

2013/14



Volume I

MALETSWAI
LOCAL MUNICIPALITY

DRAFT ANNUAL
REPORT

29 August 2014

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The municipality experienced material losses in both electricity and water usage to the value of R 3 515 352 (2012 - R2 425 163) and R0 (2012 - R452 890) respectively. This represents a loss of 11.49% (2012 - 18.50%) on electricity and 0% (2012 - 14.37%) on water consumption..... 189

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GLOSSARY	
Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are “ <i>what we use to do the work</i> ”. They include finances, personnel, equipment and buildings.

Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote

	<p>specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a “vote” as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>
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CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

1.1 COMPONENT A: MAYOR’S FOREWORD

MAYOR’S FOREWORD



Honourable Mayor:
Cllr N.S. Mathetha

a. VISION AND MISSION:

Vision: *To become a leading economic hub, tourist destination and an ideal place to live, work and play*

Mission: *To improve the quality of life for all citizens*

b. KEY POLICY DEVELOPMENTS:

The Maletswai Local Municipality has undertaken to develop a long-term strategic plan, 2013/14 – 2027/28, referred as Vision 2028.

c. KEY SERVICE DELIVERY IMPROVEMENTS:

The creation of jobs through EPWP received generous attention and went a long way in ensuring that the municipality contributes to the efforts of the National Government to reduce unemployment as enunciated in the 2013 State of the Nation Address, the National Development Plan and Provincial Growth and Development Plan (PGDP). The projects that were successfully implemented which fell within the ambit of the EPWP were the following:

- Resealing of streets employing the available skill internally
- Construction of a new link road to Hilton and rehabilitation of other internal roads including provision of street lighting to the value of R12 million.

It also needs to be noted that Joe Gqabi District Municipality took over the provision of the water services from 1 July 2013 and this necessitated the transfer of all staff members in the water services over to the District municipality. An agency agreement was concluded in order to fashion the relationship between the two municipalities around the provision of revenue management services.

The municipality has continued to provide alternative free basic energy in the form of gel stoves and bio-ethanol gel to the indigent households leaving in informal settlements. Although this was being implemented on a pilot basis, its widespread impact has been highly commended by the communities.

d. PUBLIC PARTICIPATION:

To ensure public participation in the developmental initiatives and decision making processes of the municipality, the municipality has ensured that:

- Ward committees are existent, functional and provided the appropriate resources and support, in the form of staff, to deliver on their mandate. Joint ward committee meetings were held with them at which feedback was provided by the council on matters that were raised by the

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community at the previous Izimbizos. They were also invited to the Council meetings and served with Council Agendas.

- Ward councilors hold general meetings with the residents in their wards and all issues raised are channeled by the Communications unit to the relevant department for processing. Ward committees also undertook door-to-door campaigns to keep in touch with communities and to take up issues affecting them with the ward councilor.
- A summary of council resolutions after ordinary council meetings were made public through the local newspaper to keep community members posted on the activities and important decisions affecting them.
- Communities were given an opportunity to comment on the budget, Annual report and SDBIP before they were adopted by the Council.

e. FUTURE ACTIONS:

The municipality has committed itself in ensuring that it fulfils the following by 2028 :-

- Infrastructure development
- Economic development
- Integrated development
- Human capital and
- Revenue Enhancement

f. AGREEMENTS / PARTNERSHIPS:

The Council entered into a service level agreement with the Ikhala Public FET College on the placement of their students for experiential learning and sharing of resources and expertise in the area of Human resource management. This agreement will go a long way in improving skills base of the youth particularly within the jurisdiction of the municipality.

Furthermore, moves are already afoot to conclude a Service Level Agreement with the Joe Gqabi Economic Development Agency on the management of the Aliwal Spa and development of a private hospital in Aliwal North. The SLA with the Department of Roads and Transport on the provision of vehicle testing and driving license services is still operational. The Department of Sport, Recreation, Arts and Culture renewed its SLA with the municipality on the provision of library services to the communities.

g. CONCLUSION:

In conclusion, a word of gratitude goes to the Council, ward committees, Managers and staff of Maletswai for continuing to exert themselves in the work of the municipality to deliver quality services in a sustained way to its residents; the stakeholders of Maletswai and government departments continue to fuel the impetus of the Council to attend to the needs of its communities. The Council feels highly indebted to all of them.

In our humble ways and limited capacities we will continue to contribute towards the resolution of the most complex challenges confronting the government of the day.

In a nutshell, the Annual report portrays various initiatives to ensure a well-managed and sustainable institution. I can confidently say that we have got controls, systems and policies in place to ensure that the institution maintains a very high standard of good governance.

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Finally, it is a pleasure to report that the municipality maintained a qualified audit opinion for the 2012/13 financial year. The road ahead is long, steep and rocky, the ocean waters are high and rough, the stormy weather of the mother-nature is brewing on the horizon but none of them will inspire despondency and paralysis to surge ahead.

(Signed by :) _____

Mayor/Executive Mayor

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1.1 COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

MUNICIPAL MANAGER'S OVERVIEW



Mr M.P. Nonjola
Municipal Manager

THE YEARLY PROGRAM PRIORITIES' STATEMENT

Contrary to the prior years, the Annual report for 2013/14 financial year has been prepared and presented in conformance with the template and guide provided by the National Treasury. In the prior years, the template employed was provided by the Provincial Department of Local Government and Traditional Affairs. An attempt has been made to provide as much detailed information as it would be useful to the users of the report.

The alignment of IDP indicators and Council priorities has been achieved by ensuring that the indicators set out in the SDBIP are reflective or give concrete expression to the IDP priorities. To illustrate this point, the IDP set out to promote effective and inspiring governance by promulgating and implementing by-laws; and developing & implementing an appropriate and effective Performance Management system for s56 Managers. The by-laws were enforced particularly the liquor trading by-law by the municipal peace officers working in collaboration with the South African Police service. Furthermore, not only were the peace officers trained on their responsibilities but they were also provided with appropriate resources to carry out their task. The performance agreements of the s56 Managers were concluded, submitted to the MEC and quarterly reviews were conducted in accordance with the performance management system.

The municipality proceeded well in pursuing and achieving set targets in the SDBIP. The critical positions were all filled, the governance structures remained functional throughout the financial year, Employment Equity plan submitted to the Department of Labour, Human resource policies were reviewed and new ones developed, Public participation programmes were held in all wards, Communication strategy was developed, construction of the Hilton link road and rehabilitation of internal streets was completed, interim financial statements were prepared internally, 87% of the bid awards were made to the enterprises owned by the Historically Disadvantaged Individuals and Electricity losses were contained at 11.49%. The afore-going represents a snapshot of some of the key service delivery achievements made by the Municipality during the year under review.

The current assets versus current liabilities ratio was 1:3.72 as at 30 June 2013 indicating that the value of total current assets at year end is not adequate to settle the total outstanding debts for the

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same period. This means that the total value of current assets could only pay up to 27% of the total value of current liabilities.

The other ratio that assesses the Municipality's liquidity is the acid test ratio, which specifically excludes inventory as an asset that can be easily converted into cash. This ratio reflects that current assets to current liabilities is at 1:4.03, meaning that the total value of current assets at year end can only cover 25% of total current liabilities for the same period.

The financial health of the municipality as reflected by the ratios above has deteriorated to a point where major interventions aimed at curbing unnecessary expenditure and improving revenue will continue to be implemented during the 2013/14 financial year if a state of paralysis that hovers over the Municipality were to be averted.

The municipality maintained a qualified audit opinion which largely resulted from the full compliance with the GRAP standards for the first time. The major areas of concern were the Property, Plant and Equipment, Investment property and Supply Chain Management. These areas will still be given a fair amount of attention in 2013/14 financial year.



MCEBISI NONJOLA
MUNICIPAL MANAGER

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1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

The Maletswai Municipality is making a concerted effort in ensuring that it fulfils its mandatory obligation of delivering basic services to the majority of people including the indigents within the constraints of limited resources. In spite of the progress the municipality has made, there are some bottlenecks which inhibit the maximum delivery of services which include inter-alia obsolete infrastructure and financial constraints. The services are not all reaching people due to continuing population growth.

LOCALITY

The Maletswai Local Municipality is situated in the Joe Gqabi District of the Eastern Cape Province in the Republic of South Africa. It lies to south of the Free State Province and is bordered by Senqu Local Municipality to the East, Gariiep Local Municipality to the West and the Chris Hani District Municipality to the South. The primary town in the district is Aliwal North which serves as the economic hub for both the Maletswai Local Municipality and the District as a whole. A second significant town in the Local Municipality is Jamestown.

THE POPULATION OF MALETSWAI

According to the 2011 Census, the Municipality has a total population of about 43 800 people. The population has increased as compared to the census conducted in 2007 which had a population of 42,846. The area has a relative small population and low population density with its population making up just 12, 5% of the total population for Joe Gqabi District. The largest proportion of the population in Maletswai Local Municipality is located in Ward 6 with approximately 9, 239 people estimated to be residing within the area. The second largest proportion of people is based in Ward 2 with approximately 9,000 people residing in the area (STATSSA 2011).

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In a nutshell the continuing population growth suggests that more educational facilities and skills training will be required. This will also exert more pressure on the municipality to augment its capacity to provide services to the community.

Age	Year (2011 Census)		
	Male	Female	Total
0-4	2 531	2 654	5185
5-9	2 406	2 388	4794
10-19	4 201	4 163	8364
20-29	3813	4 323	8136
30-39	2923	3 145	6068
40-49	1 991	2 353	4344
50-59	1 413	1 866	3279
60-69	888	1 115	2 003
70+	560	1 067	1627
Grand Total	20 726	23 074	43 800

Source: Statistics S.A, 2011

No. Households in Maletswai from 2001 to 2011

YEARS	PERSONS	NO. OF HOUSEHOLDS
2001	37 307	9 488
2007	42 843	11 443
2011	43 800	12 105

Source: Statistics S.A, 2011

KEY STATISTICS FOR MALETSWAI	
Population	43 800
Females aged 5-14	6 551 (14, 9%)
Males aged 5-14	6 607 (15%)
Females aged 15-34	11 631 (26, 5%)
Males aged 15-34	10 937 (24, 9%)

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Unemployment	26,6%
No. of households	12 105
Poor household in Municipal area (less than R19 600 per annum)	2 776 (6, 3%)

Source: Statistics S.A, 2011

SOCIO – ECONOMIC STATUS2011	
Year	2011
Housing Backlog as proportion of current demand	4,5%
Unemployment Rate	26,6%
Proportion of households with no income	10,9%
Proportion of population in low- skilled Employment	25,2%
HIV/AIDS Prevalence	11%
Illiterate people older than 14 years	7,5%

Source: Statistics S.A, 2011

OVERVIEW OF NEIGHBORHOODS WITHIN MALETSWAI MUNICIPALITY			
SETTLEMENT TYPE	2001	2007	2011
Formal	66,2%	74,0%	87,2%
Informal	31,3%	21,8%	12,8%

The municipality has some opportunities and challenges which include inter-alia:-

Challenges: High rate of unemployment, the ageing infrastructure, Lower educational levels, HIV/AIDS, Shortage of houses, Lack of skills and low income.

Opportunities: Large percentage of youth, Orange River and access to National road (N6). This large percentage of youth should be capacitated with skills in order for them to improve the livelihood of their communities by using the available natural assets for the present and future generation. The municipalities should also support the people financially and with skills for the sustainability of their projects to create more job opportunities.

1.3 MUNICIPAL OBJECTS AND FUNCTIONS

According to the Constitution of the Republic of South Africa (1996) the Local Municipalities are obliged to execute these objects that are assigned to them:-

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- To promote democratic and accountable government for local communities
- To ensure the provision of services to communities in a sustainable manner
- To promote social and economic development
- To promote a safe and healthy environment and
- To encourage the involvement of communities and community organisations in the matters of local government.

Within this Constitutional mandate, powers and functions have been defined in terms of the Local Government Municipal Structures Act 117 of 1998 as amended.

1.3.1 FUNCTIONS OF MUNICIPALITIES

The functions of the municipality are listed in the table below

Function	District Municipality	Local Municipality
Air pollution	X	
Building regulations		X
Child Care facilities		X
Electricity reticulation		X
Fire Fighting	X as per regulations	
Local Tourism	X as per white paper	X
Municipal airports		X
Municipal Planning	X	X
Municipal Health Services	X	
Municipal Public Transport		X
Pontoons and Ferries		X
Storm water		X
Trading regulations		X
Water (potable)		X
Sanitation		X
Schedule 5 part b		X
Beaches and amusement facilities		X

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Function	District Municipality	Local Municipality
Billboards and the display of adverts in public places		X
Cemeteries, Crematoria and funeral parlours		X
Cleansing		X
Control of public nuisances		X
Control of undertakings that sell liquor to the public		X
Facilities for the accommodation, care and burial of animals		X
Fencing and fences		X
Licensing of dogs		X
Licensing and control of undertakings that sell food to the public		X
Local amenities		X
Local sport facilities		X
Markets		X
Municipal abattoirs		X
Municipal parks and recreation		X
Municipal roads		X
Noise pollution		X
Pounds		X
Public places		X
Refuse removal, refuse dumps and solid waste disposal		X
Street trading		X
Street lighting		X
Traffic and parking		X

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Function	District Municipality	Local Municipality
Additional agency functions performed		
Licensing of vehicles		X
Primary Health Care		January 2011 moved to Provincial Department of Health
Road maintenance	X	X

The administration of Maletswai Local Municipality is headed by a Municipal Manager, and his appointment as an Accounting Officer is enshrined in section 82 of Municipal Structures Act 117 of 1998, and this [appointment] is formalised by a signed Employment Contract. A draft Annual Performance Agreement in respect of the Municipal Manager will be aligned to the reviewed 2014/15 IDP and submitted to the Mayor together with the draft annual SDBIP and subsequently to the Municipal Council for ratification.

1.3.2 EDUCATION PROFILE

A key dimension that directly influences the potential employability of community members is their educational background and level of skills that they possess. The level of education and skills within a region impacts on many factors, including: the productive efficiency of investments (e.g. health, capital), employment potential, the gender gap and productivity and income levels. Education is therefore acknowledged as being inextricably linked to the economic development of an area and to a growing middle class. The educational levels in Maletswai municipal area are as follows:

- Currently 34, 7% of the population has some primary schooling, 7, 5% has received no schooling.
- The proportion of the population in Maletswai Local Municipality with no schooling is lower than the district and provincial figures at 13.6% and 12.2% respectively.
- 27% of the population has a Grade 12 / Matric education or higher education. This is higher than the provincial average (22%) and district average (15%).

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- There has been an overall improvement in the level of education in Maletswai from 2007 to 2011. (STATSSA 2011 Community Survey)

It must be noted that there has been a gradual improvement in the level of education in Maletswai and the population is relatively well educated compared with other municipal areas in the province, however overall education levels are still quite low.

There is a large proportion of the population who are unable to be fully economically active members of the community due to their employability. This impacts on income levels of the community and reduces the potential for economic growth. This poor level of education could be due to lack of facilities as well the isolated nature of many people in the rural areas. Another could be the lack of employment opportunities for more skilled workers, which reduces the incentives for further study. Skilled people are more likely to leave the area to look for work or higher paying work elsewhere, reducing the skills available in the area.

1.3.3 OCCUPATION PROFILE

The unemployment and employment levels within the Maletswai Local Municipality (MLM) are important to investigate, because the income generated from employment is used to purchase goods and services. In addition, high levels of unemployment are generally associated with poor socio-economic conditions and poverty.

Official employment Status	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Total	Average %
Employed	1,848	2,230	1,255	2,140	1,554	1,622	10,647	24,3
Unemployed	518	661	607	644	473	975	3,877	8,8
Discouraged work seeker	585	252	147	188	75	336	1,583	3,6
Not applicable	2,777	3,537	2,112	2,787	1,695	3,704	16,613	37,9
Not	1,707	2,321	1,575	1,737	1,138	2,602	11,080	25,2

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economically active								
Total	4,658	5,464	3,584	4,709	3,240	5,535	27 186	100,0

Source: Statistics S.A, 2011

According to Statistics South Africa, 2011, 26, 6% of MLM population is unemployed, lower than the average for the district municipal area (35, 4%) and the Eastern Cape (37, 4%). The employable persons above age 15 at present is 62%. Approximately 25, 2% of the working age population is not economically active in Maletswai.

1.3.4 SYNTHESIS

From the socio-economic assessment conducted it is evident that the population is relatively better off than other households living in our district, however the local economy is unable to create enough jobs to absorb the working aged people. In addition to this although the population of Maletswai is relatively well educated (compared with other areas in the province) most employment is in unskilled, elementary occupations, which is indicative of low levels of income.

This further undermines the ability of the local economy to grow. Population growth in MLM is growing as there are many government departments that are relocating to this region. There are still those with specialized and scarce skills that are vacating the municipality in search of employment in other areas. This is a negative trend, particularly if higher skilled people are leaving the municipality. A positive trend is that most households have access to basic services and infrastructure.

1.4 ENVIRONMENTAL OVERVIEW

Before the commencement of any land development the Maletswai Municipality is fully complying with chapter 5 of the National environmental Act of 1998. In general, when considering applications for land development, the Municipality is fully considering the environmental principles.

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The National Environmental Management Act is one of the pieces of legislations applicable to Maletswai Local Municipality. Also, Joe Gqabi Environmental Management Plan (2003), Joe Gqabi Spatial Development Framework (2006) and Maletswai Spatial Development Framework are also documents considered and applicable to the municipality.

1.5 SERVICE DELIVERY OVERVIEW

Service delivery is about delivering government services as effectively as possible to the satisfaction and delight of its citizens. The South African Constitution states that municipalities have the responsibility to make sure that all citizens are provided with services to satisfy their basic needs.

It is national government policy that no household should be left without basic services because it cannot afford either the capital or the recurring monthly costs of accessing basic services. In line with this policy, National government has therefore committed to subsidizing both the capital and operating costs of a free basic level of services for all households who cannot afford to pay.

In compliance with the aforementioned policy the municipality has made a tremendous progress in providing the basic services to the people including the indigents. The key service delivery improvements are highlighted below:-

- 12443 households have access to potable water and
- 420 households have access to electricity services

The main challenges that hinder the optimum delivery of these key services are the lack of finance and the obsolete infrastructure.

1.5.1 FUTURE COMMITMENTS TO INITIATIVES FOR IMPROVING SERVICE DELIVERY

To accelerate the pace for service delivery, the municipality has designed and adopted the following strategic objectives:-

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- Development of sector plans dealing with various service infrastructure requirements, including the possible funding mechanisms necessary to address the basic service backlogs;
- Accessing the consolidated MIG funds allocated to the municipality annually for projects to roll-out basic service infrastructure to poor communities;
- Creative application of the housing subsidy administered by the Department of Human Settlements for low-cost and middle-income housing to support roll-out of infrastructure at basic level;
- Efficient utilization of the municipality's equitable share of nationally raised revenue to fund the recurrent costs of this free basic service provision in their communities; and
- Improvement of municipal rates collections and application of a cross subsidized system of rates determination to ensure distribution of value across the various sector active within the local municipality.

1.6 FINANCIAL HEALTH OVERVIEW

The Municipal Systems Act 32 of 2000 requires a municipality to include a financial plan, including a 3 year budget, in the annual Integrated Development Plan. In essence this financial plan is a medium term strategic framework on how the municipality plans to deliver services, within financial means. The Council's strategic objective of service delivery includes the persistence of the acceptable levels of service as well as the improvement in those areas where it lacks acceptable levels. The balancing act is to achieve these objectives with available financial resources, and to always consider the effect of tariff adjustments on the community at large, and specifically the poor.

Maletswai has challenges around the amount of income available to deliver services. There have been times over the past five years when Maletswai Municipality's financial viability as a municipality has been questioned. Due to their small population size (even though this is disputed) they receive only a small amount of equitable share. This is coupled with the fact that they have urban areas with old infrastructure,

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which is of a high level of service, but which still needs to be maintained and they are not drawing in much income from the sale of services to these communities.

They have not managed to implement systems around levying rates on the commercial farmland and this has negatively affected their income. Challenges around the spending of funds in their municipalities, which has been more skewed towards the previously disadvantaged, has meant that maintenance of some of the higher level services in other areas (such as tarred roads in Aliwal North) have deteriorated beyond reasonable repair. This will impact on the ability of the municipality to attract and or retain commercial enterprises that could generate income for the municipality.

The collection rate of the municipality is not congruent to its expenditure due to escalating costs, unauthorized expenditure arising from over spending on the budget, inability to enforce the credit control policy in some areas such as Jamestown.

1.7 ORGANISATIONAL DEVELOPMENT OVERVIEW

The municipality has a total of 391 approved posts on its organogram which includes those employed under special projects such as the cleaning campaign and temporary staff. The total number of approved posts has remained relatively constant over the past two years as there has never been significant paradigm shift in the focus of the municipality and its organizational machinery and developmental thrust.

Of the 391 posts on the organogram, 50 are vacant. This means that 13% of the total post establishment has not been filled. Whilst it may be desirable to have all the vacant positions in the organogram filled, it is not always possible to have them filled at the same time on account of financial constraints.

