not submitted
	Ms G.M Thiphenyane	Submitted
	Ms L.M TiTi-Odili	Submitted
	Ms A .L Toba	Submitted
	Ms M.M Tsomela	Submitted
	Mr P Van Der westhuizen	submitted
	Ms A.S Zerwick	Submitted
	Ms N.M Zophe	Submitted
Municipal Manager	Ms S Mazibuko	Submitted
Chief Financial Officer	Mr EM Mohlahlo	Submitted
Deputy MM and (Executive) Directors	Dr WH Boshoff	Submitted

	Mr K Kabagambe	Submitted
	Mr M Mokoena	Submitted
	Ms E Radebe	Submitted
	Mr G Mhlakoana	Submitted
	Mr LX Ntoyi	Submitted
SCM Officials	Booyesen, P	Not submitted
	Daki, DD	Submitted
	Jordaan, EP	Submitted
	Lehare, SS	Submitted
	Lekhalanyane, M	Submitted
	Ludada, N	Submitted
	Malimane, LLS	Submitted
	Mhlambi, NV	Submitted
	Mkuzangwe, TW	Submitted
	Mlambo, V	Submitted
	Mokgaloane, NM	Submitted
	Moletsane, MJ	Submitted
	Mokapane, MF	Submitted
	Molaba, FE	Submitted
	Motloug, MS	Submitted
	Mpalami, N	Submitted
	Nombula, VM	Not submitted
	Phenya, M	Submitted
	Pretorius, JJH	Submitted
	Rapulungoane, KS	Submitted
	Sefako, AA	Submitted
	Sikuza, MS	Submitted
	Tauoa, TV	Submitted
	Thaele, NL	Submitted
	Thebane, KP	Not submitted
	Van der Westhuizen, S	Submitted
	Venter, PS	Submitted
	Von Wielligh, MC	Submitted
Bid Committee Members	Boshoff, WH	Submitted
	Barnes, B	Not submitted
	Claassens, LC	Submitted
	Coetsee, D	Submitted
	Comakae, MB	Submitted

	Dolphin, K	Not submitted
	Gabuza, M	Not submitted
	Gaetsewe, HE	Submitted
	Henama, BL	Submitted
	Hlanganiso, K	Submitted
	Joubert, N	Not submitted
	Kabagambe, K	Submitted
	Khedama, Q	Submitted
	Lambrecht, C	Submitted
	Lekale, SA	Submitted
	Letsie, JM	Submitted
	Machogo, WM	Not submitted
	Makhetha, T	Submitted
	Manele, LA	Submitted
	Matelile, TB	Submitted
	Matutle, TDJ	Not submitted
	Mfazi, L	Submitted
	Mofokeng, B	Submitted
	Mohlahlo, ME	Submitted
	Mokoena, MM	Submitted
	Moleme, R	Not submitted
	Motheke, M	Submitted
	Mouers, R	Submitted
	Mpakane, M	Not submitted
	McKenzie, SI	Submitted
	Naidoo, C	Submitted
	Segobo, L	Submitted
	Sekoto, TM	Not submitted
	Tsomela, MS	Submitted
	v/d Walt, PB	Submitted
	Van Rooyen, GJ	Submitted
	Venter, W	Submitted
	Zini, V	Not submitted
* Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A T J		

**APPENDIX L
CONDITIONAL GRANTS
RECEIVED**

Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts				Quarterly Expenditure			
		Sep 11	Dec 11	Mar 12	Jun 12	Sep 11	Dec 11	Mar 12	Jun 12
Equitable Share	National Government	225,463,000	182,139,000	-	136,604,000	145,407,040	158,374,540	130,228,790	145,406,790
Public Transport Infra & System Grant	National Government	5,000,000	5,000,000	5,000,000	-	12,147,636	2,808,097	1,149,117	3,425,678
Mig Grant - Infrastructural Services	National Government	-	-	-	-	19,005,277	20,198,516	4,320,221	19,164,997
Mig Grant Capacity Building	National Government	-	-	-	40,000	-	-	-	-
Financial Management Grant	National Government	1,450,000	-	-	472,777	350,342	252,113	140,312	719,856
Municipal System Improvement Grant	National Government	-	-	-	831,151	-	-	-	-
National Electrification Program Grant	National Government	9,219,000	6,146,000	12,635,000	-	-	-	28,000,000	-
Housing Accreditation Subsidy	Provincial Government	3,635,000	-	-	-	-	120	5,035	544,300

