

# **DRAFT ANNUAL REPORT 2013/14**



## **MANGAUNG METROPOLITAN MUNICIPALITY**

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## ANNUAL REPORT 2013/2014 – MANGAUNG METROPOLITAN MUNICIPALITY

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# CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

## COMPONENT A: MAYOR’S FOREWORD

### MAYOR’S FOREWORD

The Mangaung Metropolitan Municipality (MMM) envisions a city that will be striving to become a progressive municipality that is “*globally safe and attractive to live, work and invest in*”. To realise this vision, the City has adopted eight development objectives to be pursued during this term of local government.

- 1) Poverty eradication, rural and economic development and job creation;
- 2) Financial sustainability (*e.g. revenue enhancement, clean audit*);
- 3) Spatial development and the built environment;
- 4) Eradication of bucket system, VIP toilets in Botshabelo, Bloemfontein and Thaba Nchu, focus on the basic services, implementing feasibility study into building a solar plant. safety and security;
- 5) Human Settlement;
- 6) Public Transport;
- 7) Environmental Management and Climate Change;
- 8) Social and community services.

For the year under review, the City has attained significant successes in relation to provision of municipal services, building of the requisite service delivery infrastructure, facilitating access to shelter, playing pivotal role in growing the Gross Geographic Product of the municipality and thus broadening the revenue tax base, ensuring a significant percentage of households have access to a basket of free basic services, provision of effective emergency and environmental health services and effective maintenance of service delivery infrastructure and assets. An overview of the following projects and services provided attest to the mentioned achievements.

- 99.9% of formalised households have access to electricity services and 392 households at Selosesha were electrified
- 53 high mast lights installed to provide public lightning;
- 20 105 of registered indigent households have access to Free Basic Water, Free Basic Sanitation, Free Basic Electricity and Free Basic Waste Removal Services;
- 4,383 additional households serviced with waterborne sanitation;
- Embarked on the implementation of Water Demand Management Programme and the net result was the reduction of Non-Revenue Water in 2013/2014 to 31%
- 165 464 formal households provided with weekly kerb-side waste removal services;;
- 4.67 kilo-meters of gravel roads upgraded to paved/tarred road;
- 4880 title deeds issued and registered,;
- Four (4) informal settlement upgraded;
- Redevelopment of Naval Hill Master Plan – public viewing areas and parking areas
- 2260 jobs were created through the Expanded Public Works Programme (EPWP) projects;
- Conducted inspection on shelters for the elderly and inspected 228 Early childhood Development Centres
- Succeeded in promoting literacy in communities through acquiring new books for libraries;
- 413 trees have been planted
- City has succeeded in organising clean and green campaigns to raise community awareness and elicit reciprocal civic duty;
- The City continues to provide efficient environmental health services – *food and water safety programmes, analysis of water and foodstuffs, pest, vector control and disinfestations services, etc.;*
- 109 known initiation schools were inspected;
- The City continues to perform well in relation to promoting awareness and educate communities on HIV/AIDS;
- Effective fire and disaster management services are being provided;
- Installed 15 permanent cameras in Botshabelo and Thaba Nchu;
- Secured R600 million loan to finance infrastructure projects;
- Attained a collection rate of 91.65%;
- Effective internal audit services are being provided;
- Number of actions taken to prevent fraud, corruption and maladministration

Despite the highlighted successes, the following challenges will be dealt with in the outer years:

- *Increase the pace of VIP eradication and bucket eradication programme;*
- *Electricity line losses, electricity theft and bridging of electricity meters;*
- *Eradicating road and storm-water backlogs*
- *Upgrading of service delivery infrastructure;*
- *Facilitating housing development;*
- Supporting SMMEs development and agricultural enterprises established;
- Improve in relation to inspection of food premises;
- Expediting the process of obtaining assignment of ambulance services from the Member of the Executive Council (MEC) for Health;
- Development and implementation of IGR Strategy and Knowledge Management;

The City has used community meetings, summits, stakeholder workshops, one-hour engagement with the Executive Mayor as platforms to engage communities and kept them abreast of the developments in the City.

The City has committed itself to eradicate the VIP toilets in Botshabelo, Thaba Nchu and Mangaung (Bloemfontein) in the next six years

The City is on course to attaining its set development objectives and will redouble its efforts in the outer years to deliver on its mandate in partnership with other spheres of government and social partners.

**(Signed by :)**.....  
**Executive Mayor**



## **COMPONENT B: EXECUTIVE SUMMARY**

### **1.1 MUNICIPAL MANAGER'S OVERVIEW**

The City has ensured that forward planning is concluded in relation to capital projects through the development and implementation of the Capital Project Procurement Plan and constantly monitoring the performance of the City in implementing its Capital programme. The net positive result has been the improvement in capital expenditure spent to 82% for the 2013/2014. However, efforts will be expended in the next financial year to ensure that the set performance target of 95% is attained.

The City has ensured that there is alignment between Council priorities and service delivery targets encapsulated in the Service Delivery and Budget Implementation Plan (SDBIP) of the City. Periodic quarterly performance reviews of Heads of Departments have been facilitated and areas that need improvements are highlighted.

The City continues to perform exceedingly well in relation to provision of municipal services. The preceding executive summary on performance by the Executive Mayor provides a detailed account of the highlighted service delivery performance.

The City is succeeding in stabilising its financial position and a solid foundation is laid for financial sustainability and health of the City. A collection rate of 91.65% against a set target of 95% has been attained.

The City has been working actively with its municipal entity Centlec to ensure that approved Audit Action Plans are implemented effectively in addressing issues raised by the Auditor-General.

### **BRIEF OVERVIEW OF THE MANGAUNG METROPOLITAN MUNICIPALITY**

The Mangaung Local Municipality (MLM) was established in 2000 with the amalgamation of four former transitional councils, but was recently (May 2011) elevated from a category "B" municipality to a category "A" metropolitan municipality. This new status presented both challenges and opportunities to the Mangaung Metropolitan Municipality (MMM) and it is against this background that the Municipality is excited to fulfil its Constitutional mandate by focusing on effective and efficient municipal service delivery, growing the economy and empowering its community. The Council of Mangaung last year adopted a comprehensive integrated development plan covering this term of local government (2012 -2016). Critically the comprehensive IDP for the City was embedded and informed by the following eight key development priorities:

- Poverty eradication, rural and economic development and job creation
- Financial sustainability e.g. revenue enhancement, clean audit
- Spatial development and the built environment
- Eradication of bucket system, VIP toilets in Botshabelo, Mangaung and Thaba Nchu, focus on the basics, building solar farming, power plant feasibility, safety & security
- Human Settlement
- Public Transport
- Environmental Management and Climate change
- Social and community services

This report will express itself to the strides the MMM has been taking in responding to the above in the year under review

## 1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

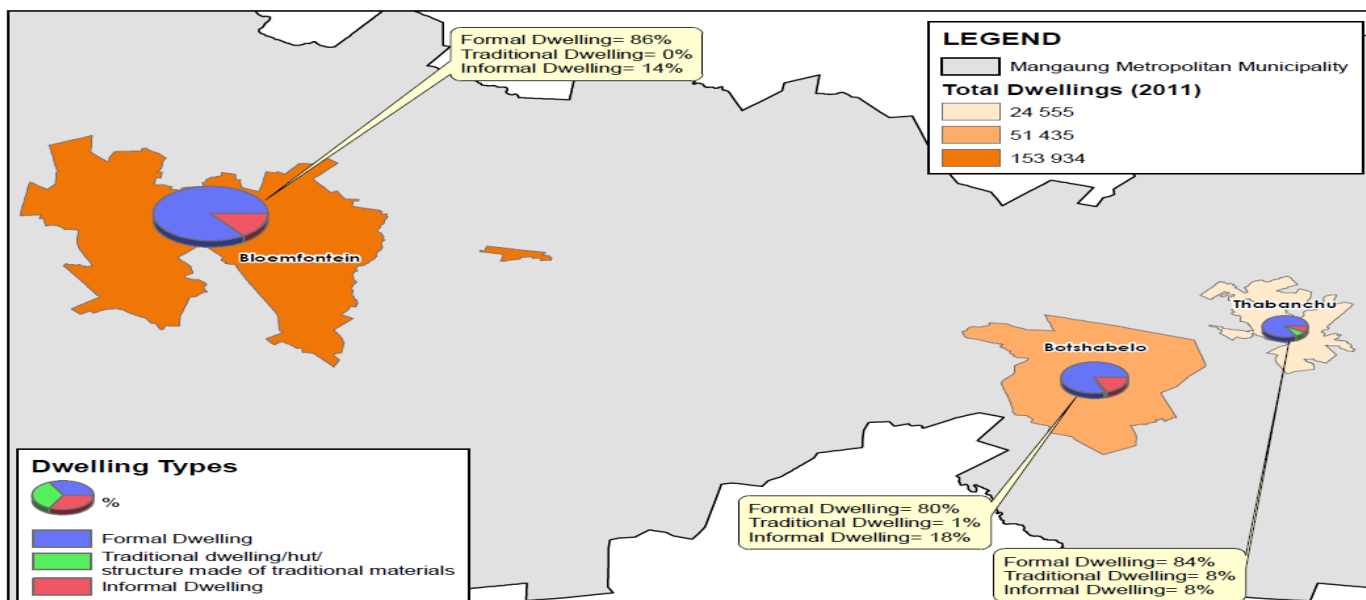
Table 1.1: POPULATION DETAILS OF THE MUNICIPALITY 2013/14

Age	Male	Female	Total
0 – 4	37636	37712	75348
5 – 9	32930	32716	65646
10 – 19	65680	65102	130782
20 – 29	81005	76947	157952
30 – 39	56357	55545	111902
40 – 49	39649	46709	86358
50 – 59	26086	33234	59320
60 – 69	14251	20375	34626
70 +	8592	16905	25497
<b>Total</b>	<b>362186</b>	<b>385245</b>	<b>747431</b>

Source Census 2011, STATSSA

As the table above will indicate the population of Mangaung is fairly spread over all age groups but there are more young people than any other grouping with young people from the ages of 10 to 39 constituting the majority (53.6%) of the residents of Mangaung Metropolitan Municipality. This in essence means that the municipality has to tighten its efforts to areas of youth development and early childhood development.

**Figure 1.1: FORMAL AND INFORMAL DWELLINGS IN MANGAUNG**



Source Census 2011, STATSSA

Formal dwellings represent 86% of the households in the town of Bloemfontein; there are no traditional dwellings and about 14% is informal dwellings. In Botshabelo formal dwellings represent 80%, traditional dwellings represent 1% and informal settlements represents 8%, while in Thaba Nchu formal dwellings represents 84%, traditional dwellings 8% and informal settlements represent 8% of the total number of dwellings.

### 1.2.1 SOCIO ECONOMIC STATUS

Although there is a significant shift in the unemployment rate in Mangaung it remains very high as the table below indicates. The biggest gap is with women and youth particularly black females. This in essence means that as a municipality we must increase our efforts in relation to creation of employment opportunities through amongst others; the EPWP initiatives and other skill development initiatives.

**BELOW ARE TABLES RELATED TO SOCIO ECONOMIC STATUS OF THE MMM:**

**Table 1.2: 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
2013/14	53,820	27.7%	11,4%	64%	85049	16%

Source Census 2011, STATSSA

Investigations in the municipality revealed that in the year under review our housing backlog stands at 53 820 and growing. This is because of the mushrooming of shacks and informal settlements. Further this is exacerbated by the continuing influx of people from neighbouring small municipalities, provinces and countries (Lesotho). This in itself has a bearing on the metro's efforts of curbing unemployment which stands at 27.7%.

**Table 1.3: UNEMPLOYMENT RATES (POPULATION AGED BETWEEN 15 AND 64 YEARS)**

	Male	Female	Total
Employed	115433	96313	211746
Unemployed	36151	45074	81225
Not economically active	95133	118818	213951
Unemployment rate	23.8	31.9	27.7

Source Census 2011, STATSSA

There are more employed people in Mangaung than those who are unemployed from the economically active groups, the challenge is that most people are employed in low skilled jobs because of amongst other things, their levels of education as the table below will demonstrate that about 38.0% of the labour force of Mangaung has completed some secondary and 28.2% have completed matric and only 12.7% has post matric qualification

**Table 1.4: EDUCATION LEVEL (POPULATION AGED 15 YEARS AND ABOVE)**

	Persons	Percentage
No schooling	20368	3.87
Some primary	64657	12.27
Completed primary	26242	4.98
Some secondary	200132	37.99
Grade 12/Stud 10	148399	28.17
Higher	67007	12.72
Other	-	-
<b>Total</b>	<b>526805</b>	<b>100.0</b>

Source Census 2011, STATSSA

**Table 1.5: EMPLOYMENT STATUS BY EDUCATIONAL LEVEL (POPULATION AGED BETWEEN 15 - 64 YEARS)**

	Employed	Unemployed	Not Economically Active
<b>Persons</b>			
No schooling	4648	1777	7450
Some primary	18553	7653	26506
Completed primary	8152	4214	11918
Some secondary	61055	36307	93348
Grade 12 / Std 10	73167	26211	45292
Higher	45101	4922	12426
Other	1070	141	482
<b>Total</b>	<b>211746</b>	<b>81225</b>	<b>197422</b>
<b>Percentages</b>			
No schooling	2.2	2.2	3.8
Some primary	8.8	9.4	13.4
Completed primary	3.8	5.2	6.0

	Employed	Unemployed	Not Economically Active
Some secondary	28.8	44.7	47.3
Grade 12 / Std 10	34.6	32.3	22.9
Higher	21.3	6.1	6.3
Other	0.5	0.1	0.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source Census 2011, STATSSA

The worrying factor is that there are 6.1% of graduates from Institutions of higher learning who are unemployed and about 32.3% of those with matric who do not have jobs. This gives a distinct impression that the economy of Mangaung has not strengthened itself enough to be able to absorb this skill. There is a need for joint cooperation between government and the private sector in ensuring that more job opportunities are being created and harnessed in the city.

**Table 1.6: ANNUAL HOUSEHOLD INCOME**

Income levels	Households	Percentages
No income	26408	11.4
R 1 - R 4800	10759	4.6
R 4801 - R 9600	15785	6.8
R 9601 - R 19 600	39773	17.2
R 19 601 - R 38 200	46813	20.2
R 38 201 - R 76 400	32665	14.1
R 76 401 - R 153 800	23928	10.3
R 153 801 - R 307 600	18641	8.0
R 307 601 - R 614 400	11654	5.0
R 614 001 - R 1 228 800	3674	1.6
R 1 228 801 - R 2 457 600	982	0.4
R 2 457 601 or more	826	0.4
<b>Total</b>	<b>231908</b>	<b>100.0</b>

Source Census 2011, STATSSA

**Table 1.7: NATURAL RESOURCES**

<b>MAJOR NATURAL RESOURCE</b>	<b>RELEVANCE TO COMMUNITY</b>
Water	Provision of water is very essential to any community
Vast Agricultural land	Given the high unemployment rate, communities still have access to land for agricultural activities
Sunshine	Solar power
Naval Hill	Being developed as a tourist attraction

## **1.2.2 KEY CHALLENGES AND OPPORTUNITIES FOR THE CITY**

### **1.2.2.1 FINANCE**

There is an appreciable progress made in terms of capital projects with the total capital expenditure spent for the year under review at 82%. There is an urgent need of enhancing the implementation of rigorous credit control measure in the City given the rising service arrears debt.

### **1.2.2.2 HUMAN SETTLEMENTS**

Like most South African municipalities, Mangaung Metro has the characteristic of a segregated and fragmented city. Bloemfontein is the economic bellwether upon which Botshabelo and Thaba-Nchu regions depend. The city has developed in a binary manner with much investment in the northern areas, growing speedily towards the western part of the City, whereas the south-eastern part has been characterised by low-income and low density government subsidised settlements. These characteristic evinces apartheid spatial planning. In an endeavour to overcome this and foster integration, the Metro has determined that a development corridor be initiated along the N8 connecting the three regions.

Stats SA 2011 data suggest that Mangaung received approximately 6 577 non-South African citizens in the previous decade. Similarly, an own study conducted in 2010 indicated that housing backlog in the municipality stood at 53 820, and this number increased to 58 820 in 2011. The demand was mainly found in the affordable (GAP) and rental market. The attendant pressures of urbanisation, migration, population increase and declining economic performance of all factors of production collectively places strenuous demands on the services government provides.

Among instruments to address its housing backlog, has been the acquisition by the Mangaung Metro of seven (7) strategic land parcels for the implementation of mixed use development to create integrated human settlements. Such an instrument upon which the Metro has predicated its approach is the strategy consisting of a combination of *retail, recreational, residential, and industrial and community facilities*. Collectively, these developments will entail various housing typologies and provide wide tenure options to beneficiaries, such as ownership, rent, and rent-to-buy as well as mortgage loan options within the same geographic space.

### **1.2.2.3 SOCIAL SERVICES**

The City continues to provide effective social services such as fire, emergency and library services, HIV/ AIDS awareness. However, the Department should deal with the following challenges:

- Acquisition of fleet for fire and emergency services;
- Establishing the metro police and obtaining assignment in relation to ambulance services.

### **1.2.2.4 RELEVANCE OF THE 4 MAJOR NATURAL RESOURCES**

The city has been redeveloping Naval Hill as a precinct for tourism, a second viewing area, landscaping and the building of the Edge Restaurant.

Sunshine in Mangaung is all year round although it is cold in some parts of the year but imperative for the city in the efforts of eradicating the 0.1% electricity backlogs in the city in relation to formal households. Already some new housing developments are fitted with solar energy sources and are working well.

Water as a scarce resource is another imperative natural resource in the city and although there are still huge water backlogs they are largely because of the continuous mushrooming of informal settlements.

There are more than 44 rural villages in the City and all have vast grazing and ploughing land suitable for agricultural activity. Also the periphery of the city is surrounded with farms and, this means that there are serious growth potentials for agricultural development in the city.

### **1.3 SERVICE DELIVERY OVERVIEW**

The city has been able to deliver more than 4880 title deeds to its citizens in the financial year 2013/14 and provided over 2890 housing opportunities. The Brandwag social housing project represents a key delivery milestone in integrated human settlements in the city. The City has attained the following milestones in relation to provision of municipal services.

- 99.9% of formalised households have access to electricity services and 392 households at Selosesha were electrified
- 53 high mast lights installed to provide public lightning;
- 20,105 of registered indigent households have access to Free Basic Water, Free Basic Sanitation, Free Basic Electricity and Free Basic Waste Removal Services;
- 4,383 additional households serviced with waterborne sanitation;
- Embarked on the implementation of Water Demand Management Programme and the net result was the reduction of Non-Revenue Water in 2013/2014 to 31%
- 165,464 formal households provided with weekly kerb-side waste removal services;;
- 4.67 kilo-meters of gravel roads upgraded to paved/tarred road;
- 4,880 title deeds issued and registered,;
- Four (4) informal settlement upgraded;

### **1.4 FINANCIAL HEALTH OVERVIEW**

The City has attained collection rate of 91.65% that represented 4.35% less than the set annual target of 96%.

The City has obtained a qualified audit opinion on its Annual Financial Statement and Annual Performance Report for 2012/2013 and has implemented an Audit Action Plan that is geared towards obtaining an improved audit outcome for the year under review (2013/2014)

By the end of the financial year cost coverage stood at >1.62 and this clearly demonstrate that the City has to do more in implementing credit control and debt collection policies in order to ensure a solid path of improving its liquidity position.

The City has succeeded in obtaining a loan of R600 million from Standard Bank and the Development Bank of Southern Africa (DBSA) to finance infrastructure and revenue generating projects.

# CHAPTER 2 – GOVERNANCE

## INTRODUCTION

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

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

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

## COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

### 2.1 POLITICAL GOVERNANCE

The Mangaung Metropolitan Municipality is governed by a council led by an Executive Mayor. All major policy and administrative decisions are presented, resolved and implemented after the approval of Council. The political system in the municipality is functioning well in that all major committees and participatory organs in the Metro are fully functional. The Municipality has a functional oversight committee that meets regularly to consider policy direction and track performance of the municipality, There is a functional audit committee that periodically provide advice to Council. There is a Municipal Public Accounts Committee (MPAC) that continues to interrogate municipal performance and thus assist the municipality to act in the manner that assist service delivery. The annual report is publicized for scrutiny and comment of the public as well.

#### 2.1.1 POLITICAL STRUCTURE OF MMM

1. Executive Mayor: Councillor Thabo Manyoni
2. Deputy Executive Mayor: Councillor Connie Rampai
3. Speaker: Councillor Mxolisi Siyonzana
4. Chief Whip: Councillor Zolile Mangcotywa



**Table 2.1: MEMBERS OF THE MAYORAL COMMITTEE**

Members of the Mayoral Committee	Responsible Councillor
Finance	Councillor Nthabiseng Mokotjo
IDP	Councillor Connie Rampai
Human Settlements	Councillor Xolo Pongolo
Rural Development and Environment	Councillor Sabelo Monnakgori
Economic Development and Tourism	Councillor Mmaneheng Tsomela
Development Planning and Urban Management	Councillor Papiki Moeng
Health and Social Development	Councillor Maditaba Matsoetlane
Corporate Governance and Administration	Councillor Nesta Rabela
Infrastructure and Services	Councillor Lebogang Masoetsa
Transport, Security and Emergency	Councillor Moses Sekakanyo

The Mangaung Council is constituted by 97 elected public representatives of which 49 are ward representatives and 48 represent their political parties on a proportional basis. The parties in Council are illustrated in the table below.

**Table 2.2: POLITICAL PARTIES REPRESENTED IN THE COUNCIL**

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

**Table 2.3: THE GOVERNANCE STRUCTURE OF MANGAUNG METROPOLITAN MUNICIPALITY**

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

## POLITICAL DECISION MAKING

A routing system of matters reserved referred to the Council is followed, namely:

Reports are initiated by the Heads of Departments and submitted to the Corporate Secretariat Sub-Directorate. The reports are covered with a yellow cover page, numbered, headed and registered in the Council Item Register Book to indicate that the reports have been entered as an item into the system. The items are sent to the City Manager for scrutiny. The City Manager engages with the reports, indicates under comments whether the reports are recommended

for consideration to the Executive Mayor, signs it and the items are then forwarded to the Executive Mayor for political engagement. The Executive Mayor then under comments on the yellow cover page indicates whether he approves the items, whether the items should be served on an agenda of the relevant Section 80 Committee meeting or whether the items should go to Council, signs the yellow form and sent it back to the Corporate Secretariat Sub-Directorate. The items with the yellow cover page, now fully completed with all the necessary comments and signatures, are then included in the agenda of the next ordinary/special agenda of the Mayoral Committee where all the approved items be placed on the agenda of the Council to serve before the Council for final approval.

Items on the agenda of the ordinary meetings of the Mayoral Committee and the Council are categorized as follows, namely:

Section A	-	Items for Consideration
Section B	-	Items in terms of Delegated Power
Section C	-	Items for Information

Once the Council has decided on a report, it is then a resolution of the Council. The City Manager executes the decision/resolution taken by the Council by issuing execution letters to the relevant Departments.

Decisions/Resolutions taken by the Mangaung Metropolitan Municipal Council: -

Meetings held: July 2013 – Dec 2013	89 Resolutions
Meetings held: Jan 2014 – Jun 2014	44 Resolutions
Total Resolutions	133

## **2.2 ADMINISTRATIVE GOVERNANCE**

The administration is headed by the City Manager as the Chief Accounting Officer. The day-to-day management of the Municipality is done by staff under the direction of the City Manager and Heads of Departments. The City Manager and Heads of Departments have broad and general management responsibilities, such as making sure staff is kept abreast on Council's direction, and identifying gaps in service delivery. Together with Council they must monitor progress on set goals and priorities.

### **TOP ADMINISTRATIVE STRUCTURE**

The administration is made up of the following Departments headed by members of the Executive Management Team:

1. City Manager
2. Head: Corporate Services
3. Head: Finance
4. Head: Engineering service
5. Head: Strategic Services and Projects
6. Head: Social Development
7. Head: Planning
8. CEO: Centlec (entity)
9. Deputy Executive Director: Organisational Planning and Performance Management

## **COMPONENT B: INTERGOVERNMENTAL RELATIONS**

### **2.3 INTERGOVERNMENTAL RELATIONS IN THE CITY**

The City participates in Intergovernmental Forum at national and provincial level. The municipality participates actively in the Premier Co-ordinating Forum (PCF) and the MECLOGA to raise challenges facing the municipality with other municipalities, provincial government departments and South African Local Government Association (SALGA) Free State Provincial Chapter. Further the city is a member of the Forum of Heads of Departments in the province (FOHOD).

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

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

## **RELATIONSHIP WITH MUNICIPAL ENTITIES**

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

## **COMPONENT C: OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION**

As provided for in Legislation the municipality convened a series of meetings using a ward clustering system to involve communities to participate actively in the unfolding planning, monitoring and budgeting processes.

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

Annual reports address the performance of the Municipality against its performance measures as outlined in the service delivery and budget implementation plan. The SDBIP primarily captures annual delivery agenda of the municipality as spelt out in the Integrated Development Plan and the budget. In sync with the deeply entrenched culture of public participation, the setting of the delivery for the period under review was highly participatory. The participation in the IDP as well as the budget encompassed involvement in the planning for the development and budget allocation including implementation of programmes and projects that require community involvement for them to be sustainable and have the lasting impact.

### **2.4 PUBLIC MEETINGS**

The Mangaung Metropolitan Municipality consult with the public throughout the financial year on IDP and tariffs including annual reports and by laws, The Municipality has 49 wards and 49 ward committees that are functional. Because of the vast nature of our Municipality we cluster wards to be able to reach a wider audience as possible and consult with our public from November to April on the revised tariffs and IDP priorities. The Municipality publishes its public meetings in local newspapers and radio stations and also on municipal website.

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

- The annual and adjustments budgets and all budget-related documents;
- All budget related policies
- The Annual Report
- All Performance Agreements required in terms of section 56 of the Municipal Systems Act
- All Service Delivery Agreements
- All Municipal Tenders
- All Weekly Quotations of the Municipality
- All quarterly reports tabled in the council in terms of section 52 (d)
- All Vacancies of the Municipality
- Information about Tourism and Places of interest in Mangaung
- Contact Information for all Directorates and Sub-Directorates
- The Integrated Development Plan (IDP)
- The Service Delivery and Budget Implementation Plan (SDBIP)
- Spatial Development Framework (SDF)
- Council Resolutions

## WARD COMMITTEES

Ward committees in the Metro serve as an interface between the community and the municipality. They pick up day to day service delivery issues in wards and through the ward councillor they advance those issues for council attention. Ward committees are a single most important cadre that government has to ensure efficient and result based participatory system

**Table 2.4: PUBLIC MEETINGS**

<b>Public meetings</b>					
<b>Nature and purpose of the meeting</b>	<b>Dates of event</b>	<b>No of participating councillors</b>	<b>No of participating Municipal councillors</b>	<b>Number of community members attending</b>	<b>Dates and manner of feedback given to community</b>
IDP and budget consultative meetings	Nov - April	All ward councillors of the clusters involved	All ward councillors of the clusters involved, the deputy mayor and the Speaker	Numbers vary from cluster to cluster	Feedback is provided during the second round of the consultations normally in March
Annual report	Feb - March	All councillors	All councillors	Numbers vary from cluster to cluster	Feedback is provided during the second round of the consultations normally in March
By laws	As and when they are up for public consumption	Councillors affected	Councillors affected and the relevant MMC	Numbers vary from cluster to cluster	Feedback provided after consultations have been finalised and council has resolved
Tariffs	Nov to April	All ward councillors of the clusters involved	Councillors affected and the relevant MMC	Numbers vary from cluster to cluster	Feedback is provided during the second round of the consultations normally in March
SDF and other sector plans	Nov to April	All ward councillors of the clusters involved	Councillors affected and the relevant MMC	Numbers vary from cluster to cluster	Feedback is provided during the second round of the consultations normally in March
Celebration of 20 years including exhibition	03-05 May 2014		On average 35 councillors attended 5 activities organised for the Celebration of 20 years of Freedom	On average 4200 members of the community attended these events	Freedom celebration
Handover of class rooms at Monokotswai	25/06/2014		15	500	Handover of new classrooms

Public engagements in the city have by far been the most successful issue in the sense that public is given an opportunity to contribute, interrogate and engage on municipal priorities and furthermore the municipality organise feedback sessions to report back on what communities have been saying and how the municipality is responding. The IDP of the municipality also has a column that speaks to community needs and municipal responses.

## 2.5 IDP PARTICIPATION AND ALIGNMENT

**Table 2.5: IDP AND ALIGNMENT**

<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, KPI's development strategies?	Yes
Does the IDP have multiyear targets?	Yes
Are the above aligned and can they calculate to a score	Yes
Does the budget align directly to the KPI in the strategic plan?	Yes
Does the IDP KPI align to section 56 managers?	Yes
Do the IDP KPI lead to functional area KPI as per SDBIP	Yes
Were the indicators communicated to the public	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

## COMPONENT D: CORPORATIVE GOVERNANCE

### OVERVIEW OF CORPORATE GOVERNANCE

#### 2.6 RISK MANAGEMENT

The Municipal Finance Management Act (MFMA) places an injunction on the municipality to maintain an effective, efficient and transparent system of risk management.

It is the Municipality policy to ensure that informed decisions are made with regards to service delivery activities by appropriately identifying and considering both risk and opportunities.

The Risk Management Committee has been established and performs its responsibilities in accordance with its approved Charter and advise management and the Audit Committee on matters related to risk management in the City.

To this effect all departments work together in a consistent and integrated manner with the overall objective of reducing risks to acceptable and manageable levels.

The municipality resolved after review that the risks that were identified during the 2012/13 financial year remained the same and relevant for the 2013/2014 financial year, the identified twelve strategic risks were linked to the strategic objectives. The risks were all rated and an action plan was developed to mitigate these risks. Strategic risk maturity progress was then compiled for 2013/14.

- 1) High poverty and unemployment levels in the City;
- 2) Threatened sustainability and financial viability of the City;
- 3) Lack of integrated built environment;
- 4) Inadequate service delivery;
- 5) Inadequate housing opportunities;
- 6) Ineffective public transport system;
- 7) Climate change and environmental degradation;
- 8) Inadequate social and community services;
- 9) Reputation risk
- 10) Fraud and corruption;
- 11) Inadequate Information Technology and Communication
- 12) Inability to assure good governance

The following are challenges in implementing risk management:

1. Cost of controlling the risk
2. Risk perceived as add on function

## 2.7 ANTI FRAUD AND CORRUPTION

The municipality has Fraud Prevention Plan that outlines the municipality's approach to curtailing the likelihood of fraud occurring, its prevention as well as the early detection thereof.

The numerous awareness sessions on fraud related matters were held. Apart from fraud prevention awareness sessions, the city also had information session on code of conduct and ethics.

Anti-Fraud and Corruption Unit investigate all reported allegations of fraud and has issued 22 reports for the year under review. Depending on the outcome of the investigation other cases are further referred to South African Police Services, HAWKS and the South African Revenue Services (SARS), etc

The municipality has established an Audit Committee that is periodically reviewing and advising on internal controls of the municipality. The Audit Committee is administratively supported by the Internal Audit Unit. For the period under review, the Audit Committee has successfully submitted its report to Council on 12 June 2014 on the work that it has performed and held its meetings as follows;

**Table 2.6: MEETINGS OF THE AUDIT COMMITTEE**

Meeting Number	Nature/type of meeting	Date
01/2013-14/26	Special	26 August 2013
02/2013-14/27	Ordinary	29 October 2013
03/2013-14/28	Special	5 December 2013
04/2013-14/29	Ordinary	19 March 2014
05/2013-14/30	Ordinary	23 May 2014
06/2013-14/31	Ordinary	30 June 2014

The municipality also has a functional Internal Audit Unit. This Unit is working in collaboration with both the Risk and Anti-Fraud Units to strengthen municipality's efforts to manage risks and combat fraud and corruption. For the period under review, the Unit has conducted about twenty three (23) internal audit reviews/investigations and has submitted its findings in the form of internal audit reports to both the Municipal Manager and the Audit Committee for consideration.

Public participation on by – laws development processes was facilitated during the annual review of the IDP and Budget, except for the Parking By-Laws which were conducted in terms of policy on the development and review of policies and by-laws.

## 2.8 MUNICIPAL WEBSITE: CONTENT AND CURRENCY OF MATERIAL

Table 2.7: MUNICIPAL WEBSITE: CONTENT AND CURRENCY OF MATERIAL

<b>Municipal Website: Content and Currency of Material</b>		
<b>Documents published on the Municipality's / Entity's Website</b>	<b>Yes / No</b>	<b>Publishing Date</b>
Current annual and adjustments budgets and all budget-related documents	Yes	6 March 2014 and 6 June 2014
All current budget-related policies		6 June 2014
The previous annual report (2012/2013)	Yes	
The annual report (Year 2013/2014) published/to be published	Yes	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 2013/2014) and resulting scorecards	Yes	1 Feb 2014
All service delivery agreements (Year 2013/2014)	No	
All long-term borrowing contracts (Year 2013/2014)	No	
All supply chain management contracts above a prescribed value (give value) for Year 2013/2014	Yes	22 Jul 2013, 5 and 13 Sep 2013, 12 Nov 2013, 18 Dec 2013, 27 Jan 2013, 11 Apr 2014, 8 May 2014
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2012/2013	No	
Contracts agreed in 2013/2014 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	
Public-private partnership agreements referred to in section 120 made in 2013/2014	No	
All monthly reports tabled in the council in terms of section 71 during 2013/2014	Yes	15 July 2013, 20 Aug 2013, 13 Sept 2013, 14 Oct 2013, 14 Nov 2013, 12 Dec 2013, 20 Jan 2014, 13 Feb 2014, 14 Mar 2014, 14 Apr 2014, 16 May 2014, 18 Jun 2014

The previous Internet Website and Server has been in place since 2002. Because the server has been utilized for 11 years and outdated, it has been hacked several times until it was damaged beyond repair and the database was ultimately corrupted.

A new Server has been deployed with the latest release of WordPress and SQL. A new Website has been designed and launched on 7 June 2013. All information that needed to be published since 1 January 2013 has been received and published onto the New Internet Website.

The new Website also contains the new structure based on the new organogram of the newly established Mangaung Metropolitan Municipality. All Directorates and Sub-Directorates have been requested to send all relevant information to the Web-Master to be published onto the new website. The new Internet Website has been designed to be date driven and keep history of all documents and information from date of publishing.

**Website Visitor Traffic and Usage Statistics - [www.mangaung.co.za](http://www.mangaung.co.za)**

Report Period 1 July 2013 to 30 June 2014

Unique Visitors 127547, Homepage Hits 1403234, Total Web Site Hits 5745704, Bandwidth Used 277.837 GB, Homepage Hits Average per day 3844.477, Webpage Views Average per day 15741, Unique Visitors Average per day 1483.



# CHAPTER 3 - SERVICE DELIVERY PERFORMANCE

## INTRODUCTION

For the year under review the City continues to make significant strides in extending access to water and sanitation services, facilitated access to housing, implemented a number of projects to support Small Medium and Micro Enterprises (SMME) and rural development, facilitated the development of Airport Development Node, ensured that indigent households had access to Free Basic Water, Electricity, Sanitation and Refuse removal services and promoted development through prompt processing of development applications, provided efficient environmental health and emergency services and rehabilitated social amenities. Effective maintenance of assets was carried out that included resurfacing roads, rehabilitation of roads, storm-water canals, catch pits and pedestrian paving, electricity service infrastructure (network and streetlights)

The City has through its municipal entity; CENTLEC has ensured that all formal households have access to electricity services.

## COMPONENT A: BASIC SERVICES

### 3.1 WATER PROVISION

**Table 3.1: WATER SERVICE DELIVERY LEVELS**

	Households	Percentages
<b>Water: (above min level)</b>		
Piped (tap) water inside dwelling/institution	106819	46.1
Piped (tap) water inside yard	94156	40.6
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	19655	8.5
<i>Minimum Service Level And Above sub-total</i>	<b>220630</b>	95.1
<b>Water: (below min level)</b>		
Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	4403	1.9
Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling /institution	1330	0.6
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	591	0.3
No access to piped (tap) water	4922	2.1
<i>Below Minimum Service Level And Above sub-total</i>	<b>11246</b>	4.9
<b>Total</b>	<b>231870</b>	<b>100.0</b>

**Table 3.2: HOUSEHOLDS-WATER SERVICE DELIVERY LEVELS BELOW THE MINIMUM**

Households-Water Service Delivery Levels below the minimum	
	2013/14
Formal and informal residential	
Total households	11 246
Proportion of households below minimum service level	4.9%

**Table 3.3: WATER AND SANITATION SERVICE POLICY OBJECTIVES TAKEN FROM IDP**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
Eradicate water backlog	Ensure that formal domestic customers receiving water services	Formal domestic customers are receiving water services	% of formal erven with access to functioning basic water supply	94.54% of formal erven with access to functioning basic water supply	71.85% of formal erven with access to functioning basic water supply	71.63% or 166 635 households	-0.22%	Variance will be attended to be by the professional team in the next financial year.
	Address backlog of consumer units provided with a basic level of potable water above RDP standards	Consumer units provided with a basic level of potable water above RDP standards	Number of consumer units provided with a basic level of potable water above RDP standards	158 740 of consumer units provided with a basic level of potable water above RDP standards	166 555 of consumer units provided with a basic level of potable water above RDP standards	3127 households with access to basic level of portable water above RDP standard.	-163428	Variance will be attended to be by the professional team in the next financial year.
Eradication of buck system and VIP toilets	Ensure that formal domestic customers receiving sewerage services	Formal domestic customers receiving sewerage service	No. of formal domestic customers receiving sewerage services	519 households serviced with water borne	2139 households serviced with water borne	2583 households serviced with water borne sanitation	+444 households serviced with water borne sanitation	none
	% of Formal domestic customers receiving sewerage services	% of households that have access on their stand to at least a functioning basic sanitation	Number of Households	67.12% of households with access to waterborne sanitation	71.84% of 231 921 households with access to waterborne sanitation	71.37% of 231 921 households with access to waterborne sanitation	0.47%	Will be implemented in the new financial year as part of the comprehensive sanitation programme
		Number of additional households (RDP) provided with sewer connections	No. Of Households	500 households	3292	1800 additional households (RDP) provided with sewer connections	-1492	Will be implemented in the new financial year as part of the comprehensive VIP Eradication Programme

**Table 3.4: EMPLOYEES: WATER AND SANITATION**

Employees: Water & Sanitation					
Job Level	Year -1	Year 2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	14	23	20	3	13%
7 - 9	9	13	9	4	31%
10 - 12	26	36	26	10	28%
13 - 15	8	16	9	7	44%
16 - 18	93	254	188	66	26%
Total	151	343	253	90	26%

**Table 3.5: FINANCIAL PERFORMANCE WATER SERVICES**

Financial Performance: Water Services						R'000
Details	30/06/2013	30/06/2014			Variance to Adjustment Budget	
	Actual	Original Budget	Adjustment Budget	Actual		
Total Operational Revenue	610,174	668,129	700,743	692,279	8,464	
Expenditure:						
Employees	49,302	56,108	56,108	66,490	- 10,382	
Repairs and Maintenance	20,926	35,500	69,814	14,452	55,362	
Other	447,837	614,585	548,480	538,229	10,251	
Total Operational Expenditure	518,065	706,193	674,403	619,170	55,233	
Net Operational Expenditure	(92,109)	38,064	(26,340)	(73,109)	46,769	

**Table 3.6: CAPITAL EXPENDITURE: WATER SERVICES**

Capital Projects	Year 2013/2014			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
Total All	158,388,347	199,223,636	180,577,383	18,646,253
Project A- Naval Hill Reservoir 35 ML	16,388,347	5,034,156	2,911,191	2,122,965
Project B- Naval Hill Reservoir 3.5 km supply and delivery	26,000,000	2,500,000	2,289,205	210,795
Project C- New 45 ML Longridge Supplyline 8.3 km	25,000,000	29,714,320	25,070,342	4,643,978
Project D –Upgrading of Maselspoort Pump Supply	18,000,000	38,171,053	36,686,962	1,484,091
Project E- Metering of un-metered sites	15,000,000	11,225,961	10,121,772	1,104,189

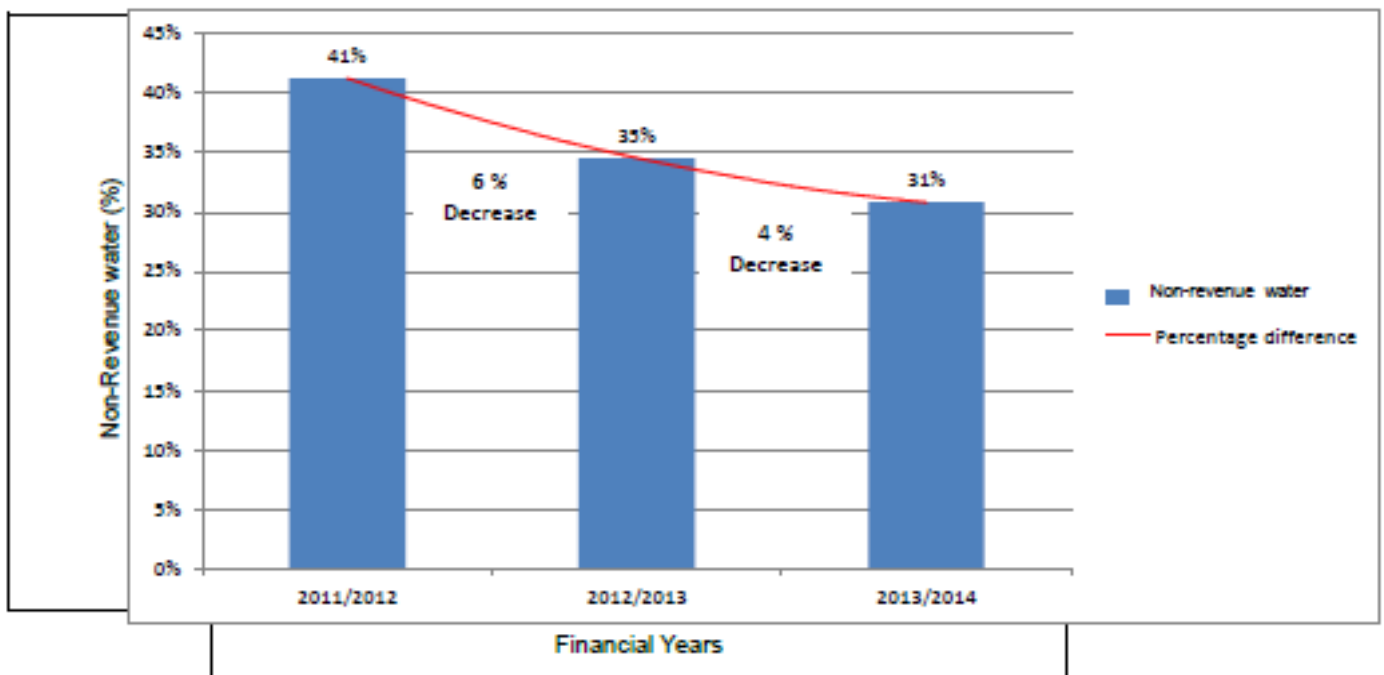
As indicated for the year under review the city has invested R199 million to provide bulk water and basic services to the citizens of the City. Critically the City continues to provide water service to a significant number of households. Furthermore, investment is made in bulk water services such as reservoirs and pipeline to support future development (*iro* seven land parcels) in the City and ensure reliable provision of water.