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Depicted below is the summary of the Maletswai Municipality employees.

Full time staff complement: MM/Section 56 and Line Managers

	Approved positions	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	Municipal Manager	1	1	-
2	Directors 56	4	4	-
3	Managers	3	3	-
4	Sectional Heads/ Line Managers	14	13	0
	Total	22	22	0

Staff complement in the Technical Services

	Approved positions	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1.	Director	1	1	0
2.	Manager	1	1	0
3.	Foremen	1	1	0
4.	Tool men	3	2	1
5.	Linesman	1	1	0
6.	Shift workers	4	4	0
7.	Drivers	3	3	0
8.	Operators	2	2	0
	Total	16	15	1

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Public Works

	Approved positions	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	Director	1	1	0
2	Manager	1	1	0
3	Foreman	1	1	0
4	General assistants	24	13	11
5	Drivers	5	3	0
6	Temporary Staff	2	2	0
	Total	34	21	11

Electricity

	Approved positions	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	Director	1	1	0
2	Manager	1	1	0
3	Senior electrician	1	1	0
4	Electricians	2	2	0
5	Semi-Skilled Electricians	2	1	1
6	Street lights repairer	1	1	0
7	Temporary staff	5	5	0
8	Meter Readers	6	5	1
	Total	19	17	2

Technical Staff Registered with Professional Bodies

Technical Service (e.g. water, electricity etc...)	Total number of technical service Managers	Total number registered in the accredited professional body	Total number pending registration confirmation in the accredited professional body	Total number not yet registered in the accredited professional body
Electricity	1	0	0	1
Building	1	0	0	1

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Staff level of education and skills

Total number of staff	Number of staff without Grade 12	Number of staff with Senior Certificate only	Number of staff with Tertiary/accredited professionals training
351 (exclusive of 100 casual employees)	128	21	75 Inclusive of s56 Managers

Trends on total personnel expenditure

Financial Years	Total number of staff	Total approved operating Budget	Personnel expenditure (salary and salary related)
2011-2012	285	41 242 610	41074 515
2012-2013	341	129 895 000	41 343 000
2013-14	351	121 567 000	44 711 000

List of pension and medical aids to which employees belong

Names of pension fund	Number of members	Names of Medical Aids	Number of members
Cape Joint	28	Key Health	1
SAMWU Provident fund	86	Samwumed	13
SALA Pension Fund	93	Bonitas	56
Municipal Pension Fund	0	LA Health	6
		Hosmed	1
Total	207		77

SENIOR OFFICIALS' WAGES AND BENEFITS

The table below is the wages and benefits for the 2013/2014 financial year. There was no performance bonuses paid to senior managers for the financial year 2013/2014.

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Designation	Salaries 2013/14	Allowances 2013/14	Bonus 2010/11	Total Paid
Municipal Manager	1,064,293.27	36 000.00	112 424. 31	1,321,077.58
Director: Financial Services	828,448.53	10,800.00	0	839,248.53
Director: Corporate Services	760,611.05	10,800.00	0	771,411.05
Director: Community Services	718,557.35	10, 800.00	0	729,357.35
Director: Technical Services	827,751.48	10, 800.00	0	838,551.48

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

Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
Vacancy rate for all approved and budgeted posts	14%	76%	76%	-
Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	-	-	-	-
Percentage of Section 56 Managers including Municipal Managers who attended at least 1 skill development training course within the FY	100%	100%	100%	-
Percentage of Managers in Technical Services with a professional qualification	100%	100%	100%	-
Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term	100%	100%	100%	-
Percentage of councillors who	100%	100%	100%	-

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Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
attended a skills development training within the current 5 year term				
Percentage of staff complement with disability	4%	1%	1%	The response people living with disabilities is very minimal
Percentage of female employees	30%	35%	35%	-
Percentage of employees that are 35 or younger	35%	60%	-	-

MAJOR CHALLENGES AND REMEDIAL ACTIONS IN REGARD TO HUMAN RESOURCE AND ORGANIZATIONAL MANAGEMENT

Challenge	Remedial action
Inadequate funds and/or training budget that is not cash backed derails skills development programmes espoused by Work Skills plan	Collaborate with JGDM and LGSETA to ensure that training programmes planned in WSP are implemented.
Inability to fill vacant positions on the organogram	Maximum utilisation of available staff and interns

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AUDITOR GENERAL REPORT 2013/14

[To be inserted]

1.8 STATUTORY ANNUAL REPORT PROCESS

No.	Activity	Timeframe	Activity done (yes/no)
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	July	Yes
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).		Yes
3	Finalise 4 th quarter Report for previous financial year		Yes
4	Submit draft 2012/13 Annual Report to Internal Audit and Auditor-General		Yes
5	Municipal entities submit draft annual reports to MM		N/A
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August	No
8	Mayor tables the unaudited Annual Report		No
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General.		No
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase		Yes
11	Auditor General assesses draft Annual Report including consolidated Annual Financial Statements and Performance data		September – October

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No.	Activity	Timeframe	Activity done (yes/no)
12	Municipalities receive and start to address the Auditor General's comments	November	Yes
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor-General's Report		No
14	Audited Annual Report is made public and representation is invited		No
15	Oversight Committee assesses Annual Report		No
16	Council adopts Oversight report	December	No
17	Oversight report is made public		No
18	Oversight report is submitted to relevant provincial councils		No
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input.	January	No
T1.7.1			

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CHAPTER 2 - GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1 POLITICAL GOVERNANCE

2.1 .1 POLITICAL GOVERNANCE

Maletswai Local Municipality is a category B municipality with a plenary system as established by Section 12 Notice promulgated by the Department of Local Government and Traditional affairs in the Eastern Cape. This municipality comprises the former Aliwal North and Jamestown Transitional Local Councils as well as the Transitional Representative council.

2.1.1 The Council consists of 12 Councillors of which the composition is as follows:

- Nine (9) African National Congress Councillors



Cllr NS Mathetha



Cllr MG Mtshingana



Cllr ES Mbana



Cllr KS Lange



Cllr MW Mokhoabane



Cllr ZA Betana

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Cllr PN Williams



Cllr M Mdumisa



Cllr MM Tsolanku

- Two (2) Democratic Alliance Councilors



Cllr GD Fourie



Cllr H Du Preez

- One (1) United Residents Front Councilor



Cllr M Jan

2.1.2 The following councillors are appointed on a proportional basis:

- 2.1.2.1 Cllr NS Mathetha
- 2.1.2.2 Cllr M Mtshingana
- 2.1.2.3 Cllr ES Mbana
- 2.1.2.4 Cllr H Du Preez
- 2.1.2.5 Cllr GD Fourie
- 2.1.2.6 Cllr M Jan

The Committees of council are constituted as follows:

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2.1.3 Corporate Services Committee

2.1.3.1	Cllr M Mokhoabane	-	Chairperson
2.1.3.2	Cllr MM Tsolanku		
2.1.3.3	Cllr P Williams		
2.1.3.4	Cllr K Lange		
2.1.3.5	Cllr GD Fourie		

2.1.4 Technical Services Committee

2.1.4.1	Cllr ZA Betana	-	Chairperson
2.1.4.2	Cllr PN Williams		
2.1.4.3	MW Mokhoabane		
2.1.4.4	Cllr M Mdumisa		
2.1.4.5	Cllr Mtshingana		

2.1.5 Financial Services

2.1.5.1	Cllr E. Mbana	-	Chairperson
2.1.5.2	Cllr H Du Preez		
2.1.5.3	Cllr M Jan		
2.1.5.4	Cllr K Lange		
2.1.5.5	Cllr M Mdumisa		

2.1.6 Community Services

2.1.6.1	Cllr M Mdumisa	-	Chairperson
2.1.6.2	Cllr MM Tsolanku		
2.1.6.3	Cllr ZA Betana		
2.1.6.4	Cllr ES Mbana		
2.1.6.5	Cllr M Mtshingana		

All section 79 portfolio heads work as part-time councilors. The legislative and executive authority vests in the municipal council.

The following successes were registered by the council during 2013/14 financial year:-

- Adoption of the draft and final budgets within the prescribed time frames;
- Adoption of the Integrated Development Plan (IDP) in line with legislative prescripts;
- The Municipal IDP received a HIGH ranking from Member of Executive Council (MEC) responsible for Local Government and Traditional Affairs for its credibility;

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- Adoption of the Annual report and oversight report;

The main function of the standing committees is to consider matters relevant to their respective directorates and make recommendations to council for approval. Standing committees also exercise oversight role over the performance of their directorates.

2.2 ADMINISTRATIVE GOVERNANCE

The Committees of council are established in terms of section 79 of the Municipal Structures Act, Act 117 of 1998 and are constituted as follows:

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2.1.7 Corporate Services Committee



Cllr MW Mokhoabane (Chairperson)



Cllr MM Tsolanku



Cllr PN Williams



Cllr KS Lange



Cllr GD Fourie

2.1.8 Technical Services Committee



Cllr ZA Betana (Chairperson)



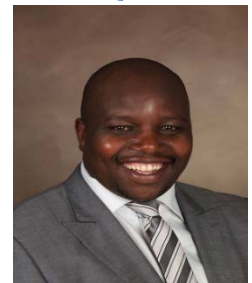
Cllr PN Williams



Cllr M.W Mokhoabane



Cllr M Mtshingana



Cllr M Mdumisa

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2.1.9 Financial Services



Cllr ES Mbana (Chairperson)



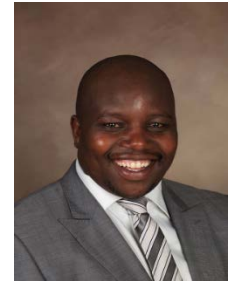
Cllr H Du Preez



Cllr M Jan



Cllr KS Lange



Cllr M Mdumisa

2.1.10 Community Services



Cllr Mdumisa (Chairperson)



CllrMG Mtshingana



Cllr MM Tsolanku



Cllr ZA Betana



Cllr ES Mbana

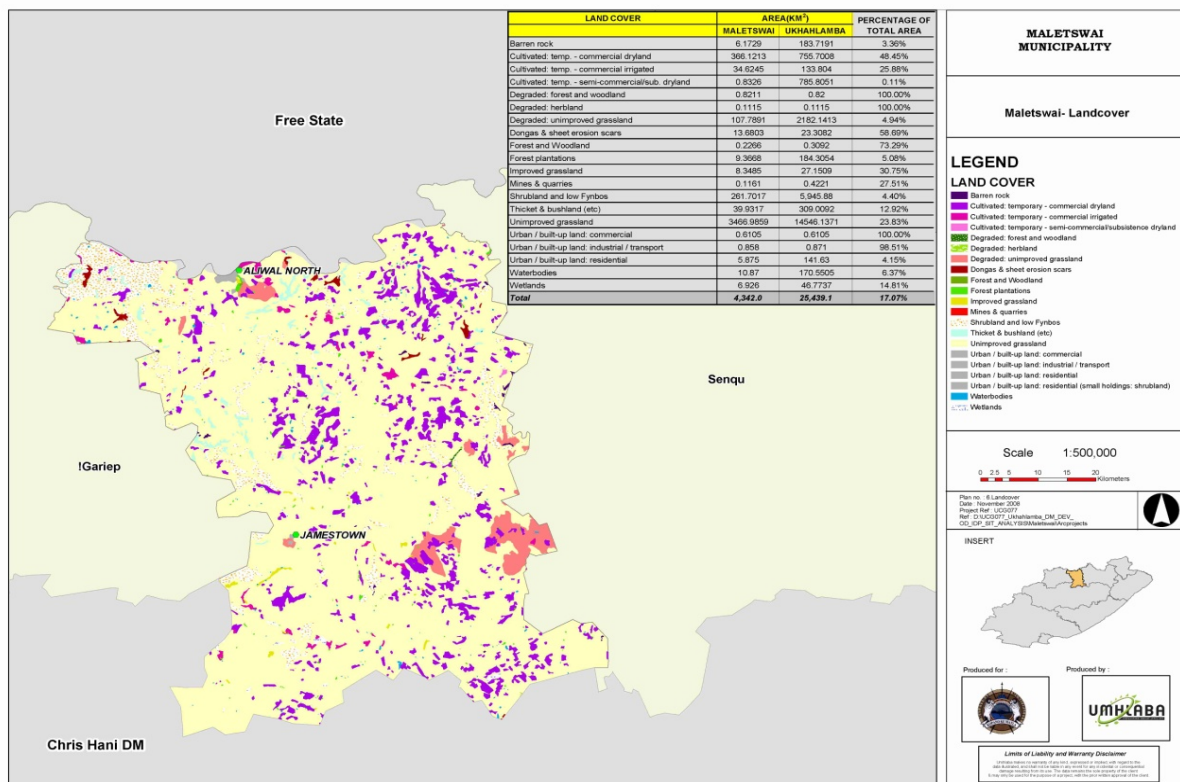
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Maletswai is a category B plenary type with ward participatory system municipality and therefore both the legislative and executive authority is vested in the municipal council.

2.3 LAND COVER

The land cover pattern is largely determined by topographical and climatic factors, however past political engineering, current tenure arrangements and population densities have impacted on the type of land cover. The diagram (below) illustrates the unimproved Grassland dominates the Municipality, followed by cultivated temporary commercial dry land and Shrub land and low Fynbos.

The plan below indicates the land cover for Maletswai Municipality



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COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.4 INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Co-operative government means that the three spheres of government should work together (co-operate) to provide citizens with a comprehensive package of services. The Constitution states that the three spheres have to assist and support each other, share information and coordinate their efforts. The implementation of policies and government programs require close co-operation between the spheres of government.

In Maletswai Municipality the working relations between the Departments and municipality were always cordial. Whilst some Departments attended the IDP Representative forum, others did not. Some of those who attended were represented by staff members who lacked the requisite authority to take decisions on behalf of their Departments. This is an area that requires much attention as it has a potential to paralyze the effectiveness of the IDP representative forum. The Departments submit their plans to the municipality so that they can be implemented in collaboration with the municipality.

2.5 INTERGOVERNMENTAL RELATIONS

2.5.1 NATIONAL INTERGOVERNMENTAL STRUCTURE

All the programmes that are developed by the Municipality are derived from the laws and policies that are passed by the National and provincial governments. The local development strategies in the Maletswai Integrated Development Plan are aligned to the National development policies.

2.5.2 PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The Maletswai Municipality is represented by the Joe Gqabi District Municipality (JGDM) in the following Provincial IGR cluster meetings:-

- Governance and Administration Cluster

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- Social needs Cluster and
- Economic Growth and Infrastructure

2.5.3 DISTRICT INTERGOVERNMENTAL STRUCTURE

The Maletswai Municipality process plan is aligned to JGDM's district Framework plan-this ensures District alignment of the Intergraded Development Plan .The District Municipality (Joe Gqabi) bilateral conventions with sector departments, and municipalities to have the same opinion on intergraded procedures, and to facilitate configuration between District Municipality, Local Municipality and Provincial Departments in respect of programmes and projects. The Municipality is represented in the Joe Gqabi District IDP Representative forum (consisting of all local municipalities in JGDM, government Departments and other key stakeholders). At this consultative forum meetings, discussions revolves around needs assessment, areas of prioritization, objectives, alignment of projects and accountability issues within the context of planning and implementation processes. The Municipality is also represented in the following District Inter-Governmental Relations (IGR) structures:-

- District Inter-Governmental Mayors Forum
In both Political and Technical Meetings
- Chief Financial Officer Forum
- District Wide Corporate Service Working Group
- District Health Advisory Council, and
- District social Needs Cluster

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COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.6 PUBLIC MEETINGS

Public Meetings						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors and Ward Committee Members	Number of Participating Municipal and Government departments Administrator s/CDW's	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Ward One						
Ward Committee Meetings	04/07/2013					
	07/08/2013					
	17/09/2013					
	15/10/2013					
	26/11/2013					
	21/01/2014					
	/02/2014					
	/03/2014					
	/04/2014					
	/05/2014					
	/06/2014					
General Meetings to discuss Public issues in a Ward						
	22/07/2013					
	13/08/2013					
	18/09/2013	12		83		
	15/10/2013					
	27/11/2013					
	20/01/2014					

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Constituency/Sectoral Work Meetings focusing on government services						
	15/07/2013					
	05/08/2013					
	09/09/2013				Government Services	
	15/01/2014				Government Services	
Ward two						
Ward Committee Meetings	09/07/2013					
	06/08/2013					
	12/09/2013					
	09/10/2013					
	03/12/2013					
	18/02/2014					
	17/03/2014					
	03/04/2014					
	15/05/2014	11			Committee deliberating on issues affecting people in a Ward	
	04/06/2014					
	11/06/2014					
General Meetings to discuss Public issues in a Ward						
	01/07/2013	11	0	83	Issues of Public Interest	
	03/07/2013				Youth Issues	
	14/08/2013					
	12/09/2013					

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	09/10/2013					
	04/12/2013					
	26/02/2014					
	03/04/2014					
	14/05/2014	11		90		
	22/05/2014					
	04/06/2014					
Constituency/Sectoral Work Meetings focusing on government services	01/08/2013	9				
	17/09/2013					
	23/09/2013					
	05/12/2013					
	03/03/2014					
	13/03/2014					
	21/05/2014	11			Deliberating with woman on issues affecting them	
Ward Three						
Ward Committee Meetings						
	07/04/2014	10			Committee dealing with general issues affecting people in a ward	
	16/10/2013	10	CDW		Discuss municipal contractors that were approved, Stove and Gel stove, moving electricity to RDP Houses	
General Meetings to discuss Public issues in a Ward	03/07/2013					
	09/07/2014	09		110		

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	18/07/2013					
	13/08/2013					
	05/09/2013					
	09/12/2013	10	1	63		
	22/01/2014			106	Gel and gel stove,Area to be surveyed and EPWP	
	25/02/2014					
	03/04/2014	11		124	Applicants of Agricultural Implements ,Role of Councillor'soffice, Liquor licenses	
Constituency/Sectoral Meetings focusing on government services	01/07/2013					
	15/07/2013					
	22/07/2013					
	05/08/2013					
	19/08/2013					
	30/08/2013					
	02/09/2013					
	09/09/2013					
	23/09/2013					
	30/09/2013					
	07/10/2013	07		68	House holds visited	
	08/10/2013	11				
	16/10/2013	09		40	House holds visited	
	04/11/2013					
	9&10/11/13	08		204 house holds	Awareness on importance of Registration for Elections	

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	11/11/2013	09		57 house holds	Awareness on importance of Registration for Elections	
	12/11/2013			72 House holds visited	Government services	
	10/12/2014	11		23	Sectoral meeting	
	20/01/2014	11		35 house holds	Service delivery	
	28/01/2014	07		103 House holds visited	Government Services	
	10/02/2014	06		77 House holds visited	Government services	
	03/03/2014	08				
	10/03/2014					
	12/03/2014					
	07/04/2014	09		122 House holds	Application of Indigents for Intergovernmental Grant (Municipal Services)	
	23/04/2014	10			Meeting Clinic committee to discuss Health issues	
	14/05/2014	07		15	Agricultural issues and distributing Agric implements	
	14/05/2014	05			Early Learning Centers and Primary Schools meeting	
	15/05/2014	09			Sporting issues	
	15/05/2014	04		28	Meeting Woman to discuss their issues	
	16/05/2014			29 house holds	Distributing Gel Stoves Oil	
	19/05/2014	10			Distributing Gel for informal settlements	

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	19/05/2014	06		03	Meeting Religious leaders	
	19/05/2014	09		60	Distributing Gel Stoves to some indigent people in a meeting	
	20/05/2014	08			Meeting youth structure to discuss issues affecting them	
	20/05/2014	09		12	Meeting People with Disabilities to deliberate on their issues	
	02/06/2014	10				
	09/06/2014					
	10/06/2014					
	17/06/2014					
	23/06/2014	10		59 House holds visited	Government Services	
Ward Four						
Ward Committee Meetings						
	16/05/2014	09			Deliberating on issues of general public in a ward	
General Meetings to discuss Public issue in a Ward	16/07/2013					
	06/08/2013					
	28/01/2014					
	27/02/2014					
	20/05/2014	11	2	144		
	04/06/2014					
Constituency/Sectoral Work focusing on government services	04/07/2013					

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	14/07/2013					
	09/09/2013					
	24/09/2013					
	20/01/2014					
	03/02/2014					
	07/04/2014					
	14/04/2014					
	29/04/2014	08				
Ward five						
Ward Committee Meeting						
General Meetings to discuss Public issues in a Ward	15/07/2013					
	12/08/2013					
	04/09/2013					
	05/12/2013					
	30/01/2014					
	15/04/2014					
Constituency/Sectoral Work focusing on government services	03/07/2013					
	08/07/2013					
	05/08/2013					
	12/08/2013					
	06/08/2013					
	27/08/2013					
	09/09/2013					
	30/09/2013					
	04/11/2013	09				71 households
	07/11/2013	05		27 House holds visited	Public Awareness on importance of Registration for Elections	

