

# **Gert Sibande District Municipality**

## **2011/12 Final Annual Report**



*“A District Municipality Striving to Excel in Good Governance and  
Quality Infrastructure”*

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

### COMPONENT A: MAYOR’S FOREWORD

It is a great honour that I have to present the Gert Sibande District Municipality Annual Report for 2011/2012. The Gert Sibande District Municipality acknowledge the positive participation from sector departments such as Community Members, Government Parastatals, NGO, Community Based Organization and Traditional Leaders during this process. The District Municipality also acknowledge the initiative by National Government to intensify its mandate of service delivery through, amongst others, the Outcome Approach and took into consideration all these initiative and programmes by Government.

Taking cognisance of the developmental challenges that the District is faced with, compiled with the availability of funds allocated to support these initiative and ultimately realise the aforementioned Vision and Mission, the District has set for itself the Developmental Objective and Strategies to be pursued in the short- to medium term. The Developmental Objectives and Strategies are:

- KPA 1: Municipal Transformation and Organizational Development
- KPA 2: Basic Service Delivery and Infrastructure Development
- KPA 3: Local Economical Development
- KPA 4: Municipal Financial Viability and Management
- KPA5: Intergovernmental Relations, Good Governance and Public Participating
- KPA 6: Spatial Rationale and Municipal Planning Alignment

Through the challenges the District is facing, it is important to mention that even before we go into details with the report, the Auditor General in year 2011/2012 declared unqualified audit report for the District with lesser matters of emphasis. It is my belief that even for the 2012/2013 annual report, the Office of the Auditor General will come to the same conclusion that the public funds in the hands of Gert Sibande District Municipality have been well managed and utilised.

On service delivery and infrastructure development, the District has managed to assist Chief Albert Luthuli Local Municipality and Msukaligwa Local Municipality and the other sister municipalities not mentioned in terms of water crisis and other problems they were facing. In Msukaligwa, the District have given a water cart that will be working stand by to assist with water to the community of Ermelo and other places that fall under Msukaligwa Local Municipality and Due to the need to provide additional support to CALM as a matter of urgency and to circumvent any inconvenience to the community the GSDM has made an effort to support the CALM with the provision of a tanker that will service the remaining tanks until such time as it is no longer required.

The GSDM has further procured some 10,000 litre tanks that will add to the quantity of tanks that CALM already possess for the provision of water. There are lots of project that the District is in process with that are in line with Service Delivery and Infrastructure Development.

The District Municipality have deployed an Acting Municipal Manager to assist Dipaleseng Local Municipality, Acting Chief Financial Officer in Chief Albert Luthuli and as well as Corporate Services, Community Services to Dr. Pixley Ka Isaka Seme Local Municipality.

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Furthermore, a new township is established in Dirkiesdorp in the area between Piet Retief (Mkhondo Local Municipality). The township will be a joint project for Gert Sibande District Municipality and Mkhondo Local Municipality. The Gert Sibande District have requested its Technical Department and Town planning Department to assist the building of reservoir, connect pipes, give them proper VIP toilets and water supply to assist the community of Dirkiesdorp.

The District remained committed in ensuring that the best of service delivery is provided to our Local Municipalities. One way we have done this has been through ensuring that we engage and form strong partnerships with all our stakeholders, as well as with all our Local Municipalities.

## **Key Policy Developments**

The Gert Sibande District Municipality have complied and prepared an executive summary of the respective operational strategies (Sector Plan). The sector plan constitutes core components of the IDP of the District Municipality as per Section 26 of MFMA and plays a significant role in the integration process. Some of these plans will be prepared or developed and others reviewed in consideration of the relevant District wide development initiative and direct inform and align with those of the constituent municipality.

- Summary of the sector plans herein included the following:
- Organisational Performance Management Systems
- Spatial Development Framework 2009
- Skill Development Plan
- District LED Strategy
- Integrated Waste Management Plan 2006
- Integrated Transport Plan
- District HIV/AIDS Plan
- Community plan
- Disaster Management Plan
- Integrated Water Service Development Plan
- Financial Management Plan
- Employment Equity Plan
- Integrated Environment management Plan
- Air Quality Management Plan
- Integrated Tourism Plan

## **Key Service Delivery**

### **PROJECT IMPLEMENTATION**

#### **Physical Progress**

The physical progress/construction status on an individual project is based on the Consulting Engineers' estimate of progress on the task (including planning related activities and material on site). Completion of a project for the purpose of this report is based on the issuing of a practical completion certificate for each project.

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## **Water Master Planning**

Professional Service Providers were appointed to develop the Integrated Water Master Plan for the GSDM by way of BAC 45/2010 and have completed the first phase and second phase of the water master plan that includes for a Strategic Planning Overview – Status Quo, the receipt of all additional information that is available to master planning, has concluded the comprehensive Settlement Data study, the matching of resources with demands per zone of supply, Overlaying the current infrastructure with RBIG projects and looking at this option and Determining the infrastructure capacity to meet the future demands. All the above work has been completed in the funding allocated in the 2011/12 and previous financial year.

Sections 6 to 9 of the project were awarded in July 2012. These sections include for the development of bulk water and reticulation augmentation plans for the short, medium and long term horizon; the provision of preliminary draft designs for the proposed work and a list of projects with estimated budgets to be implemented in order of priority for the progressive phasing in of bulk and distribution infrastructure and the phasing out of infrastructure based on their remaining useful life.

To date the project has begun with the verification of actual demands, setting up of network models, and costing of bulk infrastructure for section 6 for which a final draft report has been received. The work performed under section 7 has been the capturing of all available as built drawings for water and sanitation services into Wadiso and Sewsan modeling software packages for the entire GSDM area. Information that is known to exist with other consultants is being sought and attempts being made to procure it.

The project is currently on track with regard to time and budgets and no problems are foreseen for the completion of the immediate tasks.

## **Special Intervention Projects**

There are two projects being implemented in this programme namely the

- Installation of Bulk Water meters at abstraction points and reservoirs. Utilisation of Trainees in identification of leaks at domestic meters and in the infrastructure and the repair thereof through formal training and practical experience.
- Installation of Management Information Systems with the LMs water services and reporting to each LM on operational issues.

## **Stakeholder Support**

The division continues to support internal and external stakeholders with the provision of information, commenting on planning documentation, completion of questionnaires, assisting the LM's with compliance to DWA systems. Support has been provided to the infrastructure division in the past month on the RBIG Projects.

## **Implementation of Water and Sanitation Maintenance projects**

Funding has been allocated to each of the seven local municipalities for the planning on how the associated funding will be spent in each municipality. Some municipalities have indicated that they would like to procure stock for their operations and maintenance stores, others are utilising the funding for the operations of treatment plants and to restore reticulation systems. The options and

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mechanisms by which this project is to be implemented has been discussed and agreed with the municipalities and the GSDM has started the procurement / implementation process.

## **WATER QUALITY LABORATORY**

### **Accreditation Program**

The Laboratory Quality System Documents were submitted to South Africa National Accreditation System (SANAS) for evaluation in February 2012. Feedback was received at the end of April. The Laboratory is currently implementing action plans to address the identified gaps.

### **GSDM Water Quality Cooperation Agreement**

Currently Four (4) Local Municipalities have signed the Water Cooperation Agreement with the laboratory for sampling and water testing services. The municipalities are Msukaligwa LM, Dipaliseng LM and Govan Mbeki LM and Mkhondo LM. The Monthly Sampling program continues with the Environmental Health Section (MHS).

Sampling capacity and accessibility of sampling points continue as challenges in order reach the minimum required coverage for the three LM's with the exception of Govan Mbeki LM. There is no improvement noted from the previous month for all the affected LM's. The coverage report is forwarded to the LMs' monthly and the matter was also highlighted in the quarterly HOD Technical Forum Meeting held in August.

### **Public Participating**

The Gert Sibande District has been engage in many public gathering such as Women Summit, Mandela Day, Handover of High School in Mkhondo (Inqubeko High School), and as well as a handover of a house to Gogo Mbhele by the Premier accompany by the Executive Mayor of the District Cllr MPP Nhlabatsi and other delegates. Last year in 2011/2012 the Gert Sibande District Municipality held a Budget and IDP consultation and also have a joint meeting with the Stakeholder Forum and Home Affairs.

### **Future Actions**

The Gert Sibande District Municipality have join hands with Msukaligwa Local Municipality in assisting the Local Community of Msukaligwa Local Municipality with the water crisis by giving the Local Municipality a water cart that will be work standby in a case of water problem that the local municipality is facing. The District will ensure that all the Local Municipality are assisted accordingly in any problem that they need assistance of.

### **Urgent support requirement to the Chief Albert Luthuli Municipality**

The GSDM supported CALM with the provision of a professional process controller during the month of September 2012 on the request by the Chief Albert Luthuli Municipality with the direct allocation provision for water and sanitation maintenance. As the written request for CALM for the provision of a process controller was only for the period ending September 2012, a further request will have to be received from CALM so as to continue with this support.

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I am sure we shall appoint suitable qualified staff in the Laboratory Department before June 2013, people who will be in position of the suitable degree or qualifications.

On the 2012/2013 financial year Gert Sibande District Municipality, Department of Sport, Arts and Culture and Pastoral Forum have a Moral Regeneration at Wesselton Stadium, Ermelo on the 31st December 2012. Furthermore, Gert Sibande District Municipality will have a District Traditional Imbizo that will take place on the 19th of January 2013 at Empuluzi, in Chief Albert Luthuli Local Municipality.

The Gert Sibande District Municipality will make sure that all the outstanding projects are completed this year of 2013 and all New Capital projects and as well as Small project will be as well be completed in due time required by the District.

## **Conclusion**

In conclusion, Gert Sibande District will ensure that service delivery and infrastructure development is given and available to its people. To assist its Local Municipalities according, that means striving to excel in good governance and quality infrastructure.

(Signed by:)

**Mayor/Executive Mayor**

# Chapter 1

## COMPONENT B: EXECUTIVE SUMMARY

### 1.1. MUNICIPAL MANAGER'S OVERVIEW

## **FOREWORD**

**C.A. Habile**

**Municipal Manager**

The District has come a long way since the era of democracy. We have witnessed it grow from strength to strength. Our vision has no doubt been realized day after day, that of striving to excel in good governance and quality infrastructure. We have been sensitive in making sure that this vision is aligned to the provincial growth and development plans. This Annual Report document attempts to summarise the report on the improvements in terms of service delivery made during the cycle of the past twelve months, which is the financial year 2011/2012.

Gert Sibande District Municipality continues to utilize the Integrated Development Plan (IDP) as the main plan which informs our quest to improve service delivery, better our planning processes and ensuring equitable distribution of resources. IDP Consultative meetings are highly prioritized to ensure public participation and involvement. Our communities are given platforms and channels to express their needs and concerns through these mechanisms. It assures the District of what the expectations of the people are. For the IDP to be well implemented, a District Department of Planning and Economic Development was established to focus on all matters relating to regional planning. Through this Department, all forums relating to planning such as IDP Forum, LED Forum, Tourism Forum and more are well monitored and well functioning, and these are composed of both the District, Local Municipalities and our stakeholders.

In 2011, the Gert Sibande District Municipality officially relocated from Secunda to Ermelo. This was not an easy exercise but was a strategic move which would bring government closer to the people of Gert Sibande. The GSDM Offices are located on the N17 corridor in Ermelo bounded by Ekurhuleni Metro of Gauteng to the west, Sedibeng District Municipality of the Northern Free State to the South West, Ehlanzeni District Municipality to the north east of Mpumalanga, Amajuba District Municipality to the south east of KwaZulu-Natal and Swaziland to the east. The centrality of these offices ensures that



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the residing communities and the District interact at ease. The past twelve months have proven to us the fruitfulness of the decision to relocate. The offices are far easier to access.

We continually work hand in hand with our seven sister municipalities in improving the lives of the people in the Gert Sibande Region. We have also gone beyond and ensured that we strengthen our working relationships with our stakeholders, our partners in the delivery of improved services. In 2011, Gert Sibande hosted a Business Networking Dinner and this has seen substantial developments since then. Also, Gert Sibande promotes Traditional Leadership, culture and our heritage. We have been able to establish a partnership with our Traditional Leaders in a manner that is recognized and appreciated throughout the Province and beyond. The Gert Sibande Local House of Traditional Leaders which also participates in Council Affairs was provided with laptops and printers. These resources are aimed at improving their information and communication services.

Unfortunately, due to certain matters of emphasis issues raised by the Auditor General in his 2011/12 audit report, Gert Sibande District Municipality regressed from its great achievement of a Clean Audit obtained in the previous year to an Unqualified Audit Report that was obtained. Gert Sibande will implement audit action plans to enhance the internal controls and compliance issues in order to ensure that the audit outcomes for the following year vastly improves. One of the strengths of the District currently is the fully functioning Section 79 and 80 Committees and because of their establishment, we are able to perform in an effective and efficient manner. This is anticipated to have a positive impact which will help us improve not only in terms of the management of municipal funds but also on the critical issue of service delivery.

On a drive to improve service delivery in terms of water provision, the District Municipality has ensured unwavering support to the Local Municipalities. The District developed an Integrated Water Master Plan (IWMP) and there are other special intervention programmes being implemented such as the installation of Bulk Water and the installation of Management information Systems within the Water Services in the Local Municipalities. The District is also providing significant support through Accelerated Community Infrastructure Programme (ACIP). Detailed information in this regard is included in this report. The District Municipality completed Water Safety Plans for the Dr. Pixley Ka Seme and Msukaligwa Municipalities. In terms of local skills development, GSDM was able to train sixty nine (69) Process Controllers within LM's to an NQF 2 Level of competence. This could not have been possible without help from our sister Department of Water Affairs in our Province.

The District is also able to give support to Local Municipalities experiencing water problems by improving water quality. A water quality testing laboratory is servicing, not only the local municipalities, but also other organs of state, non-governmental organizations, commercial, agricultural and industrial users and all other consumers. Furthermore, our support extends to electricity, basic sanitation and

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rudimentary water supply for the rural and farm areas. Infrastructure such as VIP toilets, borehole pumps is being provided continuously.

All of us have to be concerned about the prevalent HIV/AIDS infection rate not only as a Province but also as a District. Mpumalanga is one of the three (3) Provinces with the highest infection rate but it is saddening that amongst the three Districts in the Province, our District has the highest HIV/AIDS infection rate. Let us partake in the programmes that the government and its partners have put in place in the fight against HIV/AIDS, programmes such as the voluntary counseling and testing, implementation of District HIV/AIDS strategy and implementation plan and awareness campaigns. We are responsible for creating and securing a healthy environment for our future generations.

I hope that as you peruse this document, all your expectations will be met. We, as the District, also strive to improve service delivery and therefore welcome your inputs.

I wish to express my sincere gratitude to the Heads of Departments and the entire administration for their unwavering support and ensuring that we combine all our efforts on a daily basis to improve the lives of the Gert Sibande people. Let us remember the words of an anonymous author which said *'Teamwork is the ability to work together towards a common vision. The ability to direct individual accomplishments towards organization objectives. It is the fuel that allows common people to attain uncommon results.'*

I also appreciate the Executive Mayor, the Mayoral Committee and the Gert Sibande Council at large for their strong decision making by which the lives of our people in the District can be made better. Let us pursue our goal which is to excel in good governance and quality infrastructure!

**HABILE, C.A (MR)**

**MUNICIPAL MANAGER**

**GERT SIBANDE DISTRICT MUNICIPALITY**

# Chapter 1

## 1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### INTRODUCTION TO BACKGROUND DATA

The District municipality is bordered by the Ekurhuleni Metro to the west and Sedibeng District municipality to the south west respectively both in Gauteng province, Northern Free State and Thabo Mofutsanyane District municipalities to the south east both in the Free State province, Ehlanzeni District municipality to the north east and Nkangala District municipality to the north respectively both in Mpumalanga province, Amajuba and Zululand District municipalities in Kwazulu-Natal province to the south east, and Swaziland to the east.

Spatially Gert Sibande District municipality (GSDM) is the largest of the three Districts in Mpumalanga province at 31 846 km<sup>2</sup>, covering 40% of the Mpumalanga province's land mass.

The district is made of seven (7) constituent local municipalities, their names, spatial size and main administration offices of these municipalities are depicted in table 1 below.

**Table 1 Local municipalities main administration offices**

Local Municipality	Main Admin Location	Central Place Index	Area ( km <sup>2</sup> )	Average Density (Persons/km <sup>2</sup> )
Albert Luthuli	Carolina	1.03	5559	34.91
Dipaleseng	Balfour	1.20	2616	20.99
Lekwa	Standerton	2.98	4585	19.88
Msukaligwa	Ermelo	3.60	6017	20.99
Mkhondo	Piet Retief	2.15	4 882	21.8
Pixley Ka Seme	Volksrust	1.29	5227	12.61
Govan Mbeki	Secunda	3.08	2 955	91.03
<b>TOTAL</b>			<b>31 845, 87</b>	<b>27.97</b>

*Source: Municipal Demarcation Board: Municipalities of South Africa*

From the above table it is evident that Msukaligwa is the central of all the 7 constituent local municipalities.

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## POPULATION

According to the 2009 population estimates Gert Sibande is home to 1,054,543 people accounting to just fewer than 30% of the Mpumalanga population. As depicted in the table below, GSDM's population has grown by almost over 2% between 1996 and 2009 at an average annual rate of 2.1% compared to the Mpumalanga and National rates of 1.3% and 1.2% respectively. In the same period, municipalities like Mkhondo grew at an annual average rate of 3.1% making it the fastest growing municipal population followed by Pixley Ka Seme (2.4%), Msukaligwa (2.6%), Lekwa (2.3%) and Govan Mbeki (2.8%). Dipaleseng (0.2%) and Albert Luthuli (0.3%) population growth rates were below the provincial average which is understandable considering their rural nature.

**Table 2 GSDM Population**

Municipalities	GSDM population			Population growth rates		Municipal population contribution		
	2001	2007	2009	1997	1996-2009	2001	2007	2009
Gert Sibande	926,540	983,343	1,054,543	3.3%	2.1%	1	1	1
Albert Luthuli	189,276	191,035	191,413	1.0%	0.3%	0.2	0.19	0.18
Msukaligwa	129,086	148,249	152,443	3.9%	2.6%	0.14	0.15	0.15
Mkhondo	125,371	146,694	151,222	4.9%	3.1%	0.14	0.15	0.14
Pixley Ka Seme	82,696	93,593	95,910	3.8%	2.4%	0.09	0.10	0.09
Lekwa	107,163	120,578	123,486	3.5%	2.3%	0.12	0.12	0.12
Dipaleseng	39,722	39,829	39,893	0.8%	0.2%	0.04	0.04	0.04
Govan Mbeki	253,226	292,256	300,177	4.3%	2.8%	0.27	0.30	0.28

Source: GSDM IDP 2011/12 directorate (regional explorer 524 (2.3e) 2010)

The trend with regards the gender distribution within the District reflects that there are more females than males in all the municipalities with the exception of Lekwa and Govan Mbeki where this trend is reversed. The reasons particularly in Govan Mbeki may be due economic opportunities at the industries, which largely employs more as per dictate of the nature of work that must be done.

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**Table 3 Population Gender Distribution**

Population Details			
Population '000			
Area	2009/10		
	Male	Female	Total
Gert Sibande DM	517766	536777	1054543
Albert Luthuli LM	90882	1005311	191413
Msukaligwa LM	74524	77918	152442
Mkhondo LM	73756	77466	151222
Pixley Ka Seme LM	45956	49954	95910
Lekwa LM	62609	60877	123486
Dipaleseng LM	19783	20110	39893
Govan Mbeki LM	150257	149920	300177

*Source: GSDM IDP 2011/12 directorate (regional explorer 524 (2.3e) 2010)*

From the above table it can be deduced that 51% of the Districts population is female, whilst development initiatives within the District must continue to be inclusive and be based on the spirit of building a non-racial and non-sexist society, and address the issue of gender inequality currently prevalent in the District towards ensuring a transformed and an integrated society.

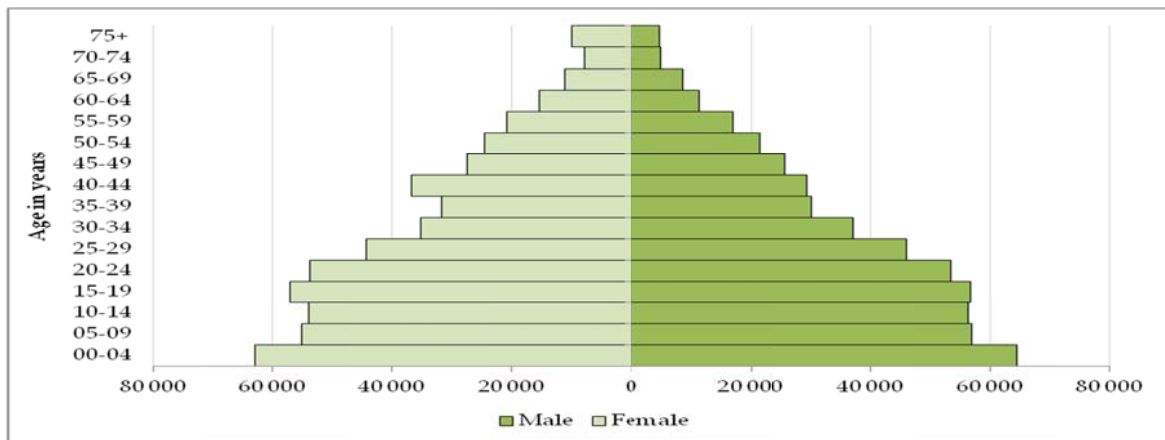
## AGE / GENDER DISTRIBUTION

The age and gender distribution of the population is a key determinant of population change and dynamic. The shape of the age distribution is an indication of both current and future needs regarding educational provision for younger children, health care for the whole population and vulnerable groups such as the elderly and children, employment opportunities for those in the economic age groups, and provision of social security services such as pension and assistance to those in need.

Figure 1 below provides evidence that the youth cohort (0-34 years) constituted the largest share of 69.8% per cent of the district population. In 2010, 61.6% of the GSDM population was between 0 and 29 years, 23.7% were between 30 and 49 years and 14.7% was 50 years and older. The age cohort of 0 to 04 years represents the most populous age group with 127 297 individuals or some 11.9% of the population in the District.

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Figure 1 Distribution Table



Source: GERT SIBANDE SEP 2011

GSDM population exhibits many of the national population characteristics. Women and youth are in the majority and there is a relatively high population dependency. These characteristics have several related implications for socio-economic development which include:

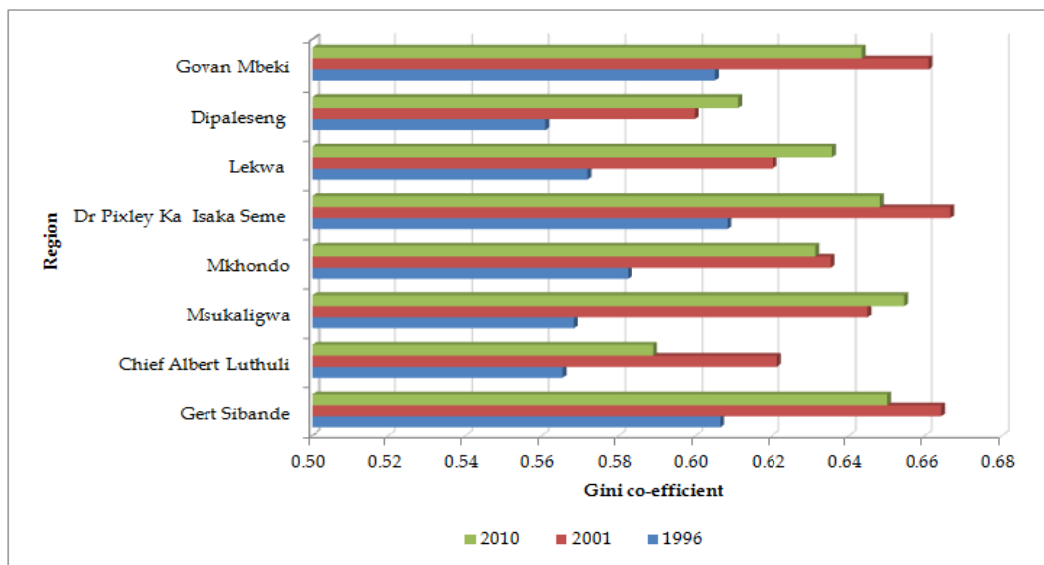
- A relatively high number of people below age 14 denotes that provision for health, early childhood development, basic education, sports development and recreation must be given a priority in developing the communities within GSDM;
- The concentration of the economically active population below age 35 implies that life skill services enabling ease of access to employment and economic opportunities must reflect a bias towards youth which may include intensive skills development, on the job training etc;
- The youth, in particular young women are considered to be more vulnerable leading them to social and economic deficit and most often at risk of contracting HIV/AIDS's.
- The future size and quality of the economically active population will depend in large part on the ability of the GSDM to develop and advocate for the appropriate and requisite skills and most importantly, to retain these skills within the District municipality where practically possible.

## GINI Co-EFFICIENT

Gini-coefficient is summary statistic of income inequality and is used to show the skewness of income across the population. The Gini-coefficient varies from 0 (in the case of perfect equality where all households earn equal income) to 1 (in the case where one household earns all income and other households earn nothing).

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Figure 2 Gini-coefficient in Gert Sibande and its local municipalities, 1996 – 2010



Source: *Global Insight – ReX, August 2011*

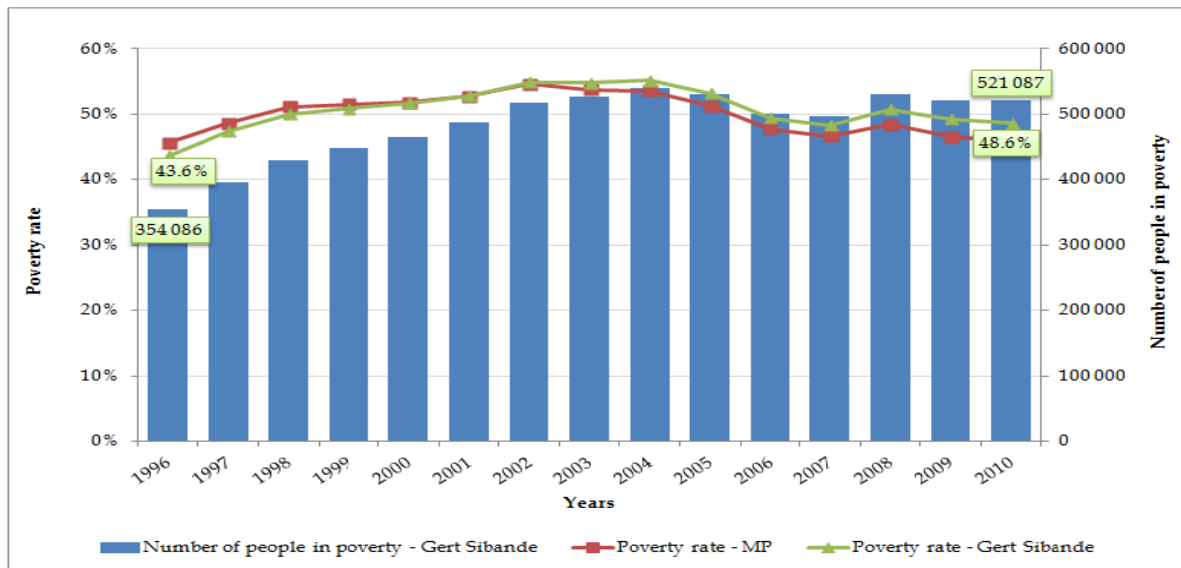
Figure 2 illustrates that Gini-coefficient in the GSDM deteriorated from 0.606 in 1996 to 0.650 in 2010. Of the seven local municipalities in the District, Msukaligwa (0.650) had the most skewed income distribution followed by Dr Pixley ka Isaka Seme (0.648) whilst Chief Albert Luthuli (0.589) and Dipaleseng (0.611) had better equal income distributions in 2010.

## POVERTY

Poverty rate is described as the percentage of people living in households with an income less than the poverty income. Poverty income is defined as the minimum monthly income needed to sustain a household and it varies according to the household size, i.e the larger the household the larger the income would be required to keep its members out of poverty.

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Figure 3 Poverty rates in Mpumalanga and Gert Sibande, 1996 – 2010



Source: Global Insight – ReX, August 2011

According to the Bureau for Market Research (BMR), in 2010, a household of four members would require a monthly poverty income of R2,544 whilst a household of seven members would require a monthly poverty income of R3,538. GSDM recorded an average size of household of 3.7 which is the same as the provincial average (3.7) but slightly higher than the national average (3.6).

With reference to the same statistics poverty levels in the GSDM increased from 43.6% in 1996 to 48.6% in 2010. This is higher than the provincial poverty rate of 45.8% recorded in 2010. Among the seven Local municipalities in the District, Govan Mbeki (34.8%) recorded the lowest poverty rate followed by Lekwa (46.7%) whilst Mkhondo (69.7%) and Dr Pixley Ka Isaka Seme (54.3%) registered the highest poverty rates

Table 4 Socio Economic Status

Socio Economic Status						
Year	Housing Backlog as proportion of current demand	Unemployment Rate	Proportion of Households with no Income	Proportion of Population in Low-skilled Employment	HIV/AIDS Prevalence	Illiterate people older than 14 years
2006/07	19%	22%	26%	44%	10%	27%
2007/08	20%	23%	26%	48%	15%	37%
2008/09	21%	24%	26%	52%	20%	44%
T1.2.4						



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## **1.3. SERVICE DELIVERY OVERVIEW**

### SERVICE DELIVERY INTRODUCTION

#### **1.3.1 Capital Development Infrastructure**

The Gert Sibande District Municipality is obliged in terms of the Municipal structures Act, Section 83(3) to co-ordinate and integrates the Local Municipalities efforts in order to ensure access to all basic services. In addition to that GSDM supports the Local Municipalities through intergovernmental co-operation on various issues including the implementation of capital developmental projects funded by GSDM, DWA and CoGTA.

The GSDM supports the LM's on different programmes such as Water & Sanitation Planning and support, Capital project implementation, Accelerated Infrastructure Projects as well as the Implementation of the Regional Bulk Infrastructure. Projects implemented included Water & Sanitation Bulk and Reticulation, Upgrading of Roads, provision of Boreholes & VIP Toilets Structures as well as support with Bulk Electrification.

Funding was allocated as follows:

Water & Sanitation Support	- R 1 700 000
GSDM Direct Allocations	- R 113 802 992
Accelerated Infrastructure Programme	- R 29 949 400
Regional Bulk Infrastructure	- R 7 133 332

An average expenditure of 81.07% was achieved on these programmes during the 2011/2012 Financial Year. The balance of the funding allocation will be incurred during the next financial year as the bulk of these projects will be carried over and implemented as multi-year projects.

#### **1.3.2 Water Service Support**

The Water Services Support division consists of planning, capital project implementation, maintenance and water quality testing divisions where the role of the GSDM is to provide support to the seven local municipalities with these services.

In terms of Planning the GSDM has supported the local municipalities in developing a water services master plan. The first phase and second phase of the water master plan that includes for a Strategic Planning Overview – Status Quo, the receipt of all additional information that is available to master planning, the comprehensive Settlement Data study, the matching of resources with demands per zone of supply, Overlaying the current infrastructure with RBIG projects and looking at this option and determining the infrastructure capacity to meet the future demands was completed in previous financial years. Sections 6 to 9 of the project were awarded in July 2012. These sections include for the development of bulk water (Section 6) and reticulation augmentation plans (Section 7) for the short, medium and long term horizon; the provision of preliminary draft designs for the proposed work and a list of projects with estimated budgets to be implemented in order of priority for the progressive phasing in of bulk and distribution infrastructure and the phasing out of infrastructure based on their remaining useful life. Section 6 is completed and 90% of section 7 will be progressed in the first half of the 2012/13 financial year.

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There are two capital related projects being implemented by this division namely the Installation of Bulk Water meters at abstraction points and reservoirs. Utilisation of trainees in identification of leaks at domestic meters and in the infrastructure and the repair thereof through formal training and practical experience, and the design and installation of Management Information Systems (MIS) with the LMs water services and reporting to each LM on operational issues. To date a full assessment of the existing bulk water meters and the current MIS systems has been concluded. Tenders were developed for the recommended requirements for these projects and the award of projects to implement the recommendations is imminent.

The training of 35 trainees that were selected through the project selection process have undergone basic plumbing skills training and they will be incorporated into construction teams for the installation of bulk water meters in the second half of the financial year.

Funding has been allocated to each of the seven local municipalities for maintenance of their water and sanitation infrastructure. The GSDM is well on their way to implementing these projects with the refurbishment of sewer pump stations, the replacement of clear water pumps at treatment plants, resolving the water crisis in Ermelo, supporting the operations of the Water treatment plant in Carolina, developing solutions to resolve the water supply challenges to Lothair and Siyathemba communities and some other similar projects.

This division further currently supports four of the seven municipalities with the testing of water samples for water quality utilising the GSDM water quality laboratory. It is anticipated that the remaining three municipalities will begin to utilise our laboratory services in the second half of the 2012/13 financial year. The GSDM laboratory also service the public and industry in the area, with the testing of water samples for water quality and has commenced the SANAS 17025 accreditation process for some of the testing procedures that are performed in the laboratory

## **1.4. FINANCIAL HEALTH OVERVIEW**

### **FINANCIAL OVERVIEW – MATERIAL SALIENT FEATURES**

As illustrated below the Council received 99.8% of the Gazetted DORA grant allocations which amounted to R 279 Million. The tariff income of R 8 Million was attributed to the potential earnings of the laboratory, however in view of the fact that the laboratory established was in a transitional stage these monies were not realised and hence was excluded from the adjustment budget.

With regards to other income earnings amounting to approximately R 32 Million relating to the sale of property had not materialised due to delays in legal processes and these monies are likely to be received in the ensuing year.

It must be noted that Council had met its short term obligations and outstanding commitments relating to retentions and other non-material financial obligations which may be funded from cash backed reserves in the medium to long term

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**Table 5 Financial Overview 2011/2012**

<b>Financial Overview - 2011/12</b>			
			<b>R' 000</b>
<b>Details</b>	<b>Original budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>
<b>Income</b>			
Grants	258,092	280,268	279,941
Taxes, Levies and tariffs	8,000	0	0
Other	34,134	4,450	11,406
<b>Sub Total</b>	<b>300,226</b>	<b>284,718</b>	<b>291,347</b>
<b>Less Expenditure</b>	<b>300,226</b>	<b>306,515</b>	<b>290,242</b>
<b>Net Total*</b>	<b>0</b>	<b>-21,798</b>	<b>1,105</b>
* Note: surplus/(- deficit)			T1.4.2

**Table 6 Operating Ratios**

<b>Operating Ratios</b>	
<b>Detail</b>	<b>%</b>
<b>Employee Cost</b>	<b>19%</b>
<b>Repairs &amp; Maintenance</b>	<b>1%</b>
<b>Finance Charges &amp; Depreciation</b>	<b>7%</b>
T1.4.3	

**COMMENT ON OPERATING RATIOS:**

As noted per table above the Council has been able to maintain its employee cost rate at 19% which is well below the norm of 35%, although new appointments were made for strategic posts. With the current staff complement Council was able to perform its various service related duties adequately and in an effective and efficient manner.

The repairs and maintenance ratio of 1% is deemed to be reasonable as the council buildings being the dominant capital expenditure are fairly new and hence expenditure incurred in this regard was not material.

The finance charges relates to a 5 year loan commitment with ABSA bank. The Council has to date met its obligations timeously. The funds obtained from securing the respective loan was applied

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towards the funding of projects related expenditure. The Depreciation Charges were in terms of Councils accounting policy.

**Table 7 Total Capital Expenditure**

Total Capital expenditure			R'000
Detail	2009/10	2010/11	2011/12
Original Budget	94,000	60,000	37,000
Adjustment Budget	106,234	116,152	41,350
Actual	110,307	119,172	34,057
			T1.4.4

## **COMMENT ON CAPITAL EXPENDITURE:**

It may be observed from the budgetary allocations above as well as the actual expenditure that there has been a material decline in capital expenditure. The decline is mainly attributed to the completion of the new Council premises. Hence apart from minor work having to be completed as this was a multi-year project capital commitments is on a downward scale. More emphasis is being given to repairs and maintenance instead of new acquisitions.

Other capital commitments relate to furniture and equipment to once again no material expenditure to anticipated in this regard going forward.

## **1.5. AUDITOR GENERAL REPORT**

AUDITOR GENERAL REPORT 11/12

Refer Chapter 6

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## CHAPTER 2 – GOVERNANCE

### COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

#### 2.1 **POLITICAL GOVERNANCE**

The municipality has established the following committees to assist with oversee the effective and efficient administration of the municipality.

- Mayoral Committee
- Executive Committee
- Section 79 Committees
- Section 80 Committee
- Oversight Committee
- Municipal Public Accounts Committee
- Audit Committee

##### *Mayoral Committee*

Established in terms of the Municipal Structures Act, section 60 and is appointed and responsible to the Executive Mayor and has only two legislated powers namely the right to exist and to be consulted.

##### *Executive Committee*

Established in terms of the Municipal Structures Act, section 43, members are elected and responsible to the Municipal Council and are the principal committee of Council. The committee receives reports and forwards these with recommendations to Council

##### *Section 79 Committees*

Established in terms of the Municipal Structures Act, section 79 and established by Council. Each Section 79 Portfolio committee monitors a Council portfolio and are able to hold the department and members of the mayoral committee accountable.

##### *Section 80 Committees*

Established in terms of the Municipal Structures Act, section 79 and although established by Council do not report to Council but to the Executive Committee.

##### *Municipal Public Accounts Committee (MPAC)*

These committees are contemplated by the Municipal Finance Management Act, section 129, the Municipal Structures Act, section 79 and are responsible to Council having a mandatory responsibility to prepare a draft Oversight Report.

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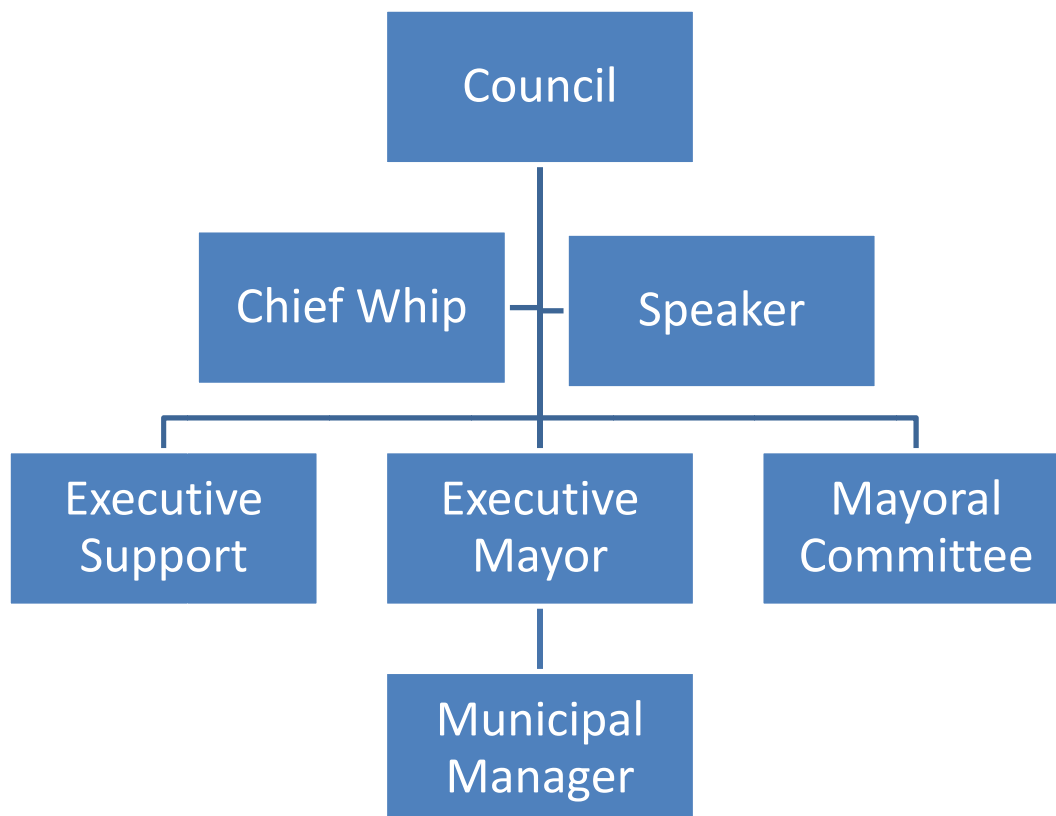
## *Audit Committee*

Established in terms of the Municipal Finance Management Act, section 166 and is a mandatory committee appointed and responsible to Council on a range of issues involving financial and non-financial performance.

## **POLITICAL STRUCTURE**

Gert Sibande District Municipality (GSDM) comprises of both a political and an administrative component, with the former constituted of the Council, the Executive mayor, six Mayoral Committee members, the Speaker and Chief Whip as reflected in Figure 4: below. A similar arrangement is also implemented across the constituent Local municipalities within the GSDM area of jurisdiction.

**Figure 4 GSDM: Political Organisational Structure**



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## *COUNCILLORS*

The municipality is allocated 48 seats of which all seats are filled and no vacancy exists. The Council comprises of 48 councilors of which 19 are directly elected and 29 indirectly elected

Councillors provide the critical link between the municipality and the community and have important policy setting and oversight roles, particularly in relation to budgets and budget related policies, IDP, tariff setting for services, Indigent policies, credit control policies and long-term borrowing policies. In addition, they also set the parameters to guide municipal services, set strategic objectives and priorities, stating what outcomes and outputs are to be achieved, and monitor the implementation of the policies and priorities.

The oversight role of councillors through Council (or committee) meetings has been expanded by the MFMA and other legislation. Their oversight responsibilities mean that they cannot play an operational role, because this would interfere with the role of the Municipal Manager and weaken the performance and accountability of officials. It is important for councillors to understand their roles and responsibilities to ensure effective performance management by officials.

Under the MFMA, councillors' policy setting and oversight functions include:

- Setting the direction for municipal activities
- Setting policy parameters to guide the municipal directives
- Setting strategic objectives and priorities stating what outcomes and outputs are to be achieved
- Monitoring the implementation of policies and priorities.

Councillors and municipal staff are bound by a code of conduct which sets out standards of ethical behaviour and requirements for good governance. Schedule 1 of the MSA and MFMA regulations set out the provisions for the code of conduct for councillors.

## *POLITICAL DECISION-TAKING*

The MFMA clearly separates roles and responsibilities between the Executive Mayor (or Executive committee) and Council, and between the Executive Mayor and the Municipal Manager and other senior officials. It creates a clear line of authority between the Council, which must approve Council policy; the Executive Mayor, who must provide political leadership; and the Municipal Manager, who is accountable to the Executive Mayor and Council for implementing those policies.

As part of governance process, council meetings are held quarterly while mayoral committee meetings are being held on a monthly basis. Progress has been made in submitting professionally compiled items, agendas and minutes which are timeously distributed to reach the councillors well before the scheduled meetings. Despite the fact that much success has been attained in improving the standard of reports that are presented to committees of council and to council, there are still areas that need continuous corroboration to optimize the functionality and decision-making capability of council.

To this extent the following key issues regarding proper administration of committee service must be addressed:

- Timeous submission and approval of items
- Timeous preparation and delivery of agendas for at least 7 days prior to actual meetings (council) and 3 days (mayoral committee).
- Finalisation of minutes soon after meetings in order to execute resolutions urgently.

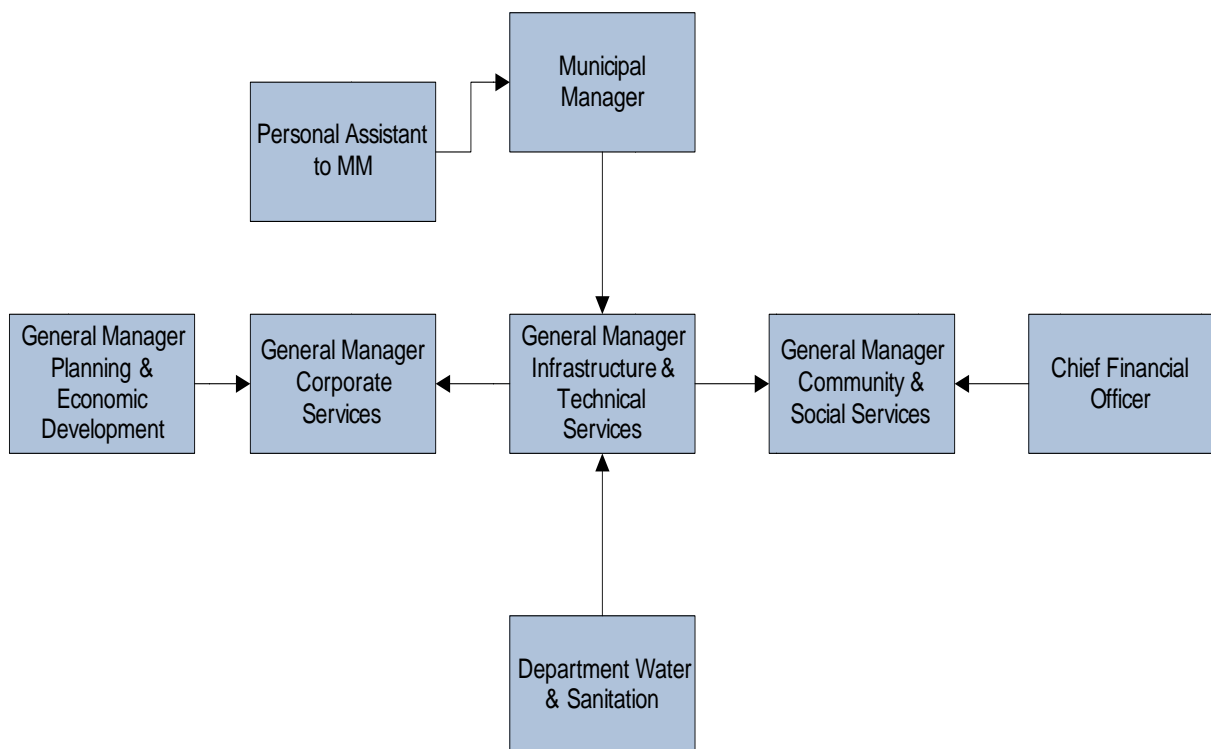
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- Progressively harness and retain excellent writing of reports that are factual and informative to council, and all the stakeholders externally.

## 2.2 ADMINISTRATIVE GOVERNANCE

The political component of Council is supported by an Administrative component which consists of the following: Office of the Municipal Manager, Corporate Services, Finance, Infrastructure and Technical Services, Planning and Economic Development and Community and Social Services (Figure 5).

**Figure 5 Administrative Organogram**



The function of each Department is tabulated below:



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Office of the Municipal Manager	Strategic Programmes Performance Management Communication and Marketing Integrated Development Planning Internal Audit
Planning & Economic Development	Spatial Development Framework Planning Land Use Management Integrated Transport Planning/co-ordination LED Co-ordination Tourism Development co-ordination Town/Regional Planning Environmental Planning
<b>Corporate Services</b>	Administration and Secretariat Human Resource Management Legal Services Fleet Control Management Auxiliary and Building Maintenance Information Systems & GIS Student Bursaries
<b>Infrastructure &amp; Technical Services</b>	Infrastructure Development Technical Services in LM's Project Financial Control Centralized PMU
<b>Community &amp; Social Services</b>	Municipal Health and Environmental Services Social Development Sports, Culture and Recreation Disaster Management Air Quality Management Services
<b>Finance</b>	Financial Management Asset management Creditor Payments Salaries Capital Projects Payment Supply Chain Management Budget Accounting Services  Compilation of Financial Statements

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## COMPONENT B: INTERGOVERNMENTAL RELATIONS

### INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

#### **2.3 INTERGOVERNMENTAL RELATIONS**

##### NATIONAL INTERGOVERNMENTAL STRUCTURES

In the National structures, the Communications division works with Government Communication & Information System (GCIS). The GCIS has a component that represents the Office of the President, Deputy President and all the Government Ministers and Deputy Ministers. At the national level, this is where matters that affect Government are discussed and how to deal with the media in a positive manner. The meeting of the communicators is called the Government Communicators Forum (GCF), and all the District Municipalities participate in this forum and the Office of the Premier is also represented in the forum. The issue of service delivery is discussed and the common factor that normally comes out is that government normally delivers services but do not communicate or make noise about that.

##### PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The Gert Sibande District Municipality normally meets with the other two District Municipalities, namely Ehlanzeni and Enkangala and the 21 Local Municipalities. The forum, which is known as the Provincial Government Communicators Forum (PGCF), is led by the Office of the Premier and the 12 Provincial Governments. The forum looks at the best ways of promoting their respective District and Local Municipalities, as well as the Government Departments. How best to deal with the media and promote the respective departments and how to assist in service delivery. The Office of the Premier, together with Department of Corporate Governance & Traditional Affairs who are also known as the Core Ream. This is where it is important for Executives Mayors, Councillors, and Communicators to report any potential local protest or related issue to the Provincial Core Team and specifically the Department of Cooperative Governance and Traditional Affairs.

##### DISTRICT INTERGOVERNMENTAL STRUCTURES

The Gert Sibande District Municipality heads the District Communicators Forum (DCF), and the head of communications is the chairperson, and the other seven local municipality head's of communication form part of the DCF. The frequency of the DCF meetings is normally quarterly and the municipalities rotate hosting the meetings, and what has been discussed at the PGCF, is then communicated by the DCF and how best to implement the resolutions taken. Other members of the DCF are GCIS members who work in the Thusong Service Centres, namely Leandra, Mpuluzi and Morgenzon – which cover the entire District. This is where the ways of best communicating with the community are discussed and by following the communications' strategies that the communicators have. It makes it easy to forward information when the Thusong Service Centres are also involved.

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## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

### OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The Municipal Systems Act 32, 2000 Sec 18 (i)(d) “requires a municipality to supply its community with information concerning municipal governance, management and development.” In compliance with this legislation the GSDM’s Communication division has positively dealt with matters of governance and adhered to the Integrated Development Plan (IDP) of 2011/2012. The Communication division through being based in the office of the Municipal Manager has been able to communicate the Municipality’s message through the programme of “Promotion of the District”. This office is the link between the District and the public. This division is also a link with all the seven Local Municipalities that fall under the GSDM, Government Communication & Information Service, the Mpumalanga Provincial Government and other relevant stakeholders. The local municipalities under GSDM are: Msukaligwa, Dipaleseng, Mkhondo, Lekwa, Dr Pixley ka Isaka Seme, Mkhondo and Chief Albert Luthuli.

The Communication division has also been in the forefront of organising and planning public consultation meetings and coordination of the District Communication Forum (DCF), as well as being part of the Core team of the Government Communicators Forum. The District is guided by the District Communication Strategy, which has to be in line with the Local Municipalities in terms of communication.

The Purpose of the District Communication Strategy is to:

- Embrace the precepts of the Constitution of the Republic of South Africa and other Acts of Parliament that provide for access to information.
- Stimulate discussions around the developmental issues within the District.
- Encourage the maximum participation of all relevant stakeholders.
- Ensuring the streamline of communication processes and protocol.

To be in line with the Service Delivery Budget Implementation Plan (SDBIP), the Communication division has been able to hold its quarterly DCF meetings and also produce and publish the in-house quarterly magazine, Insight for general distribution within the District. There has been positive response from the Local Municipalities who also contribute articles for inclusion in the Insight magazine, promoting the positive achievements and initiatives of their respective Municipalities.

The Communication division played a pivotal role in assisting the other local municipalities with drafting their respective communication strategies, which now need to be referred and submitted to their respective municipal Council’s for approval.

In order to achieve effectively in terms of communication, there is general consensus among all the Local municipalities in the District that the following mediums / mechanisms should be actively pursued in order to maintain good governance and effective public participation.

1. Print Media
2. Electronic Media
3. Social media networking
4. Ward committees
5. Thusong Service Centres
6. Other forms of communication

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The major key issues that the division of communications has addressed during the current year taking cognisance of the communication mediums highlighted above include:

## 1. *Promotion and communication of the District – print media etc.,*

We have built sound relationships with the newspaper fraternity – community (in Gert Sibande District), local (in and around Mpumalanga province) and national newspapers (in all the nine provinces in South Africa). When the Council will hold meetings, they are advertised in local and national newspapers so that the community is informed and can attend Council meetings. After each Council meeting, the Communications division publishes press releases to the media for inclusion in their respective newspapers.

The District works with the following newspapers:

- Echo Ridge and Ridge Times, Bethal Tribune, Ekasi News around Secunda, (Govan Mbeki Municipality).
- Excelsior in Piet Retief, (Mkhondo Municipality).
- Advertiser in Standerton, (Lekwa Municipality).
- Recorder in Volksrust, (Pixley ka Seme).
- Highvelder, Highveld Tribune (Msukaligwa Municipality).
- The Herald in Balfour, (Dipaleseng Municipality).
- Elukwatini Guardian, in Carolina, (Albert Luthuli Municipality).
- The Mirror – this newspaper covers most parts of Mpumalanga Province.
- The Voice (Msukaligwa).
- Khanyisa Weekly - which distributes in the whole of Gert Sibande District Municipality.
- Kosmos Nuus-News – which is distributed in places like Standerton, Morgenon, Balfour, Vrede, Tritchard, Secunda, Bethal and Ermelo.
- Ibis – This is distributed in Lekwa and the neighbouring townships and towns.

The Communication division has recognised that there are Zulu newspapers from our neighbours in Durban, KwaZulu-Natal, which we must use effectively. It is a proven fact that Zulu newspapers like Ilanga and Isolezwe, are selling more copies in the GADM. Both newspapers are now featuring some of our achievements in the District, like the Mayoral Excellence Awards. Other Zulu and English newspaper based in the Durban area include the LangeSonto, Isolezwe NgomMgqibelo, Isolezwe NgeSonto, Sunday Times IsiZulu, Sunday Tribune, The Mercury and Daily News and UmAfrika.

The Communications division has also established a healthy working relationship with the national English newspapers which are all based in Johannesburg: Daily Sun, Sowetan, The Citizen, City Press, The Times, Sunday Times, Sunday World, The Star, Sunday Independent, Drum Magazine, Bona Magazine, Move Magazine, Sapa and The New Age.

## 2. *Electronic Media*

The Communication division works with the electronic media, from community, local and national radio stations. This medium has been actively utilised through Kasi FM, Ligwalagwala, Ikwekwezi FM and Ukhozi FM for African languages and Radio 2000, SAfm for the national radio stations which deal with community and political matters. Provincially we have M Power FM.

The other electronic media we are using in terms of TV coverage is SABC and ETV where we promote the District's image and those of the local municipalities. Recent achievements in this regard include the story of the Mkhondo and Dr Pixley ka Isaka Seme municipality's appearance in the SABC's programme

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"Touching Lives" covering the handover event of two previously homeless families receiving keys to their first houses. The District played an active role in assisting those families in this process.

### 3. *Social Media Networking*

The Communications division has prioritised social media networking like Face book as an effective medium to be pursued in the 2012/13 financial year. Face book and Twitter have proven to be the most efficient tools of communication, especially among the youth. A business plan will be drafted for submission and adoption by Council before this strategy can be implemented.

### 4. *The Thusong Service Centres*

Presently two services centres have been established in Morgenzon and Mpuluzi and have proved to be of great assistance in terms of communications. Two staff members, one in each office, work hand in hand with the communication division, as well as the Office of the Premier which is based in Ermelo. All the three staff members form part of the Core Team, and they have assisted in the drafting of the District's Communication Strategy, together with GCIS and CoGTA.

### 5. *Other forms of communication include:*

- Ward committees
- Izimbizo
- Sector department consultation (IDP Technical Committee)
- Business forums
- Existing IGR Structures

Through the leverage of the above means of communication, the principles of good Governance and Public Participation are entrenched. This leads to good and excellent governance across the District and the Communication division is able to market and promote the District to the public and disseminate that information. In terms of organisational readiness this ensures optimal use of the abovementioned mechanisms and the status within each municipality across the District is reflected in the development of their communication strategies and the formation of Local Communicators Forums' as well as the District Communicators Forum.