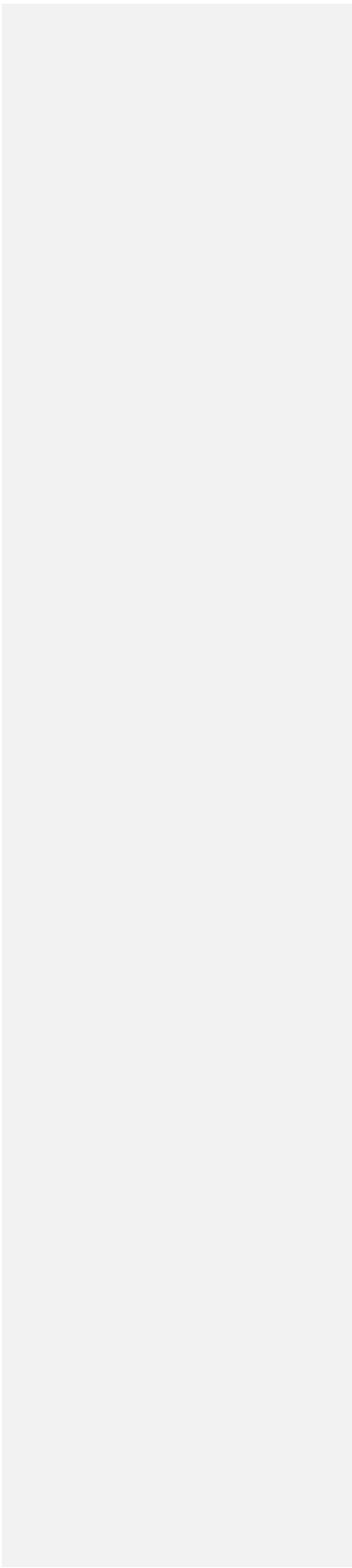
2010 Stadia Provincial Grant	Provincial Government	-	-	-	-	1,018,854	-	49,000	136,100
Lotto Funds Upgrading Stadiums									
Local Government & Housing Grant White City	Provincial Government	-	-	-	-	-	-	-	42,308
Motheo Contr-Environmental Health	District Municipality	-	-	-	-	-	-	133,674	733,551
Motheo Contr- Tourism	District Municipality	-	-	-	-	-	-	-	10,750
Motheo Contr-Upgrading Roads	District Municipality	-	-	-	-	-	621,147	617,574	20,532
Electricity Demand Site Management Grant	National Government	-	3,000,000	2,000,000	-	-	-	-	-
Provincial Grant -Urban Renewal	Provincial Government	-	-	-	-	-	-	-	-
Provincial Grant CCTV For BFN CBD Stadium Navil Hill	Provincial Government	10,000,000	-	-	-	2,381,448	-	2,760,422	3,130,913
Provincial Grant Upgrading Roads in Batho	Provincial Government	-	-	-	-	6,562,794	4,633,449	4,471,950	5,067,105
COGTA Capital Grant Fire Suppression Simulator	Provincial Government	-	-	-	-	-	-	-	82,817
Provincial Grant Township Establishment Caleb Motshabi	Provincial Government	-	-	-	-	-	-	-	11,275
Urban Settlement Development Grant	National Government	137,332,000	137,332,000	137,331,000	-	48,973,506	44,519,329	52,770,632	165,123,892

Fuel Levy	National Government	58,657,000	58,657,000	58,658,000	-	17,597,200	52,791,600	52,791,600	52,791,600
		450,756,000	392,274,000	215,624,000	137,947,928	253,444,097	284,198,910	277,438,327	396,412,462

APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Sports Fields:	Development of land for Human Settlements	Leads to Lack of proper Sport Facilities due to space taken for residential purposes

End Note



Please note that the municipality has since decided to divert the funds for Bloemspruit Land Acquisition to Grassland Phase 4 land acquisition and council approval has been obtained