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	08/11/2013	11		163 House holds visited	Public Awareness on importance of Registration for Elections	
	9&10/11/13	18		208 House holds visited	Public Awareness on importance of Registration for Election	
	14/11/2013					
	19/11/2013					
	02/12/2013					
	29/01/2014					
	05/02/2014	07		09 inmates	Public Awareness on importance of Registering for Elections	
	06/02/2014					
	17/02/2014					
	04/03/2014					
	09/03/2014					
	10/03/2014					
	07/04/2014					
	08/04/2014	10		117 house holds visits		
	16/04/2014					
	19/05/2014	10		58	House holds visited	
	10/06/2014					
Ward Six						
Ward Committee meetings						
General Meetings discussing Public issues in a Ward	11/07/2013					
	05/08/2013					
	15/08/2013					

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	10/09/2013					
	13/11/2013	12	Dep of Rural Dev and Agrarian Reforms	91	Agricultural Implements distribution	
	05/12/2013					
	28/01/2014					
	24/03/2014					
	02/05/2014					
	05/06/2014					
	10/06/2014					
Constituency/Sectoral Work focusing on government services	21/07/2013					
	01/08/2013					
	14/08/2013					
	17/09/2013					
	24/09/2013					
	26/09/2013					
	22/10/2013					
	12/11/2013	11			Agricultural issues	
	23/10/2013					
	22/01/2014					
	03/02/2014					
	25/02/2014					
	03/04/2014					
Joint Ward Committee/CDW's Meeting for Consultation on IDP	14/10/2013	08	10	48	Progress on Developmental Priorities Implementation	
IDP Rep Forum	14/10/2013 At 16:00	12	10		Progress on Developmental priorities implementation	
Ward 4 Community	15/10/2013	19	26	126	Progress on	

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IDP Consultative Meeting					Developmental priorities implementation	
Ward 06 Community IDP Consultative Meeting	16/10/2013	08	22	254	Progress on Developmental priorities implementation	
Ward 05 Community IDP Consultative Meeting	17/10/2013	19	23	125	Progress on Developmental priorities implementation	
Ward 01 Community IDP Consultative Meeting	22/10/2013	18	23	117	Progress on Developmental priorities implementation	
Ward 02 Community IDP Consultative Meeting	23/10/2013				Progress on Developmental priorities implementation	
Ward 03 Community IDP Consultative Meeting	28/10/2013	16	11	117	Progress on Developmental priorities implementation	
Joint Ward Committee Meeting IDP Consultation	24/02/2013				Progress on Developmental priorities implementation and the intention for the next financial year	
Ward 01 Community IDP Consultative Meeting	04/03/2014				IDP Priorities for the next financial year	
Ward 04 Community IDP Consultative Meeting	05/03/2014				IDP Priorities for the next financial year	
Ward 05 Community Consultative Meeting	06/03/2014				IDP Priorities for the next financial year	
Ward 03 Community IDP Consultative Meeting	11/03/2014				IDP Priorities for the next financial year	
Ward 06 Community IDP Consultative Meeting	18/03/2014				IDP Priorities for the next financial year	

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Ward 02 Community IDP Consultative Meeting	19/03/2014				IDP Priorities for the next financial year	
IDP REP FORUM MEETING	26/05/2014	8	07	39		
T 2.4.3						

2.6.1 THE FOLLOWING METHODS ARE BEING UTILISED FOR REACHING OUT TO COMMUNITIES:-

2.6.1.1 PUBLIC PARTICIPATION PROGRAMME AND LOCAL PRINT AND ELECTRONIC MEDIA

To limit the language barrier that could cause the public not to participate fully in matters of government, four languages are being utilised in communicating with the public namely, (English, Afrikaans, Xhosa and Sotho). Nonetheless, there is still a challenge because the Municipality is not publishing its documents in all four official languages. IDP Budget outreach programmes are conducted before and after the draft IDP and Budget has been finalised for comment by the public. The Ward Committees, CDW's, Public Participation Officer and ward councillors assist in mobilisation of communities towards ward meetings. Community needs are processed to various government departments through IDP Representative Forum.

To ensure effective participation the following structures were entrusted with the following tasks:

Municipal Manager – To co-ordinate participation by all structures

Council – To ensure the democratic involvement of people in government

Steering Committee – To serve as a resource to the representative forum by advising and integrating the forum input.

IDP and Budget Representative Forum: to serve as a public forum for debates where various interests groups influenced government decisions.

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2.6.1.2 WARD COMMITTEE'S ESTABLISHMENT AND FUNCTIONALITY

The ward committees were established in September 2011 and early October 2011 and have been functional since then. During the year under review 143 ward committees and general meetings were held in all wards.

2.6.2 COMMUNITY DEVELOPMENT WORKERS PERFORMANCE MONITORING

The working relations with the Community Development Workers (CDWs) were not that structured during the year under review, but 3 meetings were held between our communications unit and the CDWs. The aforesaid phenomenon has been a serious challenge that continued to overwhelm the municipality as this defeats the purpose for which CDWs were deployed for municipalities. The participation of the CDWs in municipal activities especially the Public Participation Programme or outreach programmes preparing for the adoption of the IDP and Budget was quite notable.

2.6.3 COMMUNICATION STRATEGY

A communications unit was established comprising a Senior Communications & Marketing Officer and Communication Officer. Part of their responsibility is to ensure that the local communications forum is operational. Indeed, the local communications forum was established and held two (2) meetings. They are also members of the District communications forum, chaired by the District municipality. During the year under review, the internal newsletter, Umthombo, was not produced and distributed; however, 4 volumes of Ulwazi, the external newsletter, were produced and distributed.

Regarding the communications strategy, a decision was taken by the District forum that a district communication strategy will be developed for all local municipalities in the District. The municipalities were expected to model theirs against that of the District to ensure synergy and consistency between the local and District municipality. As a consequence of this, there was a delay in adoption of the municipal communication strategy.

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2.7 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 of Municipal Systems Act 2000	T 2.5.1

COMPONENT D: CORPORATE GOVERNANCE

2.8 RISK MANAGEMENT

The Municipality has a policy in place whereby the Municipal Manager, the Chief Financial Officer and other key members of the senior management will proactively, purposefully and regularly identify and define current as well as emerging business, financial and operational risks and either simultaneously or with due expedition identify appropriate and cost effective methods of obviating or managing these risks.

2.9 ANTI-CORRUPTION AND FRAUD

The council, at its meeting of December 2008 adopted anti-fraud and corruption strategy and policy as one way of strengthening its fight against these twin social ills. The roll out plan was entailed in the strategy itself. As a build up to its adoption and a way of raising employees' awareness about the existence of such policies, a workshop was held comprising municipal officials and employees. The strategy and

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policy are being implemented. The strategy was reviewed during the last financial year. Furthermore, to demonstrate the seriousness of the council to fight fraud and corruption, a committee comprising 5 members was established to monitor advice and compile reports on the implementation of the anti-fraud and corruption policy

2.10 SUPPLY CHAIN MANAGEMENT

The Maletswai Local Municipality Supply Chain Management Policy seeks to encourage socio- economic transformation within its area. To achieve this, empowerment goals have been set, which aims to address the skewed distribution of wealth and therefore contributes to the alleviation of poverty. This means the policy will achieve the above by providing employment opportunities to Historically Disadvantaged Individuals (HDI's) and communities enabling socio-economic transformation objectives to be linked to fair, transparent, equitable, competitive and cost effective procurement practice. The empowerment goals are proposed to be used as measures by Council in assessing the impact of its policy in realizing the socio-economic transformation agenda of government in all spheres. To boost the declining local economy the Municipality has incorporated a number of local economic development initiative and projects in the integrated development plan. It also realizes that its supply chain management and practices can play an important role in stimulating local economic growth and development. This policy is therefore designed to contribute to the achievement of the Municipality's local economic growth and development objectives.

It is also a primary strategic objective of the Municipality to affirm the historically disadvantaged community in order to eradicate the legacy of apartheid and colonialism and the resulting exclusion from opportunity. In this regard the Municipality supports the Government's broad – based black economic empowerment policies and strategy completely.

A key objective of this policy is therefore to promote entrepreneurship to allow HDI's access to the mainstream of business opportunities. This will be achieved by increasing business opportunities for HDI's and maximizing purchases of goods and

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services from black owned and black empowered enterprises. This means that acceptable norms and standards of quality, service delivery and technical performance will not be relaxed or compromised in respect of historically disadvantaged individuals.

The procurement target for all procurement undertaken by Maletswai Local Municipality is that by June 2013, the Council aims to have allocated 70% of all procurement undertaken by the municipality to HDI's.

The municipality has developed a supply chain management policy that is in line with the Preferential Procurement Policy Framework Act (PPPFA), supply regulations and enabling circulars as well as by-laws that seek to enforce full compliance with the requirements of the law. Regular updates of the policy are made whenever there are changes to legislation and its regulations. A workshop is conducted on the policy to empower councilors and officials of the changes in the regulations.

The supply chain management policy explicitly states the need for quality delivery of both goods and services and rigorous processes are followed on procuring and these include among other things three quotations, competitive bidding, evaluation and adjudication of all tenders. The policy also spells out a procurement threshold and authorization thereon. All procurement below R30 000 are not advertised but a minimum of three quotations is a pre-requisite except for those below R2000, which requires a single quote.

Tenders in excess of R30 000 are advertised in the local newspaper for a period ranging from seven (7) days to thirty (30) days for those above R10 million. The accounting officer adjudicates on all tenders above R10 million and makes the final award. Tenders above R30 000 but below R200 000 are adjudicated by the Chief Financial Officer as per the delegation framework and those between R200 001 and below R10 million are adjudicated by the Accounting Officer as required by the policy.

Due to a limited number of established previously disadvantaged entrepreneurs in the municipal jurisdiction services and goods are sometimes procured from service

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providers outside the municipal area. The number of entrepreneurs in general is limited due to the size of the municipality and this often results in one or two suppliers available to provide a service or an item. This then results in deviations from the policy.

2.11 BY-LAWS

No By – Laws were promulgated during 2013/14 financial year.

By-laws Introduced during 2013/14					
Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
None	Standing rules of order of Council				
<i>T 2.9.1</i>					

COMMENT ON BY-LAWS:

Of the 25 By – Laws promulgated the Liquor Trading Hours By-law is still the most efficiently implemented By-law, and the support provided by SAPS to enforce the By-law is notable.

T 2.9.1.1

2.12 WEBSITE

The municipality developed a website and newsletter as platforms of information dissemination and engagement with the members of the community. We have received quite valuable comments and recommendations via e-mail especially from those who reside out of the municipality. At the municipal office, both in Jamestown and Aliwal North, there are suggestion/complaints boxes placed at designated locations which are clearly visible to the members of the public for them to be able to utilize them effectively. There is a municipal official designated to open the boxes weekly and channel the comments/complaints to the relevant departments for response.

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Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	
All current budget-related policies	Yes	
The previous annual report (12/13)	Yes	
The annual report (2013/14) published/to be published	Yes	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	Yes	
All service delivery agreements (2013/14)	Yes	
All long-term borrowing contracts (Year 0)		
All supply chain management contracts above a prescribed value (give value) for Year 0		
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 Year 1		
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section		
Public-private partnership agreements referred to in section 120 made in Year 0		
All quarterly reports tabled in the council in terms of section 52 (d) during Year 2013/14	Yes	
<i>T 2.10.1</i>		

2.13 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The Municipality has resolved 100% of the cases received through the presidential hotline that was launched by the President of the Republic of South Africa. This in a way does assist in fasttracking service delivery as the people are raising thorny issues affecting them. The public meetings through council izimbizo revealed that the community was relatively happy with the level of services rendered to them.

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CHAPTER 3 – SERVICE DELIVERY PERFORMANCE

COMPONENT A: BASIC SERVICES

3.1 WATER SERVICES

3.1.1 PROVISION STRATEGY

The Joe Gqabi District Council resolved to take over the Water Services within Maletswai Local Municipality and in a Special Council meeting on the 27 July 2012 (Res No. 223/07/2012/SCM) the Maletswai Council adopted the transfer of water services to the District municipality.

3.2 WASTE WATER (SANITATION) PROVISION

The Joe Gqabi District Council resolved to take over the Water Services within Maletswai Local Municipality and in a Special Council meeting on the 27 July 2012 (Res No. 223/07/2012/SCM) adopted the transfer of water services to the District municipality.

3.3 ELECTRICITY

3.3.1 PROVISION STRATEGY

The Municipality should provide electricity to its community for the following consumers as one of the requirements of the Constitution of South Africa to deliver basic services to its Industrial consumers, Commercial consumers and households within the municipal area of jurisdiction. The municipality has a role of maintaining a sustainable supply and quality of electricity for its community in a healthy and safe way without endangering the lives of those who consume it.

Chapter 3

Electricity Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -2012/13		Year -2013/14			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Electricity									
To increase the household access to electricity connections by 100% in 2013	Percent age of new houses connections to single phase electricity	100 %new house electrical connection	100%	100 %new house electrical connection	100 % new single phase electrical connection	100%			
	Percent age of 3 phase bulk meter installed	No target	No target	No target	100% new 3 phase bulk meter installation	100%			
	RDP houses to be provided with electricity of 743 RDP houses (323 infill sites)	Secure funding from DoE for Electrification of 323 RDP houses in Dukathole	Business Plan submitted on 19 July 2012	Secure funding from DoE for Electrification of 323 RDP houses in Dukathole	Electrification of 323 RDP houses in Dukathole	323 houses electrified			

T 3.3.5

Chapter 3

As a municipality, we must ensure that requirements for availability of supply based on the individual household load growth, developments around and inside the municipal area are met.

We have to do feasibility studies in assessing the electricity needs in our area so that the Electricity Master Plan could be drawn up, this was undertaken by the appointed professional service provider. The consultants had to compile the Master plan to meet the electricity needs of the Maletswai community reflecting the following on their reports:

The municipality has received and connected onto its system a 630 kVA transformer for CPA library, a further 200kVA for Cole Street and Eskom. There are 3 floodlights installed in Jamestown for public lighting.

To enhance electricity service delivery, we have changed 100 % of electricity meters that were found and reported to be faulty, meter audits were carried out on an ongoing process and faulty meters were removed. Faulty kiosks and/or distribution boxes that are the main connection between the municipal network and the customer, are repaired and kept locked to prevent vandalism or interruption of supply to consumers. Network maintenance is carried out as per the monthly planners derived and prepared from the inspections carried out on the network.

The 323 houses electrification budget was secured from the DoE and the funding for electrification of 323 houses was taken back by the DoE after the contractor was appointed and the Municipality had to continue subsidising the project

To enhance revenue collection 5077 consumers were disconnected for non-payment of Municipal Services and 2734 has been reconnected for services. A total of 2 343 have not been reconnected. A superficial investigation revealed that most of indigent consumers are prepared to stay without electricity hence the number 2 343 is not been reduced, but chances of illegal connections could still be high due to high number of people who doesn't have electricity.

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Houses that are registered on the institutions Indigent register receive the free 50kW of electricity per month and all the repairs and maintenance done on their electricity dispensers or faults are then claimed from the equitable share. There were 441 indigent consumers who were provided with Free Basic Alternative Energy roll out.

Part of our role in electricity service delivery, is to ensure that there is sufficient public lighting to prevent /minimize crime activities in and around our residential and business areas. The municipality has more than 1800 street lights, and we maintain an average of 38.5 street lights per month; this yield to about 462 street lights maintained per annum.

The electrical losses for preceding year 2012/2013 were recorded 11.16%. The department has since employed serious measures to ensure substantial reduction. As at July 2014 the electrical losses were reduced to 6.29%. Meter audits were being performed on monthly bases to minimize electrical losses. 16 fines were issued to defaulters for tempering.

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Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
Percentage of households with access to electricity services = 87,61%	12106	1823	323	323	2,67 %
Percentage of indigent households with access to basic electricity services = 40,6%	5356	0	0	4915	91,8%
Percentage of indigent households with access to free alternative energy sources = 8.2%	1500	1059	441	441	100 %

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

Maletswai Municipality appreciates the National Waste Act, 56 of 2008 by ensuring that its integrated waste management services do not only provide basic refuse removal, but also augment economic activity and empower communities to understand the value of waste management, and thus minimize the effects of waste on human and environmental health under stringent conditions. The municipality is committed to encourage avoidance, reduction, reuse, recycling processing and treatment of waste through the public outreaches it conducted during 2013/2014 financial year.

Waste Management Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
To ensure safe eco-friendly clean environment	In-house training sessions for waste management staff	4 quarterly reports on the training of staff were submitted	4 quarterly reports on the training of staff were submitted	4 quarterly reports on the training of staff were submitted	4 annual trainings for waste management staff	4 annual trainings for waste management staff			
	100% refuse collection in households	12 Monthly reports on the implementation of the refuse collection program	12 Monthly reports on the implementation of the refuse collection program	12 Monthly reports on the implementation of the refuse collection program	100% refuse collection	100% refuse collection			

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		me	me	me					
	Public education campaigns on waste management conducted	12 Waste Management Campaigns were conducted	12 Waste Management Campaigns were conducted	12 waste management campaigns public education conducted	12 waste management campaigns public education conducted	12 waste management campaigns public education conducted			
									T 3.4.4

3.4.1 PROVISION STRATEGY

Waste management is one of the primary functions of the municipality. The municipality facilitates the reduction, reuse and disposal of waste. The municipality operates two landfill sites (in Aliwal North and Jamestown) and both sites are fenced and have cells. The Aliwal North site has a supervisor who supervises seven workers on site. A private security company ensures access control, recording the vehicles that enter the site and the type of refuse carried by the vehicles. Other role players in waste management are the Maletswai Waste and Recycling Cooperative, Department of Environmental Affairs, Department of Health which disposes the medical waste.

Maletswai Local Municipality being the district's economic powerhouse is the most densely populated area in the district. Due to increased population growth and urban development there is an increase in demand for waste services. This increased population resulted [in] increased domestic waste. The refuse removal is relatively moderate due to continuous breakdown of old refuse vehicles and equipment and shortage of staff.

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MEASURES TO IMPROVE WASTE MANAGEMENT PERFORMANCE

3.4.1.1 REFUSE COLLECTION:

Includes collection of refuse from households once a week, collections from communal skip bins in informal settlements once a week on Thursdays, collection from businesses takes place once a week except when an arrangement has been made to collect daily at a tariff. Business consumers are billed an additional tariff for additional bins collected. The Municipality has a weekly programme which is communicated to consumers annually, the programme indicated the days and times at which refuse was to be removed at a particular settlement. The household refuse removal included domestic and garden refuse. The domestic refuse was collected using 2 trucks one and the garden refuse was collected using the 2 tractors. This service was accessible to all households including informal settlements.

The refuse collected was partially separated at source as businesses and some households separated recyclable from non recyclable material at source. The recyclable material was collected by recyclers. The recycling companies and organizations collect recycling waste both from source and at the landfill sites municipality did not have a programme of collecting recyclable material. However, it was in a process of establishing a material recovery facility at the Aliwal North landfill site to ensure that separation of waste is fully realized.

Public Education: The Municipality conducts daily public education using nine educators who are funded by the Department of Environmental Affairs.

Law enforcement: Ten Peace Officers were trained to enforce the Waste Management Bylaw.

3.4.1.2 WASTE DISPOSAL:

The Municipality operated two landfill sites one in Jamestown and the other in Aliwal North. Both sites had permits and one is licensed. The disposal of waste in the Municipality was done with the aid of trucks and tractors. There is security at both sites; however, the Jamestown site is still short of the sanitary facilities and shelter.

Challenges:

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- The non-availability of earth moving machinery

Cleaning of streets: Street cleaning is done in the Central Business District streets daily including week ends and in the residential areas streets were cleaned during week day. The key service delivery priorities were public education on waste management, mitigation of illegal dumpings and training of personnel. Public education outreaches were conducted in all wards by the staff in collaboration with the ward councillors and the ward committees, the mitigation of illegal dumping was yielding positive results.

Solid Waste Service Households			
Description	2011/2012	2012/2013	2013/2014
	Actual No	Actual No	Actual No
Solid waste removal (minimum level)	8000	8687	12000
Remove at least once a week	8000	8687	12000
Minimum Service level and above sub-total	100%	100%	100%
Minimum Service Level and above percentage	0	0	0
Solid waste Removal (Below minimum level)	1177	1177	1500
Removed less frequently than once a week	0	0	0
Using communal refuse dump			
Other rubbish disposal			
No rubbish disposal			
Total number of households	9177	9177	12000

Chapter 3

Service delivery levels and standards

The majority of citizens have access to refuse removal; this is inclusive of residents who live in informal settlements. The low level waste management services are accessed by informal settlement residents consisting of 1500 households. The municipality provides skip bins as receptacle points for refuse. In all formal settlements, high level waste management service is rendered through refuse removal once a week in residences and per arrangement in businesses with a minimum of once a week refuse removal. Waste is removed once a week from every household as well as from the communal skip bins. The municipality set itself a target of 100% weekly door to door refuses collection. It collected waste from residential, schools and business premises. It is unfortunate that the quantity of waste disposed could not be measured because the municipality has neither the instrument (Weigh Bridge) nor the capacity to use the formula.