Although we have managed to attract the communities to the public participation forums in numbers, community involvement and key stakeholder participation remains a challenge in terms of ward-based planning. Community participation is still dominated by issues around the provision of basic services and service delivery mechanisms that need improvement in most Local municipalities. The discussion at these forums is recorded and this has assisted the District with the process of reviewing its strategic focus and aligning its Integrated Development Plan (IDP) to maintain its vision of striving to excel in good governance and the delivery of quality infrastructure.

Traditional leaders also have an important role to play in terms of decision-making processes and the mass mobilization of stakeholders.

Other achievements incorporating the Promotion of the District include:

In June 2012, we had a successful Mayoral Excellence Awards which is held annually at the GSDM offices in Ermelo with the aim to honour individuals and groups who continue to fly the District's flag at local, national and international level. The event got maximum publicity, and national newspapers like Isolezwe, Daily Sun and The New Age published articles of the proceedings. The result was a four-page

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supplement appearing in the Daily Sun about the Awards ceremony, and also a two page supplement in the local paper Khanyisa for the Business Networking Session held at the GSDM offices in May 2012.

In March 2012, as part of promoting the District, the Communication division organised a 30-minute interview for the former Executive Mayor on ETV's Sunrise. Other events that the Communication division coordinated and succeeded in implementing positively in the first six months of the year included:

- June 2011 - Youth Consultative workshops (at all the local municipalities and the final one held at the District offices)
- July 2011 – Mandela Day held in Leandra
- August 2011 – Young Women's Assembly held in Kinross
- September 2011 - Heritage Month with the Deputy President Kgalema Motlanthe in Ermelo
- October 2011 – graduation ceremony and President's visit in Piet Retief
- October 2011 - National Prayer Day in Carolina
- November 2011– SMME Fair held in Ermelo

In the latter part of the financial year some of the highlights of the Communications activities include the following

- Assisted with the clean audit certificate hand over by the Auditor General, Terence Nombembe in February 2012. This appeared on the website and is also covered in the municipal Insight magazine as well most of the events that we have covered since January, as well researched feature articles.
- The Communications division was the catalyst in establishing a meeting of the Public Liaison Officers (PLOs) with all the Local municipalities and attended by two representatives from the Office of the Premier. The purpose of the meeting was to establish a Presidential Hotline where all the municipalities would field calls and identify problems raised in their respective constituencies.
- The District Communicators Forum was held in GSDM in March 2012, and two months later, the Communications division held a District Communicators' Meeting at GSDM with Local municipalities and attended by representatives from COGTA and Government Communications and Information Services (GCIS). At the meeting the Local Municipalities reported on the progresses and challenges they face in their respective LMs
- In April 2012 we hosted the IDP Consultative Meetings in all seven Local Municipalities, and in May 2012 the State of the District Address where the District's budget and IDP 2012/2013 were approved.

For the financial year of 2011/12, an amount of R2.5 million was budgeted to facilitate matters of communication and promotion of the District and 100% positive expenditure was realised.

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## 2.4 PUBLIC MEETINGS

### COMMUNICATION, PARTICIPATION AND FORUMS

Besides being a legislative requirement in terms of the Municipal Systems Act 32, 2000, Chapter 4, public meetings on municipal affairs foster good relations between the municipality and its constituency. It helps the municipality to understand the needs of the communities and equally for the community to be informed of the extent to which the municipality will be able to meet its needs in the forthcoming financial year. It also assists in the agreements on the prioritisation of needs and the ability of the municipality to meet them.

The District is ensuring community participation and consultation through different mechanisms, there was specific engagements and consultation through different specific forum to address key stakeholders or interested groups and broader community consultation for general public. The following are forums that are in place and used to consult and solicit community participation including with other organs of state:

- IDP Forum - Stakeholders / Sector departments engagement on District Integrated Planning
- Management committee – Technical committees
- Disaster Management Forum – Stakeholder engagement on Disaster management issues
- Air quality Stakeholders Forum – Stakeholder engagement of stakeholders on government Air Quality Management services
- Integrated Pollution & Waste forum- Stakeholders / Sector departments engagement of planning , evaluation and management of Environmental Pollution Control services
- CFO Forum – Engagement of CFO's on financial management
- Municipal Managers Forum- MM engagement on governance issues
- Authorities Air Quality Forum- Engagement of all government authorities on planning, evaluation and management of Air Quality Management services
- Food Control Forum - Engagement of all government authorities on Food Control management
- Local Outbreak Response Team – Engagement of all government authorities on planning and provision of communicable diseases management services
- Waste Management Forum - Engagement of all government authorities on planning and evaluation of provision of waste management services
- Environmental Health Practitioners Forum - Engagement of all government authorities on
- Water Catchment Management Forums - Stakeholders / Sector departments engagement of planning , evaluation and management of water services

The engagements were held on quarterly basis and monthly were the need arise.

Public participation was extensively done on District Municipal health and environmental By-laws in all its area of jurisdiction. Community meetings were held calling for inputs and comments, specific consultations were conducted with key stakeholders and presentations on the By-laws was completed. The By-laws were advertised on all local newspapers and national newspaper calling for input and comments

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Other platforms of communication include the mechanisms and participation in FORA including IDP Rep Forum, Management Committee, Disability Forum, HIV/ AIDS Council and Departmental HODs FORA forum meetings. This allows for effective communication between all stakeholders on issues that affect them.

Partnership with Traditional Leadership has also been one of GSDM's success stories where this aspect has already been formalised as part of the formal Local Government system with full participation of Traditional leadership on behalf of their constituencies on Local Government affairs including handing over of office and equipment and formal capacitating in terms of training etc. The Traditional Leadership structure has now formally been accommodated and entrenched in the GSDM offices with all the resources they need to function effectively.

## Summary of Community Stakeholder Participation

In April 2012 we hosted the IDP Consultative Meetings in all seven Local municipalities, and in May 2021 the State of the District Address in Council chambers where the District's budget and IDP 2012/2013 were approved.

During the month of April 2012, the GSDM hosted a roadshow during which the District met each Local municipality with the aim of emphasizing government's commitments via programmes such as the medium term strategic framework priorities, presenting the draft GSDP IDP, improvement in service delivery, and ensuring better life for all District residents within the constituent local municipalities. The following table 5 reflects the GSDM road-show programme as it was held during April 2012.

**Table 8 Community Meeting Schedule**

Date	Municipality	Venue	Time
10 April 2012	Mkhondo	Municipal Offices(Hall)	09h00
10 April 2012	Msukaligwa	Elle De Bruin Hall	14h00
11 April 2012	Dipaleseng	Municipal Offices Hall	09h00
11 April 2012	Govan Mbeki	Lillian Ngoyi Centre	14h00
12 April 2012	Dr Pixley Ka Isaka Seme	Municipal Offices(Hall)	09h00
12 April 2012	Lekwa	Municipal Offices (Hall)	14h00
13 April 2012	Chief Albert Luthuli	Municipal Offices(Hall)	09h00



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## Ward Committees

The GSDM itself is not demarcated by Wards as these boundaries are set within the individual Local municipality and are reported on thereon.

## **2.5 IDP PARTICIPATION AND ALIGNMENT**

**Table 9 IDP Participation and Alignment Criteria**

<b>IDP Participation and Alignment Criteria*</b>	<b>Yes/No</b>
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 56 Managers Performance Plans	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

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## COMPONENT D: CORPORATE GOVERNANCE

### 2.6 RISK MANAGEMENT

In terms of the Municipal Finance Management Act (MFMA) Sec 62 (1)(c) requires that the municipality has and maintain effective, efficient and transparent systems

- (i) of financial and risk management and internal controls: and
- (ii) of internal audit operating in accordance with any prescribed norms and standards

The Audit Committee's responsibilities are outlined in Section 166(2)(b) of the MFMA (No 56 of 2003). The Audit Committee has adopted appropriate formal Terms of Reference as its Audit Committee Charter, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein.

The five (5) main risks that were identified in the Risk Audit conducted prior to the 2011/12 financial year commencing and were targeted to be addressed in the current year are as follows:

The top 5 risks identified were:

- Supply Chain Management
- Performance Management
- Human Resources & Payroll
- Information & Communication Technology
- Finance

The Audit Committee's Chairperson's Report for the financial year ended 30th June 2012 is set out below.

#### **Audit Committee Chairperson's Report**

We are pleased to present our report for the financial year ended 30 June 2012.

##### **1. Audit Committee Members and Attendance**

In terms of the Municipal Finance Management Act (MFMA) and the Gert Sibande District Municipality's Audit Committee Charter, the Audit Committee must consist of a minimum of 3 members who must be external independent members. None of the members may be Councillors.

The Audit Committee consists of the members listed hereunder and meets at least 4 times per annum as per its approved Charter. There were 6 meetings held during the current financial year, which included special meetings. Ms. T. Njozela and Mr. P. Venter were appointed in February 2012.

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Name of member	Number of meetings attended
Mr. Cassim Mohamed (Chairperson)	6/6
Mr. M Mothamaha	6/6
Prof. L de Clercq	6/6
Ms. T. Njozela	2/2
Mr. P. Venter	0/2

## 2. Audit Committee's Responsibilities

The Audit Committee's responsibilities are outlined in Section 166(2)(b) of the Municipal Finance Management Act (No 56 of 2003). The Audit Committee has adopted appropriate formal Terms of Reference as its Audit Committee Charter, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein.

A summary of the Audit Committee's responsibilities in terms of the MFMA and its Charter is that it is responsible for, among other things, the following:

- Advise the municipal council, the political office bearers, the accounting officer and the management staff of the municipality on matters relating to –
  - i) internal financial control and internal audits;
  - ii) risk management;
  - iii) accounting policies;
  - iv) the adequacy, reliability and accuracy of financial reporting and information;
  - v) performance management;
  - vi) effective governance;
  - vii) compliance with this Act, the annual Division of Revenue Act and any other applicable legislation;
  - viii) performance evaluation; and
  - ix) any other issues referred to it by the municipality;
- Review the Annual Financial Statements of the municipality;
- Respond to the council on any issues raised by the Auditor-General in the audit report;
- Carry out such investigations into the financial affairs of the municipality as requested by council.

The Audit Committee is satisfied that it has complied with its responsibilities and has discharged them adequately and efficiently.

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## **3. The Effectiveness of Internal Controls**

The system of controls is designed to provide cost-effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. In line with the MFMA and the King 3 Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes.

From the various reports of the Internal Auditors, the Audit Report on the Annual Financial Statements, the matters of emphasis and management letter of the Auditor-General, it was noted that no significant or material non-compliance with the prescribed policies and procedures have been reported. Accordingly, we can report that the system of internal control for the period under review was effective.

The Audit Committee is satisfied with the internal controls in place and overall adherence to those controls.

## **4. Internal Audit Function**

Internal Audit is an independent directorate at the Municipality and forms a significant part of governance within the District. Internal Audit is mandated to provide independent, objective assurance and consulting services, geared towards adding value and improving the Municipality's operations. Internal Audit plans are informed by the District's strategy and risks and its staff is well qualified and experienced to ensure the necessary competence to meet the Municipality's diverse requirements.

During the 2011/12 financial year, Internal Audit provided assurance regarding the adequacy and effectiveness of controls in the business processes of the Municipality and contributed to further strengthening the governance mechanisms within the Municipality by providing quality reports, which the Audit Committee used to effectively exercise its oversight responsibility, in terms of its Charter.

The Audit Committee is satisfied with the performance of the Internal Audit Function and reports that internal audit work as detailed in the Operational Internal Audit Plan was completed by the end of the financial year.

## **5. Evaluation of the Annual Financial Statements**

The Audit Committee has:

- Reviewed and discussed with the Auditor-General and the Accounting Officer the audited Annual Financial Statements to be included in the Annual Report;
- Reviewed the Auditor-General's management letter and management responses;
- Reviewed the accounting policies and practices;
- Evaluated the audited Annual Financial Statements to be included in the Annual Report, and based on the information provided to the Audit Committee, considered that the said statements comply in all material respects with the requirements of the MFMA and Treasury Regulations as well as South African Statements of Generally Recognised Accounting Practice (GRAP);
- Concurred and accepted the conclusions of the Auditor-General on the Annual Financial Statements and is of the opinion that the audited Annual Financial Statements be accepted and read together with the report of the Auditor-General;

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## 6. Performance Management and Information

The Committee reviewed the quarterly performance reports and the quarterly internal audit reports on the Performance Management System and Performance Information. Based on the review of the quarterly performance reports certain areas requiring improvement were noted. These matters are included in the Municipality's Internal Audit Reports on the Performance Management System and Performance Information. Although certain aspects require improvement the Committee noted that systems and procedures have been implemented by the Municipality to ensure monitoring of organisational performance.

## 7. Conclusion

I would like to thank my colleagues for making themselves available to serve on this Committee and for the significant contribution that they have made. As an Audit Committee, we rely to a great extent on the Internal Audit Unit for their support and assistance and, in particular for the role they continue to play in improving the accounting and internal auditing systems and controls at the Gert Sibande District Municipality. We are indebted to them for their efficient service and assistance.

We are also grateful to the Municipal Manager and the management of the Gert Sibande District Municipality for their assistance during the financial year.

C Mohammed

Chairperson: Audit Committee

## 2.7 SUPPLY CHAIN MANAGEMENT

### OVERVIEW SUPPLY CHAIN MANAGEMENT

The District Municipality is executing all SCM processes in compliance with MFMA and the promulgated SCM Regulations. A SCM Unit is established with a SCM Manager appointed and it is anticipated that the SCM Unit would expand with a view of ensuring that SCM processes are centralised. Hence the process to adequately staff the Unit is in process to achieve the status of a centralised supply chain department. All major procurement of R 200,000 and above is procured through the SCM Bid Committee system before final approval by the Municipal Manager. The Bid Specification Committee recommends the appropriate specifications for a procurement. After approval the tender is advertised in relevant news papers as well as on the GSDM website and notice boards. The Bid evaluation Committee evaluates the tenders received from prospective suppliers and recommends to the Bid Adjudication Committee. The Bid Adjudication Committee considers the recommendations from the Bid Evaluation Committee and finally recommends to the Municipal Manager for approval. Proper delegations and segregation of powers are in place to ensure fair, equitable, transparent, competitive and cost effective procurement is achieved at all times. All minor deviations are approved by the Municipal Manager and reported to Council and National Treasury as required by relevant legislation and approved frameworks (see appendix H of the Statutory Annual Financial Statements).

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## 2.8 BY-LAWS

Table 10 By-laws

<b>By-laws Introduced during 2011/12</b>				
<b>Newly Developed</b>	<b>Date Revised</b>	<b>Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)</b>	<b>Dates of Public Participation</b>	<b>Date of Publication</b>
Noise	2011- 2012	On going to date	2011- 2012	N/A
Public / Municipal Health	2010- 2012	On going to date	2010 -2012	N/A
Waste Management	2011- 2012	On going to date	2011- 2012	N/A
Air Quality Management	2011- 2012	On going to date	2011- 2012	N/A
Tariff	2011 -2012	On going to date	2011 - 2012	N/A
				T2.9.1

### COMMENT ON BY-LAWS:

The district has been consulting community and key stakeholders including other organs of state on the Draft By – laws, the consultation programs were extended at the request of communities and leadership and the presentations were done to all community meetings. The draft copies of By–laws were distributed in all meetings and all the draft By–laws are available on the District website. Focused consultation meetings were held with ward councillors and committees.

The services of a legal expert: external service provider – professor, were procured to assist with the finalisation and review of the draft. The final draft By–laws will be published for comments by end of February 2013 and for council for adoption and gazetting.

## 2.9 WEBSITES

The website [www.gsibande.gov.za](http://www.gsibande.gov.za) publishes all legislated documents as set out in the Municipal Financial Management Act (MFMA) Sec 75, relating to the municipals' activities throughout the year as well as covering all the notable events that occur in the District. Even tenders and notices form part of the website, which allows ease of access for the community to be aware of all the municipalities' activities and participate in tenders bids if they so wish. The Council meetings are also advertised on the website, as well as speeches from the political leadership, such as the "State of the Districts Address".

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## **2.10 PUBLIC SATISFACTION ON MUNICIPAL SERVICES**

The GSDM included a project in the 2011/12 financial year to conduct an external customer satisfaction survey to determine the perceived level of community and business satisfaction with regards service delivery provided by the District. It was planned to appoint an appropriate Service Provider to conduct the survey on behalf of the District and provide a detailed analysis of the findings for submission to the Municipal Manager by June 2012. Lack of appropriate funding prohibited the project from being implemented. The project will be resurrected in the 2013/14 financial year on completion of the internal staff employee and IT service level satisfaction surveys.

The GSDM also included a project in the current year with respect to the establishment of employee satisfaction levels with the general internal operation of the organisation. The project was only progressed to the phase of developing the questionnaire and no further progress was achieved in the latter part of the year as scheduled. The project is included in the 2012/13 IDP for completion before June 2012/13.

Price Waterhouse Coopers was appointed during the 4th quarter of 2012/13 to conduct a survey to measure improvement from the 0% employee satisfaction baseline set by the ICT Department for the 2011/12 financial year. The purpose of this project is to establish a credible baseline for the number of employees satisfied with ICT services. This baseline would then be used to set appropriate targets for improvement in subsequent years. The newly appointed IT Manager indicated that the IT department is in the process of restructuring and analysing the IT requirements to support, sustain and grow the municipality and therefore the IT Department has established a baseline of 0% employee satisfaction.

# Chapter 3

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

### INTRODUCTION

According to the Powers and Functions vested in the GSDM in terms of the Municipal Structures Act the municipality does not have the authority to perform the functions for the provision of basic services and this responsibility lies within the jurisdiction of the Local municipalities within the District and therefore is not responsible to perform and report on these aspects in terms of performance.

The role performed by the GSDM relates to the function of project management with respect to the implementation of Capital projects as requested by the local municipalities within its area of jurisdiction and contributing towards the reporting thereof, by the Local municipalities on the provision of these services.

### COMPONENT A: BASIC SERVICES

#### 3.1 WATER PROVISION

The National Minister responsible for Local Government has, in terms of Section 84(3) of the Structures Act, authorized the Local Municipalities, in this case the Chief Albert Luthuli municipality, to perform the functions and exercise the powers described in Sections 84(1)(b) and (d) of the Structures Act to the exclusion of the Gert Sibande District Municipality. The powers in terms of 84(1)(b) are the provision of potable water supply; and 84(1)(d) is the domestic waste-water & sewage disposal systems.

The Local Municipalities within the Gert Sibande District Municipality are therefore the Water Services Authority and in terms of the Water Services Act 1997, responsible for meeting the obligations as stated in the regulations and not the GSDM.

The GSDM do not have any authority to intervene in the affairs of the local municipalities function unless requested to do so by way of cooperative governance. If requested to assist, the GSDM could support the Local Municipalities in terms of Cooperative Governance with reference to Section 88 2a) of the Municipal Structures Act, to the extent that the District has the capacity to provide the support services.

Although the abovementioned functions are not performed by the GSDM, the obligation exists for the GSDM, in terms of the Municipal Structures Act, Section 83(3)a to d and 84(1)a of the Structures Act as alluded to below the GSDM must seek to achieve the integrated, sustainable and equitable social and economic development of its area as a whole by-

83(3) a to d

- a) Ensuring integrated development planning for the district as a whole
- b) Promoting bulk infrastructural development and services for the district as a whole;
- c) Building the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking; and
- d) Promoting the equitable distribution of resources between the local Municipalities in its area to ensure appropriate levels of municipal services within the area.



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84. (1) A district municipality has the following functions and powers:

- e) Integrated development-planning for the district municipality as a whole, including a framework for integrated development plans of all municipalities in the area of the district municipality, taking into account the integrated development plans of those local Municipalities;

As is stated in the functions of the municipality and its entities (if any) included at Appendix D and the performance table for the Municipal Entities included at Appendix I, the GSDM does not have the functions for the provision of Water and Sanitation Services and therefore is not able to comment on all aspects on behalf of the Local municipalities in all respects in this Annual Report. As further stated, the GSDM does not have municipal entities providing any services as this would be contradictory to the autonomy of each Local Municipality and their responsibility to provide services for the functions they have been mandated to perform.

Emanating from the resolutions of the GSDM council and other forums, roles and responsibilities have been shared to encourage intergovernmental cooperation, in terms of section 88 of the Municipal Structures Act, between municipalities and other spheres of government so as to harness improvements in service delivery. Although the Local municipalities are the authority responsible for water and sanitation provision, when the GSDM has funding to support the authorised municipalities in these functions it must focus on the following shared roles and responsibilities as have been defined as follows:

**Table 11 Water Provision - Roles and Responsibilities**

<b>Roles and Responsibilities</b>	
<b>Local Municipalities</b>	<b>District Municipality</b>
Local Planning (WSDP)	Regional Planning (IWSDP)
Water Services Authority Activities	Bulk Water & Sanitation Supply (including plants treatments)
Water Reticulation and Distribution	Water Quality Management & Pollution Control
Water and Sanitation network O & M	Rudimentary Water Supply (Rural and Farms Area)
Water metering installation & maintenance	Water Loss Management
Meter reading for distribution	Water Conservation and Water Demand Management
Tariff and standards	Bulk meter installation / maintenance & reading
Billing and collection	Regional Bulk Water and Sanitation Master Plan

In view of the schedule above, the GSDM is concentrating on the implementation of bulk water supply projects i.e. Regional Bulk Infrastructure Projects and rudimentary water supply projects. It is evident that Regional Bulk Master Planning, Bulk Infrastructure Capital Project Implementation, Bulk meter installation / maintenance & reading, Water Conservation and Water Demand Management and water quality management needs to be supported within the District and therefore strategic steps involving all the relevant stakeholders are being taken in this regard.

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## Regional Bulk Master Planning

The District has as and when funding has been made available been developing the Integrated Water Master Plan (IWMP) for the GSDM over the 2011/12 and the previous financial year starting in January 2011, as GSDM internal funding is allocated towards this project and have completed 5 sections of the 12 proposed sections of the water master plan that includes for a Strategic Planning Overview – Status Quo; the receipt of all additional information that is available to master planning; concluded the comprehensive Settlement Data study; matching of resources with demands per zone of supply and overlaying the current infrastructure with RBIG projects incorporating the determination of the infrastructure capacity to meet the future demands.

Sections six (6) to nine (9) inclusive will be completed in the 2012/13 financial year with funding that has been made available from GSDM internal funding. These sections incorporated the following phases

- the development of bulk water and reticulation augmentation plans for the short, medium and long term horizon;
- the provision of preliminary draft designs for the proposed work;
- compilation of projects with estimated budgets to be implemented in order of priority for the progressive phasing in of bulk and distribution infrastructure;
- and the phasing out of infrastructure based on their remaining useful life.

The last sections of the Water Master Plan allow for the development of Infrastructural Investment Strategies and public participation, for which it is hoped that funding will be made available for its implementation in future financial years, but at this time are unsecured.

## Special Intervention Projects

There are two projects being implemented in this programme namely the

1. Installation of Bulk Water meters at abstraction points and reservoirs. Utilisation of Trainees in identification of leaks at domestic meters and in the infrastructure and the repair thereof through formal training and practical experience.
  - The assessment of the bulk water meter infrastructure has been completed and we have entered the installation phase where the first consignments of bulk water meters have been procured. The tender for the installation of bulk mechanical meters have been adjudicated and awarded in the first half of the 2012/13 financial year. The tenders for the supply and installation of ultrasonic and electromagnetic meters have been adjudicated and the award is subject to the availability of funding in the 2012/13 financial year.
  - All of the applications for training on plumbing have undergone a pre-assessment in terms of the criteria specified by the accredited service provider in the 2011/12 financial year and the selected trainees have now concluded their plumbing skills training. These trainees will be incorporated into construction teams for the installation of bulk water meters in the second half of the financial year.

# Chapter 3

2. Installation of Management Information Systems with the LMs water services and reporting to each LM on operational issues.
  - The assessment of the existing MIS systems and the analysis of various MIS systems have been completed. The tender for the supply, installation and maintenance of the hardware and software for general pocket radio service communication loggers (GPRS) and the setup of a management information system (MIS) for bulk water and sanitation operations management has been adjudicated and awarded in the first half of the 2012/13 financial year.

It has been established through the adjudication of the tenders regarding the requirements for the MIS system that the currently available funding is not enough to achieve full coverage as anticipated and hence additional funding will be required to fully implement the project. The installation for all the necessary bulk water meters also has a shortfall in budget that needs to be addressed in the annual budget review.

In addition to the above intervention projects the GSDM with support from the Department of Water Affairs were able to train 69 of the local municipalities process controllers to a NQF2 level of competence for which the awards ceremony and issue of certificates was held at the GSDM offices in the first half of the 2012/13 financial year.

### **Urgent support requirement to the Chief Albert Luthuli Municipality**

In mid January 2012 the Chief Albert Luthuli Municipality experienced a large volume of rainfall in the catchments feeding the Bosmanspruit Dam with water. Due to some of the old mines that operated in the catchment decanting acid water into the river the water quality of the water leading to the dam has been measurably impaired, which manifested into a disaster with regard to the quality of water that is supplied to Carolina.

In support to the Chief Albert Luthuli Municipality (CALM) the GSDM Mayoral Committee approved support to CALM in the activities of water quality monitoring and testing and operations support at the treatment plant in Carolina.

The GSDM supported CALM from March 2012 to September 2012 with the provision of an experienced process controller that was sourced through assistance from Mhlathuze Water – Amanzi in terms of the GSDM /Mhlathuze Water collaboration agreement and continues to provide CALM with this support at the municipalities' request in the 2012/13 financial year. The necessary improvements to the operations process of the treatment plant has been very well managed by CALM and the District's seconded process controller made it possible to bring the treatment processes under control. The Water Treatment Works has during this support period been able to produce water of acceptable drinking water quality standard.

### **Water Quality Testing Support**

The Gert Sibande District Municipality established a water quality laboratory within the GSDM to service all the organs of state including the local municipalities & domestic consumers, non-governmental, community based organisations and commercial users, industrial users and agricultural consumers within the district.

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The GSDM Water Quality Laboratory has been established in accordance with the ISO/IEC 17025:2005. This international standard specifies the general requirements for competence to carry out tests and/or calibrations including sampling. If testing laboratories comply with the requirements of this standard, they will operate a quality management system for their testing that also meets principles of ISO9001 (Quality Management). The standard stipulates Management requirements and Technical requirements to which the laboratory must comply for the purpose of recognition for accreditation. The Laboratory should ensure that policies and procedure implemented avoid involvement in any activities that would diminish confidence in its competence; impartiality; judgment or operational integrity.

The establishment of the laboratory has received much support from the Mhlathuze Water - Amanzi Board that through a cooperation agreement have been supporting the GSDM during the 2011/12 financial year with its accreditation application preparations.

The Laboratory has initiated the Accreditation process by South African National Accreditation System (SANAS), and is currently in the process of closing gaps identified during self assessment with SANAS Management and Technical requirement standards.

The Laboratory has initiated the process to obtain accreditation for implemented methods in the 2011/12 financial year, which will be concluded by the end of 2012/13 financial year.

The Laboratory is currently servicing four (4) contracted Local Municipalities within the district, Msukaligwa; Govan Mbeki; Dipaleseng and Mkhondo. The Laboratory consists of two main sections, the Microbiology section and the Chemistry section. There are a number of methods that are implemented and some in the process of validation in the Laboratory.

The number of samples received at the Laboratory on a monthly basis is gradually increasing as the laboratory becomes more established. On a monthly basis about 5% of the samples are received from private customers and 95% from Local Municipalities.

The Gert Sibande District Municipality has also extended its support to some of the municipalities with the development of water sampling strategies. The Environmental Management division of the GSDM is also in the process of consolidating all sample points within the GSDM and is currently monitoring the water quality in key target areas. This support mentioned above will be further extended to all the municipalities within the GSDM for which we expect the remaining municipalities to be utilising our services before the end of the 2012/13 financial year.

## **Regional Bulk Infrastructure Grant (RBIG) Programme**

RBIG is defined as a grant for the bulk water supply infrastructure required to connect the water resource in any given area, with the internal bulk/reticulation of a town/settlement in such a manner that will have a significant impact on the quantity and quality of the water supply in that area.

The GSDM was appointed by the Department of Water Affairs (DWA) as the Implementing Agent (IA) to implement 4 projects within 3 of the local municipalities within the region.

## **Accelerated Community Infrastructure Programme (ACIP)**

ACIP is a rapid intervention programme aimed at accelerating the achievement of universal access to water and sanitation services.

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The GSDM was appointed by the Department of Cooperative Governance and Traditional Affairs (CoGTA) to oversee this short term programme. The programme comprised basically 13 projects in 5 of the local municipalities within the region.

## Capital Projects and Expenditure

The capital expenditure towards water provision that was implemented on behalf of the local municipalities is as tabled below:

**Table 12 RBIG Capital Expenditure**

Capital Expenditure 2011/12: Water Services (IDP 2.3.1) RBIG Programme R' 000					
Capital Projects	2011/12				
	Original Budget	Adjust - ment Budget	Actual Expenditure	Variance from Adjusted budget	Total Project Value
<b>Total All</b>	0	8 132	8 132	0	8 132
<u>Chief Albert Luthuli LM</u> Empuluzi / Methula – Bulk Water Supply	0	2 045	2 045	0	2 045
<u>Chief Albert Luthuli LM</u> Eerstehoek / Ekulindeni – Bulk Water Supply	0	2 000	2 000	0	2 000
<u>Dipaleseng LM</u> Balfour / Siyathemba / Greylingstad – Bulk Water Supply	0	2 042	2 042	0	2 042
<u>Msakaligwa LM</u> Ermelo / Wesselton / Breyton / Chrissiesmere – Bulk Water Supply	0	2 045	2 045	0	2 045

The above Regional Bulk Infrastructure Grant (RBIG) programme projects are tabulated in line with the GSDM 2011/12 IDP, under section 2.3.1. At the time of preparation of the IDP, the values allocated by the Department of Water Affairs (DWA) were not available.

The project values indicated are therefore as subsequently determined by the DWA in the 2011/12 financial year. The projects and the respective budgets were thereafter included during the GSDM Adjustment Budget process and subsequent Council resolutions.

The total actual project costs over a period of around 6 to 7 years are at this stage estimated to be in the excess of R 900m. The expenditure incurred thus far was for the preparation of the business plans for the respective projects, for submission to DWA.

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**Table 13 ACIP Capital Expenditure**

Capital Expenditure 2011/12: Water Services ACIP Programme R' 000					
Capital Projects	2011/12				
	Budget	Adjust - ment Budget	Actual Expenditure	Variance from Adjusted budget	Total Project Value
<b>Total All</b>	<b>0</b>	<b>37 416</b>	<b>27 768</b>	<b>9 648</b>	<b>37 284</b>
<u>Chief Albert Luthuli LM</u> Upgrade Carolina Water Treatment Plant	0	3 000	3 000	0	3 000
<u>Chief Albert Luthuli LM</u> Provision of Boreholes	0	6 439	3 393	3 046	6 439
<u>Chief Albert Luthuli LM</u> Repair/Replace broken/faulty pipes, valves & fire hydrants	0	1 000	1 000	0	1 000
<u>Chief Albert Luthuli LM</u> Construct Water Treatment Package Plants at Mooi Plaas & Avonture	0	6 000	6 000	0	6 000
<u>Mkondo LM</u> Mechanical Equipment at Piet Retief Water Abstraction Facility	0	550	446	104	446
<u>Mkondo LM</u> Chemical dosing /equipment at Piet Retief Water Treatment Works	0	150	148	2	148
<u>Mkondo LM</u> Chemical dosing /equipment at Amsterdam Water Treatment Works	0	300	296	4	296
<u>Msukaligwa LM</u> Blue Drop Standard Compliance Improvement for Water Supply Schemes	0	1 000	987	13	987
<u>Dr Pixly Ka Isaka Seme LM</u> Blue Drop Standard Compliance Improvement for Water Supply Schemes	0	1 000	991	9	991
<u>Dr Pixly Ka Isaka Seme LM</u> Amersfoort – Construct Bulk Supply Pipeline	0	1 000	1 000	0	1 000
<u>Lekwa LM</u> Provision of Boreholes	0	14 330	8 898	5 432	14 330
<u>Lekwa LM</u> Standerton & Morgenzon – Replacement of Leaking Pumps & Pipes	0	2 427	1 389	1 038	2 427
<u>Lekwa LM</u> Standerton 10MI Reservoir	0	220	220	0	220

At the time of preparing the IDP/Budget for the 2011/12 financial year, the GSDM had not been advised of the above Accelerated Community Infrastructure Programme (ACIP) projects.

This accordingly follows that the project values reflected, were not included in the original GSDM 2011/12 budget. The projects and the respective budgets were thereafter included during the GSDM

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Adjustment Budget process and subsequent Council resolutions. It is also noted for reference that the project funding was predominantly from GoGTA with a degree of counter funding from the GSDM.

## **Comment on Water Services overall Capital Project implementation performance:**

### **Regional Bulk Infrastructure Grant (RBIG) Programme**

At the time of preparation of the 2011/12 Budget / IDP the implementation programme and target timelines were still being developed, which follows that the 3 year MTEF and 5 year targets had not yet been finalised.

It can however be noted that there was an unfortunate inordinately lengthy period of awaiting comment from DWA of the Business Plans submitted in for the 4 RBIG projects, i.e. from March 2011 to December 2011.

In December 2011, part approval was received for 3 of the 4 projects, where after specialist investigations (Hydrological, Detailed Survey's etc.) could commence.

On a positive note however, the budgets allocated within the financial year, basically for the preliminary conceptual/business plans, were expended.

### **Accelerated Infrastructure (ACIP) Programme**

The projects contained in the ACIP programme, were in effect a "once off" list of projects implemented in terms of a Service Level Agreement (SLA) concluded between GSDM, CoGTA, DWA and certain LM's.

### **Other planning and support projects performed on behalf of the Local municipalities**

The GSDM has performed well and executed all the required projects as budgeted for in the 2011/12 financial year. The GSDM funded Capital projects with comments as at 30 June 2012 and excluding the rudimentary projects that are reported on separately are listed in Table 11 below.

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Table 14 Planning and support projects

	CONTRACT NUMBER	PROJECT NAME	TOTAL PROJECT VALUE
Chief Albert Luthuli Municipality	(256254) 14/2008	Upgrading of Ekulindeni WTW - N	R 3,750,000.00
	(256103) 49/2008	Disaster Management Centre	R 4,000,000.00
	43/2009	Construction of Mayflower Culvert at Emphuluzi	R 1,636,177.00
	04/2010 *	Roads in Elukwatini	R 6,000,000.00
	05/2010	Upgr Elukwatini Stadium	R 1,000,000.00
	08/2010 *	Sewer ret Silobela X3	R 2,000,000.00
	02/2011	Silobela Road Construction	R 4,000,000.00
	Msukaligwa Municipality	34/2008	New 5ML Sewer treatment Plant to be constructed South of Ermelo
50/2009 *		Safety at Torbaniet Dam	R 300,000.00
27/2010		Roads Sheepmoor	R 6,000,000.00
28/2010		Roads Davel	R 7,000,000.00
29/2010		Roads Breyten	R 3,000,000.00
32/2010		Roads & Stormwater Cassimpark	R 3,000,000.00
19/2011 *		Refurbishment of Sewer plant in Davel	R 2,000,000.00
20/2011 *		Khayelisha Sewer Upgrade	R 4,000,000.00
32/2011 *		Water Reticulation in Khayelisha	R 5,000,000.00



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	CONTRACT NUMBER	PROJECT NAME	TOTAL PROJECT VALUE
Mkhondo Municipality	33/2007 *	Driefontein WTW - Increase capacity with 7.5 ML/d to 9.5 ML/d	R 23,795,000.00
	19/2009	Construction of Roads Phase 1 Kotze str and Ph 2 Mark Str	R 12,330,777.00
	22/2010	Roads Eziphunzini	R 11,908,872.00
	23/2010 *	Conv RDP Houses	R 8,000,000.00
	24/2010 *	Roads Kwatandeka Amsterdam	R 7,000,000.00
	15/2011	Rural Construction of VIPS	R 1,000,000.00
	40/2011	Electrification of Villages - Ntombe, Bakenkop, Khalambazo, Bhodweni, eMakhaya	R 6,000,000.00
	18/2011 *	Sewer Refurbishment - Amsterdam	R 2,000,000.00
	GSDM Acip 2 * Mkh	Chemical Dosing - Piet Retief WTP	R 100,000.00
	GSDM Acip 3 * Mkh	Chemical Dosing - Amsterdam WTP	R 45,000.00
GSDM Acip 4 * Mkh	Chemical Dosing - Driefontein WTP	R 125,000.00	
Dr. Pixley Ka Isaka Seme Municipality	33/2010	Amersfoort: upgrading and refurb. of Roads	R 4,900,000.00
	34/2010	Daggakraal: upgrading and refurb. of Roads	R 4,600,000.00
	35/2010	Wakkerstroom: upgrading and refurb. of Roads	R 7,100,000.00
	22/2011 *	Construction of Bulk Supply line from Volksrust WTP to 8ML Reservoir	R 3,000,000.00
	23/2011	Upgrade of Bulk Supply line from Amersfoort WTW to Amersfoort Reservoir	R 4,000,000.00
	24/2011 *	Upgrading of Water treatment Plant - Amersfoort	R 4,000,000.00
	25/2011	Sewer reticulation - Perdekop	R 3,000,000.00

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	CONTRACT NUMBER	PROJECT NAME	TOTAL PROJECT VALUE
	33/2011 *	Upgrading of STP - Vukuzakhe/Georgia Gardens	R 6,000,000.00
Lekwa Municipality	29/2007	Rising main between WTW & Old Standerskop reservoir - Ph 2 (Standerton/Sakhile)	R 7,500,000.00
	15/2009 *	Construction 10ML Reservoir	R 13,300,000.00
	18/2010	Roads Morgenzon	R 4,700,000.00
	21/2010	Roads & SW Sakhile	R 7,000,000.00
	13/2011	Rural Construction of VIPS	R 1,000,000.00
	14/2011	Upgrading of Sakhile Stadium	R 1,500,000.00
	GSDM Acip 2 *	Lek	Replacement of all leaking pipes at Standerton and Morgenzon Townships
Dipaleseng Municipality	09/2010	Roads in Siyathemba	R 4,147,967.00
	10/2010	Roads in Greylingstad	R 3,000,000.00
	05/2011	Balfour Upgrading of Roads	R 4,000,000.00
	06/2011	Siyathemba Construction of Roads	R 4,000,000.00
Govan Mbeki Municipality	11/2009	Construction of Roads	R 6,000,000.00
	14/2010	Upgrading of Roads in Kinross	R 3,000,000.00
	17/2010	Roads Bethal	R 7,500,000.00
	11/2011	Upgrading of Roads in Kinross	R 2,000,000.00
	12/2011	Electricity Refund	R 2,500,000.00

\* Denotes the projects where construction continues in the 2012/13 financial year.

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The total budget allocated to planning and capital project provision in the 2011/12 financial year including expenditure can be summarised as follows:

**Table 15 Total Capital Expenditure**

DEPARTMENT - INFRA & TECH	Budget 2011/12	Actual Expenditure y.t.d	Percentage
<b>Update Bulk water/Sewer report</b>	R 500 000.00	R 499 414.00	99.88%
<b>Bulk Water Meters</b>	R 1 000 000.00	R 825 716.00	82.57%
<b>Manage Info Systems</b>	R 200 000.00	R 200 000.00	100.00%
<b>Allocations to Municipalities</b>	R 113 802 992.00	R 91 942 082.00	80.79%
<b>Co Funding Projects</b>	R 9 426 920.00	R 9 714 978.00	103.06%
<b>ACIP Projects</b>	R 29 949 400.00	R 21 030 706.00	70.22%
<b>RBIG Projects</b>	R 7 133 332.00	R 7 133 333.00	100.00%
<b>Total</b>	<b>R 162 012 644.00</b>	<b>R 131 346 229.00</b>	<b>81.07%</b>

As reflected above the GSDM achieved an 81% expenditure of the 2011/12 financial year excluding the available contingencies that were made available to projects and not allocated for expenditure.

## **Water conservation and Demand Management**

As previously stated, it is not the responsibility of the GSDM to report on the provision of potable water supply as they are not the responsible authority and merely support the authorised municipalities and in this case the Local Municipalities.

The GSDM has agreed to support the local municipalities on issues of Water Conservation and Water Demand Management. As referred to earlier the GSDM is implementing a project for the installation of bulk water meters and a MIS system. This project intends to correctly measure the production and discharge of potable water to consumers and to assist with the determination of water losses within municipalities. The GSDM has commenced with the capturing and modeling of water reticulations within local municipalities and established the location of various pipes with varying material types within municipalities so as to determine the need for the replacement of old pipes that significantly contribute to the loss of water within reticulation systems.

Table 13 below provides information on the water use by water sector. The information is derived from data received from the municipalities indicating the estimated domestic water use. It must be noted that these figures are estimates as many of the water treatment plants bulk water meters are unreliable and hence the information must be utilized with caution. It was referred to in the introductory paragraph that a project has been implemented to replace and refurbish all bulk water meters throughout the District whereby we intend to improve on the accuracy of these figures.

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**Table 16 Total Use of Water by Sector (cubic meters)**

	Total Use of Water by Sector (cubic meters)						
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water Losses	Domestic	Unaccountable water Losses
	2011				2012		
Chief Albert Luthuli LM	Not available	Not available	Not available	5044	4656	5309	4901
Msukaligwa LM	Not available	Not available	Not available	4529	2439	4767	2567
Mkhondo LM	Not available	Not available	Not available	1994	1840	2099	1937
Dr. Pixley ka Isaka Seme LM	Not available	Not available	Not available	2752	1482	2897	1560
Lekwa LM	Not available	Not available	Not available	5980	3987	6295	4197
Dipaleseng LM	Not available	Not available	Not available	7549	4065	7946	4279
Govan Mbeki LM	Not available	Not available	Not available	14789	6338	15568	6672
Gert Sibande District Municipality	Not available	Not available	Not available	42637142	24806794	44881202	26112415

As for the quantities utilized for Agriculture, Forestry and Industry, these quantities were not forthcoming and therefore have not been provided. The abstraction from water sources other than that of the municipal supply is not regulated or controlled by the authorized municipality but by the Department of Water and Environmental Affairs and there should not be a need for the authorized municipality to report thereon.

As the water losses reflected below are of unacceptable limits the GSDM has budgeted for and are in the process of appointing a Senior Manager Water Conservation and demand management in the 2012/13 financial year where focused support will be given to municipalities on this matter.

It is estimated that the water losses through the water reticulation systems throughout the district are in the order of 39%. The estimated losses in each municipality are as follows:

**Table 17 Water Losses**

Description	Chief Albert Luthuli LM	Msukaligwa LM	Mkhondo LM	Dr. Pixley ka Isaka Seme LM	Lekwa LM	Dipaleseng LM	Govan Mbeki LM
Estimated Water Losses (Real & Apparent)	48%	35%	48%	35%	40%	36%	30%

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The GSDM through its water services development planning will strive to contribute towards attaining the millennium development targets through ensuring access of water to all by 2014 through partnerships with all spheres of government and the private sector (the national target of 2008 was not achievable due to insufficient funding and human resources capacity). The new 2014 target will also be under threat if insufficient funding and appropriate human resource capacity not be allocated to this goal.

## Backlogs

The estimated backlogs for the provision of a basic water and sanitation service is as provided and has been derived from information obtained from a number of sources, which will be continuously verified by DWA and the WSA's within the GSDM.

From table 15 there is a total of 27 193 households which have inadequate access to water services while there is 4624 households which need infrastructure upgrade, extension and operation and maintenance. About 10594 of the households who do not have access to water where there is still a need for housing. The total number of households who have access to an acceptable water supply is 241782 which are 89% of the Gert Sibande District households leaving about 11% of the households with no adequate access to water. Mkhondo and Chief Albert Luthuli municipalities have the highest backlogs therefore remain to be given the greatest attention in terms of water provision, maintenance and operations including upgrade or extension of the existing infrastructure as indicated in the table below.

The figures provided in the tables below have been aligned with the 2011 census information.

**Table 18 Water services provision**

No. Consumer Units With:	Albert Luthuli Lm	Dipaleseng Lm	Govan Mbeki Lm	Lekwa Lm	Mkhondo Lm	Msukaligwa Lm	Pixley Ka Seme Lm	Gert Sibande Dm Total
Inadequate (no service & access undetermined)	5231	106	339	190	3813	1776	520	11975
Inadequate (infra needs extension, upgrade, o&m)	2977	17	84	53	841	375	276	3129
Inadequate (need housing)	2898	716	1543	824	2286	1532	795	12089
1. None or inadequate (incl. No service, access undetermined, need housing)	11106	840	1966	1068	6941	3683	1590	27193

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No. Consumer Units With:	Albert Luthuli Lm	Dipaleseng Lm	Govan Mbeki Lm	Lekwa Lm	Mkhondo Lm	Msukaligwa Lm	Pixley Ka Seme Lm	Gert Sibande Dm Total
2. Communal water supply	2641	816	1150	2442	6744	2587	1364	17743
3. Controlled volume supply	0	0	0	0	0	0	0	0
4. Uncontrolled volume supply: yard tap or house connection	32784	10563	80035	16692	22763	34030	16692	213559
5. Total served (2+3+4)	35424	11379	81185	29614	29507	36617	18056	241782
Service interruption (infra extension, upgrade, o&m) as % of total served	10%	5%	0%	0%	2%	17%	0%	34%
6. Total (1+5)	46530	12219	83151	30682	36448	40300	19646	268975

(Source data: backlogs – Census 2011)

**Table 19 Water Services Provision – Detailed Service Level Summary of Water**

Municipality	Households '09	Water Adequate	Water No. Service	Water Infra. Needs Extension	Water Needs Upgrading	Water Management & Operation	Water Inadequate Need Household (Permanent)
Albert Luthuli Total	46530	35424	5231	1265	1712	0	2898
Dipaleseng Total	12219	11379	106	2	10	5	716
Govan Mbeki Total	83151	81185	339	42	17	25	1543
Lekwa Total	30682	29614	190	5	16	32	824

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Municipality	Households '09	Water Adequate	Water No. Service	Water Infra. Needs Extension	Water Needs Upgrading	Water Management & Operation	Water Inadequate Need Household (Permanent)
Mkhondo Total	36448	29507	3813	252	252	336	2286
Msukaligwa Total	40300	36617	1776	75	188	113	1532
Pixley ka Seme Total	19646	18056	520	83	110	83	795
Gert Sibande SM Total	268975	241782	11975	1724	2306	594	10594

(Source Data: Census 2011)

## 3.2 WASTE WATER (SANITATION) PROVISION

### INTRODUCTION TO SANITATION PROVISION

As previously stated, it is not the responsibility of the GSDM to report on the provision of sanitation provision as they are not the responsible authority and merely support the authorised municipalities and in this case the Local Municipalities.

The district through its water services planning support strive to contribute towards attaining the millennium targets through ensuring access of a basic level of sanitation to all by 2014 through partnerships with all spheres of government and the private sector (the national target of 2010 was not achieved due to insufficient funding and human resources capacity).

A Variety of plans including water services development plans have been compiled by municipalities to eradicate emanating backlogs. MIG and GSDM funds from municipalities have been utilised towards the eradication of the backlogs. Table 17 below, indicates the residential Consumer Units for sanitation and Table 18 reflects the Service Level Detailed Summary for Sanitation in all the seven local municipalities within the GSDM.

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**Table 20 Residential Consumer Units for Sanitation**

No. Consumer units with:	Albert Luthuli LM	Dipaleseng LM	Govan Mbeki LM	Lekwa LM	Mkhondo LM	Msukaligwa LM	Pixley ka Seme LM	Gert Sibande DM Total
<i>Inadequate (Need Housing)</i>	2898	1901	4922	2212	1197	5771	1461	<b>20363</b>
<i>Below RDP: Pit (including Undetermined)</i>	473	101	485	316	210	457	110	<b>2152</b>
<i>Below RDP: None</i>	2476	766	1519	1280	4823	1987	907	<b>13758</b>
1. None or inadequate: Below RDP, Undetermined	2949	867	2004	1596	5033	2444	1017	15910
2. None or inadequate: Need Housing	2898	1901	4922	2212	1197	5771	1461	<b>20363</b>
3. Consumer installation: On site dry or equivalent, including VIP toilets	30844	0	0	0	13622	689	4185	<b>49340</b>
4. Uncontrolled volume supply; yard tap or house connection	0	0	0	0	0	0	0	<b>0</b>
5. Discharge to sewer treatment works (intermediate or full)	9801	9747	75843	26668	15763	29822	12937	<b>180580</b>
6. Total Served (3+4+5)	40645	9747	75843	26668	29385	30511	17121	229920
<b>7. Total (1+2+6)</b>	<b>46492</b>	<b>12515</b>	<b>82770</b>	<b>30475</b>	<b>35615</b>	<b>38727</b>	<b>19599</b>	<b>266193</b>

(Source Data: Backlogs – Census 2011)

**Table 21 Residential Consumer Units - Service Level Detailed Summary for Sanitation**

Municipality	Households '09	Sanitation Above RDP Adequate	Sanitation None	Sanitation Below RDP	Sanitation Inadequate Need Housing	Total
Albert Luthuli Total	46530	40645	2476	473	2898	46492
Dipaleseng Total	12219	9747	766	101	1901	12515
Govan Mbeki Total	83151	75843	1519	485	4922	82770
Lekwa Total	30682	26668	1280	316	2212	30475
Mkhondo Total	36448	29385	4823	210	1197	35615
Msukaligwa Total	40300	30511	1987	457	5771	38727
Pixley ka Seme Total	19646	17121	907	110	1461	19599
<b>Gert Sibande SM Total</b>	<b>268975</b>	<b>229920</b>	<b>13758</b>	<b>2152</b>	<b>20363</b>	<b>266193</b>

(Source Data: Census 2011]

A total of 93% of the households are currently provided with at least a basic level of sanitation services about 68% is either intermediate or full waterborne sanitation installations. The remaining 25% are either using septic tanks and or VIP toilets. From the tables above it is evident that Mkhondo municipality has the highest percentage (14%) of the households without sanitation. There are 7% of households within the GSDM that have inadequate or no sanitation services.



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The planned further reduction in the backlogs is a Local municipality function in terms of their planned project implementation and is strictly controlled and implemented by such municipalities. The GSDM will therefore not commit to a function that is not their own and for which it does not have the authority to implement a backlog strategy plan of action.

## Rudimentary Water Supply (Rural and Farms Area including schools)

As one of the focus areas to which the GSDM provide funding is rudimentary water and sanitation provision, the GSDM budgets on an annual basis for the provision of this service. The infrastructure that is provided in this respect comprises of borehole hand pumps for the provision of basic water, and Ventilated Improved Pit (VIP) toilets for basic sanitation provision.

The projects implemented in the 2011/12 financial year were as follows:

**Table 22 Sanitation Projects**

	CONTRACT NUMBER	PROJECT NAME	TOTAL PROJECT VALUE	COMMENTS
Chief Albert Luthuli	03/2011	Rural Construction of VIPS	R1,500,000	The following VIP installations were completed as follows: Ward 6 - 46 Ward 11 - 69 Ward 21 - 46
	04/2011	Rural Provision of Boreholes	R1,500,000	The following borehole installations were completed as follows: Ward 5 - 2 Ward 6 - 2 Ward 9 - 3 Ward11 - 2
Dipaleseng	07/2011	Rural Construction of VIPS	R1,000,000	A total number of 104 VIP toilets have been constructed
	08/2011	Rural Provision of Boreholes	R1,000,000	A total number of 11 boreholes have been drilled and equipped.
Govan Mbeki	09/2011	Rural Construction of VIPS	R1,000,000	A total number of 102 VIP toilets have been constructed
	10/2011	Rural Provision of Boreholes	R1,000,000	A total number of 11 boreholes have been drilled and equipped.

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**Table 23 Capital Expenditure - Boreholes**

Capital Expenditure 2011/12: Water Services - Boreholes					
R' 000					
Capital Projects	2011/12				
	Budget	Adjust Budget	Actual Expend	Variance to Original budget	Total Project Value
Total All					
Provision of boreholes in rural areas in <b>Dipaleseng</b> Local Municipality	1,000,000	1,000,000	897,050	102,951	1,000,000
Provision of boreholes in rural areas in <b>Govan Mbeki</b> Local Municipality	1,000,000	1,000,000	897,050	102,951	1,000,000
Construction of 10ML reservoir in <b>Lekwa</b>	12,300,000	500,000	500,000	0	13,300,000

**Table 24 Capital Expenditure – VIP Toilets**

Capital Expenditure 2011/12: Sanitation Services – VIP Toilets					
R' 000					
Capital Projects	2011/12				
	Budget	Adjust Budget	Actual Expend	Variance to Original budget	Total Project Value
Total All					
Installation of VIP toilets in rural areas in <b>Dipaleseng</b> Local Municipality	1,000,000	1,000,000	768,000	232,000	1,000,000
Installation of VIP toilets in rural areas in <b>Govan Mbeki</b> Local Municipality	1,000,000	1,000,000	976,000	24,000	1,000,000
Installation of VIP toilets in rural areas in <b>Lekwa</b> Local Municipality	1,000,000	1,000,000	940,800	59,200	1,000,000

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## 3.3 ELECTRICITY

### INTRODUCTION TO ELECTRICITY

According to the Powers and Functions vested in the GSDM in terms of the Municipal Structures Act the municipality does not have the authority to perform the functions for the provision of basic services and this responsibility lies within the jurisdiction of the Local municipalities within the District and therefore is not responsible to perform and report on these aspects in terms of performance.

The role performed by the GSDM relates to the function of project management with respect to the implementation of Capital projects as requested by the local municipalities within its area of jurisdiction and contributing towards the reporting thereof, by the Local municipalities on the provision of these services.

The following projects were implemented with respect to the electrification in rural areas:

**Table 25 Electrical projects**

R' 000					
Capital Projects	2011/12				
	Budget	Adjust - ment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	<b>6,000</b>	<b>1,500</b>	<b>1,402</b>	<b>-77%</b>	
Electrification of Villages - Ntombe, Bakenkop, Khalambazo, Bhodweni, eMakhaya	6,000	1,500	1,402	-77%	6,000
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T3.3.8

## 3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

### INTRODUCTION TO WASTE MANAGEMENT

The District has through its operations contributed largely to a safe environment through the Pollution and Waste forum, regular monitoring of the waste disposal sites (80%) and enforcement and increased community initiatives in waste re-use recovery and recycling. This has been achieved through increased consultation with the sector departments and Local municipality on Draft Waste BY – Laws, standard service delivery mechanism including, standard operating procedures for all landfill sites, collection and disposal of waste including establishment of regional waste sites.

The feasibility studies for the regional landfill site for [Govan Mbeki/ Dipaleseng and Lekwa] are completed and the licensing process for the identified site in Govan Mbeki has commenced. The Msukaligwa project is ongoing at an advanced stage waiting funding for constructions of cells. The proposed regional site for Govan Mbeki has undergone scoping and the Environmental Impact

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Assessment (EIA) has been completed, further progress subject to the availability of funding to commence construction. The projects are in line with the current Integrated Waste management Plan which is due for review in the new financial year.

The District is currently in the process of reviewing the Intergraded Waste Management Plan (IWMP). Consultation meetings have been held with Local municipalities and DEDET. The Waste Management forum meetings have been revived to assist with the coordination of the overall provision of waste management services.

## 3.5 HOUSING

### INTRODUCTION TO HOUSING

Formal and Informal Human settlements are the function of the Department of Human Settlements with Local municipalities performing a coordinating role and the District providing a supporting role in terms of ensuring all the necessary bulk infrastructure development requirements in collaboration with its constituent Local municipalities. The District municipality provides upgrades or ensures proper maintenance of bulk infrastructure services to cater for both new and existing settlements. Assistance is also provided in terms of assessing development applications as well as the proclamation of unproclaimed townships to ensure compliance with approved framework plans. The District intends embarking on a project to compile a database of all unproclaimed areas in the District and determine the underlying reasons contributing to the delays being experienced, with the intention to assist unblocking the bottlenecks in the system.