44.67 % (R89 million) of the mentioned investment was allocated towards the implementation of Water Demand Management Programme. This entailed installing water meters, metering of unmetered sites and implementing the real loss reduction programme (phase 2).

Furthermore, an additional investment of R58 million drawn from the OPEX was made to reconnect, test and remove meters, implement Top 50 consumer revenue enhancement, refurbish water supply at Thaba Nchu and replace water meters and fire hydrants

The net result was the reduction of Non-Revenue Water from **35%** in 2012/2013 to **31%** in 2013/2014 and this translated into a saving of R55.5 million in the past financial year. The figure below provides graphically the trends in relation to Non-Revenue Water in the City.

**Figure 3.1 MANGAUNG CITY TRENDS IN RELATION TO NON-REVENUE WATER**



### 3.2 WASTE WATER (SANITATION)

The municipality has ensured that additional 4, 383 additional have access to sanitation services for the period under review. Further the City has made significant investment R162 million for building of bulk sanitation infrastructure projects such as building new treatment works and expanding the capacity of existing treatment works to ensure the provision of sanitation services, the eradication of the Ventilated Improved Latrines (VIP) and supporting future development in the City.

The City according to the erstwhile Department of Water Affairs Green Drop Report for 2013 assessment period, has obtained a Green Drop Score of 78.82%.

**Table 3.7: SANITATION DELIVERY LEVELS**

SANITATION SERVICE DELIVERY LEVELS	2013/14	
	Households	Percentages
Sanitation/sewerage: (above min level)		
Flush toilet (connected to sewerage system)	140744	60.7
Flush toilet (with septic tank)	4435	1.9
Chemical toilet	936	0.4

SANITATION SERVICE DELIVERY LEVELS	2013/14	
	Households	Percentages
Minimum Service Level And Above sub-total	146115	63
<i>Sanitation/sewerage: (below min level)</i>		
Pit toilet with ventilation (VIP)	39609	17.1
Pit toilet without ventilation	29215	12.6
Bucket toilet	6641	2.9
None	8178	3.5
Other	2127	0.9
Below Minimum Service Level And Above sub-total	77579	37
Total	231870	100.0

**Table 3.8: HOUSEHOLDS – SANITATION SERVICE LEVELS BELOW THE MINIMUM**

	2013/14
Formal and informal residential	
Total households	231870
Households below minimum service levels	77579
Proportion of households below minimum service level	37%

**Table 3.9: FINANCIAL PERFORMANCE SANITATION SERVICES**

Financial Performance: Sanitation Services						R'000
Details	30/06/2013	30/06/2014			Variance to Adjustment Budget	
	Actual	Original Budget	Adjustment Budget	Actual		
Total Operational Revenue	147,969	213,496	215,993	273,969	- 57,976	
Expenditure:						
Employees	54,221	48,466	48,466	61,716	- 13,250	
Repairs and Maintenance	5,587	10,282	17,457	14,113	3,344	
Other	89,861	126,937	124,334	50,016	74,318	
Total Operational Expenditure	149,669	185,685	190,257	125,845	64,412	
Net Operational Expenditure	1,700	(27,811)	(25,736)	(148,124)	122,388	

**Table 3.10: CAPITAL EXPENDITURE SANITATION SERVICES**

Capital Projects	Year 2013/2014			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
Total All	157,565,265	182,794,615	169,179,276	13,615,339
Project A-North Eastern WWTW (15ML/Day) and 1 8Km	70,480,000	108,180,000	100,340,218	7,839,782
Project B-Addition of 10ML to SterkWater WWTW	16,285,265	6,000,000	5,595,484	404,516

Capital Projects	Year 2013/2014			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
Project E- Addition of Addition of 10ML to SterkWater WWTW	0	4,135,392	2,288,673	1,846,719

### 3.3 WASTE MANAGEMENT

The Solid Waste Management sub-directorate is responsible for the weekly door to door domestic refuse removal service either through the municipality or the Small Micro and Medium Enterprises (SMMEs). 165 464 formal households had access to a weekly door to door refuse removal in the report period and 37 953 of these were serviced by the SMMEs. 23 130 informal settlement dwellings had access to refuse removal and 21 098 of these households received weekly door to door refuse removal. Business waste is also removed by the municipality according to the Businesses' requests. Public cleansing has improved due to the assistance of the 150 beneficiaries of the Expanded Public Works Programme's (EPWP) Food for Waste Programme that the municipality is participating in. Although illegal dumping has been a challenge the unit managed to reduce the backlog after receiving three TLBs and 6 tipper trucks specifically for this function. Twelve new compaction vehicles were also received in the year under review to improve the capacity of the unit's fleet. The organisational structure of the unit was also reviewed and increased to ensure that the objectives of the unit are met.

The municipality has initiated the process of the construction of a Transfer Station that has been partly funded by the Department of Environmental Affairs (DEA) in Thaba Nchu and the three buyback centres also funded by DEA (one in each of the three regions) which will be completed in the 2014/15 financial year. Three municipal owned landfill sites were also maintained with plant and equipment sheds constructed in each of the landfills to accommodate new additional machinery (3 landfill compactors, 3 landfill dozers and 3 Front End loaders) that was purchased by the municipality.

**Table 3.11: SOLID WASTE SERVICE DELIVERY LEVELS**

Solid Waste Service Delivery Levels	2013/14	
	Households	Percentages
Solid Waste Removal: (minimum level)		
Removed by local authority/private company at least once a week	183033	78.9
Minimum Service Level And Above sub-total	183033	78.9
Solid Waste Removal: (below minimum level)		
Removed by local authority/private company less often	5108	2.2
Communal refuse dump	5274	2.3
Own refuse dump	28382	12.2
No rubbish disposal	8101	3.5
Other	2023	0.9
Below Minimum Service Level And Above sub-total	48888	21.1
Total	231921	100.0

**Table 3.12: HOUSEHOLDS – SOLID WASTE SERVICES DELIVERY LEVELS**

Households-Solid Waste Services Delivery Levels below the minimum	2013/14
Formal residential	
Total households	189155
Households below minimum service levels	20329
Proportion of households below minimum service level	10.7%
Informal residential	
Total households	20267
Households below minimum service levels	14781
Proportion of households below minimum service level	72.9%

**Table 3.13: WASTE MANAGEMENT SERVICES POLICY OBJECTIVES TAKEN FROM IDP**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/2014	Variance	Corrective Action
Accelerate waste removal	Provide weekly door to door refuse removal in formal areas	Number of additional households (RDP) with access to refuse removal	Number of additional occupied households (RDP) have access to refuse removal	New KPI	All additional occupied households (RDP) have access to refuse removal	All additional occupied households (RDP) have access to refuse removal	None	none
	Provide households with weekly kerb-side waste removal services in formal areas	Households provided with weekly kerb-side waste removal services in formal areas	No. of households with weekly kerb-side waste removal services in formal areas	153 872	165 464 receive weekly kerb-side waste removal services in formal areas	165 464 households with weekly kerb-side waste removal services in formal areas	none	none
	Ensure that informal settlement dwellings with access to refuse removal	Informal settlement dwellings have access to refuse removal	No. of informal settlement dwellings with access to refuse removal	17 540 informal settlement dwellings with access to refuse removal	23 130 informal settlement dwellings with access to refuse removal	23 130 informal settlement dwellings with access to refuse removal	none	none
	Eradicate backlog of kerb-side refuse removal services to consumer units within 07 days	% reduction of kerb-side backlog of refuse removal to consumer unit within 14 days	% reduction of backlog	100% waste removal backlog eradicated in consumer units within days	100% waste removal backlog eradicated in consumer units within days	100% waste removal backlog eradicated in consumer units within 14 days	none	none



**Table 3.14: EMPLOYEES: SOLID WASTE MANAGEMENT SERVICES**

Employees: Solid Waste Management Services					
Job Level	Year -1	Year 2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	5	6	5	1	17%
7 - 9	6	7	7	0	0%
10 - 12	24	49	25	24	49%
13 - 15	10	18	9	9	50%
16 - 18	128	185	120	65	35%
Total	174	266	167	99	37%

**Table 3.15: FINANCIAL PERFORMANCE: SOLID WASTE MANAGEMENT SERVICE**

Financial Performance: Solid Waste Management Services					
R'000					
Details	30/06/2013	30/06/2014			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	146,422	190,712	207,160	214,964	- 7,804
Expenditure:					-
Employees	51,807	56,025	56,025	73,317	- 17,292
Repairs and Maintenance	3,975	9,679	5,046	18,602	- 13,556
Other	45,906	59,281	69,673	51,887	17,786
Total Operational Expenditure	101,688	124,985	130,744	143,806	- 13,062
Net Operational Expenditure	(44,734)	(65,727)	(76,416)	(71,158)	- 5,258

**Table 3.16: CAPITAL EXPENDITURE: WASTE MANAGEMENT SERVICES**

Capital projects	Year 2013/2014			
	Budget	Adjustment budget	Actual Expenditure	Variance from adjustment budget
Total all	13,550,000	10,880,580	10,759,145	121,435
Upgrading and construction of Northern Land	4,000,000	2,328,341	2,300,000	28,341
Upgrading and construction of Southern Land	5,550,000	2,265,920	2,172,826	93,094
Upgrading and rehabilitations of Botshabelo	2,250,000	1,145,740	1,145,740	0
Development of transfer station in Thaba Nchu	1,750,000	1,375,250	1,375,250	0
Upgrading and construction of Northern	0	1,274,556	1,274,556	0
Upgrading and rehabilitations of Botshabelo	0	1,157,222	1,157,222	0
Upgrading and construction of Southern	0	1,333,551	1,333,551	0

### 3.4 ROADS AND STORM WATER

Roads and Storm water infrastructure constitutes an integral part of the country's economy. Chapter 7 of the Constitution of the Republic of South Africa provides a directive to municipalities to provide services to the communities

in a sustainable manner. It is also imperative that those services are kept in satisfactory condition at all times. To this end, the Mangaung Metropolitan Municipality has heeded this call by ensuring that:

- 4.67 km of gravel roads upgraded to being paved/tarred
- 387 754 m<sup>2</sup> of roads resurfaced
- 4.67 km of storm water drainage is installed.
- 36 km of pedestrian walkways constructed.

**Table 3.17: GRAVEL ROAD INFRASTRUCTURE**

<b>Gravel Road Infrastructure</b>				
<b>Kilometres</b>				
	<b>Total gravel roads</b>	<b>New gravel roads constructed</b>	<b>Gravel roads upgraded to tar</b>	<b>Gravel roads graded /maintained</b>
Year - 2010/2011	145	15	10	100
Year - 2011/2012	1 186	20	12	1 186
Year - 2012/2013	1 206	25	14	
Year - 2013/2014			4.67	

**Table 3.18: TARRED ROADS INFRASTRUCTURE**

<b>Tarred Road Infrastructure</b>					
<b>Kilometres</b>					
	<b>Total tarred roads</b>	<b>New tar roads</b>	<b>Existing tar roads re-tarred</b>	<b>Existing tar roads re-sheeted</b>	<b>Tar roads maintained</b>
Year - 2010/2011	85	10	23	18	100
Year - 2011/2012	1 415		20	5	25
Year - 2012/2013	1 435		20		
Year - 2013/2014		4.67			

<b>Storm water Infrastructure</b>				
<b>Kilometres</b>				
	<b>Total storm water measures</b>	<b>New storm-water measures</b>	<b>Storm-water measures upgraded</b>	<b>Storm-water measures upgraded</b>
Year - 2010/2011	145	15	10	100
Year - 2011/2012	160	20	12	120
Year - 2012/2013	166	25	14	140
Year - 2013/2014			4.67	

**Table 3.19: ROADS AND STORM WATER SERVICE POLICY OBJECTIVES**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
Address roads conditions and road backlogs	Upgrade gravel roads to a Paved surface road	Kilometres of gravel roads upgraded to being paved/tarred	Completion certificates for the paving/tarring of roads	11 km	11 km	4.67 km	-5.33 Km	Will be implemented in the next financial year through timeous procurement processes
	Resurfaced roads	Square metres (SQm) of roads resurfaced	Completion certificates for the resurfaced roads	140000 SQm	140000 SQm	387 754 SQm	+ 247754 SQm	none
	Install / refurbishment of storm-water drainage	Storm-water drainage installed	Completion certificates for the storm water drainage installed	11 km	30 km	4.67 km	-25.33km	Will be implemented in the next financial year through timeous procurement processes
	To ensure that all households on formal erven will have access to a properly drained Paved Surface road.	Number of stands with accesses to a properly drained Paved surface road.	Completion certificates for the paving/tarring of roads including the installation of storm water drainage	700 Stands	1,300 Stands	613 stands	-687 stands	Will be implemented in the next financial year through timeous procurement processes
		Kilometres of pedestrian walkways constructed	Completion certificates of Pedestrian walkways Constructed	0 km	10 km	36km	+26 km	none

**Table 3.20: EMPLOYEES: ROAD AND STORM WATER SERVICES**

Employees: Roads & Storm-water					
Job Level	Year -1	Year 2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	6	13	11	2	15%
7 - 9	4	8	4	4	50%
10 - 12	6	7	6	1	14%
13 - 15	0	5	0	5	100%
16 - 18	11	14	10	4	29%
Total	28	48	32	16	33%

**Table 3.21: FINANCIAL PERFORMANCE: ROAD AND STORM WATER SERVICE**

Financial Performance: Road Services					
R'000					
Details	30/06/2013	30/06/2014			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	1,098	1,204	1,204	-	1,204
Expenditure:					
Employees	53,654	51,003	51,003	56,798	- 5,795
Repairs and Maintenance	67,512	86,310	90,640	68,984	21,656
Other	179,455	173,621	173,691	340,342	- 166,651
Total Operational Expenditure	300,621	310,934	315,334	466,124	- 150,790
Net Operational Expenditure	299,523	309,730	314,130	466,124	- 151,994

**Table 3.22: CAPITAL EXPENDITURE: ROADS AND STORM WATER SERVICE**

Capital Projects	Year 2013/2014			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment Budget
<i>Total All</i>	112,413,273	160,167,182	154,587,048	5,580,134
Upgrading of streets and Storm-Water: Batho	6,111,909	4,165,733	4,149,959	15,774
Upgrading of Roads & Storm-Water TOORDAN	8,000,000	0	0	0
Airport link( contribution to Sanral)	4,715,000	0	0	0
Haldon/ van Schalkwyk intersection road improvements and traffic signal control	5,000,000	4,000,000	4,000,000	-
Resealing of streets	20,000,000	62,419,897	62,262,452	157,445

### 3.5 ELECTRICITY PROVISION

Messrs Centlec sustains a healthy financial position. The entity has instituted revenue protection strategies that included the following:

- Entering into settlement agreements with customers;
- Handing over overdue accounts to company's debt collectors;
- Replacing rotational meters with prepaid electricity meters;
- Successfully procurement and implementation of an in-house pre-paid electricity vending system;
- 100% analysis of debtors
- Obtained 23% of salaries budget as a % of operating budget

The City has succeeded in:

- Replacing 1800 meters and thus exceeded the set annual target of 1500 meters by 3000;
- Facilitating the electrification of 392 households at Seloseshu;
- Ensuring that 99.9% of formalised households have access to electricity;
- Ensuring that 99.9% of new and upgrading customers are provided with electricity connections;
- 53 high mast installed against the set annual target of 26 high mast lights in informal settlement ;
- Ensuring that 94% of indigent households accesses Free Basic Electricity;
- The upgrading of 132/11 kV Shannon A Distribution and Meriting Distribution Centres are nearing completion at 90% and 95% completion rate respectively;

During the year under review, the Municipal entity completed the formulation of a business strategy which will culminate in the revision of the organisational structure. This is aimed at assisting the company in fulfilling its strategy, as well as facilitating the transfer and placement of the seconded staff from the parent municipality to the Municipal entity.

To address the issue of rising maintenance cost of the fleet, the Municipal entity has procured 57 new vehicles to replace the ageing fleet of vehicles. This will assist with the efficiency in which service delivery is addressed as well as cutting down on the cost of maintenance.

The Board of Directors established has been functioning for the year under review and retain full control of the municipal entity. Seven (7) meetings were held during this period. The Board of Directors has established the following committees that have assisted it in discharging their oversight and effective corporate governance during this period

Despite the reported performance the following challenges were encountered:

- The increasing operational costs that impacted on gross margins of Messrs Centlec;
- Worrying customer mix and profile as the industrial clients constituted a small percentage of the total number of customers;
- Backlog in capital expenditure and lack of refurbishment expenditure;
- Ageing infrastructure that compound the efforts of management of reducing distribution losses
- Electricity theft and bridging of meters has compounded the challenge of distribution losses.
- Increasing debt problems as customers are unable to settle their debt in the required period;
- Low revenue growth
- Above-inflation increase in bulk purchases
- Cable theft
- High unemployment

**Table 3.23: ELECTRICITY SERVICE DELIVERY LEVELS**

ELECTRICITY SERVICE DELIVERY LEVELS	2013/14	
	Households	Percentages
Energy: (above minimum level)		

ELECTRICITY SERVICE DELIVERY LEVELS	2013/14	
	Households	Percentages
Electricity	195,545	99.9
Minimum Service Level And Above sub-total	195,545	99.9
Energy: (below minimum level)		
Other	36,376	0.1
Below Minimum Service Level And Above sub-total	36,376	0.1
Total	231,921	100.0

**Table 3.24: HOUSEHOLDS – ELETRICITY SERVICE DELIVERY LEVELS BELOW THE MINIMUM**

	2013/14
Formal residential	
Total households	195,545
Households below minimum service levels	36,376
Proportion of households below minimum service level	0.1%
Informal residential	
Total households	
Households below minimum service levels	
Proportion of households below minimum service level	

**Table 3.25: TARIFF GROUPS**

Tariff Group: 2013-2014 (Baseline)	Number of Consumers			
	MMM	Kopanong	Naledi	Mohokare
Inclining block Tariff	194,206	10,200	5,604	5,546
Flat Rate Business	1,229	431	192	225
Homeflex	51	7	-	-
Commflex	68	6	-	1
Bulk Residential 2	27	-	1	-
Bulk Residential 3	177	2	4	-
Elecflex 1	4	-	-	-
Elecflex 2	157	4	-	-
Elecflex 3	506	17	3	4
Departmental	2	-	-	-
Sports Stadiums on ToU	8	1	-	-
Total	196,435	10,668	5,804	5,776
%	90%	5%	2.5%	2.5%

**Table 3.26: ELETRICITY SERVICE POLICY OBJECTIVES TAKEN FROM IDP**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target	Actual Performance 2013/14	Variance	Corrective Action
Revenue Management at Centlec	To address billing system	140 000 prepaid meters in MMM are audited	Meters audited	140 000 prepaid meters to be visited during the audit	140 000 of the MMM prepaid meters visited and audited	55913 of the MMM prepaid meters visited and audited	-84087 of the MMM prepaid meters visited and audited	The project will be ramped up in the new financial year
		1000+ bulk customers are able to view their accurately captured consumption via the internet	customers able to view their accurately captured consumption via the internet	100% of meters consumption billed and published successfully every month	1000 successful upload and publishing of consumption information	850 bulk customers are able to view their accurately captured consumption via the internet	-150	The project will be concluded in the new financial year
	To address billing system	In-house vending system is implemented with minimal operating costs	Functional in-house systems	- Successful implementation - Minimal operating costs outside the vending contracts	- Implement in-house vending - Reach all customers with the new vending system	10% has been rolled	-90%	Process to finalize the roll out is on-going.
Reliable Electricity Supply	Provide reliable network	3000+ customers' meters in Bergman Square are replaced.	Meters installed	1500 initial target for replacement in Bergman Square	1500 meters replaced	1800 meters replaced	+300 meters replaced	none
Address electricity backlog	Provide access to basic electricity service	392 connections at Selosesha	Number of new households provided with electricity connections	New project to be implemented by Eskom	392 household connections	392 household connections	0	none
		3000 new household connections		2535 new households were connected	3000 new households	1500 new households connected	-1500 households	The project will be expedited in the new financial year
	Formal households with access to basic electricity	Number of formal households with access to basic electricity	Number of households with access to electricity	99,9%	99,9% of 195 741 formal households	99.9% of 195 741 formal households	none	none
	Reduction in unaccounted for	% of reduction in unaccounted for	kWh units loss reduction	2%	2%	0	-2%	Will be implemented in the new financial year

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target	Actual Performance 2013/14	Variance	Corrective Action
	electricity losses	electricity losses						
	Unplanned electricity interruptions (exceeding 24 hours)		No of interruptions	2%	2%	0	-2%	This will be attended in the new financial through implementation of efficiency controls of the entity
	Shifting of RDP house connections	Number of RDP households whose electricity connection shifted	1 593 RDP houses' electricity connections shifted	0 because of the uncompleted RDP houses	1593 RDP houses electricity connections shifted	398 RDP houses electricity connections shifted	-1195	Ensure adequate budgetary provision for the activity;  Entering into MOU with provincial department of Human Settlement to determine who is responsible for this target
	Electricity Connectivity	Percentage of customers provided with electricity connections	All public requiring new and upgraded connections are provided with connections	99,9% of new and upgrading customers provided with electricity connections	99,9% of new and upgrading customers provided with electricity connections	99.9% of new and upgrading customers provided with electricity connections	none	none
		4039 households in proclaimed sites have access to electricity	New erven with access to electricity	Service 38 224 households that are below basic level of service	Service the remainder of households that are below basic level of service	25% and new upgrades  Or  9556	-	-
To improve the reliability of the Network		Develop, finalize and implement an infrastructure development and maintenance plan.	Completed plan	N/A	Infrastructure Master Plan	Implementation of the infrastructure Master Plan	-	-
		Construct 132/11kV Block F distribution centre	Completion certificates for the project completed distribution centre	45% Civil works completed for the Substation and 55 % 132kv lines towers	70%Completed distribution Block F 132/11kV centre	95%	+25	-



IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target	Actual Performance 2013/14	Variance	Corrective Action
				completed,				
		Number of high mast lights installed in informal settlements	No of lights	18	26	53high mast lights installed in informal settlements	+27 high mast lights installed in informal settlements	-
		Upgrade 132/11kV Shannon A Distribution Centre	Completed project	132/11kv transformer installed,75% civil works completed,	100%	90% completion rate	-10%	Remaining 10% to be completed in the new financial year
		Upgrade 132/11kV Meriting Distribution Centre	Completed project	132/11kv transformer installed,75% civil works completed,	100%	95%	-5%	Roll over funds and activities to next FY
		Implement Dig silent (Network Monitoring)	Completed project	HV and Lv Model Completed	100%	100% and project now is completed and fully operation	none	none
		Spend at least 90% Expenditure on Capital Budget.	Completed project	90%	100%	85%	-15%	Roll over unspent funds to next FY
To Strengthen the Strategic Operational Capacity of Centlec and the reliability of the network	Optimization of the network	Refurbishment work on the 11kV overhead networks in (km)	Completed project	Baseline 748 in (km)	710	277 (Km)	-433 (km)	Refurbishment to be expedited in the next FY
Capacity of Centlec and the reliability of the network		Refurbishment work on the 33 and 132kV overhead networks (km)	Complete annual programme	Baseline 440	440	200	-240	Refurbishment to be expedited in the next FY
Routine Maintenance Overhead Network		Maintain of Brittle O/H Connections	Complete annual programme	600	600	874	+274	-
Streetlight		Routine	Complete annual	12 000	12 000	5030	-6970	

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target	Actual Performance 2013/14	Variance	Corrective Action
Maintenance		Maintenance : Streetlights	programme					Maintenance programme to be expedited in the next FY
		Routine Maintenance of Decorative figures	Complete annual programme	Baseline 500	500	643	+143	None
MV Network	Optimization of the network	Routine inspection and maintenance on 33kV lines and 11kV lines (km)	Complete annual programme	Baseline 400	100	62	-38	Routine inspection and Maintenance programme to be expedited in the next FY
		Inspect, maintained and replaced TFR	Complete annual programme	Baseline 25	25	132	+107	None
LV Network		Routine maintenance of LV lines (km)	Complete annual programme	Baseline 500	500	250	-250	Routine Maintenance programme to be expedited in the next FY

**Table 3.27: EMPLOYEES: ELETRICITY SERVICES**

Employees: Centlec					
Job Level	Year -1	Year 2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	3	6	0	6	100%
4 - 6	45	85	42	43	51%
7 - 9	118	170	109	61	36%
10 - 12	79	106	78	28	26%
13 - 15	40	57	34	23	40%
16 - 18	182	260	167	93	36%
Total	467	684	430	254	37%

**Table 3.28: FINANCIAL PERFORMANCE: ELECTRICITY SERVICES**

Financial Performance: Electricity Services					
					R'000
Details	30/06/2013	30/06/2014			Variance to Adjustment Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	2,652,310	2,465,995	2,467,634	2,066,239	401,395
Expenditure:					
Employees	88,302	117,476	96,812	74,456	22,356
Repairs and Maintenance	39,923	89,147	91,661	63,444	28,217
Other	2,750,430	2,073,854	2,011,110	1,811,046	200,064
Total Operational Expenditure	2,878,655	2,280,477	2,199,583	1,948,946	250,637
Net Operational Expenditure	226,345	-185,518	-268,051	-117,293	- 150,758

**Table 3.29: CAPITAL EXPENDITURE: ELETRICITY SERVICES**

Capital projects	2013/14			
	Budget	Adjustment budget	Actual Expenditure	Variance from adjustment budget
Total all	60,000,000	52,631,580	31,383,501	21,248,079
ELECTRIFICATION CONNECTIONS DME	14,000,000	9,649,123	8,932,200	716,923
SHANNON A DC: 132KV/11KV DC	1,000,000	877,193	7,483,256	-6,606,063
BOTSHABELO: 132KV ESKOM CONNECTION & EXT	5,000,000	4,385,965	11,547,605	-7,161,640
VENDING BACK OFFICE	5,000,000	4,385,965	3,420,440	965,525

### 3.6 HOUSING

For the year under review, the City has succeeded in facilitating housing opportunities in partnership with the provincial department of Human Settlement. Importantly, the City has ensured that 197 households against a set target of 260 are allocated affordable rental housing units. The City is also progressing toward the following targets:

- 375 residential sites disputes resolved
- 4880 Title deeds issued and registered
- 4 informal settlement upgraded

**Table 3.30: HOUSING**

	Formal dwelling	Informal dwelling	Traditional dwelling	Other	Grand Total
Formal residential	172028	14132	1789	1206	189155
Informal residential	5732	13818	206	511	20267
Traditional residential	2885	225	887	61	4058
Farms	4851	353	48	92	5345
Parks and recreation	273	23	3	1	300
Collective living quarters	2912	56	10	16	2994
Industrial	421	192	1	13	627
Small holdings	2307	165	34	35	2542
Vacant	669	3778	56	26	4529
Commercial	2049	5	15	35	2104
<b>Grand Total</b>	<b>194127</b>	<b>32747</b>	<b>3054</b>	<b>1996</b>	<b>231921</b>

**Table 3.31: HOUSING SERVICE POLICY OBJECTIVES TAKEN FROM IDP**

<b>IDP Objective</b>	<b>Strategy</b>	<b>KPI</b>	<b>Unit of Measurement</b>	<b>Past Year Performance 2012/13</b>	<b>Annual Target 2013/14</b>	<b>Actual Performance 2013/14</b>	<b>Variance</b>	<b>Corrective Action</b>
Address housing backlog	Provide housing opportunities	Number of Subsidy applications submitted to Province (HS)	Subsidy applications submitted to Province (HS)	3 000	3 500	31 Subsidy applications submitted to Province (HS)	-3469	Expedite the subsidy application to Province in next FY
		Number of Residential sites disputes resolved.	Residential sites disputes resolved.	3 000	3 500	375 Residential sites disputes resolved.	-3125	Expedite the resolution of residential sites disputes in next FY
		Number of Title Deeds issued and/or registered	Title Deeds issued and/or registered	3 000	3 500	4880 Title Deeds issued and/or registered	+1380 Title Deeds issued and/or registered	-
		Number of Site permits issued	Site permits issued	3 000	3 500	1758 Site permits issued	-1742	Expedite the issuance of site permits in next FY
		Number of Residential sites allocated	Residential sites allocated	3 000	3 500	66 Residential sites allocated	-3434	Expedite the allocation of residential sites in next FY
Incrementally upgrade informal settlements	Number of informal settlements upgraded	<ul style="list-style-type: none"> <li>• Land acquisition finalised</li> <li>• Planning &amp; surveying finalised</li> <li>• Township approved</li> <li>• Surveyor General Plan approved</li> <li>• Township Register opened</li> <li>• Infrastructure</li> </ul>	5	6	4 informal settlements upgraded	-2	Fast-track the upgrading of informal settlements in the new financial year	

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
			<ul style="list-style-type: none"> <li>• installed</li> <li>• Number of housing units completed and/or registered</li> <li>• Number of socio-economic amenities completed</li> </ul>					
Improve access to basic services	Households relocated from floodplains, servitudes and other undevelopable land	Number of households relocated from floodplains, servitudes and other undevelopable land	Number of relocation forms signed (Copies of Identity documents or equivalent proof attached )	50	60	0	60	Non-availability of readily available land for relocation.
	Accelerate accreditation to implement national housing programmes	Approved level 3 accreditation business plan	Levels 1 and 2 accreditation certificates issued	Level 1 metro accreditation	Metro assessment and accreditation for level 3	Level 3 accreditation Business plan submitted. Approval awaiting	None	None
Reverse the spatial effects of apartheid	Households allocated affordable rental/social housing units	Number of households allocated affordable rental/social housing units	Number of lease contracts signed	250	260	197 Households allocated affordable rental/social housing units	-63	Remaining households to be allocated affordable rental/ social housing units in the next FY
	Avail land for sustainable hum settlements	Number of land parcels availed to communities	Signed Agreement(Deed of Sale)	3 land parcels	1	1 Deed of Sale signed, 2 Bids Evaluated, 2 Bids Adjudicated, 1 Bid extension validity requested and 1 Bid advertised	None	None. See the annual target. Land Release is a regulated process

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
Redress land ownership disparities	Acquire land to promote sustainable human settlements (public and private)	Number of land parcels acquired for the creation of a new city node	Signed Agreement(Deed of Sale)	2 land parcels	3 land parcels	0	3 land parcels	Funds re-allocated to other projects as there is enough land owned by the municipality
		Number of land parcels acquired for the development of human settlements	Signed agreement (Deed of Sale)	2	3	0	3 land parcels	Funds re-allocated to other projects as there is enough land owned by the municipality

Table 3.32: EMPLOYEES: HOUSING SERVICES

Employees: Human Settlements & Housing					
Job Level	Year -1	Year 2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	8	6	2	25%
4 - 6	25	51	33	18	35%
7 - 9	9	24	17	7	29%
10 - 12	18	26	20	6	23%
13 - 15	8	29	10	19	66%
16 - 18	13	38	19	19	50%
Total	75	176	105	71	40%

Table 3.33: FINANCIAL PERFORMANCE: HOUSING SERVICE

Financial Performance: Housing Services					
					R'000
Details	30/06/2013	30/06/2014			Variance to Adjustment Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	14,565	175,611	175,611	5,926	169,685
Expenditure:					
Employees	38,497	54,214	54,214	49,545	4,669
Repairs and Maintenance	2,174	1,834	1,834	1,680	154
Other	23,908	38,231	41,231	34,772	6,459
Total Operational Expenditure	64,579	94,279	97,279	85,997	11,282
Net Operational Expenditure	50,014	(81,332)	(78,332)	80,071	- 158,403

Table 3.34: CAPITAL EXPENDITURE: HOUSING SERVICES

Capital Projects	Year 2013/14			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
Total All	8,500,000	11,502,078	4,599,615	6,902,463
Thaba Nchu Station Site	-	370,493	370,157	336
Pro-Active Acquisition of Land	8,000,000	4,000,000	0	4,000,000
White City bulk infrastructure		3,070,585	2,571,046	499,539
Brandwag Electrical Substation	-	2,295,939	1,658,412	637,527



## COMPONENT B: FREE BASIC SERVICES AND INDIGENT SUPPORT

The Mangaung Metropolitan Municipality has been supporting its indigent households in line with the municipality indigent policy. All residents in the database of the municipality in respect of the above have access to a basket of free basic services

**Table 3.35: FREE BASIC SERVICES TO LOW INCOME HOUSEHOLD**

Free basic Services to low income Household									
		Number of households : 39901							
		Households earning less than R1,100 per month							
		Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free basic Refuse	
2013/14	Total	access	%	access	%	access	%	access	%
	30400	20105	66.1%	20105	66.1%	20105	66.1%	20105	66.1%

**Table 3.36: FREE BASIC SERVICE POLICY OBJECTIVES TAKEN FROM IDP**

<b>IDP Objective</b>	<b>Strategy</b>	<b>KPI</b>	<b>Unit of Measurement</b>	<b>Past Year Performance 2012/13</b>	<b>Annual Target 2013/14</b>	<b>Actual Performance 2013/14</b>	<b>Variance</b>	<b>Corrective Action</b>
To ensure access to free level of basic water	Provide consumer units provided with access to a free basic level of potable water, by means of an individual HH supply or in informal areas by means of a standpipe within 200m	Consumer units provided with access to a free basic level of potable water, by means of an individual HH supply or in informal areas by means of a standpipe within 200m	Number of consumer units provided with access to a free basic level of potable water, by means of an individual HH supply or in informal areas by means of a standpipe within 200m	All indigent households have access to free basic water supply (39 901 h/hs)	All indigent households have access to free basic water supply	All indigent households have access to free basic water supply	None	None
To ensure access to electricity	Roll out of Free Basic Electricity	Percentage of registered indigent households who have access to free basic electricity (FBE)	Number of households with access to free basic electricity	100% indigent households have access to FBE	100% indigent households have access to FBE	100% indigent households have access to FBE	None	None
Improved lives of the indigent households	Provision of social safety net for the indigent	Keep updated indigent register	Number of household provided with indigent services		All registered indigent households) provided with free basic services	Approved: 20105 Pending: 11701 Total of 30400 entries on the indigent register	None	None

## **COMPONENT C: PLANNING**

The municipality has a fully-fledged planning unit that provides SMME support to small and medium and established business in the city. Key to the objectives of the City is Promotion of Economic opportunities in strategic locations for sustainable development, Establish Accountable and pro-active management of change in land use and to development patterns, To Enhance Regional Transport Efficiency, Grow Economy and Create Job Opportunities and Rural Development

### **INTRODUCTION TO PLANNING**

As part of its strategies for economic development, the Planning Directorate of the City aims to formalise townships along the N8 and other strategic investment nodes in the metro.)

The City embarked on an extensive programme to improve public transportation system through the Integrated Public Transport Network (IPTN) process. Fundamental to the planning process is the Implementation of the Spatial Planning Land Use Management Act (Act 16 of 2013). Through this process the metro will establish a development tribunal to fast track land use applications.

### **3.7 PLANNING**

The current city fabric is characterised by disjointed apartheid city spaces. It is also characterised by inefficient city structure that leads to expensive service levels. In order to overcome these challenges strategic decisions should be made. Key priorities should address the following:

- Densification of the city through infill planning and group housing schemes;
- Elimination of informal settlements and access to proper community services;
- Creation of liveable urban spaces;
- Integration of the city through the creation of economically viable urban transport corridors; and
- Creating economic and social opportunities for all the residents of the city to benefit (e.g. Economic nodes of Botshabelo and Thaba Nchu, Airport Node, *etc*).