Annual performance as per key performance indicators in waste management services

Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
Percentage of households with access to refuse removal services	12000	0	12 000	12000	100%

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3.5 HOUSING

INTRODUCTION TO HOUSING

3.5.1 PROVISION STRATEGY

The role of Maletswai Municipality with regard to housing delivery is to:

- a) Ensure that inhabitants of its area of jurisdiction have access to adequate housing.
- b) Ensure that services in respect of water, sanitation, electricity, roads, storm water drainage and transport are provided in a manner which is economically efficient;
- c) Identify and designate land for housing development
- d) Initiate, plan, coordinate, facilitate, promote and enable appropriate housing development in its area of jurisdiction through:
 - Beneficiary identification
 - Completion of housing application forms
 - Beneficiary verification
 - Sign off happy letters
 - Hand over completed houses to rightful beneficiaries
- e) Provide bulk engineering services, and revenue generating services in so far as such services are not provided by specialist utility suppliers
- f) Plans and manage land use and development.

Chapter 3

Housing Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2012/13		Year 2013/14			Year 2	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Spatial Consideration									
To ensure safe and sustainable housing environment	Beneficiaries occupying completed houses	No target	No target	No target	166 beneficiaries occupied houses	166 beneficiaries occupied houses			
	Beneficiaries occupying completed houses	35 happy letter	10 happy letters signed	35 beneficiaries occupying houses	35 beneficiaries occupying houses	35 beneficiaries occupying houses			
To ensure private ownership of the municipal Discount Benefit Scheme housing stock	Ratio of discount benefit stock applications submitted to external services provider	6 discount benefit stock was transferred	4 discount benefit stock was transferred	1:1 stock transfer to beneficiaries	1:1 stock were transferred to beneficiaries	1:1 stock were transferred to beneficiaries			
T3.5.3									

Chapter 3

3.5.2 MEASURES TO IMPROVE HOUSING PROVISION PERFORMANCE

Civil society organizations such as NGO's, labour unions, employer organizations and business organizations play a prominent role. The Municipality has contracted a Town Planning Consultant and making full use of Housing Development Agencies to assist in determining needs and to provide a plan to meet those needs. The role players are the Council, its officials, Town Planners, Housing Development Agents – these are private developers and the Department of Human Settlement. The Town Planning Consultants provides general plans and layout plans for new residential areas, whilst Development Agencies provide services and housing for the low, middle and high income groups. The civil society combines the financial, labour and other resources among the masses of our people to rebuild our communities and engage people in their own development through sustainable economic activity.

Successes achieved

Completed projects:

- 1218 houses in a Greenfield RDP project, Joe Gqabi.
- 858 houses in a Greenfield RDP project, Masakhane in Jamestown.
- 359 houses in a Greenfield RDP project, Jamestown.
- 89 houses in a Greenfield RDP project, Hilton in Aliwal North
- 100 houses informal Settlement Upgrading RDP project, Dukathole in Aliwal North
- 300 houses in a Greenfield RDP project, Dukathole
- 743 houses in Greenfield and in situ project
- 248 houses Rectification Programme in Jamestown
- 35 houses, Rectification Programme in Aliwal North

3.5.3 CHALLENGES IN CURRENT HOUSING PROJECTS

The implementation of the Rectification of Aliwal North 140 Block B houses did not commence as planned due to the over pricing.

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3.6 FREE BASIC SERVICE AND INDIGENT SUPPORT

As part of its overall strategy to alleviate poverty in South Africa the government has put in place a policy for the provision of a free basic level of municipal services. Electricity has been prioritized as a free basic service for the poor. In realising this principle, the National Indigent Policy Guidelines determines that municipalities must provide free basic services to the indigent people in a sustainable manner.

The following are classified as free basic services to poor households, per month:-

- Free basic electricity - 50 kilowatts electricity for grid-based h/holds;
- Subsidy amount of R48.00 for non-grid h/h;
- Refuse Removal - DEDEA committed to grant subsidies to all indigent household for refuse removal;

In compliance with the prescribed policy the municipality is providing free or subsidized basic service for many households who would normally struggle to pay their accounts. There is an Indigent Policy where qualifying applicants must register for FBS at the municipality or with their designated councillors (ward councillors). After lodging the application it will be assessed and approved. An income declaration or proof of registration as an unemployed person, support the indigent application.

Free Basic Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -2012/13		Year -2013/14		Year 1	Year 3		
		Target	Actual	Target	Actual	Target	*Current Year	*Current Year	*Following Year
Service Indicators (i)	(ii)	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	(viii)	(ix)	(x)
Service Objective									
Improve service delivery, quality (cost effectiveness and efficiency by updating the indigent register annually for free	Households having access to free basic services	5000 households	5100 households had access to free basic services by year end.	5000 households	5000 households	4916 Households			

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basic services										
<i>T 3.6.5</i>										

The table hereunder gives a reflection of the number of qualifying poor households over the past few years and the actual financial implication.

Free Basic Services To Low Income Households										
	Number of households									
	Total	Households earning less than R1,100 per month								
		Free Basic Refuse		Free Basic Electricity		Free Basic Sanitation		Free Basic Water		
		Total	Access	%	Access	%	Access	%	Access	%
2011/12	5 861	5 861	5 861	13,9	5 861	13,9	-	-	-	-
2012/13	5 191	5 191	5 191	11,8	11 921	27	-	-	-	-
2013/14	4 916	4 916	4 916	11	4 916	11	-	-	-	-
<i>T 3.6.3</i>										

A free Basic service in terms of electrical supply is still a challenge to those receiving electricity in the commercial farming and rural areas.

COMPONENT B: ROAD TRANSPORT

3.7 ROADS

Road maintenance services delivery strategy and main role-players

The Maletswai Municipality road maintenance strategy is improving gradually. Since the Municipality purchased plant (i.e. grader, TLB and tipper truck) the road maintenance programme has improved even though we are still in need of full set of road maintenance plant.

Within the technical services department there is a division called PWD (Public Works Division) 100% focusing on roads maintenance and storm water maintenance. Key function of this division is continuous patching the potholes from all the tar roads in the Municipal Jurisdiction.

A resealing program on tar roads which commenced on the beginning of the second quarter is in full operation with 4,059.935m² of streets resealed. 1.5km of roads were paved and the contractor is on site to complete the full paving programme. A total of

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17.011km of storm water was cleaned in the 2013/14 financial year. 2km of roads were re-graveled and 64.76km of roads were graded.

Road Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -2012/13		Year – 2013/14		Year 1	Year 3		
		Target	Actual	Target	Actual	Target			
Service Indicators		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Delivery									
To upgrade and maintain roads	Grading of streets in (Aliwal North & Jamestown)	25km	33.185km	25km	25km	64.76km			
	Regravelling of streets in Aliwal North and Jamestown	7km	4.017km	7km	7km	2km			
	Storm water maintenance in Aliwal North and Jamestown	15 km	10.39km	15 km	15km	17.011km			
T 3.7.6									

3.7.1 LEVEL AND STANDARDS IN ROAD MAINTENANCE SERVICES

The service level standard is regarded as high in Maletswai Municipality; all the communities have access to roads facilities. There are no backlogs in roads

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construction. The Maletswai Municipality through MIG funding has embarked on the programme to upgrade all major routes to surfaced roads as opposed to gravel roads.

3.7.2 ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN ROAD MAINTENANCE SERVICES

Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the year under review (Actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
Percentage of households without access to gravel or graded roads = 0%	0	0	0	0	0
Percentage of road infrastructure requiring upgrade = 60%	7465	7465 (69km tar and 83 gravel) 80% =121km	20.66% 1375 25km	65% 1375 2.5km gravelling. 79.65km (grading)	100%
Percentage of planned new road infrastructure actually constructed = 100%	0	0	0	0	0 %
Percentage of capital budget reserved for road upgrading and maintenance effectively used. = 100%	12 106	7 465	7 465	3 732	50%

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

3.8.1 PUBLIC TRANSPORT FACILITIES

Taxi facilities have been constructed in the Central Business District (Aliwal North). However, there is a need for the sanitation facilities to be improved at the taxi rank and the municipality is seriously planning to redress that.

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3.8.2 RAILWAY SERVICES

The weekly railway transport passenger service between Johannesburg and the Western Cape is accessible in Burgersdorp [60km from Aliwal North]. This by-passing of Aliwal North deters Maletswai Municipality's profound potential as the main commercial and tourism centre in the district. Additionally the high poverty levels in Maletswai, limits the benefits as many residents cannot afford the commuting costs to Burgersdorp. It is believed that if the use of the line between Burgersdorp, Aliwal North through to Barkly East could be reinstated it could boost the tourism trade, by creating a direct transport link between the Western Cape and Johannesburg commuters. If effectively maintained, managed and marketed it will stimulate local economic development, not only in Aliwal North but in the whole district area.

3.8.3 ROAD WORTHINESS AND LICENSING

The municipality has a Vehicle Testing Station in Aliwal North, which provides a road worthy and vehicle licensing service. Furthermore, the municipality has 9 fulltime traffic officers *i.e.* 2 Vehicle examiners, 1 Drivers Licence Examiners, 3 Traffic Officers, 1 Learners Licence Examiner, 1 Management Representative and 1 Chief Traffic Officer. Moves are afoot to enhance the performance levels of the staff as it has demonstrated an ability to augment municipal revenue. This service is done by the municipality on agency basis.

3.9 WASTE WATER (STORMWATER DRAINAGE)

The Maletswai Municipality road maintenance strategy is improving gradually. Since the Municipality purchased plant (*i.e.* grader, TLB and tipper truck) the road maintenance programme has improved, the road maintenance programme comprises of storm water maintenance.

Within the technical services department there is a division called PWD (Public Works Division) 100% focusing on roads maintenance and storm water maintenance. Key function of this division amongst other function is to ensure that water surface run off is channeled to appropriate storm water so that road surface is not damaged or doesn't deteriorate at an abnormal rate.

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Dedicated number of employees within the Public Works division is 100% focusing on storm water maintenance especially after the resealing of street budget was exhausted all personnel in the resealing was put to storm water maintenance team. As a result about 26.108km of storm water was cleaned, with storm water catch pits cleaned as well. The intervention is done on an ongoing basis where flooding occurs during heavy rain falls.

Storm water Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -2012/13		Year – 2013/14			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
Service Indicators		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Delivery									
To upgrade and maintain roads	Storm water maintenance in Aliwal North and Jamestown	15 km Storm water Maintenance in Aliwal North & Jamestown	10.39km	15 km Storm water Maintenance in Aliwal North & Jamestown	15km	17.011 km			
		Construction of 19m's of Storm water in Queens Terrace Street (7m); Martini Street (6m); Rose Street (6m).		Construction of 19m's of Storm water in Queens Terrace Street (7m); Martini Street (6m); Rose Street (6m).					
									T 3.9.5

COMPONENT C: PLANNING AND DEVELOPMENT

3.10 PLANNING

3.10.1 PLANNING STRATEGIES

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The Municipality is responsible for the provision of housing and town planning services. It contracts the services of Town Planning Consultants to provide layout plans for new residential areas and for other land use needs such as commercial, industrial, institutional, recreational and tourism.

3.10.2 MEASURES TO IMPROVE PLANNING PERFORMANCE

Moreover, the municipality implemented a spatial development framework plan in 2007 and reviews the plan bi-annually to keep in line with changing circumstances. All town planning is done within the confines of the framework plan. The municipality implemented a town planning scheme in 2001 through which effective land use is applied.

Applications for Land Use Development						
Detail	Formalization of Townships		Rezoning		Departures	
	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14
Planning application received	1	1	3	4	3	4
Determination made in year of receipt	1	1	3	4	3	4
Determination made in following year	0	0	0	0	0	0
Applications withdrawn	0	0	0	0	0	0
Applications outstanding at year end	0	0	0	0	0	0

T 3.10.2

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Annual performance as per key performance indicators in housing and town planning services

Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (Actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
Percentage of households living in informal settlements	1500	3925	452	452	100%
Percentage of informal settlements that have been provided with basic services	1500	3925	1500	1500	100%
Percentage of households in formal housing that conforms to the minimum building standards for residential houses	10500	10500	10500	10500	100%

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3.11 LOCAL ECONOMIC DEVELOPMENT

3.11.1 BRIEF PRESENTATION OF LED (LOCAL ECONOMIC DEVELOPMENT) STRATEGY

Status on developing the LED strategy:

- Maletswai Local Municipality has a comprehensive Local Economic Development Strategy developed in 2009, for the period 2010 to 2015. The strategy is due for a review process.

Local Economic Development Unit:

- Maletswai has a Local Economic Development Unit is housed in the Office of the Municipal Manager. In an ideal setting, the unit will be staffed with four (4) officials; however it currently has 2 members – a Coordinator and an LED Assistant.

The availability of a LED expertise:

- The unit has limited expertise in local economic development practises due to lack of additional human resource and financial allocation not commensurate with workload (year-to-year).

LED stakeholder forum functionality (number of meetings held):

- The Maletswai Local Action Team (LAT) for LED (a public sector platform to engage on local economic development related issues) is not functioning as expected.
- The Maletswai Agricultural Forum is functional and able to execute it plans – six (6) meetings were held in the period under review.
- The Maletswai Local Tourism Organisation (Maletswai Tourism) is active and functional – four (4) meetings were held in the period under review.
- Maletswai LM is an active member of the Joe Gqabi District Support Team for LED, Joe Gqabi District Agricultural Forum and Joe Gqabi District Tourism Working Group.

Funding opportunities of LED activities (indicative figures on Donors/funders and types of program)

Programme	Donor	Funding
Tourism	Department of	R15-million

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	Environmental Affairs (DEA)	
Environment-Economic Infrastructure	DEA	R37-million
Public Works	Maletswai LM	R2.7-million
Public Infrastructure	MIG	R12-million
TOTAL:		R66,7-MILLION

- It is estimated that a 1000 jobs will be created (about 100 sustainable jobs and 900 short term jobs (15 months) in the implementation of these projects.

Local Economic Development Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -2012/13		Year 2013/14		Year 2	Year 3		
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective									
To coordinate mechanisms to create more jobs	Job opportunities created through EPWP	No target	No target	No target	100 Jobs	136 job opportunities created			
To advocate for learner ship & short skills programme for young people	Young people participate in learner ships and short skills programmes	No target	No target	No target	30 young people	8 young people			

T 3.11.7

3.11.2 PROGRESS TOWARDS ACHIEVING THE LED KEY OBJECTIVE

Improve public and market confidence:

The Maletswai Spatial Development Framework (SDF) was developed in 2005 as an overriding statutory spatial plan for the municipal areas and it was reviewed in 2008 and 2012. As it is a case, the formulation of the Spatial Development Framework is a

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legal requirement, in which, every municipality must adhere to as part of the integrated development processes (refer to section 26 Municipal Systems Act).

It is the principal instrument for forward planning and decision making on land development in the entire municipal area. This framework identifies certain structuring elements, such as nodal points, corridors to guide and inform future planning in Maletswai. However, the current SDF requires a major overhaul and the municipality is in the process of seeking funding to develop a new SDF in order to meet its current developmental obligation.

Red tape reduction: (Turn-around time for licensing and other business related services):

- Maletswai is yet to streamline its policies to reduce red tape in service delivery.

Investments and trading by-laws:

Maletswai has no investment policy or by-laws. There is a Street Trading and Liquor Trading By-Laws; however the affected economic sectors (hawkers and liquor traders) have identified these two (2) by-laws as making it difficult for them trade or operate in order to maximise their profits and create more jobs.

The municipality has been commended for its steadfastness in enforcing the liquor trading by-law, crime has gone down, businesses have closed down and a number of jobs lost.

Exploit comparative and competitive advantage for industrial activities.

Agriculture:

The main type of farming in Maletswai is stock farming, namely, sheep, goat and cattle and there is limited crop farming (potatoes, maize, cabbage, onion, etc.) taking place. This sector is very labour intensive and thus has created about +/- 1500 jobs opportunities (through commercial farmers) and there are about 55 small scale farmers operating from four (4) communal farms and others have leased from established farmers.

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Tunnel farming has been identified as an opportunity for growth in the agricultural sector and it is being piloted in Maletswai and is being practised at a small scale and also the game farming is also seen to have greater opportunities of growth for the area. The sector is facing a number of challenges that hampers effort for development, namely: water shortage, poor infrastructure, stock theft, high costs of productions, lack of start-up capitals and human capacity building.

Manufacturing:

Production is mostly agro-processing such as maize meal, dairy products and juices with the key manufacturing/processing companies in Maletswai being Sasko Milling, (with 120 permanent employees, 30 contracts workers and 20 casual workers). Brakfontein Dairy, a local dairy enterprise has +/- 20 employees.

Construction:

The construction sector in Maletswai is currently being driven by the demand for housing, office and business space. The largest government projects in construction include the construction of houses, upgrading government office space and infrastructure such as the roads upgrades and maintenance. Here are the major projects taking place:

- R58 upgrading and maintenance
- Provincial Government Office Complex (Phase 1) and Phase 2 to commence in the 2014/2015 FY.
- Internal roads
- Water and Sanitation Infrastructure
- Hilton Low Cost Housing
- Bird Eye View housing development (private sector project)
- Ikhala Public FET College Main Campus

Trade:

There are approximately 220 small and medium enterprises operating in Maletswai and majority are retail businesses. The local trade sector has about 15% enterprises categorised as formal businesses namely national chain/franchise businesses such as Pick `n Pay, Jet, Shoprite, Friendly Grocer, Lewis Store, Fruit & Veg, Wimpy, Steers, Spur and others, this therefore means the local economy is largely driven by

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the small business enterprises. A number of locally owned enterprises have expanded, local business people invested in new ventures and thus creating a number of job opportunities.

Two (2) of national brand businesses in the country, namely Metro Cash & Carry (TradeCor) and Dairy Belle have since closed down their operations locally due to their national rationalisation processes, 45 full time and 30 part time job opportunities were lost and that has negatively affected the local small general dealers who were depending on the wholesalers for quality and affordable commodities. New national brand business operations are to open shortly (CashBuild, etc.)

Maletswai (Aliwal North) is the regional trade and business service centre (district economic hub) and it also services small towns in Free State (Rouxville, Bethulie, Zastron, Smithfield, Goedemoed and nearby farming communities).

Transportation and Communication:

The most commonly used mode of transport in Maletswai is taxis and it is estimated that 70% of the total population uses taxis particularly between Dukathole, Hilton Aliwal North and Jamestown. The local taxi association (Aliwal North Taxi Association) is an affiliate of UNCEDO Taxi Alliance, has 30 members who are registered operators and there are 32 registered taxi operators. There are approximately 8 'illegal' and unregistered taxi operators. There are about 50 job opportunities created by this industry.

There are eight (8) fuel service stations in Maletswai, six (6) of which are located in Aliwal North and two (2) in Jamestown – servicing the local and transient market.

Finance and Banking Services

There are 5 main fully fledged banking outlets in Maletswai namely, ABSA, First National Bank, Standard Bank, Capitec Bank and NEDBANK. There are six registered micro-lenders aligned to those banks and the African Bank and many who are illegal operators (Loan Sharks).

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The key market segments that the financial and business services in the area target are public servants, farmers and agricultural workers, low income earners, elderly, local businesses and the youth/student market.

Tourism:

There are approximately 55 tourism products operating in Maletswai (Aliwal North: 54 and Jamestown: 1) and can be categorised as follows: self-catering chalets, guest farms, guest houses, bed & breakfast and hotels, supported by restaurants, foods outlets and tea & gift shops.

The local industry can cater for approximately 600 'quality' beds and services (the highest in the district) and accounts for about 180 permanent job opportunities. Not all establishments are graded and not all are graded under the South African Tourism Grading Council – others are graded by the AA Accommodation Services.

Enterprise support and business development:

Enterprise and business development support is not a mandate of the municipality rather that of SEDA, ECDC and ECRDA, so most customers are referred to the three (3) state owned entities. Some community members approach the LED Unit to assist with the following services:

- Business Idea Generation (feasibility)
- Business Plan Evaluation
- Development of pre-business plan
- Business Advice (financial management, administration, business administration, legalities, etc.)
- Business entity registration (advice on options)
- Tender advice
- Business profiling

Public and private partnerships established:

- None.

Number of new formal SMME established within the municipality:

- No records.

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Number of new employment opportunities through Expanded Public Works Programs and Public and Private Partnerships:

- There are about 1000 jobs opportunities to be created through EPWP projects in Maletswai.

Support Social Investment Program

- Number of active cooperatives in Maletswai = 14
- Non-governmental Organisations = 7
- Community based organisations = 5
- Small Business Associations = 3
- Women Associations = 2
- Youth Associations = 3
- Unemployment database: It is difficult to keep an up-to-date data base of the unemployed, for when they are employed (in Maletswai or outside) they don't report. We rely on the database of the Department of Labour and a list of unemployed people in each of the 6 wards of which they are not a true picture; however the Census 2011 estimates that the unemployment rate is at 25,2%.