The urban housing backlog in the GSDM as depicted in the table below is estimated at about 89529 with a further 27707 units in the rural parts of the District. The biggest backlogs were recorded in the Albert Luthuli and Govan Mbeki Local municipalities respectively, which is in some instances due to the increased influx of people seeking employment opportunities particularly in the Govan Mbeki local municipality.

**Table 26 Local municipality Housing by type of dwelling**

Area	Traditional dwelling structure made of traditional materials	House/flat/room in back yard	Informal dwelling shack in back yard	Informal dwelling/s shack not in back yard informal settlement	Room/flat not in back yard but on a shared property	Private ship/boat	Workers hostel b/room)	Other	Total	Backlog
Albert luthuli	11257	440	1073	1366	617	0	67	0	46036	14820
Msukaligwa	3431	215	1749	1274	0	0	38	0	31750	6707
Mkhondo	9188	267	98	62	0	0	0	0	29926	9615
Seme	3359	267	1126	608	0	0	0	0	21605	5360

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Area	Traditional dwelling structure made of traditional materials	House/flat/room in backyard	Informal dwelling shack in backyard	Informal dwelling/s shack not in backyard informal settlement	Room/flat not in backyard but on a shared property	Private ship/boat	Workers hostel (b/room)	Other	Total	Backlog
Lekwa	2428	614	527	1001	0	0	609	6093	26685	11272
Dipaleseng	224	119	2857	2488	58	0	0	318	12324	6064
Govan Mbeki	195	2120	2014	18335	1285	119	11534	89	79191	35691
GSDM total	30082	4042	9444	25134	1960	119	12248	6500	247517	89529

Source: Mpumalanga Department of Human Settlements 2010

There is an increasing demand for Human Settlement developments judging by the number of township establishment applications that the Local municipalities in the District receive on an annual basis. Bulk infrastructure services are needed so as to cater for the new Human Settlements developments and current housing backlogs District wide. More partnerships and inter-sectoral collaboration are needed to address the current housing backlog. The private sector sufficiently caters for middle and high income groups, however state subsidised housing and social housing need to be fast-tracked as the demand from communities needing these types of houses has increased dramatically.

The department of human settlements in partnership with the municipalities need to draft a comprehensive municipal housing development plan or Human Settlement strategy address the growing housing demand, including investigating the possibility of establishment of agri-villages to ensure that rural and farm housing backlogs are also addressed. GSDM jurisdictional area has three different housing typologies: formal, informal and traditional.

It can be deduced from the table above that the majority of the people in the District dwell within formal housing structures, but whilst this is to be commended, the number of people living in less formal housing type remains at an unacceptable level.

To address some of the above key issues the GSDM has in this regard; following a Provincial Human Settlement Indaba in 2011, budgeted for the compilation of a District Human Settlement strategy to be completed in the 2012/13 financial year, which will significantly contribute to resolving a number of key issues identified in respect of Human Settlements.

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## **3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT**

### INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

GSDM is classified as a category “B” Rural District municipality and therefore does not have an independent Indigent register function as this is maintained and free basis services provided by the respective Local municipalities within its boundaries of jurisdiction.

## **3.7 ROADS**

### INTRODUCTION TO ROADS

According to the Powers and Functions vested in the GSDM in terms of the Municipal Structures Act the municipality does not have the authority to perform the functions for the provision of basic services and this responsibility lies within the jurisdiction of the Local municipalities within the District and therefore is not responsible to perform and report on these aspects in terms of performance.

The role performed by the GSDM relates to the function of project management with respect to the implementation of Capital projects as requested by the local municipalities within its area of jurisdiction and contributing towards the reporting thereof, by the Local municipalities on the provision of these services.

The following projects were implemented with respect to the upgrading of roads in Regions 1 and 2 of the District:

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Table 27 Roads projects Region 1

Capital Expenditure 2011/12: Road Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance Original budget	Total Project Value
<b>Total All</b>	<b>26,755,531</b>	<b>22,302,571</b>	<b>17,914,692</b>	<b>-33%</b>	
Roads in Siyathemba	4147967	3195007	2252949	-46%	4147967
Balfour Upgrading of roads	4000000	2500000	2500000	-38%	4000000
Siyathemba Construction of roads	4000000	2500000	3000000	-25%	4000000
Construction of roads in Leandra	2000000	2000000	1118611	-44%	2000000
Roads in Bethal	1407564	1407564	1407564	0%	5407564
Emzinoni roads	3500000	3500000	2185492	-38%	3500000
Upgrading of roads in Kinross	2000000	1500000	332827	-83%	2000000
Roads in Morgenzon	1700000	1700000	1129375	-34%	4700000
Roads & SW Sakhile	4000000	4000000	3987875	0%	7000000

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Table 28 Roads projects Region 2

R' 000					
Capital Projects	2011/12				
	Budget	Adjust - ment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	<b>32,600</b>	<b>27,624</b>	<b>24,239</b>	<b>-26%</b>	
Rehabilitation of Mayflower Culvert at Empuluzi	0	160	160		1,636
Upgrading of Ring Road in Elukwatini	3,000	3,000	3,000	0%	6,900
Upgrading of Roads at Silobela	4,000	2,500	1,838	-54%	4,000
Upgrading of Roads at Eziphunzini	6,000	7,580	7,359	23%	10,330
Upgrading of Roads at Kwathandeka, Amsterdam	4,000	4,420	3,314	-17%	9,720
Upgrading of Roads in Sheepmoor	3,000	3,000	2,374	-21%	6,000
Upgrading of Roads in Davel	4,000	4,000	3,497	-13%	7,000
Upgrading of Roads and Stormwater in Cassim Park	1,000	1,000	748	-25%	3,000
Upgrading of Roads In Amersfoort	1,900	199	199	-90%	4,900
Upgrading of Roads In Daggakraal	1,600	1,600	1,585	-1%	4,600
Upgrading of Roads In Wakkerstroom	4,100	165	165	-96%	7,100
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T3.7.9



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## COMPONENT B: ROAD TRANSPORT

### 3.8 TRANSPORT

#### INTRODUCTION TO TRANSPORT

The road network in the District is in poor condition due to high volumes of coal haulage trucks that transport coal to the four power stations within and beyond its area of jurisdiction; thus inflating the maintenance expenditure burden of all three spheres of government on roads across the District. To this extent GSDM, together with its seven constituent Local municipalities, subscribe to the National government's Local Government Strategic Agenda and its objective of implementing and monitoring the government Programme of Action, construction and Maintenance of Roads within Rural and Urban areas alike. National, Provincial and municipal roads construction and maintenance is a joint effort, hence the significance of a joint alliance to be established towards addressing matters of common interest.

During the past financial year a comprehensive national road upgrade plan was implemented as follows:

- N11 Ermelo/Volksrust was completed
- N2 Ermelo/Piet Retief almost completed
- N17 Ermelo/Leandra almost completed
- N11 Ermelo/Hendrina still under construction
- R39 Ermelo/Morgezon was completed
- R33 Carolina/Barberton route is in progress

A number of other local and regional routes are also in the process of being repaired including a dedicated district budget to identify and patch potholes in local roads and streets. This will have a significant positive impact on the economy of the district and its connectivity with the rest of the national economy.

A comprehensive integrated transport plan covering both freight and passenger transport issues was completed in September 2008 for the entire district and its implementation commenced in the second half of the 2008/09 financial year. The plan was informed largely by the situation on the ground and will be utilized together with other documents to guide project implementation responding to previously identified problems. The plan is for medium to long term and will be up for review in the 2012/2013 financial years where the impact will be documented.

The review and update of this plan is budgeted for the 2012/13 financial year whereby an evaluation of programmes and projects will be completed. New programmes to be largely informed by primary research in the plan will also be proposed for implementation in the short, medium to long term.

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## COMPONENT C: PLANNING AND DEVELOPMENT

### 3.9 PLANNING

#### INTRODUCTION TO PLANNING AND DEVELOPMENT

There is generally a lack of District – wide spatial integration and alignment of the Spatial Development Frameworks (SDF's) in particular the nature and dynamics of land use owing to the out-dated nature of the previous District SDF's coupled with current lack of capacity at local levels to compile credible SDF's that will highlight their respective developmental trajectory as per availability of land and the uses thereof. Local municipalities still rely on old Town Planning schemes that are mostly reactive or developmental control oriented rather than developmental proactive or facilitative.

To further harness the alignment of the District's planning imperatives through the IDP with those of the other spheres of government; the District has participated in the roll out of contextualizing the National Spatial Development Perspective principles at the District level, in partnership with the Mpumalanga Premier's Office and the Office of the Presidency. It is through this engagement that the shared spatial understanding across all stakeholders in the region, have been harnessed. With the successful finalization and adoption of the modern District SDF, it is now possible to review and align all Local municipality SDFDs in this regard.

The District has reviewed its Spatial Development Framework to cover 2009 to 2011/13 to respond to the key issues as identified above. Coupled with this, a Draft Land Audit was prepared which will assist the GSDM to identify available land and strategically located land for development that will go a long way in responding to the above challenges.

All the Local municipalities have or are in the process of updating their respective SDF's in line with the updated District SDF 2009 and the successful conclusion of this exercise will lead to the initiation of the Land Usage Management (LUM) process, which is the 2nd component of the spatial reconstruction of the District. A budget to further refine the SDF and complete the final alignment has been allocated for 2012/13 financial year and it is envisaged that this will eventually have a visible impact on the alignment of all SDF's in the District leading to the correction of the distorted spatial structure that presently exists.

Efforts are also being made to staff planning units of both the District and Local municipalities planning departments. A fully fledged Planning and Economic Development (PED) department has been established at the District municipality and the process of capacitating the unit with staff is currently in progress. Once this department is fully functional, it will be possible to support the Local municipalities effectively in this regard.

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## **3.10 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)**

### INTRODUCTION TO ECONOMIC DEVELOPMENT

#### **Regional economic growth and spatial features**

The economy of GSDM is strong and is predominantly mining with the coal belt starting from Govan Mbeki, Msukaligwa and Pixley Ka Seme, and gold from Govan Mbeki to Dipaleseng Local municipalities. The District's forestry stretches from Mkhondo, Pixley Ka Seme and Albert Luthuli where most agricultural activities like farming (cattle & sheep breeding and maize production) prevail. The District also hosts one of the largest petro-chemical industries in the country (Sasol) and 4 Eskom coal powered stations, via: Amajuba; Thuthuka; Grootvlei and Camden respectively.

The key sectors that drive the economy of the district are:

- Manufacturing mainly within Sasol
- Mining: coal, gold, quarry etc
- Energy generation and supply;
- Agriculture: crops and livestock
- Services

These key sectors are discussed in detail in the GSDM Local Economic Development (LED) Strategy where a lot of agricultural activities are strong within Standerton, Ermelo, Bethal and Piet Retief. This varies between crops and livestock farming.

The forestry industry consists of plantation forestry leading to primary processing industries where the primary processes include dried and treated timber. Pulp and paper production, manufacturing of furniture, construction material like door and window frames comprise the secondary processes. Though this industry displays some added value chain there are other opportunities that need some further exploration.

The Tourism sector is not yet fully developed and should maximise the potential of the wild frontier, grass & wetlands, and cosmos country regions which are formed by a portion of the District municipality.

Two new Flagship Tourism projects were formulated in 2011/2012, and have been budgeted for in 2012/2013. Both projects have the potential to attract a significant number of local and international tourists, thereby creating permanent employment and entrepreneurial opportunities.

The first of these two projects relates to the Gandhi Trail project which involved significant research to accurately identify and recreate the route of the Gandhi-led march, from Dundee via Volksrust to Standerton and Balfour which occurred in October/November 1913. This project will commemorate the centenary of that event in November 2013.

An interim project steering committee has been formed comprising of representatives from the Local municipalities and communities, Gandhi committees, the Indian government, and Provincial departments. The historic prison in Volksrust in which both the Mahatma and his wife, Kasturba, were imprisoned, is largely unaltered, and has therefore been identified as suitable for transformation into a museum of international significance. Marketing, route signage, a gantry at the historic border bridge, as well as walking, running and riding events will form part of the November 2013 centenary celebrations.

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With respect to the second Flagship Tourism project, this relates to the Chrissiemeer Lake District, with its more than two hundred lakes, pans and is a birding site which has the potential to do for the town and environs of Chrissiemeer, what birding tourism has done for Wakkerstroom. Consequently, the District municipality has budgeted in 2012/2013 to kick start the tourism development plan compiled by local stakeholders. The first component will be the building of a bird hide, on an already chosen site according to plans developed by Birdlife SA. A tender will be issued in September/October 2012, specifying the need to transfer skills to a local contractor.

These two new flagship projects, as well as new projects to be identified in each of the seven Local municipal areas, will complement the existing traditional type LED projects, and form part of a comprehensive economic development strategy for the District, to be compiled at a summit in late 2012.

An initial report on the feasibility of establishing a regional airport in the District was completed in July 2012. It identifies the current Ermelo airport, as being readily suitable, in terms of both topographical and meteorological factors, for upgrading into a regional airport. However, given that the estimated cost of such an upgrade is R390 million, this project has to be evaluated within an analysis of the potential of both Ermelo and the regional economy, to sustain the investment. Therefore, the 2012/2013 budget makes provision for a detailed analysis of Ermelo's economy, and what projects and sectors could be developed in order to grow the busy town into a city.

The mining sector is one of the main contributors to the province's GVA with the concentration within Govan Mbeki Local municipality with smaller operations within Driefontein in the Mkhondo Local municipality. The coal mining activities support the provision of electricity generation by the coal fired power stations in the District. The processing of the mined products either for electricity generation or petrochemicals contributes immensely to the economy of the country.

These sectors have not been fully exploited to their maximum capacity to benefit the economy of the District. It is envisaged that through intersectoral collaborations with relevant stakeholders more initiatives focusing on the second economy can still be examined thus creating an enabling environment for more jobs to be created thus lessening dependency ratios.

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**Table 29 Economic Activity**

2011/12 Economic Activity by Sector			
%			
Sector	2009/10	2010/11	2011/12
Agric, forestry and fishing		4.7%	
Mining and quarrying		15.1%	
Manufacturing		34.1%	
Wholesale and retail trade		9.2%	
Finance, property, etc.		11.5%	
Govt, community and social services		12.2%	
Infrastructure services		13.2%	
Total		100%	

2011/12 Economic Employment by Sector			
Sector	2009/10	2010/11	Jobs
	No.	No.	2011/12
Agric, forestry and fishing		19.6%	
Mining and quarrying		15.0%	
Manufacturing		11.1%	
Wholesale and retail trade		18.3%	
Finance, property, etc.		4.9%	
Govt, community and social services		16.7%	
Infrastructure services		10.5%	
Other		3.9%	
Total		100%	

## **COMMENT ON LOCAL JOB OPPORTUNITIES:**

Given that mineral resources are finite, it is important to identify and develop other sectors which can generate permanent jobs in the future.

In this regard, the fact that road access from both Gauteng and Kwa Zulu Natal – our countries two most popular Provinces to the Kruger National Park, our country's leading tourism attraction pass through the GSDM area, presents an opportunity to develop the tourism sector.

Market categories which tap into the passing trade as well as the identification, development and marketing of tourist destination within the District, must form a core element of future tourism and economic development strategy for the District.

The Responsibly Tourism Strategy for the District has been finalised and approved for implementation in the short, medium and long term and a substantial budget has been set aside for Tourism related projects that have the potential capability for significant job creation. A job creation fund by the name of Phezukomkono has been approved by Council and is in the process of being implemented,

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commencing in 2012/13 in all seven (7) Local municipalities with the initial emphasis on the creation of a cleaner and litter free District environ that would be favorably perceived by tourists in the region..

**Table 30 EPWP Job Creation**

Job creation through EPWP* projects		
Year	EPWP Projects	Jobs created through EPWP projects
	No.	No.
2009/10	13 projects	263
2010/11	Various	320 <sup>1</sup>
2011/12	Various	232
* - Extended Public Works Programme T3.11.6		

<sup>1</sup> Includes both FTE's and short term contracts

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## COMPONENT D: COMMUNITY & SOCIAL SERVICES

### INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

The department of Community and Social Services comprises of 4 divisions namely:

- Municipal Health and Environmental Services
- Disaster Management
- Transversal Management
- Communications

The department also provides support to local municipalities with respect to Information, Library Services and Sports, Culture and Recreation. Detail on the activities of the various divisions is detailed in the various sections comprising Chapter 3 of this document.

### **3.11 LIBRARIES; COMMUNITY FACILITIES**

Libraries in the District are the responsibility of the Local municipalities, but included in the layout of the new regional offices is a facility to accommodate a regional Library and Information Centre. In the course of the current year a task team was appointed, comprising of senior management and members of the Mayor Management Committee (MMC's) to visit similar regional facilities and benchmark against best practices. The post of senior Librarian has been advertised and interviews with suitable candidates are currently being conducted.

In the 2012/13 financial year an amount of R500,000 has been provided in the Departmental Allocation budget of the department of Community and Social Services to fast track the implementation of the project by the third quarter of the new year. These funds will be primarily used to equip the Library with the requisite book, periodicals and journals befitting a facility of this stature. The GSDM will develop a policy and procedures to establish guidelines for the proposed Library services to be provided.

### **3.12 CEMETERIES AND CREMATORIUMS**

The District commissioned a comprehensive study to assess the capacity of existing facilities to provide adequate and well maintained cemetery facilities and cater for future needs. The outcome of the study highlighted major shortcomings with respect to the general lack of preventative maintenance programmes that were currently in place in the majority of the existing facilities. The District in consultation with the Local municipalities have embarked on a project to identify suitable new sites for cemeteries and programmes to improve the current state of Local cemeteries through cleanup campaigns and regular monitoring. The need to establish two (2) regional cemeteries was one of the main recommendations emanating from the study and cognizance of this need will be factored into future programme funding strategies.

The MHE division within the District conducts regular inspection of all service providers and funeral parlors. The District is mandating the registration on a central database of all these facilities, in collaboration with the Department of Health and will include government hospital mortuaries. The District is also doing surveillance of all burial sites for monitoring of general housekeeping and assessment of possible leachate, as there exists a potential for pollution of some water sources from old cemeteries. Continuous education and awareness is provided on regulations and legislation for the operators and SAPS including Local municipalities.

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## **3.13 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES**

The plight of children has not been afforded the priority that it deserves and requires to be urgently addressed. The impact of HIV and AID's related illnesses has manifested itself with increasing numbers of households headed by minors and the increase in child abuse, orphans and vulnerable children in the District. The District is committed to mobilise all the relevant stakeholders within the community to support viable initiatives that will ensure that children are reared in safe and healthy neighbourhoods.

The key Issues pertaining to the Rights of Children that were addressed during the 2011/12 financial year include among others the following:

1. Lack of support and coordination for the emancipation, protection and support for children in need and distress
  - The District Children forum has been established and provides for a coordinated approach to projects for children in conjunction with sector departments and participating local municipalities. The District has supported and participated in various functions during the sixteen days of Activism against women and Children abuse in November 2011
2. Coordination and support of child headed households
  - The District has been active in the area of facilitation and the establishment of sector partnerships that are focused on availing resources to assist children in need.

First and foremost, the priority for 2012/13 will be to appoint a coordinator in this function to promote the rights of children and establish a District Forum to address their unique social requirement and involve all spheres of government to address these needs. A policy document for Child Rights needs to be formulated and approved by Council and a data base need to be developed to collate all pertinent information and highlight priority issues that prevail in the District.

Ultimately, we need to create a climate that is conducive to ensuring a safe, healthy and caring neighbourhood for the upbringing and development for the children of the community.

The District MH&E section conducts regular inspection and issues certificates of acceptability and health in most child facilities, old age homes and any facilities that are registered with Department of Social Services. There is a partnership with the Department of Health and of Social Services to improve the conditions that children and the aged are in permanently or during the day. Through the draft By-law's, minimum standards for such facilities are prescribed to ensure health and safety of all.

## **3.14 OTHER TRANSVERSAL PROGRAMMES**

The question with respect to the perceived general lack of progress in the implementation of programmes related to transversal issues for vulnerable groups in the current year can be traced to the diversity of the portfolio incorporated in this division. Lack of resources and appropriate budget funding further reduce the priority that this division has been afforded. It has been muted from several sections that it is recommended that the institutional arrangements be reviewed to afford this function a higher status than it presently enjoys and it is allocated political support to further create visibility and promote the views of the division with respect to vulnerable groups. This may be achieved by re-positioning the



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division to report through the Office of the Executive Mayor an initiative that will be progressed during the 2012/13 financial year.

The programmes currently overseen by the division and the progress achieved in the 2011/12 financial year are as follows:

1. HIV / AIDS
2. Youth Development
3. Disability Coordination and Support
4. Moral Regeneration and Religious Affairs
5. Development of Gender Issues

## 1. HIV / AIDS

Mpumalanga is one of the three (3) Provinces with the highest infection rates of HIV / AID's. Latest statistics from Stats SA 2010 reveal that this trend still prevails and a lack of infrastructure at Local municipalities has resulted in the District recording the highest infection rate in the Province. Although a good relationship with sector departments and NGO'S exist and a District Aids Council forum is well established and functional, the lack of a coordinated communication structure and poor reporting amongst the three (3) spheres of government inhibits a common strategy to be adopted. The District is in the process of developing an HIV/ AID's policy and when adopted can be rolled out to all the Local municipalities. The District intends to adopt the implementation of a sustainable, coordinated regional approach to respond to the challenges posed by HIV and AID's

The GSDM HIV and AIDS division have successfully implemented various planned activities during the 2011/2012 financial year. These successes were made possible through the joint efforts of the members of the District AIDS Council Stakeholders Forum. In the 2011/12 IDP, the GSDM identified key issue pertaining to HIV and AIDS and reports on progress in this regard as follows.

The District AIDS Council (DAC) stakeholders have been involved in Intensifying HIV and AIDS Awareness campaigns and instilling in the minds of the people that "Prevention is better than cure" The more vulnerable groups such as truck drivers, Youth and Women have been specifically targeted. During the campaigns in the community we specifically address those already infected and affected by HIV and encourage them that they can live long productive lives if they take care of themselves and their loved ones, through the slogan, *"life can be normal as long as we know how to do it"*. The catalyst of the programme is the DAC and four meetings as well as three Task Team Meetings were held in the last financial year. The vision of DAC is to have an HIV and AIDS free society one day and that poverty levels improve for the better. Other focus areas of the Council are to reduce the number of HIV and AIDS orphans and also mainstreaming HIV and AIDS in all the municipal development initiatives.

The District Council has also embarked on collecting clothes for the orphans for distribution to the communities during the HIV and AIDS Awareness campaigns. Communities are urged to adopt children who have lost their parents in order to address the problem of having street kids and child-headed families. Community dialogues are included in our plans where we interact with the people and find out how much they know about HIV and AIDS and teach them about what we notice to be gaps in

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their level of understanding. The response has been good and they appreciate that we embrace them and interact at grassroots level. These dialogues have been conducted in conjunction with other stakeholders such as the Department of Social Development.

The GSDM is in the process of encouraging all Government departments especially the Department of Human Settlement to become more involved in the functionality of DAC so that we address the problem of Housing for people who are terminally sick. Stakeholders have been requested to identify other relevant parties who are presently not part of the DAC, to achieve a broader representation from all active participants in the field and be better placed to coordinate a united front in our strategy discussions in the forum of the DAC. Stakeholder participation and commitment is being encouraged and debated at the DAC meetings, because if we work together and combine resources, more can be achieved. As part of the strategy, we are looking into capacitating the political leadership within the DAC members so that they can have a clearer understanding of what is expected of them. The challenge of not having dedicated, reliable and accountable permanent HIV and AIDS coordinators at the District and Local level is being addressed, and our political leadership has been requested to fast-track the process of the appointment of these officials. Once this has been implemented, services on the HIV and AIDS programme will be improved and our communities will benefit.

Skills Development is another focus area encouraged by the DAC, as significant numbers of the community are not working and poverty and unemployment is negatively impacting on the quality of life of the communities within the District. The Treatment Action Campaign (TAC) hosted a workshop where the focus was to encourage that co-operatives be formed and support be given to the establishment of food gardens. If people can support themselves, HIV transmission can be minimized and the current increase being experienced in certain areas of impoverished people indulging in commercial sex as a means of deriving income reduced.

As a District we have no control in addressing the issue of reducing the number of HIV and AIDS Orphans. Our intervention is limited to supporting the Department of Social Development and other stakeholders as they work on programs and projects to change the lives of the orphans and vulnerable children in our communities. As a District we have requested that food parcels be procured for child-headed families and coordinators and transversal officers from Local Municipalities were requested to assist in the identification of these children.

At every community gatherings the message of HIV and AIDS is part of the agenda where people are reminded and encouraged to take precautions and take HIV seriously as it affects all of us both socially and economically. Mainstreaming of HIV is an integral part of all of our municipal developmental initiatives and we are actively pursuing the involvement of more municipal departments in this regard. A proposal emanating from a recent DAC meetings was to encourage Service Providers submitting tenders to indicate what they intend to do for the HIV and AIDS as part of their social responsibility commitment. This initiative will be addressed with the Supply Chain Management division to explore the possibility of incorporating a section within the policy to accommodate this proposal without compromising the integrity of the policy.

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Table 31 GSDM HIV/ AIDS prevalence rate statistics (STATS SA 2010)

Local Municipality	Location	HIV Prevalence Rate 2009	HIV Prevalence Rate 2010
Chief Albert Luthuli	Carolina	36.8	33.3%
Dipaliseng	Balfour	25.0	25.0%
Lekwa	Standerton	28.9	50%
Msukaligwa	Ermelo	38.2	47%
Mkhondo	Piet Retief	49.4	45%
Dr Pixley ka Isaka KaSeme	Volksrust	32.8	40%
Govan Mbeki	Secunda	40.4	32.7%
GSDM	Ermelo	38.2	38.8%

A notable change in the HIV Prevalence amongst the Gert Sibande Local Municipalities has been at Lekwa where a significant increase was reported with the current level standing at 50%. This has been attributed to an increase in commercial sex activity resulting from higher volumes of coal haulage traffic in the area. Priority intervention measures will be intensified at the Local municipalities where prevalence rate have reported increases.

Table 32 Outcome Indicators for TB/HIV

CATEGORY	NO.	%
Number of HIV Positive TB Patients who started/received CPT	710	73.3%
Number of HIV Positive TB Patients with CD4 Count done	663	68.5%
Number of HIV Positive TB Patients with CD4 Count not done	305	31.5%
Number of HIV Positive TB Patients with CD4 Count < = 350	554	57.2%
Number of HIV Positive TB Patients on ART prior to TB Treatment started	338	34.9%

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CATEGORY	NO.	%
Number of HIV Positive TB Patients who started ART during TB Treatment	89	9.2%
Total Number of HIV Positive TB Patients on ART (Prior or during)	427	44.1%
Number of HIV Positive TB Patients Eligible but not on ART	342	35.3%

Source: Based on TB Progress Report (23 April 2012) Dept. of Health Ermelo

## 1.1 Voluntary Counseling and Testing of Employees

In the period June 2011 to June 2012, two HIV Counseling and Testing (HCT) Campaigns were held for the Staff of GSDM. This was well attended and some staff members were counseled and tested for HIV. Staff has been motivated and encouraged to “Know their Status” which will assist in positive living and accessing treatment on time before it is too late. Condoms are distributed through the toilets and condotainers have recently been procured to be placed at all the toilets for ease of access by both staff and community members.

## 1.2 Development of an HIV/ AIDS Strategic and Implementation Plan

It was unfortunate that the 2007 – 2011 District HIV/AIDS Plan could not be implemented as it was still in a draft form. It was submitted to Council for approval but was referred for further evaluation as the document was considered to need additional scope to be incorporated. The Mpumalanga Provincial Department of Health has seconded the Sexual HIV Prevention and Program (SHIPP) to assist the District and Local municipalities to review their respective Strategic and Implementation Plans and strengthen and revive the District and Local AIDS Councils through providing technical support. A Service Provider has been appointed by SHIP to review the existing Strategy and Implementation Plans and update for implementation for 2012/2016. Several stakeholders have been consulted and a general meeting will be convened during the early part of the new 2012/13 financial year with all DAC stakeholders and relevant partners to make contributions and be informed about the content and intent of the Strategy Plan. This will ensure that ownership and accountability is vested in the document by all the relevant stakeholders. This Strategic Plan will be aligned to the National and Provincial Strategic Plans.

## 1.3 District plan Key Issues

To address the issue of the increase in the activities of commercial sex Sasol; one of our DAC Stakeholders has undertaken to establish a Committee who will look into addressing the issue of commercial sex workers and truck drivers. As a District Municipality we are working together with the other Stakeholders and developmental partners in educating the society who migrate to our District to take precautions and prevent the spread of HIV. In 2012/13 we have planned as a District together with (Sexual HIV Prevention Program) SHIPP to visit the communities

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where migrant workers and job seekers live to encourage and spread the word about HIV Prevention.

## 1.4 HIV and AIDS Awareness Campaigns

Successful awareness campaigns were held in conjunction with the DAC stakeholders where people were counseled and tested for HIV. Pamphlets with information on HIV and AIDS were distributed and people were educated on the HIV and AIDS pandemic.

It is encouraging to note that more people are willing to come forward and be tested in order to know their status and receive attention should there be a need. Promotional material with an HIV message was distributed to the communities. Males are being encouraged to do Medical Male Circumcision (MMC) as it prevents the spread of HIV. Mothers are also urged to circumcise their children during birth. Condoms are distributed and made available to prevent the spread of HIV, both internally at the municipality as well as all events that we are invited to. We will be conducting HIV and AIDS awareness campaigns at Tertiary/High Schools, first targeting the worst affected Local Municipalities. Community dialogues will also be held and SHIPP has committed to being part of the activities and offer financial support. During HIV and AIDS Awareness Campaigns women and taught and educated about their Rights in terms of HIV and AIDS.

## 1.5 Home Based Care Kits (HBCK)

Home Based Care Kits have been distributed to all the Local municipalities of the GSDM. Home Based Care Centre's where people who are terminally sick are afforded medical and support services are to be commended for the sterling job they are doing. There is still a great need for more HBCK to be distributed as the Department of Health (DOH) cannot cope alone and needs assistance in this respect and the District supports and assists the DOH in this regard.

## 2. Youth Development

The District facilitated a Youth Summit in July 2011 and established a steering committee, youth policy and strategic framework. An outcome of the Summit was a partnership between the District and the Department of Trade and Industry (DTI) and the establishment of funding to support the formation of a cooperative in each Local municipality. However the programme lacks focus as no Youth Coordinator has been appointed to-date.

The District has a large population of youth with a high percentage of unemployment and lack of requisite education level or skills to fully leverage the employment market. The District is fully aware of this unacceptable situation and has recognised this challenge and given priority through its bursary and EPWP programmes. It is also envisaged to create and support specific interventions for the youth to actively participate in the Districts economic growth areas and employment opportunities.

During the current year through a cooperative partnership with the Department of Water Affairs, the District was able to provide seventy five (75) youths from various communities throughout the District, training to wage war against water leaks. This has not only created employment opportunities, but will contribute significantly to the reduction in water losses and improve revenue flows at Local

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municipalities. This type of initiative has to be replicated by actively pursuing partnerships with other sector departments and external stakeholders. The department has been working without a Youth Coordinator during the current year and this has inhibited major inroads to be achieved.

Other key Issues with respect to Youth Development that have been addressed include the following:

## 2.1 Development of a Youth Development Strategy linked to current policies

Emanating from the District Youth Summit held last year, a number of resolutions were taken one of which was the drafting of a youth development strategy, which is currently being progressed.

## 2.2 Enhance Youth Participation in Local Government matters e.g. involvement of youth in monitoring municipality compliance on policy matters

The District has been able to arrange youth consultative meetings in seven municipalities which was followed by a District Youth Summit, but further progress has experienced limited success due to the absence of the appointment of a Youth Officer

## 2.3 Ineffectiveness of Youth developmental organisations [Youth Councils]

The Youth Summit was instrumental in formulating a resolution for the establishment of Youth Councils, but to-date only the Local Municipality of Govan Mbeki has been successful in this respect,

## 2.4 Training of youth units and youth co-operatives responding to specific skills needs in the District

The District has implemented a project in the forthcoming 2012/13 financial year, called Phezukomkhono, basically a job creation initiative aimed at empowering the youth in particular and rolled out to all seven Local municipalities. This project has been allocated R5, 000,000 in the first year and will be sustainable through the next three years. The District also hosted an event to commemorate Youth Day.

## 3. Disability Coordination and Support

The country at large is faced with the challenge of ensuring that sustainable support is provided to people with disabilities, but much still needs to be done to ensure that as we strive for a better life for all, it also embraces the needs of people with disabilities. We as a District prioritise programmes within the community that also cater for the needs and aspirations of people with disabilities through skills development and the creation of employment opportunities.

As a District, our focus is on ensuring that disability issues are made an integral part of the strategic intent of the municipality and that their needs are considered at all levels of municipal project and service delivery planning. Legislation and policies provide a mandate to provincial and local government departments and municipalities to ensure effective and efficient service delivery to all communities within their jurisdiction, including people with disabilities. The more important of these legislative requirements includes the White Paper on Local Government of 1998 and the Local Government Municipal System Act No. 32 of 2000.

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However, despite these initiatives people with disabilities are still confronted with challenges regarding their participation in economic activities, access to public facilities, housing and other social services rendered by the state and the private sector. Although progress has been achieved in terms of legislation to address these issues, the reality at grassroots level remains that little has been perceived to be done to affect the intention and expectations of the legislation and improve the quality of life for people with disabilities.

In term of the key issue that was reflected in the 2011/12 IDP, the following achievements and progress has been realised in the financial year just ended.

## 3.1 Lack of appropriate facilities

This is still an area that requires significant funding throughout the District to effect meaningful change. The new District offices were designed to be user friendly with respect to access and amenities for people with disabilities

## 3.2 Lack of access to economic , training /development and employment opportunities

In its endeavor to address these challenges the District has established local and District Disability Forums to work together with organisations of people living with disability to establish a platform for their involvement in service delivery, engage with stakeholders and to exert influence in policy matters The District held four inter-sectoral meeting / forum for the for the disability programme during the year. With respect to Deaf Awareness, a basic sign language training workshop was successfully held in the third quarter.

## 3.3 Lack of access to housing and public facilities

The District Disability Day was held in the second quarter in 2012 and it was a resounding success. Approximately 1500 people were reached. The stakeholders that participated were amongst others, Department of Home Affairs, Health, Social Development, Justice and SASSA, ESKOM, SASOL, Office of the Premier as well as the local municipalities.

## 3.4 Discrimination

An awareness campaign on the needs of blind people was held in the second quarter in 2012 at GSDM. The focus was on the methodology of Braille and how to assist a blind person through a practical demonstration of the assistive devices. Other topics covered included, sport and social life of the blind person, mobility and the culture of a blind person.

## 3.5 Lack of access to social and health services

In conjunction with Sasol a disability Sports Day Game was held and representatives from local municipalities participated in various sporting codes.

## 3.6 Finalisation of the District Disability Strategy

A first draft disability framework has been developed. Consultation with SALGA and other Stakeholders will be done during the 2012/13 and submit to council for approval

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## 4. Moral Regeneration and Religious Affairs

The District Moral Regeneration structure has been established. The workshop and development Terms of Reference have been completed. The structure is meeting on a quarterly basis

## 5. Development of Gender Issues

The lack of a common understanding of Gender mainstreaming, obscures the challenges faced with respect to achieving gender equality in all aspects of life and requires a more holistic approach to policy decisions concerning gender and enable interventions that create unequal relations in areas of work, politics, culture etc., to be eradicated. The economically active population distribution of the District is weighted toward women, who experience higher unemployment levels. Predominately women source work from the informal sector with resultant lower income generation. There is an urgent need to formulate a gender mainstreaming policy to harness economic opportunities on an equitable basis.

Key Issues that have been addressed in the current year pertaining to Gender include the following:

- 5.1 Ensure involvement of all sectors and response of their programmes to gender mainstreaming
  - The GSDM has been able to establish gender mainstreaming and are in the process of developing appropriate Woman structures
- 5.2 Pay more attention to issues affecting women
  - The District hosted The Young Women summit during the 2011/2012 financial year
- 5.3 Harness the access of economic opportunities to women in the District; and mainstreaming of woman in the development initiatives of the municipalities
  - The Young Women's summit was hosted during the year as a celebration of Womens month



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## COMPONENT E: ENVIRONMENTAL PROTECTION

### INTRODUCTION TO ENVIRONMENTAL PROTECTION

The District has finalised the development of the Environmental Management Plans (EMP) for the following Local municipalities of Mkhondo, Govan Mbeki, Lekwa and Dipaleseng. With respect to the Local municipalities of Chief Albert Luthuli and Dr. P K I Seme, plans were funded by the other sector departments. The EMP's will provide critical guidelines on all proposed developments in analysis of critical environmental issues. On the issue of the protection and rehabilitation of sensitive areas and Wetlands, the finalised EMP incorporates measures and precautionary notes on sensitive areas and wetlands.

The District is providing comment on Environmental Impact Assessments (EIA) studies and economic development proposals to include environmental protection measures. At all given opportunities the community is involved in stakeholder forum meetings to ensure their involvement as social partners in overall conservation and pollution control.

The District has provided a range of environmental management services with other sector departments and different legislative authorities. It has monitored potential pollution hot spots, encouraged communities and the private sector to promote, protect and conserve the environment for present and future generations. The District is managing a hot spot data base which is designed and aimed at monitoring and managing pollution hot spots or prone areas per Local municipality. The data base is used to identify and inform all authorities in the District of potential pollution areas and primarily for the purpose of operational planning. The identified areas have been communicated to all concerned with recommendations of mitigating factors; mostly it is infrastructure and operational challenges. The awareness campaigns are been targeted for community members to ensure that they contribute positively in the reduction of some of the hot spots to counter the lack of understanding or practices; waste management & water pollution. Currently there is an increase in the practice of illegal waste dumping and the potential for water pollution from outdated sewerage waste water treatment installations.

### **3.15 POLLUTION CONTROL**

#### INTRODUCTION TO POLLUTION CONTROL

The Municipal Health and Environment (MHE) division has identified three (3) key issues areas that have been prioritised to be addressed:

##### *1. Development of District By -laws*

With respect to this issue the District has developed the following by- laws to address environmental issues;

- Air quality management by laws;
- Municipal health by – laws and
- Noise by laws

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## 2. Air Quality Management

The District is the licensing authority for the area within its jurisdiction and has effective systems and forums in place to render effective services. The District has achieved the following:

The District has provided the following services during the year under review:

- Atmospheric emission licensing applications currently being processed in the current year totalled ten (10) applications including the Refinery / FFS/ PG Bison/ National Asphalt PTY(LTD)/ Nova Boards/Mondi paper
- being processed and draft atmospheric licences will be issued in the first quarter of the new 2012/13 financial year;
- The District was able to convene all (4) its scheduled Air Quality Management Stakeholder Forum quarterly meetings were all representative bodies meet to discuss service delivery and amend planning timeframes;
- Air Quality Officers Forum effectively functioning and Joint compliance and enforcement inspection been done
- The District has conducted compliance and monitoring inspections to targeted facilities including joint ventures on strategic compliance inspection with the Department of Environmental Affairs ( power generation , hospitals, landfill sites, sewerage plants, industry);
- The District held all of its scheduled quarterly stakeholders Air Quality Forum meetings as planned; briefings and discussions are done on the level of service delivery, legislation and compliance issues to stakeholder.
- The District facilitated a Strategic Environmental Legislation awareness workshop with petrochemical managers on all environmental legislation
- The District participated in the strategic compliance inspections by the National Department of Environmental Affairs as part of its internal capacity building and support initiatives
- The District has just completed the second phase of the small industry data base; assessment of fuel type and use

The Highveld priority management plan has been finalised which will enable the Local and District Air Quality Management (AQM) Plans to be drafted during the 2012/2013 financial year.

There is a significant challenge posed by the lack of capacity at most Local municipalities to conduct air quality monitoring and the District is currently assisting in this regard with capacity constraints of its own.

## 3. Prevention of Pollution of our rivers and streams / Soil Pollution

The Districts through its compliance and monitoring inspections, and partnership with department of Economic Development, environmental and tourism have been able to minimise the challenge

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of pollution of rivers and streams. The challenge lies in the potential increase in pollution of rivers and streams by sewer treatment works and industrial activities and mining. Pollution and Waste Forum are one of the initiatives used to manage and control pollution.

In terms of chemical safety the District has compiled a data base of all facilities that keep substantial amounts of chemicals or have potential to generate radio -active material or waste. The data base has information on disposal and safe keeping of the chemicals. The District is planning a project with the focus on household chemical safety awareness, the aim and objective of the campaign is to increase the level of awareness of the community and increase the reduction of unsafe use and disposal of chemicals in the community. There is a currently a challenge in the safe disposal and use of domestic chemical in the District.

## **3.16 BIO-DIVERSITY**

### INTRODUCTION BIO-DIVERSITY

With respect to Water Conservation and Bio- diversity the district has ongoing awareness campaigns targeted at communities specifically in the most vulnerable environs to ensure safe water use and water conservation.

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## COMPONENT F: HEALTH

### INTRODUCTION TO HEALTH

One of the four (4) divisions of the department of Community Social Services (CSS) is the Municipal Health and Environmental (MHE) unit whose services are delegated functions that are performed by the District as part of provision of basic services. The District provides these basic services in all its seven (7) Local municipalities [Dipaleseng, Mkhondo, Msukaligwa, Lekwa, Govan Mbeki, Pixley Ka Seme and Chief Albert Luthuli] in partnership with the Mpumalanga Department of Health and the Department of Economic Development, Environment and Tourism [DEDET]. Current capacity constraints with respect to Environmental Health Practitioners (EHP) have negatively impacted on the divisions' ability to be 100% effective in the provision of all services rendered.

### **3.17 MUNICIPAL HEALTH AND ENVIRONMENTAL SERVICES**

These services are mandated to the District in terms of the National Health Act [No.63 of 2003] as amended, The National Environmental Management Act [No.107 of 1998], National Environmental Management: Air Quality Act [No. 39 of 2004] National Water Act [No. 36 Of 1998] Criminal Procedure Act [No.51 of 1977] Environmental Conservation Act [No73 of 1989] Foodstuff Cosmetics and Disinfectants Act [No. 54 of 1972] Disaster Management Act [no.52 of 2002] as amended.

In addition, in terms of the National Health Act 2003, section 32(i), it is the exclusive competency of every Metropolitan (Category A) and District Municipalities (Category C) to ensure the provision/rendering of Municipal Health Services (MHS). Municipal Health Services are defined in the National Health Act 61 of 2003 as providing the following services:

1. Water quality management
2. Food Control
3. Health Surveillance of communicable diseases (except malaria & immunization)
4. Health Surveillance of premises
5. Waste management
6. Chemical Safety
7. Environmental Pollution Control
8. Vector Control
9. Disposal of the Dead

And in terms of the National Environmental Management Act: Air Quality Management Act 2003 the district is responsible for:

- Air quality licensing
- Implementation of the Air quality Framework plan
- Air quality management plan

It is with pride to state that during the 2011/2012 financial year the District was through inter - departmental partnerships and sector collaboration able to successfully implement most of the MHE services programs. The challenges of resources still hamper the district to extend the services to all its communities efficiently and effectively. Some of these services will be dealt with separately in this document in the appropriate sections.

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## **1. Water Quality Management:**

Water quality samples were taken in all the seven (7) Local municipalities through a scheduled monthly water quality monitoring program to ensure that Local municipalities within the District have access to adequate and safe water supplied by the water authorities. Occurrences of non compliances to the SANS 241 standards were investigated and reported to the relevant municipality.

There is a challenge in ensuring that all municipalities' reports are captured on the national database of the Department of Water Affairs and Environment for Water Quality Information System. The challenge of ensuring efficient safe drinking water to all is still compounded by the need for resources to implement the Water Services Plan adopted by the District including the need to cater for the increasing mining and developmental activities that may have negative effects on our local water resources.

## **2. Food Control:**

The District has during year 2010/2012 increased the frequency of inspection of food preparation areas; specifically to vulnerable facilities that predominately serve the majority of the community. During these inspections the activities of taking food samples, issuing of certificates of compliance and enforcement, joint compliance and monitoring inspections has been conducted. The District has participated and responded to all National food sampling runs including foodstuff recalls.

The District has also embarked on a program to increase the training of food handlers as well as coordinate and facilitate the Food & Meat Control Forum, Through the monthly monitoring schedules of the food preparation areas, quarterly food sampling, training of caterers and hawkers on the five keys to safe food and enforcement of the Act and regulations, the District has ensured that all caterers in the municipality and government functions are trained..

There has been joint [agriculture, SAPS, district & animal health services] food and meat safety awareness program launched at Mkhondo municipality with over 200 community members attending and is now being rolled out in all seven (7) Local municipalities. The aim of the project is to ensure that all operators and entrepreneur are aware of the legal requirements, standard operating procedures and authorisation required.

## **3. Health Surveillance of Communicable Diseases:**

The District is actively involved in the coordination of the District Outbreak Response Teams (DORT); refer section 3.67 Disaster Management, and in most Local municipalities and Provincial Outbreak teams. Regular assessment and surveillance is conducted jointly with the Department of Health on all communicable diseases reported. In all incidents reported health education is provided including tracing of all suspects and contacts. There is improvement in the monthly meetings of the Outbreak Teams in all Local municipalities'; however we still face challenges with reporting of some communicable diseases incidents.

## **4. Health Surveillance of Premises:**

The District has embarked on several compliance monitoring inspection around mass accommodation facilities to assess the health conditions prevailing and in partnership with

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the Local municipality building control section to assess compliance to the National Building Regulations. Those facilities that did not meet the minimum requirements in the year were issued with notices and the impact of this campaign has resulted in a noticeable improvement in the living condition of those facilities.

## 5. Waste Management

The District in partnership with sector departments has been embarking on the program to assist Local municipalities to manage their waste in line with the legislative instruments and accordance to their mandate. The challenges faced include the reviewing of existing waste management plans, waste service delivery mechanism and the licensing of landfill sites.

Due to the lack of resources the major challenge is the replacement of old and inadequate fleet vehicles and the licensing of landfill sites. The District conducts regular compliance and monitoring inspections and has developed a data base for recyclers and hotspots.

## 6. Environmental Pollution Control

The District in partnership with DEDET is conducting regular compliance and monitoring inspections to attend to all Environmental Pollution Control issues, a data base of hotspots is updated regularly and measures are put in place to assist the Local municipalities with limited resources to prevent and mitigate problems. The District is conducting regular awareness campaigns to provide preventative actions and capacity building.

### 3.18 THUSONG SERVICE CENTRES (TSC's)

Thusong Service Centres is a government programme that was initiated in 1999 as one of the primary vehicles for the implementation of developmental communication and information and to integrate government services into primarily rural communities. This was done to address historical, social and economic factors in order improve access to information, services and participation by citizen in rural areas, as they had to travel long distances to access these services.

Thusong Service Centres are formerly known as Multi-Purpose Community Centres (MPCCs), are a one stop, integrated community development centre where rural and disadvantaged communities can access information and services from government, non-governmental organizations (NGO's), parastatals and privates sector business to enable them improve their lives by having access to government services, information and resources at their place of residence.

The Government's vision for Thusong Services Centres is to provide access to information and services to all citizens with the purpose of improving the quality of their lives through integrated services delivery within their place of residence and all local municipalities by 2014.

Thusong Services Centres provides a variety of services organized according to the Six Block Service Model, which is modified to suit the context and environment of each Thusong Services Centre within a particular municipality. The Six Block Services Model is:

1. Government Social and Administrative Services
2. Office Services
3. Education and Skills Development Services
4. Local Economic Development (LED) Services

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5. Business Services and Community Opportunities
6. Information and Communication Activities.

Typical services provided in Thusong Services Centres include but not limited to services from the Departments of Home Affairs, Labour, Health, Social Development, Agriculture, Rural Development and Land Administration, GCIS, DCSR, Small Enterprise Development Agency (SEDA), Community Development Workers (CDWs) South African Post Office, South African Social Security Agency (SASSA), Library Services, Home Base Care Centres, Adult Literacy Training Programmes, Computer Skills Training and Municipal Services.

In the 2011/12 IDP, the Gert Sibande District Municipality identified four (4) key issues pertaining to the Thusong Services Centres, which were;

1. Rate at which TSCs are build/established;
2. Buy in by all Government Departments;
3. Needs for Youth and Women Empowerment Services and
4. Inadequate Government Services Provided in the Centres.

## 1. TSC Building Rate

Mpuluze TSC in the Chief Albert Luthuli Local Municipality and Tholulwazi TSC in Govan Mbeki Local Municipality were in existence since 2005 in the Gert Sibande District Municipality. The Mpumalanga Provincial Government has provided support towards establishment of additional Thusong Service Centres and appointment of critical staff for management of the Centres.

A total of six (6) additional Thusong Service Centres were established within the Gert Sibande District Municipality and each centre has designated personnel which include a Centre Manager, Communications Officer and Information Technology (IT) Specialist.

The additional Thusong Service Centres that were established are:

- Thuthukani Thusong Service Centre Lekwa Local Municipality
- Sakhile Thusong Service Centre Lekwa Local Municipality
- Siyathemba Thusong Service Centre Dipaleseng Local Municipality
- Driefontein Thusong Service Centre Mkhondo Local Municipality
- Daggakraal Thusong Service Centre Dr. Pixley Ka Isaka Seme Local Municipality
- Breyten Thusong Service Centre Msukaligwa Local Municipality

A total of eight (8) Thusong Service Centres are established and functional within the Gert Sibande District Municipality.

An additional Thusong Service Centre is currently under construction at Lothair in Msukaligwa Local Municipality and planning is ongoing to establish additional centres in other areas where there is a dire need of such centres. Tjakastad Thusong Service Centre in Chief Albert Luthuli Local Municipality, Embalenhle and Emzinoni Thusong Service Centres in Govan Mbeki Local Municipality are currently within the planning phase.

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## 2. Buy-in by Government Sector Departments

Since the establishment of Thusong Service Centres, the Provincial Government simultaneously commenced with a process of developing Service Level Agreements (SLAs) with relevant sector departments in order to equip and functionalize all the centres to their maximum potential. The presence and participation of various Government Departments, Non-Governmental Organizations (NGOs) and Private Sector Businesses in all the centres are the desired outputs of the Service Level Agreements. Majority of the government departments participating in the centres are providing their services direct to the communities either on a full time basis or on pre-determined dates and times in all the Thusong Service Centres available within the Gert Sibande District Municipality

## 3. Youth and Women Empowerment

In almost all the Thusong Service Centres established within the Gert Sibande District Municipality, there's a wide range of youth and women empowerment services being provided. Such services includes but not limited to;

- Library Services
- Telecentres (fax, photocopying, telephone and scanning)
- Internet facilities
- Arts and Cultural activities
- Youth Advisory Service (NYDA) previously known as Umsobomvu Youth Development Programme.
- Health Information Service
- Adult Basic Education and Training (ABET)
- Gymnasium and fitness activities
- Computer literacy training
- Business plans, co-operative (CCs) registrations and small business establishment, registrations and vouchers
- Legal Support services
- Job seekers registration on the database and career guidance
- Agricultural related activities.

## 4. Inadequate Government Services Provided

The primary purpose for Thusong Service Centres is to be a One Stop, Integrated Community Development Centre, where a variety of services and information from government departments, Non-Governmental Organizations (NGOs) and private sector organizations can be obtained.

Since their establishment, almost all the centres within the Gert Sibande District Municipality are operating successfully and thereby covering the majority of the indicators contained in the following Six Block Services Model;

### 4.1 Government Social and Administrative Services

- Grants
- Personal documents
- Housing Applications

### 4.2 Office Service



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- Phone, fax, scanning, photocopying and printing
- Desktop publishing
- Postal services

#### 4.3 Education and Skills Development Services

- Adult Basic Education and Training
- Further Education and Training
- Specialized Training

#### 4.4 Local Economic Development (LED) Services

- Small business advice and development

#### 4.5 Business Services and Community Opportunities

- Small, medium and macro enterprises
- Other private sector services such retail and ATMs

#### 4.6 Information and Communication Activities

- Government Information and On-site Guidance regarding Services
- Community Information and Awareness

All these services are offered by various departments and services providers in order to achieve the Thusong Services Centre Programme's Strategic Objectives, which are;

- To bring government information and services closer to the people to promote access to opportunities as a basis for improved livelihoods,
- To promote cost effective, integrated, efficient and sustainable service provision to better serve the needs of the citizens
- To build sustainable partnerships with government, business and civil society,
- To create a platform for greater dialogue between citizens and government

#### 3.19 **AMBULANCE SERVICES**

This function is the responsibility of the Provisional Department of Health.

#### 3.20 **HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION**

##### **Municipal Health and Environmental Services**

The division is fortunate to have experienced, loyal staff in the field of Environmental Health, but lacks adequate staff resources to implement its mandate at an acceptable level of standard. The low ratio of Environmental Health Practitioners (EHP) officers per 15,000 of the population is the singular most significant challenge to the effectiveness of the division, coupled with the vast geographical and rural environment in which they operate.

The District is faced with lack of awareness by communities regarding municipal Health services. The situation results in communities not reporting problems related to food safety, environmental pollution, waste management, vector control, etc. The problem is further aggravated by lack of knowledge by communities as to where to report these problems coupled with the present shortage of qualified EHP

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officers. This creates a situation where known health hazards continue to exist unabated with the resultant ill-health hazards developing within the community. This motivates the urgency to acquire additional EHP officers to turn around the existing service levels provided by the function and create a healthy environmental friendly community.

The District in partnership with Department of Health has been conducting regular compliance and enforcement programs to enforce food safety legislation, provide training on five keys to food handling and monitoring of food preparation areas. The challenge is resources and devolution of Municipal Health services.

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## COMPONENT G: SECURITY AND SAFETY

### **3.21 FIRE SERVICES**

The District is particularly vulnerable to veldt and forest fires on a yearly basis and the frequency of these incidents has become so endemic that they are negatively impacting on farming infrastructure, grazing land and livestock and the community at large. The National Veldt and Forest Fires Act 101 of 1998 provides for the establishment of Fire Protection Associations by land owners to prevent and combat veldt, forest and mountain fires throughout the Republic of South Africa. Bearing in mind that land is at local municipalities and the fire services are operated at local municipalities, according to Section 6(2) a-b, of the National Veldt and Forest Fires Act 101 of 1998, where a municipality is a member and has a service, the chief fire officer is the fire protection officer and must be appointed and registered as such by the Director-General of the National Department responsible for forestry regulation.

The District Disaster Management division therefore plays a coordinating role through the Technical Task Team (TTT) unit, responsible for fire emergencies to ensure that the provision of the Act are adhered to by the relevant local municipalities and land owners residing in such local municipalities. Currently, only Msukaligwa local municipality and Msukaligwa Fire Protection Association are fully compliant to the National Veldt and Forest Fires Act 101 of 1998. The Chief Fire Officer of Msukaligwa was selected to Co-chair the TTT to advise other local municipalities on the process of establishing Fire Protection Association as veldt fires are causing huge damages, however not declared to be disasters due non-compliance to prescripts of the Disaster Management Act 57 of 2002 and the National Veldt and Forest Fires Act 101 of 1998.

Currently, the National Disaster Management Centre has establish a directorate responsible for fire coordination to address the poor functioning of fire services at local municipalities and a draft National Fire Services Framework is being developed to enable participation of Provincial and District Disaster Management Centres on the functioning and assistance of fire and emergency services at local municipalities.