**Table 3.37: POLICY OBJECTIVES OF PLANNING TAKEN FROM THE IDP**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
Enhancement of Regional Transport Efficiency	Compile Integrated Public Transport Network(IPTN) Plan	Completed Integrated Public Transport Network implementation plan	Components of the IPTN Plan	None	Draft IPTN Plan completed	80% Draft Transportation Demand Plan Developed.	20%	Turnover Strategy
Promotion of Integrated Development	Review the Spatial Development Framework (SDF)	Reviewed SDF document	Approved reviewed SDF	SDF (2012/2013)	Reviewed SDF	100% completed SDF and approved by Council	None	-
Establishment of Account able and Pro Active Management of Change in Land use and Development patterns	Land Use planning applications fast tracked	Fast tracking of land use applications processed by council	No of days taken for tabling application to Planning Room	180 days	Applications to be tabled to planning room within 35 days of receipt	81% of all 42 applications processed within target of 35 days	19%	Processing of applications to be expedited in new FY; Establishment of development tribunal
	Management of the build environment	Approval of building plan within statutory Timeframes	< 500m = 30 days > 500 = 60 days	< 500m <sup>2</sup> = 30 days > 500m <sup>2</sup> = 60 days	< 500m <sup>2</sup> = 20 days > 500m <sup>2</sup> = 40 days	2416 building plans approved	None	None
	Control of Land Use transgressions	Fast tracking of punitive measures for land use transgressors	No of days taken to effect action from date of identification	None	30 days	855 notices were issued and 70 cases were referred to court	None	N/A
To Grow and Develop the Economy	Development of Effective strategies for sustainable economic growth, Job Creation and poverty alleviation Enhance the	To complete Sector Plans necessary to effect the economic growth objectives stated by the IDP	No. of Sector Plans developed and approved	Mangaung EDS LED Strategy Incentive & Investment Strategy CBD Master Plan Informal Trading Policy	Completion of Sector Strategies and Policies <ul style="list-style-type: none"> <li>Special Economic Zone</li> <li>PPP Industrial Development Model</li> <li>Industrialisation Strategy</li> <li>Tourism Policy</li> </ul>	Projects still to be implemented.  Documentation has been Submitted to Adjudication Committee on 17 July 2014 for appointment of service provider.	-100%	Development of sector strategies and policies to be speeded up in the next FY

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
	image of MMM as a prime investment and tourism destination				<ul style="list-style-type: none"> <li>• Tourism Master Plan</li> <li>• Reviewed Incentive &amp; Investment Policy</li> <li>1. Youth &amp; Women Empowerment Strategy</li> <li>2. SMME Policy</li> <li>3. Informal Trader Policy</li> </ul>			
	Enhance tourists' experience	% increase in the number of tourists within the municipality	Number of tourists Frequency of flights Naval Hill Visitors Log Book;	<ul style="list-style-type: none"> <li>• 120 000 visitors at Naval Hill in the prior year</li> </ul>	5 % growth in number of tourists (126000 total visitors)	43691 growth in number of Tourism	-82309	<p>Increase Tourists awareness initiates more tours to Naval Hill.</p> <p>Improved marketing.</p> <p>Develop activity programmes for Naval Hill.</p>
	Enhance tourists' experience	Completed designs of the cable car for Naval Hill	Designs for the cable car	New indicator	Completed designs for the cable car	Design for the cable car completed and awaiting implementation on in 2014/15	None	None

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
	Enhance tourists' experience	Development of Naval Hill	Completion certificates  Performance of the hospitality industry	1.7 Bednights 36000 enquiries /yr 20 Tourist guides trained	Restaurant built 2 viewing point constructed  pedestrian way upgraded  parking area upgraded  1 Tourism Incubator developed 78	Restaurant 60% completed  2 viewpoint 80% completed  Pedestrian Walkway completed 100%  Parking area not upgraded  1 Tourism Incubator not developed	40% restaurant  20% View Point    Parking area not upgraded 1 Tourism Incubator not developed	Implementation of Turnaround strategy to ensure that all set target are met in the new FY
	Effective SMME's development and support	Number of SMMEs established	Performance of GGP	None	5	Not Achieved	-5	The establishment of SMMEs will be expedited in the new FY

**Table 3.38: EMPLOYEES: ECONOMIC DEVELOPMENT AND PLANNING SERVICES**

<b>Employees: Economic Development &amp; Planning</b>					
<b>Job Level</b>	<b>Year -1</b>	<b>Year 2013/14</b>			
	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	12	16	12	4	25%
4 - 6	33	57	33	24	42%
7 - 9	13	23	10	13	57%
10 - 12	25	33	26	7	21%
13 - 15	5	11	3	8	73%
16 - 18	11	14	10	4	29%
<b>Total</b>	<b>99</b>	<b>154</b>	<b>94</b>	<b>60</b>	<b>39%</b>

**Table 3.39: FINANCIAL PERFORMANCE: PLANNING**

<b>Financial Performance: Planning Services</b>					
					<b>R'000</b>
<b>Details</b>	<b>30/06/2013</b>	<b>30/06/2014</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Adjustment Budget</b>
Total Operational Revenue	4,579	5,425	5,425	5,661	- 236
Expenditure:					
Employees	25,072	53,526	53,526	44,682	8,844
Repairs and Maintenance	16	306	176	175	1
Other	4,939	11,395	13,142	17,865	- 4,723
Total Operational Expenditure	30,028	65,228	66,844	62,722	4,122
Net Operational Expenditure	25,449	59,803	61,419	57,061	4,358

**Table 3.40: CAPITAL EXPENDITURE: PLANNING SERVICES**

<b>Capital Projects</b>	<b>Year 2013/2014</b>			
	<b>Budget</b>	<b>Adjustment Budget</b>	<b>Budget</b>	<b>Variance From Adjustment Budget</b>
<b>All</b>	42,835,000	55,189,512	54,074,381	1,115,131
Township establishment future residential	0	93,168	90,926	2,242
Engineering design of 2 nodes	0	4,698,005	4,698,005	0
Services reticulation of MMM land within	42,835,000	41,185,000	41,031,639	153,361
Concept and detail design for Naval Hill PH2	0	5,443,524	5,155,309	288,215
Naval Hill the EDGE restaurant	0	2,942,976	2,613,363	329,613

**COMMENT ON THE PERFORMANCE OF PLANNING OVERALL**

The City has succeeded in doing the following to facilitate development:

- Prompt processing of the development application to fast-track the overall development in the City;

- Redevelopment of Naval Hill, Phase 2 – public viewing areas and parking area;
- Supported 397 SMMEs

### 3.8 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKETING)

The City has approved a Local Economic Development outlook with the purpose to investigate the options and opportunities available to broaden the local economic base of the Mangaung Metropolitan Municipality in order to promote the creation of employment opportunities and the resultant spin-offs throughout the local economy

It is important to understand that Mangaung hosts poverty-stricken communities that are currently experiencing high levels of unemployment. It is therefore imperative to take action by promoting value-adding activities in the secondary and tertiary sectors. An important developmental principle underlying economic development is the broadening of the local economic base. This includes the introduction of new activities to Mangaung (e.g. introducing new industrial activities), exploiting latent resources identified through beneficiation, and the consequent establishment of SMMEs.

The MMM Economic strategy proposes the following strategic outcomes

- Reduce unemployment and inequality
- Grow the economy
- Improve business confidence
- Improve access to opportunity

Three service delivery priorities include:

- Creating job opportunities
- Removing red tape
- Growing the labour absorptive economic sector such as manufacturing

Measures taken to improve performance

- Organisational readjustment (adding more staff to the establishment)
- Strengthening economic development partnerships
- Redirecting expenditure and requesting for much needed funding from the national fiscus

**Table 3.41: ECONOMIC ACTIVITY BY SECTOR**

<b>Economic Activity by Sector</b>			
	<b>R '000</b>		
<b>Sector</b>	<b>Year 2010/11</b>	<b>Year 2011/12</b>	<b>Year 2012/13</b>
Agriculture, forestry and fishing	1.9	1.9	1.9
Mining and quarrying	1.0	1.0	1.0
Manufacturing	2.5	2.8	4.8
Wholesale and retail trade	17.2	17.2	17.2
Finance, property, etc.	23.0	23.0	23.0
Government, community and social services	38.6	38.3	36.3
Infrastructure services	1.7	1.7	1.7



**Table 3.42: EMPLOYMENT BY ECONOMIC SECTOR**

<b>Economic Employment by Sector</b>			
<b>Sector</b>	<b>Jobs</b>		
	<b>Year 2010/11 No.</b>	<b>Year 2011/12 No.</b>	<b>Year 2012/13 No.</b>
Agriculture, forestry and fishing	3.6	2.6	1.6
Mining and quarrying	0.1	0.1	0.1
Manufacturing	6.9	6.9	7.9
Wholesale and retail trade	21.3	22.3	22.6
Finance, property, <i>etc.</i>	10.0	10.3	10.6
Government, community and social services	46.9	46.6	44.6
Infrastructure services	5.7	5.7	6.7

Employment numbers will continue to be relatively influenced by the modest growth in finance, manufacturing and government, community and social services sectors.

**Table 3.43: JOB CREATION**

<b>Job creation through EPWP projects</b>		
<b>Details</b>	<b>EPWP Projects No.</b>	<b>Jobs created through EPWP projects No.</b>
Year 2010/11	40	2,000
Year 2011/12	50	2,900
Year 2012/13	66	2,328
Year 2013/14		2,260

**Table 3.44: LOCAL ECONOMIC DEVELOPMENT POLICY OBJECTIVES TAKEN FROM IDP**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
Spatial development and built environment	Develop the Airport Development Node (ADN)	Infrastructure service reticulation in phase 1 of ADN	Level of site reticulation Completion certificates	None	Complete excavation of road reserves and rehabilitation of quarry	70% of budget spent	-30%	Project stopped due to court order.  Will be implemented in the new FY
	Enhance city entrance	Improved landscaping and beautification to city entrances	Completion certificates	None	Complete project	100% concept designs completed	None	-
	Develop MMM land	Number of designs compiled for MMM land	Completed designs	2	Brandkop& Cecelia Park	Concept designs 100% completed	None	-
	Compile street architectural facade for zones of renewal	Meters of Street architectural facades designed	designed architectural facades	None	200 meters of street architectural facades designed	Concept designs of 200m of street architectural facades completed	None	-
Establish of Corporate Geographic information	Effective Corporate Geographic information (GIS)	No of data sets being utilised for a Geographic information system (GIS)	Maps	None	4 datasets	Informal Traders location in three Regions: Botshabelo; Thaba Nchu; and Bloemfontein. Surveyors were appointed to survey Bloemfontein Remainder of 654 Farm. 17 Sites were surveyed and pegged amounting to approximately 1182.96 hectare GIS applications compiled and distributed - currently 40 users have access to Spatial Information	none	

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
Grow Economy and create job opportunities	Support SMME development through MMM programmes	Number of SMME's supported	Performance of GGP	500	550	397 SMME's supported	-153 SMME's supported	Support of remaining SMMEs to be expedited in the new FY
	Develop a Marketing and investment strategy	Effective Marketing of MMM	Participation in Marketing forums  Marketing brochures, exhibitions developed	<ul style="list-style-type: none"> <li>• Tourism Indaba</li> <li>• SAPOA</li> <li>• Sports Events &amp; Tourism Exhibition</li> <li>• AERO Cities Exhibition Conference</li> <li>• SAITEX</li> <li>• Print &amp; Motion Advertisement</li> <li>• MACUFE</li> <li>• Bloemshow Mayor's Business Breakfast</li> </ul>	Maximum participation in marketing forums	8 Events Attended	One flyer, brochure and tourist map design outstanding, as well as printing of all the designed material.	Fast-tracking of product delivery. Turnaround time is too long for brochure production.  SAPOA and Bloemshow falls in Q4, and reporting will be done in Q1 of the new financial year.
Rural development	Food security and poverty alleviation	Number of gardens established	Completion certificates	None	5	3 Gardens established	-2 Gardens established	Budgeted for in next financial year
		Number of broilers established	Support documentation	None	10	0	-10	Budgeted for next financial year
		Number of egg layers established	Support documentation	None	5	0	-5	Will be expedited in the new FY
		No of piggeries established	Support documentation	None	3	1	-2	Budgeted for next financial year
	Building and repairs of facilities	Number of Kraals and Drinking Facilities upgraded and built	Support documentation  Completion certificates	0	10	0	-10	Will be implemented in the new FY
	Skills development	No of programmes aimed at skills development and transfer rolled out	<b>Close out report</b>	10	10	4	-6	None
	Develop bylaws	Developed	Municipal Code	0	Final draft of a	Draft By-law for	Final draft of a	Section 80 approved

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
		municipal by laws for pounds and commonages			municipal by law for pounds	pounds consultation regarding the proposed by law	municipal by law for pounds	these By Laws had go to MAYCO and Council respectively
					Final draft of a municipal by law for commonages	Draft By-law for commonages consultation regarding the proposed by law	Final draft of a municipal by law for commonages	Section 80 approved these By Laws had go to MAYCO and Council respectively
	Establishment of a Pound	Pound constructed and managed by SLA	Completion certificates	0	1 completed municipal pound	0	-1	Will be implemented in the new FY
	Co-operatives and small enterprise support	No of registered and supported cooperatives	Registration documents  Support documentation for the cooperatives	30	30	449	+419	None

**Table 3.45: FINANCIAL PERFORMANCE: LOCAL ECONOMIC DEVELOPMENT SERVICES**

<b>Financial Performance: Local Economic Development Services</b>					
					<b>R'000</b>
<b>Details</b>	<b>30/06/2013</b>	<b>30/06/2014</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Adjustment Budget</b>
Total Operational Revenue	194	486	486	181	305
Expenditure:					
Employees	9,297	11,641	11,641	12,212	- 571
Repairs and Maintenance	1	156	66	1	65
Other	7,389	17,296	19,625	19,803	- 178
Total Operational Expenditure	16,687	29,093	31,332	32,016	- 684
Net Operational Expenditure	16,493	28,607	30,846	31,835	- 989

### **COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL**

The City has attained its set target of planning and designing the Botshabelo Node and has made significant strides in planning and designing Airport Development Node. The City succeeded in creating 2260 jobs through Expanded Public Works Programme (EPWP) and registered 449 co-operatives for the year under review.

The City has not met its set measurable performance targets in relation to supporting Small Medium Micro Enterprises (SMMEs), ensuring that jobs are created by investment both direct and induced, formal, informal and self-employed, initiating small scale agricultural enterprises, upgrading irrigation schemes and initiating household food security programme

## **COMPONENT D: COMMUNITY AND SOCIAL DEVELOPMENT**

### **3.9 LIBRARIES, ARCHIVES, COMMUNITY FACILITIES; OTHER THEATRES, ZOO**

The municipality in cooperation with the provincial department to Sport, Arts and Culture renders library, arts and culture service to the community, service priorities in this unit are:

1. To promote culture of reading and learning
2. Free access of information resources e.g. book, internet and periodicals
3. Promote arts and cultural programmes

The library service is rendered from nine (9) libraries which include areas like Bloemfontein, Botshabelo and Selosesha. The Thaba Nchu area is serviced by the provincial department. The municipality also reaches artists, drama students, theatrical play groups and *etc.* by having the only Drama Library in South Africa. A strong drive in Library campaigns and Outreach programmes were sustained during the year reaching more participants. A dialogue on initiation schools was held whereby all role players participated to ensure the safe and healthy hosting of initiation schools. The success was overwhelming because during the initiation (summer and winter) periods the number of illegal schools dropped drastically, while most of the schools complied with the legal requirements as contained in the Free State Initiation Schools Act. The arts, heritage and culture issues were given more attention, and it led to a close corporation with PHRASA and South African Heritage Resource Agency (SAHRA). Three local sites were identified for listing (Ereskuld NG Kerk, Sediba Lutheran church and the Archbell's house) but of much more significance is the possible declaration of three national heritage sites (Dr Moroka's grave, Mr Maphikela's grave and the Waaihoek Wesleyan church)

The municipality zoo has the following functions:

- Conservation;
- Recreation;
- Education;
- Research.

The Zoo is primarily responsible for providing for the animals within the collection in the Zoo, and to exhibit the animals in as natural surroundings as is possible, taking into account the minimum norms and standards as set out in various legislation (e.g.: Animals Protection Act, Code for Zoo's and Aquariums (SANBS 10379), *etc.*).

**Table 3.46: LIBRARIES; ARCHIVES; COMMUNITY FACILITIES; OTHER**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
Improve service delivery by providing recreation facilities and public amenities to all residents of Mangaung	Relocation of the Zoo to Kwaggafontein Game farm	Zoo to be rebuilt at Kwaggafontein game farm	Master plan completed	Final report on the feasibility study completed	Rebuilding Zoo master plan completed	Development of the master Plan	The finalisation of the Master Plan took longer	The Master plan has been finalised and is awaiting approval by Council.
Promote literacy in communities	Provide easy access to reading and information service to promote a culture of reading and learning	New library material per annum acquired	Number of new adult books acquired	500 new children`s books acquired	500 new children`s books acquired	2110 New Books	+1610	None
			Number of new non-fiction books acquired per annum	1500 new non- fiction books acquired	1500 new non- fiction books acquired	3289 New Fiction books	+1789	None
			Number of new adult fiction books acquired per annum	500 new adult books acquired	500 new adult books acquired	4050 Adult Books	+3550	None
		Marketing of Library Services	Number of library awareness campaigns conducted	50 library campaigns conducted per annum	50 library campaigns conducted per annum	65 Library campaigns	+15	None
		Library outreach programmes to communities	Number of outreach (interactive) programmes conducted	150 outreach programmes conducted	150 outreach programmes conducted	817 Outreach programmes conducted	+667 Outreach programmes conducted	None

**Table 3.47: EMPLOYEES: LIBRARIES; ARCHIVES; COMMUNITY FACILITIES; OTHER**

<b>Employees: Libraries</b>					
<b>Job Level</b>	<b>Year -1</b>	<b>Year 2013/14</b>			
	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	11	20	11	9	45%
10 - 12	12	13	13	0	0%
13 - 15	5	12	8	4	33%
16 - 18	2	2	2	0	0%
<b>Total</b>	<b>34</b>	<b>51</b>	<b>38</b>	<b>13</b>	<b>25%</b>

**Table 3.48: FINANCIAL PERFORMANCE: LIBRARIES; ARCHIVES; COMMUNITY FACILITIES; OTHER**

<b>Financial Performance: Libraries; Archives; Museums; Galleries; Community Facilities; Other</b>					
<b>R'000</b>					
<b>Details</b>	<b>Year -1</b>	<b>Year 2013/14</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Adjustment Budget</b>
Total Operational Revenue	132	252	252	148	104
Expenditure:					
Employees	13,875	18,917	18,917	15,319	3,598
Repairs and Maintenance	–	44	97	1	96
Other	1,430	2,538	2,389	1,410	979
Total Operational Expenditure	15,305	21,498	21,403	16,730	4,673
Net Operational Expenditure	15,173	21,246	21,151	16,582	4,569

**Table 3.49: CAPITAL EXPENDITURE: NATURE RESOURCE MANAGEMENT – ZOO**

<b>Capital Projects</b>	<b>Year 2013/2014</b>			
	<b>Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance From Adjustment Budget</b>
Feasibility Study into Zoo Relocation	17,484,000	5,075,000	4,691,264	383,736

**COMMENT ON THE PERFORMANCE OF LIBRARIES, ARCHIVES, MUSEUMS, GALLERIES, COMMUNITY FACILITIES, OTHER (THEATRES, ZOOS, ETC) OVERALL**

The City is doing very well in meeting all its set targets in relation to the promotion of literacy in communities through ensuring access to new library materials, marketing of the library services and implementing library outreach programmes to communities.

Importantly, the City has completed a feasibility study into the relocation of the Zoo.



### 3.10 CEMETERIES AND CREMATORIUMS

The main objective of the cemeteries and crematoria division is to provide sustainable, innovative, affordable cemetery services informed by national guidelines and policies as well as by MMM by- laws and other applicable laws. The primary objective is to provide graves and crematoria in accordance with the cultural requirements of all residents of MMM: The core functions of the division are:

- Provision and allocation of graves for interment purposes
- Safe keeping of cemetery registers
- Maintenance of cemeteries
- Provision of land for future burials

MMM have a total of 18 cemeteries, 12 in Bloemfontein, 3 in Botshabelo and 3 in Thaba Nchu. In Thaba Nchu there are also 45 rural cemeteries that are still under the authority of tribal authorities. There is also one crematorium situated in Bloemfontein which actually caters for the whole of the Free State Province. This facility is outsourced. In the 2013/14 financial year there were 4 341 burials and 1,699 cremations

**Table 3.50: EMPLOYEES: CEMETERIES AND CREMATORIUMS**

<b>Employees: Parks and Cemeteries</b>					
<b>Job Level</b>	<b>Year -1</b>	<b>Year 2013/14</b>			
	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	1	1	1	0	0%
4 - 6	6	8	6	2	25%
7 - 9	9	12	9	3	25%
10 - 12	11	12	11	1	8%
13 - 15	38	50	39	11	22%
16 - 18	74	128	52	76	59%
Total	139	211	118	93	44%

**Table 3.51: FINANCIAL PERFORMANCE: CEMETERIES AND CREMATORIUMS**

<b>Financial Performance: Cemeteries and Crematoriums</b>					
					<b>R'000</b>
<b>Details</b>	<b>30/06/2013</b>	<b>30/06/2014</b>		<b>Actual</b>	<b>Variance to Adjustment Budget</b>
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>		
Total Operational Revenue	2,195	2,336	2,336	2,109	227
Expenditure:					
Employees	5,842	6,527	6,527	5,818	709
Repairs and Maintenance	1,270	1,069	1,616	1,270	346
Other	7,158	10,072	8,839	5,855	2,984
Total Operational Expenditure	14,269	17,668	16,982	12,942	4,040
Net Operational Expenditure	12,074	15,332	14,646	10,833	3,813

### 3.11 CHILD CARE, CARE OF THE AGED, SOCIAL PROGRAMMES

The municipality identified its social responsibility to implement and ensure measure to comply with the provision of the Children's Act, 38 of 2005 and the Older Persons Act 13 of 2006, hence the programmes to address our service priorities were developed and implemented. Four priorities in this regard are:

1. Compile a database of ECD centres in the city
2. Work towards reducing a number of crèches not complying with by- laws to zero
3. Invest on training for practitioners catering for children with special needs to promote inclusivity in the ECD centres
4. Ensure elderly shelters are properly regulated and well governed

During the year of reporting after implementing the relevant service delivery programme (i.e. *inspection and certification of centres, training of practitioners and developing of databases*) we ensured healthy and safety environments for children and the aged, as well as higher compliance rate to relevant legislation. Due to unemployment more ECD's are established by women to at least make a living; hence we also engaged them in training and supporting them.

Places for the Elderly forms part of the Health surveillance inspection programme of the City to ensure healthy environments for the Aged. The city started with a health screening programme for the elderly people in cooperation with the medical faculty of the University of Free State to enable us to have a health status of them and thus refer them to Primary Health Care services. Furthermore, recreational programmes were implemented to ensure healthy lifestyles for the elderly (i.e. Golden Games, Sport event for the Elderly)

**Table 3.52: SERVICE DELIVERY OBJECTIVES IN THE IDP FOR CHILD CARE**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
Improve services to ameliorate the plight of vulnerable groups such as street children, people with disability, the elderly	Wellness programmes for the aged including bio kinetics, healthy life style etc.	Developed and implement wellness programmes for the elderly	Number of programmes developed and implemented	2 outreach Programmes targeting the aged	4 outreach Programmes targeting the aged	2 Outreach programme outreach Programmes targeting the aged	-2 Outreach programme outreach Programmes targeting the aged	More outreach programme to be implemented in the new FY
	Ensure elderly shelters are properly regulated and well governed	Inspection of elderly shelters	Number of inspections conducted	Identify shelters and develop programme for visits and conduct visit	18 inspections conducted on the elderly shelters	15 Inspections	-3	Will implement inspection programme in new financial
	Support organisations dealing with disabled persons	Number of organisations supported	Identify organizations dealing with disabled persons and their needs	Determine and address needs of people with disabilities through their various organizations	Work with people with disability to address their needs	Database compiled  5 Registered Centres identified for support,  Hosted Disability Sport Festival	Positive variance	None
	Assist Orphans to access social services	Update database of child headed households within the municipality	Number of new children added to database	Compile database	Update database and ensure sustainability	20 New child Headed Households added and 48 CHHs supported	None	None required
	Support orphans, CHHs	Number of orphans, CHHs supported	40 children supported	40 children supported	<b>150 children supported</b> ( 109 Orphans, 1 Street child admitted to Eden International Place of safety 40 Street Kids for a two weeks Camp) = <b>1 family</b> in Thaba Nchu (shack burnt down),	Positive variance	None	

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
						<b>= 12 blankets distributed</b>		
		Support street children	Number of street children supported	40 children supported	5 children with families	1 street child supported	4 children with families	Expedite the implementation of programme to support children with families
Empowerment of civic groups to improve good citizenship	Facilitate and support the development of poverty alleviation projects	Facilitate and support poverty alleviation projects	Number of poverty alleviation projects	Establish and sustain Clothing Bank	2 Projects supported and ensure sustainability	5 projects were monitored and evaluated	Positive variance	-
Promote Early Childhood development (ECD)	Update ECD database	ECD Database updated	Number of registrants added or removed	On-going updating of database and ensuring that unregistered ECDs are minimised	100%updating of database and ensuring that unregistered ECDs are minimised	100% updated (737 ECD's on updated database)	-	-
	Conduct inspections on ECD premises	Sustain inspection programme of ECDs.	Number of ECD premise inspections conducted	100 inspections conducted	100 inspections conducted	228 Inspections conducted	+ 128 positive variance	None

**Table 3.53: EMPLOYEES: CHILD CARE; CARE OF THE AGED; SOCIAL PROGRAMMES**

Job Level	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 – 3	0	0	0	0
4 – 6	3	2	1	33%
7 – 9	0	0	0	0
10 – 12	2	0	2	100%
13 – 15	1	0	1	100%
16 – 18	0	0	0	0
Total	6	2	4	67%

**COMMENT ON THE PERFORMANCE OF CHILD CARE; AGED CARE; SOCIAL PROGRAMMES OVERALL**

The City has succeeded in achieving the following milestones for the year under review:

- Conducted inspections on the elderly shelters;
- Supported 150 children;
- Conducted inspection of 228 Early Childhood Development Centres

**3.12 BIO DIVERSITY AND LANDSCAPE – PARKS**

The main objective of the parks division is to provide a clean, green and healthy environment to the residents of Mangaung. It is responsible for the horticultural maintenance and development of open spaces, parks, traffic islands, buffer zones, sports fields, street trees, city gardens and fire belts

The core functions of the unit are:

- Greening the city- entrances, parks, planting trees
- Maintenance of existing parks
- Maintenance of sports fields
- Development of new parks
- Cemeteries beautification

The main objective of natural resource management is to conserve the natural resources of MMM which consist of 28, 000 hectares, responsible to the development and maintenance of Naval Hill as a tourist attraction for local and international visitors

The core functions of the unit are:

- Management of natural open spaces
- Naval Hill nature reserve development
- Eradication of alien plants
- Protection of top –soil/ erosion control
- Management of wild animals in Naval Hill Nature Reserve

**Table 3.54: SERVICE DELIVERY OBJECTIVES OF BIO DIVERSITY; LANDSCAPE AND PARKS**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
Improve service delivery by providing recreation facilities and public amenities to all residents of Mangaung	Clean and green environment in Mangaung Metro	Number of trees planted	Number of trees planted	776 trees planted	500 Trees planted	413 trees planted	-87	Remaining trees to be planted in the new FY
		Number of recreational parks developed	1 parks	Site identification, concept and design and development of recreational park in Bloemfontein; park development master plan	50% construction of phase 1	New park in Botshabelo (B section) A Contractor has been appointed for the development of the Park  New park in Bloemfontein (Kagisanong) Phase 1 implementation	-	-
		A Regional Park in Thaba'Nchu	1 Park	Draft Master plan	Finalised master plan for the regional park  100% Upgraded soccer field as per master plan	Thaba Nchu Regional Park Phase 1 implementation	-	-

**Table 3.55: CAPITAL EXPENDITURE: BIO-DIVERSITY; LANDSCAPE AND PARKS**

Capital Projects	Year 2013/14			
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget
Upgrading/Development Parks Bloemfontein	2,000,000	2,000,000	1,394,179	605,821
Upgrading/Development Parks Botshabelo	1,500,000	2,900,000	0	2,900,000
Upgrading/Development Parks Thaba Nchu	1,500,000	0	0	0
Nelson Mandela Statue Site Preparations	0	1,000,000	0	1,000,000

**Table 3.56: FINANCIAL PERFORMANCE BIO DIVERSITY; LANDSCAPE AND PARKS**

Operational Budget	Year 2013/14			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue,	102,940	92,940	64,467	28,473
Expenditure:				
Employees	27,940,440	28,752,746	29,637,865	-885,119
Repairs and Maintenance	1,879,624	1,889,624	1,466,398	423,226
Other	20,658,804	24,094,556	14,239,419	9,855,137
Total Operational Expenditure	50,478,868	54,736,926	45,343,682	9,393,244
Net Operational Expenditure	50,375,928	54,643,986	45,279,215	9,364,771

**COMMENT ON THE PERFORMANCE BIO DIVERSITY AND LANDSCAPE AND PARKS**

The City has planted 413 trees in the period under review. A regional park and parks at Bloemfontein and Botshabelo were constructed.

**COMPONENT E: ENVIRONMENTAL PROTECTION**

**3.13 POLLUTION CONTROL**

Pollution control initiatives within the municipality are implemented and managed by an integrated approach (waste management, environmental management, environmental health, parks, etc). With regards to the 2 indicators listed we can report that water quality and air pollution programmes are in place. Environmental health practitioners take water samples on a daily basis from the 2 main reservoirs (*Brandkop and Maselspoort*) and on a monthly basis at household points evenly spread amongst all suburbs, our current compliance status is well within the parameters of SANS 241.

We also monitor the quality of air by means of three (3) air quality stations, with the main focus on sulphur dioxide emissions. We can safely report that no incidences in this regard were recorded during this reporting period.

**Table 3.57: SERVICE DELIVERY OBJECTIVES FOR POLLUTION CONTROL**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
Promote a clean environment	Organize clean-up campaigns.	Number of clean-ups undertaken	Number of clean-ups	7 clean-ups undertaken	4 clean-ups undertaken	8 clean up campaigns	+4	-
	Compliance with national hygienic standards and environmental laws	Maintenance and Rehabilitation of landfill sites and public amenities	Number of landfill sites maintained	maintenance and Rehabilitation of landfill sites and public amenities	maintenance and Rehabilitation of landfill sites and public amenities	Three land fill sites were maintained  No rehabilitation of land fill site was done	Rehabilitation of land fill site	Rehabilitate land fill site in new FY
Environmental management and sustainability	Environmental Implementation & Management Plan (EIMP)	Compiled Environmental Implementation & Management Plan (EIMP)	Complete Environmental Implementation & Management Plan (EIMP)	None	Environmental Implementation & Management Plan (EIMP)	Not achieved		
	Promote sustainable environment	Compliance to integrated waste management policy	Compliance reports on integrated waste management	Rehabilitation of Landfill sites	Construction of a transfer station and closure of landfill in Thaba'Nchu  Formal registration of landfill users	Contractor appointed for the close of Thaba Land Fill site and development of a Transfer station  Not achieved	Construction of a transfer station and closure of landfill in Thaba'Nchu  Formal registration of landfill users	Will accelerate implementation of the project in the new FY
Ensure management of landfill sites complies with legislation	Ensuring audits are performed (internal and external)	Number of audits performed.	Number of audits undertaken	1 external audit (2010) 0 internal	1 External audit and 1 internal	Not achieved		
Ensure a waste management literate community in Mangaung Metro	Conduct education and awareness sessions on waste management issues to the	Number of community education and awareness sessions conducted	Number of community education and awareness sessions conducted	4 community education and awareness sessions conducted	4 community education and awareness sessions conducted	34 education and awareness sessions undertaken	+30 education and awareness sessions undertaken	-



IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
Municipality	community.							
Promote environmental health	Inspect medical waste generators	Conduct inspection on medical waste generators' premises as per the provisions of the NEMA	Number of medical waste generator premises inspected	110 medical waste generator premises inspected	All 110 existing medical waste generator premises inspected	325 Inspections	-	-
Promote environmental health	Manage Air Quality	Respond to all non-compliance of Sulphur Dioxide emissions therefore ensure Air Quality control	Time taken to respond to non-compliance of Sulphur Dioxide emissions	All non-compliance attended too within 2 days	All non-compliance attended too within 2 days	No Non compliances	-	-
		Processing of All Emission Licence applications submitted	Number of Air Emission Licence (AEL) applications handled	New KPI	All AEL applications handled	4 AEL Applications handled	-	-
		Maintenance of Air Quality Monitoring Stations	Maintenance documentation e.g. invoices completion certificates etc. Air Quality Monitoring Stations	New KPI	Maintenance of three Air quality stations	Instruments serviced, and installed. To be calibrated during the week of 7-11 July 2014	none	None required
		Compilation of a database of all companies affecting air quality	Complete Air emissions Inventory	New KPI	Complete an Air Emission database	Provincial department appointed service provider. Service provider in process of compiling inventory	Complete an Air Emission database	Expedite the compilation of Air Emission database
	Handling Environmental pollution complaints	Attend to all Environmental Pollution complaints reported to the	Number of environmental pollution related complaints handled within	Environmental pollution related complaints handled within 48 hours	Environmental pollution related complaints handled within 48hrs	All 156 complaints handled	none	None required

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
		municipality	48hrs					
	Provide Health Education	Conduct health and hygiene (H&H) awareness programmes	Number of H&H awareness programmes conducted	10 H&H programmes conducted	10 H&H programmes conducted	8 H&H programmes conducted	-2 H&H programmes	Remaining H&H programmes to be conducted in new FY

**Table 3.58: EMPLOYEES: POLLUTION CONTROL**

Job Level	Year -1	Year 2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	5	2	3	60%
7 - 9	15	21	17	4	19%
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
<b>Total</b>	19	27	20	7	26%

**COMMENTS ON THE PERFORMANCE OF POLLUTION CONTROL OVERALL**

The City has succeeded in organising cleaning and greening campaigns to raise community awareness and elicited reciprocal civic duty in relation to communities partnering with the municipality in ensuring that the environment is safe and liveable. Three land fill sites were maintained, 325 inspections conducted at existing medical waste generator premises and environmental pollution complaints handled within 48 hours. The city has carried out prompt air quality control measures that resulted in no excess emissions reported.

The City has not succeeded in achieving its set target for the development of an Environmental Implementation Management Plan, conducting external and internal audit on landfill sites and ensuring that a draft feasibility study for waste energy project in the land fill site is approved by Council.

**COMPONENT F: HEALTH**

**3.14 HEALTH INSPECTION, FOOD AND ABBATTOIR**

The function of provision of environmental health services within the municipality includes all activities associated with the provision of municipal health services in terms of the National Health Act (no 61 of 2003) but does not take into account of poor health services which reside within the jurisdiction of FS provincial government. Service delivery provision here includes:

1. To ensure consumer protection (*food safety programme, water safety programme*) in accordance with food stuffs (*cosmetic and disinfectants Act no 54 of 1972 and SANS 241 for water quality*)
2. To render a microbiological laboratory service for the analysis of water and food stuffs as per legislative requirements (water services act and food stuff act)
3. To fulfil the functions of the local trading licence authority by enforcing the Business act no 71 of 1991.
4. To render a pest and vector control and disinfestations service
5. To ensure the prevention of environmental health pollution by means of surveillance of premises (built environment)
6. The Disposal of dead (inspections of mortuaries and burial of unidentified bodies)

Both the food and water safety programmes were successfully sustained and thus ensured sustainable health and well-being of citizens.

With reference to food premises specific focus was placed on the registration of milk parlours (dairy farms) all of which they are now fully registered and compliant in terms of legislation. All food premises are inspected and monitored according to our food inspection programme and this yields success in health, hygiene and cleanliness. Our biggest challenge is the mushrooming of tuck shops in residential areas owned by foreigners and mostly illegal which do not comply with health standards. Haphazard operations and investigations did not yield the expected outcome but a multi-

sector compliance and monitoring team which includes SAPS and Home Affairs was established to combat non-compliance

**Table 3.59: SERVICE DELIVERY OBJECTIVES FOR HEALTH INSPECTION, FOOD AND ABBATTOIR**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
	compliance with drinking water quality standards	A)Regular Monitoring of drinking water	Percentage of Samples taken at strategic points in the City.	Regular monitoring and samples taken at strategic points of the City	100% Regular monitoring and samples taken at strategic points of the City	100% monitoring of samples is being done monthly	none	none
		Upgrading of the water pumps at Maselspoort	Completion certificate for the installation of water pumps at Maselspoort	Installation of the low and high lift water Pumps in Maselspoort	100% installation of the low and high lift water Pumps in Maselspoort	81% installation of the low and high lift water Pumps in Maselspoort	-19%	Variance will be attended to be by the professional team in the next financial year
		b) Attainment of Blue Drop certificate	Blue Drop Certification above 95%	Blue Drop certificate not attained	Attainment of the Blue Drop Certificate	63.53% performance assessment obtained	-31.47%	Implement projects related to attaining Blue Drop Certificate in the new FY
		c)refurbishment of the sedimentation tanks in Maselspoort	Percentage of sedimentation tanks refurbished	refurbishment of the sedimentation tanks in Maselspoort	100% refurbishment of the sedimentation tanks in Maselspoort	100% refurbishment of the sedimentation tanks in Maselspoort	None	N/A
	Decline in unplanned water interruptions (exceeding 24 hours)	% of unplanned water interruptions (exceeding 24 hours)	Number of Unplanned water interruptions	50%	45%	50%	+5	More focus will be given to all old pipes in the City through the refurbishment program
Ensure compliance with Initiation Schools policy	Ensure compliance with Initiation Schools policy	Inspection of known Initiation Schools, to ensure compliance with the Initiation Schools Public Policy	Number of known Initiation Schools inspected	All schools inspected	All known schools inspected	109 Schools	none	-
Promote environmental health	Ensuring health related compliance of buildings	Inspection of all building plans for health related compliance	Number of Building plans received to be scrutinized for health compliance within 3 working	All Building plans received to be scrutinized for health compliance	All Building plans received to be scrutinized for health compliance	All 2534 Building plans received to be scrutinized for health compliance	none	-

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
			days					
	Conduct drinking and recreational water sampling according SANS to 241	Conduct monitoring of drinking water according SANS to 241	Number of drinking water samples taken	1700 drinking water samples	1700 drinking water samples	1306 drinking water samples	-394	Posts already advertised, to be filled in new financial year.
		Conduct monitoring of recreational water according SANS to 241	Number of recreational water sampling taken	60 recreational water samples	60 recreational water samples	80 recreational water samples	+20	-
	Surveillance of diseases	Attend to reported communicable diseases	Attend to all communicable diseases reported	All communicable diseases reported attended to	All communicable diseases reported attended to	8 communicable diseases reported attended to	none	none
		Investigate all Zoönotic diseases cases reported to the Municipality	Number of zoönotic diseases reported investigated	All cases reported investigated	All cases reported investigated	No zoonotic	None	None
	Conduct food sampling	Take samples annually in accordance with the Foodstuffs, Cosmetics and Disinfectants Act 54 1972	Number of food samples taken in accordance with the Foodstuffs, Cosmetics and Disinfectants Act	1000 food samples taken	1000 food samples taken	706 Food samples	-294	Posts already advertised, to be filled in new financial year.
		Take samples at all Major Functions as per the received applications in accordance with the Foodstuffs, Cosmetics and Disinfectants Act 54 1972	Number of samples taken at all major functions where applications have been received	Samples taken at all major functions where applications have been received	All Samples taken at all major functions where applications have been received	107 samples taken at all major functions where applications have been received	none	none
	Ensure disposal of dead (burials of unidentified persons)	Ensure disposal of the dead (Burials of Unidentified persons)	Burials done within 2 weeks	All Burials done within 2 weeks after receiving application from Provincial Forensic Laboratory.	All Burials done within 2 weeks after receiving application from Provincial Forensic Laboratory.	73 Burials done within 2 weeks after receiving application from Provincial Forensic Laboratory.	None	None

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
	Inspect food premises	Conduct food premise as per the provisions of the Foodstuffs, Cosmetics and Disinfectants Act 54 1972	Number of food premise inspections conducted	17500 food premise inspections	17500 food premise inspections	16063 Inspections	-1437	Posts already advertised, to be filled in new financial year.
	Inspect dairy farms	Conduct inspections at dairy farms as per the provisions of the Foodstuffs, Cosmetics and Disinfectants Act 54 1972	Number of dairy farms inspected	80 dairy farms inspected	All 80 existing dairy farms inspected	54 Inspections	-26	Posts already advertised, to be filled in new financial year.
	Inspect mortuaries	Conduct inspections on all mortuaries as per the provisions of the Public Health Act	Number of mortuaries inspected	35 mortuaries inspected	All 35 existing mortuaries inspected	33 Inspected	-2	Posts already advertised, to be filled in new financial year.
Promote HIV /AIDS prevention measures	Prevent new HIV/ AIDS infections	Conduct training on HIV/AIDS	Number of HIV/AIDS courses conducted	12 courses to be conducted	12 courses to be conducted	23 Courses	+11 Positive Variance	none
		Intensify education and awareness on HIV/AIDS	Number of HIV/Aids seminars to be conducted	2 seminars	2 seminars	8 Seminars	+6 Positive variance	
		Preventing the spread of HIV	Number of condoms distributed	1 600 000 condoms	1 600 000 condoms	1850 000 Condoms	+250000 Positive variance	none
		Encourage the community to know their HIV/AIDS status	Number of persons tested through Voluntary Counselling and Testing (VCCT)	300 persons tested	300 persons tested	1065 Persons tested	+765 Positive variance	none
		Conduct HIV/AIDS Counselling and outreach programmes	Number HIV Counselling and Testing outreach programmes conducted	25 sessions held	25 sessions held	46 Sessions held	+21 Positive variance	none

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
		Assist Home Based Care Organizations and OVC (orphan and vulnerable children) through training, referrals to other govt departments and information dissemination	Number of Home Base Care (HBC) assisted	50 HBC assisted	50 HBC assisted	45 HBC assisted	-5 Negative Variance	Posts already advertised, to be filled in new financial year.