MUNICIPAL LOCAL ECONOMIC DEVELOPMENT FRAMEWORK- (KPA 3)

Annual performance as per key performance indicators in LED

No.	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
	Percentage of LED Budget spent on LED related activities.	0	0	0
	Number of LED stakeholder forum held	4	6	150%
	Percentage of SMME that have benefited from a SMME support program	20	16	85%
	Number of job opportunities created through EPWP	78	78	100%
	Number of job opportunities created through PPP	0	0	0
	LED Strategy aligned to the Provincial and National LED Strategy/Framework developed	1	1	100%
	LED Strategy Implementation Plan developed and resourced	1	1	100%
	Number of municipal LED Intergovernmental platforms	2	2	100%

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	convened			
	Number of work opportunities created through CWP	0	0	0
	Number of job opportunities created through other municipal initiatives such as infrastructure projects etc.	50	58	115%
	Number of jobs created through other government initiatives	599	599	100%
	Number of jobs created through private/business sector initiatives	0	0	0
	Red – tape reduction programme implemented	0	0	0
	5 year investment retention and attraction strategy plan implemented	0	0	0

CHALLENGES REGARDING LED STRATEGY IMPLEMENTATION

CHALLENGES:

- Internal financial resources
- Additional capacity (HR)
- Additional expertise (skills development and/or human resource development).
- Technology (software to collate and analyse LED data)
- Internal understanding of Local Economic Development.

WHAT NEEDS TO BE DONE?

- Availability of internal dedicated funding to support LED specific initiatives;
- Availability of internal funding to employing additional staff;
- Funding to acquire tools useful for collating and analysing data relevant to LED;
- Training of communities, Councillors and officials on LED to increase their understanding; and
- Capacity building for unit staff to improve performance.

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COMPONENT D: COMMUNITY & SOCIAL SERVICES

3.12 LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES; ZOOS; ETC)

3.12.1 LIBRARIES

This service largely remains a competency of province and the municipality performs agency function. In Maletswai Municipality, there are two libraries, one in Aliwal North and the other in Jamestown. Internet connection was installed in Jamestown and this brought the two libraries on par – however there was a consistent outcry from community members to have more libraries in the townships. Library Campaigns were conducted during the period under review.

3.12.2 MUSEUMS

The two museums were privately run by volunteers. The Municipality contributed by leasing out buildings at a nominal rate and regularly cut the grass.

3.12.3 ARCHIVES

The Registry Procedure Manual of council has been approved by the Department of Sports, Recreation, Arts and Culture.

3.12.4 COMMUNITY HALLS

Community halls contribute in encouraging community participation and play an important role in the development of sustainable human settlements.

The community halls in Maletswai Municipality area are listed below:-

Ward no	Area based current status	Need identified
Ward 2	Hilton	None
Ward 2	Joe Gqabi	None
Ward 5	Greenslade	None
Ward 6	Mzingisi Bhiliso (Chris Hani Section)	None

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Ward 1	Masakhane	None
Ward 3	Joe Slovo	None

Some halls need chairs and fencing.

Libraries; Archives; Museums; Galleries; Community Facilities; Other Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year – 2012/13		Year - 2013/14			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
Service Indicators (i)	(ii)	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective xxx									
To promote, provide and avail information	Number of new library members registered	120 new members	119 new members	120 new members	30 new members	30 new members			
	Number of awareness campaigns conducted on library services to promote the culture of reading and lifelong.	7 awareness campaigns in primary schools	7 awareness campaigns in primary schools	7 awareness campaigns in primary schools	3 awareness campaigns conducted	3 awareness campaigns were conducted			
Instill a culture of customer care/improve standard	Customer care surveys conducted	4 surveys	Target not achieved	4 Customer care surveys conducted	2 Customer surveys were conducted	2 Customer surveys were conducted			

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s of communications, transparency and openness/ to develop systems policy and process to promote effective and efficient decision making									
T 3.12.3									

3.13 CEMETORIES AND CREMATORIUMS

INTRODUCTION TO CEMETORIES & CREMATORIUMS

The Municipality has a total of 13 cemeteries and 8 of these cemeteries were full and were closed. The Municipality had a functional Electronic Cemetery Management System. The Municipality has one Crematorium which is within a cemetery in Smith Street, Aliwal North. The challenge during the year under review was the fencing of the cemeteries and theft of fence from the fenced cemeteries. The illegal burials and absence of staff designated for cemeteries were the challenges.

SERVICE STATISTICS FOR CEMETORIES & CREMATORIUMS

3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

The Department of Social Development is energetic in the municipal area. They provide the following services:

- Treatment and prevention of substance abuse through educational programmes, rehabilitation and home based interventions
- Care of older persons within residential care-Old Age Homes.

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- Crime prevention and support to children and youth at risk /in trouble with the law and adult offenders.
- Promote socio –economic empowerment and integration programmes of people with disabilities.
- Child care and protective services
- Pre - school
- Victim empowerment that facilitate reduction of gender disparities and incidents of domestic violence.
- HIV and AIDS programmes to care and support infected and affected individuals, groups and families.
- Sustainable livelihood programmes looking at poverty reduction among poor households through food security, income generation and women and youth. Programmes
- Community capacity building through capacitating NPO's

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Child Care; Aged Care; Social Programmes Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -2012/13		Year -2013/14			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
Ensure good governance	Christmas party for the elder	1 Christmas party	The Christmas party for the elder was held on the 11 December 2012 in conjunction with the District Municipality and the Office of the Premier	1 Christmas party	1 Christmas party was held	1 Christmas party was held			
Education and spreading awareness if HIV/AIDS meetings	Local Aids Council meetings convened	No target	No target	4 LAC meetings	3 LAC meetings:	3 LAC meetings:			

T3.14.3

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COMPONENT E: ENVIRONMENTAL PROTECTION

3.15 POLLUTION CONTROL

The Municipality collects refuse once a week from households and businesses and upon special arrangements additional refuse collection was done when payment for such service was made. There was a tariff for additional refuse bins collected from businesses. This encouraged businesses to go green and had reduced refuse quantities. The Municipality had an EPWP programme for removal of illegal dumpings, where a group of unemployed individuals were employed on contract to remove illegal dumpings. Public education outreaches were conducted to educate communities on waste management. The appointed and trained Municipal Peace Officers enforced the bylaws, warnings were issued to individuals who dumped illegally. The District Municipality monitored illegal dumpings as well as dilapidated buildings and submitted weekly reports to the Municipality.

3.16 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

Areas of biodiversity conservation are indicated on the illustration (below), including natural landscape, cultivated lands and plantations. A large portion of Maletswai Municipality has near natural landscape.

The municipality has the following environmental opportunities:

- Scenic beauty of the area;
- Areas for prioritized intervention;
- Increased land care;
- Increased awareness around better land management practices (especially in agriculture and urban management);
- Reduction in the number of sewerage spills;
- Reduction in the number of uncontrolled waste management sites;
- Improved disaster management systems;
- Increased investment in environmental protection and conservation; and
- Infrastructure maintenance especially roads should correlate to the climatic and topographic conditions of the area.

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COMPONENT F: HEALTH

3.17 CLINICS

There are [also] four clinics in Aliwal North and one in Jamestown. In addition, there are two Home Base Care Centres in Aliwal North and one in Jamestown. The priority health programmes are HIV and AIDS, TB and mother and child services. There are community based initiatives aimed at prevention of disease and promotion of healthy lifestyles. The district area is implementing the 5 priority health promotion campaigns of nutrition, substance abuse, tobacco, use of healthy environments and risks.

In view of the above, primary health care service is no longer a function of the municipality. From January 2011, in Maletswai Municipality this service was returned to the Provincial Department of Health. This has then resulted in all clinics in Maletswai being taken over by the provincial department.

3.18 AMBULANCE SERVICES

The ambulance services were available within the District and were under the jurisdiction of the Eastern Cape Department of Health. The Municipality had as and when necessary invited the leadership of the emergency services to make presentations on services offered and mode of operation

3.19 INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION

The inspection of food and abattoirs is the competency of the District Municipality because it had Environmental Health Practitioners and no negative reports weresubmitted concerning the functioning of the abattoir.

3.20 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

In terms of the powers and functions set out, Environmental Health Services is a function of the District Municipality. The focus is on issuing business licences, overgrown erven, enforcement of the national legislation regarding smoking in public places and any environmental health projects.

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COMPONENT G: SECURITY AND SAFETY

3.21 POLICE

There are three fully staffed and capacitated police stations in Jamestown and Aliwal North. The crime rate is relatively low especially in contrast to other places in the province. This in part is contributed by the efficient enforcement of municipal by-laws by SAPS and municipal Peace Officers. The working relations between the SAPS and municipality is very sound. The provincial Department of Safety and Liason plays an active role in assessing the effectiveness of Policing in the Maletswai municipal area. The municipality is also an active member of that drives the Community Safety Forum which plays oversight over the SAPS members.

3.22 FIRE

The Joe Gqabi District Municipality operates a fire control unit in Maletswai Municipality. Maletswai Municipality work together with the District Municipality whenever fire occurs.

3.23 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

There were no disasters that were declared during this period. The control of public nuisance was implemented in line with the Bylaw.

COMPONENT H: SPORT AND RECREATION TRANSPORT

3.24 SPORT AND RECREATION

[MIG funding 2011/2012]. Sarah Moorosi sports field is located in Jamestown, Dukathole sports fields and Hilton were maintained regularly.

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COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

3.25 EXECUTIVE AND COUNCIL

Subsequent to its election in May 2011, the Council established its 79 Committees including the Municipal Public Accounts Committee with a view to strengthening its oversight role over the performance of the Administration. It further reviewed the rules of order of Council, human resource policies, delegation framework for the public office bearers, committees and administration in order to promote effectiveness, efficiency and economy in the decision making processes of the Council and its Administrative arm. The 5-year IDP that had been developed and adopted by the Council as a strategic document will guide the resource allocation and developmental objectives for the duration of the tenure of the current council. The IDP and Budget process plan for 2012/13 financial year was approved and its implementation is being monitored and report thereon discussed by the budget steering committee chaired by the Mayor.

Monitoring of capital projects was improved by ensuring that councilors formed part of the project steering committees and that MPAC pays site visits to the projects and compile report on the findings. An exceptional attention was paid to the upgrading of the Sauer Park Stadium as the municipality had not appointed a consultant to oversee its implementation. The findings made by the MPAC on the implementation of the projects were communicated to the appropriate senior manager and Municipal Manager for attention. Minutes of the steering committees and reports presented thereat were submitted to Council via the relevant standing committee.

The council received monthly budget statements, implementation of the Supply Chain Management Reports, debt collection, implementation of council's resolution and SDBIP reports at the ordinary council meetings. These reports were interrogated and appropriate recommendations made to the relevant standing committee and or administration for implementation.

As a way of improving public participation in the affairs of the municipality, the council facilitated the election of the ward committees by various ward-based stakeholders, developed a policy to regulate their functioning and appointed ward co-ordinators to assist the ward councilor in ensuring effective functioning of the ward

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committees. A stipend of R1000 was approved and implemented for the ward committees.

It is worth reporting that the efforts to enforce by-laws were strengthened by not only re-appointing but also resourcing the peace officers which recorded remarkable successes in certain by-laws.

The draft and final IDPs and Budgets for 2012/13 financial year were adopted within the prescribed statutory time frame after consultation with communities through public participation programmes and issuance of public invitation through the print media. This was followed by the approval of the SDBIP and signing of the performance agreements of the section 56 Managers and Municipal Manager.

The Annual report and MPAC reports on the Annual report were adopted and made public in accordance with the relevant statutory prescripts.

3.26 FINANCIAL SERVICES

The financial services department has a mandate of improving the financial viability of the municipality by ensuring that all services rendered are accurately billed and collected timely. One of its main objectives is to ensure that expenditure incurred is within the budget and all suppliers are paid within the prescribed timeframe. Its overall responsibility is to ensure that all internal controls are operating effectively throughout the year and ultimately enable a proper recording system that will result in a clean audit report.

Top three service delivery priorities are as follows:

- Expand and protect municipal revenue base;
- Compliance with prescribed legislative framework and accounting standards;
- Ensure efficient, effective and economical monetary management for a healthy financial position;
- Manage, control and maintain all municipal assets;
- Reduce red-tape;
- Maintain and update the current financial management system;
- Provide effective and efficient ICT services

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3.27 FINANCIAL PERFORMANCE 2013/14: FINANCIAL SERVICES

Please refer to Appendix T for details of all departmental performances including the expenditure breakdown.

3.28 HUMAN RESOURCE SERVICES

The human resource policies provide the municipality with a mechanism to manage risk by staying up to date with current trends in employment standards and legislation. The policies are framed in a manner that the municipality's vision and the human resource helping the municipality to achieve it or work towards it are at all levels benefited and at the same time not deviated from their main objective.

3.29 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

According to the 2001 census more than 50% of the population have access either to a private telephone or one nearby but there is still a section of the population that has no access to a telephone. Urban areas receive the best service. Parts of the commercial farming areas and rural areas are provided with telephone services based on radio linkages to towers, driven by solar panel technology. The reliability of this service is sometimes a problem as spares are not always available, there is market for the solar panels resulting in theft, the service cannot effectively cope with Internet, and it is affected by weather conditions (especially cold). It must be noted that most communities (99%) have access to telecommunication either in the form of land lines, public phones or cell phones.

3.30 ANNUAL PERFORMANCE REPORT 2013/14

An attempt has been made to comply with legislative prescripts in terms of the structure and content of the report. The report has covered the actual performance of the municipality in the prior year, targets and actual performance for the year under review. The reasons have been provided where there has been a deviation from the target.

In order to ensure alignment with the Integrated Development Plan, the strategic objectives as encapsulated in the IDP have been imported to the Annual Performance Report. An attempt has also been made to ensure alignment with the SDBIP by reporting against all targets determined therein.

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The municipality established 4 departments in its organizational structure namely, Corporate Support Performance areas, Community Performance areas, Technical Performance areas and Financial Performance areas Departments. The report on the performance of the municipality has therefore been structured to reflect the performance of each Department including the council and municipal manager against the targets set in the Performance area Delivery and Budget Implementation Plan.

COUNCIL AND MUNICIPAL MANAGER

HIGHLIGHTS

- Adopted a draft long term vision, vision 2028 for the municipality to enable guided and informed planning. This exercise included crafting a new vision, mission and strategic goals of the municipality
- A thorough assessment of the community needs was undertaken through community based planning whose results have and will inform allocation of resources to where they are needed most,
- The critical position of the Director responsible for Corporate services was filled promptly and without threats of litigation;
- A qualified audit opinion was maintained in spite of new accounting standards implemented for the first time.
- Adoption of the measures to curb expenditure and strengthen efforts to increase revenue.

Municipal Manager's quality certification

QUALITY CERTIFICATE

I, Patrick M Nonjola, the Municipal Manager of Maletswai Local Municipality, hereby certify that the Annual Performance Report for the year ended 30 June 2013/2014 has been prepared in accordance with the Municipal Systems Act, Act 32 of 2000 and Regulations made under that Act.

Print Name Mcebisi Patrick Nonjola

Municipal Manager of Maletswai Local Municipality (EC143)


Signature



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Date _____

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IDP OBJECTIVE	KPI	Prior Year (2012/13 FY)			Current Year (2013/14 FY)		Snapshot	REASON/S FOR VARIANCE	Remedial Action
		Target	Actual	Target	Actual				
CORPORATE SERVICES									
Promote effective and inspiring governance / Urban efficiency: Municipal By-Laws	Review of By – Laws and review by targeted date	4 reports	The department has monitored the enforcement of By – laws entirely depend on peace officers placed in the Community Services Department	5 By – Laws to be reviewed	1 x By laws reviewed (Standing Rules Of Order of Council)		<p>The reviewal of Liquor Trading hours By-law is kept in abeyance until amendments to Provincial Liquor Act are promulgated.</p> <p>The Delegation Framework By-law identified for review has since been withdrawn as there were no amendments required</p> <p>By-law on Out Door signs was not amended due to council resolution passed on 12/12/2013 (542/12/2013/CSC19/12/13) which rendered the review process unnecessary</p> <p>Parking meters and Parking Ground identified for review has since been withdrawn as there</p>	The by-laws that do not have amendments will be tabled before to Council for approval in December 2014.	

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							were no amendments required	
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Develop a strategic approach to provide a set of tools and techniques to plan regularly, monitor, measure and review performance of the municipality as well as individual	Development of SDBIP	1 Departmental SDBIP	One departmental SDBIP developed	1 Departmental SDBIP	One departmental SDBIP developed and submitted to office of the Municipal Manager	👍	N/A	N/A
	Submission of performance reports to MM	4 reports on the implementation of PMS	4 Reports were submitted to the Corporate Services Standing Committee	4 PMS Reports (1 per quarter)	4 Reports were submitted to the Corporate Services Standing Committee & Council	👍	N/A	N/A




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employees in the municipality	100% Implementation of organisational PMS to s56 managers	No target	No target	5 individual s56 Performance Agreements signed	5 individual s56 Performance Agreements signed & submitted to the Municipal Manager		N/A	N/A
	Reviewal of the PMS Policy	No target	No target	1 reviewed Policy	0		The service provider could not be appointed due to discrepancies in the SCM processes.	The policy will be reviewed internally before the end of October 2014
To build and enhance the human resource capacity of the municipality	Submit quarterly HR Development Strategy reports	4 reports on the implementation of HRD	Nine monthly reports which encapsulates the implementation of human resource issues were presented at the Corporate Services Standing Committee	4 quarterly HR Development Strategy progress sessions	4 monthly reports which encapsulate the implementation of human resource activities were presented to Corporate Services Standing Committee & council		N/A	N/A




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To provide effect secretariat support to Council	Implementation of document management system as per Registry procedure manual and policy	12 reports on implementation of the Registry Procedure Manual	12 reports on implementation of the Registry Procedure Manual were submitted on a regular basis	4 (implementation of the document system)	4 reports on implementation on document system were submitted		N/A	N/A
To ensure good governance	Monthly staff meetings convened	11 departmental meetings	Eight departmental meetings were held	12 staff Meetings	<ul style="list-style-type: none"> 12 staff meetings were held. 		N/A	N/A
	Review of Employment Equity Plan	No target	No target	1 session	1 session of the Employment Equity was held		N/A	N/A
	Submission of EE Plan to the Department of Labour	1 Plan	1 report was submitted to the Department of Labour through the office of the Municipal Manager on the 25 September 2012	1 Plan	1 Plan was submitted to the Department of Labour on 30 April 2014		N/A	N/A




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	Monitor and evaluate the employment equity plan	Present 70% Achievement of EE target in the first three levels (Top Management /Senior Management & Professionally qualified & experienced specialist & middle management)	70% achieved of EE targets in the first three levels of (top management / senior management & professionally qualified & specialist & middle management	4 monitoring and evaluation sessions	3 monitoring and evaluation session held		No appointments were made in the fourth quarter	Monitoring and evaluation session will be done through recruitment and selection panels
	Submit a 2014/15 Workplace Skills Plan (WSP) to LGSETA by the 30 April 2014	No target	No target	1 WSP	1 WSP was submitted to LGSETA by the 29 April 2014		N/A	N/A
	EE Plan & Skills Development meetings held	No target	No target	4 meetings	2 meetings held		2 meetings could not take place due to unavailability of Committee members	A schedule of meetings will be circulated to all committee




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								members in order to allow them to prepare plan.
To review the organogram	Organisational Structure reviewed and adopted	1 approved organisational structure	One approved organisational structure (23 May 2013)	1 Organisational Structure	1 Organisational Structure was approved by Council		N/A	N/A
	All existing job descriptions analysed, reviewed and benchmarked on TASK	1 review	The old job descriptions were reviewed in the first quarter and new ones were developed for the new positions. The final report on job descriptions/ TASK Benchmarking was completed in the fourth quarter.	243 job descriptions	217 job descriptions		The review and appeal process is still underway	The 26 outstanding JDs will be concluded before the end September 2014
Ensure smooth functioning	Quarterly LLF meetings	4 Local Labour	Four Local Labour Forum	4 (once a quarter)	4 LLF meetings were		N/A	N/A



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of council meetings, standing committees, ward committees and local labour forum	convened	Forum meetings	meetings		held			
Ensure effective and efficient usage of municipal vehicles	Adoption of Fleet Management Policy	No target	No target	1 Fleet Management Policy	0		The policy is still undergoing a stakeholder consultation process due to identification of additional stakeholders	The policy will be presented before the end of September 2014
	Efficient management and monitoring of pool vehicles in the Corporate Services Directorate	No target	No target	4 Monitoring of pool vehicles inspections conducted	4 reports submitted		N/A	N/A
		KPA5: Financial Management and viability						
Manage ; control and maintain all municipal assets	Compliance with Asset Management Policy	1 departmental asset register	One (1) departmental asset register	4 Asset counts conducted	4 Asset counts conducted		N/A	N/A

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(MFMA Compliance Asset Management)								
	Disposal of assets in compliance with Asset Management Policy	1 report to the CFO	One report submitted to Financial Services Department	100% per quarter	100%		N/A	N/A
Compliance with prescribed legislative framework and accounting standards (legislative requirements of the MFMA)	Mitigate identified risks	4 quarterly Risk action plan reports	Three Risk Action Plan reports were submitted	100% per quarter	100%		N/A	N/A
Management of a healthy financial position in accordance with relevant	Implementation of Audit Action Plan	4 audit action plans and progress reports to MPAC	Two Audit Action Plan reports were submitted	100% Implementation of Audit Action Plan	75%		Some of the audit findings could not be achieved as at year end as they are of a long term nature.	A detailed remedial plan will be presented to council before end September 2014