### **3.22 DISASTER MANAGEMENT**

Disaster management and fire services are responsible for planning, co-ordination and regulation of disaster and fire services, specialised fire fighting services, co-ordination of the standardisation of infrastructure, equipment and procedures and training of disaster and fire officers in line with the disaster framework. The focus area of the division is as follows:

- Integrated Institutional Capacity
- Risk Assessment
- Risk Reduction and Planning
- Fire services and Disaster Response and Recovery

The GSDM Disaster Management division has successfully implemented all planned activities in the 2011/2012 financial year, which were in line with the provisions of the Disaster Management Act 57 of 2002 and the GSDM Disaster Management Framework and Supporting Policy for the Execution of the Disaster Risk Management Framework.

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During the current year the following challenges and key issues were addressed namely:

1. Functional GSDM Disaster Management Advisory Forum and Technical Task Teams.
2. Development of incident reporting systems
3. District Disaster Management Framework and supporting policy
4. Procurement and distribution of response and relief equipment (Tools and Humanitarian Assistance Equipment) to enable a state of preparedness to respond to any incident or accident that may arise at community level by both district and local municipalities as per roles and responsibilities in disaster and emergency management.
5. Conduct public information, education and awareness campaign on specific hazards prevailing in areas of responsibility (all 7 local Municipalities).
6. Development of Business plans to motivate for funding for Satellite Centers operations.

## *1. Disaster Management Advisory Forum and Technical Task Teams (TTT)*

Presently the Gert Sibande District Municipality' Disaster Management is not directly involved or participating in any National Intergovernmental Relations activities or structure/s, however it is a member of the Mpumalanga Provincial Disaster Management Advisory Forum PDMAF which meets quarterly. The PDMAF plays in important role in capacitating Districts and Local municipalities with relevant disaster management training in partnership with the National Disaster Management Centre, Universities and other accredited Disaster Management Training Services Providers.

The PDMAF through Provincial Disaster Management Centre (PDMC) also plays huge role in mobilizing support for municipalities in activities which include but not limited to conducting awareness campaigns, development of disaster management plans, disaster management frameworks, active support to municipalities in providing humanitarian support to affected communities, capacity assessment and evaluation of disaster management centres, pro-active support with disaster relief equipments and also enabling a platform for participation of Non-Governmental Organizations like Gift of the Givers, International Red Cross and Red Crescent, Al Imdaad Foundation etc, to support municipalities in providing relief during disaster incidents.

The District also participate in workshops organized by the South African Local Government Association (SALGA) which capacitate municipalities in relevant knowledge relating to development of credible disaster management plans, sharing of best practices and information among municipalities for the purpose of achieving equal high standard of service delivery.

The Gert Sibande District Municipality has a functional Disaster Management Advisory Forum (DMAF) as per Section 51 of the Disaster Management Act 57 of 2002, which consist of government, non-government and parastatals institutions as stakeholders. The primary role of the forum is to foster partnership and understanding of functions from the diverse stakeholders so that they can advise and assist one another with information and response mechanisms to disaster incidents throughout the District. The GSDM DMAF meetings are held quarterly and the GSDM provides the secretariat for the Disaster Management Advisory Forum.

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Within the Disaster Management Advisory Forum, Technical Task Teams (TTT) were identified which consist of technical experts in identified hazards for the purpose of advising and addressing such hazards throughout the District. All local municipalities are part of the District Disaster Management Advisory Forum and vice versa where such DMAF exists in Local municipalities. One particular hazard is waterborne diseases like Cholera, which fall under the ambit of the District Outbreak Response Team (DORT), but not limited due to the involvement of the larger community vulnerable to the hazard source being natural water sources, mechanical water supplies and waste water treatment works etc.

The District Outbreak Response Team (DORT) is established and coordinated by the Department of Health. The DORT consists of Emergency Medical Services, Fire and Disaster Management, Pharmacy Services, Primary Health Care Services, Hospitals services, Environmental Health Services, Epidemiology etc. DORT role and responsibilities include but not limited to, assessment, monitoring and evaluation of health facilities and water sources and provide advice on hygiene standards and communicable disease control strategies to be adhered to maximize prevention and reduce the spread of communicable diseases like Cholera, N1H1, Influenza, XDR and MDR TBs etc. The DORT is able to liaise with the Provincial Outbreak Response Team, National Department of Health and the National Institute for Communicable Diseases (NICD) to obtain information on communicable disease prevention strategies and research outputs. DORT meetings are held monthly. The benefit thereof include obtaining first hand valuable information which will be shared among stakeholders on communicable diseases that threatened to harm communities especially those who are highly vulnerable and also provide guidance in the implementation of response mechanisms as per each communicable disease policy and standard operating procedures respectively.

Currently, the National Disaster Management Centre has established a directorate responsible for fire coordination to address the poor functioning of fire services at local municipalities and a draft National Fire Services Framework is being developed to enable participation of Provincial and District Disaster Management Centre's on the functioning and assistance of fire and emergency services at local municipalities.

## *2. Standardized Disaster Management Incident Report Template*

A standardized Disaster Management Incident Report Template was developed and submitted to the District Advisory forum for comments during the current year. The purpose of developing the template was to provide local municipalities with a standard template of what needs to be captured and documented when they are assisting during incidents. The template was developed in line with the National Disaster Management Centre Annual Incident Report.

## *3. District Disaster Management Framework and supporting policy*

Four (4) local municipalities under the District have adopted the District Disaster Management Framework and supporting policy for the execution of the Disaster Risk Management Framework. This is in line with the Disaster Management Act 57 of 2002, and the Local Government: Municipal Systems Act 32 of 2000. The following local municipalities have still to adopt the framework namely Mkhondo, Dr. Pixley Ka Isaka Seme and Lekwa.

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The next phase in the process that was implemented involved implementing comprehensive disaster risk assessment and the development of hazard specific contingency plans and a comprehensive Integrated Disaster Risk Management plan. To-date, only the Mkhondo Local municipality has not developed or submitted a plan. Dipaleseng has developed its plan however it has not submitted to Council for adoption or approval. The Provincial Disaster Management Centre is assisting in this matter.

Two satellite Disaster management centre's in Mkhondo & Dipaleseng are partially functional, however we are awaiting the development of a Memorandum of Understanding and business plan to motivate for funding for the procurement of essential infrastructure for the satellite centre's which is presently being handled by a specific committee established for this purpose.

#### *4. Capacity Building, Risk Assessment*

During the current year six (6) sets of structural fire fighting (Bunker Gear) and fire fighting uniforms were procured for volunteers in Dipaleseng and Dr. Pixley Ka Isaka Seme Local municipalities. The District municipality has also trained volunteer in Fire Fighter (1) and Hazmat awareness course to assist local municipalities on boosting staff shortage in local municipalities. Two (2) of the volunteers are on duty in the Fire and Rescue Section of Dipaleseng Local Municipality and four (4) are in Dipaleseng Local municipality. Due to unavailability of funding to support volunteers by local municipalities only a monthly stipend is paid to them by the respective Local municipality utilizing them.

Additional resources in terms of fire & rescue tools were procured in the form of a set of Holmatro Rescue tools and this will greatly assist the services when responding to motor vehicle accidents which unfortunately are reflecting an increase in the Chief Albert Luthuli Local municipality precinct.

Elukwatini has witnessed an increase in infrastructural development through significant economy growth, but this has resulted in an increase in traffic volumes and related accidents in all the major routes and the vulnerability to structural fires. In compliance to SANS 10900 of 2003: Standard for Community Protection Against Fire, the municipality is in the process of establishing a satellite fire station in Elukwatini and the District will be assisting with a set of Holmatro Rescue Tools.

As already mentioned the District is vulnerable and hugely affected by veldt and forest fires. Currently there are varying infrastructural, equipment and human resources challenges that hamper effective functioning of disaster management, fire and rescue services at local municipalities within the District municipality. A total of 2,258 veldt fires were reported to the Working on Fire Dispatch centre's in Warburton, Piet Retief and various Fire Protection Associations (FPA's) around the District and they have a huge negative impact on farming activities and the environment.

#### *5. Public Education and Awareness Campaigns*

A total of three awareness campaigns were held at Local municipalities in partnership with public and private sector stakeholders. The awareness campaigns covered topics of safety to social crime, fire prevention, fire safety, road safety and first aid. During the campaigns, participants

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were given information related to crime taking place at community level, fire prevention and safety, fire drills, road safety and basic first aid.

In order to further enhance their understanding, practical demonstrations on fire fighting activities were included in the campaigns, which included the use of a fire truck and fire hose handling techniques. Pamphlets and other user friendly promotional materials were distributed to the learners. The primary audiences were pre-schools, primary schools and the public at large.

The following details the content of the campaigns and participants involved:

- Crime Prevention Awareness Campaign Balfour

In Dipaleseng satellite Disaster Management centre, the fire and disaster management section held a one day crime prevention awareness campaign in partnership with the South African Police Service in August 2011. Other stakeholders that were part of the campaign included Eskom, Great Basin Gold Mine, Political leaders, Emergency Medical Services, the Department of Home Affairs and Municipal Traffic Department.

- Fire Prevention and Safety Awareness Campaign

Also in Dipaleseng satellite Disaster Management centre, the fire and disaster management section in partnership with "Working on Fire" held fire awareness campaigns in six (6) primary schools in September 2011.

- Fire Awareness and Road Safety Campaign

In Govan Mbeki Local municipality, the District Disaster Management section in partnership with Govan Mbeki Local municipality's disaster management, Traffic, fire and rescue section held a fire and road safety awareness campaign in nine (8) pre-primary schools throughout the local municipality, from the 3<sup>rd</sup> to the 10<sup>th</sup> of May 2012.

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## COMPONENT H: SPORT AND RECREATION

### 3.23 SPORT AND RECREATION

The District has faced a challenge in facilitating the support needed for Youth to be able to safely and effectively participate in Sports, Arts and cultural activities. The major challenge faced by the District is inadequate and dilapidated facilities within the communities, the Sector Department responsible for the promotion and support of this sector has very limited capacity and support to assist the local municipalities for development and upgrading of these facilities due to priorities on basic service delivery. Sport and Recreation play a pivotal role in youth development, contribution to social harmony and reduction of crime.

Key Issues pertaining to Sports and Recreation that were identified to be addressed in the 2011/12 financial year included among others:

- Facilitate and support upgrading of identified facilities to meet the standards acceptable for the various national sport code

The municipality has developed a Sport, Culture and Recreation strategy which, among others objectives is focused to upgrading the six sporting facilities within the District during the 2012/2013 financial year that have been identified as in need of upgrading. SASOL has been approached to partner in this rehabilitation project and have agreed to provide financial assistance. The District is also in the process of securing additional partners through engaging other large industrial concerns with the view of enlisting their support for financial support.

- Developing at least one sports facility in the District into a regional sports complex.

Lack of funding and capacity has restricted meaningful progress during the current year, but the District Council has budgeted for the first phase of the regional Sports complex project to commence in the 2012/2013 financial year with an allocation of R500,000. However, with respect to Local sports facilities the upgrading of the Elukwatini stadium was completed during the current year.

**Table 33 Capital Expenditure Recreation**

Capital Expenditure 2011/12: Sport and Recreation					
R' 000					
Capital Projects	2011/12				
	Budget	Adjust - ment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>0%</b>	
Upgrading of Elukwatini Stadium	500	500	500	0%	1,000



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- Facilitates the revival of Sports, Arts and Culture Councils

The District has established the District Sport forum which is composed and represented by all the relevant Federations at regional level and sporting codes at a Local level. It is anticipated that this forum will greatly assist in promoting sport in the District

- Coordination and facilitation of opportunities for young talent to be exposed and supported through sport development

The GSDM has been able to develop the Framework for Sport and Recreation. The preliminary consultative meetings with the Local municipalities and relevant external stakeholders have been conducted. The Sport and Recreation strategy has been developed and our programme will be guided by this strategy. The division has been operating without a Sport, Culture and Recreation officer for the 2010/2012 financial year, which has had a negative impact, but this position has been provided for in the 2012/13 financial year.

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## COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

### 3.24 ANALYSIS OF THE DEPARTMENTS BY POST GRADING CATEGORY

Table 34 Overall staffing complement

Employees: Total Institutional Arrangements					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	28	58	32	26	44.8%
4 - 6	56	133	77	56	42.1%
7 - 9	8	31	17	14	45.2%
10 - 12	12	16	10	6	37.5%
13 - 15					
16 - 18					
19 - 20					
Total	104	238	136	102	42.9%

### 3.25 HUMAN RESOURCE SERVICES

Table 35 Corporate Services staffing complement

Employees: Human Resource Services 2011/12					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	1	1	50%
4 - 6	4	5	2	2	40%
7 - 9	2	2	2	1	50%
10 - 12					
13 - 15					
16 - 18					
19 - 20					
Total	8	9	5	4	44.4%

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Table 36 Corporate Services Operational Expenditure

Financial Performance 2011/12: Human Resource Services					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue (excluding tariffs)</b>	677	1,280	2,360	1,302	2%
Expenditure:					
Employees	1,350,942	1,088,800	1,277,630	1,262,804	14%
Repairs and Maintenance	0	0	0	0	
Other	1,037,223	1,260,390	1,799,800	1,735,573	27%
<b>Total Operational Expenditure</b>	2,388,165	2,349,190	3,077,430	2,998,377	22%
<b>Net Operational (Service) Expenditure</b>	2,387,488	2,347,910	3,075,070	2,997,075	22%

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## COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, and Forestry as municipal enterprises.

### INTRODUCTION TO MISCELLANEOUS

This component is not applicable to the Gert Sibande District Municipality

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## COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the current year.

### Annual Performance Report

#### Purpose

The purpose of this report is to give feedback regarding the performance of Gert Sibande District Municipality as required through The Municipal Systems Act No 32 of 2000 and Municipal Finance Management Act No 52 of 2003. The information included in this report is based on the IDP<sup>2</sup> and SDBIP<sup>3</sup> as developed for the financial year 2011/2012. The scorecards were developed to reflect **cumulative performance**, therefore the status of indicators are a reflection of the overall performance level achieved year to date. This report is based on information received from each department for annual assessment of performance ending June 2012. This is a high-level report based on scores obtained through a process whereby actual information per Key Performance Area (KPA), strategic objective, programme and the aligned Key Performance Indicators and projects are compared to the budget and initial planning included in the 2011/12 Integrated Development Plan.

Overall performance for Gert Sibande District Municipality is based on the Departmental Performance scorecard which is inclusive of all the IDP, SDBIP, TAS and National indicators. Sub-sections are included that discuss the progress made in achieving the targets as detailed in each scorecard in terms of the contribution made by each Department.

This report serves as a summary of results. The detail pertaining to the Key Performance Indicators (KPIs) and projects are included in a separate addendum document, due to the volume thereof. Results are presented in the form of scores as detailed below and were calculated using an automated system adapted to comply with the Gert Sibande District Municipality's performance management requirements. The scoring method utilised is as follows;

Colour code	Scoring	% target achieved KPIs		% target achieved PRJs	
		Low	High	Low	High
Rating	Score				
Unsatisfactory	1-1.99	0.0%	39.9%	0.0%	25.0%
Below average	2 -2.99	40.0%	79.9%	25.0%	50.0%
Within target	3 -3.99	80.0%	99.9%	50.0%	75.0%
Achieved/ exceeded target	4 -4.99	100.0%	166.9%	75.0%	167%
Outstanding	5+	167.0%	+	167.0%	+

<sup>2</sup> Integrated Development Plan

<sup>3</sup> Service Delivery and Budget Implementation Plan

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## Executive Summary

This report serves as the Annual Performance Report for the financial year 2011/2012 ending June 2012. It provides feedback on the performance level achieved to date against the targets as laid out in the IDP and SDBIP. Where under performance or zero weighting of indicators have been experienced the respective concerns or mitigating reasons are highlighted and detail pertaining to the relevant measures being implemented or those that need to be implemented are included thereto.

The overall performance for Gert Sibande District Municipality is based on the Departmental Performance Scorecard as this contains all of the indicators as included in the IDP, SDBIP, TAS and National Scorecards. At the end of the financial year, the overall performance level achieved was a below target score of **3.41**. A total of 103 KPI's and 11 projects encompassing the different scorecards are being measured.



A total of 8 KPI's were for reporting purposes only (7.77%) and therefore do not carry a score. Of the remaining 95 KPI's, 46 (44.66%) achieved target, 42 (40.77%) were below target and seven (7) (6.8%) were zero weighted. Of the 11 projects, six (6) (54.55%) were on schedule in terms of the projected milestones, four (4) (36.37%) were behind schedule and one (1) (9.09%) was zero weighted. A summary of performance by scorecard is provided below;

Table 37: Overall Performance

Gert Sibande District Municipality	Sep 11			Dec 11			Mar 12			Jun 12		
	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG
<b>Overall</b>			<b>3.68</b>			<b>3.96</b>			<b>3.46</b>			<b>3.41</b>
<b>IDP</b>	4.21		4.21	4.38		4.38	4.03		4.03	3.39		3.39
<b>SDBIP</b>	3.60	4.00	3.63	3.89	3.17	3.53	3.48	2.89	3.39	3.40	3.00	3.20
<b>TAS</b>	3.80		3.80	4.20		4.20	3.50		3.50	3.17		3.17
<b>National</b>	NA		NA	5.00		5.00	5.00		5.00	4.33		4.33

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The overall performance level achieved for each Key Performance Area (KPA) was as follows;

Figure 6 KPA Performance September 2011

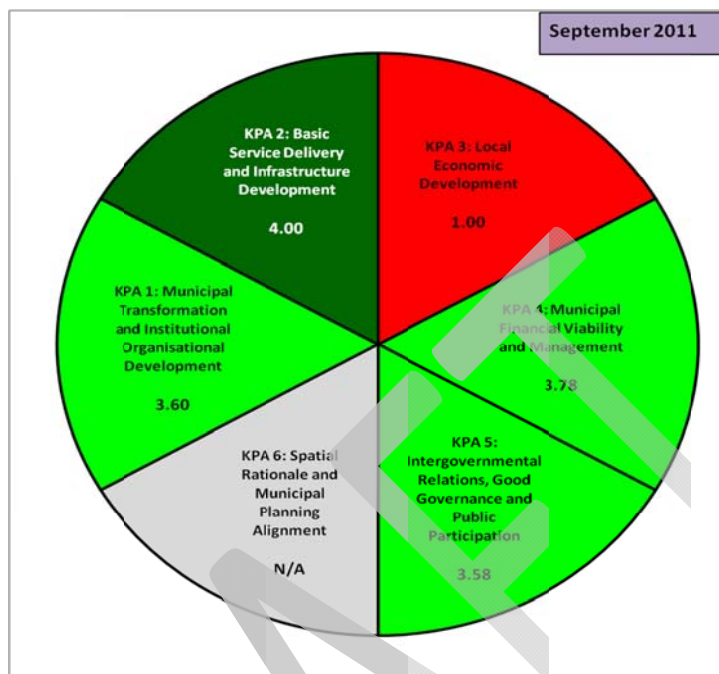
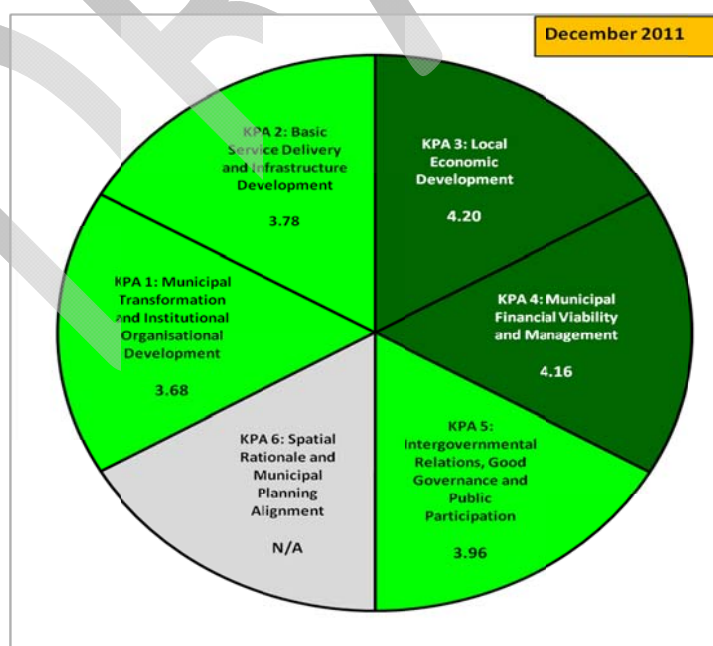


Figure 7 KPA Performance December 2011



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Figure 8 KPA Performance March 2012

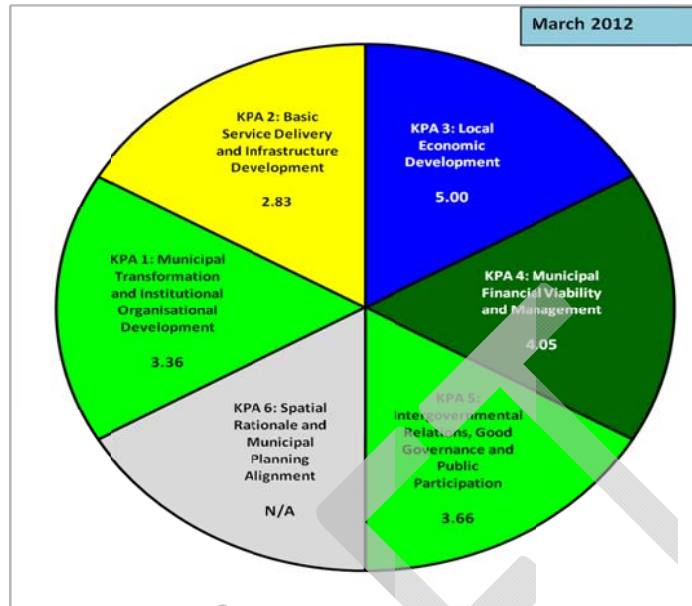
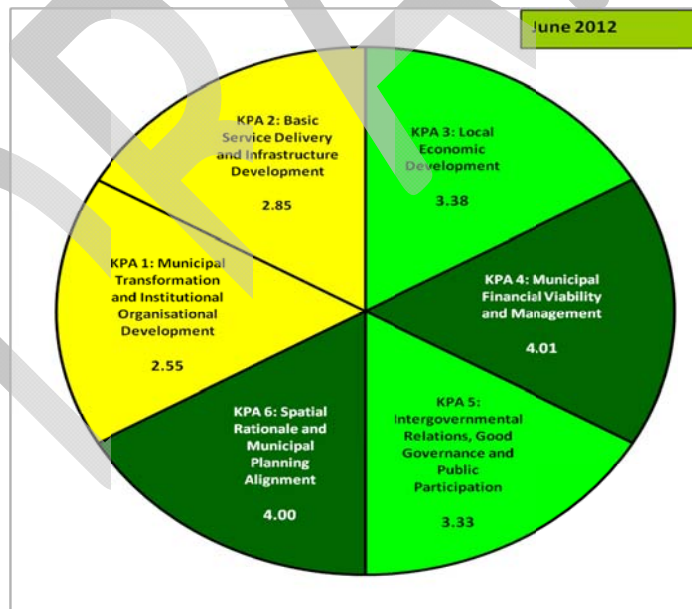


Figure 9 KPA Performance June 2012





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The **IDP Scorecard** was below target with a score of **3.39**. A total of 23 KPI's contribute to this scorecard, of which two (2) were zero weighted (8.7%). Of the remaining 21 KPI's, a total of nine (39.13%) achieved target, and twelve (52.18%) were under target.

The **SDBIP Scorecard** was just below target with a score of **3.20**. A total of 80 KPI's contribute to this scorecard, of which 8 (10%) were for reporting purposes only. Of the remaining 72 indicators, 38 (47.50%) achieved target, 29 (36.25%) were below target and five (5) (6.25%) were zero weighted. A total of 11 projects contribute to this scorecard. One (1) was zero weighted six (6) reached their quarterly milestones and four (4) are behind schedule.

The **TAS Scorecard** was just below target with a score of **3.17**. A total of 14 KPI's contribute to this scorecard, of which two (2) were set to zero weighting. Of the balance, six (6) achieved their targets, six (6) were under target.

The **National Key Performance Indicators** achieved target with a score of **4.33**. A total of eight (8) KPI's contribute to this Scorecard. Four (4/8) were for reporting purposes only, two (2) achieved target and two (2) did not achieve target.

## Departmental Performance

The Departmental Performance Scorecard constitutes all of the KPI's and projects as contained in the National, TAS, IDP and SDBIP Scorecards. This section of the report provides information on the contribution made by each Department to the performance levels achieved for the different scorecards which in turn represents the overall<sup>4</sup> performance level achieved by the Municipality. Gert Sibande District Municipality ended the financial year with an overall score of **3.41**. This reflected a slight decrease in performance from the third quarter result of **3.46**, the mid-year result of **3.96** and the first quarter result of **3.68**. A summary of the overall performance level achieved by each Department is provided below;

**Table 38: Departmental Performance Overall Scores**

Departmental Performance Overall Scores	Sep 11	Dec 11	Mar 12	Jun 12
	AVG	AVG	AVG	AVG
<b>Overall</b>	<b>3.68</b>	<b>3.96</b>	<b>3.46</b>	<b>3.41</b>
Office of the Municipal Manager	3.46	3.97	3.83	3.86
Budget and Treasury	3.80	3.97	4.04	4.03
Corporate Services	4.26	3.60	3.05	2.46
Community and Social Services	3.35	3.65	2.73	2.84
Infrastructure and Technical Services	4.60	4.61	4.50	3.83

<sup>4</sup> Overall performance is calculated by taking an average of ALL of the KPI and project scores applicable to GSDM

Overall departmental scores are calculated by taking an average of ALL of the KPI and project scores applicable to that department

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The following summary sheets contain a breakdown of the Departmental performance. The scores highlight the progress on implementation not only at an operational level, but also give an indication of the progress made for each Key Performance Area (KPA), strategic objective and programme for KPIs and projects. A further summary sheet related to the projects being measured is also provided.

## Office of the Municipal Manager

The Office of the Municipal Manager is responsible for a total of 29 KPI's which contribute to the overall performance level for the IDP, SDBIP and TAS Scorecards and 1 project that contributes to the SDBIP Scorecard. The statistics for the Department were as follows;

**Table 39 Office of the Municipal Manager KPI**

Key Performance Indicators						
Scorecard	Total KPIs	Applicable for Reporting:	Reporting Purposes Only	Set to zero weighting	Target Achieved	Under Target
National	0	-	-	-	-	-
<b>IDP</b>	<b>7</b>	<b>6</b>	-	<b>1</b>	<b>3</b>	<b>3</b>
<b>SDBIP</b>	<b>22</b>	<b>18</b>	<b>3</b>	<b>1</b>	<b>15</b>	<b>3</b>
<b>TAS</b>	<b>2<sup>5</sup></b>	<b>2</b>	-	-	<b>2</b>	-

**Table 40 Office of the Municipal Manager Projects**

Projects						
Scorecard	Total Projects	Applicable for Reporting	Not Applicable for Reporting	Set to zero weighting	On Schedule	Behind Schedule
<b>SDBIP</b>	<b>1</b>	<b>1</b>	-	-	<b>1</b>	-

The Department ended the financial year with an overall score of **3.86** reflecting consistent performance with the third quarter result of **3.83** and the mid-year result of **3.97**, but an increase in performance from the first quarter result of **3.46**. A summary of performance by Key Performance Area is provided below;

<sup>5</sup> 1 TAS Indicator is included in the SDBIP Scorecard and one is included in the IDP Scorecard

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Table 41: Summary Performance - Office of the Municipal Manager

Departmental Performance	Sep 11			Dec 11			Mar 12			Jun 12		
	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG
<b>KPA 1: Municipal Transformation and Institutional Organisational Development</b>	3.30		3.25	4.50		4.50	4.00		4.00	4.00		4.00
<b>KPA 2: Basic Service Delivery and Infrastructure Development</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4.00	4.00	3.56	4.00	3.78
<b>KPA 3: Local Economic Development</b>	1.00		1.00	4.20		4.20	5.00		5.00	4.31		4.31
<b>KPA 4: Municipal Financial Viability and Management</b>	N/A		N/A	N/A		N/A	N/A		N/A	3.80		3.80
<b>KPA 5: Intergovernmental Relations, Good Governance and Public Participation</b>	3.77		3.77	3.67		3.67	3.62		3.62	3.91		3.91
<b>KPA 6: Spatial Rationale and Municipal Planning Alignment</b>	N/A		N/A	N/A		N/A	N/A		N/A	4.00		4.00

## KPI Performance by Category

The format followed is by Key Performance Area, Strategic Objective and Programme

## IDP Performance

This department is responsible for reporting on 7 KPI's as related to **IDP Performance**. A total of 3 KPI's achieved target, 3 KPI's did not achieve target and 1KPI was zero weighted as follows;

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The following 3 KPIs achieved or exceeded target:

**Strategic Objective: Improve the quantity and quality of Municipal basic services to the people**

**Programme: Access to Water and Sanitation**

- ▶ **KPI 2.2 - % compilation of District Integrated Water Master Plan (IWMP) (annual) (TAS)** – Target of 41% is measured in terms of completion of Sections 4 and 5 out of the 12 Sections of the IWSDP (5/12 = 41%). This KPI is measured in terms of expenditure of the allocated Departmental Allocation for the updating of Bulk Water Plans. Actual expenditure was in the amount of R 499,414 of the R 500,000 budget which represents completion of the project inclusive of Sections 4 and 5.

**KPA 5: Intergovernmental Relations, Good Governance and Public Participation**

**Strategic Objective: Create a single window of co-ordination for the support, monitoring and intervention in municipalities in the District**

**Programme: Coherent Decision-Making**

- ▶ **KPI 5.4 - # of District MM Forum meetings held** - A total of five District Municipal Manager's Forum meetings were held during the course of the year. These were held on the 21<sup>st</sup> of September, the 9<sup>th</sup> of November, a further meeting with the Municipal Managers, Chief Financial Officers and Technical Officers on the 15<sup>th</sup> of November, the 16<sup>th</sup> of May and the 25<sup>th</sup> of June. This exceeds the annual target of three meetings.

**Strategic Objective: Resource management internal governance and information**

**Programme: Governance and Administration**

- ▶ **KPI 5.1 - To obtain an Audit Report with No other Matters (Clean Audit Report) (annual)** - The Municipality received a clean Audit Report as reported in the second quarter. No defined Target was set for the 2011/12 Financial Year as it was agreed to address the Matters of Emphasis raised by the Auditor General in the 2010/11 External Audit Report during the current financial year in order to achieve a clean audit during the 2012/13 Audit Cycle. As the District received an Unqualified Audit Opinion without any Matters of Emphasis a maximum score has been allocated to recognize early achievement of the outer year targets set in the IDP.

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The following 3 KPIs did not achieve target as follows:

## **KPA 4: Municipal Financial Viability and Management**

**Strategic Objective: Improve and sustain Financial, Human Resources and Management Excellence across the District**

**Programme: Budget and Expenditure Management Services**

- ▶ **KPI 4.3 - % Employee cost of total budget (annual)** – Personnel related costs accounted for 21.99% of the total budget (R 62,787,127 / R 285,574,070) for the 2011/2012 financial year being slight above the targeted maximum of 20%.

**Corrective Action** – Not applicable as although slightly under target it is not deemed material.

## **KPA 2: Basic Service Delivery and Infrastructure Development**

**Strategic Objective: Advanced Community Well-being**

**Programme: Municipal Health Services**

- ▶ **KPI 2.6 - % utilization of Laboratory facilities** – Utilization stood at 36.24% for the financial year being below the annual target of 40%. This was a combination of the Chemistry and Microbiology sections.

**Corrective Action** – Actual slightly below target. Utilisation is currently limited with the Lab not being accredited by SANAS. The accreditation process is currently being undertaken with gaps as identified by SANAS during April 2012 being attended to. Feedback on progress to be given during August 2012, with a site assessment to be conducted in Sept/Oct 2012.

- ▶ **KPI 2.7 - Obtain Laboratory accreditation (annual)** – Quality management system documentation submitted for evaluation to SANAS<sup>6</sup>. Feedback received in April 2012. The Laboratory is working on an action plan to close the identified gaps. Feedback is to be resubmitted at the end of August 2012. On site assessment to be conducted Sept/Oct 2012.

**Corrective Action** – The Laboratory is working on an action plan to close the identified gaps. Feedback is to be resubmitted at the end of August 2012. On site assessment to be conducted Sept/Oct 2012.

<sup>6</sup> South African National Accreditation System

# Chapter 3

The following 1 KPI was zero weighted as follows:

## **KPA 1: Municipal Transformation and Institutional Organisational Development**

**Strategic Objective: Restore and maintain the Institutional integrity of the District and its constituent LMs**

**Programme: Organisational Performance Management**

- ▶ **KPI 1.5 - % increase in organizational performance (annual)** – Not applicable for reporting in the 2011/12 financial year. Target relevant to 2012/13 Financial year.

## **TAS Performance**

This department reports on 2 KPIs as related to TAS Performance, which achieved target as follows;

- ▶ **KPI 2.6.1 - # of LM's utilising the Laboratory facility for water sampling testing (annual)** - The detail pertaining to this is detailed in the SDBIP Performance section for this department.
- ▶ **KPI 2.2 - % compilation of District Integrated Water Master Plan (IWMP) (annual)** - The detail pertaining to this is detailed in the IDP Performance section for this department.

## **SDBIP Performance**

This department reports on 22 KPI's as related to **SDBIP Performance**, of which 3 KPIs were for reporting purposes only and one was zero weighted. In this period, of the remainder, 15 achieved their targets and 3 were under target as follows;

The following 15 KPI's achieved or exceeded target:

## **KPA 1: Municipal Transformation and Institutional Organisational Development**

**Strategic Objective: Restore and maintain the Institutional integrity of the District and its constituent LMs**

**Programme: Organisational Performance Management**

- ▶ **KPI 1.5.1 - # of Organisational Performance reports generated, reporting on all KPI's and targets contained in the IDP/SDBIP** The 2010/11 Annual Organisational Performance Report was completed. (Presented to Internal Audit and the Municipal Manager informed of the outcome of audit findings on the 20<sup>th</sup> August 2011. Submitted to the Performance Audit Committee on the 29<sup>th</sup> August 2011 and to the Auditor General's Office for auditing on the 31<sup>st</sup> August 2011). The first and second quarter performance reports were completed. The third quarter Performance Report was finalised in the fourth quarter. The annual target of 4 was met.
- ▶ **KPI 1.5.2 # of Internal Audit reports on reported Performance information submitted to Performance Audit Committee** The Audit Report on Performance Information for the 4<sup>th</sup> Quarter of the 2010/11 Financial Year was submitted to the Performance Audit Committee meeting held on the 29<sup>th</sup> August 2011. The first and second quarter Audit Reports were finalised and were submitted to the meeting held on the 31<sup>st</sup> January 2012. The third quarter Audit Report was submitted to the meeting held on the 28<sup>th</sup> of July 2012. The annual target of 4 was met.

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- ▶ **KPI 1.5.3 - # of Performance Reports submitted to Mayoral Committee** The 2010/11 Annual Organisational Performance Report was submitted to the Mayoral Committee in the second quarter as the process of oversight and adoption by the Performance Audit Committee was only concluded on the 29<sup>th</sup> of August 2011 and therefore could not be placed on the Agenda of the August Mayoral Committee meeting. The first and second quarter performance reports were finalised and were submitted to the Mayoral Committee meeting held on the 20<sup>th</sup> of January 2012. The third quarter performance report was submitted to the Mayoral Committee meeting held on the 26<sup>th</sup> of July 2012. The annual target of 4 was met.
- ▶ **KPI 1.5.4 - # of formal performance reviews conducted with Section 57 employees** The 2010/11 Annual evaluation of the Section 57 managers was held on the 3<sup>rd</sup> October 2011 for the Managers directly accountable to the Municipal Manager and the 4<sup>th</sup> November 2011 for the Municipal Manager due to the non availability of the external panel members prior to these dates. The 2011/2012 Mid Year evaluation of the Section 57 managers was held on the 21<sup>st</sup> March 2012. The annual target of 2 has been achieved.

## **KPA 2: Basic Service Delivery and Infrastructure Development**

**Strategic Objective: Advanced Community Well-being**

**Programme: Municipal Health Services**

- ▶ **KPI 2.6.1 - # of LM's utilising the Laboratory facility for water sampling testing (annual) (TAS)** – Memorandum of Understanding was entered into with Dipaleseng, Govan Mbeki, Mkhondo and Msukaligwa Local Municipalities. The annual target of 3 was exceeded.

## **KPA 3: Local Economic Development**

**Strategic Objective: Creation of decent jobs, poverty alleviation, sustainable livelihoods and rural development, food security and land reform through LED**

**Programme: Regional Economic Growth**

- ▶ **KPI 3.1.2 - % of Indirect Allocation spend to Tourism and LED initiatives** By the end of the financial year, a total of 94.7% of the indirect allocation had been spent in terms of tourism and LED initiatives. This equated to R 947,033 of the R 1,000,000 annual budget allocation. This figure stood at 75.15% (R 751,468 expenditure) at the end of the third quarter, 55.87% at midyear (R 558,717 expenditure) and only 0.3455% at the end of the first quarter (R 3,455 expenditure). The annual target of 80% was exceeded.

## **KPA 5: Intergovernmental Relations, Good Governance and Public Participation**

**Strategic Objective: Deepen democracy through effectively and efficiently functional Public Participation structures, mechanisms and processes**

**Programme: Ward Committees and CDW's**

- ▶ **KPI 5.2.1 - # of IDP/Budget Izimbizo scheduled and held** - IDP - Budget Consultative meetings held as follows;

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- Mkhondo (10 April 2012)
- Msukaligwa (10 April 2012)
- Dipalasang (11 April 2012)
- Govan Mbeki (11 April 2012)
- Pixley Ka Seme (12 April 2012)
- Lekwa (12 April 2012)
- Albert Luthuli (13 April 2012)

## **Strategic Objective: Resource management internal governance and information**

### **Programme: Governance and Administration**

- ▶ **KPI 5.1.1 - Annual Performance Report submitted to AG (with AFS) on / before 30 August (annual)** - The Annual Performance Report was submitted to the Auditor General with the Annual Financial Statements for Auditing on the 31<sup>st</sup> August 2011.
- ▶ **KPI 5.1.3 - # Shared Services Audit Committee meetings held** – A total of six Shared Services Audit Committee meetings were held during the course of the year. These were on the 29<sup>th</sup> of August, a special meeting on the 26<sup>th</sup> of September, an ad-hoc meeting on the 23<sup>rd</sup> of November 2011, the 31<sup>st</sup> of January 2012, the 30<sup>th</sup> of April 2012 and the 28<sup>th</sup> of June 2012. The annual target of 4 meetings was exceeded.
- ▶ **KPI 5.1.4 - % execution of Risk based Audit Plan in lines with detailed time schedule** - The Risk Based Audit Plan was fully (100%) executed in line with the detailed time schedule during the course of the financial year. The following main activities as per the approved 2011/2012 Annual Internal Audit Plan were completed; Supply Chain Management, Human Resources and Payroll, Performance System and Performance Information, Information Technology, Finance, Financial Statements as well as the Risk Assessment, 3 year Strategic Plan and Operational Plan. It is however to be noted that there were nine areas listed in the Annual Internal Audit Plan, two of which could not be executed due to an urgent request ad-hoc audit being requested by Management. The Audit Committee's authority was requested and approval was obtained (28<sup>th</sup> of June) to amend the timing of the following two audit areas to fall under the 2012/2013 Audit Plan; Administration and Follow up Audits. The annual target of 100% was therefore met.
- ▶ **KPI 5.1.6 - # of workshops conducted to review Risk register** - Reported in the 1st Quarter. Risk Identification and Rating Project conducted during July 2011 and submitted to the 29th Shared Services Audit Committee meeting held and the Risk Management Committee meeting held 23 September 2011 - Refer to 1st Quarter KPI Input Scorecard.
- ▶ **KPI 5.1.7 - # of Risk Committee meetings held** - Risk Management Committee meetings were held on the 23<sup>rd</sup> September 2011, the 20<sup>th</sup> April 2012 and the 21<sup>st</sup> of June 2012. The annual target of 2 meetings was exceeded.
- ▶ **KPI 5.1.12 - % cases reported of corruption, fraudulent or malpractices, investigated within 3 months** – There were no reported cases of corruption, fraud or malpractice as reported by the Legal Division of Corporate Services in the first half of the financial year. In the third quarter, one case of a fraudulent transaction was perpetrated on GSDM's primary bank account on the 17<sup>th</sup> February 2012 which was intercepted and action was immediately undertaken by way of reporting the fraud to the South African Police Department. Another swift action that was undertaken by GSDM in view of the sophisticated Cyber Crime that was perpetrated was to appoint Price Waterhouse Coopers as Council's Forensic Investigators to provide an independent report on the



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actual incidents that occurred. No further instances were reported. The annual target of 100% was achieved.

## **KPA 6: Spatial Rationale and Municipal Planning Alignment**

**Strategic Objective: Stimulate integrated and sustainable shared Regional Development through aligned Spatial Planning**

Programme: IDP

- ▶ **KPI 6.1.1 – Approval of IDP/Budget within Council approved framework** – The 2012/2013 IDP and Budget were approved on the 31<sup>st</sup> of May 2012. The annual target of 100% was achieved.
- ▶ **KPI 6.1.2 – SDBIP approved by Mayor within 28 days after approval of budget** – The 2012/2013 SDBIP was approved 20 days following the approval of the budget on the 20<sup>th</sup> of June 2012. The annual target of 100% was achieved.

The following 3 KPI's did not achieve targets as follows:

## **KPA 5: Intergovernmental Relations, Good Governance and Public Participation**

**Strategic Objective: Create a single window of co-ordination for the support, monitoring and intervention in municipalities in the District**

Programme: Coherent Decision-Making

- ▶ **KPI 5.4.5 - # of IDP Forum meetings held** - IDP Forum meetings were not held in either the first or second quarters. This was due to the lack of commitment and resources available from the Local Municipalities and the availability of a senior management representative to chair the Forum meetings. Scheduled IDP meeting for the third quarter was replaced with an IDP Municipal Alignment Indaba held on the 19<sup>th</sup> and 20<sup>th</sup> of April 2012. The annual target of 4 meetings was not met.

**Corrective Action** – The Director: Planning and LED was appointed in March 2012. This will ensure that departmental requirements are addressed to ensure compliance with legislative requirements.

- ▶ **KPI 5.4.6 - # of Transport Forum meetings held** - The quarterly scheduled transport forum meeting for the 21<sup>st</sup> September 2011 was cancelled due to non-attendance from the local municipalities. The scheduled meeting for the second quarter was also not convened. This Forum is supposed to have LM Local Forum Chairpersons (councillors) as attendees, to discuss issues raised at local Forums, so with new councils coming in, the composition of local Forums was slow and this was compounded by a lack of capacity from the Planning Department. The Department is in the process of getting a Transport Planner appointed hence it was difficult to get organised. The annual target of 4 meetings was not met.

**Corrective Action** – The appointment of General Manager for Planning and Economic Development in March 2012 will ensure that legislative and departmental commitments are achieved.

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## **KPA 5: Intergovernmental Relations, Good Governance and Public Participation**

### **Strategic Objective: Resource management, internal governance and information**

#### **Programme: Governance and Administration**

- ▶ **KPI 5.1.2 - % of AG<sup>7</sup> Management Letter findings resolved (annual)** - A total of 96.15% of the Audit findings raised in the 2009/2010 AG Management Letter (25/26) were resolved. Of the total number of Audit Findings raised by the AG in the 2009/10 Management Letter (26), the following finding was repeated in the 2010/11 AG Management Letter:

*Exception 30: Performance Information - Planned Indicators not well defined and verifiable*

No other 2009/10 Audit Findings were included in the 2010/11 AG Management Letter as such it is accepted that these findings were resolved.

**Corrective Action** – All KPI's included were reviewed during the IDP and SDBIP review cycle. KPI's and Targets included in the 2011/12 IDP and SDBIP were formulated with definitive instructions and measurement criteria to ensure that the SMART criteria is adhered to and reported Performance information can be validated with appropriate with specific POE

The following 1 KPI was zero weighted as follows:

## **KPA 5: Intergovernmental Relations, Good Governance and Public Participation**

### **Strategic Objective: Resource management, internal governance and information**

#### **Programme: Governance and Administration**

- ▶ **KPI 5.1.5 - of Internal Audit findings resolved (annual)** - KPI zero weighted as the planned Follow Up Audit as stipulated in the 2011/12 Annual Internal Audit Plan (Follow Up Audit on implementation of recommendations made by the IA Department) could not be executed due to an urgent ad hoc audit being requested by management. The Zero Weighting applied is justified as approval for the amendment of the timing of the Follow Up Audit to be included in the 2012/13 Annual Internal Audit Plan was authorised and approved by the Shared Services Audit Committee.

<sup>7</sup> Auditor General

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The following 3 KPIs were for reporting purposes only as follows:

## **KPA 3: Local Economic Development**

**Strategic Objective: Creation of decent jobs, poverty alleviation, sustainable livelihoods and rural development, food security and land reform through LED**

**Programme: Regional Economic Growth**

- ▶ **KPI 3.1.1 - % increase in GDP (annual)** – The GDP growth trend stands at 2.5% as reported by the Mpumalanga Department of Finance.
- ▶ **KPI 3.1.3 - % reduction in unemployment (annual)** – The unemployment rate stood at 25.7% in 2007 and has shown an increase to 28.9% in 2010 when the last assessment was made.
- ▶ **KPI 3.1.4 - % reduction in poverty (annual)** – The poverty rate stood at 48.7% in 2007 and has shown an increase to 49.2% in 2010 when the last assessment was made.

## **Budget and Treasury**

The Budget and Treasury Department is responsible for a total of 17 KPI's which contribute to the overall performance level for the National, IDP and SDBIP Scorecards and 5 projects that contribute to the SDBIP Scorecard. The statistics for the Department were as follows;

**Table 42 Budget and Treasury KPI**

Key Performance Indicators						
Scorecard	Total KPIs	Applicable for Reporting:	Reporting Purposes Only	Set to zero weighting	Target Achieved	Under Target
National	1 <sup>8</sup>	1	-	-	1	-
IDP	2	2	-	-	2	-
SDBIP	15	13	-	2	9	4
TAS	0	-	-	-	-	-

<sup>8</sup> National Indicator is included in the IDP Scorecard

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**Table 43 Budget and Treasury Projects**

Projects						
Scorecard	Total Projects	Applicable for Reporting	Not Applicable for Reporting	Set to zero weighting	On Schedule	Behind Schedule
SDBIP	5	5	-	-	4	1

The Department achieved an overall score of **4.03** at the end of the financial year reflecting consistent performance with the third quarter result of **4.04** the mid-year score of **3.97** and the first quarter result of **3.80**. A summary of performance by Key Performance Area is provided below;

**Table 44 Budget and Treasury - Summary Performance**

Departmental Performance	Sep 11			Dec 11			Mar 12			Jun 12		
	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG
<b>Budget and Treasury</b>												
<b>KPA 4: Municipal Financial Viability and Management</b>	3.80	4.00	3.80	4.19	3.00	3.94	4.00	4.00	4.00	4.03	3.60	3.82
<b>KPA 5: Intergovernmental Relations, Good Governance and Public Participation</b>	4.00		4.00	4.50		4.50	4.00		4.00	4.00		4.00

## KPI Performance by Category

The format followed is by Key Performance Area, Strategic Objective and Programme

## National Performance

**KPI 4.4 - % Cost coverage ratio as per IDP regulations 2001 (annual) (NKPI)** - The department reports on 1 KPI as related to **National Performance** in terms of the % Cost Coverage. The detail pertaining to this is provided in the IDP Performance section for this department.

## IDP Performance

This department is responsible for reporting on 2 KPI's as related to **IDP Performance**, both of which achieved target.

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The following KPIs achieved or exceeded target:

## **KPA 4: Municipal Financial Viability and Management**

**Strategic Objective: Improve and sustain Financial, Human Resources and Management Excellence across the District**

**Programme: Budget and Expenditure Management Services**

- ▶ **KPI 4.1 - Unqualified Audit opinion** - As reported in the 2nd Quarter Performance Report. Unqualified Audit Opinion as Expressed through the External Audit Report received from the Offices of the Auditor-General for the year ending June 2011.

In the Auditor-General's opinion the financial statements present fairly, in all material respects, the financial position of the Gert Sibande District Municipality as at 30 June 2011, and its financial performance and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of the MFMA.

- ▶ **KPI 4.4 - % Cost coverage ratio as per IDP regulations 2001 (annual) (NKPI)** - The cost coverage ratio as per the IDP regulations 2001 stood at 119.96% exceeding the annual target of 75%. This was calculated as follows;

*National Composite KPI:  $A = (B+C)/D$  where;*

*A = Cost coverage; B = Bank statement balance as at 30 June 2012; C = investments held as at 30 June 2012; D = present projected operating expenditure<sup>9</sup> for the period July 2012 - September 2012 as projected in the approved 2012/13 SDBIP.*

**B = R 33 285 228**

**C = R 0**

**D = R 27 748 020**

**Cost Coverage =  $\{(R33\ 285\ 228 + R0)/R27\ 748\ 020\} \times 100 = 119.96\%$**

## **SDBIP Performance**

This department reports on 15 KPI's as related to **SDBIP Performance**, of which 2 were zero weighted, 9 achieved target and 4 were under target.

<sup>9</sup> Operating expenditure includes the following line items: Employee related cost, remuneration of Councillors, contracted services and other expenditure

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The following 9 KPI's achieved or exceeded target:

## **KPA 4: Municipal Financial Viability and Management**

**Strategic Objective: Improve and sustain Financial, Human Resources and Management Excellence across the District**

**Programme: Financial Management**

- ▶ **KPI 4.1.1 - % Compliance with accounting standards and systems (GRAP / GAMAP) (annual)** - As reported in the 2nd Quarter Performance Report. Unqualified Audit Opinion as Expressed through the External Audit Report received from the Offices of the Auditor-General for the year ending June 2011.

In the Auditor-General's opinion the financial statements present fairly, in all material respects, the financial position of the Gert Sibande District Municipality as at 30 June 2011, and its financial performance and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of the MFMA.

- ▶ **KPI 4.1.2 - Annual Financial Statements (AFS) submitted to AG on / before 30 August (annual)** - 2010/11 Annual Financial Statements were submitted to the office of the Auditor-General for auditing on the 31st of August 2011. Although the Target was set at 30 August, the statutory deadline for submission of the AFS to the AG for Annual yearend audit purposes is the 31st of August (Annually). As the Financial Statements were completed and submitted to the Offices of the Auditor-General within the statutory deadline a score equal to Target has been allocated.
- ▶ **KPI 4.1.3 - % compliance to MFMA checklist on Quarterly basis** - 100% Compliance to the 1st, 2nd and 3rd Quarter MFMA Implementation and Monitoring Checklist was achieved, meeting the annual target.

## **KPA 4: Municipal Financial Viability and Management**

**Strategic Objective: Improve and sustain Financial, Human Resources and Management Excellence across the District**

**Programme: Budget and Expenditure Management Services**

- ▶ **KPI 4.2.5 - # of days for tender turn-around time for projects in excess of R500, 000** - An average of 47.37 working days was taken for tender turn-around for projects in excess of R 500,000 (Direct Allocation to LM's only) against the predetermined target of 90 days. (This excludes the appointment of consultants).

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**Table 45 Tender Turn Around Time - Projects**

BAC	Tender Closure Date	BAC Approval Date	Days
19/2011	12/08/2011	12/10/2011	44
24/2011	23/09/2011	22/11/2011	43
29/2011	08/07/2011	26/10/2011	79
37/2011	30/09/2011	22/11/2011	38
30/2011	11/11/2011	17/01/2012	34
31/2011	11/11/2011	17/01/2012	34
32/2011	04/11/2011	17/01/2012	39
45/2011	28/10/2011	17/01/2012	44
46/2011	28/10/2011	17/01/2012	44
47/2011	21/10/2011	17/01/2012	49
28/2011	11/11/2011	19/01/2012	36
44/2011	15/12/2011	19/01/2012	12
02/2012	21/10/2011	10/01/2012	67
02/2012	28/10/2011	10/02/2012	62
20/2011	29/11/2011	24/04/2012	92
39/2011	17/01/2012	24/04/2012	48
07/2012	16/03/2012	24/04/2012	28
33/2011	16/03/2012	17/05/2012	45
02/2012	28/10/2011	10/02/2012	62

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- **KPI 4.2.6 - % BEE procurement as per BBEE<sup>10</sup> Scorecard incorporated in Bid document (over R200, 000)** – A total of 65.85% of contracts that were in excess of R 200,000 were awarded to contractors who are 50% or more black owned as per the BBEE scorecard. The annual target was set at 60%.

**Table 46 BEE Procurement**

BAC	Contractor	% Black Ownership
19/2011	Sibonga Civils	100%
22/2011	Just Right Trading	100%
24/2011	Favu Projects	100%
29/2011	T Julius Main Reason JV	100%
37/2011	Just Right Trading	100%
30/2011	Bareng Batho JV	100%
31/2011	V Dan Construction	100%
32/2011	Zondle Trading	100%
45/2011	Mzamo	100%
46/2011	Jonker Contractors	50%
47/2011	Imphophoma	100%
23/2011	V Dan Construction	100%
02/2012	Imphophoma	100%
02/2012	Jonker Contractors	50%

<sup>10</sup> Broad Based Black Economic Empowerment



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BAC	Contractor	% Black Ownership
02/2012	Mzamo	100%
20/2011	Mukhumuli	100%
39/2011	SA Water	100%
01/2012	Goodfuture Trading	100%
01/2012	Molari Trading	100%
01/2012	Singabakhe	100%
01/2012	Simende Construction	100%
01/2012	JB Sibeko	100%
01/2012	Buhle B Jehova	100%
01/2012	Subozapo Trading	100%
01/2012	Sunnierside	100%
01/2012	Lwakhe Projects	100%
01/2012	Dim Logistics	100%

- ▶ **KPI 4.4.1 - % of total Operating Budget spend** - Operating expenditure stood at 85.28% at the financial year against the annual target of 85%. This equated to expenditure in the amount of R 98,942,170 against the annual budget of R 116 296,290. This stood at 19.10% at the end of the first quarter (R 22,209,340), 32.46% at mid-year (R 37,745,465) and 57.78% (R 67,030,841) at the end of the third quarter.
- ▶ **KPI 4.4.3 - Surplus funds invested (Target of 100%)** - All available funds have been invested as detailed in KPI reference: 4.4.4 and no additional funds were available to invest as demonstrated in the table below:

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**Table 47 Surplus Funds**

Period	Projected Expenditure	Cash Available	Cash Book Balance Date	Surplus Funds
August – October 2011	R 79,939,857	R 42,202,699	31/07/2011	NO
September – November 2011	R 86,755,102	R 36,811,810	31/08/2011	NO
October – December 2011	R 89,284,910	R 32,885,386	30/09/2011	NO
November – January 2012	R 90,375,240	R 35,716,421	31/10/2011	NO
December – February 2012	R 81,748,612	R 18,748,612	30/11/2011	NO
February 2012 – April 2012	R 76,403,458	R 47,545,045	31/01/2012	NO
March 2012 – May 2012	R 79,225,233	R 40,087,066	29/02/2012	NO
April 2012 – June 2012	R 79,227,992	R 57,571,326	31/03/2012	NO
May 2012 – July 2012	R 71,364,811	R 52,022,770	31/04/2012	NO
June 2012 – August 2012	R 62,112,250	R 48,400,914	31/05/2012	NO
July 2012 – September 2012	R 61,779,075	R 35,568,863	30/06/2012	NO

- **KPI 4.4.4 - % of Investments made held to maturity** - All (100%) investments made were held to maturity during the course of the financial year, exceeding the annual target of 70%. Detail pertained to the investments that matured was as follows;

**Table 48 Matured Investments**

Maturity Date	Institution	Investment Number
16 August 2011	Standard Bank	038/78/6826/070
	ABSA Bank	20/7156/3512
	Nedbank	03/7881010649/000077
	RMB	161097/1
16 September 2011	Standard Bank	038/786/826/072
	ABSA Bank	20/7156/3546
	Nedbank	03/7881010649/000078
	RMB	161997/0
16 October 2011	Standard Bank	038/786/826/073
	ABSA Bank	20/7156/3570

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Maturity Date	Institution	Investment Number
	Nedbank	03/7881010649/000079
	RMB	161101/0
20 January 2012	Standard Bank	038/786/826/070
	ABSA Bank	20/7192/4954
	Nedbank	03/7881010649/000080
	FNB	74273912318
20 February 2012	Standard Bank	038/786/826/072
	ABSA Bank	20/7192/4938
	Nedbank	03/7881010649/000081
	FNB	742739113514
19 March 2012	Standard Bank	038/786/826/072
20 March 2012	Standard Bank	038/786/826/073
	ABSA Bank	20/7192/4920
	Nedbank	03/7881010649/000082
	FNB	74337427419
23 March 2012	Nedbank	03/7881010649/000081
	ABSA Bank	20/7222/2543
23 April 2012	Nedbank	03/7881010649/000084
	RMB	170573/0
18 May 2012	Standard Bank	038/786/826/072
	ABSA Bank	2072222577
	Nedbank	03/7881010649/000085
	RMB	170575/0
15 June 2012	Standard Bank	038/786/826/073
	ABSA Bank	2172222454
	Nedbank	03/7881010649/000086
	RMB	170577/0

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## **KPA 5: Intergovernmental Relations, Good Governance and Public Participation**

**Strategic Objective: Create a single window of co-ordination for the support, monitoring and intervention in municipalities in the District**

**Programme: Coherent Decision-Making**

- **KPI 5.4.1 - # CFO forum meetings convened** -A total of four CFO (Chief Financial Officer) Forum meetings were held during the course of the financial year. These were on the 20<sup>th</sup> of July, the 27<sup>th</sup> of October, the 15<sup>th</sup> of November 2011 and the 5<sup>th</sup> of July 2012. The scheduled fourth quarter meeting was delayed but held during the first week in July as a result of year end deadlines. The third quarter meeting was cancelled as a National Council of Provinces meeting was held within the District. Two meetings were however held in the second quarter. The annual target of 4 meetings was met.