**Table 3.60: EMPLOYEES: HEALTH INSPECTION**

Employees: Environmental Health					
Job Level	Year -1	Year 2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	3	2	1	33%
4 - 6	2	8	2	6	75%
7 - 9	22	34	21	13	38%
10 - 12	3	6	2	4	67%
13 - 15	0	1	0	1	100%
16 - 18	5	9	5	4	44%
Total	34	61	32	29	48%

**Table 3.61: FINANCIAL PERFORMANCE: HEALTH INSPECTION AND ETC.**

Financial Performance: Health Inspection and Etc.					
					R'000
Details	30/06/2013	30/06/2014			Variance to Adjustment Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	139	166	166	114	52
Expenditure:					
Employees	8,878	11,517	11,517	9,779	1,738
Repairs and Maintenance	2	419	419	294	125
Other	865	1,867	1,607	1,003	604
Total Operational Expenditure	9,745	13,803	13,543	11,075	2,468
Net Operational Expenditure	9,606	13,637	13,377	10,961	2,416

**COMMENT ON HEALTH INSPECTION, FOOD AND ABBATTOIR**

The City continues in providing drinking water services that is compliant to set water service standard. For the year under review, the City has made strides in upgrading the Maselspoort Water Treatment Work – the installation of low and high lift water pumps is nearing completion and the municipality has obtained a Blue Drop Score of 63.53%.

The city also ensured that all initiation schools within the municipality complied with the Initiation Schools Policy and all know 109 initiation schools were inspected.

The City continued to provide effective health services in relation to inspection of mortuaries, ascertaining water quality and raising basic hygiene awareness *albeit* there is a need for improvements in relation inspection of food premises and inspection of dairy farms.

The City continues to perform well in relation to promoting awareness to educate communities on HIV/AIDS; all the set performance targets were exceeded to the exception of number of Home Base Care (HBC) assisted.

## COMPONENT G: SAFETY AND SECURITY

The objective of the sub directorate is to enhance order and voluntary compliance with road traffic rules in the road network of the MMM and to ensure that Mangaung is a safe and secure place to live in, visit and do business in. In order to achieve this, the division aims to prevent and minimize all security risks and threats to municipal property, services and people, crime prevention, enforcement of municipal by- laws and other applicable legislation and the investigation of municipal related crime

### 3.15 INTRODUCTION TO POLICING

**Installation of CCTV cameras** around the Mangaung Metropolitan Municipality targeting the hotspots as identified by law enforcement agencies (SAPS, *etc.*). This will in future be utilised for traffic violations supplemented by, **speed law enforcement cameras**. The implementation of such measures has resulted in a decline of motor accidents and behavioural change of motorists. Lastly, the introduction of the **Parking Marshal System** will curb double parking and or parking in loading zones by motorists, or parking for the whole day in one spot, this is also a revenue enhancement strategy for the municipality

55 officers are available on a daily basis, doing both law enforcement administration (traffic and security)

**Table 3.62: SERVICE DELIVERY OBJECTIVES FOR SAFETY AND SECURITY**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
To reduce crime in the municipal area	Enhance enforcement of the by-laws through the use of the CCTV cameras	Timely response to offences identified on CCTV camera	Number of CCTV identified incidents attended to within 25 minutes.	137 Incidents	7 out of 10 CCTV identified incidents attended to within 25 minutes	43 Identified incidents	none	none
	Extension of CCTV Cameras in newly identified hotspots Enforcement of the By-Laws	Increase surveillance within the crime hotspots within the municipality	Number of new CCTV cameras installed in newly identified hotspot areas	23	15 Cameras installed	15 Cameras installed both in Botshabelo and Thaba Nchu	none	none
	Enforcement of the By-Laws	To ensure Street Trader By-Law compliance.	Number of street trading operations conducted	New KPI	12 Street Trading Operations conducted	40 Street Trading Operations conducted	+28 positive variance	None
	Enforcement of the By-Laws	To ensure By-Law compliance regarding student housing	Number of Student housing operations conducted	New KPI	8 Student housing operations conducted	12 Student housing operations conducted	+4 positive variance	None
To create a safe and secure road environment for all road users	Implement operational programmes to reduce speeding violations	Reduction of speeding violations by motorists within MMM	Number of notices issued to speeding transgressors	7200	10000 Notices issued to speeding transgressors	122748 Notices issued to speeding transgressors	+112748 positive variance	none
To create a safe and secure road environment for all road users	To track offenders with outstanding Warrants of arrests	Traffic offenders to be served with warrants of arrests	Number of warrants of arrests executed	871	1000 warrant of arrest to be executed	1172 warrant of arrest to be executed	+172 positive variance	None
To create a safe and secure road environment for all road	Implement operational programmes to reduce cell phone	Limit the use of cell phones by motorists within MMM	Number of notices issued to motorists using cell phones	432	500 Notices issued to motorists using cell phones	813 Notices issued to motorists using cell phones	+313 positive variance	None

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
users	violations							
To create a safe and secure road environment for all road users	Implement operational programmes to reduce seat belt violations	Reduction of motorists not wearing seatbelts	Number of notices issued to motorists not wearing seat belts	1389	1500 Notices issued to motorists not wearing seat belts	3191 Notices issued to motorists not wearing seat belts	+1691 positive variance	None
To create a safe and secure road environment for all road users	Implement operational programmes to reduce the number of un-roadworthy vehicles	Reduction of un-roadworthy vehicles within MMM interventions	Number of notices issued to motorists driving un-roadworthy vehicles	2116	2200 Notices issued to motorists driving un-roadworthy vehicles	3797 Notices issued to motorists driving un-roadworthy vehicles	+1597 Positive variance	None
	Ensure safe and secure environment to residents of Mangaung	Number of crime awareness campaigns conducted within the municipality	Number of crime awareness campaigns conducted	12 Crime Awareness campaigns to be conducted (3 per quarter)	12 campaigns conducted	27 campaigns conducted	+15 positive variance	None
		Number of operations conducted targeting known crime hotspots within MMM	Number of crime prevention activities targeting known hotspots	12 Hotspots to be targeted (1 per region per quarter)	12 Crime prevention activities conducted targeting known hotspots	16 Crime prevention activities conducted targeting known hotspots	+4 Positive variance	None
	Ensuring prompt and appropriate post incident recovery	Number of major roadblocks conducted within MMM	Number of road blocks conducted in high risk areas	Major Roadblocks conducted	12 Road blocks to be conducted	33 Road blocks to be conducted	+21 Positive variance	None
Improve revenue collection	Enforce payment of traffic fines	Traffic cases successfully enforced to finality and payment received	Number of traffic fines paid	5 000 traffic fines paid	5 000 fines paid	18565	+13565 Positive variance	None

**Table 3.63: EMPLOYEES: POLICE OFFICERS/TRAFFIC AND SECURITY OFFICERS**

Employees: Traffic & Law Enforcement					
Job Level	Year -1	Year 2013/14			
Police  Administrators	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	11	11	10	1	9%
7 - 9	56	64	54	10	16%
10 - 12	110	214	129	85	40%
13 - 15	71	159	72	87	55%
16 - 18	4	8	3	5	63%
Total	253	457	269	188	41%

**Table 3.64: FINANCIAL PERFORMANCE: POLICE/TRAFFIC AND SECURITY**

Operational Budget	Year -2013/2014			
	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
<b>Total Operational Revenue,</b>	7,855,401	6,855,401	5,666,113	1,189,288
Expenditure:				
Employees	54,917,939	60,681,278	62,125,820	-1,444,542
Repairs and Maintenance	8,579,880	9,594,453	7,752,765	1,841,688
Other	41,093,217	40,790,947	31,792,183	8,998,764
<b>Total Operational Expenditure</b>	104,591,036	111,066,678	101,670,768	9,395,910
<b>Net Operational Expenditure</b>	96,735,635	104,211,277	96,004,655	8,206,622

**Table 3.65: CAPITAL EXPENDITURE: POLICE/TRAFFIC AND SECURITY**

Capital Projects	Year 2013/14			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
Installation of CCTV cameras	2,000,000	2,000,000	1,976,466	23,534

**OVERALL PERFORMANCE OF SAFETY AND SECURITY**

In terms of CCTV cameras 43 incident cases were reported and attended to in the specified time frame by SAPS and security personnel and 18 crime prevention activities were conducted targeting certain hotspots.

In terms of speed law enforcement cameras 15 permanent cameras were installed in Botshabelo and Thaba Nchu

**3.16 FIRE**

The Fire and Rescue Services aims to prevent fires. Focus is thus placed on fire prevention and public education / awareness.

During the period under review 2418 inspections were conducted at premises to which the general public has access. The aim of these inspections is to ensure compliance with statutory fire safety measures. During the same period 240

Health Care Workers were trained in basic fire safety and evacuation procedures. Focus was also placed on paraffin safety with a total of 10 campaigns reaching 2300 persons conducted. The Fire and Rescue Service also participated in the Bloem Show. Twenty one (21) Fire Safety awareness contact sessions were conducted with commerce and industry institutions resulting in 849 persons being exposed to fire safety in the work place.

**Table 3.66: METROPOLITAN FIRE SERVICE DATA**

<b>Metropolitan Fire Service Data</b>			
<b>Details</b>	<b>Year 2012/13</b>	<b>Year 2013/14</b>	
	<b>Actual No.</b>	<b>Estimate No.</b>	<b>Actual No.</b>
Total fires attended in the year	1325	1300	999
Total of other incidents attended in the year	250	250	303
Average turnout time - urban areas	13 min	Not estimated	11 min
Average turnout time - rural areas	23 min	Not estimated	18 min
Fire fighters in post at year end	85	100	109
Total fire appliances at year end	26	26	26
Average number of appliance off the road during the year	5	2	5

**Table 3.67: FIRE SERVICE POLICY OBJECTIVES TAKEN FROM THE IDP**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
To limit the number of fire deaths resulting from accidental fires in residential buildings		Number of fire and rescue emergency responded to in compliance with SANS 10090 i.r.o: <ul style="list-style-type: none"> <li>• Weight of response</li> <li>• Turn out time</li> </ul>	Number of fire and rescue emergency responded to in compliance with SANS 10090 i.r.o: <ul style="list-style-type: none"> <li>• Weight of response</li> </ul> Turn out time	7.5 out of 10	7.5 out of 10	8.9 out of 10	+1.4 out of 10	None
	Preventing fires	Number of fire safety inspections at High Risk Premises to determine level of compliance with statutory fire safety measures and approved building plans	Number of inspections at High Risk Premises	90	90	122 Inspections at High Risk Premises	+32 Positive variance	None
		Number of fire safety inspections at Moderate Risk Premises to determine level of compliance with statutory fire safety measures and approved building plans	Number of inspections at Moderate Risk Premises	250	250	317 Inspections at Moderate Risk Premises	+67 Positive variance	None
		Number of fire safety inspections at Low Risk Premises to determine level of compliance with statutory fire safety measures	Number of inspections at Low Risk Premises	1800	1800	1979 Inspections at Low Risk Premises	+179 Positive variance	None

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
		and approved building plans						
		Number of building plans submitted that are scrutinized for compliance with statutory fire safety measures within 5 working days after receipt of the plans	Number of building plans submitted that are scrutinized for compliance with statutory fire safety measures within 5 working days after receipt of the plans	8 out of 10	8 out of 10	10 out of 10	+2 out of 10 positive variance	None
		Number of Fire Safety Compliance Certificates inspections conducted within 2 working days after receipt of request	Number of Fire Safety Compliance Certificates inspections conducted within 2 working days after receipt of request	7 out of 10	7 out of 10	9.2 out of 10	+2.2 out of 10 Positive variance	None
	Educating the public in fire safety	Number of fire safety public awareness contact sessions with MMM Commerce and Industry Institutions	Number of fire safety public awareness contact sessions with MMM Commerce and Industry Institutions	6	6	21 Public awareness contact sessions	+15 Positive variance	None
		Number of Health Care Facility staff members trained in fire safety and evacuation procedures	Number of Health Care Facility staff members trained in fire safety and evacuation procedures	250	250	240 Staff members trained	-10 Negative variance	Additional post to enhance capacity has been filled



IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
		Number of public outreach events aimed at creating public awareness in relation to Fire Safety	Number of public outreach events aimed at creating public awareness i.r.o. Fire Safety	6	6	10 Outreach events	+4 Positive variance	None
		Number of persons from the industrial and commercial community trained in fire safety	Number of persons from the industrial and commercial community trained in fire safety	200	200	165 persons from the industrial and commercial community trained in fire safety	-35 Negative variance	Additional post to enhance capacity has been filled
	Skills enhancement and maintenance of Fire fighting staff	Number of training courses in relation to fire fighting and / or rescue and / or hazardous materials presented	Number of training courses presented	3	3	3 Training courses presented	No variance	None
To limit the number of fire deaths resulting from accidental fires in residential buildings	Responding to emergencies.	1 Fire Station established in the South-Eastern Area (Ward 45-46)	Completion certificates for the construction of the 1 Fire Station	New Project	1 Fire Station	Design completed and Bids for construction invited	1 Fire Station (Actual construction has not commenced – facility not completed)	Project to be executed over two financial years

**Table 3.68: EMPLOYEES: FIRE SERVICES**

Employees: Fire Services					
Job Level	Year -1	Year 2013/14			
Fire Fighters	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	No.	%
0 - 3	2	2	2	0	0%
4 - 6	4	7	4	3	43%
7 - 9	53	64	52	12	19%
10 - 12	27	49	27	22	45%
13 - 15	1	1	0	1	100%
16 - 18	7	11	6	5	45%
Total	94	134	91	43	32%

**Table 3.69: FINANCIAL PERFORMANCE: FIRE SERVICES**

Financial Performance Year: Fire Services					
					R'000
Details	30/06/2013	30/06/2014			Variance to Adjustment Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	720	678	678	579	99
Expenditure:					
Fire fighters					
Other employees	39,419	43,342	43,342	40,092	3,250
Repairs and Maintenance	172	622	822	465	357
Other	2,239	4,819	3,921	1,276	2,645
Total Operational Expenditure	41,829	48,783	48,084	41,832	6,252
Net Operational Expenditure	41,109	48,105	47,406	41,253	6,153

**COMMENT ON THE PERFORMANCE OF FIRE SERVICE OVERALL**

The City continues to provide effective fire service and all the set performance target were met for the period under review with the exception of 1 fire station established in the South Eastern Area (Ward 45-46).

**3.17 DISASTER MANAGEMENT**

The disaster management sub directorate is performing its functions and duties in accordance with the Disaster Management Act 2005 (57/2002). The MMM is in terms of the Act compelled to establish a Disaster Management Centre that will be the focal point for all disaster related management activities. Processes are in place for the building of a purpose made Disaster Management Centre. Mangaung Metropolitan Municipality is at present performing a 24/7 communication and control centre as part of the disaster management sub directorate where community can report any emergency situations. The top 3 service delivery priorities are:

- a) Ensure prompt and appropriate post incident recovery
- b) Enhance emergency preparedness
- c) Ensure prompt and appropriate response to emergency incidents

Checklists and measurements were implemented to ensure compliance with standards set to ensure service delivery. Disaster Management staff are involved in public education programmes to enhance community resilience against disasters and negative effects thereof. The City is in its strides to comply with National Legislation relating to risk reduction and response and has constructed a new Disaster Management Control Centre to enhance the service.

**Table 3.70: SERVICE DELIVERY OBJECTIVES FOR DISTASTER MANAGEMENT**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
Prevent or reduce losses that occur due to natural or man-made disaster through preparedness, mitigation, response and recovery	Preventing Disasters	Percentage of JOC attendance at public events	Percentage of JOC attendance at public events	90%	90%	100 % JOC attendance at public events	+10% Positive Variance	None
		Disaster Management Centre established and operational as required by Disaster Management Act	Disaster Management Centre established and operational as required by Disaster Management Act	Completion of all preparatory work for establishment of Disaster Management Centre	Establishment of Disaster Management Centre	Project 98% completed. All furniture and IT equipment installed. Contractor in process of finalization of adjustments. Training of Operators started on 30 June 2014.	None	None required
		Compilation of an Disaster Management plan for MMM	Disaster Management plan for MMM	Commencing with risk and vulnerability assessment for entire MMM	Completion of risk and vulnerability assessment for entire MMM	Draft submitted to HoD Social Services	Completion of risk and vulnerability assessment for entire MMM	Finalise risk and vulnerability assessment for entire MMM
		Number of fire and rescue calls to which resources are dispatched within 3 minutes.	Number of fire and rescue calls to which resources are dispatched within 3 minutes	8 out of 10	8 out of 10	9.2 Out of 10	+1.2 Positive variance	-
		Number of callers polled indicating their satisfaction with the service rendered by the Control Centre.	Number of callers polled indicating their satisfaction with the service rendered by the Control Centre	9 out of 10	9 out of 10	10 out of 10	+1 Positive variance	-
To provide pre-hospital emergency medical	Responding to Emergencies	Assignment of ambulance service to MMM by the provincial	Fully operational ambulance service conforming to	Requesting assigning of function to MMM by MEC for Health	Conclusion of service level agreement between FSPG and MMM	Assigning of function by MEC for Health still being waiting.	Conclusion of service level agreement between	Corrective action not the prerogative of MMM

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
services to people in MMM area of jurisdiction		department of Health	national norms rendered by MMM				FSPG and MMM <i>(Function not as yet assigned- no negotiations regarding Service Level Assignment initiated/ in progress)</i>	

**Table 3.71: EMPLOYEES DISASTER MANAGEMENT**

<b>Employees: Disaster Management, Animal Licensing and Control, Control of Public Nuisances, Etc.</b>					
<b>Job Level</b>	<b>Year -1</b>	<b>Year 2013/14</b>			
	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	0	1	0	1	100%
4 - 6	2	8	2	6	75%
7 - 9	15	27	18	9	33%
10 - 12	2	6	1	5	83%
13 - 15	0	3	0	3	100%
16 - 18	0	0	0	0	0%
<b>Total</b>	<b>19</b>	<b>45</b>	<b>21</b>	<b>24</b>	<b>53%</b>

**Table 3.72: FINANCIAL PERFORMANCE DISASTER MANAGEMENT**

<b>Financial Performance: Disaster Management, Animal Licensing and Control, Control of Public Nuisances, Etc.</b>					
					<b>R'000</b>
<b>Details</b>	<b>30/06/2013</b>	<b>30/06/2014</b>			<b>Variance to Adjustment Budget</b>
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	
Total Operational Revenue	-	-	-	-	-
Expenditure:					-
Employees	2,444	4,787	4,787	3,343	1,444
Repairs and Maintenance	-	8	8	-	8
Other	104	619	684	491	193
Total Operational Expenditure	2,548	5,414	5,479	3,834	1,645
Net Operational Expenditure	2,548	5,414	5,479	3,834	1,645

**COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT OVERALL**

The City is performing well in relation to disaster management services and the set measurable performance targets are being met.

The City has not succeeded in obtaining feedback from the Member of the Executive Council (MEC) responsible for Health on the assignment of ambulance services to the City

**COMPONENT H: SPORTS AND RECREATION**

**3.18 INTRODUCTION TO SPORT**

Mangaung Metropolitan Municipality has set itself a lofty ideal of being a “Sporting Mecca” through supporting sport development.

**Table 3.73: SERVICE DELIVERY OBJECTIVES FOR SPORTS**

<b>IDP Objective</b>	<b>Strategy</b>	<b>KPI</b>	<b>Unit of Measurement</b>	<b>Past Year Performance 2012/13</b>	<b>Annual Target 2013/14</b>	<b>Actual Performance 2013/14</b>	<b>Variance</b>	<b>Corrective Action</b>
Promote arts and cultural programmes	Promote cultural programmes	Initiate and support arts and cultural programmes	Number of arts and cultural programmes	5 programmes	5 programmes to be supported	5 Supported, 1 Implemented	-	-
	Research heritage sites and record on SAHIS data base	All Heritage sites, monuments, and public art listed, researched and recorded on the SAHIS data base	Number of Heritage Sites listed and researched.	Register all existing heritage sites, monuments, and public arts	Inspection and listing of three new and existing Heritage Sites.	None	Inspection and listing of three new and existing Heritage Sites.	Inspection and listing of three new and existing Heritage Sites will be inspected and listed in the new financial year
Promote and support sports and recreation in the Metro	Promote and support sports and recreation	Hosting and / or supporting sporting code programmes	Number of programmes hosted and sporting codes supported	4 programmes and sporting codes supported	4 programmes and sporting codes supported	Hosted and supported 35 programmes	Positive variance	None

**Table 3.74: EMPLOYEES: SPORT**

Job Level	2013/14			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	1	0	1	100.00%
4 - 6	0	0	0	0.00%
7 - 9	0	0	0	0.00%
10 - 12	8	7	1	12.50%
13 - 15	1	1	0	0.00%
16 - 18	47	30	17	36.17%
Total	57	38	19	33.33%

**Table 3.75: FINANCIAL PERFORMANCE SPORTS AND RECREATION**

Financial Performance: Sport and Recreation						R'000
Details	30/06/2013	30/06/2014			Variance to Adjustment Budget	
	Actual	Original Budget	Adjustment Budget	Actual		
Total Operational Revenue	-	-	-	-	-	
Expenditure:					-	
Employees	2,002	2,182	2,182	2,610	- 428	
Repairs and Maintenance	166	240	112	75	37	
Other	761	1,084	1,074	747	327	
Total Operational Expenditure	2,930	3,506	3,368	3,432	- 64	
Net Operational Expenditure	2,930	3,506	3,368	3,432	- 64	

**COMMENT ON THE PERFORMANCE OF SPORT**

The City is on course on in promoting and supporting sports development in the City.

**COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES**

**INTRODUCTION TO CORPORATE POLICY OFFICES**

The unit is intended among other things to provide the following services:

- Effective and efficient HR management services to all directorates with the MMM
- Render labour relations support and programmes for employees and management of the municipality
- Support the workforce through the rendering of efficient occupational health and employee wellness
- Safety and loss control management
- Manage MMM facilities
- Provide ICT service to MMM
- Provide an integrated Human resource Development service



### 3.19 EXECUTIVE AND COUNCIL

#### Introduction

The Council of the City is vested with the legislative and executive authority for the municipality. The executive discharges oversight responsibility on the behalf of Council and oversee the performance of the municipality.

The top strategic priorities were:

- a) Entrenching performance management mechanisms *via* the Integrated Development Plan (IDP) and the Service Delivery Budget Implementation Plan (SDBIP) to facilitate accountability;
- b) Discharging oversight responsibilities – convening council and committees of councils; and
- c) Entrenching knowledge management practices to position the municipality as a learning organisation.

**Table 3.76: SERVICE DELIVERY OBJECTIVES OF EXECUTIVE AND COUNCIL**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
Provide strategic leadership and planning with well-defined targets aligned to the budget	Provide strategic leadership, involvement and planning	Reviewed 2013/14 Integrated Development Planning, SDBIP and business plans	Reviewed IDP (2014/15) and MTRE 2014/15 - 2016/17 approved by Council	Comprehensive 2012-2016 IDP developed	Review IDP and SDF for 2013/14	Approved IDP 2014/15	None	None
		Service delivery and budget implementation plan (SDBIP) compiled annually	SDBIP developed and approved	2013/14 SDBIP developed and approved by the Executive Mayor 28 days after the approval of the IDP and budget	2014/15 SDBIP developed and approved by the Executive Mayor 28 days after the approval of the IDP and budget	Approved SDBIP 2013/14	-	-
		Mid-year budget and performance assessment report developed	Mid-year performance report approved	2012/13 mid-year budget and performance assessment report	2013/14 mid-year budget and performance assessment report	2013/14 mid-year budget and performance assessment report developed and approved by Council 1 and submitted to Provincial and National Treasury	-	-
Strengthen performance management system	Improve performance management and accountability	Reporting of performance as stated in the SDBIP	Performance assessment reports approved by Council	4 performance reports developed	5 performance reports developed	5 performance reports developed	-	-
		Number of officials undertaking the PMS training programme	Training documentation	PMS training programme not implemented	50 general managers trained in PMS	None		
To promote government-wide (inter and	Forge partnerships and linkages with	Developed MOU between the City and Provincial	An approved MOU / TOR	IGR arrangements not formalised between the City and Provincial	10 Approved MOU / TOR	None	10 Approved MOU / TOR	To be expedited in new Financial year

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
intra) cooperation	other spheres of government and municipalities	Government on Inter Governmental Relations arrangements to implement the GDS of the City		Government. City only participated in PCF and MECLOGA				
Municipal relations and International Relations	To facilitate sound municipal and international relations and strategic partnerships	Number of twinning arrangements with South African municipalities	Twinning arrangements signed		3 cities – Jo'burg, EThekwini and Sol Plaatjie	None	3 cities – Jo'burg, EThekwini and Sol Plaatjie	To be expedited in new Financial year
		Number of twinning arrangements with international municipalities	Twinning arrangements signed	Ghent, City of Maseru	4 Cities – Ghent, City of Maseru, Xu Zhou, City of Kigali(Rwanda)	None	4 Cities – Ghent, City of Maseru, Xu Zhou, City of Kigali(Rwanda )	To be expedited in new Financial year
To enhance knowledge management in the City	Development and implementation of the Knowledge Management	Knowledge Management Strategy developed and implemented	Approved Knowledge Management Strategy	Knowledge Management Strategy developed in 2006	Reviewed and implemented Knowledge Management Strategy	Not achieved	Reviewed and implemented Knowledge Management Strategy	KMS to be reviewed and implemented in the new FY
Improve internal governance systems	Follow progress on the Implementation of Council resolutions	Decisions of Council are distributed for implementation	% of council decisions facilitated by issuing of execution letters and feedback requested from Department	100% tracking of council decisions	Facilitating the issuing of execution letters to all resolutions and obtaining feedback on progress for quarterly reporting to Council.	14 Council meetings, 12 MAYCO meetings, 36 Bid committees, 15 section 80 committees, 16 MPAC meetings & 2 other section 79; 40 EMT meetings	-	

## COMMENT ON THE OVERALL PERFORMANCE OF THE EXECUTIVE AND COUNCIL

The Council of the City continues to discharge its assigned oversight responsibilities by meeting periodically within set legal parameters to process matters related to Council. The Executive Management Team meets continuously to discharge its responsibilities assigned by Council and various pieces of legislation. Performance targets related to Integrated Development Plan, PMS and SDBIP are being met with the exception of training officials in PMS.

The City has not succeeded in meeting set performance targets related to Inter-Governmental Relation and Knowledge Management.

### 3.20 FINANCIAL SERVICES

#### INTRODUCTION TO FINANCIAL SERVICES

The City's legal change of status to that of a metropolitan municipality as of May 2011 led to a rise in grant receipts. This is expected to continue over the medium term, the predictability of which remains fairly high.

The City has attained collection rate of 91.65% that represented 4.35% less than the set annual target of 96%.

The City has obtained a qualified audit opinion on its Annual Financial Statement and Annual Performance Report for 2012/2013 and has implemented an Audit Action Plan that is geared towards obtaining an improved audit outcome for the year under review (2013/2014)

1.62 months Cost Coverage ratio

By the end of the financial year cost coverage stood at >1.62 and this clearly demonstrate that the City has to do more in implementing credit control and debt collection policies in order to ensure a solid path of improving its liquidity position.

#### External Funding Sources

The City has succeeded in obtaining a loan of R600 million from Standard Bank and the Development Bank of Southern Africa (DBSA) to finance infrastructure and revenue generating projects

**Table 3.77: DEBT RECOVERY**

<b>Debt Recovery</b>			
<b>Details of the types of account raised and recovered</b>	<b>2013/14 in R'000</b>		
	<b>Budget for the year</b>	<b>Actual accounts billed in year</b>	<b>Proportion of accounts value billed that were collected%</b>
Property Rates	493,976	514,177	
Electricity	1,831,742	1,747,412	
Water	543,286	514,367	
Sanitation	132,361	143,927	
Refuse	33,847	59,877	
Other	224,686	134,576	
<b>Total</b>	<b>3,259,898</b>	<b>3,114,336</b>	<b>91.65%</b>

The proportion of account value billed is calculated by taking the total value of the year's revenues collected against the bills raised in the year by the year's billed revenues.

**Table 3.78: SERVICE DELIVERY OBJECTIVES OF FINANCE IN THE IDP**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
Improve customer satisfaction	Improve billing system	Number of customers receiving accurate bills	Percentage	60%	Reduce the interim meter readings to 30% (Excluding faulty meters)	85%		
				80% of consumer accounts	90% of consumer accounts are issued to correct addresses	86% of consumer accounts	-4%	The remaining consumer accounts to be corrected in the new FY
	Improve revenue collection	Debt Collection within MMM improved	Percentage	93%	96%	91.65%	4.35%	Speed implementation of Finance Road Show in the 2014/15 financial year"
Prudent fiscal management	Quality and frequent financial reporting	% operation and capital expenditures against the budget (from 80% )	Percentage	90%	95%	±86%		
	Implement clean audit initiatives	Development, implementation and monitoring of Audit Action Plan to address issues raised by the Auditors	Report	Qualified audit report	Financially Unqualified audit report	Unqualified audit report		
	To ensure procurement processes which complies fully with the SCM policy	SCM implementation reports submitted to the Mayor and Council.	Number of SCM quarterly reports submitted to the Mayor and Council.	Four (4) SCM quarterly Reports submitted to the Mayor and Council.	Four (4) SCM quarterly Reports to be submitted to the Mayor and Council.	Four (4) SCM quarterly Reports submitted to the Mayor and Council.		
		Compilation of an irregular expenditure	Monthly irregular expenditure registers.	Irregular expenditure registers for 12 months period.	Irregular expenditure registers for 12 months period.	Irregular expenditure registers for 12 months period.		
	Cost Coverage (NKPI)	Month(s) Coverage	Months	>0.12 Month	> 2 months	1.62 months	-1.38 months	Speed implementation of

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
								"Operation " Pay Up Strategy"
	Develop and review out-dated policies in the directorate	Approval of Policies by Council	Number of policies	Development of all the budget related policies and by-laws	Annual review of all the budget related policies and by-laws	SCM manuals developed		
		Number of training interventions	Training reports and certificates	Audit of finance skills base and proper placement of staff	4 Training interventions	90 employees are currently enrolled in the Municipal Finance Management Programme.		
Revenue Enhancement	Collect all collectable revenue and Leverage alternative sources of funding	Amount of externally sourced funds - Loan  Increasing revenue base by accounting for unaccounted services	Trial balance	R 50 million	R 50 million	A loan of R600 million leveraged	N/A	
	Identification of additional revenue streams	Increasing revenue base by accounting for unaccounted services 100% implementation of the reviewed revenue enhancement strategy of MMM	Number of reports relating to revenue enhancement	Implementation of the short term revenue enhancement strategies	Implementation of the medium to long term revenue enhancement strategies	Implementation of the short term revenue enhancement strategies		
	Review of lease agreements	Number of municipal owned asset agreements reviewed	Lease agreement	10% increase in rental income	30% increase in rental income	Draft Operation "Pay-up" Strategy Developed	30% increase in rental income	Speed implementation of "Operation " Pay Up Strategy"
Revenue Enhancement	Develop new valuation roll based on the	Valuation roll compiled and revisions made	Approved Valuation roll and Billing report	Implementation of supplementary valuation roll in order to	Implementation of new valuation roll on the 01 July	Four (4) supplementary valuation rolls		

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
	site and any improvements made	annually		incorporate new developments in the existing valuation roll		implemented		
Develop an effective asset management programme	Develop a Fixed Asset Register which records all municipal Assets	Fixed Asset Register is compiled and updated monthly	Fixed Asset Register	Immovable and Movable assets -100% compliance with applicable accounting standards	100% compliance with applicable accounting standards	Immovable and Movable assets - 100% compliance with applicable accounting standards		
	Develop an Asset Management Policy and Procedure Manual to cover the acquisition, maintenance and disposal of assets	Asset Management procedure is compiled in line with legislation and council policy	Procedure Manual	Development and implementation	Annual review of Asset Management Policy and procedure manual	Development and implementation		
	Periodic physical asset counts and impairment tests	Report on the annual asset count submitted to council	Asset Count Reports	At least one complete count of all movable and immovable assets	At least one complete count of all movable and immovable assets	At least one complete count of all movable and immovable assets		
				Ad hoc asset counts of selected locations	Ad hoc asset counts of selected locations	Ad hoc asset counts of selected locations		

**Table 3.79: EMPLOYEES FINANCIAL SERVICES**

Employees: Financial Services					
Job Level	Year -1	Year 2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	14	16	14	2	13%
4 - 6	44	74	45	29	39%
7 - 9	61	71	62	9	13%
10 - 12	85	115	89	26	23%
13 - 15	10	104	9	95	91%
16 - 18	20	34	21	13	38%
Total	234	414	240	174	42%

**Table 3.80: FINANCIAL PERFORMANCE: FINANCIAL SERVICES**

Financial Performance: Financial Services					
					R'000
Details	30/06/2013	30/06/2014			Variance to Adjustment Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	104,301	128,709	128,709	131,075	- 2,366
Expenditure:					-
Employees	74,088	95,098	95,098	82,129	12,969
Repairs and Maintenance	4	272	1,462	934	528
Other	63,565	92,205	78,341	70,735	7,606
Total Operational Expenditure	137,656	187,575	174,901	153,798	21,103
Net Operational Expenditure	33,355	58,866	46,192	22,723	23,469

**Table 3.81: CAPITAL EXPENDITURE FINANCE**

Capital Projects	2013/14			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
Total All	2,000,000	4,000,000	2,975,293	1,024,707
Rates Revamp	1,500,000	1,486,500	999,895	486,605
Asset Register	0	1,000,000	1,077,835	-77,835
Office Furniture	500,000	1,000,000	897,562	102,438

**COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL:**

The performance against set national key performance indicators reveals that the overall financial liquidity position of the City is improving.



### 3.21 HUMAN RESOURCES SERVICES

The strategic objective of human resource management is to lead, manage and direct human resource functions within the MMM through the following:

- a) Labour relations
- b) Occupational health and wellness
- c) HR benefits
- d) Work study
- e) Job evaluation
- f) Payroll Management
- g) Safety and loss control
- h) HR Systems
- i) Individual performance Management
- j) Employment

**Table 3.82: EMPLOYEES HUMAN RESOURCES SERVICES**

<b>Employees: Human Resource Services</b>					
<b>Job Level</b>	<b>Year -1</b>	<b>Year 2013/14</b>			
	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	3	5	4	1	20%
4 - 6	28	26	25	1	4%
7 - 9	22	25	20	5	20%
10 - 12	19	23	21	2	9%
13 - 15	1	5	0	5	100%
16 - 18	2	4	4	0	0%
Total	75	88	74	14	16%

**Table 3.83: FINANCIAL PERFORMANCE: HUMAN RESOURCE SERVICES**

<b>Financial Performance: Human Resource Services</b>					
					<b>R'000</b>
<b>Details</b>	<b>30/06/2013</b>	<b>30/06/2014</b>			<b>Variance to Adjustment Budget</b>
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	
Total Operational Revenue	5,790	11,512	11,512	6,612	4,900
Expenditure:					-
Employees	21,491	127,699	127,699	101,830	25,869
Repairs and Maintenance	2	28	28	2	26
Other	188,521	146,184	151,717	92,049	59,668
Total Operational Expenditure	210,014	273,911	279,444	193,880	85,564
Net Operational Expenditure	204,224	262,399	267,932	187,268	80,664

**Table 3.84: SERVICE DELIVERY OBJECTIVES FROM THE IDP**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
Improved labour relations management	Foster good relationship with organised labour and conclude all outstanding labour disputes	Number of consultative meetings held with organised labour	Number of LLF Meetings held	12 meetings	12 meetings	4 meetings	-8	Ensure that annual calendar of meeting is developed and agreed to by all parties
	% labour disputed resolved internally	Reduction of labour disputes	% Number of Labour Disputes resolved internally	Agreements on issues of mutual interest	Agreements on issues of mutual interest	Not achieved	Agreements on issues of mutual interest	Agreements on issues of mutual interest to be entered into in the new FY
		Number of Senior Management attending the Workshop on Presiding and prosecuting disciplinary hearings	Workshop material	Training on labour legislation and HR Management	8= HOD's 30=GMs 40= Managers trained on labour relation related to presiding and prosecuting disciplinary hearings	Not achieved	8= HOD's 30=GMs 40= Managers trained on labour relation related to presiding and prosecuting disciplinary hearings	Training programme to be implemented in next FY
	Retention of skills	Develop and approve succession policy	Succession policy	No approved succession policy in place.	Approved Succession Planning Policy	Not achieved	Approved Succession Planning Policy	Draft succession planning policy to be implemented in the new FY
		Develop and approve career planning and pathing policy	Development of career planning and pathing.	No approved career planning and pathing policy in place.	Approved Career Planning and Pathing Policy	Not achieved	Approved Career Planning and Pathing Policy	Draft Career Planning and Pathing policy to be implemented in the new FY
		Develop and approve scarce skills policy	Identification and development of scarce skills	No approved scarce skills policy in place.	Approved Scarce Skills Policy	Not achieved	Approved Scarce Skills Policy	Draft Scarce Skills Policy to be implemented in the new FY
	Conducting a skills needs analysis Compilation of a	Performance of a skills audit within the municipality and the required	Skills audit report	Skills audit report	Develop and submit to EMT a comprehensive project for the conducting of the Skills	Not achieved	Skills audit report	Skills audit to be conducted and a report thereon to be developed in the new

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
	work skills plan	corrective measures			Audit Project			FY
		Approved Workplace Skills Plan submitted to LGSETA by 30 June	Approved work skills plan submitted to LGSETA	Approved work skills plan	Develop and Populate an occupation classification matrix	Submitted WSP for 2014/15 financial year	-	-
		Compiling an annual training implementation report by 30 June each year	Annual training Report Submitted to LGSETA	Annual Training Report submitted to LGSETA	Annual training report submitted to LGSETA	80% implementation of the workplace skills plan	20% implementation of workplace skills plan	Implementation of workplace skills plan to be expedited in the new FY
		Number of Accredited training courses provided in line with skills needs identified within WSP	Training material and certificates	12	12	5 training programmes approved by LGSETA	7 training programmes approved by LGSETA	Expedite the implementation of training programmes approved by LGSETA
		Number of Learnerships as approved by LGSETA presented.	Learnership agreement	1	1	Not achieved	1 Learnership agreement	Conclude Learnership agreement with LGSETA
	Institutional transformation and re-design	Number of employees placed on the new organogram	Re-designed organogram	Approval of placement policy	Development of a remuneration structure	± 70 % of staff recommended for placement on	-30% of staff to be recommended for placement	Placement to be concluded in the new FY

## **COMMENT ON PERFORMANCE OF HUMAN RESOURCES SERVICES OVERALL**

The City has succeeded in restoring and improving labour relations. Workplace Skills Development Plan has been developed, ratified by labour and subsequently approved by the Local Government Sector Education Training Authority (LGSETA). In pursuit of developing its Human Capital, the City has implemented 80% of its workplace skills plan. Five (5) training programmes approved by LGSETA have been implemented.