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legislations (MFMA)	Budget on expenditure on training as per Workplace Skills Plan	100% budget spent on implementation of Training	90.13 Budget spent	100% (R 324 00 for officials and R 88 000 for Councilors)	88% (98.38% Councilors and 77.77% Officials)		The budget was under spent due to stringent measures imposed on spending	The target will be reviewed in the 2014/15 FY in line with available budget
	Reduce telephone bill	Reducing the telephone bill by 25% (R813 624)	The telephone bill has been reduced by 22.98%	30%	43.27%		Stringent controls were put in place and have proven to be effective. Telephone use management policy was adopted on 08 July 2014.	The institution enhanced the telephone management policy to staff members

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KPA6: Good Governance and Public Participation

To ensure good governance	Staff verification	4 staff verification	Four staff verification reports	4 x Staff verifications	Three staff verification reports were submitted		Whilst the staff verification for the second quarter were conducted the document could not be retrieved due to lack of proper filling	A back-up file will be electronically kept on all staff verification conducted and submitted timeously
	Compliance with Occupational Health and Safety Plan (holding OHS meetings)	4 quarterly OHS Committee meetings	Three occupational Health and Safety meetings were held	4 meetings (1 per quarter)	3 meetings were held		The committee was revived in the second quarter therefore no meeting was held in the first quarter.	A year planner will be developed and implemented
	% implementation of Council Resolutions	4 reports on implementation of council resolutions	1 report presented to the Council meeting and	100% implementation	100%		N/A	N/A



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			2 reports submitted to the Standing Committee meeting					
Provide legal support services: Management of Legal Services	Monitoring of Legal and Contract Management	No target	No target	4 legal Management sessions	4 legal management sessions	👍	N/A	N/A
Management of legal services	Provide assistance to other directorates on disciplinary processes/procedures as and when required or requested	12 reports	3 disciplinary hearings were conducted	4 Quarterly sessions as per the request of the different Directorates	4 Quarterly sessions conducted	👍	N/A	N/A

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	Review existing Human resource Policies	1 review	5 Policies were reviewed	100%	100%		N/A	N/A
	Develop Human Resource Policies	No target	No target	2 Policies	5 new policies developed.		The Aldermen Status Policy, Telephone Management Policy, Abscondment Policy, Promotion and Transfer and Standing Rules and Orders of the Council Policy.....	policies were developed as per the necessity of the municipality
To build and enhance the human resource capacity of the municipality	Conduct workshops to empower 25 supervisors on HR Policies	No target	No target	4 (2 in Q3 & 2 Q4)	2 workshops were conducted:		The workshop planned for 30 June 2014 was called off and rescheduled for the next quarter in the new financial year.	The workshop has been scheduled for the 26 Aug to 02 September 2014

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IDP OBJECTIVE	KPI	Prior Year (2012/13 FY)		Current Year (2013/14 FY)		Snapshot	REASON/S FOR VARIANCE	Remedial Actions
		Target	ACTUAL	TARGET	ACTUAL			
		TECHNICAL SERVICES						
		KPA 1 : SPATIAL CONSIDERATIONS						
Manage and implement building control regulations	Percentage of building plans approved within prescribe times	100% of submitted building plans	Approve 100% submitted building plans complying with National building regulations	100% of submitted building plans	72.75%		Some Building plans have been referred back to the drawer as they did not comply with the building regulations. Others are referred to the JGDM as they require water and sanitation connections. Others not approved by finance due to outstanding Municipal debt	A checklist has been developed whereby an applicant circulates buildings plans only thereafter they are captured into building plans register as submitted building plans
	Notices issued for buildings without building plans	12 monthly reports	12 monthly reports	100% of all houses build without building plans	100%		N/A	N/A




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IDP OBJECTIVE	KPI	Prior Year (2012/13 FY)		Current Year (2013/14 FY)		Snapshot	REASON/S FOR VARIANCE	Remedial Actions
		Target	ACTUAL	TARGET	ACTUAL			
To coordinate mechanisms for creating jobs opportunities	Job opportunities created through EPWP	12 monthly reports	12 job creation initiatives convened	12 reports	12 reports	👍	N/A	N/A
Maintenance of buildings to be in proper conditions	Maintenance of community halls		4 maintenance reports	4 Community Halls	4 Community halls were maintained.	👍	N/A	N/A
	Municipal flats and Municipal buildings maintained	4 Maintenance reports	6 maintenance reports	2 Municipal buildings and 8 Municipal flats	11 Municipal Flats and 1 Municipal Building maintained.	👍	The higher number in Municipal Flats was as results of minor renovations to the flats and more significant renovations to the municipal buildings with strict budgetary measures.	That all renovations be done within the prescribed budgets as plan for the financial year.
KPA 3: Service Delivery								
To upgrade and maintain roads	Grading of streets in (Aliwal North & Jamestown)	25km	33.185km	25km	64.76km	👍	Severe rains gave rise to more streets being bladed.	The target will be increased to 30 in the 2014/15 financial year.
	Regravelling of streets in Aliwal North and	7km	4.017km	7km	2km	👎	Municipality does not have an excavator to mine the gravel. The re-gravelling programme directly	One of the contractors are busy assisting the municipality with the digging of mined

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IDP OBJECTIVE	KPI	Prior Year (2012/13 FY)		Current Year (2013/14 FY)		Snapshot	REASON/S FOR VARIANCE	Remedial Actions
		Target	ACTUAL	TARGET	ACTUAL			
	Jamestown						depends on the availability of gravel which needs to be mined.	gravel and stored it at the power station in order to ensure that the programme are implemented successfully in this financial year.
	Storm water maintenance in Aliwal North and Jamestown	15 km Storm water Maintenance in Aliwal North & Jamestown Construction of 19m's of Storm water in Queens Terrance Street (7m); Martini Street (6m); Rose Street (6m).	10.39km	15km	17.011km	👍	Extra workforce from completed EPWP projects was used to enable the flow of work to progress beyond the target.	The target will be reviewed in the 2014/15 FY
To ensure effective coordination of local transport forum & facilitate information flow from local transport forum to District	Meetings of local transport forum	No target	No target	4 meetings	4 meetings	👍	N/A	N/A

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IDP OBJECTIVE	KPI	Prior Year (2012/13 FY)		Current Year (2013/14 FY)		Snapshot	REASON/S FOR VARIANCE	Remedial Actions
		Target	ACTUAL	TARGET	ACTUAL			
Forum								
CAPITAL PROJECTS: MALETSWAI PAVING PROJECT 1								
To upgrade and maintain roads	Streets to be paved (Maletswai paving project)	No target	No target	3km	1.5km		Delays due to severe rains and adverse weather conditions. Extension of time granted as delays were caused by factors beyond contractors control.	Contractors are on site already to avoid similar challenges in this financial year
	Resealing of streets (town, springs, Arborview and Hilton)	3km	1.57K M	9200m ²	4,059m ²		The first batch of material was purchased towards end of the first quarter.	Procurement of Annual Supply in order to eliminate progress delays due to material shortages.
ELECTRICITY								
To increase the household access to electricity connections by 100% in 2013	Percentage of new houses connections to single phase electricity	100 %new house electrical connection	100%	100 % new single phase electrical connection	100%		N/A	N/A

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IDP OBJECTIVE	KPI	Prior Year (2012/13 FY)		Current Year (2013/14 FY)		Snapshot	REASON/S FOR VARIANCE	Remedial Actions
		Target	ACTUAL	TARGET	ACTUAL			
	Percentage of 3 phase bulk meter installed	No target	No target	100% new 3 phase bulk meter installation	100%	👍	N/A	N/A
	RDP houses to be provided with electricity of 743 RDP houses (323 infill sites)	Secure funding from DoE for Electrification of 323 RDP houses in Dukathole	Business Plan submitted on 19 July 2012	Electrification of 323 RDP houses in Dukathole	323 houses electrified	👍	N/A	N/A
	Streets lights erected on new Hilton road	No target	No target	6 Street lights	13 streetlights were erected	👍	The original plan of 6 street lights was calculated on the lumination area coverage of 50m but due to topography and meandering road 50m spacing luminers were inappropriate but 25m lumination street lights were installed	Target will be increased in the 2014/15 SDBIP to 25 streetlights

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IDP OBJECTIVE	KPI	Prior Year (2012/13 FY)		Current Year (2013/14 FY)		Snapshot	REASON/S FOR VARIANCE	Remedial Actions
		Target	ACTUAL	TARGET	ACTUAL			
Manage continuous supply of electricity	Planned Electrical outages a year	4 planned outages	4 planned outages were done (10 March 13, 19 April 13, 27 March 13, 16 Sept 2012)	4 planned outages	4 planned outages	👍	N/A	N/A
	Percentage of faulty electrical meters	100% serviced and replaced	100%	100% of faulty meters to be replaced	100% of faulty meters replaced	👍	N/A	N/A
	Street lights maintained	12 monthly reports	12 monthly reports	100% all faulty street lights identified	100% of faulty streets lights identified	👍	N/A	N/A
	Electricity Infrastructure Maintenance	4 transformer maintenance	4 Transformers maintained	4 Transformers	9 transformers maintained	👍	RMU 9, RMU 5, RMU 6, RMU 11, RMU 10, Johanna RMU, Fronies RMU were all maintained. Upon inspection these transformers were whipping, showing signs of rapid deterioration.	None





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IDP OBJECTIVE	KPI	Prior Year (2012/13 FY)		Current Year (2013/14 FY)		Snapshot	REASON/S FOR VARIANCE	Remedial Actions
		Target	ACTUAL	TARGET	ACTUAL			
							Hence maintenance carried out.	
	Daily disconnections and reconnections received and performed	12 monthly reports	12 monthly reports to the Standing Committee	100%	100%	👍	N/A	N/A
	Illegal connections and tampering	12 monthly reports	12 monthly reports to Standing Committee	12 report illegal connections and tampering reports	12 reports on illegal connections and tampering were done	👍	N/A	N/A
KPA 4: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT								
Develop a strategic approach to provide a set of tools and techniques to plan regularly, monitor and review performance of	Departmental meetings with Supervisors and Managers to instill a culture of collective decision making	8 departmental meetings	13 departmental meetings were held.	8 departmental meetings	6 meetings were held.	👉	Meetings could not materialise due to other commitments and activities.	That these meetings are prioritized and the schedule be followed attentively.





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IDP OBJECTIVE	KPI	Prior Year (2012/13 FY)		Current Year (2013/14 FY)		Snapshot	REASON/S FOR VARIANCE	Remedial Actions
		Target	ACTUAL	TARGET	ACTUAL			
the municipality as well as individual employees in the municipality								
To provide effective Council support	Departmental SDBIP developed	1 departmental SDBIP	1 departmental SDBIP developed	1 Departmental SDBIP	1 SDBIP	👍	N/A	N/A
	Performance reports on SDBIP	Four quarterly reports (4)	4 Quarterly develop and reported to Standing Committee	Four reports (4)	Four Reports (4)	👍	N/A	N/A
KPA 5: FINANCIAL MANAGEMENT AND VIABILITY								
Managing continuous supply of electricity	Percentage reduction of electricity losses not to exceed 10% (2013/2014).(NT circular 71)	50%	50.88% (22.72%-11.16% =11.56% reduction)	= 10%	6.29%	👍	Meter audits were done to identify illegal connections and tampering	Target to be reviewed to 8 in the 2014/15 SDBIP.





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IDP OBJECTIVE	KPI	Prior Year (2012/13 FY)		Current Year (2013/14 FY)		Snapshot	REASON/S FOR VARIANCE	Remedial Actions
		Target	ACTUAL	TARGET	ACTUAL			
Management of a healthy financial position in accordance with relevant legislations (MFMA)	Departmental budget monitoring processes by holding departmental meetings discussion the budget	8 meetings	Target not achieved	8 meetings	2 meetings		Meetings could not materialise due to other commitments and activities.	Target to be included in the monthly Departmental meetings
	Mitigate identified risks	Four (4) reports per annum	4 risk action plan reports submitted to Standing Committee	100%(per quarter)	89.13%		The 89.13% is achieved because risks cannot be 100% mitigated due to risks that are inherent and residual	Mitigation of inherent and residual will be included in the 2014/15 risk management processes
	Implementation of Audit Action Plan	4 progress reports submitted to standing committee	4 progress report submitted to the Standing Committee meeting	100% implementation of Audit Action Plan	100%		N/A	N/A
	Operating budget spent year to	98%	89%	100%	111%		Budgeted amount excluded Price hikes	Review budgeting processes to take


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IDP OBJECTIVE	KPI	Prior Year (2012/13 FY)		Current Year (2013/14 FY)		Snapshot	REASON/S FOR VARIANCE	Remedial Actions
		Target	ACTUAL	TARGET	ACTUAL			
	date excluding staff costs (TSD)						on consumables like fuel and oil	into account price hikes
	Allocated capital budget spent to date (MIG)	98%	93%	100%	62.55%		Delays due to severe weather conditions and the poor performance of the contractor	Early appointment of service providers in the prior year
	Percentage of allocated capital budget spent year to date (INEP)	No target	No target	100%	25%		Grant funding was stopped by DoE within the Eastern Cape Province	Target will be removed in 2014/15 SDBIP.
	Allocated capital budget spent to date (MLM)	No target	No target	100%	0%		MLM relies on grant funding for capital projects. No capital projects is funded by the Municipality	Target will be removed in 2014/15 SDBIP.
KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION								
Ensuring smooth	Percentage of Council	4 reports on the implementati	4 reports submitted to	Percentage of	100%		N/A	N/A




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IDP OBJECTIVE	KPI	Prior Year (2012/13 FY)		Current Year (2013/14 FY)		Snapshot	REASON/S FOR VARIANCE	Remedial Actions
		Target	ACTUAL	TARGET	ACTUAL			
functioning of Council meetings, standing committees and Local Labour Forums	resolutions implemented	on of the Council resolutions	council	Council Resolutions implemented (100%)				
	Reports to Standing Committee	11: Standing Committees	8 standing committee meetings	11 Standing Committee meetings	8 meetings held		Meetings did not materialise due to unavailability of committee members	Adhere to schedule of meetings
To have an effective communication system. To inform the community about the services rendered by the municipality	Departmental Annual performance information	No target	No target	1 report	1 report		N/A	N/A
	Annual performance report submitted to MM	one (1) (S46)annual performance report	One annual report completed and submitted	One s46 annual performance report submitted	One s46 annual performance report submitted		N/A	N/A
	Percentage of reported faults attended	No target	No target	100%	100%		N/A	N/A





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IDP OBJECTIVE	KPI	Prior Year (2012/13 FY)		Current Year (2013/14 FY)		Snapshot	REASON/S FOR VARIANCE	Remedial Actions
		Target	ACTUAL	TARGET	ACTUAL			
Promote effective and inspiring governance and the efficiency of the department/Improved standards of communication, transparency and openness	Registered on MIG MIS website	No target	No target	2: projects registration	2 projects were registered		N/A	N/A

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IDP Objective	Key Performance Indicator	Prior Year (2012/13 FY)		Current Year (2013/14 FY)		Snapshot	Reason for Variance	Remedial Measures
		Target	Actual	Target	Actual			
Effectively manage land and land disposal and acquisition issues in a fair and equitable manner	Transfer of land (assets) submitted to external services provider	17 properties transferred to Dep't Public Works	Not achieved	17 properties submitted to external service provider for transfer	0 properties transferred		The 17 properties were not transferred because the process of township establishment was not complete by 30 June according to the report received from the appointed service providers - the delays are at the Surveyor General's office	The establishment of township registers precedes the transfer and the 17 Properties will be submitted to external service provider upon establishment of the township.
To ensure proper commonage management	Commonage management meetings convened	4 quarterly meetings	4 quarterly meetings	2 annual meetings	2 annual meetings were held		N/A	N/A
Urban efficiency / Manage, control and maintain all municipal assets	Number of encroachment inspections conducted	4 encroachment inspections conducted	4 encroachment inspections conducted.	4 encroachment inspection conducted on quarterly basis	4 encroachments inspection were conducted on quarterly basis		N/A	N/A
manage land, land disposal & land acquisition issues								

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To ensure private ownership of the municipal Discount Benefit Scheme housing stock	Ratio of discount benefit stock applications submitted to external services provider	6 discount benefit stock was transferred	4 discount benefit stock was transferred	1:1 stock transfer to beneficiaries	1:1 stock were transferred to beneficiaries		N/A	N/A
KPA 3: BASIC SERVICE DELIVERY								
To ensure safe and sustainable housing environment	Beneficiaries occupying completed houses	No target	No target	192 beneficiaries occupying houses	166 beneficiaries occupied houses		The illegal occupants invaded the houses before they were handed over to the Municipality by the EC Dept of Human Settlements	An internal investigation will be conducted so as to curb future illegal occupation and the eviction of illegal occupants
	Beneficiaries occupying completed houses	35 happy letter	10 happy letters signed	35 beneficiaries occupying houses	35 beneficiaries occupying houses		N/A	N/A
To ensure proper management of parks and open spaces	Number of park, sports fields and open spaces cleaned	12 reports	12 reports submitted	12 reports cleaning of parks, sports fields and open spaces	12 reports cleaning of parks, sports fields and open spaces		N/A	N/A

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To ensure a safe eco – friendly and clean environment	In-house training sessions for waste management staff	4 quarterly reports	4 quarterly reports on the training of staff were submitted	4 annual trainings for waste management staff	4 annual trainings for waste management staff	👍	N/A	N/A
	100% refuse collection in households	12 Monthly reports	12 Monthly reports on the implementation of the refuse collection programme	100% refuse collection	100% refuse collection was done	👍	N/A	N/A
	The ratio of warnings and fines issued to deter illegal dumping to traceable perpetrators	No target	No target	1:1 warnings and fines issued to traceable perpetrators for every traceable illegal dumping	1:1 warnings and fines were issued to traceable perpetrators for every traceable illegal dumping	👍	N/A	N/A
	Public education campaigns on waste	12 Waste Management Campaigns	12 Waste Management Campaigns were	12 waste management campaigns public education	12 waste management campaigns public education	👍	N/A	N/A

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	management conducted		conducted	conducted				
To render effective traffic control	Number of planned roadblocks to ensure Road and transport law enforcement	57 Roadblocks	67 Roadblocks	57 planned roadblocks	95 road blocks held	👍	The Traffic Officers started work earlier than required to ensure road safety by holding roadblocks	
	Number of planned road signs/markings erected/repaired/maintained	12 reports on planned road signs maintained	12 reports on planned road signs maintained	40 planned road signs/markings erected/repaired/maintained	10 road signs erected and 27 road signs maintained	👍	The heavy rains as well as the resealing of worn out streets delayed the assumption of the maintenance of road markings	The maintenance of road markings signs will resume early in the financial year before the heavy rain season. erection of street signs will be within the budget.
KPA 4: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT								
To promote, provide and avail information	Number of new library members registered	120 new members	119 new members	60 new members	30 new members	👎	Reluctance to take membership among library users has limited the number of new members	The target will be removed as it proved to be unrealistic considering that many library users are not interested in

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								being members.
	Number of awareness campaigns conducted on library services to promote the culture of reading and lifelong.	7 awareness campaigns in primary schools	3 awareness campaigns in primary schools	3 awareness campaigns conducted	3 awareness were campaigns conducted	👍	N/A	N/A
Instill a culture of customer care/ improve standards of communication s, transparency and openness/ to develop systems policy and process to promote effective and efficient decision making	Customer care surveys conducted	4 surveys	Target not achieved	4 Customer care surveys conducted	2 Customer surveys were conducted	👎	Customers were not willing to fill in the questionnaires	Customer care will be removed from the SDBIP in the next financial year (14/15).
Create a conducive working environment	Meeting with sectional heads	11 meetings	11 meetings	11 meetings with sectional heads	11 meetings were held with sectional heads	👍	N/A	N/A

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that promotes personal capacity development and growth / Performance management (target setting, monitoring and reporting)								
Create a conducive working environment that promotes personal capacity development and growth to instill a culture of collective decision making	Sectional meetings held	24 meetings convened with all staff members (1 meeting per quarter)	15 meetings	12 sectional meetings held	12 sectional meetings held	👍	N/A	N/A
To ensure proper management of municipal leased properties	Lease agreements in place and signed with all tenants	105 lease agreements	105 lease agreements	105 lease agreements signed with all tenants	105 lease agreements signed with all tenants	👍	N/A	N/A
Compliance with prescribe legislative framework and accounting standards (legislative	Mitigate identified risks	4 quarterly progress reports	4 quarterly progress reports	100%	100%	👍	N/A	N/A

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requirements of the MFMA) Risk Management								
Management for a health financial position;/Compliance with prescribed legislative framework and accounting standard in respect to Developing & implementing an action plan to address all findings emanating from the A G 's report as to avoid a reoccurrence of such findings to improve the audit opinion /Implement projects to address Audit Report	Implementation of Audit Action Plan	4 quarterly progress reports	4 quarterly progress reports	100% implementation of the Audit Action Plan	100% of the Audit Action Plan was implemented	👍	N/A	N/A