The following 4 KPI's did not achieve targets as follows:

## **KPA 4: Municipal Financial Viability and Management**

**Strategic Objective: Improve and sustain Financial, Human Resources and Management Excellence across the District**

**Programme: Budget and Expenditure Management Services**

- **KPI 4.2.1 - % of Direct Allocation Capital Budget spend (LM's allocation)** - The expenditure of the Direct Allocation Capital Budget stood at 80.79% at the end of the financial year, against the annual target of 90%. This equated to expenditure in the amount of R 91,942,992 against the annual budget of R 113,802,992. This stood at 206% at the end of the first quarter (R 22,943,276 / R 11,121,980), 109.61% (R 35,550,477 / R 32,434,881) at mid-year and 78.53% (R 59,727,670 / R 76,056,489) at the end of the third quarter.

**Corrective Action** - Material under expenditure relates to the following projects:

1. R 1,080,508 - SEWER UPGRADE KHAYELIHLE (Vote 150 256609): Project transferred. Consultant appointed. Awaiting BAC approval.
2. R 881,389 - LEANDRA ROADS (Vote 160 256611): Planning 100%, Construction 99%, Contractor has completed the portion where interlocking paving was required, what is pending is the portion where asphalt is needed. There has been a delay due to supply shortage of the asphalt. Expected completion end July 2012.
3. R 1,314,508 - EMZINONI ROADS (Vote - 160 256612): Phase 1 & 2 of this project by MT Zondo is practically completed, only storm-water pipeline that is pending. Phase 3, Planning 100%, Construction 95%. Contractor completed the earthworks and kerbing, currently busy with paving. Expected completion end August 2012. Project transferred.
4. R 1,167,173 - KINROSS ROADS (Vote 160 256616): Planning 100%, Construction 65%, Contractor has established site, completed the earthworks; busy with the kerbing and paving. Expected completion end August 2012. Project transferred.
5. R 1,106,125 - AMSTERDAM/KWATHANDEKA ROADS (Vote 172 256619): Contractor appointed. Construction in progress. Additional funding of R 1,300,000 provided in 2012/13. Overall progress (Phase 1 & 2) is 80%. Project transferred.
6. R 975,006 - AMSTERDAM SEWER (Vote - 172 256623): Contractor appointed. Construction in progress. Construction progress is 45%. Transferred project.

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7. R 1,500,000 - SAKHILE UPGRADING STADIUM (Vote 180 256628): Planning 100%. Site handed over to the contractor on 9th of May 2012. Removal of old materials completed. 170m of 1.8m high galvanized welded mesh fence has been installed and Contractor is currently busy with infield barrier security fence. Expected completion date for GSDM funding end August 2012. Project transferred.
8. R 942,048 - SIYATHEMBA UPGRAD/REFURB ROADS (Vote - 184 256528): Planning 100%, Construction 100%. Contractor has completed the paving and kerbing for 1.0km. There's going to be an extension for Contractor to do another 400m road, designs from the Consultant Engineer has been submitted to us. The extension for the Contractor to be effected administratively. Expected completion end August 2012. Project transferred.
9. R 829,207 - VUKUZAKHE SEWER TREATMENT PLANT (Vote - 190 256641): Consultant appointed. Awaiting BAC approval. Project transferred.

- **KPI 4.2.2 - % of total GSDM Capital Budget spend** - Expenditure of the annual capital budget stood at 86.40% against the target of 90% of the projected expenditure for the year. This equated to actual expenditure in the amount of R 35,727,511 of the budgeted R 41,350,136.

**Corrective Action** – Under expenditure on the following budgeted line items:

1. R 918,303 (Furniture & Equipment - Vote 411 305040): All equipment procured that was required.
2. R 2,911,755 (Disaster Centres - Vote 411 305060): Awaiting BAC approval, Project construction to commence August 2012.
3. R 613,426 (Laboratory Equipment - Vote 411 305096): Did not receive acceptable tenders. Tender to be re-advertised.
4. R 1,228,846 (Construction vehicles - Vote 411 305110): All equipment procured which was required.

- **KPI 4.4.2 - % of Indirect allocation spend** - Expenditure of the Indirect Allocation stood at 81.60% of the forecasted expenditure for the financial year. This equated to expenditure in the amount of R 24,394,073 of the forecasted R 29,895,840. At the end of the first quarter the expenditure against forecast stood at 69% (R 3,211,077 / R 4,649,000) , at mid-year it stood at 79.23% (R 9,581,988 / R 12,093,845) and at the end of the third quarter it stood at 66.57% (R 11,985,799 / R 18,005,404).

**Corrective Action** – Material under expenditure relates to the following projects as reported in the monthly SDBIP document submitted to the Mayoral Committee:

1. R 174,284 - TRAINING WWTP OPERATORS - LM'S (Vote 111 256033): Funding to be reallocated.
2. R 894,795 - BURSARIES (Vote 112 256007): Awaiting invoices accruals - remaining funds to be re-allocated
3. R 400,000 - REVENUE COLLECTION/DATA CLEANS (Vote 112 256009): Procurement to be effected in new financial year
4. R 184 405 - IT FOR THE REGION (Vote 112 256 025): Work to be commenced pending appointment of security advisors.
5. R 375,963 - REVIEW ORGANIGRAMS/TASK LM'S (Vote - 112 256036): Awaiting requests from LM's.

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6. R 254,568 - MUNICIPAL HEALTH & ENVIROMENT (Vote - 113 256017): There is a shortage of staff resulting from resignations of District staff and the withdrawal of 24 seconded Provincial staff members by the Department of Health.
7. R 126,504 - PLANNING GERT SIBANDE VILLAGE (Vote - 115 256544): Consultant for feasibility study completed (ITS).
8. R 949,976 - PLANNING (Vote - 115 256106): Feasibility study airport – ongoing.
9. R 150,356 - CO-OPERATIVES (115 256 107): Anticipated expenditure did not realise.
10. R 490,216 - RURAL AND AGRI DEVELOPMENT (Vote 115 256 108): Agricultural unit not fully functional.
11. R 108,681 - WOMEN'S DEVELOPMENT CAPACITY (Vote 116 256013): Program was in the office of the speaker. It is only transferred towards the end of financial year.

## Programme: Financial Management

- ▶ **KPI 4.1.4 # of Section 71 Reports submitted to Mayoral Committee** – Only eleven (11/12) of the monthly Section 71 reports were submitted for comment to the scheduled Mayoral Committee meeting, although all 12 section 71 reports were completed.

**Corrective Action** – The February 2012 Report on Financial Performance was prepared and finalised for submission to the Mayoral Committee meeting. This report was submitted to the Corporate Services Department for inclusion in the Mayoral Committee Agenda but was inadvertently not included in the agenda. However YTD figures up to March 2012 were submitted to the Mayoral Committee meeting and the MPAC<sup>11</sup> Committee meeting.

The following 2 KPI's were zero weighted as follows:

## KPA 4: Municipal Financial Viability and Management

**Strategic Objective: Improve and sustain Financial, Human Resources and Management Excellence across the District**

## Programme: Budget and Expenditure Management Services

- ▶ **KPI 4.2.3 % Municipal Infrastructure Grant (MIG) spend - Pixely Ka Seme (annual)** – Projects GSDM 33 & 35/2010 - Upgrading of Roads in Amersfoort and Wakkerstroom respectively was implemented as counter funding for MIG by entering into a service level agreement with the Local Municipality. Subsequent to that the adjustment budget indicated that this funding will be received as an income to GSDM which never materialized as the Local Municipality paid out the consultant and contractor directly.

After discussions with the Office of the CFO it was recommended that the income for these respective projects i.e. R 1,700,613 and R 3,935,083 respectively as reflected in the approved adjustment budget be taken out as the income never materialized to GSDM.

**KPI 4.2.4 # of days for tender turn-around time for projects under R 500,000** – Detail of BAC approvals for the period July 2011 - June 2012 (R 200,000 – R 500,000):

<sup>11</sup> Municipal Public Account Committee

# Chapter 3

BAC 01/2012 - 118 working days\*

\* BAC item excluded for reporting purposes. As a result of cost saving initiatives of capital projects for implementation within the 2011/12 financial year as well as a change in strategy for implementing projects, specifically the management of projects for the construction of VIP toilets internally, the Gert Sibande District Municipality withdrew the appointment of consultants accordingly. Subsequent to legal proceedings entered into by consultants on the withdrawal of their appointment it was recommended that provision be made to allow the appointed consultants to continue to provide professional services based on the generic designs. This delayed the procurement process for the appointment of contractors and project approval needed to be obtained from the Mayoral Committee. In light of the extraordinary circumstances the above BAC item has been excluded for reporting purposes.

## Corporate Services

The Corporate Services Department is responsible for a total of 17 KPI's which contribute to the overall performance level for the National, TAS, IDP and SDBIP Scorecards and 1 project which contributes to the SDBIP Scorecard. The statistics for the Department were as follows;

**Table 49 Corporate Services KPI**

Key Performance Indicators						
Scorecard	Total KPIs	Applicable for Reporting	Reporting Purposes Only	Set to zero weighting	Target Achieved	Under Target
National	2 <sup>12</sup>	2	-	-	1	1
IDP	5	5	-	-	1	4
SDBIP	12	11	-	1	3	8
TAS	6 <sup>13</sup>	6	-	-	3	3

<sup>12</sup> The 2 National KPIs are included in the IDP Scorecard

<sup>13</sup> 1 TAS KPI is included in the IDP Scorecard and 5 are included in the SDBIP Scorecard

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Table 50 Corporate Services Projects

Projects						
Scorecard	Total Projects	Applicable for Reporting	Not Applicable for Reporting	Set to zero weighting	On Schedule	Behind Schedule
SDBIP	1	1	-	1	-	-

The Department ended the financial year with an overall score of **2.46**, reflecting a decrease in performance from the third quarter result of **3.05**, the mid-year result of **3.60**, and the first quarter result of **4.26**. A summary of performance by Key Performance Area is provided below;

Table 51: Summary Performance – Corporate Services

Departmental Performance	Sep 11			Dec 11			Mar 12			Jun 12		
	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG
Corporate Services												
KPA 1: Municipal Transformation and Institutional Organisational Development	5.00		5.00	3.36	0W	3.36	3.36	0W	3.36	2.05	0W	2.05
KPA 5: Intergovernmental Relations, Good Governance and Public Participation	4.01		4.01	4.33		4.33	3.58		3.58	3.51		3.51

## KPI Performance by Category

The format followed is by Key Performance Area, Strategic Objective and Programme

## IDP Performance

This department reports on 5 KPIs as related to **IDP Performance**, of which all were applicable for reporting in this period. Only 1 KPI achieved target and 4 did not achieve target. Detail is as follows;

The following 1 KPI exceeded its target:

### *KPA 1: Municipal Transformation and Institutional Organisational Development*

*Strategic Objective: Improve and sustain Financial, Human Resources and Management Excellence*



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## Programme: Skills Development and Capacity Building

- ▶ **KPI 1.4 - % budget spent on implementing the Workplace Skills Plan (annual) (NKPI)** – A total of 99.51% of the budget was utilised (R 298,535 / R 300,000) exceeding the annual target of 75%.

The following 4 KPI's did not achieve target:

## KPA 1: Municipal Transformation and Institutional Organisational Development

### Strategic Objective: Improve and sustain Financial, Human Resources and Management Excellence

#### Programme: Institutional Capacity

- ▶ **KPI 1.1 - % of employees who are satisfied with their working environment (annual)** – No assessment was conducted. A draft questionnaire was developed at the end of October 2011 and submitted for comment with the intention of rolling out the form to all staff members on their resumption of work in January 2012. The schedule was then planned that the 3rd quarter would be employed to complete and evaluate the returned questionnaire and make the findings known in the 4th quarter. Subsequently, the HOD, J. Maseko was seconded in January 2012 to the Dipalaseng municipality as acting MM for a period of (3) months. Although an acting CS HOD was appointed, his tenure of appointment only lasted a few months, when another acting HOD was appointed. Mr. Maseko's secondment has been extended and he is still currently based in Dipalaseng. The outcome of this uncertain leadership vacuum resulted in the daily operation of the Corporate Services department functioning, to the detriment of strategic issues.
- ▶ **Corrective Action:** It is the department's intention to finalise the draft questionnaire in the 1st quarter of 2012/13 and circulate it to all staff members during the 2nd quarter. The evaluation will be concluded in the 3rd quarter and the results of the survey made public.
- ▶ **KPI 1.2 - % of employees from previously disadvantaged groups appointed in the three highest levels of management as per the approved EE plan (NKPI)** – A total of 67.86% of employees (19/28) in the three highest levels of management are from previously disadvantaged groups against the annual target of 70%.
- ▶ **Corrective Action:** Not applicable as the actual is only marginally below target.

#### Programme: ICT Services

- ▶ **KPI 1.3 - % Implementation of King 3 recommendations as it relates to IT risk assessment** - No (0%) progress was made with the implementation of the King 3 recommendations. The challenges incurred during the year were as follows; No continuity in management during the year as the HOD: CS was seconded to Dipalaseng. Two acting HOD's were appointed during the financial year disrupting IT planning and operations. The Senior Manager: IT was too involved in daily operations due to the critical vacancy of IT Manager not being filled and therefore unable to delegate day to day operations.

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**Corrective Action:** Implementation of mitigating/intervention measures included in the 2012/13 Risk register to be addressed during the new financial year. In addition PWC has been appointed for a complete gap analysis and risk review with recommendations to ensure that IT objectives are aligned to business objectives. This process is currently underway.

## **KPA 5: Intergovernmental Relations, Good Governance and Public Participation**

**Strategic Objective: Deepen democracy through effectively and efficiently functional Public Participation structures, mechanism and processes**

**Programme: Ward Committees & CDWs**

- ▶ **KPI 5.2 - % of Indirect Allocation spend on Community Participation (TAS)** - The Indirect Allocation spent on Community Participation by the end of the financial year stood at 96.62%. Actual expenditure was in the amount of R 1,923,363 of the total budget for Indirect Allocation of R 2,000,000. Expenditure stood at R 715,285 at the end of the first quarter, R 930,000 at mid-year and R 1,529,980 at the end of the third quarter.
- ▶ **Corrective Action** – Under expenditure not deemed material as all activities for the year have been finalised.

### **National Performance**

The department reports on 2 KPIs as related to **National Performance**. 1 KPI achieved target and 1 KPI did not achieve target. Detail pertaining to these is covered under the IDP Performance section (KPIs appended with NKPI).

### **TAS Performance**

The department reports on 6 KPIs as related to **TAS Performance**. A total of 3 KPI's achieved target and 3 KPI's did not achieve target. Detail pertaining to these is covered under the IDP and SDBIP Performance sections (KPIs appended with TAS).

### **SDBIP Performance**

This department reports on 12 KPI's as related to **SDBIP Performance**, of which 1 KPI was zero weighted. Of the remaining 11 KPI's, 3 achieved their targets and 8 were under target.

**The following 3 KPI's achieved or exceeded target:**

## **KPA 1: Municipal Transformation and Institutional Organisational Development**

**Strategic Objective: Improve and sustain financial, human resources and management excellence**

**Programme: Skills Development and Capacity Building**

# Chapter 3

- ▶ **KPI 1.4.1 - % skills levy received in rebate from LG SETA (annual) (TAS)** - A total of 54.06% was received in rebate from the SDL<sup>14</sup> paid to SARS<sup>15</sup>, exceeding the annual target of 50%. This equated to R 263,615.00 of the total amount paid of R 487,666.38.

## **KPA 5: Intergovernmental Relations, Good Governance and Public Participation**

**Strategic Objective: Develop internal and external stakeholder relationships and partnerships**

**Programme: Governance and Administration**

- ▶ **KPI 5.3.1 - # of Council committee meetings minutes approved (TAS)** - The scheduled four quarterly Council Committee meetings were held and the minutes approved at the subsequent meeting. The annual target of 4 meetings was achieved.

**Strategic Objective: Resource management internal governance and information**

**Programme: Governance and Administration**

- ▶ **KPI 5.1.10 - # of Mayoral committee meetings minutes approved (TAS)** - A total of eleven Mayoral Committee meetings were held during the course of the financial year (Q1: 3 meetings, Q2: 2 meetings, Q3: 3 meetings and Q4: 3 meetings) and the minutes were approved at the subsequent meeting. The annual target of 11 meetings was achieved.

The following 8 KPI's did not achieve target as follows:

## **KPA 1: Municipal Transformation and Institutional Organisational Development**

**Strategic Objective: Improve and sustain financial, human resources and management excellence**

**Programme: Institutional Capacity**

- ▶ **KPI 1.1.1 – Review GSDM organisational structure (annual)** – The review did not take place during the 2011/2012 financial year. According to the Municipal Systems Act 32 of 2000, section 66 (a)(c) the municipal manager "must approve a staff complement for the municipality". At the time of the budget development the then municipal manager was in an acting capacity; monthly, as his contract had expired. The decision was subsequently taken to utilise the updated 2011/12 organogram for budgetary purposes, although not formally endorsed.

**Corrective Action:** The organogram for the 2013/14 financial year needs to be compiled and approved by the municipal manager prior to commencement of the budget process to ensure that it informs the correct calculation for staff remuneration and benefit costs and complies with the provisions stated in the MSA 32 of 2000.

- ▶ **KPI 1.1.2 - % critical vacant positions filled (3 highest levels of management) (TAS)** - A total of 33.22% (4/12) of the critical vacant positions in the three highest levels of management were filled against the annual target of 70%.

<sup>14</sup> Skills Development Levy

<sup>15</sup> South African Revenue Service

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**Corrective Action** – The target set for the 2011/12 financial year on reflection represented a very optimistic viewpoint as several of the vacant positions budgeted were subsequently placed on hold as a result of major changes within the higher echelons of the administration. Taking cognisance of the fact that the 2012/13 organogram has not been approved by the acting municipal manager, a more conservative standpoint was taken and the target was lowered to 40% for the current financial year.

- ▶ **KPI 1.1.3 - % vacant positions filled (total organisation, levels 4 and above)** - By the end of the financial year, only 14.63% (6/41) of the vacant positions had been filled (post level 4 and above) against the annual target of 80%.

**Corrective Action** – The target set for the 2011/12 financial year on reflection represented a very optimistic viewpoint as several of the vacant positions budgeted were subsequently placed on hold as a result of major changes within the higher echelons of the administration. Taking cognisance of the fact that the 2012/13 organogram has not been approved by the acting municipal manager, a more conservative standpoint was taken and the target was lowered to 40% for the current financial year.

- ▶ **KPI 1.1.4 - % staff turnover rate YTD** - The staff turnover rate stood at 7.25% at the end of the financial year, being in excess of the targeted maximum of 5%. The turnover rate stood at 0.76% for the first quarter, 2.22% at mid-year and 5.19% for the third quarter.

Table 52 Staff turnover rate

Employee	Employee Number	Resignation Date
E Potgieter	0045	31 August 2011
TM Magagula	0046	31 October 2011
ZC Memela	0107	30 November 2011
FN Slthole	0197	30 January 2012
PN Mthembu	0150	01 February 2012
R Borah	0217	24 February 2012
EN Muanza	0245	30 March 2012
NM Nyathela	0012	26 April 2012
BL Brown	0179	30 June 2012
LSM Rabopape	0186	30 June 2012

**Corrective Action** – The high staff turnover rate is most probably influenced as a direct result of the re-location of the offices from Secunda to Ermelo. The municipality implemented various remedial interventions to minimise the impact of the re-location through in-depth negotiations, flexi

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work hours, subsidised transport etc, but an out flux of a percentage of the staff was a consequence that had to be anticipated and accepted. For the next financial year the trend is expected to normalise.

- ▶ **KPI 1.2.1 - % achievement for Gender Equity (annual)** – Women represent 50% (71/142) of the staff complement. This figure is just below the annual target of 55%.

**Corrective Action** – Not applicable. Actual marginally below target.

## Programme: Institutional Capacity

- ▶ **KPI 1.3.1 - % of AG computer information systems audit findings resolved (annual)** – The following exceptions were raised in the 2009/10 AG Management Letter:

- Ex 69 - IT service performance
- Ex 70 - IT security
- Ex 71 - IT continuity and disaster recovery
- Ex 72 - User access control
- Ex 73 - Backups
- Ex 74 - Operating system security

None (0%) of the audit findings were resolved in the current year. 2009/10 AG Computer Information audit findings raised are in the process of being addressed with the assistance of an external service provider appointed to undertake a full systems and processes gap analysis. The operation's of the IT Department was disrupted with the perpetration of a fraudulent transaction on GSDM's primary bank account during the financial year (Refer to MM Scorecard - KPI ID: 5.1.12). The IT department's resource's was heavily allocated in order to assist with the subsequent investigation while keeping systems on line to maintain business operations.

**Corrective Action:** The department has not forwarded a progress report to update the status of intervention measures implemented to correct the audit findings raised by the AG's office. In the interim Price Waterhouse Coopers has been appointed during the 4th quarter to conduct a comprehensive evaluation of the current ICT systems and to develop a plan of action to address the current shortcomings in processes and controls.

## KPA 5: Intergovernmental Relations, Good Governance and Public Participation

### Strategic Objective: Resource management internal governance and information

#### Programme: Governance and Administration

- ▶ **KPI 5.1.8 - % of existing approved Council policies reviewed and or updated and re-submitted to Council (annual) (TAS)** – – The KPI is measured in two phases the first of which relates to the reviewing process of the policy with a weighting of 80%, and the second phase the submission to Council, weighting 20%. 18 existing policies from 19 Council approved were reviewed reflecting an achievement of 79.79%, as follows;

- Budget Policy
- Supply Chain Management Policy
- Fixed Asset Policy
- Fraud Prevention Plan

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- Cash Management and Investment Policy
- Risk Management
- Recruitment, Selection, Appointments, Transfers, Demotions and Promotions
- Training and Development
- Vehicle policy
- Employee Assistance Programme
- Induction of New Employees
- Employee Conditional Study Grant
- Experiential Training, Volunteerism and Internship
- People with Disability
- Compensation for Occupational Diseases and Injuries
- Catering and Refreshments
- Consumption of Alcohol or any Abusive Substance
- IT Policy

**Corrective Action:** All reviewed policies to be submitted to the Policy Portfolio Committee during the 2nd week in July 2012 and scheduled for submission in the 1st Quarter scheduled Council meeting.

► **KPI 5.1.9 - % of new policies developed and submitted to Council (annual)** – The KPI is measured in two phases the first of which relates to the drafting process of the policy with a weighting of 80%, and the second phase the submission to Council, weighting 20%. 13 policies were identified for, only 8 were developed reflecting an achievement of 49,23% namely;

- Telephone usage;
- Sexual Harassment;
- Smoking Policy;
- Relocation Policy;
- Standby Policy;
- Travelling Policy;
- HIV Policy;
- Standing Orders Policy

None of the above policies were submitted to Council.

**Corrective Action:**

Outstanding policies awaiting internal comments before submission to the Policy Portfolio Committee meeting scheduled for July 2012.

**The following 1 KPI was zero weighted as follows:**

**KPA 5: Intergovernmental Relations, Good Governance and Public Participation**

**Strategic Objective: Resource management internal governance and information**

**Programme: Governance and Administration**

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- ▶ **KPI 5.1.11 - # of Portfolio committee meetings minutes approved** – This target is relevant to the 2012/2013 financial year.

## Community and Social Services

The Community and Social Services Department is responsible for a total of 29 KPI's which contribute to the overall performance level for the TAS, IDP and SDBIP Scorecards and 4 Projects which contribute to the SDBIP Scorecard. The statistics for the Department were as follows;

**Table 53 Community and Social Services KPI**

Key Performance Indicators						
Scorecard	Total KPIs	Applicable for Reporting	Reporting Purposes Only	Set to zero weighting	Target Achieved	Under Target
National	0	-	-	-	-	-
<b>IDP</b>	<b>7</b>	<b>6</b>	-	<b>1</b>	<b>2</b>	<b>4</b>
<b>SDBIP</b>	<b>22</b>	<b>20</b>	<b>1</b>	<b>1</b>	<b>7</b>	<b>13</b>
<b>TAS</b>	<b>6<sup>16</sup></b>	<b>6</b>	-	<b>2</b>	<b>1</b>	<b>3</b>

**Table 54 Community and Social Services Projects**

Projects						
Scorecard	Total Projects	Applicable for Reporting	Not Applicable for Reporting	Set to zero weighting	On Schedule	Behind Schedule
<b>SDBIP</b>	<b>4</b>	<b>4</b>	-	-	<b>1</b>	<b>3</b>

The Department ended the financial year with an overall score of **2.84** reflecting similar performance to the third quarter result of **2.73**, but reflecting a decrease from the mid-year result of **3.65** and the first quarter result of **3.35**. A summary of performance by Key Performance Area is provided below;

<sup>16</sup> 4 TAS KPIs are included in the IDP Scorecard and 3 TAS KPIs are included in the SDBIP Scorecard

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Table 55: Summary Performance –Community and Social Services

Departmental Performance	Sep 11			Dec 11			Mar 12			Jun 12		
	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG
Community and Social Services												
KPA 2: Basic Service Delivery and Infrastructure Development	2.56	4.00	2.56	2.46	4.00	2.46	1.84	1.34	1.59	2.65	2.34	2.50
KPA 5: Intergovernmental Relations, Good Governance and Public Participation	3.17		3.17	4.01	4.00	4.09	3.97	2.00	4.07	3.85	1.00	2.43
KPA 6: Spatial Rationale and Municipal Planning Alignment	NA		NA	NA		NA	NA		NA	2.43		2.43

## KPI Performance by Category

The format followed is by Key Performance Areas, Strategic Objective and Programme

## IDP Performance

This department reports on 7 KPI's as related to **IDP Performance**, of which 1 KPI was zero weighted. Of the remaining 6 KPI's, 2 achieved their targets and 4 were under target as follows:

The following 2 KPI's achieved or exceeded target:

### *KPA 2: Basic Service Delivery and Infrastructure Development*

**Strategic Objective: Advanced Community Well-being**

**Programme: Community Health and Social Development**

- ▶ **KPI 2.9 - # of District AIDS Council (DAC) meetings held**– A total of six District Aids Forum meetings were held on the 12<sup>th</sup> of July 2011, the 24<sup>th</sup> of November 2011, the 15<sup>th</sup> of March 2012, the 24<sup>th</sup> of May 2012, the 19<sup>th</sup> of June 2012 and the 26<sup>th</sup> of June 2012. This exceeded the annual target of 4 meetings.

### *KPA 5: Intergovernmental Relations, Good Governance and Public Participation*

**Strategic Objective: Develop internal and external stakeholder relationships and partnerships**

**Programme: Governance and Administration**



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- **KPI 5.3 - # of quarterly Council meetings attended by one or more traditional leaders** - A total of six Council meetings were held during the course of the financial year, exceeding the annual target of four which were all attended by traditional leaders as follows;

**Table 56 Quarterly Council Meetings**

Council Meeting Date	Traditional Leaders who attended
28/06/2011	TP Mthethwa
25/08/2011	J Malazi S Mbisi A Tshabalala
16/09/2011 (Special Meeting)	TP Mthethwa J Malazi S Mnisi F Nkosi
12/02/2012	IKJ Malaza ISM Mnisi IFL Msibi MLE Moloji ITB Mthethwa
03/04/2012 (Special Meeting)	IKJ Makaza ISM Mnisi IJV Nhlapo IFL Msibi ITB Mthethwa
25/04/2012 (Special Meeting)	ISM Mnisi IFL Msibi ITB Mthethwa

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The following 4 KPIs did not achieve target:

## **KPA 2: Basic Service Delivery and Infrastructure Development**

### **Strategic Objective: Advanced Community Well-being**

#### **Programme: Integrated Waste Management Planning**

- ▶ **KPI 2.4 - % review of the Integrated Waste Management Plan (annual) (TAS)** - Due to the shortage of staff within the Municipal Health Department, administrative functions such as revision of the Integrated Waste Management could not be attended to. This KPI has been included in the 2012/13 IDP.

**Corrective Action** – Review organogram to cater for appointment of EHP's. Minimum number of 20 EHP's needed to execute mandate of Municipal Health Services.

The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.

### **Strategic Objective: Advanced Community Well-being**

#### **Programme: Disaster Management and Safety**

- ▶ **KPI 2.5 - Submission of business plan to source funding to operationalise (3) completed Disaster Management Units (annual) (TAS)** – Business Plans not developed in the absence of Memorandum of Understanding (MOU's) entered into with the relevant Local Municipalities.

**Corrective Action** – Currently in the process of drafting MOU's for Dipaleseng and Mkhondo which is one of the KPI's included in the 2012/13 IDP and progress will be monitored in the new year.

#### **Programme: Municipal Health Services**

- ▶ **KPI 2.8 - # of planned MHS<sup>17</sup> Sectoral forums held** – A total of three Forum meetings were held on the 29th of August 2011, the 23rd of February 2012 and the 31st of May 2012. The CSS Department could only provide minutes for 3 of the 4 MHS Sectoral Forum meetings held during the year. In the absence of an administrator the administration function was allocated to various EHP's<sup>18</sup> within the department of which many are situated at the Local Municipal Offices. POE could not be provided to the PMS Unit to substantiate any additional meetings held during the financial year.

**Corrective Action** – Review organogram to cater for appointment of EHP's. Minimum number of 20 EHP's needed to execute mandate of Municipal Health Services. The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.

<sup>17</sup> Municipal Health Services

<sup>18</sup> Environmental Health Practitioners

# Chapter 3

## **KPA 6: Spatial Rationale and Municipal Planning Alignment**

**Strategic Objective: Stimulate integrated and sustainable shared Regional Development through aligned Spatial Planning**

**Programme: IDP**

- **KPI 6.1 Rating received from Provincial Treasury with regards to submitted IDP** - The rating assessment of the 2012/13 IDP was concluded by COGTA with an overall rating allocated of Medium. The Municipality achieved the following Rating per KPA:

Development Analysis and Rationale:	High
Delivery and Infrastructure Development:	Medium
LED:	High
Governance/Institutional Arrangements:	Medium
Financial Viability:	High
Population and Statistics:	Medium
Disaster Management:	Medium
IDP Process:	Medium

**Corrective Action** – COGTA finalising rating assessment report with recommendations on areas of improvement. This KPI has been allocated to the Planning Department for the 2012/13 Financial Year with responsibility allocated to the Director: Planning for implementation during the 2013/14 IDP Process

### **TAS Performance**

This department reports on 6 KPI's as related to **TAS Performance**, of which 2 KPI's were zero weighted, 1 achieved target and 3 were under target. Detail pertaining to these KPI's performance is provided in the IDP and SDBIP Performance sections for this Department (denoted by TAS).

### **SDBIP Performance**

This department reports on 22 KPI's as related to **SDBIP Performance**, of which 1 KPI was for reporting purposes only. Of the balance, 1 was zero weighted, 7 achieved target and 13 were under target.

**The following 7 KPI's achieved or exceeded target:**

## **KPA 2: Basic Service Delivery and Infrastructure Development**

**Strategic Objective: Advanced Community Well-being**

**Programme: Municipal Health Services**

- **KPI 2.8.1 - % of water samples taken per month compared to scheduled target (TAS)** - A total of 1 502 water samples were taken and submitted for testing during the course of the financial

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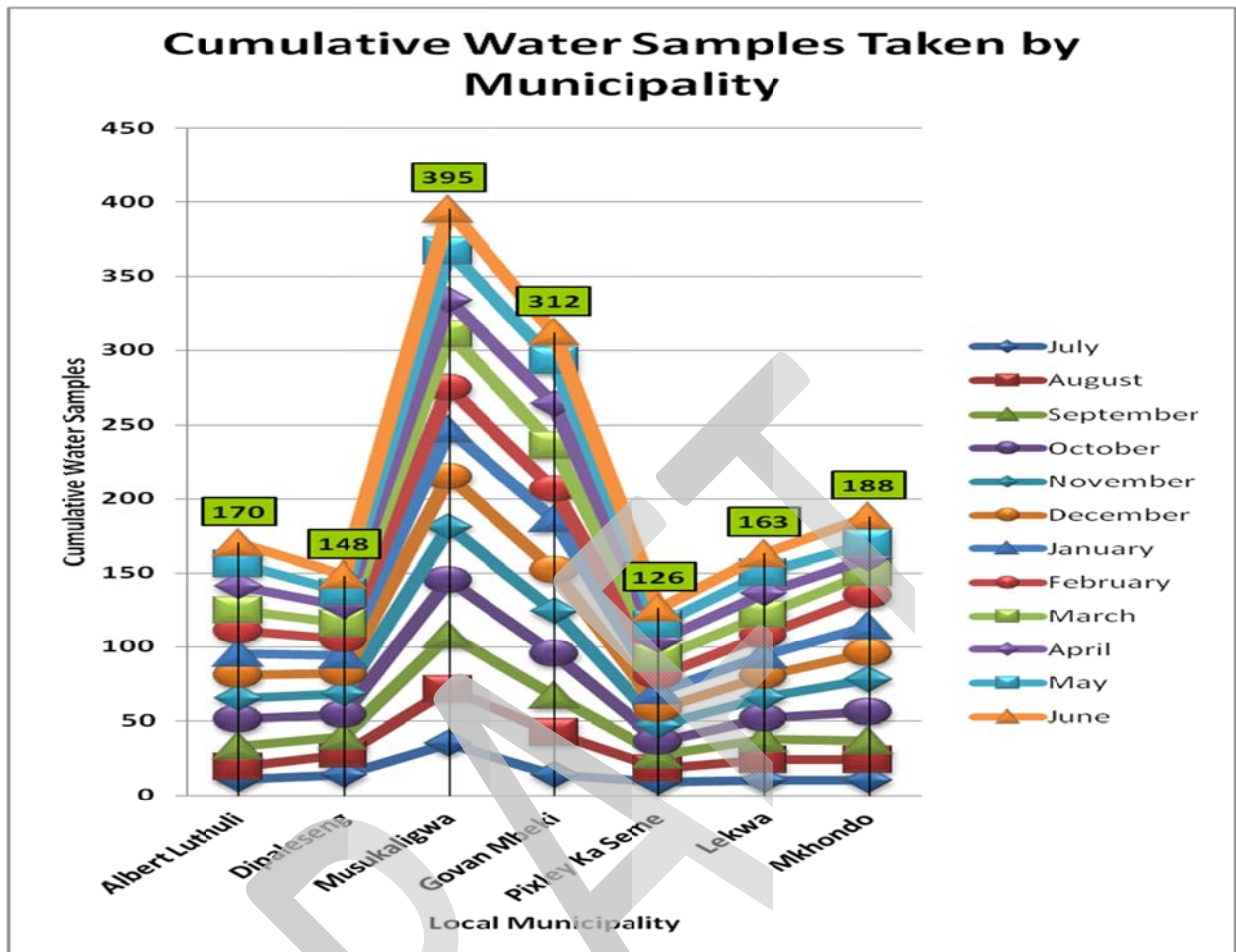
year, exceeding the annual target of 1 320<sup>19</sup> samples. Based on the total cumulative samples taken, this equated to 113.79% being in excess of the targeted 80% sampling rate. The samples taken each month per Local Municipality were as follows;

**Table 57 Monthly water samples taken**

Local Municipality	July 2011	Aug 2011	Sept 2011	Oct 2011	Nov 2011	Dec 2011	Jan 2012	Feb 2012	Mar 2012	Apr 2012	May 2012	June 2012
Albert Luthuli	11	8	14	18	14	16	14	16	14	16	15	14
Dipaleseng	14	14	12	14	14	14	12	11	11	11	10	11
Msukaligwa	35	36	37	37	36	34	32	28	36	23	33	28
Govan Mbeki	14	28	25	28	29	28	34	21	29	28	29	19
Pixley Seme Ka	9	9	9	9	11	11	12	10	12	12	11	11
Lekwa	10	14	14	14	14	14	14	14	14	14	14	13
Mkhondo	10	14	13	19	22	18	18	21	15	10	10	18
<b>Total per Month</b>	<b>103</b>	<b>123</b>	<b>124</b>	<b>139</b>	<b>140</b>	<b>135</b>	<b>136</b>	<b>121</b>	<b>131</b>	<b>114</b>	<b>122</b>	<b>114</b>

<sup>19</sup> Based on SANS 241 – Suggested minimum frequency of sampling. 10 every month per 100 000 members of the population served

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► **KPI 2.8.4 - # of Municipal Health programmes implemented per quarter** – A total of eight Municipal Health programmes were implemented during the course of the financial year, exceeding the annual target of seven (7). The programmes comprised the following:

- Water Quality Awareness Event held 27 July 2011 - Umlambo Combined School;
- Clean Up Campaign held 7 July 2011 - Grootvlei Mine Side;
- 5 Key steps to safer food Workshop held 28/07/2011 – GSDM;
- Water Quality Awareness Event: Derby Clinic, Rustplaas - 5 October 2011;
- Food Safety training at Glen Aggy Abattoir - 21 November 2011;
- Water Quality Awareness Campaign held at Mkhondo during May 2012;
- Water Awareness Campaign held at Lekwa - 18 May 2012;
- Water Conservation and Safety Awareness Campaign held Pixley Ka Seme during May and June 2012

► **KPI 2.8.5 - # of awareness campaigns implemented for the disabled** – The following awareness campaigns was held up to June 2012:

- Disability Day which was hosted at the GSDM offices on the 29th Nov 2011(Refer to 2nd Qtr Input Scorecard);

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- DEAFSA Mpumalanga Summit held 6 October 2011;
- The Blind People Workshop held 3 March 2012 (Refer to 3rd Quarter Input Scorecard)

- **KPI 2.8.8 - % of atmospheric emission license applications received and processed** - A total of 75% of the atmospheric emission license applications received during the course of the year were processed within the prescribed timeframe, exceeding the annual target of 60%. These were as follows;

**Table 58 Atmospheric emission license applications**

Applicant	Application Date	Acknowledgement of Receipt Issued	Turnaround
Mpact - Piet Retief	18/07/2011	15/08/2011	21 days
Chameleon Environmental	19/07/2011	03/10/2011	55 days
Boiler and Energy Systems	19/09/2011	28/10/2011	30 days
Vuka Comondale Treated Timber	10/09/2011	02/10/2011	15 days
Camden Power Station	05/01/2012	26/01/2012	16 days
Ezakheni Combined School	23/02/2012	19/03/2012	18 days
Komatiland Forests	23/02/2012	16/05/2012	41 days
Pro Enviro	15/03/2012	12/04/2012	21 days
H2ON Environmental Specialist	10/04/2012	06/06/2012	41 days

**Programme: Community Health and Social Development**

- **KPI 2.9.1 - # of in-house clinics scheduled for voluntary employee testing for HIV/AIDS status** - Reported in 3rd Quarter - GSDM staff HIV counseling and testing campaign held at the GSDM offices 23 March 2012.

**KPA 5: Intergovernmental Relations, Good Governance and Public Participation**

**Strategic Objective: Deepen democracy through effectively and efficiently functional Public Participation structures, mechanism and processes**

**Programme: Ward Committees and CDWs**

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▶ **KPI 5.2.4 - # of Municipal website to MFMA requirements** – The Municipal website was updated meeting 100% of the (10) provisions applicable to Gert Sibande District Municipality as determined through section 75 (1) of the MFMA Act in terms of what should be placed on the Municipal website. The following provisions as determined through Section 75(1) of the MFMA Act are prescribed to be loaded on the municipal website which was complied with:

- 75(1)(a) - Annual budget: Refers to approved 2011/12 Annual Budget
- 75(1)(b) - Budget related policies: Refers to the Budget Policy, Supply Chain Management Policy and Virement Policy
- 75(1)(c) - Annual Report: Refers to the Council approved 2009/10 Annual Report
- 75(1)(d) - All section 57 performance agreements Refers to Performance Agreements for appointed Section 57 Managers (CFO, CS, CSS, ITS, MM)
- 75(1)(e) - Service delivery agreements Relevant to Memorandum of Understanding entered into with 4 of the 7 Local Authorities within the jurisdiction of GSDM
- 75(1)(f) - Long term borrowing contracts Refers to the ABSA Long Term Borrowing contract entered into with GSDM
- 75(1)(g) - All supply chain contracts above a prescribed value: Refers to a List of all tender awards made during the relevant period
- 75(1)(h) - List of assets disposed of: Refers to a list of assets of which ownership was transferred as a result of a sale or other transaction
- 75(1)(i) - Contracts having future budgetary implications: Refers to the ABSA Long Term Borrowing contract entered into with GSDM
- 75(1)(k) - All quarterly reports tabled in Council in terms of section 52(d): refers to monthly reports on financial performance

**Strategic Objective: Create a single window of co-ordination for the support, monitoring and intervention in municipalities in the District**

**Programme: Coherent Decision-Making**

▶ **KPI 5.4.2 - # of District Communication Forum meetings held** – All (4/4) of the quarterly District Communication Forum meetings were held. The meetings were held on the 31<sup>st</sup> of August 2011, the 10<sup>th</sup> of November 2011, the 30<sup>th</sup> of March 2012 and the 24<sup>th</sup> to 25<sup>th</sup> of May 2012. The annual target of 4 meetings was achieved.

**The following 13 KPIs did not achieve target:**

**KPA 2: Basic Service Delivery and Infrastructure Development**

**Strategic Objective: Advanced Community Well-being**

**Programme: Disaster Management and Safety**

▶ **KPI 2.5.1 - # of educational campaigns to fire prevention, natural disaster awareness** – During the course of the financial year, only three educational campaigns were conducted in terms of fire prevention and disaster awareness against the annual target of four (4), these were as follows;

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- A Fire and Road Safety Awareness campaign was held in Govan Mbeki Local Municipality from the 3<sup>rd</sup> to the 10<sup>th</sup> of May around the pre-schools with their jurisdiction
- During August 2011, an awareness campaign was conducted with the SAPA on high priority issues including crime
- In September 2011, fire awareness and rescue campaigns were held at the following schools; Siyathemba Primary, Balfour Primary, Qalabocha Primary, Tegwan's Nest Combined, Vusumuzi Primary and Mamlakuzi Combined.

**Corrective Action** - Review of organogram and filling of vacant positions in order to fully execute Disaster Management function to the District. The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.

## Programme: Municipal Health Services

- ▶ **KPI 2.8.2 - % of water samples taken per month that do not comply to SANS 241 and that are reported to the LM's (TAS)** - A total of 81.76% (1228/1502) of the total water samples tested for compliance to SANS 241 were submitted to the Local Municipalities for corrective action.

**Corrective action:** Formal communication in the form of a written communicate of monthly lab results to be forwarded to the respective LM Health Services Department and filed with the monthly lab results.

**KPI 2.8.3 - % of food handling and preparation facility inspections conducted in terms of the Foodstuffs, Cosmetics, Disinfectant Act (FCDA)** – No information was provided in terms of the percentage of inspections conducted in the third quarter. This KPI was Zero Weighted during the first and second quarters due to the reporting within the department that did not allow for accurate reporting on any actual performance achievements. This KPI is no longer zero weighted as sufficient time has lapsed to implement corrective action proposed by the PMS Unit.

**Corrective Action** - Review organogram to cater for appointment of EHP's. Minimum number of 20 EHP's needed to execute mandate of Municipal Health Services. The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.

- ▶ **KPI 2.8.6 - % of Municipal Health and Environmental related complaints received and required to be attended to** – No information was provided in terms of those complaints requiring intervention in the third quarter. This KPI was Zero Weighted during the first and second quarters due to the reporting within the department that did not allow for accurate reporting on any actual performance achievements. This KPI is no longer zero weighted as sufficient time has lapsed to implement corrective action proposed by the PMS Unit.

**Corrective Action** - Review organogram to cater for appointment of EHP's. Minimum number of 20 EHP's needed to execute mandate of Municipal Health Services. The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.

- ▶ **KPI 2.8.7 - % of Notifiable diseases reported that require to be investigated per quarter** – No information was provided in terms of the investigations conducted. This KPI was Zero Weighted during the first and second quarters due to the reporting within the department that did not allow



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for accurate reporting on any actual performance achievements. This KPI is no longer zero weighted as sufficient time has lapsed to implement corrective action proposed by the PMS Unit.

**Corrective Action** - Review organogram to cater for appointment of EHP's. Minimum number of 20 EHP's needed to execute mandate of Municipal Health Services. The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.

- ▶ **KPI 2.8.9 - % of atmospheric emission license applications approved** – Refers to applications received and finalised within at least a 10 month period. Thus for the year under review only applications received during July 2011 and August 2011 was taken into consideration for reporting purposes. Two applications were received being Mpac – Piet Retief on the 18<sup>th</sup> of July 2011 and Chameleon Environmental on the 19<sup>th</sup> of July 2011, but were not issued within the prescribed timeframe.

**Corrective Action** - Review organogram to cater for appointment of EHP's. Minimum number of 20 EHP's needed to execute mandate of Municipal Health Services. The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.

## Programme: Community Health and Social Development

- ▶ **KPI 2.9.2 - Development of HIV/AIDs Strategic and Operational Plan and submission to Council** – As reported in the 3rd Quarter, the terms of reference for the development of the GSDM Strategic Plan was finalised and signed on the 22<sup>nd</sup> of February 2012.

**Corrective Action:** The appointment of an HIV/Aids Manager will ensure that the process of developing a Strategic Plan will be accelerated. This will be a multiyear project and this KPI will be catered for in the 2012/13 SDBIP.

- ▶ **KPI 2.9.4 - # HIV/AIDS awareness campaigns implemented to capacitate and build communities (annual)** – As reported in the 3rd Quarter, an HIV/AID's walk and workshop were held on the 12<sup>th</sup> of December 2011. (Refer to 2nd Quarter Input Scorecard).

**Corrective Action:** Vacant positions must be filled in order for the Department to fully execute its mandate.

## Strategic Objective: Improve the quantity and quality of Municipal basic services to the people

### Programme: Integrated Waste Management Planning

- ▶ **KPI 2.4.1 - % of operational landfill sites monitored in line with Department of Environmental Affairs (DEA) requirements** - Only 20% (20/100) of the operational land fill sites were monitored (25 per quarter) in line with the Department of Environmental Affairs (DEA) requirements against the annual target of 60%.

**Corrective Action:** Review organogram to cater for appointment of EHP's. Minimum number of 20 EHP's needed to execute mandate of Municipal Health Services. The Executive Mayor has

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requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.

## **KPA 5: Intergovernmental Relations, Good Governance and Public Participation**

**Strategic Objective: Create a single window of coordination for the support, monitoring and intervention in Municipalities within the District**

**Programme: Coherent Decision Making**

- ▶ **KPI 5.4.3 - # of Disability Forum meetings held** - Only three (3/4) of the quarterly Disability Forum meetings were held during the financial year. These were on the 27<sup>th</sup> of October 2011, the 13<sup>th</sup> of December 2011 and the 9<sup>th</sup> of February 2012.

**Corrective Action:** New Senior manager (Transversal) appointed and will now ensure that all departmental responsibilities are executed

- ▶ **KPI 5.4.7 - # of District Disaster Management Advisory Forums held** – Only (3/4) of the quarterly Disaster Management Advisory Forum meetings were held. These were on the 26<sup>th</sup> of July 2011, the 25<sup>th</sup> of October 2011 and the 3<sup>rd</sup> of April 2012. The Disaster Management Advisory Forum meeting scheduled for the 4<sup>th</sup> Quarter was cancelled due to the replacement of the HOD: CSS with an Acting Director and the appointment of a new Senior Manager for the Disaster Management Unit.

**Corrective Action:** The appointment of the Senior Manager (Disaster Management) should ensure that all future Forum meetings are held according to schedule.

**Strategic Objective: Deepen democracy through effectively and efficiently functional Public Participation structures, mechanism and processes**

**Programme: Ward Committees & CDWs**

- ▶ **KPI 5.2.2 - % media statements submitted to the media houses relating to Council activities** – The original intention of this KPI was to measure the number of Council related activities published in the media for community consumption.

For the year under review the KPI was limited to establishing the extent to which Council meetings were advertised within each Local municipality for community notification. A total of 71.43% (20/28) of the media statements in relation to the 4 Council meetings were submitted to the media houses in the jurisdiction of the 7 Local municipalities. Advertisements were placed in newspapers of the local Municipalities with regard to the quarterly Council meetings that were held on the 25<sup>th</sup> of August, the 2<sup>nd</sup> of December 2011 and the 24<sup>th</sup> of January 2012. The advertisement for the 4<sup>th</sup> Quarter Council meeting was advertised nationally and not within the jurisdiction of each LM within GSDM. The Communication Department was only informed of the Council meeting 4 days prior to the meeting. The short notice period resulted in deadlines being missed for submission of advertisements to be placed in local newspapers. The Council meeting was advertised nationally in the Daily Sun newspaper on the 30<sup>th</sup> and 31<sup>st</sup> of May 2012.

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**Corrective Action:** Department has been capacitated through the appointment of a Manager: Communications which will ensure that the Communications Department fulfils its mandate. All Council meetings will be advertised in all 7 of the Local municipalities.

- ▶ **KPI 5.2.3 - # of External newsletters developed and distributed** – Only three of the targeted four external newsletters was developed and distributed during the course of the financial year.

**Corrective Action** - Department has been capacitated through the appointment of a Manager: Communications which will ensure that the Communications Department fulfils its mandate. The Insight magazine will be published on a quarterly basis.

The following 1 KPI was set to zero weighting:

<b>KPA 2: Basic Service Delivery and Infrastructure Development</b>
<b>Strategic Objective: Advanced Community Well-being</b>
<b>Programme: Disaster Management</b>

- ▶ **KPI 2.5.2 - % of Capital budget used for the procurement of response vehicles and other equipment** – The R 2,000,000 internal Capital Expenditure allocation incorporated in the 2011/12 Budget under vote 114, line item ref # 305110 "Construction & other vehicles" is not solely for the procurement of Emergency vehicles. The vote allocation has been subsequently expanded to cover the cost of vehicles other than the original business plan. Therefore the expenditure incurred cannot be attributed to a single owner. To-date expenditure of R 707,463 has been incurred with respect to the purchase of non Emergency vehicles.

**Corrective Action** - It would be unfair to hold CSS accountable for expenditure out of their control and for this reason the KPI in question was zero weighted for the quarterly reports and has been removed from the SDBIP Scorecard for the 2012/13 during the SDBIP review cycle.

The following 1 KPI was for reporting purposes only:

<b>KPA 2: Basic Service Delivery and Infrastructure Development</b>
<b>Strategic Objective: Advanced Community Well-being</b>
<b>Programme: Community Health and Social Development</b>

- ▶ **KPI 2.9.3 - # of TB cases per 100,000 of population (annual)** – No information was available at the time of compiling the Draft report, to be provided in the Final report.

## **Infrastructure and Technical Services**

The Infrastructure and Technical Services Department is responsible for a total of 12 KPI's which contribute to the overall performance level for the National, IDP and SDBIP Scorecards. The statistics for the Department were as follows;

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Table 59 Infrastructure and Technical Services KPI

Key Performance Indicators						
Scorecard	Total KPIs	Applicable for Reporting	Reporting Purposes Only	Set to zero weighting	Target Achieved	Under Target
National	5 <sup>20</sup>	1	4	-	-	1
IDP	3	3	-	-	-	3
SDBIP	9	9	4	-	4	1
TAS	0	-	-	-	-	-

The Department ended the financial year exceeding target with an overall score of **3.83** which reflected a decrease in performance from the third quarter result of **4.50**, the mid-year score of **4.61** and the first quarter score of **4.60**. A summary of performance by Key Performance Area is provided below;

Table 60: Summary Performance – Infrastructure and Technical Services

Departmental Performance	Sep 11			Dec 11			Mar 12			Jun 12		
	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG
Community and Social Services												
KPA 2: Basic Service Delivery and Infrastructure Development	4.75		4.75	4.64		4.64	4.50		4.50	3.97		3.97
KPA 3: Local Economic Development	N/A		N/A	N/A		N/A	N/A		N/A	2.44		2.44
KPA 4: Municipal Financial Viability and Management	N/A		N/A	N/A		N/A	N/A		N/A	3.83		3.83
KPA 5: Intergovernmental Relations, Good Governance and Public Participation	4.00		4.00	4.50		4.50	4.50		4.50	4.50		4.50

<sup>20</sup> 4 National KPIs are contained in the SDBIP Scorecard. 1 National KPI is contained in the IDP Scorecard

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## KPI Performance by Category

The format followed is by Key Performance Areas, Strategic Objective and Programme

### National Performance

This department reports on 5 KPI's as related to **National Performance**, of which 1 KPI did not achieve target and the remaining 4 KPIs were for reporting purposes only (zero weighted). Detail pertaining to the KPI that did not achieve target is provided under the IDP Performance section for this Department (denoted by NKPI).

### IDP Performance

This department reports on 3 KPI's as related to **IDP Performance**, of which none achieved target.

The following 3 KPIs did not achieve target:

#### ***KPA 2: Basic Service Delivery and Infrastructure Development***

***Strategic Objective: Improve the quantity and quality of Municipal basic services to the people***

**Programme: Project Management**

- **KPI 2.1 - % of Capital projects as identified in the IDP completed (excl., multiyear projects) (annual)** – 31 projects were targeted for completion in the current year as follows:
- Albert Luthuli (6)
  - Dipalasang (3)
  - Lekwa (4)
  - Govan Mbeki (4)
  - Mkhondo (5)
  - Msukaligwa (5)
  - Pixley Ka Seme (4)

A total of 77.42% (24/31) of the capital projects reached practical completion status by year end.

**Corrective Action** – Project GSDM 14/2008 – Upgrading of Ekulindeni Water Treatment Works – Phase 1 was targeted for completion by 30 June 2012 but was not completed by the due date. Completion of this project within the targeted date of June 2012 would have resulted in the predetermined target of 80% being achieved (25/31 = 80.65%). The new project completion date was set for October 2012.

#### ***KPA 3: Local Economic Development***

***Strategic Objective: Creation of decent job creation, poverty alleviation, sustainable livelihoods and rural development, food security and land reform through LED***

**Programme: Regional Economic Growth**

- **KPI 3.1 – Number of EPWP Full Time Equivalent (FTE's) jobs created** – A total of 232 work opportunities were created during the course of the financial year against the annual target of 350.