The City has not succeeded in meeting set performance targets in relation to convening of LLF and reduction of labour disputes. A number of policies related to HR such as succession planning, career development have been developed but have not being implemented as yet as they have not served before the Local Labour Forum (LLF). The City has not also met its targets in relation to providing learnerships approved by LGSETA.

### **3.22 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)**

The Information Management & Technology Sub Directorate serves as the focal point for technology advancement in the institution. The IMT Sub Directorate provides control in areas of planning, operation, and maintenance of technology infrastructure, systems, and applications. In broad the IMT Sub Directorate is responsible for the institution's communications and computer systems, which include voice, and computer-based technologies. These services and technologies provide the MMM with the tools essential to effectively carry out day to day operations to support the overall MMM mission and goals.

The IMT Sub Directorate operates in a collaborative relationship with user departments by facilitating the identification of the appropriate technology and assisting users and management with the implementation of that technology.

During the reporting year, a number of outcomes have been achieved including upgrading of current internet/e-mail/system line, completion of SOLAR migration and the implementation of new VoIP at Braam Fischer building is nearing completion.

**Table 3.85: SERVICE DELIVERY OBJECTIVES OF ICT ROM IDP**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
Enhance IT governance and strategy and formulate governance plans and strategies, as well as accompanying policies and procedures, to concurrently enable the municipality to achieve its strategic vision, support audit requirements, manage risk, and exhibit responsible financial management	Develop and monitor an IT Governance Maturity Model	IT Governance Maturity Model developed as guideline to the development and implementation of formal IT Strategy	Monthly status reports	No ITGMM in place	Development of ITGMM	ITGMM has been developed as part of the ICT Strategy document.		
	Development of an overall IT Strategy	Overall IT Strategy developed	Monthly status reports	No IT Strategy in place	Implementation of IT Strategy	IT Strategy developed and approved		
	Development of IT Master Systems Plan	ITMSP Developed and monitored	Monthly status reports	No ITMSP in place	Implementation of ITMSP	ITMSP developed and approved as part of the IT Strategy		
	Review of IT Policy Framework and Business Continuity Plan	IT Policy and BCP reviewed to be in line with IT Strategy and ITMSP	No of policies and BCP approved	ITPF and BCP not adequate and also not approved by Council	8 Policies including BCP be revised and approved by Council	IT Password Control Policy and Cellular Phone Policy developed and approved	6 policies	Expedite the revision of policies in the new FY
	Proper record keeping of all ICT and related equipment, systems and software	IT related equipment, systems and software procured and utilized as outlined in ITMSP	Number of assets recorded on asset database regarding asset information and user	Outdated Asset management system	On-going monitoring of IT related equipment, system and software	Manage Engine Service Desk Plus application procured.		
	Redevelopment of MMM Intranet	MMM Intranet with relevant information to offer assistance to Council, management and end users	Level of availability and integrity of information	Current MMM Intranet outdated	Redevelopment of MMM Intranet	MMM Intranet redeveloped and launched. Updates are made as needed		
		Report showing purposes of all current	Populated list of information systems	No formal list of MMM Information Systems	Monitoring of all current information systems used by MMM	RouteMaster, Meter Reading Orbit, Document		

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
		information systems as well as its age and technical information				Management Cemetery System, Grave management HR Focus, Human capital management PayDay, Salary management SOLAR, Financial System WordPress, Intranet and Internet website management 2021 Traffic Management System, Traffic fine systems HardCat, Asset Management System TeamMate, Internal Audit System Inzikile, Environmental Health System VCMS, Vehicle Cost Management System PowerTrack, Vehicle Tracking System		
	Upgrade current Internet/e-mail/system lines	Upgrade current Internet/e-mail/system lines	Total Of "up-time" achieved	Current 2MB Diginet line	Current Internet/e-mail/system lines updated to accommodate municipal needs	Completed.		
	Replacement of obsolete servers	Number of obsolete servers replaced	Quarterly report of performance monitored	Current servers are outdated	Replacement of servers and quarterly monitoring of all servers	Completed as part of SOLAR migration project. Triangle solution with 3 x		

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
						different server sites has been built.		
	Modernising of Bram Fischer telephone system	100% implementation of a New VoIP system	Operational VoIP system	Current analogue/digital system	Operational of Bram Fischer telephone system	99% Complete. Currently awaiting on Telkom to perform final cut-over	1%	To be finalised in the new FY
	Maintain 2-hour turnaround time on support calls	Maintenance of a 2-hour turnaround time on support calls	Number of support calls attended to within 2 hours	Monthly call report not adequate	Maintain 2-hour turnaround time on support calls	On-going process		
	Develop system for software license management	100% implementation of a system of monitoring software license	Number of software licenses procured	No system for software license management in place	System to monitor all software licences to be developed and implemented. Licenses to be procured and managed effectively	Manage Engine Service Desk Plus application procured.		
Create a proper working environment	Upgrade and rehabilitate Municipal Buildings	Number of municipality buildings to be upgraded in line with the maintenance programme	No of Buildings	0	27	20	7	Upgrading and rehabilitation of municipal buildings to be expedited in the new FY
Maximize usage of sports facilities	Rehabilitating of existing sports facilities	Number of sports facilities to be rehabilitated	No of sports facilities	2	8 – New Projects	5	3	Rolled over projects to expedited in the new financial year.
					4 Rolled over projects	0	4 Rolled over projects	Rolled over projects to be implemented expeditiously in the new FY
Energy saving	Lowering electricity consumption	Number of buildings Retrofitted with energy efficient bulbs	No of Buildings with retrofitting energy bulbs: 1.Bram Fischer 2.Gabriel Dichabe 3.Leslie Monanyane	-	15 Buildings	3	12 buildings	The retrofitting projects to be accelerated in the new FY when grant funding has been leveraged

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
			4.City Hall 5.Environmental Offices 6.IT Offices					



**Table 3.86: EMPLOYEES: ICT SERVICES**

Employees: ICT Services					
Job Level	Year -1	Year 2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	2	1	1	0%
4 - 6	12	20	12	8	40%
7 - 9	27	52	26	26	50%
10 - 12	16	17	16	1	6%
13 - 15	6	9	4	5	56%
16 - 18	2	2	2	0	0%
Total	64	102	61	41	40%

**Table 3.87: FINANCIAL PERFORMANCE: ICT**

Financial Performance: ICT Services					
					R'000
Details	30/06/2013	30/06/2014			Variance to Adjustment Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	-	130	130	-	130
Expenditure:					-
Employees	17,779	17,569	17,569	18,366	- 797
Repairs and Maintenance	929	1,681	1,181	902	279
Other	50,483	59,322	65,304	46,421	18,883
Total Operational Expenditure	69,192	78,571	84,053	65,688	18,365
Net Operational Expenditure	69,192	78,441	83,923	65,688	18,235

**Table 3.88: CAPITAL EXPENDITURE ICT SERVICES**

Capital Projects	Year 2013/14			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
Information Management Systems Enhanceme	6,500,000	6,500,000	4,274,081	2,225,919
Desktop Computers (Desktop Server Tabl	6,500,000	6,500,000	4,150,174	2,349,826
Upgrading Of Stadium Swimming Pool	-	10,317,927	10,226,282	91,645
Upgrading Of Bochabela Boxing Area	-	2,550,352	2,328,649	221,703
New Community Hall - Botshabelo	-	8,136,842	7,845,849	290,993

### 3.23 LEGAL, RISK MANAGEMENT AND INTERNAL AUDIT SERVICES

The Legal Services Sub-Directorate's main purpose is to provide a professional legal advice and assistance service to the municipality to ensure the proper protection of the municipality's interests and compliance with its obligations.

#### PRINCIPLES, AIMS AND OBJECTIVES:

- a) The provision of legal advice and assistance to the Council and the administration of the municipality to ensure the proper protection of the municipality's interests, and compliance by the municipality with its legal obligations and responsibilities.
- b) Compilation and adoption of new and amendments to existing policies of the municipality to ensure that the municipality's rights and interests are protected in areas that need regulation and that all policies are constantly reviewed and updated in line with legislative requirements.
- c) Compilation and promulgation of new and amendments to existing by-laws of the municipality to ensure that the municipality's by-laws cover all activities and areas that need regulation, are constantly reviewed and updated and properly.
- d) The establishment, implementation, updating and circulation of a Municipal Code containing all promulgated by-laws of the municipality to ensure the proper recording and availability of Council's by-laws.
- e) Handling of the litigation process for criminal or civil cases in which the municipality, councillors or officials may become involved in their official capacity to ensure that the municipality's interests are properly protected.
- f) Drafting, management, co-ordination, negotiation, administration and monitoring of all municipal contracts to ensure the proper protection of the Municipality's interests and compliance with its obligations.
- g) Maintenance of a legal library to ensure that up to date and the latest legal information is available at any time.

•  
**Table 3.89: PRINCIPLES, AIMS AND OBJECTIVES:**

LITIGATION			BY-LAWS		CONTRACTS		
Civil	Criminal	Labour	Revised	Newly Developed	Procurement	Non Procurement	Lease Agreements
83			1	3	293	7	25

**Table 3.90: SERVICE DELIVERY OBJECTIVES FOR LEGAL, RISK MANAGEMENT AND INTERNAL AUDIT SERVICES**

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
To create and keep record which are adequate, consistent and necessary for legal and business requirements	Develop guidance on good practice with the aim of establishing common and consistent standards of records.	Records and Archives Implementation plan in place and adhered to by all directorates	Records Implementation plan	Benchmarking exercise with leading cities, finalisation and adoption of the archives and records policy	Compliance to the Records Implementation plan	Records Policy approved by Council. 45 linear metres of records disposed as per the Records Plan. 478 active users linked to the orbit system.		
	Activate and adapt the existing Contract Management module on Venus	100% capturing of all municipal contracts	Number of contracts captured	Contract data of purchase contracts captured	Management and implementation of contracts in line with scope of contract	Not achieved (the capturing of data on the financial system was placed on halt due to the upgrade from Venus to the Solar. The Solar System may be more advanced	Management and implementation of contracts in line with scope of contract	This project will be implemented in the new FY
	Workshop on Contract & Performance Management	Number of contract management workshops held	Number of contract management workshops held	-	12 workshops held	None	-12 workshops	Will be implemented in the new Financial Year ( <b>Manager Contracts was only appointed in June 2014</b> )
Reviewing & implementation of By-Laws	Updating of Municipal Code	Updated Municipal Code	Updated Municipal Code	Municipal Code	Number By-Laws promulgated	Number of by- laws reviewed and promulgated	-	
	Develop standard operating procedures on By-Laws	Develop standard operating procedures on By-Laws	Development of a SOP	-	Smooth implementation of By-Laws procedures	A legal request form for assistance in commencing with the development and review of by-laws was circulated on Info	-	A flow chart is being created to indicate the process to be followed when a by-law or policy is developed or reviewed. A program is being developed for the establishment

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
								of by-law teams
	Workshop on By-Laws	Number of workshops held with MMM employees regarding by-laws of the municipality	Number of workshops held	-	Number of workshops held	None	Number of Workshops held	Actual target was to be 2 workshops for the F/Y during the 3 <sup>rd</sup> & 4 <sup>th</sup> Quarter. Dates of workshops will be set once the program has been finalised and the by-law teams are established
Strengthening of Litigation section	Develop standard operating procedures on Litigation	Develop standard operating procedures on Litigation	Development of SOP	Existing standard operating Litigation procedures throughout MMM	Smooth implementation of Litigation procedures	SOP submitted to City Manager for approval	-	SOP has been submitted to the CM for approval. Management will follow-up with the OCM.
Improvement of Legal Library	Ensure that MMM have access to all relevant legislation	Updating the legal library records	Availability of legal documentation	Small Library	Fully functional Legal Library	Proposal received from Lexis Nexis for an "electronic library"	Fully functional Legal Library	Lack of office space is a challenge and therefore Legal Services is looking into an "electronic library"
Compliance to good governance through Enterprise Wide Risk Management	Pro Active Risk Management governance framework and processes	100% implementation of Risk management Policy, Strategy, implementation plan	Reviewed risk management policy and developed risk registers approved	Facilitate development and implementation of risk management frame-work and processes	5 reports on implementation of Risk Management and action plan	27 operational risk registers reviewed and updated	-	-
	Ensure proper financial management	Investigate all identified irregular, fruitless and wasteful expenditure incurred	Number of investigations conducted and reports thereon compiled	Investigate and issue reports on reported allegations of fraud and corruption		21 reports finalised and issued	-	-
	Zero tolerance to fraud and	Investigate all reported	Number of investigations	Investigate and issue reports on reported	-	3 reports issued	-	-

IDP Objective	Strategy	KPI	Unit of Measurement	Past Year Performance 2012/13	Annual Target 2013/14	Actual Performance 2013/14	Variance	Corrective Action
	corruption	allegations of fraud and corruption	conducted and reports thereon compiled	allegations of fraud and corruption				
Maintaining strong and effective oversight structures	Establishment of effective, functioning Audit, Oversight and Public Accounts Committees consisting of knowledgeable persons	Audit Committee fully operational and meeting at least 4 times annually	Number of Audit Committee Meetings held	Six (6) Audit Committee Meetings held	At least four (4) meetings held	6 meetings	Positive Variance	n/a
Functional Internal Audit Activity,	Fully capacitated Internal Audit Activity consisting of competent and knowledgeable staff	Functional Internal audit activity operating according to the IIA Standards and approved risk based three year rolling strategic audit plan	Number of planned audit assignments completed	Developed and implemented internal audit three year rolling strategic plan and annual internal audit plan .Twenty two (22) planned audit assignments completed, including 6 Audit Committee meetings held.	30 audit assignments completed	36	Positive Variance	n/a

**Table 3.91: EMPLOYEES LEGAL SERVICES**

<b>Legal Services</b>					
<b>Job Level</b>	<b>Year -1</b>	<b>Year 2013/14</b>			
	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	1	1	1	0	0%
4 - 6	2	6	2	4	67%
7 - 9	1	8	7	1	13%
10 - 12	1	1	0	1	100%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
Total	5	16	10	6	38%

**COMMENT ON THE PERFORMANCE OF LEGAL, RISK MANAGEMENT AND INTERNAL AUDIT SERVICES OVERALL**

The City continues to meet its set performance target in relation to risk management and internal audit activities. 27 operational risk registers were reviewed and updated, 21 reports on reported allegations of fraud and corruption were investigated and issued and 36 internal audit assignment reports were issued.

# CHAPTER 4 - ORGANISATIONAL DEVELOPMENT PERFORMANCE

## COMPONENT A: INTRODUCTION TO MUNICIPAL PERSONELL

Following the establishment of the Mangaung Metropolitan Municipality, a new organisational structure was developed and subsequently approved by the City Manager. The creation and refinement of the structure rested upon the shoulders of the Heads of Departments, and the structure was honed to suit the requirements and needs that the metropolitan municipality status brought about. Sustaining a broader perspective and a holistic approach with regard to the proposed structure and staff establishment brought about an expansion of the structure and concomitant staff establishment.

### 4.1 EMPLOYEE TOTALS, STAFF TURNOVER AND VACANCIES 2013/14

**Table 4.1: EMPLOYEES**

Description	Year 2013/14		
	Approved Posts	Employees	Vacancies
	No.	No.	No. %
Water & Sanitation	488	226	262
Electricity	772	437	335
Solid Waste	478	170	308
Housing	206	108	98
Roads and Storm water	166	35	131
Planning	70	33	37
Local Economic Development	33	22	11
Community & Social Development	117	63	54
Environmental Protection	61	29	32
Health & Environmental Health	11	10	1
Security and Safety	597	287	304
Sport and Recreation	4	4	0
Corporate Services and Other	3655	2617	1038
<b>Totals</b>	<b>6637</b>	<b>4027</b>	<b>2610</b>

**Table 4.2: VACANCY RATE**

Designations	Total No Approved Posts	No Vacancies
Municipal Manager	1	0
CFO	1	0
Other S57 Managers (excluding Finance Posts)	6	0
Other S57 Managers (Finance posts)	0	0
Traffic officers	55	0
Fire fighters	163	25
Senior management: Levels 002-003 (excluding Finance Posts)	28	1
Senior management: Levels 002-003 (Finance posts)	6	0
Highly skilled supervision: levels 004-006 (excluding Finance posts)	265	125
Highly skilled supervision: levels 004-006 (Finance posts)	39	32
Total	509	183

**Table 4.3: STAFF TURN-OVER RATE**

Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
Year - 2010/11	3723	234	6.28%
Year - 2011/12	3793	197	5.19%
Year - 2012/13	3877	191	4.92%
Year - 2013/14	3876	261	6.94%

Vacancies are being advertised on a monthly basis. All vacancies are being advertised internally first to consider the internal work force as possible suitable candidates for the filling of the posts. Should a suitable internal candidate not be found then the post are advertised externally to recruit from the broad labour market. The average turnaround time for the filling of a position is about four (4) months.

The staff turnover rate of 4.92% (rounded 5%) is relatively low and stands in direct correlation to the high unemployment figure in the country.

## COMPONENT B: MANAGING WORKFORCE

*Note: MSA 2000 S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998.*

Work force Management within MMM is compliant with all legislative requirements governing the workplace together with collective agreements concluded by the parties at the SALGBC. There is an extensive consultation process with organized labour on issues of mutual interest at the Local Labour Forum.

This is done through Management of the recruitment process, selection and placement of staff; so that the best suited candidates are employed in alignment with the objective set out in the Employment Equity Strategy.



Employee benefits including sick leave are administered in terms of applicable labour legislation, Conditions of Service, Collective Agreements and policies by means of an integrated Electronic Human Resource Management System.

Progress made in the development of policies entails the drafting of these policies that are submitted to the EMT, Section 80 Committee and the LLF for consultation.

**Table 4.4: HR POLICIES AND PLANS**

<b>HR Policies and Plans</b>				
	<b>Name of Policy</b>	<b>Completed</b>	<b>Reviewed</b>	<b>Date adopted by council or comment on failure to adopt</b>
16/03/04	Affirmative Action			See comment under EE
2010	Code of Conduct for employees	100%		Adopted by SALGBC
2007	Delegations, Authorisation & Responsibility			
2010	Disciplinary Code and Procedures	100%		Adopted by SALGBC
	Employment Equity	70%		Draft in place still to be consulted with labour at LLF and then approved by Council.
2010	Grievance Procedures	100%		Adopted by SALGBC
2013	Human Resource and Development	70%		Draft in place still to be consulted with labour at LLF and then approved by Council.
Dec 13	Password Control Policy	100%		
Dec 13	IT Strategy	100%		
03/07/13	Cell Phone Policy	100%		
2012	Job Evaluation	50%	100%	Draft as proposed by SALGA, adoption by Council once finalized.
2010	Leave	100%		Adopted by SALGBC
10/04/13	Occupational Health and Safety	70%		Section 80 Provisionally approved, referred to LLF.
04/02/97	Official transport to attend Funerals	100%		Adopted by Council
15/11/13	Official Working Hours and Overtime	100%		Adopted by SALGBC
18/06/07	Organisational Rights	100%		Adopted by SALGBC
22/02/13	Policy for managing the performance of section 56 employees	60%		Went through section 80 Committee and been referred to LLF
15/12/03	Recruitment, Selection and Appointments	100%		Adopted by Council
01-Jul-13	Remuneration Scales and Allowances	100%		Adopted by SALGBC except for Sec 57 and General Managers
1997	Resettlement	100%		Adopted by SALGBC
	Work Place Skills Development Pan	100%		Submitted to the LGSETA on 30 April 2014 as per legislative requirement.
24/05/04	Smoking			

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
01/04/09	Scarce Skills	70%		Draft in place still to be consulted with labour at LLF and then approved by Council.
12/08/12	Work Organisation	100%		Adopted by Council
16/07/86	Uniforms and Protective Clothing	100%		

The Human Resource Management Sub-directorate developed a number of policies that have been submitted to EMT for inputs. This was followed by preparation and submission of items to Section 80 Committee and to the speakers for consideration. These will be submitted to the LLF for consultation to be later approved and adopted by Council.

**Table 4.5: NUMBER AND COST OF INJURIES ON DUTY**

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R
Required basic medical attention only	107	16	N/A	7	1,659,248
Approved Section 24 Cases	9	1		9	1,471,579
Temporary total disablement					
Permanent disablement					
Fatal					
<b>Total</b>	<b>116</b>	<b>17</b>		<b>16</b>	<b>3,130,827</b>

**Table 4.6: NUMBER OF DAYS AND COST OF SICK LEAVE**

<b>Number of days and Cost of Sick Leave (excluding injuries on duty)</b>						
<b>Salary band</b>	<b>Total sick leave Days</b>	<b>Proportion of sick leave without medical certification %</b>	<b>Employees using sick leave No.</b>	<b>Total employees in post* No.</b>	<b>*Average sick leave per Employees Days</b>	<b>Estimated cost R' 000</b>
Lower skilled (Levels 016-018)	9,319	19,49%	1,260	1,409	6.61	R 2,868,538.16
Skilled (Levels 013-015)	1,430	27,90%	198	224	6.38	R 505,332.41
Highly skilled production (levels 007-012)	12,353	22,97%	1,675	1,451	8.51	R 8,504,543.54
Highly skilled supervision (levels 004-006)	3,172	19,01%	457	420	7.55	R 4,338,639.72
Senior management (Levels 002-003)	147	19,73%	37	41	3.59	R 474,234.95
MM and S57	5	0,00%	2	8	0.63	R 39,214.95
<b>Total</b>	<b>26,426</b>	<b>18,18%</b>	<b>3,629</b>	<b>3,553</b>	<b>33.27</b>	<b>R 16,730,503.73</b>

**Injuries:** The **classification** under type of injury does not clearly make provision to capture serious injury on duty cases, where the injured was of duty 14 days or longer some up to 6 months, but the employee returned to his work after rehabilitation. Therefore we added another classification namely, **approved Section 24 cases**.

The **total estimated cost** not only includes the injury on duty cases, but also the sundry payments for injury on duty pensioners. Furthermore cognisance should be taken that an injury on duty case run over a two year period and whilst the injury on duty date was not in the financial year cost can still be payable in the next year

Steps taken to reduce injuries on duty:

- a) In the past year 546 employees attended video screening session where various topics can be selected from and the screening is done in their own language
- b) We have developed over 400 safety talks and for the past year 2242 employees attended safety talks sessions
- c) MMM also developed a course for semi-skilled employees and 198 employees attended the training
- d) Site inspections are also carried out from time to time to minimise risk of employees and to comply with legislation
- e) Accidents are investigated by line managers to ensure non-recurrence

#### **Examination of injury on duty cases**

Examination of injury on duty cases are done by a doctor who treated the patient as determined /required by the Compensation for Occupational Injuries and Diseases act, If the injured was treated by the Doctor at our clinic then that doctor will be responsible for all follow-ups.

**Sick Leave:** The Human Resources Sub- Directorate submits Sick Leave Absenteeism reports on a quarterly basis to the Office of the City Manager indicating the number of employees who took sick leave as well as the amount of days per Directorate. This report also identifies employees who took sick leave more than twice for the quarter being reported on. A copy of the report is also submitted to the Occupational Health and Wellness Division for further action.

The Mangaung Metropolitan Municipality has appointed a Medical Doctor on a part time basis at the Occupational Health Clinic who attends to the medical needs of lower income workers. The Clinic also issues medication to employees at no cost.

**Table 4.7: NUMBER AND PERIOD OF SUSPENSIONS**

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
GM Parks	Negligence and insubordination		It was insubordination – poor work performance. The disciplinary process was finalised and a final written warning was issued to the official	27 November 2013

**Table 4.8: DISCIPLINARY ACTION TAKEN ON CASES OF FINANCIAL MISCONDUCT**

Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
GM Fleet Management Fraud		Dismissal	26 July 2013
General worker fleet Management		Dismissal	March 2014

Four suspensions were made relating to negligence and in-subordination and fraud. Disciplinary hearings have been scheduled. Other cases relating to fraudulent overtime and theft are under investigation.

## 4.2 PERFORMANCE REWARDS

The Employee Reward Programme (ERP) was developed and approved by the City Manager during May 2008, and was duly implemented from the 1st of July 2008. As the ERP was never officially launched since approval, the Executive Director: Corporate Services initiated the official launch of the ERP throughout the municipality during May/June 2009. Due to lack of response, reminders were sent to all concerned Executive Directors on 4 December 2009, followed up by yet another reminder on 22 January 2010. As yet no nomination was received and officially administered.

## COMPONENT C: CAPACITATING THE WORKFORCE

One of the key challenges around an integrated process of skills development within the municipality has been a lack of a comprehensive, holistic and integrated framework for human capital development that will guide and integrate key processes such as training needs analysis, career pathing and planning, succession planning, management and leadership development, knowledge exchange and innovation. To this end a draft succession planning policy was developed with a view of consolidating all the key mandatory processes for effective human capital development, *albeit* the strategy must go through the internal approval processes that will culminate with Council approval of the document.

During the year under review the municipality also complied with the Skills Development Act requirement of submit to Local Government SETA (LGSETA) the Workplace Skills Plan (WSP) on 30 April 2014. As per legislative requirement, the WSP was consulted with organised labour (IMATU and SAMWU) and both signed off the WSP for submission to the LGSETA.

Table 4.9: FINANCIAL COMPETENCY DEVELOPMENT

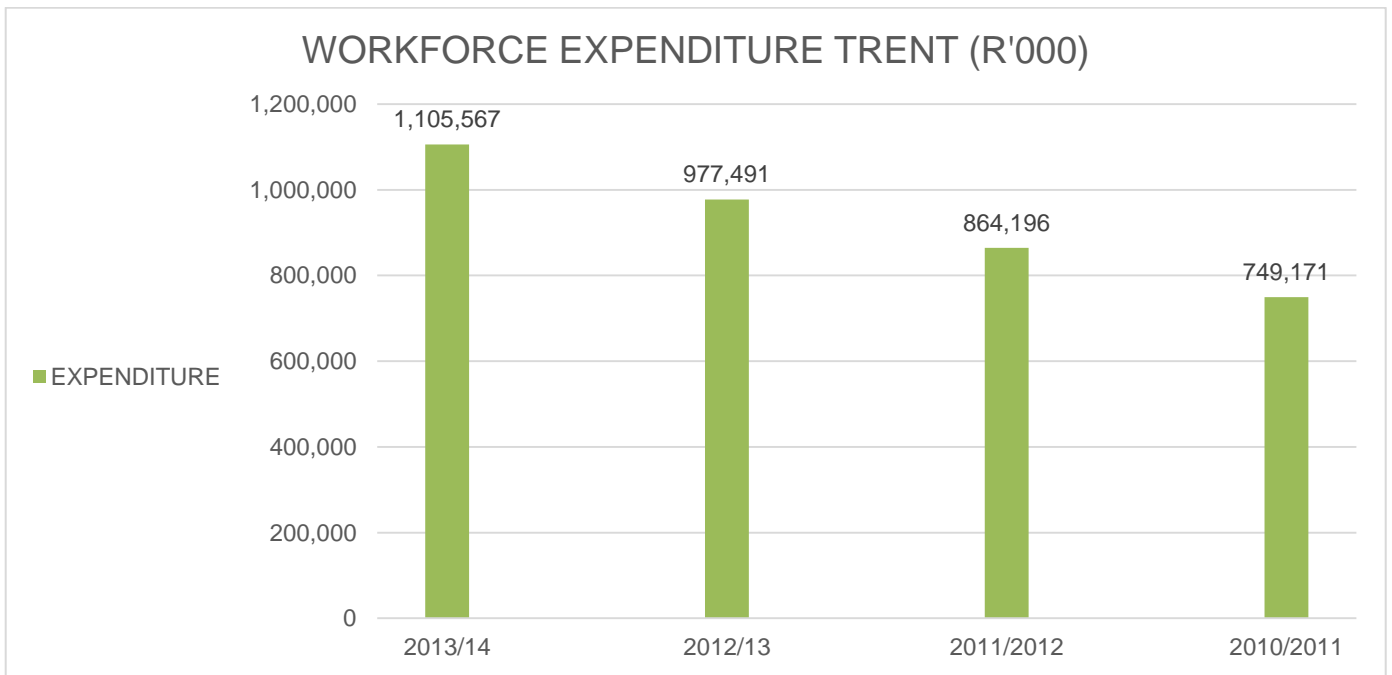
Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
<b>Financial Officials</b>						
<i>Accounting officer</i>	1	1	2	0	0	1
<i>Chief financial officer</i>	1	1	2	0	0	0
<i>Senior managers</i>	8	6	14	0	0	1
<i>Any other financial officials</i>	125	10	135	10	2	88
<b>Supply Chain Management Officials</b>						
<i>Heads of supply chain management units</i>	1	1	2	1	0	1
<i>Supply chain management senior managers</i>	3	1	4	2	0	2
<b>TOTAL</b>	<b>139</b>	<b>20</b>	<b>159</b>	<b>13</b>	<b>2</b>	<b>93</b>

In line with National Treasury’s MFMA Circular No.60, Mangaung Metropolitan Municipality successfully applied for special merit case for the extension of the deadline to meet the minimum competency regulation. This in essence will give the City and opportunity to ensure that all targeted officials of the City undergo assessment process to identify competency gaps and to subsequently undergo training on the prescribed municipal finance SAQA unit standards.

**EMPLOYEE EXPENDITURE**

*It is extremely important to control workforce expenditure since it is one of the largest single expenditure items on the operational budget of the Municipality. Spending is controlled by means of the approved staff establishment and budget control. Expenditure on overtime is limited according to the “Collective Agreement”.*

**Figure 4.1: WORKFORCE EXPENDITURE**



## CHAPTER 5- FINANCIAL PERFORMANCE

### 5.1 STATEMENT OF FINANCIAL PERFORMANCE

The table 5.1.1 below gives an overview of municipal performance against the budget.

Table 5.1.1: RECONCILIATION OF TABLE A1 BUDGET SUMMARY

Description	2013/2014									
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
R	1	2	3	4	5	6	7	8	9	10
<b>Financial Performance</b>										
Property rates	568,524,000		182,243,000			750,767,000	969,482,446	218,715,446	129%	171%
Service charges	2,932,968,000		51,559,000			2,984,527,000	2,636,832,225	(347,694,775)	88%	90%
Investment revenue	177,902,000		3,000,000			180,902,000	188,877,161	7,975,161	104%	106%
Transfers recognised – operational	654,372,000		53,024,000			707,396,000	933,889,371	226,493,371	132%	143%
Other own revenue	1,161,721,000		(4,254,000)			1,157,467,000	207,467,366	(949,999,634)	18%	18%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>5,495,487,000</b>		<b>285,572,000</b>			<b>5,781,059,000</b>	<b>4,936,548,569</b>	<b>(844,510,431)</b>	<b>85%</b>	<b>90%</b>
Employee costs	(1,191,122,000)		20,744,000			(1,170,378,000)	(1,077,816,886)	92,561,114	92%	90%
Remuneration of councillors	(49,886,000)					(49,886,000)	(47,106,731)	2,779,269	94%	94%
Debt impairment	(260,837,000)		85,000,000			(175,837,000)	(594,567,509)	(418,730,509)	338%	228%
Depreciation & asset impairment	(449,583,000)		19,000,000			(430,583,000)	(388,851,807)	41,731,193	90%	86%
Finance charges	(200,445,000)		1,700,000			(198,745,000)	(70,144,989)	128,600,011	35%	35%

Description	2013/2014									
	R	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget
	1	2	3	4	5	6	7	8	9	10
Materials and bulk purchases	(1,912,267,000)		(44,286,000)			(1,956,553,000)	(1,752,027,733)	204,525,267	90%	92%
Transfers and grants	(121,889,000)		(8,000,000)			(129,889,000)	(11,070,710)	118,818,290	9%	9%
Other expenditure	(1,182,444,000)		(124,807,000)			(1,307,251,000)	(829,453,241)	477,797,759	63%	70%
<b>Total Expenditure</b>	<b>(5,368,473,000)</b>		<b>(50,649,000)</b>			<b>(5,419,122,000)</b>	<b>(4,771,039,606)</b>	<b>648,082,394</b>	<b>88%</b>	<b>89%</b>
<b>Surplus/(Deficit)</b>	<b>127,014,000</b>		<b>234,923,000</b>			<b>361,937,000</b>	<b>165,508,963</b>	<b>(196,428,037)</b>	<b>46%</b>	<b>130%</b>
Transfers recognised – capital	686,388,000		176,034,000			862,422,000	788,893,404	(73,528,596)	91%	115%
Contributions recognised - capital & contributed assets	11,888,000		5,788,000			17,676,000	-	17,676,000	0%	0%
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>825,290,000</b>		<b>416,745,000</b>			<b>1,242,035,000</b>	<b>954,402,367</b>	<b>(287,632,633)</b>	<b>77%</b>	<b>116%</b>
Share of surplus/ (deficit) of associate										
<b>Surplus/(Deficit) for the year</b>	<b>825,290,000</b>		<b>416,745,000</b>			<b>1,242,035,000</b>	<b>954,402,367</b>	<b>(287,632,633)</b>	<b>77%</b>	<b>116%</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>										



Description	2013/2014									
	R	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget
	1	2	3	4	5	6	7	8	9	10
Transfers recognised – capital	686,388,000		169,894,000			856,282,000	772,797,671	(67,388,150)	(10%)	(12%)
Public contributions & donations	11,888,000		5,788,000			17,676,000	25,246,000	(17,676,161)	43%	64%
Borrowing	36,684,000		2,722,000			39,406,000	28,772,000	(10,633,944)	(27%)	(29%)
Internally generated funds	131,028,000		247,426,000			378,454,000	232,705,421	(130,083,991)	(39%)	(111%)
<b>Total sources of capital funds</b>	<b>865,989,000</b>		<b>425,829,000</b>			<b>1,291,818,000</b>	<b>1,059,521,093</b>	<b>(232,296,759)</b>	<b>(18%)</b>	<b>(27%)</b>
<b>Cash flows</b>										
Net cash from (used) operating	855,629,014		368,371,000			1,224,000,014	1,073,961,731	(150,038,283)	88%	126%
Net cash from (used) investing	(637,790,000)		(354,246,000)			(992,036,000)	(1,350,116,028)	(358,080,028)	136%	212%
Net cash from (used) financing	11,393,583		4,500,000			15,893,583	125,276,967	109,383,384	788%	1,100%
<b>Cash/cash equivalents at the year end</b>	<b>832,235,597</b>		<b>(93,886,000)</b>			<b>738,349,597</b>	<b>452,208,923</b>	<b>(286,140,674)</b>	<b>61%</b>	<b>54%</b>

The Budget Summary Table is divided into three components namely:

- A. Statement of Financial Performance
- B. Spending against Capital Budget
- C. Other Financial Matters.

## **COMPONENT A: STATEMENT OF FINANCIAL PERFORMANCE**

### **A. Total Revenue**

The municipality achieved 85% of its adjusted revenue budget of R 5, 7 billion for the year. The main variance on the final budget can be attributed to the following:

- Property rates income exceeded the target by 29% (R 218, 7 million), following the implementation of the new valuation roll in the 2013/14 financial year. Favourable variance due to the higher property values following the implementation of the new valuation roll as of 1 July 2013. A total of 7686 objections were received from the new valuation roll which might results in some of the market values as contained in the general valuation roll being adjusted in terms of the objections and appeals processes.
- Service charges underperformed by 12% (R 347, 6 million) mainly due to overestimation of electricity revenue during the Adjustment Budget.
- Other own revenue actual performance is 18% (R 207,4 million) of the Adjustment Budget, mainly due unfavourable movement in the Defined benefit obligation.

### **B. Total Expenditure**

The municipality's actual expenditure stood at R 4, 7 billion, representing 88% of the adjusted expenditure budget of R 5, 4 billion. The main variance on the final budget can be attributed to the following:

- Favourable variance of R92, 5 million (-8%) due to unfilled vacancies. However overtime continues to be a risk factor in the management of pay costs.
- Debt impairment final costs exceeded the budget by 238% (R 418, 7 million), mainly due to the increased uncollectable debt book, after implementation of the new valuation roll.
- Materials and bulk purchases achieved actual outcome of 90% on the final adjustment budget of R 1, 9 billion, an under spending of 10% (R 204, 5 million). The main area of under spending is in respect of other materials.
- Other Expenditure actual spend was 63% of the allocated adjusted budget. The under spending is mainly due to underperformance in several items like amounts charged out for fuel costs, rental of internal vehicles, and inter-departmental charges.

### **C. Surplus / (Deficit)**

The surplus achieved only 46% (R165, 5 million) of the adjusted budget of R361, 9 million. Surplus/ (Deficit) after capital transfers and contributions only achievement was 77% of the targeted amount of R1, 2 billion. The variance is mainly an underperformance on other revenue for the year.

## **COMPONENT B: SPENDING AGAINST CAPITAL BUDGET**

The actual spending on the capital expenditure is R 1 billion, representing 82% of the Adjustment Budget for 2014 (R1, 2 billion). The greater area of under spending as per the funding source is on projects financed through internally generated funds.

## COMPONENT C: CASH FLOWS

The municipal cash and investments balances stood at R 452, 2 million, which is R 286, 1 million (39%) less than budget. The main reasons for the decrease in cash and cash equivalents are amongst others:

- Accelerated spending and draw down on borrowings.
- Introduction of cost saving measures and general under spending on repairs and maintenance costs

### 5.2 GRANTS

#### A. Operating Grants

Table 5.2.1: OPERATING GRANTS

Grant Performance						
R' 000						
Description	2012/13	2013/14			Year 0 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
					(%)	(%)
<u>Operating Transfers and Grants</u>						
National Government:	636,412	633,472	667,731	876,594	138%	131%
Equitable share	612,521	605,072	605,072	605,072	100%	100%
Other	23,891	28,400	62,659	28,500	100%	46%
Fuel Levy Grant	0	0	0	243,022	100%	100%
Provincial Government:	7,710	20,900	30,415	5,000	24%	16%
Other	7,710	20,900	30,415	0	0	0
Health Subsidy	-			5,000	100%	100%
District Municipality:	0	0	0		0	0
Motheo – Environmental health grant	0	0	0	0	0	0
						0
Other grant providers:	0	0	9,249	0	0	0
Kellogs Foundation	0	0	249	0	0	0
<i>National Lottery</i>	0	0	8,000	0	0	0
<i>Golden Shield Heritage Award</i>	0	0	1,000	0	0	0
<i>Other</i>	0	0	0	0	0	0
<b>Total Operating Transfers and Grants</b>	<b>644,119</b>	<b>654,372</b>	<b>707,395</b>	<b>881,594</b>	<b>135%</b>	<b>125%</b>

The municipality is a recipient of the Operating Grants and Subsidies from the National and Provincial Government's respectively. For the reporting period the actual spending against the adjusted budget is 125%. The variance could be attributed to Fuel Levy Grant that was not included in the budget. The Equitable Share grant contributes 69% of the total grant of R 605 million received. The National Government's contribution into the operating grants kitty is 99%.

## B. Capital Grants

The adjusted total capital expenditure budget stood at R 1, 2 billion, with the National Government's contribution being 60%. The major grant source is the Urban Settlement Development Grant at R 726 million. The actual grant received for the year is 76%.