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Manage ; control and maintain all municipal assets according to MFMA and the Asset Management Policy	Departmental assets (inventory/ stock stake) conducted	12 monthly reports	12 monthly reports	12 stock counts reports of Dept. inventory lists/ assets count (listings available in each department)	12 stock counts reports of Dept. inventory lists/ assets count (listings available in each department)	👍	N/A	N/A
	Compliance with asset management: disposal of assets in CSSD	2 reports	2 reports submitted to the Supply Chain Section the Departmental Assets to be disposed	2 reports submitted to supply chain section the departmental assets to be disposed	2 reports on the departmental obsolete assets submitted to Supply Chain Management	👍	N/A	N/A
	Applications for funds to upgrade sports and recreational facilities submitted to potential funders	No target	No target	1 Application completed and submitted to potential funders	1 Application completed and submitted to potential funders and funds were made available	👍	N/A	N/A
KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION								

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To comply with aerodrome license conditions	Compliance with the Aerodrome license	4	4	4 Quarterly maintenance inspections of the Aerodrome	4 Quarterly maintenance inspections of the Aerodrome were conducted	👍	N/A	N/A
To ensure good governance	100% implementation of Council Resolutions	4 quarterly reports	4 quarterly reports	100%	100%	👍	N/A	N/A
	Standing Committee meetings convened	11	10	11 Standing Committee meetings	11 Standing Committee meetings held	👍	N/A	N/A
Compliance with NMFMA Annual Performance Report	submission of Section 46 Reports to the MM	1 Section 46 report	1 Section 46 report submitted	1 Section 46 report submitted	1 Section 46 report submitted	👍	N/A	N/A
	Submission of s46 reports to the Municipal Manager	1 final annual report	1 final annual report submitted	1 Section 46 Report submitted	1 report submitted	👍	N/A	N/A





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FINANCIAL SERVICES								
IDP OBJECTIVE	KPI	PRIOR YEAR (2012/13 FY)		CURRENT YEAR 2013/14 FY		SNAPSHOT	REASON/S FOR VARIANCE	REMEDIAL ACTIONS
		TARGET	ACTUAL	TARGET	ACTUAL			
KPA 1: Spatial Considerations								
Expand and protect the revenue base of the municipality	Interim Valuation of property conducted annually	Two monthly reports	(2) Two monthly reports on interim valuation performed were submitted.	2 Interim Valuation	1 interim valuation		Interim Valuation of properties is conducted to update the records of the municipality twice a year in the years in which the General Valuation is not conducted and due to the fact the that overall General Valuation Roll process was in process the interim valuation roll process could not be completed. The	A General Valuation was conducted in the period beginning 01/07/2013 covering a duration of four years and subsequent to it annually interim valuations will be conducted

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							performance of an interim valuation would have duplicated the process.	
Expand and protect the revenue base of the municipality by providing accurate bills for services rendered	The inaccuracies identified on the database and attended	12 monthly reports on data cleansing	12 monthly reports were submitted	100%	100%	👍	N/A	N/A
KPA 2: Local Economic Development								
Compliance with prescribed legislative framework and accounting standards (legislative requirements of the MFMA): Compliance with Supply Chain Management Policy and Regulations	Annual update of Supply Chain data	One (annual report)	One report on update of supplier database was submitted.	1 (Annually)	One report compiled	👍	N/A	N/A
	Full compliance with Supply Chain Management Policy (SCM)	12 monthly reports on SCM compliance	12 Quarterly reports submitted within 5 working days (3 per quarter)	4 compliance reports	4 compliance reports submitted	👍	N/A	N/A
	% of local businesses benefiting from tenders and SCM procurement	Seventy (70%) of local businesses benefiting from SCM process	87% of tenders awarded during the year were given to local compliant with BBEEE	70% of local businesses benefiting from SCM process	99% of local businesses from the SCM	👍	99% of tenders awarded to local businesses as per submission of	





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	processes		procurement processes				tenders	
	Submission of quarterly SCM reports to the Municipal Manager and Mayor	Twelve (12) monthly reports	Twelve reports were submitted	4 reports	4 Reports submitted		N/A	N/A
	Uploading of quarterly Supply Chain Management reports to Treasury (Provincial & National)	Twelve (12) monthly reports	5 reports	4 quarterly reports	4 reports submitted		N/A	N/A
KPA 3: SERVICE DELIVERY								
To ensure good governance	Review of the IDP and Budget Process Plan	One annual Process Plan.	One annual process plan was adopted by the Council and advertised in the newspapers	One annual Process Plan.	One process plan approved by Council		N/A	N/A
Management for a healthy financial position in accordance with	Budgets approved annually	Adjustment budget by 28 February, One (1) Draft	Three budgets were approved (One adjustment	2 (annual and adjustment budget)	2 (annual and adjustment budget)		N/A	N/A






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relevant legislations (MFMA)		budget by 31 March and one (1) Final budget by 30 May.	budget on 28/02; one draft budget on 01/03 and one final budget on 30/05)					
Develop a strategic approach to provide a set of tools and techniques to plan regularly, monitor, measure and review performance of the municipality as well as individual employees in the municipality	Development of departmental SDBIP		One departmental SDBIP was developed.	1 departmental SDBIP	1 Departmental SDBIP Developed	👍	N/A	N/A
	Performance reports on the development of the SDBIP	1 departmental SDBIP	Four quarterly reports were submitted.	Four (4) quarterly reports	4 quarterly reports submitted	👍	N/A	N/A
Expand and protect the municipal revenue base by providing accurate bills for services rendered	Processing of consumer accounts monthly	One hundred per cent (100%) processed monthly	One hundred per cent (100%) of consumer accounts were processed monthly	100% processed monthly	100% accounts processed	👍	N/A	N/A
CREDITORS								
Implement and maintain effective expenditure systems	Preparation of all monthly creditors reconciliations	One hundred per cent (100%) monthly reconciliation	One hundred per cent (100%) monthly reconciliation performed	100% monthly reconciliation	100% reconciliations performed	👍	N/A	N/A
INFORMATION TECHNOLOGY								




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Provide an efficient Service by Maintaining all ITC equipment	ITC Maintenance Plan	No target	No target	1 plan	0		The plan is still to undergo consultation process	Plan to be completed by December 2014
	IT backup reports received	Twelve (12) monthly reports	Twelve monthly backup reports were submitted	4 quarterly reports	4 quarterly reports		N/A	N/A
Develop a strategic approach to provide a set of tools and techniques to plan regularly, monitor, measure and review performance as well as individual employees in the municipality	Senior finance staff meetings	Eleven (11) senior finance staff meetings	Five meetings were held :19 October 2012, 12 February 2013,11 March 2013, 14 May 2013	10 Senior Financial Staff meetings	2 staff meetings were held.		Due to other operational demands, finance staff was not able to hold an official meeting, however adhoc sectional meetings were held.	That all staff meetings be prioritized in the next financial year
Improve service delivery, quality (cost effectiveness and efficiency by updating the indigent register annually for free basic services)	Households having access to free basic services	5000 households	5100 households had access to free basic services by year end.	5000 households	4916 Households		The indigent households are determined by the number of applications received, verified and approved jointly with ward councilors.	Ward Councilors will be lobbed and encouraged to inform all indigent consumers to update their indigence status regularly.
KPA 4: Municipal Transformation and institutional development								





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Developing & implementing an appropriate & Effective Performance Management system: PMS s57	Submission of quarterly performance plans to MM	Two progress reports (2)	Two progress reports	4 Performance plans	4 Performance Plans submitted to MM		N/A	N/A
Management for a healthy financial position in accordance with relevant legislations (MFMA)	Submission of Annual Financial Statements to the Auditor General by the 31 August	One (1) set of annual financial statements	One set of AFS	1 set of AFS	1 Set AFS submitted		N/A	N/A
KPA 5: FINANCIAL MANAGEMENT AND VIABILITY								
Expand and protect the municipal revenue base by providing accurate bills for services rendered	Debt collection reports submitted to the Municipal Manager	Four quarterly reports (4)	Four quarterly reports	Four quarterly reports	Four quarterly reports		N/A	N/A
Ensure good payroll management and implementation	Payroll reconciliations prepared annually	Twelve (12) monthly reports	Twelve monthly reconciliations	Twelve (12) payroll reports	12 payroll reports		N/A	N/A
Management for a healthy financial position in accordance with relevant legislations	% Audit findings addressed	Four progress reports (4)	Four progress reports	100%	68%		The findings that require a retrospective solution	Audit Action plan will be developed and implemented during the 2014/15 FY

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(MFMA)							were all addressed and those that require a prospective solution will be addressed during the next year.	
	Preparation of Grant reconciliations	Twelve (12) monthly reports	Twelve (12) monthly reports	Twelve (12) reports	12 reports		N/A	N/A
	Percentage of operating budget spent excluding staff costs	One hundred per cent (100%) expenditure	One hundred percent of operating expenditure	One hundred (100%) expenditure	128%		The net budget was overspent due inadequate budget provisions on non-cash flow items such as depreciation and debt impairment.	The budget for 14/15 FY addresses all the priority programmes and projects within the municipality.
	Percentage of capital budget spent to date	One hundred per cent (100%) expenditure	One hundred percent (100%) expenditure	89% of capital budget spent	67.90%		Delays in the appointment of the contractor resulting	Appointment of contractors will be done earlier to allow the early commencement on capital expenditure.



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							from delayed placement of adverts in the local newspaper and further delays by the contractor in submitting completion certificates.	Penalties will be imposed on contractors performing poorly.
	Submission of s72 reports to the Treasury (provincial & national)	One (1) report per annum	One report submitted	One (1) report per annum	1 s 72 report submitted		N/A	N/A
	Submission of s71 reports to Treasury (Provincial and National)	Twelve (12) monthly reports	Twelve monthly s71 reports submitted to Treasury	Twelve (12) s71 reports	12 x s71 reports submitted		N/A	N/A
	Submission of s52(d) reports to Council	Four (4) reports per annum	Four reports were submitted	Four (4) reports per annum	4 x s52(d) reports submitted		N/A	N/A
Compliance with prescribe legislative	% of identified risks mitigated	Four (4) quarterly reports	Four quarterly reports	100%	55%		Internal controls put in place	More emphasis' will be placed on ensuring that all





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framework and accounting standards (legislative requirements of the MFMA)								during the year could only mitigate to the mentioned extent and further mechanisms and procedures were established during the year in order to mitigate all risks. The process is an ongoing	risks are mitigated in the next financial year
Manage ; control and maintain all municipal assets according to the MFMA regulations and asset management policy	Asset count undertaken annually in accordance with the Asset Management Policy	Two (2) annual stock-take	One asset account conducted	Two (2) asset count undertaken	One asset count conducted	👉	In adequate resources to perform a full count during the count.	The asset team will schedule two counts in the year	
	Inventory count conducted in accordance with the inventory policy	One (1) review and update per annum	One stock count	Two (2) annual stock-take	One count was conducted	👉	The continuous update records (perpetual) during the year were considered	The asset team will schedule two counts in the year	




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							adequate but will be approached differently in the coming year.		
KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
To build an institution capable of effective service delivery with sound administration and good governance	Ten(10) standing committee meetings	Standing committee meetings held	Eight meetings attended: 20 July 2012, 16 August 2012, 15 September 2012, 18 October 2012, 20 February 2013, 22 March 2013; 22 May 2013 & 13 June 2013	Ten(10) standing committee meetings	6 Standing Committee meetings held		The standing committee members had to attend to other priority matters and therefore the meetings did not materialise	All standing Committee meetings will be prioritized.	
Management of a healthy financial position in accordance with relevant legislations(MFMA)	One (1) annual review report on budgeted related policies	Budgeted Policies annually	Related review	1 review done during the adoption of the budget on 22 May 2013.	One (1) annual review report on budgeted related policies	One annual policy review conducted		N/A	N/A





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	Twelve (12) monthly Dora reports	Submission of Dora (FMG,MSIG.MIG.INE G)	Twelve monthly Dora reports	Twelve Dora reports	12 x Dora reports submitted		N/A	N/A
	One (1) review and update per annum	Annual review and update insurance portfolio	One insurance review and update	One (1) review and update annually	1 x insurance review and update conducted		N/A	N/A
Compliance with MSA : Annual report Performance Report (Financial component)	One (1) (s46) annual performance report submitted	Submission of s46 Annual Report to the Municipal Manager	One department al performance report	One departmental performance report	One Department al performance reports submitted		N/A	N/A
To ensure good governance	Twelve (12) monthly reports	Implementation of all finance related Council resolutions	Two reports	Twelve (12) implementation reports	12 implementation reports		N/A	N/A





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IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	PRIOR FINANCIAL YEAR (2012/ 13 FY)		CURRENT YEAR (2013/ 14 FY)		SNAPSHOT	REASON FOR VARIANCE	REMEDIAL ACTION
		TARGET	ACTUAL	TARGET	ACTUAL			
COUNCIL AND MUNICIPAL MANAGER								
KPA 2 Local Economic Development								
To lobby for small scale farmers capacity building (to access land and to increase their input)	Capacitating of small scale farmers on farming related issues.	No target	No target	10 Small scale farmers	10 Small scale farmers capacitated		N/A	N/A
To source funding for developing an investment attraction and retention plan	An investment attraction plan developed	No target	No target	1 plan	0		Application for funding was not approved as the donor does not longer issue funding for development of plans	A Investment Plan will be considered when the municipality review our LED Strategy in the 15/16 FY
To develop a concept document for the development along the Senqu (Orange) river.	A project concept document developed	No target	No target	A concept document	A concept document prepared		N/A	N/A

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To revive the Maletswai Local Tourism Organization's (Maletswai Tourism)	Meetings organised to cause Maletswai Tourism Organisation functional and viable	No target	No target	4 quarterly reports	4 quarterly reports submitted		N/A	N/A
To market Maletswai as a preferred tourism, trade and conferencing destination	Contribute towards the development of a generic tourism marketing brochure	No target	No target	1 generic tourism brochure	1 generic tourism brochure prepared		N/A	N/A
To develop and operationalise a modern waste material recovery facility	A material recovery facility development phase completed and ready to be operationalises.	No target	No target	A material recovery facility (MRF) reports	4 Material Recovery reports prepared		N/A	N/A
To coordinate mechanism to create job opportunities.	Job opportunities created through EPWP	No target	No target	100 Jobs	136 job opportunities created		One of the Contractors' in the EPWP programme appointed more people to fast track the programme	None.


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To advocate for learner ships and short skills programme for young people	Young people participate in learner ships and short skills programmes	No target	No target	30 young people	8 young people		The Department of Higher Education only funded 8 students in the financial year under review	The early interaction with Department of Higher Education in order to establish the budget
To lobby for development of small enterprises	Small business or enterprises identified and participates in the programme	No target	No target	20 small enterprises	15 Small enterprises		All enterprises were invited and only the 15 mentioned attended the programme.	Will be more intensively done in the 14/15 FY
To cooperate with local, district, provincial, national and international entities or institutions to coordinate local economic development activities	Number of LED activities Maletswai LM participated in and cooperated with other spheres of government and entities	No target	No target	14 LED activities	14 LED activities		N/A	N/A
KPA 4 Municipal Transformation and Institutional Development								
Women								
To ensure good governance	Conduct community awareness campaigns in 6 wards on children's rights	No target	No target	2 awareness campaigns	2 Awareness campaigns		N/A	N/A



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	Facilitate assessment meetings for existing women projects	No target	No target	2 project meetings	1 meeting held:		The women structure that is the umbrella body of youth projects and programmes were not fully functional due to non-availability of members and that hindered the achievement of this target	Women's structure to be revived in the 2014/15 financial year
	Number of awareness campaigns for women's rights	No target	No target	2 x awareness campaigns	1 campaign held		The women structure that is the umbrella body of women projects and programmes were not fully functional due to non-availability of members and that hindered the achievement of this target	Women's structure to be revived in the 2014/15 financial year
Youth								





Chapter 3

Ensure good governance	Facilitate assessment meetings for existing youth projects	No target	No target	2 project meetings	1 project meeting held		The youth structure that is the umbrella body of youth projects and programmes was not functional due to non-existence of the youth structure.	The youth structure will be established by December 2014.
	Youth Annual General meeting	No target	No target	1 meeting	0		Due to strict limitations on the budget the target could not be achieved	The youth structure will be established in 2014/15 FY
	Youth indaba	No target	No target	1 meeting	0		Due to strict limitations on the budget the target could not be achieved	The youth structure will be established and a clear concept will be developed that will indicate the available budget and times frames and presented to the Mayor for endorsement.




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	Organised games for the Mayoral cup (tournament)	1 Mayoral Cup Tournament	The Mayoral Cup tournament programme was combined with the Mini Olympics programme of DSRAC as from the 14 – 20 June 2013	1 Mayoral Cup Tournament	1 Mayoral Cup Tournament was held		N/A	N/A
	Maletswai Annual Mayoral Gospel Competitions held	1 Mayoral Gospel Competition	The Mayoral Gospel Competition was combined with the programme of DSRAC as from the 14 – 20 June 2013	1 Mayoral Gospel Competition	One Mayoral Gospel competition was held		N/A	N/A
		ELDERLY						






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Ensure good governance	Christmas party for the elder	1 Christmas party	The Christmas party for the elder was held on the 11 December 2012 in conjunction with the District Municipality and the Office of the Premier	1 Christmas party	1 Christmas party was held		N/A	N/A
	Community awareness campaign on plight of the elderly organised	No target	No target	1 awareness campaign	1 awareness campaign was held		N/A	N/A
People with disabilities								
Ensure good governance	Community awareness campaigns on the needs of people with disabilities held	No target	No target	1 awareness campaign	1 awareness campaign held		N/A	N/A
	Meetings held with people with disabilities	No target	No target	2 meetings	1 meeting were held		Non- functionality of the elected structure responsible for coordinating activities of people living with disabilities.	To revive the structure of people with disabilities in the next financial year





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		HIV/AIDS						
Education and spreading awareness if HIV/AIDS meetings	Local Aids Council meetings convened	No target	No target	4 LAC meetings	3 LAC meetings:		The Committee members attended the District Aids Council which was scheduled for the same day.	The LAC meetings will be prioritized and a copy of the schedule of meetings will be forwarded to the District Municipality to avoid further interruptions
	Establishment of 6 ward base HIV/AIDS structures	No target	No target	6 Ward base structures	6 Ward base structures established:		N/A	N/A
	Conduct community awareness on prevention, education and awareness on sexuality transmitted infection	No target	No target	1 awareness campaign	1 campaign held		N/A	N/A



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	Conduct community awareness programmes on vulnerable children and orphans	No target	No target	2 awareness campaigns	1 Awareness campaign held:		The women structure that is the umbrella body of these programmes are not fully functional	Women structure will be reviewed in 2014/15 FY and the budget be fully utilised in the next financial year
KPA 5 Good Governance and Public Participation								
INTERNAL AUDIT								
Ensure good governance	Audit committee meetings	4 Audit Committee meetings	5 x meetings were held	4 Audit Committee meetings	5 meetings were held		The meeting held on the 27 August were a special meeting where the Annual Financial Statements were discussed	The Relevant Audit Committee meeting has been aligned with AFS process
	Internal audit reports finalised	No target	No target	7 internal audit reports finalised	7 internal audit reports finalised		N/A	N/A
	% responses sent to the Auditor General's on the RFI's issued	No target	No target	100%	100%		N/A	N/A
	Number of Risk register reviewed	No target	No target	1 Risk register reviewed	1 Risk register		N/A	N/A
	IDP							



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	IDP Representative forum meetings held	2 IDP Rep forum meetings	2 IDP Rep. Fora meetings were held	2 IDP Rep forum meetings	2 meetings held		N/A	N/A
			Public Participation					
	Number of joint ward committee meetings organised	2 Joint Ward Committee meetings	4 Joint Ward Committee meetings were held	2 Joint Ward Committee meetings	2 joint ward committee meetings held		N/A	N/A
	Number of meetings with CDW`s	4 meetings	Three meetings were held with CDW`s	4 meetings	3 meetings held		The meeting scheduled for the fourth quarter was rescheduled due to the unavailability of the CDW`s	The importance of the meetings will be communicated with all stakeholders as it involves service delivery issues within the communities.
	Number of awareness programmes on Public Participation and Petitions policies organised	No target	No target	6 activities	6 Activities' were held		N/A	N/A


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	Mayoral Public Participation Programmes	2 Public Participation Programmes	2 Public Participation programmes were held	2 Public Participation Programmes	2 Public Participation programmes were held		N/A	N/A
	Ward Committee meetings convened	No target	No target	11 Ward Committee meetings per ward	6 meetings in Ward 01 11 meetings in Ward 02 8 meetings in Ward 03 8 meetings in Ward 04 12 meetings Ward 05 Ward 06		Meetings of ward 01, 03, 04, & 06 did not convene due to other commitments of the chairperson. In wards 05 a special meeting was held because of the issues that were raised as a matter of urgency by the community.	The schedule of meetings be circulated to all committee members in order to ensure that proper planning be done or the importance of the meetings will be communicated with all stakeholders as it involves service delivery issues within the communities.