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**Corrective Action** – Target was based on job opportunities created and not Full Time Equivalent (FTE's) as prescribed by legislation. The target for the 2012/13 now reflects the correct calculation for determination of jobs created.

## **KPA 4: Municipal Financial Viability and Management**

**Strategic Objective: Improve and sustain financial, human resources and management excellence across the district**

**Programme: Budget and Expenditure Management Services**

- **KPI 4.2 - % of the Municipality's capital budget actually spent on capital projects identified into the IDP (annual) (NKPI)** – A total of 80.79% of the capital budget was actually spent. This equated to expenditure in the amount of R 91,942,992 against the annual budget of R 113,802,992.

**Corrective Action:** Material under expenditure relates to the following projects:

1. R 1,080,508 - SEWER UPGRADE KHAYELIHLE (Vote 150 256609): Project transferred. Consultant appointed. Awaiting BAC approval.
2. R 881,389 - LEANDRA ROADS (Vote 160 256611): Planning 100%, Construction 99%. Contractor has completed the portion where interlocking paving was required, what is pending is the portion where asphalt is needed. There has been a delay due to supply shortage of the asphalt. Expected completion is end July 2012.
3. R 1,314,508 - EMZINONI ROADS (Vote - 160 256612): Phase 1 & 2 of this project by MT Zondo is practically completed, only storm-water pipeline that is pending. Phase 3, Planning 100%, Construction 95%. Contractor completed the earthworks and kerbing, currently busy with paving. Expected completion is end August 2012. Project transferred.
4. R 1,167,173 - KINROSS ROADS (Vote 160 256616): Planning 100%, Construction 65%. Contractor has established site, completed the earthworks; busy with the kerbing and paving. Expected completion date is end August 2012. Project transferred.
5. R 1,106,125 - AMSTERDAM/KWATHANDEKA ROADS (Vote 172 256619): Contractor appointed. Construction in progress. Additional funding of R 1,300,000 provided in 2012/13. Overall progress (Phase 1 & 2) is 80%. Project transferred.
6. R 975,006 - AMSTERDAM SEWER (Vote - 172 256623): Contractor appointed. Construction in progress. Construction progress is 45%. Transferred project.
7. R 1,500,000 - SAKHILE UPGRADING STADIUM (Vote 180 256628): Planning 100%. Site handed over to contractor on the 9th of May 2012. Removal of old materials completed. 170m of 1.8m high galvanized welded mesh fence has been installed and Contractor is currently busy with infield barrier security fence. Expected completion date for GSDM funding end August 2012. Project transferred.
8. R 942,048 - SIYATHEMBA UPGRAD/REFURB ROADS (Vote - 184 256528): Planning 100%, Construction 100%. Contractor has completed the paving and kerbing for 1.0km. There's going to be an extension for Contractor to do another 400m road, designs from the Consultant Engineer has been submitted to us. The extension for Contractor to be effected administratively. Expected completion end August 2012. Project transferred.
9. R 829,207 - VUKUZAKHE SEWER TREATMENT PLANT (Vote - 190 256641): Consultant appointed. Awaiting BAC approval. Project transferred.

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## **SDBIP Performance**

This department reports on 9 KPI's as related to **SDBIP Performance**, of which 4 KPI's were for reporting purposes only and of the remaining 5 KPI's, a total of 4 achieved target and 1 did not achieve target as follows;

**The following 4 KPI's achieved or exceeded target:**

### ***KPA 2: Basic Service Delivery and Infrastructure Development***

***Strategic Objective: Improve the quantity and quality of Municipal basic services to the people***

**Programme: Project Management**

- ▶ **KPI 2.1.1 - % of Capital projects started on time according to appointment of consultants (Including multiyear projects)** - As reported in the 3rd Quarter, all (61/61) projects were started on time according to the appointment of consultants. These were as follows per Local Municipality;
  - Albert Luthuli (10)
  - Dipalaseng (6)
  - Lekwa (8)
  - Govan Mbeki (8)
  - Mkhondo (10)
  - Msukaligwa (8)
  - Pixley Ka Seme (11)
- ▶ **KPI 2.1.2 - % of Capital projects with approved specifications (Including multi-year projects)**. 47 of the scheduled capital projects have been successfully processed through the Bid Specification Committee and have approved specifications in place as follows;
  - Albert Luthuli (8)
  - Dipalaseng (6)
  - Lekwa (6)
  - Govan Mbeki (6)
  - Mkhondo (6)
  - Msukaligwa (7)
  - Pixley Ka Seme (8)
- ▶ **KPI 2.1.4 - # of progress reports submitted to Mayoral committee**. All (12/12) monthly progress reports on the progress made on each Capital and Direct Allocation project were submitted to the Mayoral Committee. The annual target of 12 was achieved.

### ***KPA 5: Intergovernmental Relations, Good Governance and Public Participation***

***Strategic Objective: Create a single window of co-ordination for the support, monitoring and intervention in municipalities in the District***

**Programme: Coherent Decision-Making**

- ▶ **KPI 5.4.4 - # of Technical Infrastructure District Forum meetings held**. A total of five Technical Infrastructure District Forum meetings were held during the course of the financial year. These took place on the 11<sup>th</sup> of August 2011, the 10<sup>th</sup> of November 2011, the 15<sup>th</sup> of November

# Chapter 3

2011 with the Municipal Managers and Chief Financial Officers, the 16<sup>th</sup> of February 2012 and the 17<sup>th</sup> of May 2012. The annual target of 4 was exceeded.

The following 1 KPI did not achieve target:

## **KPA 2: Basic Service Delivery and Infrastructure Development**

**Strategic Objective: Improve the quantity and quality of Municipal basic services to the people**

**Programme: Project Management**

- **KPI 2.1.3 - % of Capital projects with contractor appointments finalized (Including multi-year projects).** A total of 94.55% of the projects have completed the competitive bid process (annual target 100%). This equates to 52 of the 55 projects that have been approved through the Bid Adjudication Committee.

**Corrective Action:** The 3 outstanding projects with contractor appointments still to be finalised in the 2012/13 financial year are as follows:

- Disaster Management Centre -Albert Luthuli (Tender nr. 49/2008): Planning 100%. Consultant appointed but BAC resolution not approved. Still on procurement processes.
- Khayalisha Sewer Upgrade - Msukaligwa (Tender nr. 20/2011): Consultant appointed. Awaiting BAC approval.
- Upgrading of STP in Vukuzakhe/Georgia - Pixley ka Seme: Consultant appointed. Awaiting BAC approval.

The following 4 KPIs were for reporting purposes only:

## **KPA 2: Basic Service Delivery and Infrastructure Development**

**Strategic Objective: Improve the quantity and quality of Municipal basic services to the people**

**Programme: Project Management**

- **NKPI.1 - % households with access to basic services: Basic Water** - Basic service delivery in South Africa, Mpumalanga and Districts, 1996 – 2009 reports that the percentage of households with water at or above RDP level stood at 92%.
- **NKPI.2 - % households with access to basic services: Basic Sanitation** - Basic service delivery in South Africa, Mpumalanga and Districts, 1996 – 2009 reports that the percentage of households with hygienic toilets stood at 80%.
- **NKPI.3 - % households with access to basic services: Electricity** - Basic service delivery in South Africa, Mpumalanga and Districts, 1996 – 2009 reports that the percentage of households with electrical connections stood at 80.4%.
- **NKPI.4 - % households with access to basic services: Solid waste removal** - Basic service delivery in South Africa, Mpumalanga and Districts, 1996 – 2009 reports that the percentage of households with formal refuse removal stood at 59.2%.

**Projects – Non Capital Funded**



# Chapter 3

A total of 11 projects that are not funded through the Capital budget are being measured for the 2011/2012 financial year. Of these, six (6) are on schedule, four (4) are behind schedule and one (1) was zero weighting. Detail pertaining to the active projects is as follows;

## ⇒ ON SCHEDULE

### 😊 KPA 2: Basic Service Delivery and Infrastructure Development

😊 **Strategic Objective: Improve the quantity and quality of Municipal basic services to the people**

😊 **Programme: Access to Water and Sanitation**

- ▶ **Project 6 - Update Bulk Water/Sewerage Report** – Section 4 & 5 of the IWMP is in draft format.

😊 **Strategic Objective: Advanced Community Well-being**

😊 **Programme: District Municipal Support Services**

- ▶ **Project 5 - Development of policy and plan to facilitate Sports programmes for LM's**– Although quarterly milestones were behind target, the Sport Policy and Strategy Document for the period 2012 - 2016 has been finalised and is to be submitted to the Mayoral Committee meeting scheduled for the 24<sup>th</sup> of July 2012.

😊 KPA 4: Municipal Financial Viability and Management

😊 **Strategic Objective: Improve and sustain Financial, Human Resources and Management Excellence across the District**

😊 **Programme: Financial Management**

- ▶ **Project 8 - Operation Clean Audit 2014** – Training was conducted for ten (10) user license holders on the Iqual Supplier Database software on the 24<sup>th</sup> and 25<sup>th</sup> of April. This project was completed in the third quarter as planned.
- ▶ **Project 11 - Facilitation of approval of adjustment budget in compliance with MFMA** – Adjustment budget was submitted to the Council meeting held on the 24<sup>th</sup> January 2012, item C09/01/2012.
- ▶ **Project 10 - Review SCM Policy** – Overall objective of review SCM Policy and training of staff was completed and an accumulative score equal to target has been allocated. For the training of staff refer to the 3rd quarter Input Scorecard. With regard to the 2nd quarter milestone, submission of the reviewed SCM Policy to Council that was not achieved, the reviewed SCM Policy was subsequently submitted to Council at the Council meeting held on the 31<sup>st</sup> of May 2012.

😊 **Programme: Budget and Expenditure Management Services**

- ▶ **Project 7 - Loan funding to raise finance for identified Capital projects (R30m)** – Additional funding to execute capital projects obtained through DWA (R 8,132,000) and COGTA (R 37,800,000) in the form of ACIP and RBIG.

# Chapter 3

## ⇒ DELAYED

☹ **KPA 4: Municipal Financial Viability and Management**

☹ **Strategic Objective: Improve and sustain Financial, Human Resources and Management Excellence across the District**

☹ **Programme: Financial Management**

- ▶ **Project 9 - Asset Verification (internal & external)** - Year end asset verification completed by BAUD - Division of PWC. Project achievement 50% as only 1 milestone achieved relating to the yearend verification. The Mid Year Asset verification was not undertaken.

## ⇒ BEHIND SCHEDULE

☹ **KPA 2: Basic Service Delivery and Infrastructure Development**

☹ **Strategic Objective: Advanced Community Well-being**

☹ **Programme: Disaster Management and Safety**

- ▶ **Project 2 - Develop and implement a District standardised reporting system for Disaster Management** – Standardised Incident Report Form still only in draft format and not rolled out for implementation.

**Corrective Action** - Task Team comprising of members representative of all the LM's to be elected to finalise standardised reporting format for roll out during the first quarter of the 2012/13 Financial year.

- ▶ **Project 3 - Implementation of fully functional Disaster Recovery Sites** – Business plans were not developed in the absence of a Memorandum of Understanding entered into with the relevant Local Municipalities.

**Corrective Action** - District to enter into MOU's with Mkhondo and Dipalaseng.

☹ **KPA 5: Intergovernmental Relations, Good Governance and Public Participation**

☹ **Strategic Objective: Deepen democracy through effectively and efficiently functional Public Participation structures, mechanism and processes**

☹ **Programme: Ward Committees & CDWs**

- ▶ **Project 4 - % external customer satisfaction rating (annual)** – No funding was available to appoint a service provider in the current year.

**Corrective Action** – The focus in the 2012/13 year will be to complete the internal staff satisfaction as well as the IT service level surveys and to provide funding in the 2013/14 year for the external survey to be conducted.

## ⇒ ZERO WEIGHTED

**KPA 2: Basic Service Delivery and Infrastructure Development**

# Chapter 3

## **Strategic Objective: Advanced Community Well-being**

### **Programme: District Municipal Support Services**

- **Project 1 - Develop and conduct an internal questionnaire in terms of ICT service provision**
- The purpose of this project is to establish a credible baseline for the number of employees satisfied with ICT services. This baseline would then be used to set appropriate targets for improvement in subsequent years. The newly appointed IT Manager indicated that the IT department is in the process of restructuring and analyzing the IT requirements to support, sustain and grow the Municipality and therefore the IT Department has established a baseline of 0% employee satisfaction. The services of an external service provider will be obtained to ensure that IT is aligned with the Municipality's objectives and that individuals within the organization have adequate IT resources to carry out their tasks.

**Corrective Action** - Price Waterhouse Coopers appointed during the 4th quarter. A KPI will be developed for the 2012/13 SDBIP to ensure that a target is set to measure improvement from the 0% employee satisfaction baseline set by the ICT Department for the 2011/12 financial year.

### **Limitations of Evaluation**

1. The analysis contained in this report was based on information received until the August 2012. Where no information was supplied, a 1.00 score was attached.
2. The automated system designed for Gert Sibande District Municipality's Performance Management System requirements was used to capture and calculate scores. Any errors made in terms of incorrect data, formats or capturing into incorrect fields will have a direct impact on the final scores.
3. All budget related data must be verified against the Municipal Financial System. Values input into the Performance Management System should be cumulative expenditure figures to give a true reflection of the actual performance.
4. The performance data had been audited by the Internal Auditor and the validity of data and the related portfolio of evidence have therefore been verified.
5. Achievements reported in this document reflect the input received from the respective departments and the supporting Portfolio of Evidence (POE) was acquired by the PMS department to substantiate the achievements reported on.
6. All corrective action included in this report reflect the input received from the respective departments.

### **Challenges**

1. Departments lack the capacity to report on the key performance indicators (KPI's) as per the instruction fields supporting the method of measurement to adhere to the principles embodied in the acronym **SMART**.
2. Departments are not using the performance management system in the intended role that is one in which to make informed decisions in areas of underperformance.

# Chapter 3

3. Departmental input, although presently provided with respect to corrective intervention measures to be implemented, can still be further enhanced to ensure that they are effective.
4. All KPI's have been reported on, but the lack of departmental capacity with respect to internal reporting processes has inhibited the ability to determine the actual performance achieved. This has resulted in several indicator's being initially zero weighted to allow the requisite reporting system to be implemented, but when this did not materialise the indicator was reflected as not achieved. This is reflected in the Community and Social Services department performance against the following KPI's:

- ▶ **KPI 2.8.3 - % of food handling and preparation facility inspections conducted in terms of the Foodstuffs, Cosmetics, Disinfectant Act (FCDA)** – No information was provided in terms of the percentage of inspections conducted in the third quarter. This KPI was Zero Weighted during the first and second quarters due to the reporting within the department that did not allow for accurate reporting on any actual performance achievements. This KPI is no longer zero weighted as sufficient time has lapsed to implement corrective action proposed by the PMS Unit.

**Corrective Action** - Review organogram to cater for appointment of EHP's. Minimum number of 20 EHP's needed to execute mandate of Municipal Health Services. The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.

- ▶ **KPI 2.8.6 - % of Municipal Health and Environmental related complaints received and required to be attended to** – No information was provided in terms of those complaints requiring intervention in the third quarter. This KPI was Zero Weighted during the first and second quarters due to the reporting within the department that did not allow for accurate reporting on any actual performance achievements. This KPI is no longer zero weighted as sufficient time has lapsed to implement corrective action proposed by the PMS Unit.

**Corrective Action** - Review organogram to cater for appointment of EHP's. Minimum number of 20 EHP's needed to execute mandate of Municipal Health Services. The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.

- ▶ **KPI 2.8.7 - % of Notifiable diseases reported that require to be investigated per quarter** – No information was provided in terms of the investigations conducted. This KPI was Zero Weighted during the first and second quarters due to the reporting within the department that did not allow for accurate reporting on any actual performance achievements. This KPI is no longer zero weighted as sufficient time has lapsed to implement corrective action proposed by the PMS Unit.

**Corrective Action** - Review organogram to cater for appointment of EHP's. Minimum number of 20 EHP's needed to execute mandate of Municipal Health Services. The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.

# Chapter 4

## CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

### COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

The Gert Sibande district municipality, in terms of local government municipal system act, is required to establish an administration in a manner that would enable it to provide the following:

- Be responsive to the needs of the local community
- Facilitate a culture of public service and accountability amongst its staff
- Be performance orientated and focused on the objects of local government set out in section 152 of the constitution and its development duties as required by section 153 of the constitution
- Ensure that its political structures, offices bearers and managers and other staff members align their roles and responsibilities with the priorities and objectives set out in the municipal integrated development plan
- Establish clear relationships and facilitate co-operation, coordination and communication between its political structures and political office bearers and its administration, its political structures and political office bearers and administration and the local community.
- Organize its political structures, political office bearers and administration in a flexible way in order to respond to changing priorities and circumstances',

The municipal transformation and institutional organisational development is one of the five key performance indicators of Gert Sibande District Municipality. Its strategic objectives is to improve and sustain Financial liquidity, Human and Management excellence. The programme in place to achieve those strategic objectives include; Institutional capacity, information communication Technology services and skills development and capacity building.

# Chapter 4

## 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Table 61 Employment Status

Employees					
Description	2010/11	2011/12			
	Employees	Approved Posts	Employees	Variance	Variance
	No.	No.	No.	No.	%
Water	18	19	9	10	47%
Waste Water (Sanitation)					
Electricity					
Waste Management					
Housing					
Waste Water (Stormwater Drainage)					
Roads					
Transport					
Planning					
Local Economic Development	10	10	2	8	20%
Planning (Strategic & Regulatory)					
Local Economic Development	7	8	5	3	63%
Community & Social Services					
Environmental Protection					
Health	11	28	18	10	64%
Security and Safety					
Sport and Recreation					
Corporate Policy Offices and Other	1	1	1	0	0%
<b>Totals</b>	<b>29</b>	<b>46</b>	<b>26</b>	<b>21</b>	<b>56.5%</b>

Table 62 Turn-over Rate

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
2009/10	98	10	10%
2010/11	131	8	6%
2011/12	133	10	8%

# Chapter 4

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### 4.2 POLICIES

Table 63 HR Policies and Plans 2011/12

Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
	%	%	
Affirmative Action			
Attraction and Retention			
Code of Conduct for employees			
Delegations, Authorisation & Responsibility		10%	
Disciplinary Code and Procedures			
Essential Services			
Employee Assistance / Wellness			
Employment Equity	100%	100%	04 December 2012
Exit Management			
Grievance Procedures			
HIV/Aids	100%	100%	04 December 2012
Human Resource and Development			
Information Technology	100%	100%	04 December 2012
Job Evaluation			
Leave			
Occupational Health and Safety	100%	100%	04 December 2012
Official Housing			
Official Journeys			
Official transport to attend Funerals			
Official Working Hours and Overtime			
Organisational Rights			
Payroll Deductions			
Performance Management and Development	60%		
Recruitment, Selection and Appointments	40%	40%	Still to be submitted to council
Remuneration Scales and Allowances			
Resettlement			
Sexual Harassment	100%	100%	04 December 2012
Skills Development			
Smoking			
Special Skills			
Work Organisation			
Uniforms and Protective Clothing			
Other:			

# Chapter 4

## 4.3 INJURIES, SICKNESS AND SUSPENSIONS

Table 64 IOD's

Number and Cost of Injuries on Duty - 2011/12					
Type of injury	Injury Leave Taken	Employees using injury leave	Average injury leave taken per employee	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only					
Temporary total disablement	144	1	0.7		
Permanent disablement					
Fatal					
<b>Total</b>	<b>144</b>	<b>1</b>	<b>0.7</b>	<b>0</b>	<b>0</b>
					T4.3.1

Table 65 Disciplinary Outcomes

<b>LABOUR RELATIONS MATTERS</b>			
<b><u>DISCIPLINARY/SUSPENSION/DISMISSAL</u></b>			
Name of official	Remarks	Date of Occurrence	Remarks
<b>Mr. Solly Bila</b>	Disciplinary Tribunal	November 2011	Case dismissed by presiding officer
<b>Mr. Bathini Mbatha</b>	Suspended: Misconduct & Disciplinary Hearing	19 March 2012	Hearing conducted and employee was dismissed on the 04 July 2012
<b>Mr. Nazeer Sarang</b>	Suspension: Misconduct	01 March 2012	Matter under investigation and suspension has been extended until investigation has been finalised
<b>Mr. Alpheus Malatsi</b>	<b>Suspended: Misconduct</b>	<b>20 July 2012</b>	Matter under investigation and suspension has been extended until investigation has been finalised



# Chapter 4

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

### 4.4 SKILLS DEVELOPMENT AND TRAINING

Table 66 Skills development and training

Skills Matrix 2011/12														
Management level	Gender	Employees in post as at 30 June 2012	Number of skilled employees required and actual as at 30 June 2012											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
			No.	Actual 30 June 2011	Actual 30 June 2012	Target 2012	Actual 30 June 2011	Actual 30 June 2012	Target 2012	Actual 30 June 2011	Actual 30 June 2012	Target 2012	Actual 30 June 2011	Actual 30 June 2012
MM and S56	Female											0	0	0
	Male	3				1	1					0	1	1
Councillors, senior officials and managers	Female	25	1		9	2	2	6	1	1		4	3	15
	Male	53	4		6		8	16	3	2	3	7	10	25
Technicians and associate professionals	Female	5						3				0	0	3
	Male	9				1	3	3				1	3	3
Professionals	Female	11				5	9	4	4	1	2	9	10	6
	Male	8				6	6					6	6	0
Sub total	Female	41	1		9	7	11	13	5	2	2	13	13	24
	Male	73	4		6	7	18	20	3	2	3	14	20	29
Total		114	5	0	15	14	29	33	8	4	5	27	33	53

# Chapter 4

## COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

### 4.5 EMPLOYEE EXPENDITURE

Source: MBRR SA22

Table 67 Employee Related Costs

<b>EMPLOYEE RELATED COSTS</b>	<b>2012</b>	<b>2011</b>
	R	R
Basic	31,862,180	27,155,707
Bonus	3,121,638	1,849,261
Medical Aid - Company Contributions	1,244,606	1,009,434
UIF	193,905	178,673
WCA	236,589	420,000
Leave Pay Provision Charge	1,359,579	1,282,261
Group Insurance	595,174	537,028
Pension Fund	6,257,463	5,518,004
Bargaining Council	5,502	5,363
Overtime Payments	147,419	132,577
Car Allowances	4,106,192	3,314,601
Housing Benefits and Allowances	200,854	201,706
Uniform	960	792
<b>Total Employee related costs</b>	<b>49,332,061</b>	<b>41,605,407</b>
<b>Remuneration of the Municipal Manager</b>		
Annual Remuneration	677,268	736,735
Car Allowances	169,145	173,602
Performance Bonuses	0	105,820
Contributions to UIF, Medical and pension funds.	195,550	199,253
Leave Commutation	421,320	0
<b>Total</b>	<b>1,463,283</b>	<b>1,215,410</b>
<b>Remuneration of the Chief Financial Officer</b>		
Annual Remuneration	743,865	686,099
Car Allowances	172,387	162,385
Performance Bonuses	87,666	82,641
Contributions to UIF, Medical and pension funds.	23,165	22,581
<b>Total</b>	<b>1,027,083</b>	<b>953,706</b>
<b>Corporate Services</b>		
Annual Remuneration	641,402	583,882

# Chapter 4

<b>EMPLOYEE RELATED COSTS</b>	<b>2012</b>	<b>2011</b>
Car Allowances	150,746	141,913
Performance Bonuses	78,266	73,780
Contributions to UIF, Medical and pension funds.	37,015	35,659
<b>Total</b>	<b>907,429</b>	<b>835,234</b>
<b>MIS</b>		
Annual Remuneration	574,599	582,585
Car Allowances	143,650	135,219
Performance Bonuses	87,666	82,641
Contributions to UIF, Medical and pension funds.	166,204	157,478
Leave Commutation	35,066	0
<b>Total</b>	<b>1,007,185</b>	<b>957,923</b>
<b>IGR</b>		
Annual Remuneration	531,697	603,404
Car Allowances	128,380	132,009
Performance Bonuses	0	78,827
Contributions to UIF, Medical and pension funds.	131,751	135,574
Leave Commutation	70,241	0
<b>Total</b>	<b>862,069</b>	<b>949,814</b>

T 4.6.1

## COMMENT ON EMPLOYEE EXPENDITURE

Council was able to maintain its employee cost rate at 19% which is well below the norm of 35%. With the current staff complement council was able to perform its various service related duties adequately.

# Chapter 5

## CHAPTER 5 – FINANCIAL PERFORMANCE

### COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

#### INTRODUCTION TO FINANCIAL STATEMENTS

Note: Statements of Revenue Collection Performance by vote and by source are included at **Appendix K**.

#### 5.1. STATEMENTS OF FINANCIAL PERFORMANCE

Table 68 Financial Performance

Figures in Rand	Note(s)	2012	2011
		R	R
Revenue			
<b>Government Grants &amp; Subsidies</b>	21	279 940 990	246 890 476
<b>Rental Income</b>		505 111	-
<b>Income From Entities</b>		5 295 316	3 354 219
<b>Other Income</b>	23	1 991 643	5 668 644
<b>Interest Received - Investments</b>		3 605 234	3 299 897
<b>Gain on Disposal of Assets</b>		-	52 840
<b>Interest Received - Other</b>		8 366	2 725 234
<b>Total Revenue</b>		<b>291 346 660</b>	<b>261 991 310</b>
Expenditure			
<b>Employee Related Costs</b>	26	-54 599 110	-46 517 494
<b>Remuneration of Councillors</b>	27	-8 876 351	-8 164 618
<b>Depreciation and Amortisation</b>	28	-11 849 528	-6 776 770
<b>Impairment Loss</b>		-7 841 929	-
<b>Finance Costs</b>	29	-8 151 353	-6 476 063
<b>Repair and Maintenance</b>		-1 821 751	-1 138 714
<b>Contract Services</b>	31	-1 904 592	-956 753
<b>Grants and Subsidies Paid</b>	32	-147 945 613	-126 821 021
<b>Loss on Disposal of Assets</b>		-23 933 221	-
<b>General Expenditures</b>	24	-21 572 507	-18 123 572
<b>Total Expenditure</b>		<b>-288 495 955</b>	<b>-214 975 005</b>
<b>Fair Value Adjustment</b>		-1 746 052	-
<b>Surplus for the year</b>		<b>1 104 653</b>	<b>47 016 305</b>

T5.1.1

# Chapter 5

For more information on the note please refer to the full set of statutory Financial Statements included in chapter 5.

## Revenue

The revenue of council remained stable as the majority of income related to receiving Government grants and subsidies. Income from entities represent income from investments in the Easvaal Financing Partnership at 99% as well as investments in the Eastvaal Development Trust at 100% (See note 5 of the Financial statements). Other income recognised related to unclaimed retention monies written back to income during the year of 2011.

## Expenditure

The majority of service delivery requirements as per the IDP was concluded during the financial year. Depreciation increased due to the completion of the new building. Assets with a book value of R 23,9 Million was donated to the respective seven Local municipalities and the transaction is reflected as Loss on Disposal of Assets. The surplus of 2011 was mainly utilised for projects in the local municipalities as reflected in the increase in Grants and Subsidies Paid. Expenditure and activities were completed in line with predetermined objectives.

## STATEMENTS OF FINANCIAL POSITION

Table 69 Financial Position

Figures in Rand	Note(s)	2012	2011
		R	R
Assets			
Current Assets			
<b>Debtors</b>	10	3 196 513	13 045 108
<b>VAT Receivables</b>	11	8 014 258	9 228 988
<b>Irregular Expenditure</b>	7	2 443 735	58 000
<b>Current Portion of Study Bursaries</b>	9	269 655	237 417
<b>Cash and Cash Equivalents</b>	12	33 442 158	10 281 116
Total Current Assets		<b>47 366 319</b>	<b>32 850 629</b>
Non - Current Assets			
<b>Property, Plant and Equipment</b>	4	329 009 507	331 214 861
<b>Investment in Municipal Entities</b>	5	33 051 679	32 824 432
<b>Heritage Assets</b>	8	154 250	124 450
Total Non - Current Assets		<b>362 215 436</b>	<b>364 163 743</b>
Non - Current Assets held for Sale and Assets of Disposal Groups	13	<b>11 503 687</b>	<b>10 306 300</b>
Total Assets		<b>421 085 442</b>	<b>407 320 672</b>
Liabilities			

# Chapter 5

<b>Current Liabilities</b>			
<b>Other Financial Liabilities</b>	14	6 673 388	6 150 856
<b>Financial Lease Obligation</b>	15	539 359	-
<b>Creditors</b>	18	58 334 814	42 221 629
<b>Total Current Liabilities</b>		<b>65 547 561</b>	<b>48 372 485</b>
<b>Non - Current Liabilities</b>			
<b>Debtors</b>	14	19 235 814	25 909 202
<b>VAT Receivables</b>	15	24 001 548	22 172 601
<b>Irregular Expenditure</b>	6	274 496	255 930
<b>Current Portion of Study Bursaries</b>	16	951 916	-
<b>Cash and Cash Equivalents</b>	17	2 553 649	2 991 417
<b>Total Non - Current Liabilities</b>		<b>47 017 423</b>	<b>51 329 150</b>
<b>Total Liabilities</b>		<b>112 564 984</b>	<b>99 701 635</b>
<b>Net Assets</b>		<b>308 520 458</b>	<b>307 619 037</b>
<b>Net Assets Accumulative Surplus</b>		<b>308 520 458</b>	<b>307 619 037</b>

For more information on the note please refer to the full set of statutory Financial Statements included in chapter 5.

The financial position of the Council is healthy as indicated by the Statement of Financial Position in that all liabilities are covered by Assets. Hence Council is in a position to meet it's short to medium commitments .

## 5.2. GRANTS

### Government Grants and Subsidies

Table 70 Government Grants and Subsidies

Description of Grant and Subsidies	2011	2012
	R	R
<b>Equitable Share</b>	17 634 000	16 172 955
<b>DWAF</b>	-	1 500 000
<b>Revenue Replacement Grant</b>	228 648 000	221 975 011
<b>DWA</b>	8 132 000	-
<b>CoGTA</b>	22 973 990	-
<b>CBPWP</b>	303 000	180 000
<b>Province and Govan Mbeki</b>	-	5 062 510
<b>FMG</b>	1 250 000	1 000 000
<b>MSIG</b>	1 000 000	1 000 000
<b>Total Grant and Subsidies</b>	<b>279 940 990</b>	<b>246 890 476</b>

# Chapter 5

## 5.3. ASSET MANAGEMENT

### *Property, Plant and Equipment*

Description of class of asset	Opening Balance	Additions	Disposals	Transfers	Depreciation	Total
	R	R	R	R	R	R
Land	360 000	-	-	-	-	360 000
Buildings	227 057 088	20 818 616	-	19 246 342	-7 725 638	259 396 408
Plant & Machinery	1 250 520	-	-	-	-140 812	1 109 708
Furniture & Fixtures	2 661 436	1 233 899	-	-	-357 129	3 538 206
Motor Vehicles	3 367 585	2 647 528	-388 827	-	-943 667	4 682 619
Office Equipment	1 376 823	1 950 048	-	-	-434 049	2 892 822
IT Equipment	1 689 262	767 306	-9 418	-	-534 279	1 912 871
Infrastructure	20 728 158	4 374 200	-	1 519 311	-1 055 059	25 566 610
Building Fixtures	23 267 256	2 909 227	-	2 050 514	-2 409 290	25 817 707
Construction	26 640 566	-	-23 716 490	-	-279 765	2 644 311
Vehicles						
Work in Process	22 816 167	1 088 245		-22 816 167	-	1 088 245
<b>Total</b>	<b>331 214 861</b>	<b>35 789 069</b>	<b>-24 114 735</b>	<b>-</b>	<b>-13 879 688</b>	<b>329 009 507</b>

### COMMENT ON ASSET MANAGEMENT:

The major portion of additions relating to capital assets is pertaining to the main office building in Ermelo as well as completion stage to the infrastructure of the building.

The Transfers of assets relates to the reclassification of assets in compliance with GRAP standards

Disposals consisted of R 23,7 Million of Construction vehicle assets that were donated to the seven local municipalities as well as estimations relating to redundant assets and assets currently not in use. The disposals were done in line with approved policies and the respective Delegations.

# Chapter 5

## 5.4. FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

### Liquidity Ratio

Current Assets	R 47 366 319
Current Liabilities	<b>R 65 547 561</b>
Current ratio	<b>1 : 1.38</b>
Outstanding Service Debtors to Revenue as a %	<b>0.72</b>

### Comments:

It must be noted that contained in the current liabilities amount is retentions amounting to R22m. Retentions are cash backed, hence it may be concluded that Council has the ability to meet its short term commitments.

Cash flow forecasts are prepared on a monthly basis borrowing facilities are utilised adequately and monitored.

Management ratios are also prepared and monitored on a monthly basis.

### Cost Coverage

Operating Cash Flow	R 62 808 190
Capital Expenditure	<b>R 34 057 472</b>
Capital Expenditure Coverage	<b>1 : 0.54</b>
Capital Expenditure Coverage	<b>1.84</b>

### Comments:

Sufficient cash were held in reserves to cover the operating and capital commitments for the financial year.

### Outstanding Service Debtors to Revenue

Debtors	R 3 196 513
Total Operating Revenue	<b>R 291 346 660</b>
Outstanding Service Debtors to Revenue	<b>1 : 91</b>
Outstanding Service Debtors to Revenue as a %	<b>1.10%</b>

### Comments:



# Chapter 5

No significant debts are outstanding for council

## Debt Coverage

Total Debt / Liabilities	R 112 564 984
Total Assets	<b>R 421 085 442</b>
Debt Coverage	<b>1 : 3.74</b>
Debt Coverage	<b>27%</b>

### Comments:

The Debt Coverage indicates that Council has financial low Gearing leverage and that all liabilities are adequately covered by Assets.

## Creditors System Efficiency

Creditors are paid within 30 days after receipt of the invoice or statement.

## Capital Charges to Operating Expenditure

Capital Charges (Depreciation and Amortisation)	R 11 849 528
Total Operating Expenditure	<b>R 288 495 955</b>
Capital Charges to Operating Expenditure	<b>1 : 24</b>
Capital Charges to Operating Expenditure	<b>4%</b>

### Comments:

The capital charges merely represents 4% of total operating expenditure and indicates that Council avoids to commit to capital commitments and capital expenditure.

## Employee Costs

Employee Related Costs	R 54 599 110
Total Operating Expenditure	<b>R 288 495 955</b>
Percentage of employee cost to Total Expenditure as a %	<b>18.93%</b>

### Comments:

# Chapter 5

Council has been able to maintain its employee cost rate at 19% which is well below the norm of 35% and new appointments are made in strategic positions below the norm of 35% and new appointments are made in strategic positions.

## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

### 5.5. CAPITAL EXPENDITURE

Table 71 Capital Expenditure

	% of Expenditure Budget	Original Budget	Adjustment Budget	Un- Audited Full Year Total
<b>Capital Expenditure</b>	<b>11%</b>	<b>R 37 000 000</b>	<b>R 41 350 136</b>	<b>R 34 057 472</b>
<b>Operating Expenditure</b>	<b>89%</b>	<b>R 263 226 119</b>	<b>R 265 165 121</b>	<b>R 290 242 008</b>
<b>Total Expenditure</b>	<b>100%</b>	<b>R 300 226 119</b>	<b>R 306 515 257</b>	<b>R 324 299 480</b>

The additional capital funding was allocated mainly to complete the main office Business premises in Ermelo. However the as indicated in by the capital charge ratio table t 5.4.6 council does not over commit itself with capital commitments and capital expenditure and as indicated the capital spending is contained at 11% of total expenditure.

No provision for Disposal of assets were provided for in the operational budget and the transfer of construction vehicle assets to the value of R 23,7 Million resulted in the operating actual expenditure exceeding the adjustment budget.

# Chapter 5

## 5.6. SOURCES OF FINANCE

Table 72 Sources of Finance

Capital Expenditure - Funding Sources 2010/11 - 2011/12						
R' 000						
Details	2010/11			2011/12		
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
<b>Source of finance</b>						
External loans	-	-	-	-	0%	0%
Public contributions and donations	-	-	-	-	0%	0%
Grants and subsidies	-	-	-	-	0%	0%
Other - Own Funding	R 119 172	R 37 000	R 41 350	R 34 057	112%	92%
<b>Total</b>	<b>119 172.03</b>	<b>37 000.00</b>	<b>41 350.14</b>	<b>34 057.47</b>		
<b>Percentage of finance</b>						
External loans						
Public contributions and donations						
Grants and subsidies						
Other - Own Funding	100%	100%	100%	100%		
<b>Capital expenditure</b>						
Water and sanitation						
Electricity						
Housing						
Roads and storm water						
Other - Buildings, Equipment, Vehicles	R 119 172	R 37 000	R 41 350	R 34 057	112%	92%
<b>Total</b>	<b>119 172.03</b>	<b>37 000.00</b>	<b>41 350.14</b>	<b>34 057.47</b>		
<b>Percentage of expenditure</b>						
Water and sanitation						
Electricity						
Housing						
Roads and storm water						
Other - Buildings , Equipment, Vehicles	100%	100%	100%	100%		
T5.6.1						

# Chapter 5

## Comment on sources of funding:

Capital Projects are funded from Internal funds and the capital expenditure is for the projects referred to in table 73.

## Capital Spending on Capital Projects

Table 73 Capital Spending on Capital Projects

Capital Item	Budget	Actual for 2011/12	Variance
	R	R	R
FURNITURE AND EQUIPMENT	3 000 000	2 172 883	827 117
DISASTER CENTRES	4 000 000	1 088 245	2 911 755
OFFICE COMPLEX & ALTERATIONS	29 550 136	27 762 241	1 787 895
LAB EQUIPMENT	1 000 000	386 574	613 426
VEHICLES	3 800 000	2 647 528	1 152 472
<b>TOTAL</b>	<b>41 350 136</b>	<b>34 057 472</b>	<b>7 292 664</b>

## Comments:

The spending on the capital projects were in terms of the IDP and deemed to be essential to ensure that GSDM fulfils its legal mandate in its area of jurisdiction.

# Chapter 5

## COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

### INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

#### 5.7. CASH FLOW

Table 74 Cash flow

Description	2012	2011
	R	R
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Receipts</b>		
Sale of goods and services	2 006 666	(4 643 130)
Grants	279 940 990	246 684 403
Interest received	3 613 600	6 025 131
Other receipts	6 055 445	10 541 725
	<b>291 616 701</b>	<b>258 608 129</b>
<b>Payments</b>		
Employee costs	( 62 504 978)	( 54 540 017)
Suppliers	( 145 915 453)	( 128 218 831)
Interest paid	( 8 151 354)	( 5 078 253)
Other payments	( 12 236 726)	( 28 585 586)
	<b>(228 808 511)</b>	<b>(216 422 687)</b>
<b>Net Cash Flow from Operating Activities</b>	<b>62 808 190</b>	<b>42 185 443</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and other assets	(35 818 869)	(119 175 027)
Proceeds from Disposal	181 514	52 840
Loans advanced to economic entities	( 227 247)	1 145 217
Purchase of heritage assets	( 29 800)	( 124 450)
<b>Net cash used in investing activities</b>	<b>(35 894 402)</b>	<b>(118 101 420)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from other financial liabilities	0	35 000 000
Repayment of other financial liabilities	(6 150 856)	(2 939 942)
Finance lease payments	2 368 309	847 642
<b>Net cash used in financing activities</b>	<b>(3 782 547)</b>	<b>32 907 700</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>23 131 241</b>	<b>(43 008 278)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>10 281 116</b>	<b>53 164 944</b>
<b>Cash and cash equivalents at end of the year</b>	<b>33 412 357</b>	<b>10 156 666</b>
Source: MBRR SA7		T5.9.1

# Chapter 5

## Comments:

As indicated the majority of income is from Grants and subsidies that were utilised for funding projects in the local municipalities which included payment of suppliers of R 145,9 Million and Capital procurement of R 35,8 Million. This procurement represented 62% of cash receipts. Employee related costs represent 21% of cash receipts.

## 5.8. BORROWING AND INVESTMENTS

### INTRODUCTION TO BORROWING AND INVESTMENTS

Table 75 Actual Borrowing

Actual Borrowing 2009/10 to 2011/12			
Instrument	2009/10	2010/11	2011/12
	R	R	R
<b>Municipality</b>			
Long Term Loans (Annuity/reducing Balance)	-	35 000 000.00	-
<b>Total Municipality</b>	-	<b>35 000 000.00</b>	-
<b>Municipality Entities</b>			
No Borrowing for periods	-	-	-
<b>Total Municipality Entities</b>	-	-	-

## Comments:

The loan of R 35 Million was taken up during the 2010/11 financial year mainly to fund the implementation of projects for the respective 7 local municipalities in the GSDM region.

Table 76 Investments

Municipal and Entity Investments 2009/10 to 2011/12			
Instrument	2009/10	2010/11	2011/12
	R	R	R
<b>Municipality</b>			
Investments in Eastvaal Financing Partnership	22 172 601	26 095 352	26 095 352
Investments in Eastvaal Developing Trust	7 874 297	6 729 080	6 956 327
<b>Total Municipality</b>	<b>30 046 898</b>	<b>32 824 432</b>	<b>33 051 679</b>
<b>Municipality Entities</b>			
No Investments for periods	-	-	-
<b>Total Municipality Entities</b>	-	-	-
<b>Consolidated Total</b>	<b>30 046 898</b>	<b>32 824 432</b>	<b>33 051 679</b>

# Chapter 5

## **5.9. PUBLIC PRIVATE PARTNERSHIPS**

### **PUBLIC PRIVATE PARTNERSHIPS**

The GSDM has not entered into any public private partnership in the current 2011/12 financial year

## **COMPONENT D: OTHER FINANCIAL MATTERS**

## **5.10. SUPPLY CHAIN MANAGEMENT**

### **SUPPLY CHAIN MANAGEMENT**

Refer comments in Chapter 2, section 2.7

## **5.11. GRAP COMPLIANCE**

GRAP is the acronym for **Generally Recognized Accounting Practice** and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

In the current financial year, the municipality had adopted the following standards and interpretations that are effective for the 2011/12 financial year and that are relevant to its business operations in terms of best practices.

# Chapter 5

**Table 77 Grap Compliance**

	Standard / Interpretation	Effective date	Expected Impact
		Years beginning on or after	
*	IGRAP 2: Changes in Existing Decommissioning, Restoration and Similar Liabilities	01-Apr-11	None
*	IGRAP 3: Determining Whether an Arrangement Contains a Lease	01-Apr-11	None
*	IGRAP 4: Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	01-Apr-11	None
*	IGRAP 5: Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Economies	01-Apr-11	None
*	IGRAP 6: Loyalty Programmes	01-Apr-11	None
*	IGRAP 8: Agreements for the Construction of Assets from Exchange Transactions	01-Apr-11	None
*	IGRAP 9: Distributions of Non-cash Assets to Owners	01-Apr-11	None
*	IGRAP 10: Assets Received from Customers	01-Apr-11	None
*	IGRAP 13: Operating Leases – Incentives	01-Apr-11	None
*	IGRAP 14: Evaluating the Substance of Transactions Involving the Legal Form of a Lease	01-Apr-11	None
*	GRAP 1 (as revised 2010): Presentation of Financial Statements	01-Apr-11	None
*	GRAP 2 (as revised 2010): Cash Flow Statements	01-Apr-11	None
*	GRAP 3 (as revised 2010): Accounting policies, Changes in Accounting Estimates and Errors	01-Apr-11	None
*	GRAP 4 (as revised 2010): The Effects of Changes in Foreign Exchange Rates	01-Apr-11	None
*	GRAP 9 (as revised 2010): Revenue from Exchange Transactions	01-Apr-11	None
*	GRAP 10 (as revised 2010): Financial Reporting in Hyperinflationary Economies	01-Apr-11	None
*	GRAP 11 (as revised 2010): Construction Contracts	01-Apr-11	None
*	GRAP 12 (as revised 2010): Inventories	01-Apr-11	None
*	GRAP 13 (as revised 2010): Leases	01-Apr-11	None
*	GRAP 14 (as revised 2010): Events After the Reporting Date	01-Apr-11	None
*	GRAP 16 (as revised 2010): Investment Property	01-Apr-11	None
*	GRAP 17 (as revised 2010): Property, Plant and Equipment	01-Apr-11	None
*	GRAP 19 (as revised 2010): Provisions, Contingent Liabilities and Contingent Assets	01-Apr-11	None
*	GRAP 100 (as revised 2010): Non-current Assets Held for Sale and Discontinued Operations	01-Apr-11	None



# Chapter 6

## CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

### COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2011/12

#### 6.1 AUDITOR GENERAL REPORTS 2011/12

Refer attached Report from the office of the Auditor General

### COMPONENT B: AUDITOR-GENERAL OPINION 2011/12

Refer attached Report from the office of the Auditor General

**COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:** Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief financial officer states that these data sets have been returned according to the reporting requirements/ with the exception of those items and for those reasons given at **Appendix S** (*delete '...' if not applicable*).

Signed (Chief financial Officer)..... Dated

T6.2.5

# GLOSSARY

## GLOSSARY

<b>Accessibility indicators</b>	Explore whether the intended beneficiaries are able to access services or outputs.
<b>Accountability documents</b>	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
<b>Activities</b>	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
<b>Adequacy indicators</b>	The quantity of input or output relative to the need or demand.
<b>Annual Report</b>	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
<b>Approved Budget</b>	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
<b>Baseline</b>	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
<b>Basic municipal service</b>	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
<b>Budget year</b>	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
<b>Cost indicators</b>	The overall cost or expenditure of producing a specified quantity of outputs.
<b>Distribution indicators</b>	The distribution of capacity to deliver services.
<b>Financial Statements</b>	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
<b>General Key</b>	After consultation with MECs for local government, the Minister may prescribe

# GLOSSARY

<b>performance indicators</b>	general key performance indicators that are appropriate and applicable to local government generally.
<b>Impact</b>	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
<b>Inputs</b>	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
<b>Integrated Development Plan (IDP)</b>	Set out municipal goals and development plans.
<b>National Key performance areas</b>	<ul style="list-style-type: none"> <li>• Service delivery &amp; infrastructure</li> <li>• Economic development</li> <li>• Municipal transformation and institutional development</li> <li>• Financial viability and management</li> <li>• Good governance and community participation</li> </ul>
<b>Outcomes</b>	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
<b>Outputs</b>	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
<b>Performance Indicator</b>	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
<b>Performance Information</b>	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
<b>Performance Standards:</b>	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.

# GLOSSARY

<b>Performance Targets:</b>	<p>The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.</p>
<b>Service Delivery Budget Implementation Plan</b>	<p>Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.</p>
<b>Vote:</b>	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>



# APPENDICES

## APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Not applicable

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
<b>Constitution Schedule 4, Part B functions:</b>		
Air pollution		
Building regulations		
Child care facilities		
Electricity and gas reticulation		
Firefighting services		
Local tourism		
Municipal airports		
Municipal planning		
Municipal health services		
Municipal public transport		
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other		
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related		
Stormwater management systems in built-up areas		
Trading regulations		
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems		
<i>Continued next page</i>		

# APPENDICES

<i>Continued from previous page</i>		
<b>Municipal / Entity Functions</b>		
<b>MUNICIPAL FUNCTIONS</b>	<b>Function Applicable to Municipality (Yes / No)*</b>	<b>Function Applicable to Entity (Yes / No)</b>
<b>Constitution Schedule 5, Part B functions:</b>		
Beaches and amusement facilities		
Billboards and the display of advertisements in public places		
Cemeteries, funeral parlours and crematoria		
Cleansing		
Control of public nuisances		
Control of undertakings that sell liquor to the public		
Facilities for the accommodation, care and burial of animals		
Fencing and fences		
Licensing of dogs		
Licensing and control of undertakings that sell food to the public		
Local amenities		
Local sport facilities		
Markets		
Municipal abattoirs		
Municipal parks and recreation		
Municipal roads		
Noise pollution		
Pounds		
Public places		
Refuse removal, refuse dumps and solid waste disposal		
Street trading		
Street lighting		
Traffic and parking		
<b>* If municipality: indicate (yes or No); * If entity: Provide name of entity</b>		T D

# APPENDICES

## APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

### APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
Vote Description	2010/11	Current Year 2011/12			2011/12 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
Mayor & Council	R 0	R 7,730	R 7,290	R 8,874	87%	82%
Municipal Manager	R 0	R 25,120	R 23,700	R 21,477	117%	110%
Planning & Economic Development	R 7,765,667	R 5,990	R 5,650	R 6,690	90%	84%
Corporate Services	R 0	R 27,020	R 25,490	R 40,590	67%	63%
Finance	R 254,258,204	R 288,368,600	R 252,860,000	R 259,800,516	111%	97%
Municipal Infrastructure	R 0	R 11,747,119	R 31,751,796	R 31,430,422	0%	0%
Community & Social Development	R 13,485	R 46,540	R 43,740	R 40,744	114%	107%
<b>Total Revenue by Vote</b>	<b>R 262,037,356</b>	<b>R 300,228,119</b>	<b>R 284,717,666</b>	<b>R 291,349,313</b>		
Variances are calculated by dividing the difference between actual and original/ adjustments budget by the actual. This table is aligned to MBRR table A3						TK.1

### COMMENTS ON REVENUE COLLECTION PERFORMANCE BY VOTE

The majority of income for council relates to grant income that was adjusted to actual amounts received and promulgated per the DORA allocations.

The reduction in the Planning and Economic departments' income was due to potential income from the laboratory that is in a transitional stage and the income did not materialise.

Increased income for Municipal Infrastructure relates mainly to additional COGTA, MIG and DWAF grants income.



# APPENDICES

## APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
						R '000
Vote Description	2010/11	Current Year 2011/12			2011/12 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
Government Grants & Subsidies	R 246,890	R 258,092	R 280,268	R 279,941	92%	100%
Rental Income	R 0	R 0	R 0.00	R 505	0%	0%
Income From Entities	R 3,354	R 0	R 0.00	R 5,295	0%	0%
Other Income	R 5,669	R 38,726	R 1,850	R 1,992	1944%	93%
Interest Received - Investments	R 3,300	R 3,408	R 2,600	R 3,605	95%	72%
Gain on Disposal of Assets	R 53	R 0	R 0.00	R 0	0%	0%
Interest Received - Other	R 2,725	R 0	R 0.00	R 8	0%	0%
<b>Total Revenue (excluding capital and contributions)</b>	<b>R 261,991</b>	<b>R 300,226</b>	<b>R 284,718</b>	<b>R 291,347</b>		
Variances are calculated by dividing the difference between actual and original/ adjustments budget by the actual. This table is aligned to MBRR table A4						TK.2

### COMMENTS ON REVENUE COLLECTION PERFORMANCE BY SOURCE

The variances in Government Grants and subsidies are attributed to additional COGTA, MIG and DWAF grants income received during the year. The reduction in the other income is due to income from the laboratory of R 8 Million that did not materialise as the laboratory was in the process of being established. Further a provision for a loan of R 30 Million was included in the budget but was not applied during the year.

The interest received budget was reduced due to the interest rates reductions and the fact that no material surplus funds would be available for investment purposes. However surplus funds were achieved from time to time during the financial year. Hence investments were undertaken and the interest rates were constant for the remainder of the year.