**Table 5.2.2: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG**

Conditional Grants: excluding MIG for 2013/14						
Details	R'000			Variance		Major conditions applied by donor (continue below if necessary)
	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget	
	Neighbourhood Development Partnership Grant	0	0	0		
Public Transport Infrastructure and Systems Grant	0	0	20,000	100%	100%	
<i>Other Specify:</i>						
Urban Settlement Development Grant	596,719	726,169	596,719	100%	82%	
Environmental Impact Assessment Grant						
EPWP Incentive Grant	3,896	2,198	3,896	100%	177%	
MSIG						
Minerals and Energy	42,000	42,000	42,000	100%	100%	
Water Conservation Grant			7,129	100%	100%	
Department of Water Affairs			6,900	100%	100%	
Electricity Demand Management			8,000	100%	100%	
National Government	642,615	778,368	684,644	107%	88%	
Provincial Government	43,773	83,469	100,000	228%	120%	
Human Settlements	43,773	76,830	100,000	228%	130%	
Sports and Recreation	0	6,639	0	0	0	
Other Grants	0	585	304	100%	52%	
<b>Total</b>	<b>686,388</b>	<b>862,422</b>	<b>784,948</b>	<b>114%</b>	<b>91%</b>	

### 5.3 REPAIRS AND MAINTENANCE

**Table 5.3.1: REPAIRS AND MAINTENANCE**

Repair and Maintenance Expenditure: Year 2013/14				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	309,900	354,186	226,432	127,754

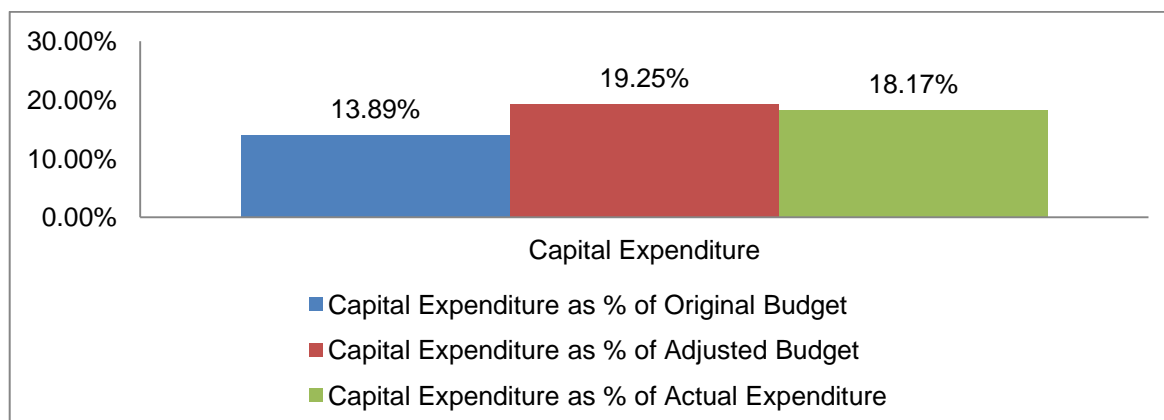
Repairs and Maintenance Budget constituted 5, 8% of the original budget for 2013/14 and 6, 5% of the Adjustment Budget of R 5, 4 billion. The municipality has only spent 64% of its allocated adjusted budget, thus under spending by R 127, 7 million. The trend in spending on this line item over the period, as a percentage of total expenditure is as follows:

Year	Total Expenditure	Repairs & Maintenance	% Spending
	R'000	R'000	
2009/10	2,697,932	132,939	4.93%
2010/11	2,852,404	93,253	3.27%
2011/12	3,821,255	177,973	4.66%
2012/13	3,936,312	161,778	4.11%
2013/14	4,712,536	226,432	4.80%

### 5.4 COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

**Table 5.4.1: CAPITAL EXPENDITURE**

R million	Original Budget	Adjustment Budget	Un-audited Full Year Total
Capital Expenditure	865, 989	1,291,818	1,059,521
Operating Expenditure	5,368,473	5,419,122	4,771,040
<b>Total expenditure</b>	<b>6,234,462</b>	<b>6,710,640</b>	<b>5,830,561</b>
<b>Capital Expenditure %</b>	<b>13.89%</b>	<b>19.25%</b>	<b>18.17%</b>



The gross municipal expenditure budget, incorporating the operating and capital budget was set at R 6, 7 billion for 2013/14, following the adjustment budget. Capital expenditure budget constituted 19.25% of the gross expenditure the adjustment budget. For the year ended 30 June 2014, capital expenditure was R 1 billion of the gross expenditure amount of R 5.8 billion. Thus taking up only 18% of the total expenditure.

## A. Sources of Funding

For the year under review, the municipality's adjusted expenditure budget of R1, 2 billion was funded out of mainly four sources. These are:

1. External loans to the extent of R 39, 4 million for financing of mainly long-term infrastructure projects and the yellow fleet. The actual spending for the year was R 28, 7 million.
2. Public contributions and donations for R 17, 6 million and R25, 2 million was spent.
3. Grants and subsidies amounting to R 856, 2 million was budgeted. Some of the funds budgeted were rolled over from the 2012/13 financial year. 90% of allocated grant funding was utilized was spent as at 30 June 2014. The unspent portion of the grant is ring-fenced in the investments portion of the Cash and Cash Equivalents and as a liability as Unspent conditional grants.
4. Other sources of funds are funds generated out of surplus funds from the working capital. The entire budget funds from own funds were utilized.

**Table 5.4.2: CAPITAL EXPENDITURE FUNDING SOURCES**

Capital Expenditure Funding Sources							
R							
	Year - 2012/2013	Year 2013/2014					
	Actual	Original Budget (OB)	Adjustment Budget (AB)	Actual	Variance	Actual to AB Variance (%)	Adjustment to OB Variance (%)
Source of finance							
External loans	87,763,133	36,684,148	39,405,944	28,772,000	(10,633,944)	(27%)	7%
Public contributions and donations	20,543,491	11,888,364	17,676,161	25,246,000	(17,676,161)	43%	49%
Grants and subsidies	614,036,906	686,387,781	856,281,554	772,797,671	(67,388,150)	(10%)	25%
Other	105,430,783	131,028,415	378,454,193	232,705,421	(130,083,991)	(39%)	189%
<b>Total</b>	<b>827,774,313</b>	<b>865,988,708</b>	<b>1,291,817,852</b>	<b>1,059,521,093</b>	<b>(232,296,759)</b>	<b>(18%)</b>	<b>49%</b>
<i>Percentage of finance</i>							
External loans	10.60%	4%	3%	2%			
Public contributions and donations	2.48%	1%	1%	0%			
Grants and subsidies	74.18%	79%	66%	74%			
Other	12.74%	15%	29%	23%			
<i>Capital expenditure</i>							
Water and sanitation	268,642,880	178,388,000	289,833,179	249,009,469	(40,823,710)	(14%)	62%
Electricity	240,534,343	156,588,364	262,587,389	224,426,894	(38,160,495)	(15%)	68%
Roads and storm water	189,974,015	116,592,388	152,140,486	96,975,704	(55,164,782)	(36%)	30%

Capital Expenditure Funding Sources							
R							
	Year - 2012/2013	Year 2013/2014					
	Actual	Original Budget (OB)	Adjustment Budget (AB)	Actual	Variance	Actual to AB Variance (%)	Adjustment to OB Variance (%)
Other	124,962,660	414,419,956	587,256,798	489,109,026	(98,147,772)	(17%)	42%
Total	827,747,373	865,988,708	1,291,817,852	1,059,521,093	(232,296,759)	(18%)	49%
<i>Percentage of expenditure</i>							
Water and sanitation	32.45%	20.60%	22.44%	23.50%			
Electricity	29.06%	18.08%	20.33%	21.18%			
Roads and storm water	22.95%	13.46%	11.78%	9.15%			
Other	15.10%	47.86%	45.46%	46.16%			

## B. Projects Funded.

Funds earmarked for capital expenditure programmes are used mainly to address basic community service delivery expectation of water and sanitation, electricity, roads and storm-water. **(See table 5.4.2 for actual spending).**

At year end only 82% of the adjustment budget of R1, 2 billion was spend. The budget was thus under spending by 18% using a conservative 95% benchmark completion target. The underperformance can be attributed to mainly late planning and implementation of projects and excessive upward adjustment of the capital budget during the 2013/14 adjustment budget. The budget was increased by 49% (R 425.8 million) to R 1, 2 billion for the year under review.

## C. Capital Spending on 5 Largest Projects

Funds amounting to R 278, 1 million from the adjusted budget of R 1, 2 billion were spent on the five largest projects as detailed on table 5.4.3.

**Table 5.4.3: CAPITAL EXPENDITURE OF 5 LARGEST PROJECTS**

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current: Year 2013/14			Variance: Current Year 2013/14	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A - NORTH EASTERN-WWTW (15ML/DAY)	70,480	108,180	100,340	42%	-7%
B - RESEALING OF STREETS	20,000	62,420	62,262	211%	0%
C - VEHICLES – CENTLEC	0	49,000	37,786	0	-23%
D - SERVICES RETICULATION OF MMM LAND	42,835	41,185	41,032	-4%	0%
E - UPGRADING OF MASELSPOORT PUMP SUPPLY	18,000	38,171	36,687	104%	-4%

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current: Year 2013/14			Variance: Current Year 2013/14	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
* Projects with the highest capital expenditure in Year 2013/20140					
Name of Project - A					
Objective of Project	Expansion of the existing Sterkwater sewage treatment plant.				
Delays	None				
Future Challenges	None				
Anticipated citizen benefits	Availability of clean water.				
Name of Project - B					
Objective of Project	Ensuring safe and trafficable roads within the municipality				
Delays	None				
Future Challenges	None				
Anticipated citizen benefits	Enhanced service delivery				
Name of Project - C					
Objective of Project	Procurement of fleet to enhance service delivery.				
Delays	Procurement processes				
Future Challenges	None				
Anticipated citizen benefits	In house infrastructure maintenance, to enhance service delivery.				
Name of Project - D					
Objective of Project	Ensuring serviced stands and enhanced revenue for the City				
Delays	None				
Future Challenges	None				
Anticipated citizen benefits	Access to basic services				
Name of Project - E					
Objective of Project	Increase water pumping capacity from the Maselspoort plant.				
Delays	None				
Future Challenges	None				
Anticipated citizen benefits	Steady flow of water from the purification plant.				

#### D. Capital Expenditure by Class

Appendix Capital M-(II) provides an overview of Capital Expenditure by Asset Class and it is broken down into New Asset Programme and Upgrade/Renewal Programme.

In terms of the budget spent on new assets acquired/included in the municipal asset register amounted to R 707 million. Whereas maintenance of existing infrastructure and facilities cost **R352, 4 million**.



## 5.5 COMPONENT C: CASHFLOW MANAGEMENT AND INVESTMENTS

The audited cash flow outcome of R 452 million for 2013/14 indicates a decline of 25% from the June 2013 balance of R 603 million. This could be attributed to accelerated spending on capital projects during the 2013/14 financial year.

**Table 5.5.1: CASH FLOW OUTCOMES**

<b>Cash Flow Outcomes</b>				
<b>R'000</b>				
<b>Description</b>	<b>2013</b>	<b>Current: Year 2014</b>		
	<b>Audited Outcome</b>	<b>Original Budget</b>	<b>Adjusted Budget</b>	<b>Actual</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Receipts				
Ratepayers and other	3,068,931	4,206,726	4,566,729	2,953,182
Government – operating	1,385,852	654,372	707,395	1,640,964
Government – capital	–	686,388	720,576	0
Interest	31,551	317,403	320,403	168,282
Dividends				
Payments				
Suppliers and employees	-3,635,342	-4,686,926	-4,762,469	3,647,693
Finance charges	-	-200,445	-198,745	-40,774
Transfers and Grants	-	-121,889	-129,888	0
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>850,992</b>	<b>855,629</b>	<b>1,224,000</b>	<b>1,073,962</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Receipts				
Proceeds on disposal of PPE		1	1	
Decrease (Increase) in non-current debtors				20,595
Decrease (increase) other non-current receivables		55,000	55,000	-186,163
Decrease (increase) in non-current investments				
Payments				
Capital assets	-784,846	-692,791	-1,047,037	-1,184,548
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>-784,846</b>	<b>-637,790</b>	<b>-992,036</b>	<b>-1,350,116</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Receipts				
Short term loans				
Borrowing long term/refinancing	195,095	40,394	44,894	12,778
Increase (decrease) in consumer deposits		6,000	6,000	1,307
Payments				

<b>Cash Flow Outcomes</b>				
<b>R'000</b>				
<b>Description</b>	<b>2013</b>	<b>Current: Year 2014</b>		
	<b>Audited Outcome</b>	<b>Original Budget</b>	<b>Adjusted Budget</b>	<b>Actual</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Repayment of borrowing		-35,000	-35,000	111,192
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	195,095	11,394	15,894	125,277
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	173,850	229,233	247,858	-150,877
Cash/cash equivalents at the year begin:	341,761	603,003	490,492	603,086
Cash/cash equivalents at the year-end:	603,003	832,236	738,350	452,209

## 5.6 BORROWING AND INVESTMENTS

### A. Actual Borrowings.

**Table 5.6.1: ACTUAL BORROWINGS – YEAR 2011/2012 TO YEAR 2013/2014**

<b>Actual Borrowings: Year -2011/12 to Year 2013/14</b>			
<b>R' 000</b>			
<b>Instrument</b>	<b>Year - 2012</b>	<b>Year - 2013</b>	<b>Year 2014</b>
<u>Municipality</u>			
Long-Term Loans (annuity/reducing balance)	62,087	179,086	191,863
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases	5,468	7,156	143,211
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
<b>Municipality Total</b>	<b>67,555</b>	<b>186,242</b>	<b>335,074</b>
<u>Municipal Entities</u>			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases	566	383	305
PPP liabilities			
Finance Granted By Cap Equipment Supplier			

Actual Borrowings: Year -2011/12 to Year 2013/14			
R' 000			
Instrument	Year - 2012	Year - 2013	Year 2014
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Entities Total	566	383	305
Total	68,121	186,625	335,379

The consolidated municipal borrowing have grown on a yearly basis from a low position **of R 25,543 million in June 2011, to a current position of R 191,863 million in 2014**. The parent municipality is net borrower of the long-term loans to date to the value of R 191,863 million. The funds were used mainly for infrastructure projects, being water reticulation, reservoirs and road and storm-water projects.

## Investments

Table 5.6.2: MUNICIPAL AND ENTITY INVESTMENTS

Municipal and Entity Investments			
R' 000			
Investment* type	Year -2011/12	Year -2012/13	Year - 2013/14
	Actual	Actual	Actual
<u>Municipality</u>			
Securities - National Government			
Listed Corporate Bonds			
Deposits – Bank	130,497	204,062	99,321
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			
Other			
Municipality sub-total	130,497	204,062	99,321
<u>Municipal Entities</u>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	0	225,246	280,207
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
Entities sub-total	0	225,246	280,207
-			
Consolidated total:	130,497	429,308	379,528

The consolidated investments balance has decreased from position of R 429, 3 million in 2012/13 to R 379, 5 million as at 30 June 2014. The municipality is still having a challenge of increasing its investment portfolio; to provide a cushion for the reserves and funds that are not cash-backed.

## **Chapter 6 - AUDITOR GENERAL REPORTS 2013/2014**

### **6.1. AUDITOR GENERAL REPORTS 2013/2014**

The Report of the Auditor-General to the Free State Legislature and the Council on the Mangaung Metropolitan Municipality on the Consolidated Financial Statements for the year ending 2014, the Mangaung Metropolitan Municipality stand-alone Financial Statements and the entity, Centlec (Soc) Limited Financial Statements are hereto attached.

The City has developed a comprehensive Audit Action Plan that is informed by the Management Report of the Auditor General to deal with all the audit report and other matters.

Critically the Audit Action Plan indicates corrective action that will be implemented to insure that audit report and other matters do not recur.

A project management approach and institutional arrangements have been established for following through the corrective action, develop reports thereon and inform oversight institutions – the Municipal Public Accounts Committee, the Audit Committee and Council.

The Audited Mangaung Metropolitan Municipality Consolidated Annual Financial Statements, Mangaung Metropolitan Municipality stand- alone Annual Financial Statements and Centlec (Soc) Limited Annual Financial Statements for the year ended 30 June 2014 are hereto attached as Volume II

## **COMPONENT A: AUDITOR-GENERAL OPINION OF CONSOLIDATED FINANCIAL STATEMENTS 2013/14**

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

#### **REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

##### **Introduction**

1. I have audited the consolidated financial statements of the Mangaung Metropolitan Municipality and its municipal entity set out on **pages xx to xx**, which comprise the consolidated statement of financial position as at 30 June 2014, the consolidated statement of financial performance, statement of changes in net assets, cash flow statement, the statement of comparison of budget and actual amounts for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

##### **Accounting officer's responsibility for the financial statements**

2. The accounting officer is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2013 (Act No. 2 of 2013) (DoRA) and for such internal control as the accounting officer determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

##### **Auditor-general's responsibility**

3. My responsibility is to express an opinion on the consolidated financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the general notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with

ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the municipality's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

6. In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Mangaung Metropolitan Municipality and its municipal entity as at 30 June 2014 and their financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the MFMA and DoRA.

### **Emphasis of matters**

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

### **Restatement of corresponding figures**

8. As disclosed in notes 55 and 56 to the consolidated financial statements, the corresponding figures for 30 June 2013 have been restated as a result of errors discovered during the 2013-14 financial year in the consolidated financial statements of the municipality at, and for the year ended, 30 June 2013.

### **Material losses**

9. As disclosed in note 66 to the consolidated financial statements, material water losses amounting to R117 245 213 (2013: R116 966 482) were incurred mainly due to burst water pipes, leakages and unmetered water sites while electricity losses amounting to 237 761 593 kWh (2013: 204 919 232 kWh) to the value of R152 417 857 (2013: R193 265 509) were incurred mainly due to tampering with electricity meters, electricity connections which form part of illegal consumption and faulty meters.

### **Material impairments**

10. As disclosed in note 8 to the consolidated financial statements, a provision for debt impairment to the amount of R66 199 957 (99,7%) (2013: R66 671 129) (99,3%) was made with regard to housing selling scheme loans, erven loans, vehicle loans, study loans and the cricket stadium amounting to R66 379 135 (2013: R67 165 469).
11. As disclosed in note 11 to the consolidated financial statements, a provision for debt impairment to the amount of R81 327 862 (74,4%) (2013: R40 260 398) (44,6%) was made with regard to amounts owed to the municipality in respect of commercial rental income and other miscellaneous services rendered by the municipality amounting to R109 259 565 (2013: R90 292 128).
12. As disclosed in note 14 to the consolidated financial statements, a provision for debt impairment to the amount of R1 411 418 405 (71,7%) (2013: R1 255 533 478) (69,7%) was made with regard to amounts owed to the

municipality in respect of water services, electricity services, sanitation services and housing rental amounting to R1 968 275 364 (2013: R1 800 084 734).

13. As disclosed in note 15 to the consolidated financial statements, a provision for debt impairment to the amount of R376 933 296 (52,0%) (2013: R322 537 417) (73,9%) was made with regard to amounts owed to the municipality in respect of property rates amounting to R724 871 609 (2013: R436 569 652).

#### **Unauthorised expenditure**

14. As disclosed in note 60 to the consolidated financial statements, the municipality incurred unauthorised expenditure of R498 003 019 (2013: R19 535 661) in the year under review because it exceeded the limits of the amounts provided for in the votes of the approved budget.

#### **Irregular expenditure**

15. As disclosed in note 62 to the consolidated financial statements, irregular expenditure amounting to R46 980 591 (2013: R85 403 986) was incurred during the year under review due to non-compliance with supply chain management regulations.

#### **Service delivery**

16. Included in the cost of buildings as disclosed in note 5 to the consolidated financial statements, is a capital spending amount of R351 906 448 (2013: R351 906 448) that relates to the intermodal public transport facility. The construction of the facility was finalised but the facility has not been occupied to date due to disagreements between the taxi industry and the council.

#### **Additional matter**

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

#### **Unaudited disclosure notes**

18. In terms of section 125(2)(e) of the MFMA the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and accordingly I do not express an opinion thereon.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

19. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report, non-compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

#### **Predetermined objectives**

20. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected objectives presented in the annual performance report of the municipality for the year ended 30 June 2014:

- Key performance area (KPA) 1: Poverty eradication, rural and economic and job creation on pages xx to xx
- KPA 3: Environmental management on pages xx to xx

- KPA 4: Spatial development and built environment on pages xx to xx
- KPA 5: Eradication of bucket system, VIP toilets in Botshabelo, Mangaung and Thaba Nchu, focus on the basics, building solar farming, power plant feasibility study, safety and security on pages xx to xx
- KPA 7: Social and community services on pages xx to xx
- KPA 8: Financial management on pages xx to xx
- KPA 9: Human Settlements on pages xx to xx
- KPA 10: Good Governance on pages xx to xx.

21. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
22. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned objectives. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information (FMPPPI)*.
23. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
24. The material findings in respect of the selected objectives are as follows:

#### **KPA 1: Poverty eradication, rural and economic and job creation**

##### **Reliability of reported performance information**

25. The FMPPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of the reported performance information. This was due to limitations placed on the scope of my work because the municipality could not provide sufficient appropriate evidence in support of the reported performance information.

#### **KPA 3: Environmental management**

26. I did not raise any material findings on the usefulness and reliability of the reported performance information for this KPA.

#### **KPA 4: Spatial development and built environment**

27. I did not raise any material findings on the usefulness and reliability of the reported performance information for this KPA.

#### **KPA 5: Eradication of the bucket system, VIP toilets in Botshabelo, Mangaung and Thaba Nchu, focus on the basics, building solar farming, power plant feasibility study, safety and security**

##### **Usefulness of reported performance information**

28. The FMPPPI requires the following:
  - Performance targets must be specific in clearly identifying the nature and required level of performance. A total of 43% of the significantly important targets were not specific.
  - Performance targets must be measurable. I could not measure the required performance for 32% of the significantly important targets.



- The period or deadline for delivery of targets must be specified. A total of 51% of the significantly important targets were not time bound.
- Performance indicators must be well defined by having clear data definitions so that data can be collected consistently and is easy to understand and use. A total of 60% of the significantly important indicators were not well defined.
- Performance indicators must be verifiable, meaning that it must be possible to validate the processes and systems that produced the indicator/measure. A total of 29% of the significantly important indicators were not verifiable.

29. This was due to a lack of proper systems and processes for performance planning and management to provide for the development of performance indicators and targets included in the annual service delivery and implementation plan.

#### **Reliability of reported performance information**

30. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of the reported performance information. This was due to limitations placed on the scope of my work because the auditee could not provide sufficient appropriate evidence in support of the reported performance information and the auditee's records not permitting the application of alternative audit procedures.

#### **KPA 7: Social and community services**

31. I did not raise any material findings on the usefulness and reliability of the reported performance information for this KPA.

#### **KPA 8: Financial management**

32. I did not raise any material findings on the usefulness and reliability of the reported performance information for this KPA.

#### **KPA 9: Human settlements**

##### **Reliability of reported performance information**

33. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of the reported performance information. This was due to limitations placed on the scope of my work because the municipality could not provide sufficient appropriate evidence in support of the reported performance information.

#### **KPA 10: Good governance**

34. I did not raise any material findings on the usefulness and reliability of the reported performance information for this KPA.

#### **Additional matters**

35. I draw attention to the following matters:

### **Achievement of planned targets**

36. Refer to the annual performance report on pages x to x for information on the achievement of the planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information for the selected objectives reported in paragraphs x to xx of this report.

### **Adjustment of material misstatements**

37. I identified material misstatements in the annual performance report submitted for auditing in the reported performance information of KPA 1: Poverty eradication, rural and economic and job creation; KPA 4: Spatial development and built environment; KPA 5: Eradication of bucket system, VIP toilets in Botshabelo, Mangaung and Thaba Nchu, focus on the basics, building solar farming, power plant feasibility study, safety and security; KPA 7: Social and community services; and KPA 9: Human settlements. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information.

### **Compliance with legislation**

38. I performed procedures to obtain evidence that the municipality had complied with applicable legislation regarding financial matters, financial management and other related matters. My findings on material compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

### **Budgets**

39. Expenditure was incurred in excess of the limits of the amounts provided for in the votes of the approved budget, in contravention of section 15 of the MFMA.

### **Annual financial statements, performance and annual reports**

40. The consolidated financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements of non-current assets, cash flow statement, budget disclosures and other disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided, resulting in the financial statements receiving an unqualified audit opinion.
41. The oversight report, containing comments on the annual report, was not adopted by the council within two months from the date on which the 2012-13 annual report was tabled, as required by section 129(1) of the MFMA.

### **Expenditure management**

42. Reasonable steps were not taken to prevent unauthorised expenditure and irregular expenditure, as required by section 62(1)(d) of the MFMA.

### **Procurement and contract management**

43. The performance of contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA.

### **Conditional grants**

44. The municipality did not evaluate its performance in respect of programmes funded by the Public Transport Infrastructure allocation, as required by section 12(5) of the DoRA.

## **Asset management**

45. An adequate management, accounting and information system which accounts for assets was not in place, as required by section 63(2)(a) of the MFMA.
46. An effective system of internal control for assets (including an asset register) was not in place, as required by section 63(2)(c) of the MFMA.

## **Internal control**

47. I considered internal control relevant to my audit of the financial statements, the annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.

## **Leadership**

48. Due to the lack of an automated management information system for performance reporting and the slow response to internal and external audit findings, adequate evidence was not kept to support the reported information in the quarterly, mid-year and annual performance reports.

## **Financial and performance management**

49. The asset controllers of the different directorates within the municipality did not on a monthly basis compare the physical assets within their directorates to the asset listings kept at the respective offices. In addition, inadequate communication and document distribution between the different directorates and the finance division resulted in information in the asset registers relating to the physical location of the assets not being updated on a regular basis.
50. Inadequate communication between the different directorates resulted in incomplete and inaccurate financial reporting relating to future contractual commitments and capital projects in progress. The finance division also did not perform adequate review functions to substantiate the completeness and accuracy of the commitment register, which resulted in adjustments to the annual financial statements.
51. Inadequate staff in the engineering department and the organisational performance management sub-directorate resulted in processes to manage, coordinate and monitor the performance systems and procedures not being effective. As a result, attempts to gather and compile information to support actual performance reported started late and such information could not be provided in time for audit purposes. This resulted in the report on predetermined objectives being subject to material adjustments.

## **OTHER REPORTS**

### **Investigations**

52. Fourteen investigations relating to alleged theft, financial corruption, fraud, tender irregularities and non-compliance with municipal supply chain management regulations by the council employees were finalised during the year. The investigations resulted in the suspension of and criminal proceedings being instituted against municipal officials.

53. Six investigations relating to alleged theft, financial corruption, fraud, tender irregularities and non-compliance with municipal supply chain management regulations were still in progress at year-end.

*Auditor - General*

Bloemfontein

14 January 2015



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

# **COMPONENT B: AUDITOR-GENERAL OPINION OF MANGAUNG METROPOLITAN STAND ALONE FINANCIAL STATEMENTS 2013/14**

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Introduction**

1. I have audited the financial statements of the Mangaung Metropolitan Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2014, the statement of financial performance, statement of changes in net assets, cash flow statement, the statement of comparison of budget and actual amounts for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

#### **Accounting officer's responsibility for the financial statements**

2. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2013 (Act No. 2 of 2013) (DoRA) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor-general's responsibility**

3. My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the general notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### **Opinion**

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Mangaung Metropolitan Municipality as at 30 June 2014 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 and DoRA.

#### **Emphasis of matters**

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

### **Significant uncertainties**

8. With reference to note 52 to the financial statements, the municipality is disputing the amounts invoiced by its municipal entity in respect of electricity consumption for public lighting and all municipally owned properties, and for repairs and maintenance for public lighting. The ultimate outcome of the matters cannot currently be determined and no provision for any liability that may result has been made in the financial statements. The possible outflow amounts to R198 936 699 (2013: R105 929 549.)

### **Restatement of corresponding figures**

9. As disclosed in notes 54 and 55 to the financial statements, the corresponding figures for 30 June 2013 have been restated as a result of errors discovered during the 2013-14 financial year in the financial statements of the municipality at, and for the year ended, 30 June 2013.

### **Material losses**

10. As disclosed in note 65 to the financial statements, material water losses amounting to R117 245 213 (2013: R116 966 482) were incurred by the municipality mainly due to burst water pipes, leakages and unmetered water sites.

### **Material impairments**

11. As disclosed in note 10 to the financial statements, a provision for debt impairment to the amount of R66 199 957 (99,7%) (2013: R66 671 129) (99,3%) was made with regard to housing selling scheme loans, erven loans, vehicle loans, study loans and the cricket stadium amounting to R66 379 135 (2013: R67 165 469).
12. As disclosed in note 13 to the financial statements, a provision for debt impairment to the amount of R81 327 862 (74,4%) (2013: R40 260 398) (44,6%) was made with regard to amounts owing to the municipality in respect of commercial rental income and other miscellaneous services rendered by the municipality amounting to R109 259 565 (2013: R90 292 128).
13. As disclosed in note 15 to the financial statements, a provision for debt impairment to the amount of R1008 906 128 (72,6%) (2013: R877 904 528) (74,4%) was made with regard to amounts owing to the municipality in respect of water services, sanitation services and housing rentals rendered by the municipality amounting to R1 390 447 907 (2013: R1 179 240 750).
14. As disclosed in note 16 to the financial statements, a provision for debt impairment to the amount of R376 933 296 (52,0%) (2013: R322 537 417) (73,9%) was made with regard to amounts owing to the municipality in respect of property rates amounting to R724 871 609 (2013: R436 569 652).

### **Unauthorised expenditure**

15. As disclosed in note 59 to the financial statements, the municipality incurred unauthorised expenditure of R498 003 019 (2013: R19 535 661) in the year under review due to expenditure incurred that exceeded the limits of the amounts provided for in the votes of the approved budget.

### **Irregular expenditure**

16. As disclosed in note 61 to the financial statements, the municipality incurred irregular expenditure of R9 004 641 (2013: R10 239 733) in the year under review due to non-compliance with supply chain management regulations.

### **Service delivery**

17. Included in the cost of buildings as disclosed in note 5 to the financial statements, is a capital spending amount of R351 906 448 (2013: R351 906 448) that relates to the intermodal public transport facility. The construction of the

facility was finalised but to date the facility has not been occupied due to disagreements between the taxi industry and the council.

#### **Additional matter**

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

#### **Unaudited disclosure notes**

19. In terms of section 125(2)(e) of the MFMA the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and accordingly I do not express an opinion thereon.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

20. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report, non-compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

#### **Predetermined objectives**

21. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected objectives presented in the annual performance report of the municipality for the year ended 30 June 2014:

- Key Performance Area (KPA) 1: Poverty eradication, rural and economic and job creation on pages xx to xx
- KPA 3: Environmental management on pages xx to xx
- KPA 4: Spatial development and built environment on pages
- KPA 5: Eradication of bucket system, VIP toilets in Botshabelo, Mangaung and Thaba Nchu, focus on the basics, building solar farming, power plant feasibility study, safety and security on pages
- KPA 7: Social and community services on pages
- KPA 8: Financial management on pages
- KPA 9: Human Settlements on pages
- KPA 10: Good Governance on pages

22. I evaluated the reported performance information against the overall criteria of usefulness and reliability.

23. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned objectives. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information (FMPPI)*.

24. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

25. The material findings in respect of the selected objectives are as follows:

## **KPA 1: Poverty eradication, rural and economic and job creation**

### **Reliability of reported performance information**

26. The FMPPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of the reported performance information. This was due to limitations placed on the scope of my work due to the fact that the municipality could not provide sufficient appropriate evidence in support of the reported performance information.

## **KPA 3: Environmental management**

27. I did not raise any material findings on the usefulness and reliability of the reported performance information for this KPA.

## **KPA 4: Spatial development and built environment**

28. I did not raise any material findings on the usefulness and reliability of the reported performance information for this KPA.

## **KPA 5: Eradication of the bucket system, VIP toilets in Botshabelo, Mangaung and Thaba Nchu, focus on the basics, building solar farming, power plant feasibility study, safety and security**

### **Reliability of reported performance information**

29. The FMPPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. Adequate and reliable corroborating evidence could not be provided for 41.4% of the targets to assess the reliability of the reported performance information. The municipality's records did not permit the application of alternative audit procedures and limitations placed on the scope of my work by the municipality.

## **KPA 7: Social and community services**

30. I did not raise any material findings on the usefulness and reliability of the reported performance information for this KPA.

## **KPA 8: Financial management**

31. I did not raise any material findings on the usefulness and reliability of the reported performance information for this KPA.

## **KPA 9: Human Settlements**

### **Reliability of reported performance information**

32. The FMPPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of the reported performance information. This was due to limitations placed on the scope of my work due to the fact that the municipality could not provide sufficient appropriate evidence in support of the reported performance information.

## **KPA 10: Good Governance**

33. I did not raise any material findings on the usefulness and reliability of the reported performance information for



this KPA.

### **Additional matters**

34. I draw attention to the following matters:

### **Achievement of planned targets**

35. Refer to the annual performance report on pages x to x for information on the achievement of the planned targets for the year. This information should be considered in the context of the material findings on the reliability of the reported performance information for the selected objectives reported in paragraphs x to xx of this report.

### **Adjustment of material misstatements**

36. I identified material misstatements in the annual performance report submitted for auditing on the reported performance information of KPA 1: Poverty eradication, rural and economic and job creation, KPA 4: Spatial development and built environment, KPA 5: Eradication of bucket system, VIP toilets in Botshabelo, Mangaung and Thaba Nchu, focus on the basics, building solar farming, power plant feasibility study, safety and security, KPA 7: Social and community services and KPA 9: Human Settlements. As management subsequently corrected only some of the misstatements, I raised material findings on the reliability of the reported performance information.

### **Compliance with legislation**

37. I performed procedures to obtain evidence that the municipality had complied with applicable legislation regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

### **Budgets**

38. Expenditure was incurred in excess of the limits of the amounts provided for in the votes of the approved budget, in contravention of section 15 of the MFMA.

### **Annual financial statements, performance and annual reports**

39. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements of non-current assets, cash flow statement, budget disclosures and other disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided, resulting in the financial statements receiving an unqualified audit opinion.

40. The oversight report, containing comments on the annual report, was not adopted by the council within two months from the date on which the 2012-13 annual report was tabled, as required by section 129(1) of the MFMA.

### **Expenditure management**

41. Reasonable steps were not taken to prevent unauthorised expenditure and irregular expenditure, as required by section 62(1)(d) of the MFMA.

### **Procurement and contract management**

42. The performance of contractors or providers was not monitored on a monthly basis, as required by section

116(2)(b) of the MFMA.

### **Conditional grants**

43. The municipality did not evaluate its performance in respect of programmes funded by the Public Transport Infrastructure allocation, as required by section 12(5) of the DoRA.

### **Asset management**

44. An adequate management, accounting and information system which accounts for assets was not in place, as required by section 63(2)(a) of the MFMA.
45. An effective system of internal control for assets (including an asset register) was not in place, as required by section 63(2)(c) of the MFMA.

### **Internal control**

46. I considered internal control relevant to my audit of the financial statements, the annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on non-compliance with legislation included in this report.

### **Leadership**

47. Due to the lack of an automated management information system for performance reporting and the slow response to internal and external audit findings, adequate evidence were not kept to support the reported information in the quarterly, mid-year and annual performance reports.

### **Financial and performance management**

48. The asset controllers of the different directorates within the municipality did not on a monthly basis compare the physical assets within their directorates to the asset listings kept at the respective offices. In addition, inadequate communication and document distribution between the different directorates and the finance division resulted in information in the asset registers relating to the physical location of the assets not being updated on a regular basis.
49. Inadequate communication between the different directorates resulted in incomplete and inaccurate financial reporting relating to future contractual commitments and capital projects in progress. The finance division also did not perform adequate review functions to substantiate the completeness and accuracy of the commitment register which resulted in adjustments to the annual financial statements.
50. Inadequate staff in the engineering department and the organisational performance management sub-directorate resulted in processes to manage, co-ordinate and monitor the performance systems and procedures not being effective. As a result, attempts to gather and compile information to support actual performance reported started late and could not be provided in time for audit purposes. This resulted in the report on predetermined objectives being subject to material adjustments.

## **OTHER REPORTS**

### **Investigations**

51. Fourteen investigations relating to alleged theft, financial corruption, fraud, tender irregularities, and non-compliance with municipal SCM regulations by the council employees were finalised during the year. The investigations resulted in the suspension of and criminal proceedings being instituted against municipal officials.

52. Six investigations relating to alleged theft, financial corruption, fraud, tender irregularities, and non-compliance with municipal SCM regulations were still in progress at year end.

*Auditor - General*

Bloemfontein

30 November 2014



**A U D I T O R - G E N E R A L**  
**S O U T H A F R I C A**

*Auditing to build public confidence*

**REPORT OF THE AUDITOR-GENERAL TO THE FREE STATE LEGISLATURE AND THE COUNCIL OF THE  
PARENT MUNICIPALITY ON CENTLEC (SOC) LIMITED**

**REPORT ON THE FINANCIAL STATEMENTS**

**Introduction**

1. I have audited the financial statements of the Centlec (SOC) Limited set out on **pages xx to xx**, which comprise the statement of financial position as at 30 June 2014, the statement of financial performance, statement of changes in net assets, the cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

**Accounting officer's responsibility for the financial statements**

2. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the South African Standards of Generally Recognised Accounting Practise (SA Standards GRAP) and the requirements of the Municipal Finance Management Act of South Africa 2003 (Act No. 56 of 2003) (MFMA) and the Companies Act of South Africa, 2008 (Act No. 71 of 2008) (Companies Act), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor-general's responsibility**

3. My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the general notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Centlec (SOC) Limited as at 30 June 2014 and its financial performance and cash flows for the year then ended in accordance with the SA Standards of GRAP and the requirements of the MFMA and the Companies Act.

**Emphasis of matters**

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

### **Significant uncertainties**

8. With reference to note 8 to the financial statements, the entity has charged the parent municipality an amount of R204 242 014 (2013: R114 127 152), included in this amount is an amount of R198 936 699 (2013: 105 929 549) that the parent municipality was disputing, which related to the amounts invoiced by the entity in respect of electricity consumption for public lighting, all municipal owned properties, and for repairs and maintenance for public lighting. The ultimate outcome of the matters cannot currently be determined and no provision for the contingent asset has been made.

### **Irregular expenditure**

9. Disclosed in note 50 to the financial statements is the irregular expenditure incurred during the year amounting to R37 975 950 (2013: R75 164 235), which was mainly as a result of competitive bidding processes not followed. In addition, the full extent of the irregular expenditure was still in the process of being determined.

### **Restatement of corresponding figures**

10. As disclosed in note 43 to the financial statements, the corresponding figures for 30 June 2013 have been restated as a result of errors discovered during the 2013-14 financial year in the financial statements of Centlec (SOC) Limited at, and for the year ended, 30 June 2013.

### **Material impairments**

11. As disclosed in note 6 to the financial statements, a provision for bad debt amounting to R402 512 277 (2013: R377 628 950) has been made with regard to consumer debts amounting to R765 470 061 (2013: R725 558 274).

### **Material losses**

12. As disclosed in note 51 to the financial statements, material electricity losses amounting to 237 761 593 KWh with a value of R152 417 857 (2013: R193 265 509) were incurred by the municipal entity mainly due to tampering of electricity meters, electricity connections which form part of illegal consumption and faulty meters.

### **Material underspending of the budget**

13. As disclosed in the appropriation statement, the entity has materially underspend on its budget to the amount of R279 435 583. This was mainly due to reduction in the power supply needed, which in turn led to reduced bulk purchases and also vacancies which were anticipated to be filled but were not filled because the human resource structure was not finalised as at 30 June 2014.

### **Additional matter**

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

### **Unaudited disclosure notes**

15. In terms of section 125(2) (e) of the MFMA, the municipal entity is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion thereon.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

16. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report, non-compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

### Predetermined objectives

17. I performed procedures to obtain evidence about the usefulness and reliability of the reported information for the following selected objectives presented in the annual performance report of the municipal entity for the year ended 30 June 2014:

- Vote: Engineering wires on pages xx to xx
- Vote: Engineering retail on pages xx to xx

18. I evaluated the reported performance information against the overall criteria of usefulness and reliability.

19. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned development priorities. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information* (FMPPPI).

20. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

21. The material findings in respect of the selected objectives are as follows:

### Engineering wires

#### Usefulness of reported performance information

22. The FMPPPI requires the following:

- Performance targets must be specific in clearly identifying the nature and required level of performance. A total of 81% of the targets were not specific.
- Performance targets must be measurable. I could not measure the required performance for 86% of the targets.
- Performance indicators must be well defined by having clear data definitions so that data can be collected consistently and is easy to understand and use. A total of 90% of the indicators were not well defined.
- The period or deadline for delivery of targets must be specified. A total of 100% of the targets were not time bound.
- Performance information must be verifiable, meaning that it must be possible to validate the processes and systems that produce the indicator. A total of 62% of the indicators were not verifiable.

This was due to the fact that management was aware of the requirements of the FMPPPI but did not receive the necessary training to enable application of the principles. Furthermore, management did not have the standard operating procedures for the accurate recording of actual achievements and technical indicator descriptions for accurate measurement, recording and monitoring of performance and also lack of capacity in the performance reporting section.

### **Reliability of reported performance information**

23. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. Adequate and reliable supporting evidence could not be provided for 26.3% of the targets to assess the reliability of the reported performance information. The auditee's records did not permit the application of alternative audit procedures and due to limitations placed on the scope of my work by the auditee because supporting documentation and information to substantiate performance reported could not be submitted.

### **Engineering retail**

#### **Usefulness of reported performance information**

24. The FMPPI requires the following:

- Performance targets must be specific in clearly identifying the nature and required level of performance. A total of 50% of the targets were not specific
- Performance targets must be measurable. I could not measure the required performance for 22% of the targets.
- Performance indicators must be well defined by having clear data definitions so that data can be collected consistently and is easy to understand and use. A total of 83% of the indicators were not well defined.
- The period or deadline for delivery of targets must be specified. A total of 58% of the targets were not time bound.
- Performance information must be verifiable, meaning that it must be possible to validate the processes and systems that produce the indicator. A total of 31% of the indicators were not verifiable

This was due to the fact that management was aware of the requirements of the FMPPI but did not receive the necessary training to enable application of the principles. Furthermore, management did not have the standard operating procedures for the accurate recording of actual achievements and technical indicator descriptions for accurate measurement, recording and monitoring of performance and also lack of capacity in the performance reporting section.

### **Reliability of reported performance information**

25. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. Adequate and reliable supporting evidence could not be provided for 66.2% of the targets to assess the reliability of the reported performance information. The auditee's records did not permit the application of alternative audit procedures. The auditee placed limitations on the scope of my work as it could not submit supporting documentation and information to substantiate performance reported.

### **Additional matter**

26. I draw attention to the following matter.

### **Achievement of planned targets**

27. Refer to the annual performance report on page x to x for information on the achievement of the planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information for the selected objective reported in paragraph 22 to 26 of this report.

### **Compliance with laws and regulations**

28. I performed procedures to obtain evidence that the entity has complied with applicable legislation regarding

financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA are as follows:

### **Annual financial statements**

29. The financial statements submitted for auditing were not prepared, in all material respects, in accordance with the requirements of section 122 of the MFMA. Material misstatements of disclosure items and aggregate material misstatements of non-current assets, current assets and liabilities were identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

### **Expenditure management**

30. Reasonable steps were not taken to prevent fruitless, wasteful and irregular expenditure, as required by section 95(d) of the MFMA.

### **Procurement and contract management**

31. Goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM regulation 36(1).
32. Bid adjudication was not always done by committees which were composed in accordance with SCM regulation 29(2).
33. Quotations were awarded to bidders who did not submit a declaration on whether they were employed by the state or connected to any person employed by the state, as required by SCM regulation 13(c).
34. Contracts were extended without tabling the reasons for the proposed amendment in the council of the parent municipality, as required by section 116(3) of the MFMA.
35. The municipality did not implement an SCM policy, as required by section 111 of the MFMA.
36. The performance of contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA.

### **Internal control**

37. I considered internal control relevant to my audit of the financial statements, the annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on non-compliance with legislation included in this report.

### **Leadership**

Although management exercised oversight regarding financial reporting, sufficient monitoring of controls had not been adequately implemented. This resulted in an inaccurate statement of comparison of budget and actual amounts as well as inadequate GRAP disclosure notes in the financial statements. Key management positions were also vacant during the year under review. Leadership did not take timely and adequate action to address weaknesses at the finance and supply chain management directorates, which resulted in non-compliance with applicable legislation that gave rise to fruitless and wasteful as well as irregular expenditure. Management did not focus on information and technology operational issues due to human resource constraints within the entity.

### **Financial and performance management**

38. Management did not act on prior year audit findings to implement a proper record management system to maintain information that supported the information disclosed in the annual performance report regarding the, collection, collation, verification, storing and reporting of actual performance information. The financial statements submitted



for audit purposes contained numerous misstatements that were corrected as a result of findings during the audit process. This was mainly due to incorrect interpretation of some of the requirements of the financial reporting framework. Leadership also did not prepare quarterly performance reports. Furthermore, there was no sufficient monitoring of controls to ensure adherence to the internal policies and procedures regarding objectives in the annual performance report. Compliance with legislation was also not been properly reviewed and monitored by management.

## **Governance**

39. The entity conducted a risk assessment; however, the risk management strategy, which includes a fraud prevention plan, was only documented nine months into the financial year.

## **OTHER REPORTS**

### **Investigations**

40. One external investigation into inadequate consultancy services that were provided to the entity was still in progress as at year-end. The investigation covers the period from August 2005 to July 2010

*Auditor-general.*  
Bloemfontein

30 November 2014



**AUDITOR - GENERAL**  
**SOUTH AFRICA**

*Auditing to build public confidence*

## APPENDICES

### APPENDIX A: COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time  FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
Cllr GM BACELA	P/T	-	Ward Councillor	82	18
Cllr FR BOTES	P/T	-	Ward Councillor	76	24
Cllr JF BRITZ	P/T	-	Proportional	86	14
Cllr ME DENNIS	P/T	-	Ward Councillor	88	12
Cllr M DAVIES <sup>1</sup> Appointed 28 April 2014	P/T		Proportional	100	-
Cllr MD DIBECO-MASUKU	P/T	-	Ward Councillor	88	10
Cllr RP DITABE	P/T	-	Proportional	94	6
Cllr S DYOSIBA	P/T	-	Ward Councillor	93	7
Cllr MJ ETI	P/T	-	Ward Councillor	95	5
Cllr MD HLUJANE	P/T	-	Ward Councillor	100	-
Cllr W HORN Resigned 15 April 2014	P/T	-	Proportional	87	13
Cllr TA JACOBS	P/T	-	Proportional	96	4
Cllr TB JACOBS	P/T	-	Ward Councillor	98	2
Cllr DE JANSE v VUUREN Resigned May 21,2014	P/T	-	Ward Councillor	86	14
Cllr LR JULY	P/T	-	Proportional	100	-
Cllr SG KALIYA	P/T	-	Ward Councillor	85	8
Cllr ZT KHI	P/T	-	Ward Councillor	92	6
Cllr PA KUAPE	P/T	-	Ward Councillor	58	34
Cllr TS LALA	P/T	-	Ward Councillor	92	8
Cllr JAA LAZENBY	P/T	-	Proportional	77	23
Cllr D LEECH	P/T	-	Ward Councillor	92	8
Cllr LE LEKGELA	P/T	-	Proportional	83	17
Cllr MJ LEPHOI	P/T	-	Ward Councillor	92	8
Cllr TK LITABE	P/T	-	Proportional	77	23
Cllr BNV MADELA	P/T	-	Ward Councillor	85	8
Cllr ET MAKHELE	P/T	-	Ward Councillor	100	-
Cllr MC MALEBO	P/T	-	Proportional	85	15
Cllr ZE MANGCOTYWA	F/T	Chief Whip	Proportional	96	4
Cllr TM MANYONI	F/T	Executive Mayor	Proportional	66	34
Cllr LA MASOETSA	F/T	Section 80 Committee : Infrastructure and Services	Proportional	92	8
Cllr ML MATHOBISA	P/T	-	Ward Councillor	85	15

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time  FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
Cllr MV MATSEMELELA	P/T	-	Ward Councillor	85	8
Cllr MJ MATSOETLANE	F/T	Section 80 Committee : Health and Social Development	Proportional	62	38
Cllr MB MBANGE	P/T	-	Proportional	96	4
Cllr TM MFAZWE	P/T	-	Proportional	81	19
Cllr H MINNIE	P/T	-	Proportional	72	28
Cllr MA MOENG	F/T	Section 80 Committee : Development Planning and Urban Management	Proportional	92	8
Cllr MJ MOFOKENG	P/T	-	Ward Councillor	82	22
Cllr ID MOGAMISE	P/T	-	Proportional	100	-
Cllr ME MOILWA	F/T	-	Proportional	84	16
Cllr PR MOKOLOKO	P/T	-	Ward Councillor	95	-
Cllr KO MOKONE	P/T	-	Proportional	82	18
Cllr NG MOKOTJO	F/T	Section 80 Committee : Finance	Proportional	88	12
Cllr RLAE MOLOABI	P/T	-	Ward Councillor	88	12
Cllr SA MONNAKGORI	F/T	Section 80 Committee : Rural Development and Environment	Proportional	90	10
Cllr MB MONONYANE	P/T	-	Proportional	83	17
Cllr TM MOPELO	P/T	-	Ward Councillor	100	-
Cllr TA MOPHETHE	P/T	-	Ward Councillor	92	-
Cllr TCL MOROE	P/T	-	Ward Councillor	80	20
Cllr MM MORURI	P/T	-	Ward Councillor	90	10
Cllr SS MORUTLE	P/T	-	Ward Councillor	86	14
Cllr TA MOSIUOA	P/T	-	Proportional	82	18
Cllr MOSHWADIBA <sup>2</sup> PZ appointed October 11, 2013	P/T	-	Proportional	75	15
Cllr MZ MOTLADILE	P/T	-	Ward Councillor	88	12
Cllr HJ MOTLATSI	P/T	-	Ward Councillor	78	-
Cllr TS MPAKATHE	P/T	-	Proportional	88	12
Cllr MS MPEQEKA	P/T	-	Proportional	88	12
Cllr KJ MTSHIWANE	P/T	-	Ward Councillor	100	-
Cllr TJ NAILE	P/T	-	Ward Councillor	100	-
Cllr SS NDAMANE	P/T	-	Ward Councillor	92	8
Cllr MJ NKOE	P/T	-	Ward Councillor	76	24

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
Cllr J NOTHNAGEL	P/T	-	Proportional	90	10
Cllr GJ OLIVIER	P/T	-	Proportional	82	18
Cllr TD PARKIE	P/T	-	Proportional	84	16
Cllr TWG PATO	P/T	-	Proportional	100	-
Cllr JE PETERSEN <sup>3</sup> appointed June 17, 2014	P/T	-	Proportional	100	-
Cllr MA PHAJANE	P/T	-	Proportional	85	15
Cllr SD PHOKOJE	P/T	-	Ward Councillor	100	-
Cllr NA PHUPHA	P/T	-	Ward Councillor	70	30
Cllr XD PONGOLO	F/T	Section 80 Committee : Human Settlements and Housing	Ward Councillor	92	8
Cllr JD POWELL	P/T	-	Proportional	85	15
Cllr C PRETORIUS	P/T	-	Ward Councillor	77	23
Cllr JC PRETORIUS	P/T	-	Ward Councillor	69	31
Cllr KN RABELA	F/T	Section 80 Committee : Corporate Governance and Administration	Proportional	82	18
Cllr MA RAMETSE	P/T	-	Proportional	83	17
Cllr FP RAMOKOTJO	P/T	-	Ward Councillor	100	0
Cllr TM RAMONA Resigned August 1, 2013	P/T	-	Proportional	50	50
Cllr CLM RAMPAL	F/T	Deputy Executive Mayor Section 80 Committee : Integrated Development Planning	Proportional	100	-
Cllr NA RATSU	P/T	-	Ward Councillor	92	-
Cllr ME SEBOTHELO	P/T	-	Ward Councillor	92	8
Cllr CSK SECHOARO Resigned 21 May 2014 June 17, 2014	F/T	Chairperson Section 79 Committee : Municipal Public Accounts	Proportional	77	23
Cllr DM SEKAKANYO	F/T	Section 80 Committee : Transport, Security and Emergency	Proportional	100	-
Cllr M SELALEDI	P/T	-	Proportional	100	-
Cllr MA SIYONZANA	F/T	Speaker	Proportional	100	-

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time  FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
Cllr E SNYMAN-VAN DEVENTER	P/T	-	Proportional	62	38
Cllr ED TEKO	P/T	-	Ward Councillor	100	-
Cllr AP TERBLANCHE	P/T	-	Ward Councillor	100	-
Cllr GTM THIPENYANE	P/T	-	Proportional	100	-
Cllr LM TITI ODILIE	P/T	-	Proportional	100	-
Cllr AL TOBA	P/T	-	Proportional	92	8
Cllr EC TOBIE	P/T	-	Ward Councillor	62	38
Cllr M TSOMELA	F/T	Section 80 Committee : Economic Development and Tourism	Proportional	100	-
Cllr PJJ VAN BILJON	P/T	-	Ward Councillor	88	12
Cllr R VAN DER MERWE	P/T	-	Ward Councillor	77	23
Cllr TB VAN DER WALT <sup>4</sup> Appointed 2 July 2014	P/T	-	Proportional	100	-
Cllr P ad WESTHUIZEN Resigned Feb 28, 2014	P/T	-	Proportional	92	8
Cllr HJC VAN NIEKERK	P/T	-	Ward Councillor	82	28
Cllr BJ VIVIERS	P/T	-	Ward Councillor	86	14
Cllr VW WARD	P/T	-	Ward Councillor	96	-
Cllr AS ZERWICK	P/T	-	Proportional	78	22
Cllr NM ZOPHE	P/T	-	Proportional	68	32

<sup>1</sup>Councillor M Davies was appointed in the place of Councillor JS Human who resigned

<sup>2</sup>Councillor PZ Moshwadiba appointed in the place of Councillor TM Ramona who resigned

<sup>3</sup>Councillor JE Petersen appointed in the PR vacancy of the ANC (replaces Cllr CSK Sechoaro)

<sup>4</sup>Councillor TB van der Walt appointed in the place of Councillor W Horn who resigned

<sup>4</sup>Councillor JS Human appointed in the place of Councillor P van der Westhuizen who resigned

<sup>4</sup>Councillor DE Janse v Vuuren resigned as a ward councillor for ward 24, by-elections to be held

*Note: \* Councillors appointed on a proportional basis do not have wards allocated to them.*

**APPENDIX B: COMMITTEE AND COMMITTEE PURPOSE**

<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
Section 79 Committee	These committees are established for the effective and efficient performance of any of the council functions or the exercise of any of its powers as determined by the MMM
Section 80	The Roles fulfilled by the portfolio committees are to operate and assist the mayoral committee in their respective functional areas and the executive Mayor may delegate any powers and duties of the Mayoral committee to the section 80 committee
Audit Committee	Each Municipality and entity must have an audit committee which is an independent advisory body and which must advise council and all other stakeholders in accordance with the stipulations as set out under section 166 of the MFMA
Budget steering committee	This committee oversees the drafting and formulation of the budget of the MMM
IDP Steering Committee	Committee that is responsible for the annual review and implementation of the IDP
Ward Committees	The object of ward committee is to enhance participatory democracy in local government. ward committees are established for each of the 49 wards in the MMM
LLF	This committee provides and regulates organisational rights for trade unions and function in terms of section 23 of the Labour relations Act

**APPENDIX C: TWO TIER STRUCTURE**

<b>Department</b>	<b>City Manager and Heads of Department</b>
Office of the City Manager	Municipal Manager, Ms SM Mazibuko
Centlec	Acting Chief Executive Officer: Mr MG Mohlakoana
Corporate Services	Head of Department, Ms M Ramaema
Engineering Services	Head of Department, Mr LX Ntoyi
Finance	CFO, Mr EM Mohlahlo
Human Settlement	Head of Department Mr MM Mokoena
Planning and Economic Development	Head of Department, Mr K Kabagambe
Social Services	Head of Department, Ms EH Radebe
Strategic Projects & Service Delivery Regulation	Head of Department, Mr MG Mohlakoana

**APPENDIX D: FUNCTIONS OF THE MUNICIPALITY/ ENTITY**

<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 4, Part B functions:</b>		
Air pollution	YES	
Building regulations	YES	
Child care facilities	YES	
Electricity and gas reticulation		YES ( Centlec)
Fire fighting services	YES	
Local tourism	YES	
Municipal airports	NO	
Municipal planning	YES	
Municipal health services	YES	
Municipal public transport	YES	
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	YES	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	NO	
Storm water management systems in built-up areas	YES	
Trading regulations	YES	
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	YES	
Beaches and amusement facilities	NO	
Billboards and the display of advertisements in public places	YES	
Cemeteries, funeral parlours and crematoria	YES	
Cleansing	YES	
Control of public nuisances	YES	
Control of undertakings that sell liquor to the public	NO	
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	YES	
Local amenities	YES	
Local sport facilities	YES	
Markets		
Municipal abattoirs	YES	
Municipal parks and recreation	YES	
Municipal roads	YES	
Noise pollution	Yes	
Pounds	YES	
Public places	YES	
Refuse removal, refuse dumps and solid waste disposal	YES	
Street trading	YES	
Street lighting		YES ( Centlec)
Traffic and parking	YES	



**APPENDIX F: WARD INFORMATION**

Capital Expenditure of 7 largest projects*					
R' 000					
Name of Project	Current: Year 2013/14			Variance: Current Year 2013/14	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A - NORTH EASTERN-WWTW (15ML/DAY)	70,480	108,180	100,340	42%	-7%
B - RESEALING OF STREETS	20,000	62,420	62,262	211%	0%
C - VEHICLES – CENTLEC	0	49,000	37,786	0	-29%
D - SERVICES RETICULATION OF MMM LAND	42,835	41,185	41,032	-4%	0%
E - UPGRADING OF MASELSPOORT PUMP SUPPLY	18,000	38,171	36,687	104%	-4%
F - Replace Water Meters And Fire Hydrants	15,000,000	18,774,039	18,704,898	24%	0%
G - Longridge Reservoir Supply Line 8.3 Km	25,000,000	29,714,320	25,070,342	0%	-18%

\* Projects with the highest capital expenditure in Year 2013/2014

Name of Project - A	
Objective of Project	Expansion of the existing Sterkwater sewage treatment plant.
Delays	None
Future Challenges	None
Anticipated citizen benefits	Availability of clean water.
Name of Project - B	
Objective of Project	Ensuring safe and trafficable roads within the municipality
Delays	None
Future Challenges	None
Anticipated citizen benefits	Enhanced service delivery
Name of Project - C	
Objective of Project	Procurement of fleet to enhance service delivery.
Delays	Procurement processes
Future Challenges	None
Anticipated citizen benefits	In house infrastructure maintenance, to enhance service delivery.
Name of Project - D	
Objective of Project	Ensuring serviced stands and enhanced revenue for the City
Delays	None
Future Challenges	None
Anticipated citizen benefits	Access to basic services
Name of Project - E	

<b>Capital Expenditure of 7 largest projects*</b>					
<b>R' 000</b>					
<b>Name of Project</b>	<b>Current: Year 2013/14</b>			<b>Variance: Current Year 2013/14</b>	
	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Original Variance (%)</b>	<b>Adjustment variance (%)</b>
Objective of Project	Increase water pumping capacity from the Maselspoort plant.				
Delays	None				
Future Challenges	None				
Anticipated citizen benefits	Steady flow of water from the purification plant.				
Name of Project - F	Replace Water Meters And Fire Hydrants				
Objective of Project	To replacing non-function water meters and fire hydrants				
Delays	None				
Future Challenges	None				
Anticipated citizen benefits	Reliable water services and accurate water accounts.				
Name of Project - G	Longridge Reservoir Supply Line 8.3 Km				
Objective of Project	Increase water pumping capacity from the Longridge Reservoir				
Delays	None				
Future Challenges	None				
Anticipated citizen benefits	Cater for increasing water demand from communities.				

**APPENDIX G: RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE**

Municipal Audit Committee Recommendations		
Date of Committee and Meeting No.	Committee recommendations during Year 0	Recommendations adopted (enter Yes) If not adopted (provide explanation)
26/08/2013 - 01/2013-14/26	2012/13 Annual Financial Statements be submitted to AG by due date of 31 August for auditing after addressing all outstanding issues and issues raised by Audit Committee	Yes
29/10/2013 - 02/2013-14/27	2013/14 Internal Audit Plan be approved for implementation	Yes
29/10/2013 - 02/2013-14/27	Internal Audit Procedure Manual be approved and the amended document incorporating members' inputs be circulated electronically to the members for information purposes.	Yes
29/10/2013 - 02/2013-14/27	Revised Internal Audit Charter be approved	Yes
29/10/2013 - 02/2013-14/27	2013/14 1st Quarter Financial Report be noted by the Audit Committee. The Audit Committee to engage on the mid-year reports.	Yes
29/10/2013 - 02/2013-14/27	2013/14 1st Quarter SDBIP Report be noted by the Audit Committee. The Audit Committee to engage on the mid-year report and the internal audit report issued on the 1st Quarter SDBIP report.	Yes
29/10/2013 - 02/2013-14/27	Risk Management Reports be discussed by the Risk Management Committee before being submitted to the Audit Committee via the Chairperson of the Risk Management Committee	Yes
29/10/2013 - 02/2013-14/27	GM: Internal Audit to draft the Audit Committee Report to Council and circulate the report to the members for review.	Yes
29/10/2013 - 02/2013-14/27	The Auditor-General Audit Strategy for 2012/13 Audit be noted by the Committee	Yes
29/10/2013 - 02/2013-14/27	An action plan indicating how the March 2014 deadline on ICT Framework as set by the DPLG will be achieved be presented to the Audit Committee	Yes
29/10/2013 - 02/2013-14/27	The Dashboard Report for the quarter ending 30 June 2013 as presented by Auditor-General with inputs from Internal Audit and management be noted by the Committee.	Yes
05/12/2013 - 03/2013-14/28	The Auditor-General's report for Mangaung Metro Municipality be noted and findings raised by AG around Audit Committee will be addressed.	Yes
19/03/2014 - 04/2013-14/29	The progress on the Audit Action Plan should be in a narrative form and that the monthly compliance should be indicated and that all relevant fields in the Audit Action Plan should be completed.	Yes
19/03/2014 - 04/2013-14/29	The 2013/14 mid-year report be noted by the Committee.	Yes
19/03/2014 - 04/2013-14/29	The 2nd Quarter Internal Audit Report be noted by the Committee.	Yes
19/03/2014 - 04/2013-14/29	An action plan should be developed to focus on how the municipality is going to ensure that capacity within the Risk Management division is increased to ensure that risks at all levels are appropriately documented and monitored	Yes

Municipal Audit Committee Recommendations		
Date of Committee and Meeting No.	Committee recommendations during Year 0	Recommendations adopted (enter Yes) If not adopted (provide explanation)
19/03/2014 - 04/2013-14/29	The National Treasury circular 65 as submitted to the Committee for information be noted by the Audit Committee	Yes
19/03/2014 - 04/2013-14/29	The SCM Deviation Report be noted by the Committee and that the validity of the document will be tested by the Auditor-General and Internal Audit going forward.	Yes
19/03/2014 - 04/2013-14/29	The 2012/13 Audit Committee Report must be submitted to Committee Services for inclusion in the next ordinary Council agenda	Yes
23/05/2014 - 05/2013-14/30	The 3rd quarter section 52 Report be noted by the Committee	Yes
23/05/2014 - 05/2013-14/30	Progress report on Audit Action Plan be noted the Committee	Yes
23/05/2014 - 05/2013-14/30	The 3rd quarter Internal Audit report be noted by the Committee	Yes
23/05/2014 - 05/2013-14/30	The risk management report be noted by the Committee	Yes
30/06/2014 - 06/2013-14/31	The MFMA Compliance checklist to be discussed and finalized by the CFO and GM: Internal Audit and be submitted to Audit Committee for approval.	Yes

**APPENDIX I: MUNICIPAL ENTITY/SERVICE PROVIDER PERFORMANCE SCHEDULE**

<b>MUNICIPAL ENTITY/SERVICE PROVIDER SCHEDULE</b>			
Name of Entity & Purpose  (i)	(a) Service Indicators	2013/2014	
	(b) Service Targets	Target	Actual;
	(ii)	Current Year	(iii)
			(iv)
<i>Centlec</i>	Number of households with access to basic electricity	99,9% of 195 741 formal households	99.9% of 195 741 formal households
	Number of new households provided with electricity connections	392 households connections	392 households connections at Seloseshsha
	Number of RDP households whose electricity connection shifted	1 539 RDP houses' electricity connections shifted	389 RDP houses electricity connections shifted



Councillors	Shares and securities in any company	Memberships of any close corporation	Interest in any trust	Directorships	Partnerships	Other financial interest in any business	Employment and remuneration	Interest in property	Pension	Subsidies, grants and sponsorships	Gifts received
Jacobs TB	Oneness Social dev Club	Oneness Social dev Club	None	None	None	None	None	None	None	None	None
Janse Van Vuuren DE	None	None	Die Janse Van Vuuren Familie Trust	None	None	Christo Dippenaar Attorneys	None	21 Gen; Hertzog Str, Dan Pienaar Willow Flair 100, Willows	MMM	None	None
July LR	None	None	None	None	None	None	None	None	None	None	None
Kaliya SG	None	None	None	None	None	None	None	None	None	None	None
Khi Z	None	None	None	None	None	None	None	None	None	None	None
Kotze PA											
Kuape PA	None	None	None	None	None	None	None	None	None	None	None
Lala TS	None	Prestine General Trading 100%	Diatla Dikopane CC Farm 40%	None	None	None	None	None	None	None	None
Lazenby JBA	None	None	None	None	None	None	University Free State Bloemfontein	Residential Home, Langenhovenpark	None	None	None
Leech D	None	None	None	None	None	None	Councillor Reality 1	LHP Afreeoord 10 Avignon 12 7A AG Visster Street	None	None	None
Lekgela LE	None	None	None	None	None	None	D O H (R240 000.00)	None	None	None	None
Lephoi MJ	None	Yes, Doment	Yes	None	None	None	None	None	None	Land restitution beneficiary Kopanong Mun. Xhariep	
Litabe TK	None	None	None	None	None	None	None	None	None	None	None
Madela BNV	None	None	None	None	None	None	None	None	None	None	None

Councillors	Shares and securities in any company	Memberships of any close corporation	Interest in any trust	Directorships	Partnerships	Other financial interest in any business	Employment and remuneration	Interest in property	Pension	Subsidies, grants and sponsorships	Gifts received
Makhele ET	None	None	None	None	None	None	None	None	None	Yes (GPF)	None
Malebo MC	None	None	None	None	None	None	None	None	None	None	None
Mangcotywa Z	None	None	None	None	None	None	None	None	None	None	None
Manyoni TM	None	None	None	Moaho Investments (PTY LTD)	None	None	Mangaung Metro Municipality	None	None	None	Mini Solo-Light Bar- R 266.64 Solar Kit- 15w Solar Panel + 5w Dc Led Tube- R1939.20 Moet & Chandon Champagne- R349.99
Masoetsa LA	Ubuntu Botho	None	None	None	None	None	None	None	Yes Special Pension	None	None
Mathobisa LM	None	None	None	None	None	None	None	None	None	None	None
Matsemelela MV	None	None	Multipurpose Institution, Bolokanang HBC Basadi Tirong Cooperative	None	None	None	None	None	None	None	None
Matsoetlane MJ	None	None	None	None	None	None	None	None	None	None	None



Councillors	Shares and securities in any company	Memberships of any close corporation	Interest in any trust	Directorships	Partnerships	Other financial interest in any business	Employment and remuneration	Interest in property	Pension	Subsidies, grants and sponsorships	Gifts received
Mbange MB	None	None	None	None	None	None	None	4700B Moliko Str (R126 000) 642 Mokholwane Str (R41 000) 10312 Manyane Str (R132 000) 9919 Singonzo Str (R79 000)	Standard Bank / Momentum (R1 677,42) Old Mutual (R1 554,08) Momentum (R1 089,52)	None	None
Mfazwe TM	None	None	None	None	None	None	None	None	None	None	None
Minnie H	None	None	MCPFS as Trustee	None	None	None	Afcom PTY LTD MCPF MMM	5585 Peter Swarts House 55 Angelier Str House 9367 Bloemside Phase2 - Church	Provident Fund (not on pension yet)	None	None
Moeng MA	None	None	Papeng Trust	None	None	None	None	None	None	None	None
Mofokeng MJ	None	None	None	None	None	None	None	None	None	None	None
Mogamise ID	None	None	None	None	None	None	Nursing Health Department	None	None	None	None
Moilwa ME	Xchange	None	None	None	None	None	None	None	None	None	None
Mokoloko PR	None	None	None	None	None	None	MMM	None	None	None	None
Mokone KO	None	None	None	None	None	None	None	None	None	None	None
Mokotjo NG	None	Distha Trading	None	None	None	None	None	None	None	None	None
Molobabi LR	None	None	None	None	None	None	None	None	None	None	None
Monnakgori SA	None	None	None	None	None	None	None	None	None	None	None
Mononyane MB	None	UMonde CC 502	M.B Mononyane Family Trust	None	None	Phuleng Inn Tavern/Store Plot 165 Meadows Rd	Mangaung CIR	Plot 165 Meadows Road Grassland	None	None	None

Councillors	Shares and securities in any company	Memberships of any close corporation	Interest in any trust	Directorships	Partnerships	Other financial interest in any business	Employment and remuneration	Interest in property	Pension	Subsidies, grants and sponsorships	Gifts received
Moopelo TM	None	Yes, but dysfunctional	None	None	None	None	None	None	None	None	None
Mophete TA	None	None	None	None	None	None	None	None	None	None	None
Moroee TCL	None	None	None	None	None	None	None	None	None	None	None
Moruri MM	None	None	Paul Moruri Family Trust	None	None	None	None	None	None	None	None
Morutle SS	None	None	None	None	None	None	None	None	None	None	None
Moshwadiba PZ											
Mosiuoa TA	T.A Mosiuoa Labour Consultants CC	T.A Mosiuoa & Associates 100% (dormant)	None	None	None	None	None	None	None	None	None
Motladile ZM	None	None	None	None	None	None	None	None	None	None	None
Motlatsi HJ	None	None	None	None	None	None	Remuneration from Health	None	Widows pension	None	None
Mpakathe TS	None	None	None	None	None	None	MMC PR R16 000	None	None	None	None
Mpeqeka MS	None	None	None	None	None	None	Educator R12 000.00	None	None	None	None
Mtshiwane K	None	None	None	None	None	None	None	None	Sanlam	None	None
Naile TJ	None	None	None	None	None	None	None	None	None	None	None
Ndamane NS	None	Ka Rona Trading 639 CC	None	None	None	Tavern Nozizwe owner	None	None	None	None	None
Nkoe MJ	Global Work Investment Co-operation	None	None	None	None	None	None	None	None	None	None

Councillors	Shares and securities in any company	Memberships of any close corporation	Interest in any trust	Directorships	Partnerships	Other financial interest in any business	Employment and remuneration	Interest in property	Pension	Subsidies, grants and sponsorships	Gifts received
Nothnagel J	None	None	None	None	None	None	Councillor, Mangaung CUT	Seavale Drive 4, Seavale, Buffalo City (50%) Erf 28741, Woodlands Hills, BFN	None	None	None
Olivier TG	None	None	None	None	None	Owner of Afrilingo & Lingo Software IP Founder of Qala Tala	None	Residential Residence owned by spouse	None	None	None
Parkie TD	None	None	None	None	None	None	MMM	None	None	None	None
Pato TW	None	None	None	None	None	None	None	None	GEPF R13 000	None	None
Petersen JE	None	None	None	None	None	None	None	None	Dept. of Education	None	None
Phajane MA	MTN-Shares Sanlam Shares	None	None	None	None	None	SANDF. R5000.00	None	None	None	None
Phokoje SD	None	None	None	None	None	None	None	None	None	None	None
Phupha NA	None	None	None	None	None	None	None	None	None	None	None
Pongolo XD	None	None	None	None	None	None	None	3341 Freedom	None	None	None
Powell JD	None	None	None	None	None	None	VF Plus	3 Bakers Str Wilgehof, Bfn	None	None	None
Pretorius C	None	None	None	None	None	None	None	None	None	None	None
Pretorius JC	None	Ginger Cherry CC reg no. 2011/09860 1/23	None	None	None	Xgrafies Freelance Business	Sa Truck Bodies Senior Graphic Designer. R22000.00	Dias Single 7 Dan Pienaar	None	None	None
Rabela KN											
Rametse MA	None	None	None	None	None	None	None	None	None	None	None
Ramokotjo FP	None	None	None	None	None	None	None	None	None	None	None

Councillors	Shares and securities in any company	Memberships of any close corporation	Interest in any trust	Directorships	Partnerships	Other financial interest in any business	Employment and remuneration	Interest in property	Pension	Subsidies, grants and sponsorships	Gifts received
Ramona TM	None	None	None	None	None	None	None	None	None	None	None
Rampai CLM	None	None	None	Deputy Chairperson of Hospital Board	None	None	Mangaung Metro Metro	None	None	None	None
Ratsiu NA	None	Yes, but Disfunctional	None	None	None	Part time in Lesedi FM	None	None	None	None	None
Sebothelo ME	None	None	None	None	None	None	None	None	None	None	None
Sekakanyo MP	None	None	None	None	None	None	None	None	None	None	None
Selaledi M	MTN	Motheo Womens Credit & Saving and Iketseng Bufala Basadi Cooperative	None	None	None	None	None	None	None	None	None
Siyonzana MA (Copy)	None	Inqhina Civil & Building Company Proflex PTY.LTD	None	Razor bill Property PTY.LTD	None	None	None	16 Morris Street, Hillsbrow, Bloemfontein	Metropolitan	None	Jazz Festival – Tickets, flights, accommodation & shuttle services.
Snyman van Deventer	None	None	None	None	None	None	UFS	Pollenys Place6, Pellissier	None	None	None
Teko ED	None	Yenza Trading 536 CC	None	None	None	None	None	Yes Plot 125 Voortrekkerlaan	None	None	None
Terblanche AP	None	None	None	None	None	None	Boxer Super Store	37 Louis Loaf Avis Pellissier	None	None	None

Councillors	Shares and securities in any company	Memberships of any close corporation	Interest in any trust	Directorships	Partnerships	Other financial interest in any business	Employment and remuneration	Interest in property	Pension	Subsidies, grants and sponsorships	Gifts received
Thipenyane GM	None	GNO Printing & Stationery	None	None	GNO Printing & Stationery	None	Councillor	None	None	None	None
Titi LM	Manziline	None	None	Owner	None	None	None	None	None	None	None
Toba AL	None	Mantella Trading 486 CC	NERPO/AFASA	None	None	Mokgodisano	None	None	None	Mokgodisano / Stockvel	None
Tobie EC	None	None	None	None	None	None	None	None	None	None	None
Tsomela MM	None	None	None	None	None	None	None	None	None	None	None
Van Biljon PJJ	Old Mutual 1000 shares	None	Cottaja Lane Family Trust	None	Own business	Principal of town planning practice(Pierre van Biljon)	Town Planning Consultancy R180000.00 p.a	17 Stratford Str (own residence) 4A Louw Wepener Str (renting out)	None	None	None
Van der Merwe R	None	CC 92/04801/23 Tempe Motors +/- R50000	Fief van der Merwe Trust (9219769965 ) R1.8m	None	None	None	None	See Annexure Heideihof, Mareberg, Doringkop, Catalonia, Rayton View, Waverley Park, Delamont,	UFS R23000.00 P/M	None	None
Van der Walt TB	None	None	None	Executive Director of Qala Phelang Tala Non Profit Company (no remuneration )	None	None	None	None	None	None	None

Councillors	Shares and securities in any company	Memberships of any close corporation	Interest in any trust	Directorships	Partnerships	Other financial interest in any business	Employment and remuneration	Interest in property	Pension	Subsidies, grants and sponsorships	Gifts received
Van Niekerk HJ	None	Yes R350 000 (Triangle Granite (R200 000)	None	None	50% (Triangle Granite)	None	None	15 Akkoorde Cres, Bfn Personal House (R950 000)	None	None	None
Viviers BJ	Goodrick Franklin Snr 2003/03119 8/21	23% Umbelos 12CC 49%	None	Geelred Frerklik Snc	None	None	Goodrick & Franklin	Centre in Wival 95 A centre	None	None	None
Ward VW	None	Mangaung Stories deregistered	Barry Pietersen Trust	None	Ward Building Contractors	None	None	- 10047Grasland -29 Einstein Str - Plot 15 Levins -Plot 27 Hoëveld	None	None	None
Zerwick AS	None	None	None	None	None	None	Dept. Health C.U.T (part time)	Own Home	None	None	None
Zophe NM											

**APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCES**

**APPENDIX K (I): REVENUE COLLECTION PERFORMANCE BY VOTE**

Revenue Collection Performance by Vote						
	R'000				%	
Vote Description	Year -2012/13	Current: Year 2013/14			Year 2013/14 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1 - City Manager	0	0	0	(2,462)	0	0
Vote 2 - Executive Mayor	0	0	0	0	0	0
Vote 3 - Corporate Services	5,790	11,512	11,512	6,612	-43%	-43%
Vote 4 - Finance	1,061,616	1,042,442	1,224,685	1,445,766	39%	18%
Vote 5 - Social Services	12,522	15,575	17,415	94,379	506%	442%
Vote 6 - Planning	4,773	5,910	6,910	6,720	14%	-3%
Vote 7 - Human Settlement and Housing	14,565	175,611	175,611	5,926	-97%	-97%
Vote 8 - Fresh Produce Market	18,746	19,143	20,198	20,936	9%	4%
Vote 9 - Engineering Services	295,492	405,548	424,493	488,932	21%	15%
Vote 10 - Water Services	583,374	668,129	700,743	692,279	4%	-1%
Vote 11 - Miscellaneous Services	1,062,024	1,383,899	1,611,956	1,526,414	10%	-5%
Vote 12 - Regional Operations	0	0	0	0	0	0
Vote 13 - Strategic Projects and Service Delivery Regulation	0	0	0	0	0	0
Vote 14 - Electricity - Centlec (Soc) Ltd	2,652,310	2,465,995	2,467,634	2,070,809	-16%	-16%
<b>Total Revenue by Vote</b>	<b>5,711,212</b>	<b>6,193,764</b>	<b>6,661,157</b>	<b>6,356,311</b>	<b>3%</b>	<b>-5%</b>

**APPENDIX K (II): REVENUE COLLECTION PERFORMANCE BY SOURCE**

Revenue Collection Performance by Source						
	R '000					
Description	Year - 2012/13	Year 2013/14			Year 2013/14 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	514,177	568,524	750,767	969,482	71%	29%
Property rates - penalties & collection charges	0	0	0	0	0	0
Service Charges - electricity revenue	1,747,412	2,102,657	2,102,657	1,701,340	-19%	-19%
Service Charges - water revenue	514,266	589,873	622,487	813,760	38%	31%
Service Charges - sanitation revenue	143,926	143,043	145,540	0	-100%	-100%
Service Charges - refuse revenue	59,877	97,396	113,844	121,731	25%	7%
Service Charges – other	0	0	0	0	0	0
Rentals of facilities and equipment	17,707	25,908	26,025	20,416	-21%	-22%
Interest earned - external investments	33,361	177,902	180,902	188,877	6%	4%
Interest earned - outstanding debtors	134,576	146,843	146,843	0	-100%	-100%
Dividends received	0	0	0	0	0	0
Fines	3,829	13,208	15,048	77,362	486%	414%
Licences and permits	431	843	843	433	-49%	-49%
Agency services	8,603	3,631	3,631	4,726	30%	30%
Transfers recognised - operational	873,033	654,372	700,940	933,889	43%	33%
Other revenue	184,779	970,388	971,326	30,779	-97%	-97%
Gains on disposal of PPE	2,851	900	900	15,249	1,594%	1,594%
Environmental Protection	0	0	0	0	0	0
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>4,238,828</b>	<b>5,495,488</b>	<b>5,781,753</b>	<b>4,878,045</b>	<b>-11%</b>	<b>-16%</b>



APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: excluding MIG for 2013/14						
Details	R'000			Variance		Major conditions applied by donor (continue below if necessary)
	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget	
	Neighbourhood Development Partnership Grant	0	0	0		
Public Transport Infrastructure and Systems Grant	0	0	20,000	100%	100%	
<b>Other Specify:</b>						
Urban Settlement Development Grant	596,719	726,169	596,719	100%	82%	
Environmental Impact Assessment Grant						
EPWP Incentive Grant	3,896	2,198	3,896	100%	177%	
MSIG						
Minerals and Energy	42,000	42,000	42,000	100%	100%	
Water Conservation Grant			7,129	100%	100%	
Department of Water Affairs			6,900	100%	100%	
Electricity Demand Management			8,000	100%	100%	
<b>National Government</b>	<b>642,615</b>	<b>778,368</b>	<b>684,644</b>	<b>107%</b>	<b>88%</b>	
<b>Provincial Government</b>	<b>43,773</b>	<b>83,469</b>	<b>100,000</b>	<b>228%</b>	<b>120%</b>	
Human Settlements	43,773	76,830	100,000	228%	130%	
Sports and Recreation	0	6,639	0	0	0	
<b>Other Grants</b>	<b>0</b>	<b>585</b>	<b>304</b>	<b>100%</b>	<b>52%</b>	
<b>Total</b>	<b>686,388</b>	<b>862,422</b>	<b>784,948</b>	<b>114%</b>	<b>91%</b>	

**APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE / RENEWAL PROGRAMMES**

Capital Expenditure - New Assets Programme*							
R '000							
Description	2012/13	2013/14			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/15	2015/16	2016/17
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>	<b>182,483</b>	<b>606,617</b>	<b>794,969</b>	<b>559,197</b>	<b>783,030</b>	<b>694,473</b>	<b>749,082</b>
<b>Infrastructure: Road transport - Total</b>	168,668	81,492	58,828	59,405	123,993	173,526	249,250
<i>Roads, Pavements &amp; Bridges</i>	168,668	81,492	58,828	59,405	123,993	173,526	249,250
<i>Storm water</i>	-	-	-	-	-	-	-
<b>Infrastructure: Electricity - Total</b>	-	<b>156,588</b>	<b>262,587</b>	<b>126,480</b>	<b>298,963</b>	<b>280,754</b>	<b>286,081</b>
<i>Generation</i>	-	-	-	-	-	-	-
<i>Transmission &amp; Reticulation</i>	-	156,588	262,587	126,480	298,963	280,754	286,081
<i>Street Lighting</i>	-	-	-	-	-	-	-
<b>Infrastructure: Water - Total</b>	<b>7,354</b>	<b>141,388</b>	<b>147,017</b>	<b>138,144</b>	<b>175,571</b>	<b>161,392</b>	<b>95,000</b>
<i>Dams &amp; Reservoirs</i>	-	-	-	-	-	-	-
<i>Water purification</i>	-	91,388	110,728	-	138,720	115,981	85,000
<i>Reticulation</i>	7,354	50,000	36,290	138,144	36,851	45,411	10,000
<b>Infrastructure: Sanitation - Total</b>	-	<b>227,147</b>	<b>326,536</b>	<b>230,952</b>	<b>147,707</b>	<b>77,600</b>	<b>116,550</b>
<i>Reticulation</i>	-	-	-	-	-	-	-
<i>Sewerage purification</i>	-	227,147	326,536	230,952	147,707	77,600	116,550
<b>Infrastructure: Other - Total</b>	<b>6,461</b>	-	-	<b>4,217</b>	<b>36,796</b>	<b>1,200</b>	<b>2,200</b>
<i>Waste Management</i>	6,461	-	-	3,765	1,200	1,200	2,200
<i>Transportation</i>	-	-	-	-	35,596	-	-
<i>Gas</i>	-	-	-	-	-	-	-
<i>Other</i>	-	-	-	452	-	-	-
<b>Community - Total</b>	<b>24,298</b>	<b>35,084</b>	<b>74,868</b>	<b>55,038</b>	<b>105,000</b>	<b>122,359</b>	<b>118,658</b>
Parks & gardens	-	22,484	32,810	17,986	65,127	53,927	39,401
Sports fields & stadia	14,278	6,500	15,692	9,964	12,709	13,040	4,000
Swimming pools	-	5,600	14,074	-	2,500	-	-
Community halls	-	-	8,329	8,038	-	-	-
Libraries	-	-	-	406	-	-	-
Recreational facilities	-	-	-	13106	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-
Security and policing	-	-	-	5537	-	-	-
Buses	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-
Cemeteries	5,440	-	3,963	-	-	13,342	5,500
Social rental housing	-	500	-	-	19,264	24,671	46,513
Other	4,580	-	-	-	5,400	17,378	23,244
<b>Heritage assets - Total</b>	<b>3,892</b>	-	-	<b>2,329</b>	-	-	-
Buildings	-	-	-	2,329	-	-	-

Capital Expenditure - New Assets Programme*							
R '000							
Description	2012/13	2013/14			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/15	2015/16	2016/17
Other	3,892,105	-	-	-	-	-	-
<b>Investment properties - Total</b>	<b>-</b>	<b>42,835</b>	<b>2,943</b>	<b>2,028</b>	<b>102,000</b>	<b>116,000</b>	<b>-</b>
Housing development	-	-	-	2,028	-	-	-
Other	-	42,835	2,943	-	102,000	116,000	-
-							
<b>Other assets</b>	<b>400,328</b>	<b>71,803</b>	<b>132,984</b>	<b>88,507</b>	<b>169,015</b>	<b>237,623</b>	<b>191,880</b>
General vehicles	1,292	33,909	33,060	20	47,518	52,047	34,465
Specialized vehicles	-	-	-	-	-	6,000	-
Plant & equipment	6,574	2,310	2,686	1,260	7,076	4,210	18,565
Computers - hardware/equipment	-	-	-	-	-	-	-
Furniture and other office equipment	8,925	15,085	26,746	31,442	6,895	5,578	5,640
Abattoirs	-	-	-	-	-	-	-
Markets	-	1,700	-	-	-	-	-
Civic Land and Buildings	-	-	-	45,735	-	-	-
Other Buildings	40,434	10,800	18,266	4,894	12,752	15,600	36,344
Other Land	343,103	8,000	5,858	-	86,627	154,189	96,866
Surplus Assets - (Investment or Inventory)	-	-	46,368	-	-	-	-
Other	-	-	-	5,155	8,147	-	-
<b>Agricultural assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>List sub-class</i>	-	-	-	-	-	-	-
<b>Biological assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>List sub-class</i>	-	-	-	-	-	-	-
<b>Intangibles</b>	<b>1,939</b>	<b>8,500</b>	<b>6,442</b>	<b>-</b>	<b>13,500</b>	<b>6,300</b>	<b>4,380</b>
Computers - software & programming	1,939	8,500	6,442	-	3,500	300	380
Other ( <i>list sub-class</i> )	-	-	-	-	10,000	6,000	4,000
Total Capital Expenditure on new assets	612,939	764,839	1,012,206	707,098	1,172,545	1,176,755	1,064,000

**Capital Expenditure - Upgrade/Renewal Programme\***

**R '000**

Description	2012/13	2013/14			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/15	2015/16	2016/17
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>	-	85,650	258,637	270,564	214,394	173,600	26,939
Infrastructure: Road transport -Total	-	35,100	104,941	105,742	-	-	-
<i>Roads, Pavements &amp; Bridges</i>		35,100	104,941	105,742	-	-	-
<i>Storm water</i>	-	-	-	-	-	-	-
<b>Infrastructure: Electricity - Total</b>	-	-		18,439	-	-	-
<i>Generation</i>	-	-	-	-	-	-	-
<i>Transmission &amp; Reticulation</i>	-	-	-	18,439	-	-	-
<i>Street Lighting</i>	-	-	-	-	-	-	-
<b>Infrastructure: Water - Total</b>	-	37,000	142,816	110,866	103,149	118,000	16,839
<i>Dams &amp; Reservoirs</i>	-	-	-	-	-	-	-
<i>Water purification</i>	-	22,000	90,521	-	-	-	-
<i>Reticulation</i>	-	15,000	52,295	110,866	103,149	118,000	16,839
<b>Infrastructure: Sanitation - Total</b>	-	-	-	11,811	91,295	40,000	-
<i>Reticulation</i>	-	-	-	-	91,295	40,000	-
<i>Sewerage purification</i>	-	-	-	11,811	-	-	-
<b>Infrastructure: Other - Total</b>	-	13,550	10,881	23,706	19,950	15,600	10,100
<i>Waste Management</i>	-	13,550	10,881	6,994	19,950	15,600	10,100
<i>Transportation</i>	-	-	-	16,712	-	-	-
<i>Gas</i>	-	-	-	-	-	-	-
<i>Other</i>	-	-	-	-	-	-	-
<b>Community</b>	-	14,000	17,310	1,683	9,400	9,426	6,740
Parks & gardens	-	14,000	17,310	-	500	2,326	2,340
Sports fields& stadia	-	-	-	1,683	-	-	-
Cemeteries	-	-	-	-	7,000	5,000	2,000
Social rental housing	-	-	-	-	-	-	-
Other	-	-	-	-	1,900	2,100	2,400
<b>Other assets</b>	-	1,500	3,664	80,176	830	1,600	3,888
General vehicles	-	-	478	37,786	-	-	-
Specialized vehicles	-	-	-	-	-	-	-
Plant & equipment	-	-	1,700	32,724	130	1,100	3,388
Computers - hardware/equipment	-	-	-	-	-	-	-
Furniture and other office equipment	-	1,500	1,487	6,718	-	-	-
Abattoirs	-	-	-	-	-	-	-
Markets	-	-	-	-	700	500	500
Civic Land and Buildings	-	-	-	2,948	-	-	-
<b>Intangibles</b>	-	-	-	-	-	-	-

Capital Expenditure - Upgrade/Renewal Programme* R '000							
Description	2012/13	2013/14			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/15	2015/16	2016/17
Computers - software & programming	-	-	-	-	-	-	-
Other ( <i>list sub-class</i> )	-	-	-	-	-	-	-
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>-</b>	<b>101,150</b>	<b>279,612</b>	<b>352,423</b>	<b>224,624</b>	<b>184,626</b>	<b>37,567</b>

**APPENDIX N: CAPITAL PROGRAMME BY PROJECT 2013/2014**

Capital Expenditure Description	Approved Budget	Adjusted Budget	Actual Movement	Balance	% on Adj Budget
<b>CORPORATE SERVICES</b>					
Upgrading: Heidedal Swimming Pool	1100000	678,714	663,072	15,642	97.69
Construction Of 20x30 Swimming Pool: Tha	4,500,000	800,000	674,662	125,338	84.33
Upgrading Of Billy Murison Stadium	2,500,000	250,000	237,059	12,941	94.82
Upgrading Of Seloseshu Stadium	2,000,000	1,800,000	1,109,734	690,266	61.65
Upgrading Of Botshabelo Stadium	2,000,000	836,501	836,500	1	99.99
Upgrading Botshabelo Stadium	-	1,916,058	1,683,414	232,644	87.85
Upgrading Of Botshabelo Stadium	-	6,638,800	6,419,794	219,006	96.7
Rehabilitation Of Freedom Square Sport C	1,500,000	1,400,000	1,168,929	231,071	83.49
Multi Purpose Centre: Grassland 2	2,000,000	100,000	-	100,000	0
Johnson Bendile Stadium: Master Plan	2,000,000	200,000	192,439	7,561	96.21
City Hall Repairs	-	257,739	-	257,739	0
Regional Office Repairs	-	329,323	-	329,323	0
Tiling Of Botshabelo Swimming Pool	-	733,745	406,322	327,423	55.37
Upgrading Of Stadium Swimming Pool	-	10,317,927	10,226,282	91,645	99.11
Upgrading Of Bochabela Boxing Arena	-	2,550,352	2,328,649	221,703	91.3
New Community Hall - Botshabelo	-	8,136,842	7,845,849	290,993	96.42
Upgrading Of Heidedal Swimming Pool	-	1,543,960	1,542,129	1,831	99.88
Community Hall	-	192,596	192,595	1	99.99
Information Management Systems Enhanceme	6,500,000	6,500,000	4,274,081	2,225,919	65.75
Desktop Computers (Desktop Server Tabl	6,500,000	6,500,000	4,150,174	2,349,826	63.84
City Service Monitoring And Evaluation S	1,000,000	1,000,000	7,047	992,953	0.7
Emc Storage - Production Site	-	2,281,867	2,281,866	1	99.99
Emc Storage - Mark Site	-	2,281,867	2,281,866	1	99.99
Emc Storage - Zoo Site	-	2,281,866	2,281,866	-	99.99
San Switches - Production Site	-	116,604	116,604	-	99.99
San Switches - Mark Site	-	116,604	116,604	-	99.99
San Switches - Zoo Site	-	116,604	116,604	-	99.99
Hp Servers - Production Site	-	572,505	572,504	1	99.99
Hp Servers - Mark Site	-	572,505	572,504	1	99.99
Hp Servers - Zoo Site	-	572,505	572,505	-	99.99
Emc Centera Storage - Production Site	-	444,974	444,974	-	99.99
Emc Centera Storage - Mark Site	-	444,974	444,974	-	99.99
Emc Centera Storage - Zoo Site	-	444,974	444,974	-	99.99
Evenus Migration To Solar	984,540	984,540	-	984,540	0

Capital Expenditure Description	Approved Budget	Adjusted Budget	Actual Movement	Balance	% on Adj Budget
<b>SUB TOTAL</b>	<b>32,584,540</b>	<b>63,914,946</b>	<b>54,206,573</b>	<b>9,708,373</b>	<b>84.81%</b>
<b>FINANCE</b>					
Pay Point At The Taxi Rank	-	500,000	-	500,000	0
New Paypoint At Botshabelo	-	13,500	-	13,500	0
Rates Revamp	1,500,000	1,486,500	999,895	486,605	67.26
Office Of Furniture	500,000	1,000,000	897,562	102,438	89.75
Asset Management System	-	1,000,000	1,077,835	-77,835	107.78
<b>SUB TOTAL</b>	<b>2,000,000</b>	<b>4,000,000</b>	<b>2,975,293</b>	<b>1,024,707</b>	<b>74.38%</b>
<b>SOCIAL SERVICES</b>					
Extention Of Bayswater Laboratory Buildi	-	500,000	466,705	33,295	93.34
New Southern Region Fire Station	2,900,000	2,900,000	202,504	2,697,496	6.98
Establishment Of A Municipal Court	2,000,000	-	-	-	0
Access Control System - Parking Garage	-	1,200,000	-	1,200,000	0
Cctv	2,000,000	2,000,000	1,976,466	23,534	98.82
Fire Arms	-	350,000	-	350,000	0
Relocation Of Zoo	17,484,000	5,075,000	4,691,264	383,736	92.43
Nelson Mandela Statue Site Preparations W	-	1,000,000	-	1,000,000	0
Palaside/ Razor Wire Perimeter Fencing A	-	1,720,877	1,672,523	48,354	97.19
Palaside/ Razor Wire Perimeter Fencing A	-	830,055	788,366	41,689	94.97
Construction Of Ablution Block -Thaba Nc	-	1,412,232	1,099,440	312,792	77.85
New Regional Park - Thaba Nchu	-	16,390,990	16,591,329	-200,339	101.22
Development / Upgrading Of Parks - Bloem	2,000,000	2,000,000	1,394,179	605,821	69.7
Development / Upgrading Of Parks Botsha	1,500,000	2,900,000	-	2,900,000	0
Development / Upgrading Of Parks Thaba	1,500,000	-	-	-	0
Establishment/Construction Of Purpose Bu	-	9,392,907	8,403,262	989,645	89.46
Establishment/Construction Of Purpose Bu	400,000	400,000	400,000	-	100
Establismnt/ Construction Of Purpose	-	500,000	500,000	-	100
<b>SUB TOTAL</b>	<b>29,784,000</b>	<b>48,572,061</b>	<b>38,186,039</b>	<b>10,386,022</b>	<b>78.62%</b>
<b>PLANNING</b>					
Township Establishment Future Residentia	-	93,168	90,926	2,242	97.59
Services Reticulation Of Mmm Land Within	42,835,000	41,185,000	41,031,639	153,361	99.62
Redevelopment Of Hoffman Square	14,000,000	17,310,000	16,712,065	597,935	96.54
Design Of Two Nodes N8	-	439,569	439,569	-	100
Engineering Design Of 2 Nodes	-	4,698,005	4,698,005	-	100
Services Reticulation Of Mmm Land Within	-	45,570	45,570	-	100

Capital Expenditure Description	Approved Budget	Adjusted Budget	Actual Movement	Balance	% on Adj Budget
Concept And Detail Design Naval Hill Ph2	-	5,443,524	5,155,309	288,215	94.7
3 X COMPUTERS	40,000	-	-	-	0
Hp Plotter	60,000	-	-	-	0
Barcode System And Handheld Computers	270,000	-	-	-	0
3 X Computers	40,000	-	-	-	0
Establishment Of Gis System	-	341,700	-	341,700	0
Navil Hill The Edge Restaurant	-	2,942,976	2,613,363	329,613	88.8
Cbd Masterplan	8,000,000	5,100,000	2,090,195	3,009,805	40.98
<b>SUB TOTAL</b>	<b>65,245,000</b>	<b>77,599,512</b>	<b>72,876,641</b>	<b>4,722,871</b>	<b>93.91%</b>
<b>HUMAN SETTLEMENT AND HOUSING</b>					
Toilet Facilities: 60 Two Roomed Houses	500,000	-	-	-	0
White City Project	-	1,749,275	1,567,100	182,175	89.58
White City Infrastructure -Bulk Services	-	3,070,585	2,571,046	499,539	83.73
Electrical Substation -Brandwag Flats	-	2,295,939	1,658,412	637,527	72.23
Pro-Active Acquisition Of Land For Human	8,000,000	4,000,000	-	4,000,000	0
Thaba Nchu Station Sites Project	-	370,493	370,157	336	99.9
Pro-Active Acquisition Of Land For Human	-	1,765,061	-	1,765,061	0
<b>SUB TOTAL</b>	<b>8,500,000</b>	<b>13,251,353</b>	<b>6,166,715</b>	<b>7,084,638</b>	<b>46.54%</b>
<b>FRESH PRODUCE MARKET</b>					
Mechanical Plant	1,000,000	800,000	-	800,000	0
Battery Driven Scrubbing Machine	700,000	900,000	-	900,000	0
<b>SUB TOTAL</b>	<b>1,700,000</b>	<b>1,700,000</b>	<b>-</b>	<b>1,700,000</b>	<b>0.00%</b>
<b>ENGINEERING SERVICES</b>					
Vehicle Leasing	32,974,713	32,974,713	-	32,974,713	0
20 Ton Trolley Hydraulic Jack	21,000	21,000	15,911	5,089	75.76
Tyre Changing Machine For Construction Eq	100,000	121,000	106,000	15,000	87.6
Four (4)Off Two-Post Car Lifts	200,000	179,000	164,500	14,500	91.89
Heavy Duty Pressure Cleaner For Construc	15,000	15,000	12,099	2,901	80.66
Paving For Botshabelo Workshop Area	120,000	120,000	-	120,000	0
Vehicle Lwb	222,090	222,090	-	222,090	0
Vehicle Sedan	255,785	255,785	-	255,785	0
Mobile Environmental Education Unit	-	85,002	20,363	64,639	23.95
Upgr Of Streets And Stormwater: Toordan	8,000,000	-	-	-	0
Upgr Of Streets And Stormwater: Dispens	3,400,000	775,081	775,047	34	99.99
Upgr Of Streets And Stormwater: Mocher	3,000,000	-	-	-	0



Capital Expenditure Description	Approved Budget	Adjusted Budget	Actual Movement	Balance	% on Adj Budget
Upgr Of Streets And Stormwater: Man Rd	1,000,000	41,667	41,666	1	99.99
Upgr Of Streets And Stormwater: Ngycay	1,050,000	168,354	128,193	40,161	76.14
Upgr Of Streets And Stormwater: Man Rd	2,100,000	116,571	74,851	41,720	64.21
Upgr Of Streets And Stormwater: Man Rd	900,000	48,503	15,450	33,053	31.85
Upgr Of Streets And Stormwater: Batho 6	600,000	70,647	-	70,647	0
Upgr Of Streets And Stormwater: Batho (	1,000,000	733,471	733,299	172	99.97
Upgr Of Streets And Stormwater: Batho R	1,015,790	120,008	90,243	29,765	75.19
Upgr Of Streets And Stormwater: Batho (	6,111,909	4,165,733	4,149,959	15,774	99.62
Upgr Of Streets And Stormwater: Batho	2,393,812	849,483	849,348	135	99.98
Upgr Of Streets And Stormwater: Batho (	916,764	232,261	232,261	-	100
Upgr Of Streets And Stormwater: Batho R	3,483,068	-	-	-	0
Upgr Of Streets And Stormwater: Batho R	2,106,070	-	-	-	0
Upgr Of Streets And Stormwater: Batho R	2,619,448	-	-	-	0
Upgr Of Streets And Stormwater: Batho R	83,110	-	-	-	0
Upgr Of Streets And Stormwater: Batho R	83,110	-	-	-	0
Upgr Of Streets And Stormwater: Batho R	83,110	-	-	-	0
Upgr Of Streets And Stormwater: Batho R	83,108	-	-	-	0
Upgr Of Streets And Stormwater: Stormla	2,600,000	104,516	103,529	987	99.05
Upgr Of Streets And Stormwater: Lessing	2,200,000	1,291,979	1,057,807	234,172	81.87
Upgr Of Streets And Stormwater: Bot Rd	3,785,250	934,096	257,818	676,278	27.6
Upgr Of Streets And Stormwater: Maphisa	3,003,000	1,161,788	1,170,439	-8,651	100.74
Upgr Of Streets And Stormwater: Bot Rd	2,750,206	167,991	108,364	59,627	64.5
Upgr Of Streets And Stormwater: Tha Rd	3,260,473	155,220	155,220	-	100
Upgr Of Streets And Stormwater: Tha Rd	4,103,160	300,429	342,215	-41,786	113.9
Upgr Of Streets And Stormwater: Brandwa	4,300,000	231,000	207,900	23,100	90
Upgr Of Streets And Stormwater: Brandwa	1,100,000	100,750	90,676	10,074	90
Upgr Of Streets And Stormwater: Brandwa	1,400,000	-	-	-	0
Upgr Of Streets And Stormwater: Brandwa	1,200,000	107,000	94,749	12,251	88.55
Upgr Of Streets And Stormwater: Brandwa	275,000	49,188	-	49,188	0
Upgr Of Streets And Stormwater: Brandwa	275,000	88,233	77,400	10,833	87.72
Stormwater: Bainsvlei Mooiwater Stormwa	1,000,000	-	-	-	0
New Traffic Lights	700,000	-	-	-	0
Airport Link (Contribution To Sanral)	4,715,000	-	-	-	0
Electric Trailer Mounted Boom (Traffic S	600,000	600,000	-	600,000	0
Computer Equipment	200,000	200,000	-	200,000	0
Heavy Rehabilitation Of Hanger/ Harvey R	-	124,485	124,484	1	99.99
Epwp Upgrading Of Roads	3,896,000	-	-	-	0

Capital Expenditure Description	Approved Budget	Adjusted Budget	Actual Movement	Balance	% on Adj Budget
Man Rd 172 Upgrading Of Streets And Stor	-	109,224	109,224	-	100
Road 51 Upgrading Of Streets And Stormwa	-	164,132	166,062	-1,930	101.17
Abduraman 1 Upgrading Of Streets And Sto	-	135,202	135,201	1	99.99
Abduraman 2 Upgrading Of Streets And Sto	-	169,741	113,041	56,700	66.59
Hartzer St Upgrading Of Streets And Stor	-	104,030	104,030	-	100
Man Rd 105 Upgrading Of Streets And Stor	-	76,740	89,146	-12,406	116.16
Laavers St Upgrading Of Streets And Stor	-	179,920	131,563	48,357	73.12
Segoneco St Upgrading Of Streets And Sto	-	278,510	138,542	139,968	49.74
Man Road 164 Upgrading Of Streets And St	-	306,811	302,520	4,291	98.6
Man Road 165 Upgrading Of Streets And St	-	850,006	661,851	188,155	77.86
Sleeper Replacement And Thermit Welds	100,000	-	-	-	0
Unforeseen Stormwater Improvements	3,000,000	8,380,000	8,339,733	40,267	99.51
Rehabilitation Of Stormwater Canals	1,500,000	4,759,007	4,636,182	122,825	97.41
Resealing Of Streets	20,000,000	62,419,897	62,262,452	157,445	99.74
Rehabilitation Of Haldon Road	1,000,000	472,700	438,432	34,268	92.75
Heavy Rehabilitation Of Eeufees Road	2,000,000	955,721	927,166	28,555	97.01
HEAVY REHABILITATION OF Sttgeorge STREET	100,000	13,758,172	13,293,675	464,497	96.62
Heavy Rehabilitation Of Wilcocks Road -	100,000	10,290,000	10,050,857	239,143	97.67
Heavy Rehabilitation Of Mc Gregor Street	1,000,000	591,896	591,405	491	99.91
Upgrading Of St Georges & First Avenue I	3,400,000	503,128	495,189	7,939	98.42
Replacement Of Obsolete And Illegal Sign	1,000,000	1,125,000	1,048,695	76,305	93.21
Streets And Stormwater Management Syste	500,000	500,000	500,000	-	100
Rehabilitation Of Bridges	1,500,000	1,185,333	1,082,616	102,717	91.33
Upgrading Of Roads & Sw - Leepile	-	1,885,515	1,807,356	78,159	95.85
Upgrading Of Roads: Bot Rd 1107	-	-	-	-	0
Upgrading Of Low Volume Road In Batho	-	1,310,759	1,308,663	2,096	99.84
Upgrading Of Roads & Sw Camp	-	81,216	4,476	76,740	5.51
Stormwater: Inner Ring Road/ Moshoeshoe	-	1,777,559	1,687,068	90,491	94.9
Rehabilitation Of Andries Pretorius Stre	-	21,452,084	19,832,800	1,619,284	92.45
Upgrading Of Roads & Sw Mokatho Vaphi St	-	4,554,855	4,554,854	1	99.99
Upgrading Of Roads & Sw Leepile Street	-	622,625	622,624	1	99.99
Upgrading Of Streets And Sw Batho R4	-	670,000	670,000	-	99.99
Upgrading Of Streets And Sw Batho R7	-	740,159	740,158	1	99.99
Upgrading Of Streets And Sw Batho R8	-	564,470	564,470	-	100
Upgrading Of Streets And Sw Batho R1	-	263,338	263,337	1	99.99
Unforeseen Stormwater Improvements	-	980,893	980,890	3	99.99
Rehabilitation Of Stormwater Canals	-	123,887	123,887	-	100

Capital Expenditure Description	Approved Budget	Adjusted Budget	Actual Movement	Balance	% on Adj Budget
Resealing Of Streets	-	6,503,818	6,188,590	315,228	95.15
Heavy Rehabilitation Of Wilcocks Road P2	-	1,931,143	1,931,142	1	99.99
Streets And Stormwater Management System	-	53,212	53,212	-	100
Upgr And Construction Of Northern Land	4,000,000	2,328,341	2,300,000	28,341	98.78
Upgr And Construction Of Southern Land	5,550,000	2,265,920	2,172,826	93,094	95.89
Upgr And Rehabilitations Of Botshabelo L	2,250,000	1,145,740	1,145,740	-	100
Development Of Transfer Station In Thaba	1,750,000	1,375,250	1,375,250	-	100
Upgr. & Construction Of Northern Landfil	-	1,274,556	1,274,556	-	99.99
Upgr. & Construction Of Southern Landfil	-	1,333,551	1,333,551	-	99.99
Upgr. & Rehabilitation Of Botshebelo Lan	-	1,157,222	1,157,222	-	99.99
Addition Of 10ml To Sterkwater Wwtw	3,709,435	80,000	80,000	-	99.99
Waterborne Sanitation In Bultfontein 2	-	-	-	-	0
Waterborne Sanitation In Ratau & Moroka	6,000,000	9,866,158	434,820	9,431,338	4.4
Waterborne Sanitation In Bultfontein 2 3	8,100,000	2,623,529	-	2,623,529	0
Waterborne Sanitation In Section F F Ex	8,000,000	8,000,000	-	8,000,000	0
Botshabelo Section J - Upgr Of Vip Toile	-	23,500,945	115,942	23,385,003	0.49
Botshabelo Section F Ext - Upgr Of Vip T	-	19,850,836	111,795	19,739,041	0.56
Waterborne Sanitation In Ratau & Moroka	-	-	9,153,881	-9,153,881	0
Waterborne Sanitation In Bultfontein 2 3	-	-	892,769	-892,769	0
Waterborne Sanitation In Section F F Ex	-	-	5,558,922	-5,558,922	0
Botshabelo Section J - Upgr Of Vip Toile	23,500,945	-	-	-	0
Botshabelo Section F Ext. - Upgr Of Vip	20,271,836	-	-	-	0
Botshabelo Section J Basic Sanitation	-	2,000,000	1,458,515	541,485	72.92
Botshabelo Section F And F Ext Basic San	-	2,000,000	1,561,151	438,849	78.05
Botshabelo Bulk Sewer Line Sec F	-	2,642,110	479,237	2,162,873	18.13
Thaba Nchu Seroalo Basic Sanitation	-	13,732,569	1,698,927	12,033,642	12.37
Botshabelo Section K Basic Sanitation	-	28,097,776	18,213,300	9,884,476	64.82
Thaba Nchu Bultfontein 3 Basic Sanitatio	-	200,000	195,798	4,202	97.89
Bloemside 6 Basic Sanitation	-	10,788,635	3,623,948	7,164,687	33.59
Botshabelo Section J Basic Sanitation	-	15,538,910	8,016,355	7,522,555	51.58
Botshabelo Section J - Upgr Of Vip Toile	-	-	7,131,102	-7,131,102	0
Botshabelo Section F Ext - Upgr Of Vip T	-	-	14,857,684	-14,857,684	0
North Eastern-Wwtw (15ml/Day) And 1 8 Km	70,480,000	108,180,000	100,340,218	7,839,782	92.75
2.5km Main Sewer From The Air Force Base	7,000,000	-	-	-	0
Mechanical And Electrical Works For Nort	40,100,000	27,700,000	27,386,439	313,561	98.86
Outfall From Bloemspruit Wwtw To The Rac	1,000,000	1,000,000	782,875	217,125	78.28
Addition Of 10ml To Sterkwater Wwtw	16,285,265	6,000,000	5,595,484	404,516	93.25

<b>Capital Expenditure Description</b>	<b>Approved Budget</b>	<b>Adjusted Budget</b>	<b>Actual Movement</b>	<b>Balance</b>	<b>% on Adj Budget</b>
Refurbishment Of Old Toilets	2,500,000	-	-	-	0
Upgrade Bulk Sewer For Brandwag Project	4,200,000	-	-	-	0
Refurbishment Of Sewer Systems	8,000,000	12,332,550	11,811,479	521,071	95.77
Refurbishment Of Bloemspruit Wwtw	8,000,000	-	-	-	0
North Eastern Wwtw (15ml/Day) And 1	-	538,189	538,189	-	100
Outfall From Bloemspruit Wwtw To The Rac	-	2,566,990	1,324,837	1,242,153	51.61
Waterborne Sanitation In Ratau & Moroka	-	6,163,198	4,835,552	1,327,646	78.45
Basic Sanitation In Thaba Nchu	-	887,610	842,406	45,204	94.9
Upgrading Of Sewer System In Freedom Squ	-	60	398,108	-398,048	999.99
Sewer Mains Connection To Northern Wwtw	-	119,863	-	119,863	0
Grassland And Bloemspruit Sewer Mains	-	1,470	-	1,470	0
Addition Of 10ml To Sterkwater Wwtw	-	4,135,392	2,288,673	1,846,719	55.34
Refurbishment Of Sewer System	-	13,169,293	13,035,016	134,277	98.98
<b>SUB TOTAL</b>	<b>391,198,457</b>	<b>530,359,410</b>	<b>411,673,469</b>	<b>118,685,941</b>	<b>77.62%</b>
<b>WATER</b>					
Basic Water To Stands Bw	5,000,000	1,658,890	1,380,133	278,757	83.19
Naval Hill Reservoir 35 Ml	16,388,347	5,034,156	2,911,191	2,122,965	57.82
Naval Hill Reservoir 35 Ml	6,000,000	374,989	374,988	1	99.99
Naval Hill Reservoir: 3.5km Supl And Del	26,000,000	2,500,000	2,289,205	210,795	91.56
Longridge Reservoir Supply Line 8.3 Km	25,000,000	29,714,320	25,070,342	4,643,978	84.37
Upgrading Of Maselspoort Pump Supply To	18,000,000	38,171,053	36,686,962	1,484,091	96.11
Botshabelo And Thaba Nchu Internal Bulk	10,000,000	10,000,000	3,608,266	6,391,734	36.08
Replace Pumps Maselspoort	-	18,779,480	-	18,779,480	0
Replace Pumps Maselspoort	12,000,000	27,268,793	26,644,403	624,390	97.71
Refurbishment Of Water Supply Systems	10,000,000	31,995,899	31,995,894	5	99.99
Naval Hill Reservoir 35 Ml	-	3,246,052	3,246,052	-	100
New 45 Ml Longridge Reservoir	-	1,248,922	-	1,248,922	0
Refurbishment Of Water Supply Systems	-	21,109,783	20,642,498	467,285	97.78
Upgrading Of Maselspoort Pump Supply To	-	146,467	146,467	-	99.99
Refurbishment Of Water Supply Systems: R	10,000,000	10,000,000	7,697,929	2,302,071	76.97
Metering Of Unmetered Sites	-	25,063,576	23,967,670	1,095,906	95.62
Metering Of Unmetered Sites	15,000,000	11,225,961	10,121,772	1,104,189	90.16
Refurbishment Of Water Supply Systems: A	5,000,000	-	-	-	0
Refurbishment Of Water Supply Systems: T	5,000,000	5,000,000	5,000,000	-	100
Replace Water Meters And Fire Hydrants	-	28,520,435	28,520,435	-	99.99
Valve Repair/ Replacement In Bloemfontei	-	-	-	-	0

Capital Expenditure Description	Approved Budget	Adjusted Budget	Actual Movement	Balance	% on Adj Budget
Replace Water Meters And Fire Hydrants	15,000,000	18,774,039	18,704,898	69,141	99.63
Replace Water Meters And Fire Hydrants	-	364	364	-	100
<b>SUB TOTAL</b>	<b>178,388,347</b>	<b>289,833,179</b>	<b>249,009,469</b>	<b>40,823,710</b>	<b>85.91%</b>
<b>CENTLEC</b>					
Vehicles	-	49,000,000	37,786,178	11,213,822	77.11
Implementation Of Business Continuity An	956,163	956,163	-	956,163	0
Implementation Of Workflow Crm And Quat	500,000	-	-	-	0
Website	-	1,500,000	-	1,500,000	0
Computer Replacement Equipment	-	2,000,000	1,791,728	208,272	89.58
Upgrade Of Curent Pabx To Voip Telcomms	1,000,000	1,000,000	-	1,000,000	0
Servitudes And Land (Including Investiga	1,000,000	1,000,000	-	1,000,000	0
Botshabelo: 132kv Line From Dc Around We	11,000,000	11,000,000	11,087,756	-87,756	100.79
Khayelitsha Electrification	-	18,000,000	17,611,055	388,945	97.83
Electrification Connections Dme	7,000,000	6,140,351	5,324,290	816,061	86.7
Meriting Dc: 132kv/11kv Dc	19,000,000	16,666,667	11,302,810	5,363,857	67.81
Botshabelo: 132kv/33/11kv Dc Sub F	16,000,000	14,035,088	20,230,215	-6,195,127	144.14
Demand Side Management	-	7,017,544	-	7,017,544	0
Electrification Connections Dme	7,000,000	-	-	-	0
Electrification Connections Dme	14,000,000	9,649,123	8,767,189	881,934	90.85
Clover Dc: 132kv/11kv 30mva Dc	10,000,000	-	-	-	0
Shannon A Dc: 132kv/11kv Dc	1,000,000	877,193	7,483,256	-6,606,063	853.09
Vista Park Dc: 132kv/11kv 20mva Dc	10,000,000	-	-	-	0
Fichardtpark Dc: 132kv/11kv 20mva Dc	8,000,000	7,017,544	-	7,017,544	0
Botshabelo: 132kv Eskom Connection & Ext	5,000,000	4,385,965	11,547,605	-7,161,640	263.28
Groenvlei Dc 132kv /11kv 20mva	-	8,771,930	-	8,771,930	0
Cecelia Dc 132 Kv /11kv 30mva Dc	-	8,771,930	-	8,771,930	0
Installation Of Prepaid Meters (Indig	1,000,000	1,000,000	811,330	188,670	81.13
Public Electricity Connections	11,888,364	17,676,161	22,608,870	-4,932,709	127.9
Upgrade Desktop Computers In Control Roo	-	200,000	199,273	727	99.63
Upgrading Of Ripple Control Equipment (Z	-	50,000	43,015	6,985	86.03
New Test Vehicle Test Equipment (Fully E	-	1,700,000	-	1,700,000	0
Transformer And Secondary Test Equipment	-	2,000,000	-	2,000,000	0
Current Transformer Test Sets	-	500,000	-	500,000	0
Relay Secondary Test Sets	-	800,000	-	800,000	0
Refurbishment Of The Tap Changer Control	200,000	200,000	-	200,000	0
Refurbishment Of Protection At Bayswater	543,837	543,837	-	543,837	0

<b>Capital Expenditure Description</b>	<b>Approved Budget</b>	<b>Adjusted Budget</b>	<b>Actual Movement</b>	<b>Balance</b>	<b>% on Adj Budget</b>
Replacement Laptops For Tecnicians (12)	-	120,000	104,481	15,519	87.06
Replacement Of 240 Mm Xlpe Between Sub A	-	7,000,000	13,183,628	-6,183,628	188.33
Replacement Of 2 & 4 Way Fibreglass Box	-	1,000,000	197,293	802,707	19.72
Replacement Of Brittle Overhead Connecti	-	700,000	349,490	350,510	49.92
Furniture And Office Equipment	2,000,000	7,000,000	6,613,150	386,850	94.47
Office Building	2,000,000	2,800,000	2,947,541	-147,541	105.26
Meter Project	22,000,000	22,000,000	31,724,569	-9,724,569	144.2
Replacement Of Low Voltage Decrepit 2 4	-	1,500,000	1,149,234	350,766	76.61
Network Refurbishment	-	-	5,059,245	-5,059,245	0
Upgrade And Refurbishment Of Centlec Com	500,000	500,000	261,690	238,310	52.33
Park West 132/T2b 45 Mva	-	4,500,000	-	4,500,000	0
Clover & Vista Dc S Park Access Control	-	350,000	-	350,000	0
Tibbie Visser Ripple Control	-	350,000	-	350,000	0
Remedial Work 132kv Southern Lines	-	4,000,000	-	4,000,000	0
Automated Maintenance System	-	500,000	-	500,000	0
132kv Northern Ring From Noordstad Dc To	-	8,771,930	-	8,771,930	0
Vending Back Office	5,000,000	4,385,965	3,494,262	891,703	79.66
Replacement Of Oil Plant	-	650,000	-	650,000	0
Replacement Of Decrepit Hamilton Substat	-	2,000,000	1,444,568	555,432	72.22
Replacement Of 110v Batteries For East Y	-	450,000	-	450,000	0
Replacement Of 11kv Switchgears For Magi	-	1,200,000	1,303,171	-103,171	108.59
Replacement Of 32 V Batteries	-	350,000	-	350,000	0
<b>SUB TOTAL</b>	<b>156,588,364</b>	<b>262,587,391</b>	<b>224,426,894</b>	<b>38,160,497</b>	<b>85.47%</b>
<b>TOTAL</b>	<b>865,988,708</b>	<b>1,291,817,852</b>	<b>1,059,521,092</b>	<b>232,296,760</b>	<b>82.02%</b>

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