# APPENDICES

## APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

### APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital Expenditure - New Assets Programme*							
R '000							
Description	2010/11	2011/12			Planned Capital expenditure		
	Actual	Original Budget	Adjust Budget	Actual Expend	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>	-	33,000	21,202	19,964	-	-	-
<b>Infrastructure: Road transport - Total</b>	-	-	-	-	-	-	-
<i>Roads, Pavements &amp; Bridges</i>		-	-	-			
<i>Storm water</i>		-	-	-			
<b>Infrastructure: Electricity - Total</b>	-	6,000	1,500	1,402	-	-	-
<i>Generation</i>		-	-	-			
<i>Transmission &amp; Reticulation</i>		6,000	1,500	1,402			
<i>Street Lighting</i>		-	-	-			
<b>Infrastructure: Water - Total</b>	-	13,500	8,500	8,340	-	-	-
<i>Dams &amp; Reservoirs</i>		-	-	-			
<i>Water purification</i>		-	-	-			
<i>Reticulation</i>		13,500	8,500	8,340			
<b>Infrastructure: Sanitation - Total</b>	-	13,500	11,202	10,222	-	-	-
<i>Reticulation</i>		13,500	11,202	10,222			
<i>Sewerage purification</i>		-	-	-			
<b>Infrastructure: Other - Total</b>	-	-	-	-	-	-	-

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Waste Management		-	-	-			
Transportation		-	-	-			
Gas		-	-	-			
Other		-	-	-			
<b>Community - Total</b>	-	-	-	-	-	-	-
Parks & gardens							
Sportsfields & stadia		-	-	-			
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							
<b>Capital expenditure by Asset Class</b>							
<b>Heritage assets - Total</b>	-	-	-	-	-	-	-
Buildings							
Other							
<b>Investment properties - Total</b>	-	-	-	-	-	-	-
Housing development							
Other							
<b>Other assets</b>	-	-	-	-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							

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Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
<b><u>Agricultural assets</u></b>	-	-	-	-	-	-	-
<i>List sub-class</i>							
<b><u>Biological assets</u></b>	-	-	-	-	-	-	-
<i>List sub-class</i>							
<b><u>Intangibles</u></b>	-	-	-	-	-	-	-
Computers - software & programming							
Other ( <i>list sub-class</i> )							
<b>Total Capital Expenditure on new assets</b>	-	<b>33,000</b>	<b>21,202</b>	<b>19,964</b>	-	-	-
<b><u>Specialised vehicles</u></b>	-	-	-	-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							

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## APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Capital Expenditure - Upgrade/Renewal Programme*						
R '000						
Description	2011/12			Planned Capital expenditure		
	Original Budget	Adjust Budget	Actual Expend	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>						
<b>Infrastructure - Total</b>	<b>46,600</b>	<b>37,024</b>	<b>29,750</b>	-	-	-
Infrastructure: Road transport -Total	32,600	27,624	24,239	-	-	-
<i>Roads, Pavements &amp; Bridges</i>	32,600	27,624	24,239			
<i>Storm water</i>	-	-	-			
<b>Infrastructure: Electricity - Total</b>	-	-	-	-	-	-
<i>Generation</i>	-	-	-			
<i>Transmission &amp; Reticulation</i>	-	-	-			
<i>Street Lighting</i>	-	-	-			
<b>Infrastructure: Water - Total</b>	4,000	3,400	1,569	-	-	-
<i>Dams &amp; Reservoirs</i>	-	700	468			
<i>Water purification</i>	4,000	2,700	1,101			
<i>Reticulation</i>	-	-	-			
<b>Infrastructure: Sanitation - Total</b>	10,000	6,000	3,942	-	-	-
<i>Reticulation</i>	-	-	-			
<i>Sewerage purification</i>	10,000	6,000	3,942			
<b>Infrastructure: Other - Total</b>	-	-	-	-	-	-
<i>Waste Management</i>	-	-	-			
<i>Transportation</i>	-	-	-			
<i>Gas</i>	-	-	-			
<i>Other</i>	-	-	-			
<b>Community</b>	<b>500</b>	<b>500</b>	<b>500</b>	-	-	-
Parks & gardens						
Sportsfields & stadia	500	500	500			
Swimming pools						
Community halls						

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Libraries						
Recreational facilities						
Fire, safety & emergency						
Security and policing						
Buses						
Clinics						
Museums & Art Galleries						
Cemeteries						
Social rental housing						
Other						
<b>Heritage assets</b>	-	-	-	-	-	-
Buildings						
Other						
<b>Investment properties</b>	-	-	-	-	-	-
Housing development						
Other						
<b>Other assets</b>	-	-	-	-	-	-
General vehicles						
Specialised vehicles						
Plant & equipment						
Computers - hardware/equipment						
Furniture and other office equipment						
Abattoirs						
Markets						
Civic Land and Buildings						
Other Buildings						
Other Land						
Surplus Assets - (Investment or Inventory)						
Other						
<b>Agricultural assets</b>	-	-	-	-	-	-
<i>List sub-class</i>						
<b>Biological assets</b>	-	-	-	-	-	-
<i>List sub-class</i>						

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<b><u>Intangibles</u></b>	-	-	-	-	-	-
Computers - software & programming						
Other ( <i>list sub-class</i> )						
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>47,100</b>	<b>37,524</b>	<b>30,250</b>	-	-	-
<b><u>Specialised vehicles</u></b>	-	-	-	-	-	-
Refuse						
Fire						
Conservancy						
Ambulances						

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## APPENDIX N – CAPITAL PROGRAMME BY PROJECT 2011/12

### Region 1

Capital Programme by Project 2011/12					
R' 000					
Capital Project - Region 1	Original Budget	Adjust Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
<b>Water</b>	<b>2000000</b>	<b>2000000</b>	<b>1794099</b>	<b>-11%</b>	<b>-11%</b>
"Project A" - Provision of boreholes in rural areas in <b>Dipaleseng</b> LM	1000000	1000000	897050	-11%	-11%
"Project B" - Provision of boreholes in rural areas in <b>Govan Mbeki</b> LM	1000000	1000000	897050	-11%	-11%
"Project C" - Construction of 10ML reservoir in <b>Lekwa</b>	1230000 0	500000	500000	0%	-2360%
<b>Sanitation/Sewerage</b>	<b>2000000</b>	<b>2000000</b>	<b>1744000</b>	<b>-15%</b>	<b>-15%</b>
"Project A" - Installation of VIP toilets in rural areas in <b>Dipaleseng</b> LM	1000000	1000000	768000	-30%	-30%
"Project B" - Installation of VIP toilets in rural areas in <b>Govan Mbeki</b> LM	1000000	1000000	976000	-2%	-2%
"Project C" - Installation of VIP toilets in rural areas in <b>Lekwa</b> LM	1000000	1000000	940800	-6%	-6%
<b>Electricity</b>	<b>2500085</b>	<b>7500090</b>	<b>2531350</b>	<b>-196%</b>	<b>1%</b>
"Project A" - Electricity refund in <b>Govan Mbeki</b> LM	2500000	7500000	2531255	-196%	1%
"Project B"	85	90	95	5%	11%
<b>Housing</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6%</b>	<b>11%</b>
"Project A"	0	0	0	8%	11%
"Project B"	0	0	0	5%	11%
<b>Refuse removal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6%</b>	<b>11%</b>
"Project A"	0	0	0	8%	11%
"Project B"	0	0	0	5%	11%
<b>Roads &amp; Stormwater</b>	<b>8147967</b>	<b>5695007</b>	<b>4752949</b>	<b>-20%</b>	<b>-71%</b>
Roads in Siyathemba	4147967	3195007	2252949	-42%	-84%
Balfour Upgrading of roads	4000000	2500000	2500000	0%	-60%
Siyathemba upgrading of roads	4000000	2500000	3000000	17%	-33%
Construction of roads in Leandra	2000000	2000000	1118611	-79%	-79%
Roads in Bethal	1407564	1407564	1407564	0%	0%
Emzinoni roads	3500000	3500000	2185492	-60%	-60%



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Upgrading of roads in Kinross	2000000	1500000	332827	-351%	-501%
Roads in Morgenzon	1700000	1700000	1129375	-51%	-51%
Roads & SW in Sakhile	4000000	4000000	3987875	0%	0%
<b>Sports, Arts &amp; Culture</b>	<b>1500000</b>	<b>150000</b>			
Upgrading of Sakhile Stadium	1500000	150000	0		
<b>Environment</b>	<b>0</b>	<b>0</b>	<b>0</b>		
<b>Health</b>	<b>0</b>	<b>0</b>	<b>0</b>		
<b>Safety and Security</b>	<b>0</b>	<b>0</b>	<b>0</b>		
<b>ICT and Other</b>	<b>0</b>	<b>0</b>	<b>0</b>		

## Region 2

Capital Programme by Project 2011/12					
R' 000					
Capital Project – Region 2	Original Budget	Adjust Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
<b>Water</b>	<b>17,500</b>	<b>11,900</b>	<b>9,909</b>	<b>-17%</b>	<b>-43%</b>
Upgrading of Driefontein WTW	0	700	468	-33%	
Refurbishment of Torbanite Dam	0	700	404	-42%	
Khayelisha Water Reticulation	5,000	2,500	2,273	-9%	-55%
Construction of Bulk Supply Line from Volksrust WTW to 8ML Reservoir	3,000	2,000	1,846	-8%	-38%
Construction of Bulk Supply Line from Amersfoort WTW to Amersfoort Reservoir	4,000	2,500	2,790	12%	-30%
Upgrading of Amersfoort WTW	4,000	2,000	697	-65%	-83%
Provision of Boreholes - Chief Albert Luthuli LM	1,500	1,500	1,431	-5%	-5%
<b>Sanitation/Sewerage</b>	<b>23,500</b>	<b>17,202</b>	<b>14,164</b>	<b>-18%</b>	<b>-40%</b>
Conversion of RDP Houses - Driefontein (Sewer Reticulation)	4,000	4,000	3,899	-3%	-3%
Refurbishment of Amsterdam STP	2,000	2,000	1,025	-49%	-49%
Refurbishment of Davel STP	2,000	2,000	1,746	-13%	-13%
Upgrading of Vukuzakhe / Georgia Gardens STP	6,000	2,000	1,171	-41%	-80%
Perdekop Sewer Reticulation	3,000	2,702	3,000	11%	0%
Khayelisha Sewer Reticulation	4,000	2,000	919	-54%	-77%
Installation of VIPs - Chief Albert Luthuli LM	1,500	1,500	1,463	-2%	-2%
Installation of VIPs - Mkhondo LM	1,000	1,000	941	-6%	-6%
<b>Electricity</b>	<b>6000</b>	<b>1500</b>	<b>1,402</b>	<b>-7%</b>	<b>-77%</b>

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Electrification of Villages - Ntombe, Bakenkop, Khalambazo, Bhodweni, eMakhaya	6,000	1,500	1,402	-7%	-77%
<b>Housing</b>					
<b>Refuse removal</b>					
<b>Roads &amp; Stormwater</b>	<b>32,600</b>	<b>27,624</b>	<b>24,239</b>	<b>-12%</b>	<b>-26%</b>
Rehabilitation of Mayflower Culvert at Empuluzi	0	160	160	0%	
Upgrading of Ring Road in Elukwatini	3,000	3,000	3,000	0%	0%
Upgrading of Roads at Silobela	4,000	2,500	1,838	-26%	-54%
Upgrading of Roads at Eziphunzini	6,000	7,580	7,359	-3%	23%
Upgrading of Roads at Kwathandeka, Amsterdam	4,000	4,420	3,314	-25%	-17%
Upgrading of Roads in Sheepmoor	3,000	3,000	2,374	-21%	-21%
Upgrading of Roads in Davel	4,000	4,000	3,497	-13%	-13%
Upgrading of Roads and Stormwater in Cassim Park	1,000	1,000	748	-25%	-25%
Upgrading of Roads In Amersfoort	1,900	199	199	0%	-90%
Upgrading of Roads In Daggakraal	1,600	1,600	1,585	-1%	-1%
Upgrading of Roads In Wakkerstroom	4,100	165	165	0%	-96%
<b>Economic development</b>					
<b>Sports, Arts &amp; Culture</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>0%</b>	<b>0%</b>
Upgrading of Elukwatini Stadium	500	500	500	0%	0%
<b>Environment</b>					
<b>Health</b>					
<b>Safety and Security</b>					
<b>ICT and Other</b>					

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## APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2011/12

### Region 1

Capital Programme by Project by Ward 2011/12*		
R' 000		
Capital Project	Ward(s) affected	Works completed (Yes/No)
<b>Water</b>		
Provision of boreholes in rural areas in <b>Dipaleseng</b> LM	2; 3; 4 & 5	Yes
Provision of boreholes in rural areas in <b>Govan Mbeki</b> LM	1; 10; 15 & 17	Yes
Construction of 10ML reservoir in <b>Lekwa</b>	7	No
<b>Sanitation/Sewerage</b>		
Installation of VIP toilets in rural areas in <b>Dipaleseng</b> LM	2; 3; 4 & 5	Yes
Installation of VIP toilets in rural areas in <b>Govan Mbeki</b> LM	1; 10; 15 & 17	Yes
Installation of VIP toilets in rural areas in <b>Lekwa</b> LM	9; 12 & 13	Yes
<b>Electricity</b>		
Electricity refund in <b>Govan Mbeki</b> LM		Yes
<b>Housing</b>		
<b>Refuse removal</b>		
<b>Roads &amp; Stormwater</b>		
Roads in Siyathemba	4	No
Balfour Upgrading of roads	3	No
Siyathemba upgrading of roads	2	No
Construction of roads in Leandra	2	Yes
Roads in Bethal	24	No
Emzinoni roads	27	No
Upgrading of roads in Kinross	16	No
Roads in Morgenzon	14	Yes
Roads & SW in Sakhile	6	Yes
<b>Economic development</b>		
<b>Sports, Arts &amp; Culture</b>		
Upgrading of Sakhile Stadium	2	No
<b>Environment</b>		

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Health		
Safety and Security		
ICT and Other		

## Region 2

Capital Programme by Project by LM 2011/12		
Capital Project	LM(s) affected	Works completed (Yes/No)
<b>Water</b>		
Upgrading of Driefontein WTW	Mkhondo	No
Refurbishment of Torbanite Dam	Msukaligwa	No
Khayelisha Water Reticulation	Msukaligwa	No
Construction of Bulk Supply Line from Volksrust WTW to 8ML Reservoir	Dr Pixley ka Isaka Seme	No
Construction of Bulk Supply Line from Amersfoort WTW to Amersfoort Reservoir	Dr Pixley ka Isaka Seme	No
Upgrading of Amersfoort WTW	Dr Pixley ka Isaka Seme	No
Provision of Boreholes - Chief Albert Luthuli LM	Chief Albert Luthuli	Yes
<b>Sanitation/Sewerage</b>		
Conversion of RDP Houses - Driefontein (Sewer Reticulation)	Mkhondo	Yes
Refurbishment of Amsterdam STP	Mkhondo	No
Refurbishment of Davel STP	Msukaligwa	No
Upgrading of Vukuzakhe / Georgia Gardens STP	Dr Pixley ka Isaka Seme	No
Perdekop Sewer Reticulation	Dr Pixley ka Isaka Seme	No
Khayelisha Sewer Reticulation	Msukaligwa	No
Installation of VIPs - Chief Albert Luthuli LM	Chief Albert Luthuli	Yes
Installation of VIPs - Mkhondo LM	Mkhondo	Yes
<b>Electricity</b>		
Electrification of Villages - Ntombe, Bakenkop, Khalambazo, Bhodweni, eMakhaya	Mkhondo	No
<b>Housing</b>		
<b>Refuse removal</b>		
<b>Roads &amp; Stormwater</b>		

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Rehabilitation of Mayflower Culvert at Empuluzi	Chief Albert Luthuli	Yes
Upgrading of Ring Road in Elukwatini	Chief Albert Luthuli	Yes
Upgrading of Roads at Silobela	Chief Albert Luthuli	No
Upgrading of Roads at Eziphunzini	Mkhondo	Yes
Upgrading of Roads at Kwathandeka, Amsterdam	Mkhondo	No
Upgrading of Roads in Sheepmoor	Msukaligwa	Yes
Upgrading of Roads in Davel	Msukaligwa	Yes
Upgrading of Roads and Stormwater in Cassim Park	Msukaligwa	Yes
Upgrading of Roads In Amersfoort	Dr Pixley ka Isaka Seme	Yes
Upgrading of Roads In Daggakraal	Dr Pixley ka Isaka Seme	Yes
Upgrading of Roads In Wakkerstroom	Dr Pixley ka Isaka Seme	Yes
<b>Economic development</b>		
<b>Sports, Arts &amp; Culture</b>		
Upgrading of Elukwatini Stadium	Chief Albert Luthuli	Yes
<b>Environment</b>		
<b>Health</b>		
<b>Safety and Security</b>		
<b>ICT and Other</b>		

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## APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Not applicable

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
<b>Schools (NAMES, LOCATIONS)</b>				
<b>Clinics (NAMES, LOCATIONS)</b>				
Names and locations of schools and clinics lacking one or more services. Use 'x' to mark lack of service at appropriate level for the number of people attending the school/clinic, allowing for the proper functioning of the establishment concerned.				

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

Not applicable

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
<b>Clinics:</b>		
<b>Housing:</b>		
<b>Licencing and Testing Centre:</b>		
<b>Reseviors</b>		
<b>Schools (Primary and High):</b>		
<b>Sports Fields:</b>		

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## APPENDIX U – PERFORMANCE REPORT ADDENDUMS

### ADDENDUM A: IDP SCORECARD

Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
<b>Municipal Transformation and Organisational Development – Improve and sustain Financial, Human Resources and Management Excellence</b>								
Institutional Capacity	1.1	% of employees who are satisfied with their working environment (annual)	<p>A draft questionnaire was developed at the end of October 2011 and submitted for comment with the intention of rolling out the form to all staff members on their resumption of work in January 2012. The schedule was then planned that the 3rd quarter would be employed to complete and evaluate the returned questionnaire and make the findings known in the 4th quarter. Subsequently, the HOD, J. Maseko was seconded in January 2012 to the Dipalasang municipality as acting MM for a period of (3) months. Although an acting CS HOD was appointed, his tenure of appointment only lasted a few months, when another acting HOD was appointed. Mr. Maseko's secondment has been extended and he is still currently based in Dipalasang. The outcome of this uncertain leadership vacuum resulted in the daily operation of the Corporate Services department functioning, to the detriment of strategic issues.</p>	<p>It is the department's intention to finalise the draft questionnaire in the 1st quarter of 2012/13 and circulate it to all staff members during the 2nd quarter. The evaluation will be concluded in the 3rd quarter and the results of the survey made public</p>	0.00	80.00	0.00	1.00
	1.2	% of employees from previously disadvantaged groups appointed in the three highest levels of management as per the approved EE plan (NKPI)	<p>Numerator: 19 - Number of black people, women and people with disabilities appointed in the 3 highest levels of management (Task level 15 and above)</p> <p>Denominator: 28 - Total staff compliment (Task level 15 and above)</p> <p>19/28 = 67.86%</p>	<p>N/A - Actual marginally below target.</p>	82.35	70.00	67.86	3.95

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
ICT Services	1.3	% Implementation of King 3 recommendations as it relates to IT risk assessment	<p>Mitigation/Intervention measures as listed in the 2011/12 Risk Register (Refer to instruction column) not implemented by 30 June 2012.</p> <p>Challenges incurred during the year included:</p> <p>1) No continuity in management during the year as the HOD: CS was seconded to Dipalaseng, two acting HOD's was appointed during the financial disrupting IT planning and operations.</p> <p>2) The Senior Manager: IT too involved in daily operations due to the critical vacant of IT Manager not being filled and therefore unable to delegate day to day operations.</p>	Implementation of mitigating/intervention measures included in the 2012/13 Risk register to be addressed during the new financial year. In addition PWC has been appointed for a complete gap analysis and risk review with recommendations to ensure that IT objectives are aligned to business objectives. This process is currently underway.	0.00	80.00	0.00	1.00
Skills Development and Capacity Building	1.4	% budget spent on implementing the Workplace Skills Plan (annual)	<p>Numerator: R298,535 - Actual expenditure (Human Resources Service Training Vote)</p> <p>Denominator: R300, 000 - Budgeted expenditure (Human Resources Service Training Vote)</p> <p>Calculation: <math>R298,535/R300,000 = 99.51\%</math></p>	<p>N/A - Target exceeded.</p> <p>It must be noted that KPI's measuring expenditure will be outcome based from the 2012/13 financial year ensuring that non-financial measures will be included as part of the KPI measure.</p>	0.00	75.00	99.51	4.54
<b>Municipal Transformation and Organisational Development – Restore and maintain the institutional integrity of the District and its constituent LMs</b>								
Organisational Performance Management	1.5	% increase in organizational performance (annual)	N/A for reporting in the 2011/12 Financial year. Target relevant to 2012/13 Financial year.		0.00	NA		0W
<b>Basic Service Delivery and Infrastructure Development – Improve the quantity and quality of Municipal basic services to the people</b>								
Project Management	2.1	% of Capital projects as identified in the IDP completed (excl., multi year projects) (annual)	<p>Numerator: # of identified 2011/12 Capital projects with practical completion status as 30 June 2012 = 24 projects</p> <p>Broken down per LM as follows: Albert Luthuli (3) Dipalaseng (3)</p>	Project GSDM 14/2008 – Upgrading of Ekulindeni Water Treatment Works – Phase 1 was targeted for completion by 30 June 2012 but was not completed by the due date. Completion of this project within the targeted date of June 2012 would have resulted in the predetermined target of 80% being achieved (25/31 = 80.65%). The new project completion date was set for	0.00	80.00	77.42	3.95

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
			<p>Lekwa (3) Govan Mbeki (3) Mkhondo (4) Msukaligwa (5) Pixley Ka Seme (3)</p> <p>Denominator: Total # of Capital projects included in the 2011/12, excluding 2012/13 transfer projects = 31 projects (Refer to instruction column for breakdown of 31 projects per LM)</p> <p>Calculation: <math>24/31 = 77.42\%</math></p>	October 2012.				
Access to Water and Sanitation	2.2	% compilation of District Integrated Water Master Plan (IWMP)(annual)	<p>Numerator: R 499,414 - Actual expenditure, Indirect/Departmental Allocation - Update Bulk Water Plans</p> <p>Denominator: R 500,000 - Total Budget, Indirect/Departmental Allocation - Update Bulk Water Plans</p> <p>Calculation: <math>R\ 499,414/R\ 500,000 = 99.88\%</math> thus <math>99.88\% \times 41\% = 41\%</math></p> <p>Section 4 and 5 completed for the year ending June 2012.</p>	N/A - Target achieved	95.00	41.00	41.00	4.00
Integrated Transport System	2.3	Review and update 2008 adopted Integrated Transport Plan and submit to Council for approval (annual)	N/A - Target relevant to 2012/13. Budget has been allocated in terms of the 2012/13 approved budget for the review of the Integrated Transport Plan.	N/A - Target relevant to 2012/13. Budget has been allocated in terms of the 2012/13 approved budget for the review of the Integrated Transport Plan.	0.00	NA		0W
Integrated Waste Management Planning	2.4	% review of the Integrated Waste Management Plan (annual)	Due to the shortage of staff within the Municipal Health Department, administrative functions such as revision of the Integrated Waste Management could not be attended to. This KPI has been included in the 2012/13 IDP.	Review organogram to cater for appointment of EHP's. Minimum number of 20 EHP's needed to execute mandate of Municipal Health Services.	0.00	100.00	0.00	1.00

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
				The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.				
<b>Basic Service Delivery and Infrastructure Development – Advanced Community Well-being</b>								
Disaster Management and safety	2.5	Submission of business plan to source funding to operationalise (3) completed Disaster Management Units (annual)	Business Plans not developed in the absence of Memorandum of Understanding entered into with the relevant Local Municipalities.	Currently MOU's are being drafted.	0.00	100.00	0.00	1.00
Municipal health Services	2.6	% utilization of Laboratory facilities	<p>Numerator: 3044*</p> <p>*1586(Utilisation of Chemistry Section) + 1458(Utilisation of Microbiology Section) = 3044</p> <p>Denominator: 8400 - Refer to instruction column</p> <p>Calculation: 3044/8400 = 36.24%</p>	Actual slightly below target. Utilisation is currently limited with the Lab not being accredited by SANAS. The accreditation process is currently being undertaken with gaps as identified by SANAS during April 2012 being attended to. Feedback on progress to be given during August 2012 with a site assessment to be conducted Sept/Oct 2012.	0.00	40.00	36.24	3.84
	2.7	Obtain Laboratory accreditation (annual)	Quality management system documentation submitted for evaluation to SANAS. Feedback received in April 2012. Laboratory working on action plan to close identified gaps. Feedback to be resubmitted at end of August 2012. On site assessment to be conducted Sept/Oct. 2012.	Refer to Actual Notes Column	0.00	Obtain accreditation from SANAS (100%)	Accreditation from SANAS not obtained (100%)	1.00
	2.8	# of planned MHS Sectoral forum held	<p>The following MHS Sectoral Forum meetings were held YTD:</p> <ul style="list-style-type: none"> <li>- MHS Sectoral Forum meeting held 29 August 2011;</li> <li>- MHS Sectoral Forum meeting held 23 February 2012;</li> <li>- MHS Sectoral Forum meeting held 31 May 2012.</li> </ul> <p>The CSS Department could only provide minutes for 3 of the 4 MHS Sectoral Forum meetings held during the year. In the</p>	<p>Review organogram to cater for appointment of EHP's. Minimum number of 20 EHP's needed to execute mandate of Municipal Health Services.</p> <p>The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.</p>	0.00	4.00	3.00	3.80

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Municipal health Services			absence of an administrator the administration function was allocated to various EHP's within the department of which many is situated at the Local Municipal Offices. POE could not be provided to the PMS Unit to substantiate any additional meetings held during the financial year					
Community Health & Social Development	2.9	# of District AIDS Council (DAC) meetings held	The following District Aids Council meetings was held YTD: 1) 12 July 2011 (refer to 1st Qtr Input Scorecard); 2) 24 Nov 2011 (refer to 2nd Qtr Input Scorecard) 3) 15 March 2012 (refer to 3rd Qtr Input Scorecard) 4) 24 May 2012 5) 19 June 2012 6) 26 June 2012	N/A - Target exceeded	0.00	4.00	6.00	5.00
<b>Local Economic Development - Creation of decent job creation, poverty alleviation, sustainable livelihoods &amp; Rural Development, food security and Land Reform through LED</b>								
Regional Economic Growth	3.1	Number of EPWP Full Time Equivalent (FTE's) jobs created	Net Number of Work Opportunities GSDM for the period 1 April 2011 to 31 March 2012: 232	Target was based on job opportunities created and not Full Time Equivalent (FTE's) as prescribed by legislation. The target for the 2012/13 now reflects the correct calculation for determination of jobs created.	320.00	350.00	232.00	2.44
<b>Municipal Financial Viability and Management - Improve and sustain Financial, Human Resources and Management Excellence across the District</b>								
Financial Management	4.1	Unqualified Audit opinion	As reported in the 2nd Quarter Performance Report. Unqualified Audit Opinion as Expressed through the External Audit Report received from the Offices of the Auditor-General for the year ending June 2011.  In the Auditor-General's opinion the financial statements present fairly, an all material respects, the financial position of the Gert Sibande District Municipality as at 30 June 2011, and its financial performance and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of the MFMA.	N/A - Target achieved	0.00	Unqualified Audit opinion (100%)	Unqualified Audit opinion (100%)	4.00
Budget and	4.2	% of the	Numerator:	Material under expenditure relates to the following projects:	101.00	90.00	80.79	3.83

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Expenditure Management Services		Municipality's capital budget actually spent on capital projects identified into the IDP (annual)	<p>R91,942,992 - Actual YTD expenditure - LM Direct Allocations for the period ending June 2012</p> <p>Denominator: R113,802,992 - Total Budget (Direct Allocation to LM's)</p> <p>Calculation: <math>R91,942,992/R113,802,992 = 80.79\%</math></p>	<p>1) R1,080,508 - SEWER UPGRADE KHAYELIHLE (Vote 150 256609): Project transferred. Consultant appointed. Awaiting BAC approval.</p> <p>2) R 881,389 - LEANDRA ROADS (Vote 160 256611): Planning 100%, Construction 99%, The Contractor has completed the portion where interlocking paving was required, what is pending is the portion where asphalt is needed, there has been a delay due to supply shortage of the asphalt. Expected completion is end of July 2012.</p> <p>3) R 1,314,508 - EMZINONI ROADS (Vote - 160 256612): Phase 1 &amp; 2 of this project by MT Zondo is practically completed, only storm-water pipeline that is pending. Phase 3, Planning 100%, Construction 95%. The Contractor completed the earthworks and kerbing, currently busy with paving. Expected completion is end of August 2012. Project transferred.</p> <p>4) R 1,167,173 - KINROSS ROADS (Vote 160 256616): Planning 100%, Construction 65%, the Contractor has established site, completed the earthworks; current busy with the kerbing and paving. Expected completion date is end of August 2012. Project transferred.</p> <p>5) R 1,106,125 - AMSTERDAM/KWATHANDEKA ROADS (Vote 172 256619): Contractor appointed. Construction in progress. Additional funding of R 1 300 000 provided in 2012/13. Overall progress (Phase 1 &amp; 2) is 80%. Project transferred.</p> <p>6) R 975,006 - AMSTERDAM SEWER (Vote - 172 256623): Contractor appointed. Construction in progress. Construction progress is 45%. Transferred project.</p> <p>7) R 1,500,000 - SAKHILE UPGRADING STADIUM (Vote 180 256628): Planning 100%. Site handed over to the contractor on the 9th of May 2012. Removal of an old materials completed. 170m of 1.8m high galvanized welded mesh fence has been installed and the Contractor is currently busy with infield barrier security fence. Expected completion date for GSDM funding end of August 2012. Project transferred.</p> <p>8) R 942,048 - SIYATHEMBA UPGRAD/REFURB ROADS</p>				

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
				(Vote - 184 256528): Planning 100%, Construction 100%. Contractor has completed the paving and kerbing for 1.0km. There's going to be an extension for Contractor to do another 400m road, designs from the Consultant Engineer has been submitted to us. The extension for the Contractor to be effected administratively. Expected completion end of August 2012. Project transferred. 9) R 829,207 - VUKUZAKHE SEWER TREATMENT PLANT (Vote - 190 256641): Consultant appointed. Awaiting BAC approval. Project transferred.				
	4.3	% Employee costs of total budget (annual)	Numerator: R 62,787,127 - Personnel cost*  * Personnel Cost: Salaries and Wages - R 45,033,916 Social Contributions - R 8,850,335 Councillor allowances - R 8,902,876  Denominator: R 285,574,070 - Total income*  * Total income: Interest - R 3,480,545 Equitable Share - R 17,634,000 DWA Funding - R 8,132,000 COGTA Funding - R 22,973,990 Other grants - R 2,553,000 Revenue replacement grant - R 228,648,000  Calculation: R 62,787,127 / R 285,574,070 = 21.99%	N/A - Slightly under target and not deemed material	0.00	20.00	21.99	3.80
	4.4	% Cost coverage ratio as per IDP regulations 2001 (annual)	National Composite KPI: $A=(B+C)/D$ where; A = Cost coverage; B = Bank statement balance as at 30 June 2012; C = represents investments held as at 30 June 2012;	N/A - Target exceeded	106.70	75.00	119.96	5.00

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
			<p>D = presents projected monthly operating expenditure for the period July 2012 - September 2012 as projected in the approved 2012/13 SDBIP. Operating expenditure include the following line items:</p> <ul style="list-style-type: none"> <li>- Employee Related Cost</li> <li>- Remuneration of Councillors</li> <li>- Contracted Services</li> <li>- Other Expenditure</li> </ul> <p>Cost coverage calculation:            B = R33,285,228            C = R0            D = R27,748,020            Cost Coverage = <math>\frac{((R33,285,228 + R0)/R27,748,020) \times 100}{119.96\%}</math></p>					
<b>Intergovernmental Relations, Good Governance and Public Participation - Resource management internal governance and information</b>								
Governance and Administration	5.1	To obtain an Audit Report with No other Matters (Clean Audit Report)(annual)	Reported on in the 2nd Quarter. The Municipality received a clean Audit Report. No defined Target was set for the 2011/12 Financial Year as it was agreed to address the Matters of Emphasis raised by the Auditor General in the 2010/11 External Audit Report during the current financial year in order to achieve a clean audit during the 2012/13 Audit Cycle. As the District received an Unqualified Audit Opinion without any Matters of Emphasis a maximum score has been allocated to recognize early achievement of the outer year targets set in the IDP.	N/A - Target exceeded	0.00	Capacitate Institutional arrangements (100%)	Clean Audit opinion obtained (100%)	5.00
<b>Intergovernmental Relations, Good Governance and Public Participation - Deepen democracy through effectively and efficiently functional Public Participation structures, mechanism and processes</b>								
Ward Committees & CDWs	5.2	% of Indirect Allocation spend on Community Participation	<p>Numerator: R1,932,363 - Actual YTD expenditure - Indirect/Departmental Allocations (Capacity Building/Public Participation)</p> <p>Denominator: R2,000,000 - Budgeted expenditure - Total Indirect/Departmental Allocations (Capacity building/Public</p>	Under expenditure not deemed material as all activities for the year has been finalised.	0.00	100.00	96.62	3.94



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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
			Participation) Calculation: R1,932,363/R2,000,000 = 96.62%					
<b>Intergovernmental Relations, Good Governance and Public Participation - Develop internal and external Stakeholder relationships and partnerships</b>								
Governance and Administration	5.3	# of quarterly Council meetings attended by one or more traditional leaders	<ol style="list-style-type: none"> <li>1) Council meeting held 28/06/2011 attended by 1 Traditional leader - TP Mthethwa</li> <li>2) Council meeting held 25/08/2011 attended by 3 Traditionbal leaders - J Malazi, S Mnisi and A Tshabalala</li> <li>3) Special Council meeting held 16/09/2011 attended by 4 Traditional leader - TP Mthethwa, J Malaza, S Mnisi and F Nkosi</li> <li>4) Council meeting held 02/12/2012 attended by 5 Traditional leaders - IKJ Malaza, ISM Mnisi, IFL Msibi, MLE Moloi, ITB Mthethwa</li> <li>5) Special Council meeting held 03/04/2012 attended by IKJ Malaza, ISM Mnisi, IJV Nhlapo, IFL Msibi, ITB Mthethwa</li> <li>6) Special Council meeting held 25/04/2012 attended by ISM Mnisi, IFL Msibi, ITB Mthethwa</li> </ol>	N/A - Target exceeded	3.00	4.00	6.00	5.00
<b>Intergovernmental Relations, Good Governance and Public Participation - Create a single window of co-ordination for the support, monitoring and intervention in municipalities within the District</b>								
Coherent Decision-Making	5.4	# of District MM Forum meetings held	<p>The following meetings were held during the period end November 2011:</p> <ol style="list-style-type: none"> <li>1) MM Forum meeting held 21 September 2011 (Refer to 1st Quarter Input Scorecard)</li> <li>2) MM Forum meeting held 9 November 2011 (Refer to 2nd Quarter Input Scorecard)</li> <li>3) Meeting of Municipal Managers, Chief Financial Officers and Technical Officers to be held on 15 November 2011 (Refer to 2nd Quarter Input Scorecard)</li> <li>4) MM Forum meeting held 16 May 2012</li> <li>5) MM Forum meeting held 25 June 2012</li> </ol>	N/A - Target exceeded	0.00	3.00	5.00	5.00

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
<b>Spatial Rationale and Municipal Planning Alignment - Stimulate integrated and sustainable and shared Regional Development through aligned Spatial Planning</b>								
IDP	6.1	Rating received from Provincial Treasury with regards to submitted IDP	The rating assessment of the 2012/13 IDP was concluded by COGTA with an overall rating allocated of Medium. The Municipality achieved the following Rating per KPA: Development Analysis and Rationale: High Delivery and Infrastructure Development: Medium LED: High Governance/Institutional Arrangements: Medium Financial Viability: High Population and Statistics: Medium Disaster Management: Medium IDP Process: Medium	COGTA finalising rating assessment report with recommendations on areas of improvement. This KPI has been allocated to the Planning Department for the 2012/13 Financial Year with responsibility allocated to the Director: Planning for implementation during the 2013/14 IDP Process	0.00	High	Medium	2.43

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## ADDENDUM B: SDBIP COMPONENTS – ANNUAL SERVICE DELIVERY TARGETS AND NON-FINANCIAL PERFORMANCE INDICATORS

### OFFICE OF THE MUNICIPAL MANAGER – KEY PERFORMANCE INDICATORS

Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
<b>Municipal Transformation and Institutional Organisational Development - Restore and maintain the institutional integrity of the District and its constituent LMs</b>								
Organisational Performance Management	1.5.1	# of Organisational Performance reports generated, reporting on all KPI's and targets contained in the IDP /SDBIP	1) 2010/11 Annual Organizational Performance Report - Refer to 1st Quarter Input Scorecard 2) 1st Quarter Performance Report for the 2011/12 Financial Year - Refer to 2nd Quarter Input Scorecard 3) Mid Year Performance Report for the 2011/12 Financial Year - Refer to 2nd Quarter Input Scorecard 4) 3rd Quarter Performance Report for the 2011/12 Financial Year	N/A - Target achieved	4.00	4.00	4.00	4.00
	1.5.2	# of Internal Audit reports on reported Performance information submitted to Performance Audit Committee	1) Audit Report on Performance Information for the 4th Quarter (Annual Performance Report) of the 2010/11 Financial Year submitted to the Performance Audit Committee meeting held 29 August 2011 - Refer to 1st Quarter Input Scorecard 2) Audit Report on Performance Information for the 1st Quarter of the 2011/12 Financial Year finalised and submitted to the Performance Audit Committee meeting to be held during January 2012 - Refer to 2nd Quarter Input Scorecard 3) Audit Report on Performance Information for the 2nd Quarter (Mid Year) of the 2011/12 Financial Year finalised and submitted to the Performance Audit Committee meeting held during January 2012 - Refer to 2nd Quarter Input Scorecard 4) Audit Report on Performance Information for the 3rd Quarter of the 2011/12 Financial Year finalised and submitted to the Performance Audit	N/A - Target achieved	3.00	4.00	4.00	4.00

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Organisational Performance Management			Committee meeting held 28 July 2012					
	1.5.3	# of Performance Reports submitted to Mayoral Committee	1) Audit Report on Performance Information for the 4th Quarter (Annual Performance Report) of the 2010/11 Financial Year submitted to the Mayoral Committee meeting held the 15th of November 2011, refer to item C34/11/2011 - Refer to 1st Quarter Input Scorecard  2) 1st Quarter Performance Report for the 2011/12 Financial Year finalised and submitted to the Mayoral Committee meeting held 20 January 2012 - Refer to 2nd Quarter Input Scorecard  3) Mid Year Performance Report for the 2011/12 Financial Year finalised and submitted to the Mayoral Committee meeting held 20 January 2012 - Refer to 2nd Quarter Input Scorecard  4) 3rd Quarter Performance Report for the 2011/12 Financial Year finalised and submitted to the Mayoral Committee meeting held 26 July 2012	N/A - Target achieved	3.00	4.00	4.00	4.00
	1.5.4	# of formal performance reviews conducted with Section 57 employees	Reported on in the 1st and 3rd Quarter:  1) The 2010/11 Annual evaluation of the Section 57 managers was held on the 3rd of October 2011 - Refer to 1st Quarter Input Scorecard  2) The 2011/12 Mid Year evaluation of the Section 57 managers was held 21 March 2012	N/A - Target achieved	1.00	2.00	2.00	4.00
<b>Basic Service Delivery and Infrastructure Development - Advanced Community Well-being</b>								
Municipal health Services	2.6.1	# of LM's utilising the Laboratory facility for water sampling testing (annual)	Memorandum of Understanding entered into with the following Local Municipalities: 1) Dipaleseng 2) Govan Mbeki 3) Mkhondo 4) Msukaligwa	N/A - Target achieved	0.00	3.00	4.00	4.50

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
<b>Local Economic Development - Creation of decent job creation, poverty alleviation, sustainable livelihoods &amp; Rural Development, food security and Land Reform through LED</b>								
Regional Economic Growth	3.1.1	% increase in GDP (annual)	GDP growth trend: 2.5% as reported by the Mpumalanga Department of Finance	Reporting only	0.00	Reporting Only	2.50	Reporting Only
	3.1.2	% of Indirect Allocation spend into Tourism and LED initiatives	Numerator: R 947,033 - Actual YTD expenditure - Indirect Allocations (Tourism and LED initiatives)  Denominator: R1,000,000 - Budgeted expenditure - Total Indirect Allocations (Tourism and LED initiatives)  R947,033/R1,000,000 = 94.70%	N/A - Target exceeded	0.00	80.00	94.70	4.31
	3.1.3	% reduction in unemployment (annual)	Unemployment rate (%): 2007 - 25.7% 2010 - 28.9% (Latest figure)	Reporting only	0.00	Reporting Only	-3.20	Reporting Only
	3.1.4	% reduction in Poverty (annual)	Poverty rate (%): 2007 - 48.7% 2010 - 49.2% (Latest figure)	Reporting only	0.00	Reporting Only	-0.50	Reporting Only
<b>Intergovernmental Relations, Good Governance and Public Participation - Resource management internal governance and information</b>								
Governance and Administration	5.1.1	Annual Performance Report submitted to AG (with AFS) on / before 30 August (annual)	Reported in 1st Quarter. The Annual Performance Report was submitted to the Auditor General with the Annual Financial Statements for Auditing on the 31st August 2011.	N/A - Target achieved	100.00	100.00	1.00	4.00
	5.1.2	% of AG Management Letter findings resolved (annual)	Numerator: 25*  * Of the total number of Audit Findings raised by the AG in the 2009/10 Management Letter (26), the following finding was repeated in the	All KPI's included reviewed during the IDP and SDBIP review cycle. KPI's and Targets included in the 2011/12 IDP and SDBIP was formulated with definitive instruction and measurement criteria to ensure that the SMART criteria is	82.00	100.00	96.15	3.94

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Governance and Administration			<p>2010/11 AG Management Letter: Exception 30: Performance Information - Planned Indicators not well defined and verifiable No other 2009/10 Audit Findings was included in the 2010/11 AG Management Letter as such it is accepted that these findings were resolved.</p> <p>Denominator: 26 - A total of 26 Audit findings raised in the 2009/10 AG Management Letter</p> <p>Calculation: <math>25/26 = 96.15\%</math></p>	adhered to and reported Performance Information can be validated with appropriate Portfolio of Evidence.				
	5.1.3	# Shared Services Audit Committee meetings held	<p>The following Shared Services Audit Committee meetings were held during the period July 2011 to March 2012:</p> <ol style="list-style-type: none"> <li>1) 17th Shared Services Audit Committee meeting held 29 August 2011 (Refer to 1st Quarter Input Scorecard)</li> <li>2) Special Shared Services Audit Committee meeting held 26 September 2011 (Refer to 2nd Quarter Input Calculator)</li> <li>3) Ad Hoc Shared Services Audit Committee meeting held 23 November 2011 (Refer to 2nd Quarter Input Calculator)</li> <li>4) 18th Shared Services Audit Committee meeting held 31 January 2012 (Refer to 3rd Quarter Input Scorecard)</li> <li>5) 19th Shared Services Audit Committee meeting held 30 April 2012</li> <li>6) 20th Shared Services Audit Committee meeting held 28 June 2012</li> </ol>	N/A - Target exceeded	0.00	4.00	6.00	5.00
	5.1.4	% execution of Risk based Audit Plan in lines with detailed time schedule	<p>Numerator: 7*</p> <p>* The following main activities as per the approved 2011/12 Annual Internal Audit Plan was completed: 1) Supply Chain Management</p>	N/A - Approval for the amendment of the timing of the administration and follow up audit was obtained through the Audit Committee meeting held 28 June 2012.	0.00	100.00	100.00	4.00

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Governance and Administration			2) Human Resources & Payroll 3) Performance System & Performance Information 4) Information Technology 5) Finance 6) Financial Statements 7) Risk Assessment, 3 year strategic plan & operational plan  Denominator: 7*  * Although 9 audit areas were listed in the 2011/12 Annual Audit Plan 2 audit areas could not be executed due to an urgent request ad hoc audit being requested by management. The Audit Committee's authority was requested and approval was obtained to amend the timing of the following two audit areas to the 2012/13 Audit Plan: 1) Administration 2) Follow up audits					
	5.1.5	% of Internal Audit findings resolved (annual)	KPI zero weighted as the planned Follow Up Audit as stipulated in the 2011/12 Annual Internal Audit Plan (Follow Up Audit on implementation of recommendations made by the IA Department) could not be executed due to an urgent ad hoc audit being requested by management. The Zero Weighting applied is justified as approval for the amendment of the timing of the Follow Up Audit to be included in the 2012/13 Annual Internal Audit Plan was authorised and approved by the Shared Services Audit Committee.	Amendment to the 2011/12 Annual Internal Audit Plan with regard to the deferred timing for the execution of the Follow Up Audit approved by the Shared Services Audit Committee. The follow Up Audit has been included in the 2012/13 Annual Internal Audit P	86.00	100.00		0W
	5.1.6	# of workshops conducted to review Risk register	Reported in the 1st Quarter. Risk Identification and Rating Project conducted during July 2011 and submitted to the 29th Shared Services Audit Committee meeting held and the Risk Management Committee meeting held 23 September 2011 - Refer to 1st Quarter KPI Input Scorecard	N/A - Although no target was set for this quarter, a risk identification and rating project was undertaken.	0.00	1.00	1.00	4.00
	5.1.7	# of Risk Committee meetings held	The following Risk Committee meetings have been held YTD: 1) Risk Management Committee meeting held 23 Sept 2011 (Refer to 1st Quarter Input Scorecard) 2) Risk Management Committee meeting held 20 April 2012 (Refer to 3rd Quarter Input Scorecard)	N/A - Target exceeded	0.00	2.00	3.00	4.50

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Governance and Administration			3) Risk Management Committee meeting held 21 June 2012					
	5.1.12	% cases reported of corruption, fraudulent or malpractices, investigated within 3 months	As reported in the 3rd Quarter, one case of fraudulent transaction perpetrated on GSDM's primary bank account on the 17th February 2012 was intercepted and action was immediately undertaken by GSDM by way of reporting the fraud to the South African Police Department. Other swift action that was undertaken by GSDM in view of the sophisticated Cyber Crime that was perpetrated was to appoint Price Waterhouse Coopers as Council's Forensic Investigators to provide an independent report on the actual incidents that occurred. No other instances have been reported during the remainder of the financial year.	PWC Forensic Auditors were required to furnish recommendations to mitigate these risks in future thereby ensuring that a similar incident does not take place. PWC is assisting Council in introducing best practises ensuring that this high level cyber crime would in future be prevented.	0.00	100.00	100.00	4.00
<b>Intergovernmental Relations, Good Governance and Public Participation - Deepen democracy through effectively and efficiently functional Public Participation structures, mechanism and processes</b>								
Ward Committees & CDWs	5.2.1	# of IDP/Budget Izimbizo scheduled and held	IDP - Budget Consultative meetings held as follows: <ul style="list-style-type: none"> <li>- Mkhondo (10 April 2012)</li> <li>- Msukaligwa (10 April 2012)</li> <li>- Dipalasing (11 April 2012)</li> <li>- Govan Mbeki (11 April 2012)</li> <li>- Pixley Ka Seme (12 April 2012)</li> <li>- Lekwa (12 April 2012)</li> <li>- Albert Luthuli (13 April 2012)</li> </ul>	N/A - YTD Target achieved	7.00	7.00	7.00	4.00
<b>Intergovernmental Relations, Good Governance and Public Participation - Create a single window of co-ordination for the support, monitoring and intervention in municipalities within the District</b>								
Coherent Decision-Making	5.4.5	# of IDP Forum meetings held	IDP Forum meetings were held as follows during the period July 2011 - June 2012: <ul style="list-style-type: none"> <li>- Meeting held 19 &amp; 20 April 2012*</li> </ul> <p>* Scheduled IDP meeting for the 3rd quarter was replaced with an IDP Municipal Alignment Indaba held 19 &amp; 20 April 2012.</p>	Director: Planning and LED appointed March 2012. This will ensure that departmental requirements are addressed to ensure compliance with legislative requirements.	0.00	4.00	1.00	1.00



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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
	5.4.6	# of Transport Forum meetings held	<p>Transport Forum meetings were held as follows during the period July 2011 - June 2012:</p> <ul style="list-style-type: none"> <li>- 21 September 2011</li> <li>(Refer to 1st Quarter Input Scorecard)</li> <li>- 21 June 2012</li> </ul> <p>This Forum is supposed to have LM Local Forum Chairpersons(councillors) as attendees, to discuss issues raised at local Forums, so with new councils coming in, the composition of local Forums was slow and this was compounded by lack of capacity from the Planning Department, the Department is in the process of getting a Transport Planner appointed hence it was difficult to get organised.</p>	<p>This Forum is supposed to have LM Local Forum Chairpersons(councillors) as attendees, to discuss issues raised at local Forums, so with new councils coming in, the composition of local Forums was slow and this was compounded by lack of capacity from the Planning Department, the Department is in the process of getting a Transport Planner appointed hence it was difficult to get organised.</p> <p>Director: Planning and LED appointed March 2012. This will ensure that departmental requirements are addressed to ensure compliance with legislative requirements.</p>	0.00	4.00	2.00	2.50
<b>Spatial Rationale and Municipal Planning Alignment - Stimulate integrated and sustainable and shared Regional Development through aligned Spatial Planning</b>								
IDP	6.1.1	Approval of IDP/ Budget within Council approved framework	2012/13 IDP and Budget approved 31 May 2012.	N/A - Target achieved	0.00	100.00	100.00	4.00
	6.1.2	SDBIP approved by Mayor within 28 days after approval of budget	<p>2012/13 SDBIP approved 20 days after approval of budget.</p> <p>Date of approval: Budget: 31 May 2012 SDBIP: 20 June 2012</p>	N/A - Target achieved	100.00	100.00	100.00	4.00

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## OFFICE OF THE MUNICIPAL MANAGER – PROJECTS

Programme	ID	Project	Actual Notes	Corrective Action	2011/2012 Financial Year						
					Activity Q1	Activity Q2	Activity Q3	Activity Q4	Annual Target 11/12	% Complete 11/12	Score
Access to Water and Sanitation	PRJ6	Update Bulk Water/Sewerage Report	Section 5 of the IWMP in draft format	N/A - Milestone achieved	Not applicable this quarter	Not applicable this quarter	(50% project progress) Section 4 of IWMP completed	(100% project complete) Section 5 of IWMP completed	100.00	100.00	4.00

## BUDGET AND TREASURY – KEY PERFORMANCE INDICATORS

Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
<b>Municipal Financial Viability and Management - Improve and sustain Financial, Human Resources and Management Excellence across the District</b>								
Financial Management	4.1.1	% Compliance with accounting standards and systems (GRAP / GAMAP) (annual)	As reported in the 2nd Quarter Performance Report. Unqualified Audit Opinion as Expressed through the External Audit Report received from the Offices of the Auditor-General for the year ending June 2011.  In the Auditor-General's opinion the financial statements present fairly, in all material respects, the financial position of the Gert Sibande District Municipality as at 30 June 2011, and its financial performance and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of the MFMA.	N/A - Target achieved. It must be noted that the KPI has been removed from the SDBIP Scorecard during the 2012/13 IDP and SDBIP review cycle as the KPI represents a duplication of what is measured under KPI ID: 4.1	100.00	100.00	100.00	4.00
	4.1.2	Annual Financial Statements (AFS)	2010/11 Annual Financial Statements were submitted to the office of the Auditor-General for auditing on the 31st of August 2011. Although the Target was set at 30 August, the statutory deadline for submission of the AFS to the AG for Annual year end audit purposes is the 31st of August	N/A - Target achieved	100.00	100.00	100.00	4.00

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Financial Management		submitted to AG on / before 30 August (annual)	(Annually). As the Financial Statements were completed and submitted to the Offices of the Auditor-General within the statutory deadline a score equal to Target has been allocated.					
	4.1.3	% compliance to MFMA checklist on Quarterly basis	100% Compliance to 1st, 2nd, 3rd Quarter MFMA Implementation and Monitoring Checklist.	N/A - Target achieved	100.00	100.00	100.00	4.00
	4.1.4	# of Section 71 Reports submitted to Mayoral Committee	Report on Financial Performance submitted to the Mayoral Committee for the following months within the period of review: 1) July 2011 (1st Qtr) 2) August 2011 (1st Qtr) 3) September 2011 (1st Qtr) 4) October 2011 (2nd Qtr) 5) November 2011 (2nd Qtr) 6) December 2011 (2dn Qtr) 7) January 2012 (3rd Qtr) 8) March 2012 (3rd Qtr) 9) April 2012 10) May 2012 11) June 2012	The February 2012 Report on Financial Performance was prepared and finalised for submission to the Mayoral Committee meeting. This report was submitted to the Corporate Services Department for inclusion in the Mayoral Committee Agenda but was inadvertently not included in the agenda. However YTD figures up to March 2012 was submitted to the Mayoral Committee meeting and the MPAC Committee meeting.	12.00	12.00	11.00	3.86
Budget and Expenditure Management Services	4.2.1	% of Direct Allocation Capital Budget spend (LM's allocation)	Numerator: R 91,942,992 - Actual YTD expenditure - LM Direct Allocations for the period ending June 2012  Denominator: R 113,802,992 - Total Budget SDBIP YTD (Direct Allocation to LM's R 91,942,992 / R 113,802,992 = 80.79%	Material under expenditure relates to the following projects: 10. 1) R 1,080,508 - SEWER UPGRADE KHAYELIHLE (Vote 150 256609): Project transferred. Consultant appointed. Awaiting BAC approval. 1. 2) R 881,389 - LEANDRA ROADS (Vote 160 256611): Planning 100%, Construction 99%, Contractor has completed the portion where interlocking paving was required, what is pending is the portion where asphalt is needed. There has been a delay due to supply shortage of the asphalt. Expected completion end July 2012. 3) R 1,314,508 - EMZINONI ROADS (Vote - 160 256612): Phase 1 &	0.00	90.00	80.79	3.83

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Budget and Expenditure Management Services				<p>2 of this project by MT Zondo is practically completed, only storm-water pipeline that is pending. Phase 3, Planning 100%, Construction 95%. Contractor completed the earthworks and kerbing, currently busy with paving. Expected completion end August 2012. Project transferred.</p> <p>3. 4) R 1,167,173 - KINROSS ROADS (Vote 160 256616): Planning 100%, Construction 65%, Contractor has established site, completed the earthworks; busy with the kerbing and paving. Expected completion end August 2012. Project transferred.</p> <p>5) R 1,106,125 - AMSTERDAM/KWATHANDEKA ROADS (Vote 172 256619): Contractor appointed. Construction in progress. Additional funding of R 1,300,000 provided in 2012/13. Overall progress (Phase 1 &amp; 2) is 80%. Project transferred.</p> <p>6) R 975,006 - AMSTERDAM SEWER (Vote - 172 256623): Contractor appointed. Construction in progress. Construction progress is 45%. Transferred project.</p> <p>15. 7) R 1,500,000 - SAKHILE UPGRADING STADIUM (Vote 180 256628): Planning 100%. Site handed over to the contractor on 9th of May 2012. Removal of old materials completed. 170m of 1.8m high galvanized welded mesh fence has been installed and Contractor is currently busy with infield barrier security fence. Expected completion date for GSDM funding end August 2012. Project transferred.</p> <p>8) R 942,048 - SIYATHEMBA UPGRAD/REFURB ROADS (Vote - 184 256528): Planning 100%, Construction 100%. Contractor has completed the paving and kerbing for 1.0km. There's going to be an extension for Contractor to do another 400m road, designs from the Consultant Engineer has been submitted to us. The extension for the Contractor to be effected administratively. Expected completion end August 2012. Project transferred.</p> <p>9) R 829,207 - VUKUZAKHE SEWER TREATMENT PLANT (Vote - 190 256641): Consultant appointed. Awaiting BAC approval. Project transferred.</p>				
	4.2.2	% of total GSDM Capital	R35,727,511 - Actual YTD expenditure - Internal Capital Budget LM Direct	Numerator: Allocations YTD June 2012	Under expenditure on the following budgeted line items: 1) R918,303 (Furniture & Equipment - Vote 411 305040): All equipment procured that was required	101.00	90.00	86.40

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Budget and Expenditure Management Services		Budget spend	Denominator: R41,350,136 - Budgeted expenditure - Budgeted YTD Internal Capital Budget Calculation: $R35,727,511/R41,350,136 = 86.40\%$	2) R2,911,755 (Disaster Centres - Vote 411 305060): Awaiting BAC approval, Project construction to commence August 2012. 3) R613,426 (Laboratory Equipment - Vote 411 305096): Did not receive acceptable tenders. Tender to be re-advertised. 4) R1,228,846 (Construction vehicles - Vote 411 305110): All equipment procured which was required				
	4.2.3	% Municipal Infrastructure Grant (MIG) spend - Pixely Ka Seme (annual)	Projects GSDM 33 & 35/2010 - Upgrading of Roads in Amersfoort and Wakkerstroom respectively was implemented as counter funding for MIG by entering into a service level agreement with the Local Municipality. Subsequent to that the adjustment budget indicated that this funding will be received as an income to GSDM which never materialized as the Local Municipality paid out the consultant and contractor directly.  After discussions with the Office of the CFO it was recommended that the income for this respective projects i.e. R1,700,613 and R3,935,083 respectively as reflected in the approved adjustment budget be taken out as the income never materialized to GSDM.	N/A - Approval with regard to amendments to the Budget relating to the removal of Pixely Ka Seme MIG grant approved by Council.	0.00	90.00		0W
	4.2.4	# of days for tender turn-around time for projects under R500,000	Detail of BAC approvals for the period July 2011 - June 2012 (R200,000 - R500,000): BAC 01/2012 - 118 working days*  * BAC item excluded for reporting purposes. As a result of cost saving initiatives of capital projects for implementation within the 2011/12 financial year as well as a change in strategy for implementing projects, specifically the management of projects for the construction of VIP toilets internally, the Gert Sibande District Municipality withdrew the appointment of consultants accordingly. Subsequent to legal proceedings entered into by consultants on the withdrawal of their appointment it was recommended that provision be made to allow the appointed consultants to continue to provide professional services based on the generic designs. This delayed the procurement process for the appointment of contractors and project approval needed to be obtained from the Mayoral Committee. In light of the extraordinary circumstances the above BAC item has been excluded for reporting purposes.	Mayoral Committee has been notified and approval of the reinstatement of consultants has been obtained via the Mayoral Committee.	0.00	60.00		0W

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Budget and Expenditure Management Services	4.2.5	# of days for tender turn-around time for projects in excess of R500,000	<p>Detail of BAC approvals during the period July 2011 - June 2012 (&gt;R500,000):</p> <ol style="list-style-type: none"> <li>1) BAC 19/2011 - 44 working days</li> <li>2) BAC 24/2011 - 43 working days</li> <li>3) BAC 29/2011 - 79 working days</li> <li>4) BAC 37/2011 - 38 working days</li> <li>5) BAC 30/2011 - 34 working days</li> <li>6) BAC 31/2011 - 34 working days</li> <li>7) BAC 32/2011 - 39 working days</li> <li>8) BAC 45/2011 - 44 working days</li> <li>9) BAC 46/2011 - 44 working days</li> <li>10) BAC 47/2011 - 49 working days</li> <li>11) BAC 28/2011 - 36 working days</li> <li>12) BAC 44/2011 - 12 working days</li> <li>13) BAC 02/2012 - 67 working days</li> <li>14) BAC 02/2012 - 62 working days</li> <li>15) BAC 20/2011 - 92 working days</li> <li>16) BAC 39/2011 - 48 working days</li> <li>17) BAC 07/2012 - 28 working days</li> <li>18) BAC 33/2011 - 45 working days</li> <li>19) BAC 02/2012 - 62 working days</li> </ol> <p>Average working days: <math>900/19 = 47.37</math></p>	N/A - Target exceeded	0.00	90.00	47.37	5.00
	4.2.6	% BEE procurement as per BBBEE Scorecard incorporated in Bid document (over R200,000)	<p>Numerator: 27*</p> <p>* Percentage black owned (50% - 100%):</p> <ol style="list-style-type: none"> <li>1) BAC 19/2011 - Sibonga Civils (100%)</li> <li>2) BAC 23/2011 - V Dan Construction(100%)</li> <li>3) BAC 24/2011 - Favu Projects (100%)</li> <li>4) BAC 29/2011 - T Julius Main Reason JV (100%)</li> <li>5) BAC 37/2011 - Just Right Trading (100%)</li> <li>6) BAC 30/2011 - Bareng Batho JV (100%)</li> <li>7) BAC 31/2011 - V Dan Constr (100%)</li> <li>8) BAC 32/2011 - Zondle Trading (100%)</li> <li>9) BAC 45/2011 - Mzamo (100%)</li> </ol>	N/A - Target exceeded	0.00	60.00	65.85	4.16

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Budget and Expenditure Management Services			10) BAC 46/2011 - Jonker Contractors (50%) 11) BAC 47/2011 - Imphophoma (100%) 12) BAC 28/2011 - Nkoane (100%) 13) BAC 02/2012 - Imphophoma (100%) 14) BAC 02/2012 - Jonker Contractors (50%) 15) BAC 02/2012 - Mzamo (100%) 16) BAC 20/2011 - Mukhumuli (100%) 17) BAC 39/2011 - SA Water (100%) 18) BAC 01/2012 - Goodfuture Trading (100%) 19) BAC 01/2012 - Molari Trading (100%) 20) BAC 01/2012 - Singabakhe (100%) 21) BAC 01/2012 - Simende Construction (100%) 22) BAC 01/2012 - JB Sibeko (100%) 23) BAC 01/2012 - Buhle Ba Jehova (100%) 24) BAC 01/2012 - Subozapo Trading (100%) 25) BAC 01/2012 - Sunnierside (100%) 26) BAC 01/2012 - Lwakhe Projects (100%) 27) BAC 01/2012 - Dim Logistics (100%) Denominator: 41 - Total number of contractor appointments (Infrastructure Projects only)finalised during the period ending June 2012 > R200 000. Refer to List of Tender awards for the period ending July 2011 to June 2012.  Calculation: 27/41 = 65.85%					
	4.4.1	% of total Operating Budget spend	Numerator: R98,942,170 - Actual YTD expenditure - Total Operating expenditure  Denominator: R116,018,685 - Total Budget (Operating Expenditure)  Calculation: R98,942,170/R116,018,685 = 85.28%	N/A - Target achieved	0.00	85.00	85.28	4.01
	4.4.2	% of Indirect allocation spend	Numerator: R24,394,073 - Actual YTD expenditure - Indirect/Departmental Allocation  Denominator:	Material under expenditure relates to the following projects: 1) R174,284 - TRAINING WWTP OPERATORS - LM'S (Vote 111 256033): Funding to be reallocated. 2) R894,795 - BURSARIES (Vote 112 256007): Awaiting invoices	91.00	90.00	81.60	3.84

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Budget and Expenditure Management Services			R29,895,840 - YTD SDBIP (Indirect/Departmental Allocation)  Calculation: R24,394,073/R29,895,840 = 81.60%	<p>accruals - remaining funds to be re-allocated</p> <p>3) R400,000 - REVENUE COLLECTION/DATA CLEANS (Vote 112 256009): Procurement to be effected in new financial year</p> <p>4) R184 405 - IT FOR THE REGION (Vote 112 256 025): Work to be commenced pending appointment of security advisors.</p> <p>5) R375,963 - REVIEW ORGANIGRAMS/TASK LM'S (Vote - 112 256036):Awaiting requests from LM's.</p> <p>6) R254,568 - MUNICIPAL HEALTH &amp; ENVIROMENT (Vote - 113 256017):</p> <p>There is a shortage of staff since official were resigned from the District and Provincial withdraw 24 Officials to assist the District</p> <p>7) R126,504 - PLANNING GERT SIBANDE VILLAGE (Vote - 115 256544): Consultant for feasibility study completed(ITS)</p> <p>8) R949,976 - PLANNING (Vote - 115 256106): Feasibility study airport - ongoing</p> <p>9) R150,356 - CO-OPERATIVES (115 256 107): Anticipated expenditure did not realise</p> <p>10) R490,216 - RURAL AND AGRI DEVELOPMENT (Vote 115 256 108): Agricultural unit not fully functional</p> <p>11) R108,681 - WOMEN'S DEVELOPMENT CAPACITY (Vote 116 256013): Program was in the office of the speaker. It is only transferred during the towards the end of financial year.</p>				
	4.4.3	Surplus funds invested	<p>Quarter 1: No surplus funds available based on projected expenditure - Refer to 1st Quarter Input Scorecard</p> <p>Quarter 2: No surplus funds available based on projected expenditure - Refer to 2nd Quarter Input Scorecard</p> <p>Quarter 3: No surplus funds available based on projected expenditure - Refer to 3rd Quarter Input Scorecard</p> <p>Quarter 4: April 2012: Projected Ex for May 2012 - July 2012: R71,364,811 Cash Available: R52,022,770(Cash book balance 31/04/2012)</p>	N/A - Target met	100.00	100.00	100.00	4.00



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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year				
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score	
Budget and Expenditure Management Services			<p>No surplus funds available based on projected expenditure May 2012: Projected Ex for June 2012 - August 2012: R62,112,250 Cash Available: R48,400,914(Cash book balance 31/05/2012)</p> <p>No surplus funds available based on projected expenditure June 2012: Projected Ex for July 2012 - September 2012: R61,779,075 Cash Available: R35,568,863(Cash book balance 30/06/2012)</p> <p>No surplus funds available based on projected expenditure</p>						
	4.4.4	% of Investments made held to maturity	<p>Numerator: 37</p> <p>All investments that matured during the period July 2011 - June 2012 were held for the full term of the investment as specified in the Investment Certificate.</p> <p>Denominator: 37</p> <p>The following investments matured during the period ending March 2012 - Quarter 3 (25 investments in total): Maturity date - 16 August 2011: 4 (Refer to 1st Qtr KPI Input Scorecard) Maturity Date - 16 September 2011: 4 (Refer to 2nd Qtr KPI Input Scorecard) Maturity Date - 16 October 2011: 4 (Refer to 2nd Qtr KPI Input Scorecard) Maturity date - 20 January 2012: 4 (Refer to 3rd Qtr KPI Input Scorecard) Maturity date - 20 February 2012: 4 (Refer to 3rd Qtr KPI Input Scorecard) Maturity date - 20 March 2012: 4 (Refer to 3rd Qtr KPI Input Scorecard) Maturity date - 19 March 2012: 1 (Refer to 3rd Qtr KPI Input Scorecard)</p> <p>The following investments matured during the period ending March 2012 - June 2012 - Quarter 4(13): Maturity date - 23 March 2012: 1) Nedbank - Inv no: 03/7881010649/000081 Maturity date - 23 April 2012: 2) ABSA - Inv no: 2072222543 3) Nedbank - Inv no: 03/7881010649/000084</p>	N/A - YTD Target achieved	0.00	70.00	100.00	5.00	

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
			4) RMB - Inv no: 170573/0 Maturity date - 18 May 2012: 5) Standard Bank - Inv no: 038/786/826/072 6) ABSA - Inv no: 2072222577 7) Nedbank - Inv no: 03/7881010649/000085 8) RMB - Inv no: 170575/0 Maturity date - 15 June 2012: 9) Standard Bank - Inv no: 038/786/826/073 10) ABSA - Inv no: 2172222454 11) Nedbank - Inv no: 03/7881010649/000086 12) RMB - Inv no: 170577/0  Calculation: 37/37 = 100%					
<b>Intergovernmental Relations, Good Governance and Public Participation - Create a single window of co-ordination for the support, monitoring and intervention in municipalities within the District</b>								
Coherent Decision-Making	5.4.1	# CFO forum meetings convened	The following CFO Forum meetings was held YTD: 1) CFO Forum meeting held 20 July 2011 2) CFO Forum meeting held 27/10/2011 3) CFO Forum meeting held 15/11/2011 4) CFO Forum meeting held 5 July 2012 <Note 1> <Note 1> CFO Forum meeting scheduled for the 4th Quarter delayed and held during the first week in July as a result of year end deadlines. <General Note> The scheduled CFO Forum meeting for the 3rd Quarter was cancelled as a National Council of Provinces meeting was held during the 3rd Quarter within the District. Two CFO Forum meetings was however held during the 2nd Quarter and the year to date target of 4 has been achieved.	N/A - Target achieved	1.00	4.00	4.00	4.00

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## BUDGET AND TREASURY – PROJECTS

Programme	ID	Project	Actual Notes	Corrective Action	2011/2012 Financial Year						
					Activity Q1	Activity Q2	Activity Q3	Activity Q4	Annual Target 11/12	% Complete 11/12	Score
<b>Municipal Financial Viability and Management - Improve and sustain Financial, Human Resources and Management Excellence across the District</b>											
Budget and Expenditure Management Services	PRJ7	Loan funding to raise finance for identified Capital projects (R30m)	Additional funding to execute capital projects obtained through DWA and COGTA in the form of ACIP and RBIG. Allocations received as follows: DWA - R8,132,000 COGTA - R37,800,00	N/A - Project activities achieved	Not applicable this quarter	Not applicable this quarter	(50% project progress) Advertise for funding in compliance to MFMA section 46	(100% project complete) Secure funding based on solvency of District	100.00	100.00	4.00
Financial Management	PRJ8	Operation Clean Audit 2014	Completed in 3rd Quarter. Refer to 1st, 2nd and 3rd Quarter Project Scorecard	N/A - Project activities achieved	(25% project progress) Advertise for appointment of service provider to assist in set-up of data base for Supply Chain	(50% project progress) Procurement and implementation of hardware/software	(75% project progress) Training of SCM and associated staff with system	Not applicable this quarter. (100% project complete) Training of SCM and associated staff with system completed in third quarter	100.00	100.00	4.00
	PRJ9	Asset Verification (internal & external)	Year end asset verification completed by BAUD - Division of PWC. A score of 2 (50% - 1 out of 2 activities completed) was allocated as the Mid Year Asset verification was not undertaken.	In-house asset verification to be performed at mid year to adhere to best practises.	Not applicable this quarter	(50% project progress) Submit mid-year report to MM on asset verification findings	Not applicable this quarter. (50% project progress) Mid-year report to MM on asset verification findings submitted in second quarter	(100% project complete) Final report to MM on asset verification findings	100.00	50.00	2.00
Financial Management	PRJ10	Review SCM Policy	Overall objective of review SCM Policy and training of staff was completed and an accumulative score equal to target has been allocated. For the training of staff	N/A - Project activities achieved	(25% project progress) Review and update existing SCM Policy based on best practices	(50% project progress) Submit reviewed SCM Policy to Council for approval	(50% project progress) Training of all Councilors / staff on new SCM Policy	Not applicable this quarter. (100% project complete) Training of all Councilors / staff on new SCM Policy	100.00	100.00	4.00

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Programme	ID	Project	Actual Notes	Corrective Action	2011/2012 Financial Year						
					Activity Q1	Activity Q2	Activity Q3	Activity Q4	Annual Target 11/12	% Complete 11/12	Score
			refer to the 3rd quarter Input Scorecard. With regard to the 2nd quarter milestone, submission of the reviewed SCM Policy to Council that was not achieved, the reviewed SCM Policy was subsequently submitted to Council at the Council meeting held 31 May 2012.					completed in third quarter			
	PRJ11	Facilitation of approval of adjustment budget in compliance with MFMA	Completed in 3rd Quarter. Refer to 3rd Quarter Project Scorecard.	N/A - Project activities achieved	Not applicable this quarter	(50% project progress) Solicit departmental input on proposed changes to original Budget	(50% project progress) Submission of Adjusted Budget for Council approval	Not applicable this quarter. (100% project complete) Submission of Adjusted Budget for Council approval done in third quarter	100.00	100.00	4.00

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## INFRASTRUCTURE AND TECHNICAL SERVICES – KEY PERFORMANCE INDICATORS

Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
<b>Basic Service Delivery and Infrastructure Development - Improve the quantity and quality of Municipal basic services to the people</b>								
Project Management	2.1.1	% of Capital projects started on time according to appointment of consultants (Including multi year projects)	<p>As reported in the 3rd Quarter:</p> <p>Numerator: # of identified 2011/12 Capital projects that have appointed consultants to assist with the bid specification process = 61 projects</p> <p>Broken down per LM: Albert Luthuli (10) Dipalaseng (6) Lekwa (8) Govan Mbeki (8) Mkhondo (10) Msukaligwa (8) Pixley Ka Seme (11)</p> <p>Denominator: Total # of Capital projects included in the 2011/12 IDP = 61 projects (Refer to instruction column for breakdown of 61 projects per LM)</p> <p>Calculation: % projects commenced 61/61 = 100%</p>	N/A - YTD Target achieved	100.00	100.00	100.00	4.00
	2.1.2	% of Capital projects with approved specifications (Including multi year projects)	<p>As reported in the 3rd Quarter:</p> <p>Numerator: # of identified 2011/12 Capital projects that have successfully completed the bid specification process = 47 projects</p> <p>Broken down per LM as follows: Albert Luthuli (8), Dipalaseng (6), Lekwa (6)</p>	N/A - YTD Target achieved	0.00	100.00	100.00	4.00

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Project Management			<p>Govan Mbeki (6), Mkhondo (6), Msukaligwa (7) Pixley Ka Seme (8)</p> <p>Denominator: Total # of Capital projects included in the 2011/12 IDP = 47 projects (Refer to instruction column for breakdown of 47 projects per LM)</p> <p>% projects approved through Bid Specification Committee = 47/47 = 100%</p>					
	2.1.3	% of Capital projects with contractor appointments finalized (Including multi year projects)	<p>Numerator: # of identified 2011/12 Capital projects that have successfully completed the competitive bid process = 52 projects</p> <p>Broken down per LM: Albert Luthuli (7), Dipalasang (6), Lekwa (8) Govan Mbeki (8), Mkhondo (7), Msukaligwa (6) Pixley Ka Seme (10)</p> <p>Denominator: Total # of Capital projects included in the 2011/12 IDP, excluding Turn Key Projects = 55 projects (Refer to instruction column for breakdown of 55 projects per LM)</p> <p>% projects approved through the Bid Adjudication Committee = 52/55 = 94.55%</p>	<p>Status of projects with contractor appointments still to be finalised:</p> <p>1) Disaster Management Centre - Albert Luthuli (Tender nr. 49/2008): Planning 100%. Consultant appointed but BAC resolution not approved. Still on procurement processes.</p> <p>2) Khayalisha Sewer Upgrade - Msukaligwa (Tender nr. 20/2011): Consultant appointed. Awaiting BAC approval.</p> <p>3) Upgrading of STP in Vukuzakhe/Georgia - Pixley ka Seme: Consultant appointed. Awaiting BAC approval.</p>	0.00	100.00	94.55	3.91
	2.1.4	# of progress reports submitted to Mayoral committee	<p>Progress Reports on execution of 2011/12 Infrastructure Projects for the periods ending:</p> <ol style="list-style-type: none"> <li>1) July 2011</li> <li>2) August 2011</li> <li>3) September 2011</li> <li>4) October 2011</li> <li>5) November 2011</li> <li>6) December 2011</li> <li>7) January 2012</li> <li>8) February 2012</li> </ol>	N/A - YTD Target achieved	0.00	12.00	12.00	4.00

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Project Management			9) March 2012 10) April 2012 11) May 2012 12) June 2012					
	NKPI.1	% households with access to basic services: Basic Water	Basic service delivery in South Africa, Mpumalanga and Districts, 1996 - 2009: % of households with water at/above RDP level - 92%	Reporting only	0.00	Reporting Only	92.00	Reporting Only
	NKPI.2	% households with access to basic services: Basic Sanitation	Basic service delivery in South Africa, Mpumalanga and Districts, 1996 - 2009: % of households with hygienic toilets - 80%	Reporting only	0.00	Reporting Only	80.00	Reporting Only
	NKPI.3	% households with access to basic services: Electricity	Basic service delivery in South Africa, Mpumalanga and Districts, 1996 - 2009: % of households with electrical connections - 80.4%	Reporting only	0.00	Reporting Only	80.40	Reporting Only
	NKPI.4	% households with access to basic services: Solid waste removal	Basic service delivery in South Africa, Mpumalanga and Districts, 1996 - 2009: % of households with formal refuse removal - 59.2%	Reporting only	0.00	Reporting Only	59.20	Reporting Only
<b>Intergovernmental Relations, Good Governance and Public Participation - Create a single window of co-ordination for the support, monitoring and intervention in municipalities within the District</b>								
Coherent Decision-Making	5.4.4	# of Technical Infrastructure District Forum meetings held	The following Technical Forum meetings were held during July 2011 to June 2012: 1) Technical Forum meeting held 11 August 2011 (Refer to 1st Quarter) 2) Technical Forum meeting held 10 November 2011 (Refer to 2nd Quarter) 3) Technical Forum meeting held 16 February 2012 (Refer to 3rd Quarter) 4) Meeting of Municipal Managers, Chief Financial Officers and Technical Officers held 15 November 2011 (Refer to 3rd Quarter) 5) Technical Forum meeting held 17 May 201	N/A - YTD Target exceeded	0.00	4.00	5.00	4.50

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## CORPORATE SERVICES – KEY PERFORMANCE INDICATORS

Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
<b>Municipal Transformation and Institutional Organisational Development - Improve and sustain Financial, Human Resources and Management Excellence</b>								
Institutional Capacity	1.1.1	Review GSDM organisational structure (annual)	According to the Municipal Systems Act 32 of 2000, section 66 (a)(c) the municipal manager "must approve a staff complement for the municipality". At the time of the budget development the then municipal manager was in an acting capacity; monthly, as his contract had expired. The decision was subsequently taken to utilise the updated 2011/12 organogram for budgetary purposes, although not formally endorsed.	The organogram for the 2013/14 financial year needs to be compiled and approved by the municipal manager prior to commencement of the budget process and that it informs the correction calculation for staff remuneration and benefit costs and complies with the provisions stated in the MSA 32 of 2000	100.00	100.00	0.00	1.00
	1.1.2	% critical vacant positions filled (3 highest levels of management)	<p>Numerator: # of identified critical positions filled post level (1-3) during the period July'11 - June'12 = 4 The following budgeted vacant/new posts were filled during the period under review:</p> <ol style="list-style-type: none"> <li>1) General Manager: Planning (GSDMPED001) - Post filled (R Haswell);</li> <li>2) Manager: Communications (GSDMMM024): - Post filled (MZD Shiba);</li> <li>3) Senior Manager: ICT (GSDMC006) - Post filled (Y Govender) - refer to 2nd Qtr</li> <li>4) Senior Manager: Social Development (GSDMCSD003) - Post filled (AT Ndlovu)</li> </ol> <p>Denominator: # of budgeted vacant/new positions post level (1-3) as per organogram in the period under review = 12 (Refer to instruction column) % compliance 4/12 = 33.33%</p>	The target set for the 2011/12 financial year on reflection represented a very optimistic viewpoint as several of the vacant positions budgeted were subsequently placed on hold as a result of major changes within the higher echelons of the administration. Taking cognisance of the fact that the 2012/13 organogram has not been approved by the acting municipal manager; as mentioned above, a more conservative standpoint was taken and the target lowered was lowered to 40% for the current financial year. Obviously if the prevailing circumstances become more favourable through the appointment of permanent section 56 managers and review of existing staff complements, the target will be reviewed and adjusted accordingly during the process of the Adjusted Budget.	72.72	70.00	33.33	1.13



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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Institutional Capacity	1.1.3	% vacant positions filled (total organisation, levels 4 and above)	<p>Numerator: # of identified critical positions filled post level (4 and above) in the period under review = 6</p> <p>The following budgeted vacant/new posts were filled during the period under review (July 2011 - June 2012):</p> <ol style="list-style-type: none"> <li>1) Senior Internal Auditor (GSDMMM009) - Post filled (AM Mposi)</li> <li>2) Coordinator: Land &amp; Agriculture (GSDMPED008) - Post filled (S Mbuli)</li> <li>3) Senior Administration Officer (GSDMPED004) - Post filled (B Brown)</li> <li>4) Receptionist (GSDMCS033) - Post filled (S Lekalake)</li> <li>5) General Assistant (GSDMCS041) - Post filled (SE Mojaki)</li> <li>6) General Worker (GSDMTSI019) - Post filled (NC Nkosi)</li> </ol> <p>Denominator: # of budgeted vacant/new positions, post level (4 and above) as per organogram in the period under review = 41 % compliance 6/41 = 14.63%</p>	<p>The target set for the 2011/12 financial year on reflection represented a very optimistic viewpoint as several of the vacant positions budgeted were subsequently placed on hold as a result of major changes within the higher echelons of the administration. Taking cognisance of the fact that the 2012/13 organogram has not been approved by the acting municipal manager; as mentioned above, a more conservative standpoint was taken and the target lowered was lowered to 40% for the current financial year. Obviously if the prevailing circumstances become more favourable through the appointment of permanent section 56 managers and review of existing staff complements, the target will be reviewed and adjusted accordingly during the process of the Adjusted Budget.</p>	0.00	80.00	14.63	1.00
	1.1.4	% staff turnover rate YTD	<p>Numerator: Total # of resignations tendered by permanent employees during the period under review 1st Qtr: 1, 2nd Qtr: 2, 3rd Qtr:4, 4th Qtr: 3 Total = 10</p> <p>Detail of resignations during the period July 2011 - June 2012:</p> <ol style="list-style-type: none"> <li>1) E Potgieter - Empl nr: 0045 (Resignation date: 31/08/2011) - Refer to 1st Qtr Scorecard</li> <li>2) TM Magagula - Empl nr: 0046 (Resignation date: 31/10/2011) - Refer to 2nd Qtr Scorecard</li> <li>3) ZC Memela - Empl nr: 0107 (Resignation date: 30/11/2011) - Refer to 2nd Qtr Scorecard</li> <li>4) PN Mthembu - Empl nr: 0150 (Resignation date: 01/02/2012) - Refer to 3rd Qtr Scorecard</li> </ol>	<p>The high staff turnover rate is most probably influenced as a direct result of the re-location of the offices from Secunda to Ermelo. The municipality implemented various remedial interventions to minimise the impact of the re-location through in-depth negotiations, flexi work hours, subsidised transport etc, but an outflux of a percentage of the staff was a consequence that had to be anticipated and accepted.</p> <p>For the current year the trend is expected to normalise and the target set for the 2012/13 year achieved. Therefore no further intervention measures are anticipated to be required.</p>	4.03	5.00	7.25	1.00

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Institutional Capacity			<p>5) EN Muanza - Empl nr: 0245 (Resignation date: 30/03/2012) - Refer to 3rd Qtr Scorecard</p> <p>6) R Borah - Empl nr: 0217 (Resignation date: 24/02/2012) - Refer to 3rd Qtr Scorecard</p> <p>7) FN Sithole - Empl nr: 0197 (Resignation date: 30/01/2012) - Refer to 3rd Qtr Scorecard</p> <p>8) NM Nyathela - Empl nr. 0012 (Resignation date: 26/04/2012)</p> <p>9) BL Brown - Empl nr: 0179 (Resignation date: 30/06/2012)</p> <p>10) LSM Rabopape - Empl nr. 0186 (Resignation date: 30/06/2012)</p> <p>Denominator: Average total # of employees on the monthly payroll in the period under review</p> <p>Accum average employment level. Jul'11: 133; Aug'11: 132; Sept'11: 131; Oct'11: 131; Nov'11: 129; Dec'11: 131; Jan'12: 133; Feb'12: 147 Mar'12: 147; Apr'12: 149; May'12: 147; Jun'12: 146</p> <p>Average # of employees: <math>133 + 132 + 131 + 131 + 129 + 131 + 133 + 147 + 147 + 149 + 147 + 146 = 1656/12 = 138</math> % turnover = <math>10/138 = 7.25\%</math></p>					
	1.2.1	% achievement for Gender Equity (annual)	<p>Numerator: 71 - Total number of females employed by GSDM</p> <p>Denominator: 142 - Total GSDM staff compliment</p> <p><math>71/142 = 50\%</math></p>	N/A - Actual marginally below target.	0.00	55.00	50.00	3.85
Information Communication Technology	1.3.1	% of AG computer information systems audit findings	<p>Numerator: 0*</p> <p>* 2009/10 AG Computer Information audit findings raised are in the</p>	Price Waterhouse Coopers appointed during the 4th quarter to undertake a gap analysis with regard to the IT structure within the organisation. Weaknesses identified to be addressed	0.00	100.00	0.00	1.00

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
(ICT) Services		resolved (annual)	<p>process of being addressed with the assistance of an external service provider appointed to undertake a full systems and processes gap analysis. The operations of the IT Department were disrupted with the perpetration of a fraudulent transaction on GSDM's primary bank account during the financial year (Refer to MM Scorecard - KPI ID: 5.1.12). The IT department's resources were heavily allocated in order to assist with the subsequent investigation while keeping systems on line to maintain business operations.</p> <p>Denominator: 6 - Refer to instruction column Calculation: 0/4 = 0%</p>	according to a timetable with high risk areas given preference.				
Skills Development and Capacity Building	1.4.1	% skills levy received in rebate from LG SETA (annual)	<p>Numerator: R 263,615 – R-value skills levy received in rebate from LG-Seta (July 2011 to June 2012)</p> <p>Denominator: R 487,666.38 - Total SDL paid to SARS for the period July 2011 to June 2012</p> <p>R 263,615.00 / R 487,666.38 = 54.06%</p>	N/A - Target exceeded	35.00	50.00	54.06	4.14
<b>Intergovernmental Relations, Good Governance and Public Participation - Resource management internal governance and information</b>								
Governance and Administration	5.1.8	% of existing approved Council policies reviewed and or updated and re-submitted to Council (annual)	<p>Phase 1 (80% weighting): Numerator: 18*</p> <p>* Could not obtain evidence that the Acting Allowance Policy was reviewed. Denominator: 19*</p> <p>* Council approved policies: 1) Budget Policy 2) Supply Chain Management Policy</p>	All reviewed policies to be submitted to the Policy Portfolio Committee during the 2nd week in July 2012 and scheduled for submission to the 1st Quarter scheduled Council meeting.	0.00	100.00	79.79	2.66

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Governance and Administration			<p>3) Fixed Asset Policy 4) Fraud Prevention Plan 5) Cash Management and Investment Policy 6) Risk Management 7) Disciplinary and Grievance Procedure (Excluded as the Collective Bargaining Agreement is applied) 8) Recruitment, Selection, Appointments, Transfers, Demotions and Promotions 9) Training and Development 10) Vehicle policy 11) Code of Conduct (Excluded as the Collective Bargaining Agreement is applied) 12) Employee Assistance Programme 13) Induction of New Employees 14) Employee Conditional Study Grant 15) Experiential Training, Volunteerism and Internship 16) Acting Allowance 17) People with Disability 18) Job Evaluation (Excluded as the Task Grade System is applied) 19) Compensation for Occupational Diseases and Injuries 20) Catering and Refreshments 21) Consumption of Alcohol or any Abusive Substance 22) IT Policy</p> <p>A) Calculation: <math>18/19 \times 80\% = 75.79\%</math> Phase 2 (20%):</p> <p>Numerator: 4*</p> <p>* The following updated and reviewed policies were submitted to the Council meeting held 31 May 2012: 1) Supply Chan 2) Budget Policy 3) Fixed Asset Policy 4) Cash Management and Investment Policy</p> <p>Denominator: 20</p> <p>B) Calculation: <math>4/20 \times 20\% = 4\%</math> <math>75.79\%(A) + 4\%(B) = 79.79\%</math></p>					
	5.1.9	% of new policies developed and	Phase 1 (80% weighting): Numerator:	Outstanding policies awaiting internal comments before submission to the Policy Portfolio Committee meeting	0.00	100.00	49.23	1.15

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Governance and Administration		submitted to Council (annual)	<p>8*</p> <p>* The following new policies were drafted: 1) Telephone usage; 2) Sexual Harassment; 3) Smoking Policy; 4) Relocation Policy; 5) Standby Policy; 6) Travelling Policy; 7) HIV Policy; 8) Standing Orders Policy</p> <p>Denominator: 13 - Refer to instruction column</p> <p>A) Calculation: <math>8/13 \times 80\% = 49.23\%</math></p> <p>Phase 2 (20%): Numerator: 0</p> <p>Denominator: 8</p> <p>B) Calculation: <math>0/8 \times 20\% = 0\%</math></p> <p><math>49.23\%(A) + 0\%(B) = 49.23\%</math></p>	scheduled for July 2012				
	5.1.10	# of Mayoral committee meetings minutes approved	<p>The Mayoral Committee meetings have been held monthly and the minutes approved by the Chairperson of the Committee for the following meetings held:</p> <ul style="list-style-type: none"> <li>- 27 July 2011</li> <li>- 8 August 2011</li> <li>- 23 August 2011</li> <li>- 15 September 2011</li> <li>- 31 October 2011</li> <li>- 15 November 2011</li> <li>- 23 January 2012</li> <li>- 23 April 2012</li> <li>- 3 May 2012</li> </ul>	N/A - Target achieved	12.00	11.00	11.00	4.00

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year				
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score	
			<p>The following minutes have not been approved as the Mayor which Chaired the meetings was replaced by Acting Executive Mayor, Cllr TA Mnisi:</p> <ul style="list-style-type: none"> <li>- 6 March 2012</li> <li>- 23 March 2012</li> </ul> <p>Credit was given for the minutes of the above two meetings that was prepared.</p>						
	5.1.11	# of Portfolio committee meetings minutes approved	N/A - Target relevant to 2012/13 Financial year	N/A - Target relevant to 2012/13 Financial year	0.00	NA			0W
<b>Intergovernmental Relations, Good Governance and Public Participation - Develop internal and external Stakeholder relationships and partnerships</b>									
Governance and Administration	5.3.1	# of Council committee meetings minutes approved	<p>1st Quarter: Quarterly Council meeting scheduled and held 25 August 2011 - Minutes approved at Council meeting held 2 December 2011</p> <p>2nd Quarter: Quarterly Council meeting scheduled and held 2 December 2011 - Minutes approved at Council meeting held 24 January 2012</p> <p>3rd Quarter: Quarterly Council meeting scheduled and held 24 January 2012 - Minutes approved at Council meeting held 31 May 2012</p> <p>4th Quarter: Quarterly Council meeting scheduled and held 31 May 2012 - Minutes approved at Council meeting held 23 August 2012</p>	N/A - YTD Target achieved	0.00	4.00	4.00		4.00

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## CORPORATE SERVICES – PROJECTS

Programme	ID	Project	Actual Notes	Corrective Action	2011/2012 Financial Year						
					Activity Q1	Activity Q2	Activity Q3	Activity Q4	Annual Target 11/12	% Complete 11/12	Score
<b>Municipal Transformation and Institutional Organisational Development - Improve and sustain Financial, Human Resources and Management Excellence</b>											
Information Communication Technology (ICT) Services	PRJ1	Develop and conduct an internal questionnaire into of ICT service provision	The purpose of this project is to establish a credible baseline for the number of employees satisfied with ICT services. This baseline would then be used to set appropriate targets for improvement in subsequent years. The newly appointed IT Manager indicated that the IT department is in the process of restructuring and analyzing the IT requirements to support, sustain and grow the Municipality and therefore the IT Department has established a baseline of 0% employee satisfaction. The services of an external service provider will be obtained to ensure that IT is aligned with the Municipality's objectives and that individuals within the organization have adequate IT resources to carry out their tasks.	Price Waterhouse Coopers appointed during the 4th quarter. A KPI will be developed for the 2012/13 SDBIP to ensure that a target is set to measure improvement from the 0% employee satisfaction baseline set by the ICT Department for the 2011/12 financial year.	Not applicable this quarter	(33% project progress) Develop criteria for questionnaire	(66% project progress) Circulate questionnaire to be populated and evaluate input	(100% project complete) Submit report to HOD for consideration	100.00	100.00	0W

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## COMMUNITY AND SOCIAL SERVICES – KEY PERFORMANCE INDICATORS

Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
<b>Basic Service Delivery and Infrastructure Development - Improve the quantity and quality of Municipal basic services to the people</b>								
Integrated Waste Management Planning	2.4.1	% of operational landfill sites monitored in line with Department of Environmental Affairs (DEA) requirements	<p>Numerator: 1st Qtr 7, 2nd Qtr (Including December) 6, 3rd Qtr 2, 4th Qtr 5 = Total 20</p> <p>1st Quarter: 7 - Refer to 1st Quarter Input Scorecard 2nd Quarter: 6 - Refer to 2nd Quarter KPI Input Scorecard 3rd Quarter: 2 - Refer to 3rd Quarter Input Scorecard</p> <p>4th Quarter: Perdekop - 18/04/2012 (EHP - E vd Merwe) Volksrust - 29/05/2012 (EHP - E vd Merwe) Amersfoort - 29/05/2012 (EHP - E vd Merwe) Chrissiesmeer - June 2012 (J Brits) Ermelo - June 2012 (J Brits)</p> <p>Denominator: 1st Qtr 25, 2nd Qtr 25, 3rd Qtr 25, 4th Quarter 25 = Total 100</p> <p>Calculation: 20/100 = 20%</p>	<p>Review organogram to cater for appointment of EHP's. Minimum number of 20 EHP's needed to execute mandate of Municipal Health Services.</p> <p>The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.</p>	0.00	60.00	20.00	1.00
<b>Basic Service Delivery and Infrastructure Development - Advanced Community Well-being</b>								
Disaster Management and safety	2.5.1	# of educational campaigns ito fire prevention, natural disaster awareness	<p>1) Fire Awareness and Rescue Campaigns held at the following schools during September 2011 (Refer to 1st Qtr Input Scorecard):</p> <ul style="list-style-type: none"> <li>- Siyathemba Primary School audience</li> <li>- Balfour Primary School audience</li> <li>- Qalabocha Primary School audience</li> <li>- Tegwan's Nest Combined audience</li> <li>- Vusumuzi Primary School</li> </ul>	<p>Review of organogram and filling of vacant positions in order to fully execute Disaster Management function to the District.</p> <p>The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.</p>	0.00	4.00	3.00	3.80



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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year				
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score	
			<p>- Mlamlankuzi Combined school</p> <p>2) Awareness campaign together with the SAPA on high priority issues including crime held during the month of August 2011 - Refer to 2nd Qtr Input Scorecard</p> <p>3) Fire and Road Safety Awareness Campaign in Govan Mbeki Local Municipality held from 3 - 10 May 2012 in pre-schools around the jurisdiction of Govan Mbeki Local Municipality.</p>						
	2.5.2	% of Capital budget used for the procurement of response vehicles and other equipment	The R2,000,000 internal Capital Expenditure allocation incorporated in the 2011/12 Budget under vote 114, line item ref # 305110 "Construction & other vehicles" is not solely for the procurement of Emergency vehicles. The vote allocation has been subsequently expanded to cover the cost of vehicles other than the original business plan. Therefore the expenditure incurred cannot be attributed to a single owner. To-date expenditure of R707,463 has been incurred with respect to the purchase of non Emergency vehicles	It would be unfair to hold CSS accountable for expenditure out of their control and for this reason the KPI in question will be zero weighted for the remaining quarterly reports and to be removed from the SDBIP Scorecard for the 2012/13 during the SDBIP review cycle.	0.00	80.00			0W
Municipal health Services	2.8.1	% of water samples taken per month compared to scheduled target	<p>Numerator: 1502 actual water samples taken and submitted for testing during July'11 - June'12</p> <p>Breakdown of samples taken for the 1st, 2nd Qtr and 3rd Qtr: 350 (1st Qtr) - Refer to 1st Qtr KPI Input Scorecard 279 (2nd Qtr) - Refer to 2nd Qtr KPI Input Scorecard 523 (3rd Qtr) - Refer to 3rd Qtr KPI Input Scorecard 350 (4th Qtr)</p> <p>Breakdown of water samples taken for the period April 2012 - June 2012(4th Qtr): April 2012: 114 Albert Luthuli (16); Dipaleseng (11); Msukaligwa (23); Govan Mbeki (28); Pixley Ka Seme (12); Lekwa (14); Mkhondo (10) May 2012: 122</p>	N/A - Target exceeded	63.00	80.00	113.79		5.00

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Municipal health Services			Albert Luthuli (15); Dipaleseng (10); Msukaligwa (33); Govan Mbeki (29); Pixley Ka Seme (11); Lekwa (14); Mkhondo (10) June 2012: 114 Albert Luthuli (14); Dipaleseng (11); Msukaligwa (28); Govan Mbeki (19); Pixley Ka Seme (11); Lekwa (13); Mkhondo (18)  Denominator: $330 \times 4$ (330 per quarter) = 1320  $1502/1320 = 113.79$					
	2.8.2	% of water samples taken per month that do not comply to SANS 241 and that are reported to the LM's	Numerator: 1228  1st quarter July'11 - Sept'11 = 212 (Refer to 1st Quarter Input Calculator)  2nd quarter Oct'11 - Nov'11 = 279 (Refer to 2nd Quarter Input Calculator)  3rd quarter Dec '11- Mar'12 = 397 (Refer to 3rd Quarter Input Calculator)  4th quarter Apr'12 - June'12 = 340  Total = 1228  Denominator: $350+279+523+350= 1502$  Calculation: $1228/1502 = 81.76\%$	Formal communication in the form of a written communicate of monthly lab results to be forwarded to the respective LM Health Services Department and filed with the monthly lab results.	0.00	100.00	81.76	2.70
	2.8.3	% of food handling and preparation facility inspections conducted in	This KPI was Zero Weighted during the 1st and 2nd Quarter due to the reporting within the department that did not allow for accurate reporting on any actual performance achievements. This KPI is no	Review organogram to cater for appointment of EHP's. Minimum number of 20 EHP's needed to execute mandate of Municipal Health Services.	0.00	50.00	0.00	1.00

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Municipal health Services		terms of the Foodstuffs, Cosmetics, Disinfectant Act (FCDA)	longer 0weighted as sufficient time has lapsed to implement corrective action proposed by the PMS Unit.	The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.				
	2.8.4	# of Municipal Health programmes implemented per quarter	The following awareness was implemented during the period ending March 2012: 1) Water Quality Awareness Event held 27 July 2011 - Umlambo Combined School - Refer to 1st Qtr Input Scorecard; 2) Clean Up Campaign held 7 July 2011 - Grootvlei Mine Side - Refer to 1st Qtr Input Scorecard; 3) 5 Key steps to safer food Workshop held 28/07/2011 - GSDM - Refer to 1st Qtr Input Scorecard; 4) Water Quality Awareness Event: Derby Clinic, Rustplaas - 5 October 2011 - Refer to 2nd Qtr Input Scorecard; 5) Food Safety training at Glen Aggy Abittoir - 21 November 2011 - Refer to 2nd Qtr Input Scorecard; 6) Water Quality Awareness Campaign held at Mkhondo during May 2012; 7) Water Awareness Campaign held at Lekwa - 18 May 2012; 8) Water Conservation and Safety Awareness Campaign held Pixley Ka Seme during May and June 2012.	N/A - Target exceeded	0.00	7.00	8.00	4.25
	2.8.5	# of awareness campaigns implemented for the disabled	The following awareness campaigns was held up to June 2012: 1) Disability Day which was hosted at the GSDM offices on the 29th Nov 2011(Refer to 2nd Qtr Input Scorecard); 2) DEAFSA Mpumalanga Summit held 6 October 2011; 3) The Blind People Workshop held 3 March 2012 (Refer to 3rd Quarter Input Scorecard)	N/A - YTD Target achieved	0.00	3.00	3.00	4.00
	2.8.6	% of Municipal Health and Environmental related complaints received and required to be attended to	This KPI was Zero Weighted during the 1st and 2nd Quarter due to the reporting within the department that did not allow for accurate reporting on any actual performance achievements. This KPI is no longer 0weighted as sufficient time has lapsed to implement corrective action proposed by the PMS Unit.	Review organogram to cater for appointment of EHP's. Minimum number of 20 EHP's needed to execute mandate of Municipal Health Services.  The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.	0.00	60.00	0.00	1.00

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Municipal health Services	2.8.7	% of Notifiable diseases reported that require to be investigated per quarter	This KPI was Zero Weighted during the 1st and 2nd Quarter due to the reporting within the department that did not allow for accurate reporting on any actual performance achievements. This KPI is no longer 0weighted as sufficient time has lapsed to implement corrective action proposed by the PMS Unit.	Review organogram to cater for appointment of EHP's. Minimum number of 20 EHP's needed to execute mandate of Municipal Health Services.  The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.	0.00	80.00	0.00	1.00
	2.8.8	% of atmospheric emission license applications received and processed	<p>Numerator: 9</p> <p>The following applications were received and processed within the prescribed timeframe of 60 working days:</p> <ol style="list-style-type: none"> <li>1) Mpact - Piet Retief: (Refer to 1st Qtr Input Scorecard)</li> <li>2) Chameleon Environmental: (Refer to 1st Qtr Input Scorecard)</li> <li>3) Boiler and Energy Systems : (Refer to 1st Qtr Input Scorecard)</li> <li>4) Vuka Comondale Treated Timber: (Refer to 2nd Qtr Input Scorecard)</li> <li>5) Camden Power Station: (Refer to 3rd Qtr Input Scorecard)</li> <li>6) Pro Enviro: (Refer to 3rd Qtr Input Scorecard)</li> <li>7) Ezakheni Combined School: (Refer to 3rd Qtr Input Scorecard)</li> <li>8) Komatiland Forests: (Refer to 3rd Qtr Input Scorecard)</li> <li>9) H2ON Environmental Specialist: Application date: 10 April 2012 Notice of Acknowledgement: 6 June 2012 Turn around time: 41 working days (10 April 2012 - 6 June 2012)</li> </ol> <p>The following applications were received and was not processed within the prescribed timeframe of 60 working days:</p> <ol style="list-style-type: none"> <li>10) Majuba Power Station:</li> </ol>	N/A - Target exceeded	0.00	60.00	75.00	4.42

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Municipal health Services			<p>(Refer to 3rd Qtr Input Scorecard)</p> <p>11) Tutuka Power Station: Application date: 26 October 2011 Notice of Acknowledgement: 2 May 2012 Turn around time: 60+ working days (26 October 2011 - 2 May 2012)</p> <p>12) FFS Refiners: Application date: 29 February 2012 Notice of Acknowledgement: Not issued to date Turn around time: 60+ working days (29 February 2012 - )</p> <p>Denominator: 12</p> <p>The following applications were received during the period ending June 2012:</p> <p>1) Mpact - Piet Retief (18 July 2011) - Refer to 1st Quarter 2) Chameleon Environmental (19 July 2011) - Refer to 1st Quarter 3) Boiler and Energy Systems (19 September 2011) - Refer to 1st Quarter 4) Majuba Power Station (30 August 2011) - Refer to 1st Quarter 5) Vuka Commondale Treated Timber (10 September 2011) - Refer to 2nd Quarter 6) Tutuka Power Station (26 October 2011) - Refer to 2nd Quarter 7) Camden Power Station (5 January 2012) 8) FFS Refiners (29 February 2012) 9) Pro Enviro (15 March 2012) 10) Ezakheni Combined School (23 February 2012) 11) Komatiland Forests (20 February 2012) 12) H2ON Environmental Specialist (10 April 2012)</p> <p>Calculation: <math>9/12 = 75\%</math></p>					
	2.8.9	% of atmospheric emission licence applications approved	<p>Numerator: 0</p> <p>Applications received during the period July 2011 - August 2011:</p>	<p>Review organogram to cater for appointment of EHP's. Minimum number of 20 EHP's needed to execute mandate of Municipal Health Services.</p>	0.00	70.00	0.00	1.00

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
			1) Mpac - Piet Retief (Application date 18 July 2011) 2) Chameleon Environmental (Application date 19 July 2011)  Denominator: 2*  Applications received during the period July 2011 - August 2011: 1) Mpac - Piet Retief (Application date 18 July 2011) 2) Chameleon Environmental (Application date 19 July 2011)	The Executive Mayor has requested all HOD's through Departmental meetings held to identify critical vacant positions to be filled as a matter of urgency.				
Community Health & Social Development	2.9.1	# of in-house clinics scheduled for voluntary employee testing for HIV/AIDS status	Reported in 3rd Quarter - GSDM staff HIV counselling and testing campaign held at the GSDM offices 23 March 2012.	N/A - Target met	0.00	1.00	1.00	4.00
	2.9.2	Development of HIV/AIDS Strategic and Operational Plan and submission to Council	Reported in 3rd Quarter:  Numerator: 1  Terms of reference for the development of the GSDM Strategic Plan was finalised and signed on 22 February 2012  Denominator: 2  Calculation: 1/2 = 50%	The appointment of a HIV/Aids Manager will ensure that the process of developing a Strategic Plan will be accelerated. This will be a multi year project and this KPI will be catered for in the 2012/13 SDBIP.	0.00	100.00	50.00	1.17
	2.9.3	# of TB cases per 100,000 of population (annual)			0.00	Reporting Only		Reporting Only
	2.9.4	# HIV/AIDS awareness campaigns implemented to capacitate and build communities (annual)	Reported in 3rd Quarter - HIV/AIDS walk and workshop held on the 12th December 2011. (Refer to 2nd Quarter Input Scorecard)	Vacant positions must be filled in order for Department to fully execute its mandate.	0.00	2.00	1.00	2.50

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
<b>Intergovernmental Relations, Good Governance and Public Participation - Deepen democracy through effectively and efficiently functional Public Participation structures, mechanism and processes</b>								
Ward Committees & CDWs	5.2.2	% media statements submitted to the media houses relating to Council activities	<p>Numerator: 1st Quarter: 6 (Refer to 1st Qtr Input Scorecard) 2nd Quarter: 7 (Refer to 2nd Qtr Input Scorecard) 3rd Quarter: 7 (Refer to 3rd Qtr Input Scorecard) 4th Quarter: 0*</p> <p>* Advertisement for the 4th Quarter Council meeting was advertised Nationally and not within the jurisdiction of each LM within GSDM. The Communication Department was only informed of the Council meeting 4 days prior to the meeting. The short notice period resulted in deadlines being missed for submission of advertisements to be placed in local newspapers. The Council meeting was advertised nationally in the Daily Sun newspaper on the 30th and 31st of May 2012.</p> <p>Denominator: 7(Quarter 1) + 7(Quarter 2) + 7(Quarter 3) +7(Quarter 4) = 28 Local Municipalities within the jurisdiction of GSDM (Albert Luthuli, Dipalasang, Govan Mbeki, Lekwa, Mkhondo, Msukaligwa, Pixley Ka Seme)</p> <p>Calculation: 20/28 = 71.43%</p>	Department capacitated through the appointment of a Director: Communications which will ensure that the Communications Department fulfil its mandate. Quarterly Council meetings to be advertised within the jurisdiction of each of the Local Municipalities.	100.00	100.00	71.43	2.52
	5.2.3	# of External newsletters developed and distributed	<p>Quarter 1 (Refers to GSDM Insight for period April - June 2011): GSDM Insight Magazine for the period end, June 2011</p> <p>Quarter 2 Refers to GSDM Insight for the period July 2011 - September 2011): GSDM Insight Magazine not published for the period ending September 2011</p> <p>Quarter 3 Refers to GSDM Insight for the period January 2012 - March 2012): GSDM Insight Magazine for the period end, March 2012</p>	Department capacitated through the appointment of a Director: Communications which will ensure that the Communications Department fulfil its mandate. Quarterly Insight magazine to be published on a quarterly basis.	4.00	4.00	3.00	3.80

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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
Ward Committees & CDWs			Quarter 4 Refers to GSDM Insight for the period April 2012 - July 2012): GSDM Insight Magazine finalised and submitted to service provider for printing					
	5.2.4	# of Municipal website to MFMA requirements	<p>Numerator: 10</p> <p>Web site updated on 12 November 2011, as follows:</p> <ol style="list-style-type: none"> <li>1) 2011/12 Annual Budget - Section 75(1)(a)</li> <li>2) Budget Policy, Supply Chain Management Policy and Virement Policy - Section 75(1)(b)</li> <li>3) 2009/10 Annual Report - Section 75(1)(c)</li> <li>4) Section 57 Managers (CFO, CS, CSS, ITS, MM) - Section 75(1)(d)</li> <li>5) Memorandum of Understanding entered into with Dipalasang, Govan Mbeki, Mkhondo and Msukaligwa - Section 75(1)(e)</li> <li>6) ABSA Long Term Borrowing contract entered into with GSDM - Section 75(1)(f)</li> <li>7) List of all tender awards made during the period July 2011 to March 2012 - Section 75(1)(g)</li> <li>8) List of assets disposed of - 75(1)(h)</li> <li>9) ABSA Long Term Borrowing contract entered into with GSDM - Section 75(1)(i)</li> <li>10) Monthly reports on Financial Performance for the period July 2011 to June 2012 - Section 75(1)(k)</li> </ol> <p>Denominator: 10 - Refer to instruction column</p> <p>9/10 = 90%</p>	N/A - YTD Target achieved	0.00	100.00	100.00	4.00
<b>Intergovernmental Relations, Good Governance and Public Participation - Create a single window of co-ordination for the support, monitoring and intervention in municipalities within the District</b>								
Coherent Decision-Making	5.4.2	# of District Communication Forum meetings held	District Communication Forum meetings were held: <ol style="list-style-type: none"> <li>1) 31 August 2011</li> <li>2) 10 November 2011</li> </ol>	N/A - Target achieved	0.00	4.00	4.00	4.00



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Programme	ID	KPI	Actual Notes	Corrective Action	2011/2012 Financial Year			
					Baseline 10/11	Annual Target 11/12	Annual Actual 11/12	Score
			3) 30 March 2012 4) 24 & 25 May 2012					
	5.4.3	# of Disability Forum meetings held	(3) Disability Forum meetings were held YTD on the following dates: 1) 27 October 2011 (Refer to 2nd Quarter Input Scorecard) 2) 13 December 2011 (Refer to 2nd Quarter Input Scorecard) 3) 9 February 2012 (Refer to 3rd Quarter Input Scorecard)	New Senior manager (Transversal) appointed and will now ensure that all departmental responsibilities are executed	0.00	4.00	3.00	3.80
	5.4.7	# of District Disaster Management Advisory Forums held	(3) Disaster Management Advisory Forum meetings were held YTD on the following dates: 1) 26 July 2011 (Refer to 1st Quarter Input Scorecard) 2) 25 October 2011 (Refer to 2nd Quarter Input Scorecard) 3) 3 April 2012 (Refer to 3rd Quarter Input Scorecard)  The Disaster Management Advisory Forum meeting scheduled for the 4th Quarter was cancelled due to the replacement of the HOD: CSS with an Acting Director and the appointment of a new Senior Manager for the Disaster Management Unit. The appointment of the Senior Manager should ensure that all future Forum meetings are held according to schedule.	The appointment of the Senior Manager (Disaster Management) should ensure that all future Forum meetings are held according to schedule.	0.00	4.00	3.00	3.80

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## COMMUNITY AND SOCIAL SERVICES – PROJECTS

Programme	ID	Project	Actual Notes	Corrective Action	2011/2012 Financial Year							
					Activity Q1	Activity Q2	Activity Q3	Activity Q4	Annual Target 11/12	% Complete 11/12	Score	
<b>Basic Service Delivery and Infrastructure Development - Advanced Community Well-being</b>												
Disaster Management and safety	PRJ2	Develop and implement a District standardised reporting system for Disaster management	Only quarter 1 & 2 activities were achieved. Standardised Incident Report Form still only in draft format and not rolled out for implementation.	Task Team comprising of members representative of all the LM's to be elected to finalise standardised reporting format for roll out during the 1st quarter of the 2012/13 Financial year.	(25% project progress) Develop format of reporting system	(50% project progress) Submit to District Forum for comment	(75% project progress) Implement reporting system throughout District	(100% project complete) District Forum to review new system	100.00	50.00	2.00	
	PRJ3	implementation of Fully functional Disaster Recovery sites	Business Plans not developed in the absence of Memorandum of Understanding entered into with the relevant Local Municipalities.	District to enter into MOU's with Mkhondo and Dipalaseng.	Not applicable this quarter	Not applicable this quarter	(50% project progress) Develop Business Plan to motivate funding for completed Disaster Centres	(100% project complete) Submit Business Plan to MM	100.00	0.00	1.00	
District Municipal Support Services	PRJ5	Development of policy and plan to facilitate Sports programmes for LM's	Although quarterly milestones were behind target, the Sport Policy and Strategy Document for the period 2012 - 2016 has been finalised and is to be submitted to the Mayoral Committee meeting scheduled for 24 July 2012.	N/A - Project objective met	Not applicable this quarter	(33% project progress) Develop policy	(66% project progress) Submit Plan to Council	(100% project complete) Develop Business Plan and submit to HOD for consideration	100.00	100.00	4.00	
<b>Intergovernmental Relations, Good Governance and Public Participation - Deepen democracy through effectively and efficiently functional Public Participation structures, mechanism and processes</b>												
Ward Committees & CDWs	PRJ4	% external customer satisfaction rating (annual)			Not applicable this quarter	(33% project progress) Develop criteria for questionnaire	(66% project progress) Circulate questionnaire to be populate and evaluate input	(100% project complete) Submit report to MM for consideration	100.00	0.00	1.00	

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## ADDENDUM C: DEFINITIONS

For the purpose of this report, the following definitions apply:

**Scorecards** refer to a multi-dimensional framework created by Dr. Robert Kaplan and Dr. David Norton that uses measurement to describe an organisation's strategy. It is based on the Balanced Scorecard methodology as currently applied to suit the South African environment as described by the Institute for Performance Management **TRIPOD**® Methodology for Municipalities. This ensures alignment with community needs, legislation, IDP, SDBIP and Budgetary requirements for South African municipalities.

**Strategic Themes** are the general strategy broken down into categories that focuses on different objectives of the company that can lead to overall success, such as customer satisfaction, reduced cost and employee growth. It is usually general and not quantified. An ultimate outcome is attached to it.

**Perspectives** according to the Kaplan/Norton balanced scorecard model, these four views of the business are - Financial, Customer (community), Institutional Processes and Learning and Growth.

**Key Performance Area (KPA)** refers to a grouping of metrics of performance success of a process or management system.

**Objective** is an aim or intended result of a strategy

**Programme** refers to a group of related key performance indicators or projects.

**Key Performance Indicator (KPI)** refers to a list of indicators that an organisation has identified as the most important variables reflecting vision / mission success or organisational performance

**Projects** are split into targeted (%) implementation phases throughout the course of a financial year.

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## ADDENDUM D: SCORING METHOD

Results are presented in the form of scores as detailed below and were calculated using an automated system adapted to comply with the Gert Sibande District Municipality's performance management requirements. The scoring method utilised is as follows;

Colour code	Scoring	% target achieved KPIs		% target achieved PRJs	
Rating	Score	Low	High	Low	High
Unsatisfactory	1-1.99	0.0%	39.9%	0.0%	25.0%
Below average	2 -2.99	40.0%	79.9%	25.0%	50.0%
Within target	3 -3.99	80.0%	99.9%	50.0%	75.0%
Achieved/ exceeded target	4 -4.99	100.0%	166.9%	75.0%	167%
Outstanding	5+	167.0%	+	167.0%	+

Overall scores as contained in the report were calculated by taking an average of the scores for all KPIs and projects that contributed to a specific Scorecard, Department or the Municipality as a whole.

Weighting of the KPIs and projects per programme and Objective was not taken into consideration in determining the score, except where decided to apply 'zero Weighting', in which case that KPI or project did not contribute to the score of the programme and therefore would not contribute to the overall Objective score.

Scoring of the Objective is taken as an Average score of the Programmes contributing to the Objective. Scoring of the Programme is taken as an Average score of the KPIs and projects contributing to the Programme. Objectives are averaged to derive to the Key Performance Area (KPA) score. The final Scorecard Rating is an average of the KPAs' scores or the Key Performance Area scores.

Where no Actual was supplied, a **1.00** score was applied. If no targets were supplied, but Actual was supplied, the Actual was taken as the target. Where no Worst values were supplied, the Intervention was taken at 40% of target.

# VOLUME II

## VOLUME II: ANNUAL FINANCIAL STATEMENTS

Provide the audited Annual Financial Statements to the Annual report for 2011/12 – This to be developed as a separate volume. Refer to MFMA Circular 36 for further guidance.

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