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	Number of Public participation awareness events organised	No target	No target	10 Public Participation events per quarter	40 Public Participation Awareness events were organised as follows			
To inform the community about the services rendered by the municipality	Number of copies of municipal external newsletter printed and distributed	4 volumes of External Newsletter	4 volumes of External newsletters were printed and distributed	4+A 1000 copies quarterly publications	Two sets of newsletters printed and distributed		Due to limited budget only two set of newsletters was produced	A budget are secured for printing and distributing newsletters in the 2014/15 FY

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	<p>Number of medial articles published in forms of media platforms – per quarter</p>	<p>48 media articles published</p>	<p>17 media articles were published.</p>	<p>24 articles – 6 published per quarter</p>	<p>20 articles were published as follows: Q1: 13 articles in newsletters & 1 in Aliwal Weekly; Q 2: 2 articles in Aliwal weekly; Q3: 1 article in Aliwal Weekly; Q4: 3 articles in Aliwal Weekly</p>	<p></p>	<p>Due to a lack of cooperation from other municipal departments in submitting information for scrutinizing and publishing of articles the target could not be achieved.</p>	<p>On a monthly basis all directorates will be reminded to submit articles for publishing.</p>
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	Number of talkshowsorganised fort political office bearers and Council Structures	4 radio talk shows Organised and facilitated	3 radio talk shows were hosted on the 17 October 2012, 13 March 2013 and 13 May 2013	4 talk shows – 1 per quarter	1 Talk show		That the Communications Unit's budget be adjusted to accommodate for additional talk shows.	An application will be submitted together with the budge adjustment to ensure that the target is met in the new financial year.
	Number of press conferences organised	4 press conferences organised and facilitated	Not achieved	4 conferences – 1 per quarter	2 press conferen ce held		Aliwal Weekly &Takalani Radio) have shown no interest in press conferences hosted by the municipality. The two press conferences held were “squeezed in” at public participation programmes (Imbizo) which only happen twice a year.	Improve the relationship/partnership with these media houses by regular inaction with them.

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Annual performance as per key performance indicators in municipal transformation and organizational development

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
1	Vacancy rate for all approved and budgeted posts;	2	2	100%	
2	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	1	1	100%	–
4	Percentage of Managers in Technical Services with a professional qualification	100%	100%	100%	
5	Percentage of municipalities within the	Not applicable	Not applicable	Not applicable	Not applicable

Chapter 3

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
	district area that have a fully functional Performance Management System (DM only)				
8	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term	100%	100%	100%	–
9	Percentage of councilors who attended a skill development training within the current 5 year term	100%	100%	100%	Still undergoing training
10	Percentage of staff	4%	1%	1%	Difficult to

Chapter 3

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
	complement with disability				recruit
11	Percentage of female employees	30%	35%	35%	-
12	Percentage of employees that are younger than 35 aged 35 or younger	35%	60%	-	-

Chapter 3

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

Challenge	Remedial action
Insufficient funds for training of councilors, staff and ward committees;	By participating in LGSETA programmes and those trainings offered by JGDM in support of local municipalities, SAICA Deloitte funded by National Treasury
Inability to fill all posts in the organogram to ensure effective service delivery;	Maximum utilization of available staff and students placed on experiential training by strengthening supervision, on job training and coaching and performance management.
Partial implementation of the performance management system in the sense that it does not cover non-s56 employees	Processes are under way to engage contractual employees below s56 signs performance contracts with their immediate supervisors.

Chapter 4

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

INTRODUCTION

The municipal manager and s56 managers have signed the performance agreements as prescribe by law. The municipal and departmental SDBIP`s, which are reported on a quarterly basis to the council serves the purpose of evaluating whether or not the municipality was meeting its targets.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Vacancy Rate: 2013/14			
Designations	*Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0.00
CFO	1	0	0.00
Other S57 Managers/ Directors (excluding Finance Posts)	3	0	0.00
Other S57 Managers (Finance posts)	0	0	0
Managers	3	0	0.00
Sectional Heads/ Line Managers	14	14	0.00
Total	22	22	0.00

T 4.1.2

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
Year -2	50	18	36%
Year -1	50	12	24%
Year 0	50	10	20%

T 4.1.3

Chapter 4

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The human resource policies provide the municipality with a mechanism to manage risk by staying up to date with current trends in employment standards and legislation. The policies are framed in a manner that the municipality's vision and the human resource helping the municipality to achieve it or work towards it are at all levels benefited and at the same time not deviated from their main objective.

HR policies allow an organisation to be clear with employees on:

- The nature of the organisation
- What they should expect from the organisation
- What the organisation expects of them
- How policies and procedures work
- What is acceptable and unacceptable behavior
- The consequences of unacceptable behavior

The establishment of policies helps the municipality to demonstrate, both internally and externally, that it meets requirements for diversity, ethics and training as well as its commitments in relation to regulation and corporate governance. Human resource policies can also be very effective at supporting and building the desired institutional culture. For example recruitment and retention policies might outline the way in which the municipality values a flexible workforce. The Municipality has a Recruitment and Selection Manual which guides around the issues around staffing and a number of policies (*i.e.* standby allowance policy, absenteeism policy, code of conduct, employee assistance programme, motor vehicle allowance policy *etc.*)

Chapter 4

4.2 POLICIES

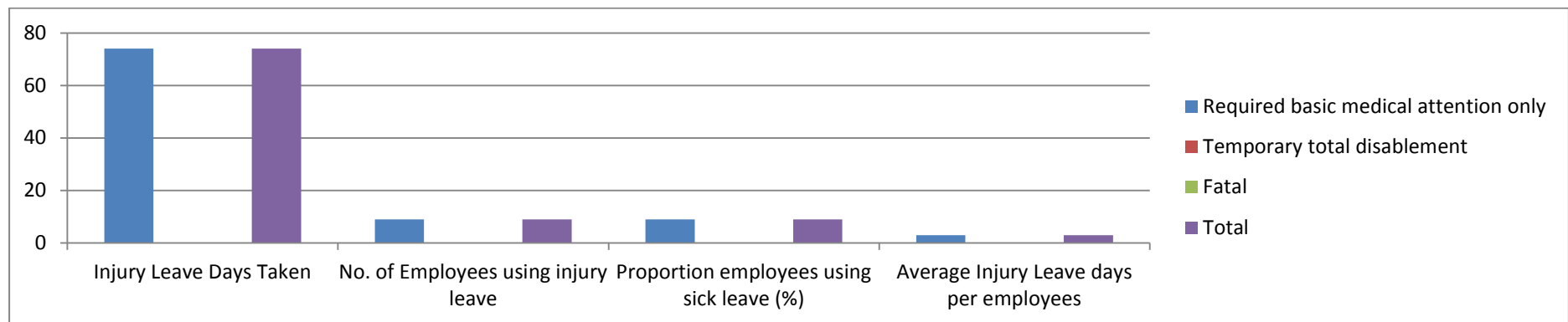
HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Affirmative Action			
2	Attraction and Retention			
3	Code of Conduct for employees	100	100	
4	Delegations, Authorisation & Responsibility	100	100	
5	Disciplinary Code and Procedures	100	100	
6	Essential Services	0	N/a	
7	Employee Assistance / Wellness	100	100	
8	Employment Equity	100	100	
9	Exit Management	0	N/a	
10	Grievance Procedures			
11	HIV/Aids	100	100	
12	Human Resource and Development			
13	Information Technology			
14	Job Evaluation			
15	Leave	100	100	
16	Occupational Health and Safety	100	100	
17	Official Housing			
18	Official Journeys			
19	Official transport to attend Funerals			
20	Official Working Hours and Overtime	100	100	
21	Organizational Rights			
22	Payroll Deductions			
23	Performance Management and Development			
24	Recruitment, Selection and Appointments	100	100	
25	Remuneration Scales and Allowances	100	100	
26	Resettlement			
27	Sexual Harassment	100	100	
28	Skills Development	100	100	
29	Smoking	100	100	
30	Special Skills			
31	Work Organisation			
32	Uniforms and Protective Clothing			
33	Other:			
				T 4.2.1

Chapter 4

4.3 INJURIES, SICKNESS AND SUSPENSIONS

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	
Required basic medical attention only	31	9	9	3	60
Temporary total disablement	0	0	0	0	00
Fatal	0	0	0	0	00
Total	31	9	9%	0	60

T 4.3.1

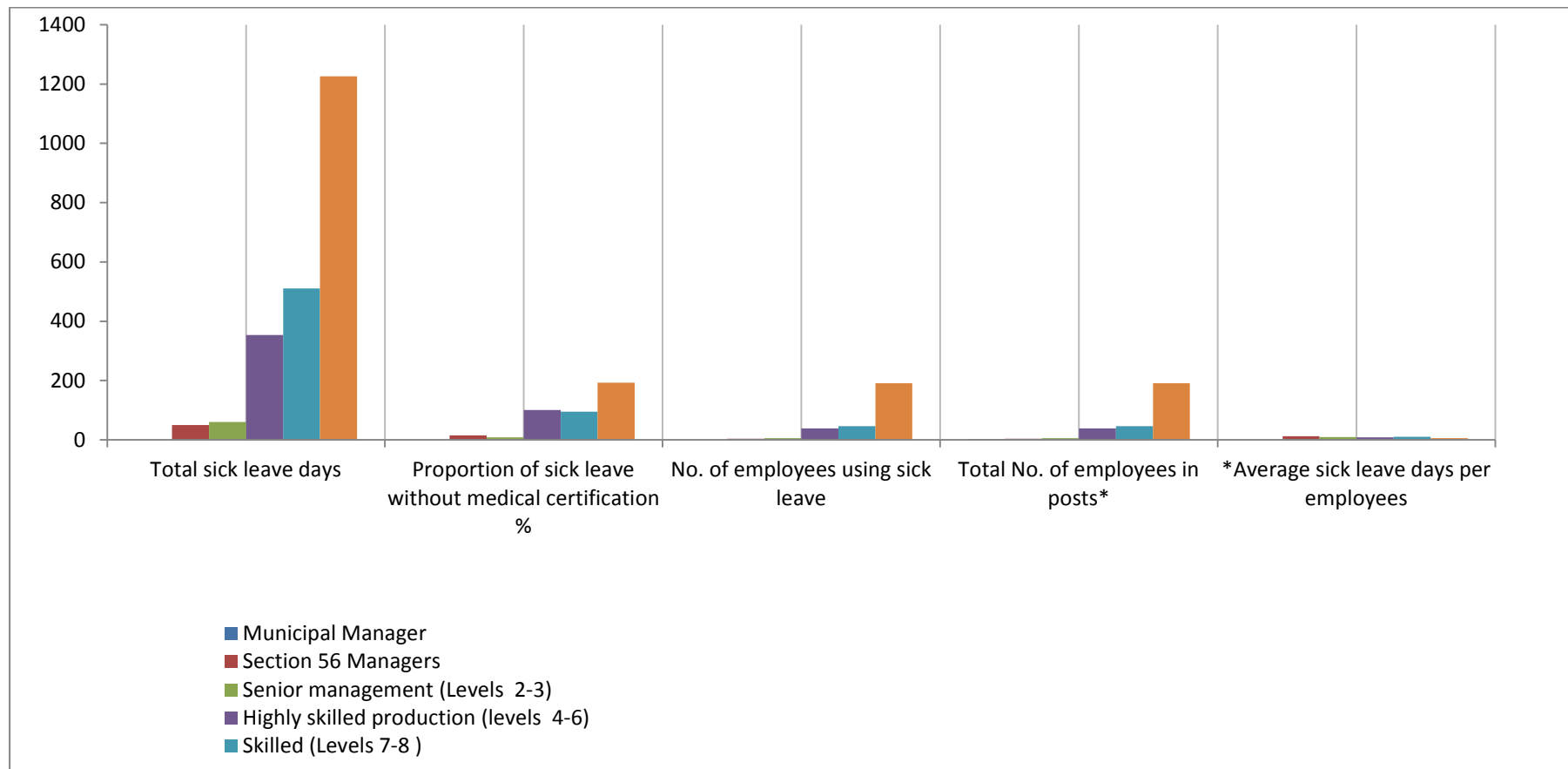


Chapter 4

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Designations	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Municipal Manager	12	1 %	2	1	2	
Section 56 Managers	48	12 %	37	4	9.25	
Senior Management (Levels 2-3)	54	0 %	16	2	8	
Highly skilled production (Level 4-6)	945	44 %	264	35	7.54	
Skilled (Level 7-8)	1245	58 %	458	46	9.96	
Lower Skilled (Level 9-13)	3105	40 %	672	115	5.84	
Total	5409	155	1449	203	42.59	

T 4.3.2

Chapter 4

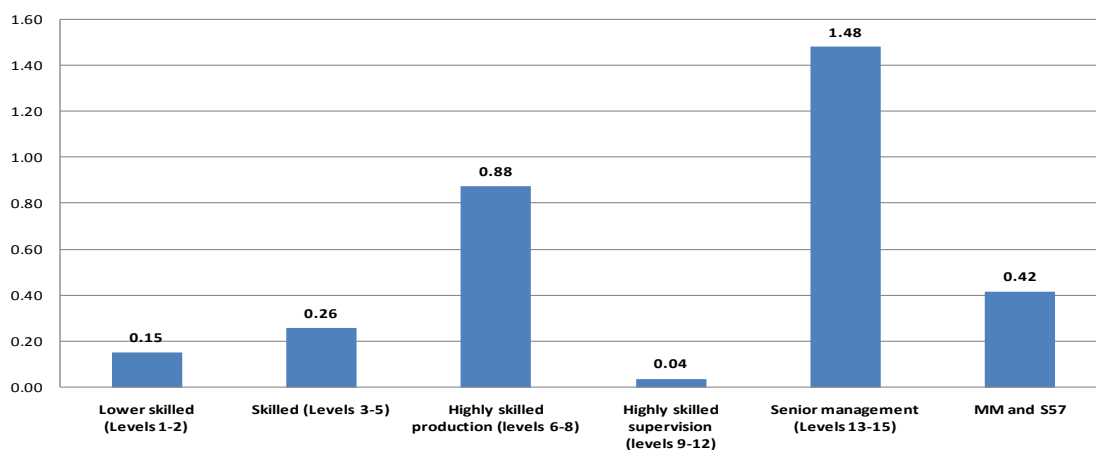


Chapter 4

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.4 SKILLS DEVELOPMENT AND TRAINING

Average Number of Days Sick Leave (excl IOD)



During this financial year under review, the municipality has provided the following types of training to the officials and councilors. The municipality has committed itself on that with prime purpose of accelerating the pace for change with the delivery of services.

COUNCILLORS RECEIVED TRAINING ON THE FOLLOWING AREAS:

- Certificate in Local Government Law and Administration
- Certification Programme for Municipal Development (CPMD)
- Public Administration
- MPAC (Municipal Public Accounts Committee)

EMPLOYEES RECEIVED TRAINING ON THE FOLLOWING AREAS:

- Certificate in Local Government Law and Administration
- Advanced Certificate in Local Government Law and Administration
- Waste Management (in-house)
- Housing Management

Chapter 4

- Storm-water Drainage
- Power Maintenance
- SAICA Deloitte HQF level 5
- SAICA NQF Level 3
- Tools of Communications
- Coaching and Mentoring

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.5 EMPLOYEE EXPENDITURE

Currently, the personnel expenditure stands at 30.57% of the total general expenditure. This represents an increase of 0.48% from 2012/2013 financial year.

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	None	None	None	None

T 4.6.3

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
None	None	None	None	None

T 4.6.4

Chapter 5

CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

The Overall Financial Performance

Maletswai Municipality recognized total revenue amounting to R126.4 million during the year under review. This amount includes revenue recognized on the utilization of both operating and capital grant of R30.582 and R11.119 million respectively. The related budgeted amount for the same period was R139, 115 million after adjustment and this resulted in an unfavorable variance of approximately R9, 517 million. The income raised from service charges was R55, 821 million and represents about 44% of the total revenue for the year.

The total expenditure incurred for the same period under review was R135, 9 million which resulted in a deficit of R9, 517 million. This also reflects an unfavorable variance which ultimately means that the municipality has incurred unauthorized expenditure. Maletswai Municipality's financial sustainability is not favorable due to the fact that its current liabilities are in excess of the current assets thus creating a liquidity problem in the short-term. The grant funding was also not cash backed as at the end of the financial year under review which is an indication of the cash-flow challenges.

Employee Related Costs and Bulk Purchases continue to have a significant contribution to the overall expenditure and amounted to R40.5 million and R45.0 million respectively. Depreciation and Amortization charges are the major non-cash flow expense of approximately R12.1 million allocated in the annual financial performance.

STATEMENTS OF FINANCIAL PERFORMANCE

Chapter 5

Description	2013/14											Year 2012/13			
	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	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
R thousands	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Financial Performance															
Property rates	13,675	(2 054)	11 621	-		11 621	11 455		(166)	98.6 %	83.8%				9 555
Service charges	898	3011	63 909	-		63 909	55 821		(8 087)	87.3 %	91.7%				49 622
Investment revenue	160	85	245	-		245	478		233	195.1 %	299.5 %				154
Transfers recognised – operational	942	1 451	31 393	-		31 393	30 582		(811)	97.4 %	102.1 %				30 899
Other own revenue	573	(3 625)	12 947	-		12 947	169 75		4 027	131.1 %	102.4 %				18 452
Total Revenue (excluding capital transfers and contributions)	121 248	(1 132)	120 115			120 115	115 311		(4 804)						102 681
Employee costs	401	(187)	45 214	-	-	45 214	40 454		(4 760)	89.5 %	89.1%	-	-	-	39 605
Remuneration of councillors	443	(178)	3 265	-	-	3 265	3 269	4	4	100 %	95%	-	-	-	2 789
									3	1	1				

Chapter 5

Debt impairment	325	25	350		350	4 280	3 930	930		222.8%	317.8%	-	-	-	2 249
Depreciation & asset impairment	3 468	(1316)	2 152		2 152	12 142	9 991	991	9	564.3%	350.2%	-	-	-	15 013
Finance charges	614	924	1 539	-	1 539	4 763	3 224	224	3	309.6%	775.2%	-	-	-	3 338
Materials and bulk purchases	41 258	1242	42 500	-	42 500	45016	2516	516	2	105.9%	109.1%	-	-	-	42 107
Transfers and grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	26 024	(950)	25 075	-	25 075	26 023	949		949	103.8%	100%	-	-	-	28 449
Total Expenditure	120 533	(439)	120 095		120 095	135 948		15 853							133 550
Surplus/(Deficit)															
Transfers recognised - capital	17 876	1 124	19 000		19 000	11 119		(7881)		58.5%	62.2%				15 678
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-	-				
Surplus/(Deficit) after capital transfers & contributions															
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-				-
Surplus/(Deficit) for the year	18 590	430	19 020		19 020	(95 17)									(15192)
Capital expenditure & funds sources															
Capital expenditure															
Transfers recognised - capital	17 876	1124	19000		19000	11 119		(7881)		58.5%	62.2%				14 370
Public contributions & donations	-	-	-	-	-	-	-	-	104	-	-				-
Borrowing	-	-	-	-	-	104			567	295.5%	1142.7%				2 255
Internally generated funds	215	75	290	-	290	857									1 247
Total sources of capital funds															

Chapter 5

	17 951	1199	19 290			19290	12 081		(7 209)					
Cash flows														
Net cash from (used) operating	22 318	(3 308)	19009			19 009	20 653		1 643					16 255
Net cash from (used) investing	(17 886)	(1315)	(19201)			(11491)	7538							(15 080)
Net cash from (used) financing	(862)		(862)	-		(862)	(1 380)		(519)					(1 217)
Cash/cash equivalents at the year end		-		-										
	(3093)	(4623)	(7716)			(7716)	8895							1114
T 5.1.1														

Chapter 5

5.1 GRANTS

Grant Performance						
Description	R' 000					
	2012/2013	2013/14			2013/14 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	27 626	28 970	28 970	28 970		
Local Government Equitable Share	22 944	24 704	24 704	24 704	100.00%	100
Municipal Systems Improvement	800	890	890	890	100.00%	100
Finance Management	1 500	1 650	1 650	1 650	100.00%	100
EPWP Incentive	1 604	1 000	1 000	1 000	100.00%	100
Municipal Infrastructure Grant (MIG)	778	726	726	726	100.00%	100
Provincial Government:	-	40	40	40		
Health subsidy	-	-	-	-		
Spatial Development Plan	-	-	-	-		
Land Survey Management	-	-	-	-		
VUNA Awards	-	40	40	40	100.00%	100
Municipal Infrastructure Grant (MIG)	-	-	-	-		
District Municipality:	88			10		
<i>Performance Management Appraisal LED</i>	88			10		
Other grant providers:	951	1 028	1 028	798		
<i>Skills Development</i>	247	324	324	94	29.48%	29.48
<i>Library Fund</i>	704	704	704	704	100.00%	100
Total Operating Transfers and Grants	27 809	30 038	30 082	27 809		
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.</i>						

T 5.2.1

5.2 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

Asset Management Policy in place has been approved by council and is implemented in conjunction with the supply chain management policy. The policy was drafted in accordance with the guidelines of the Municipal Finance Management Act as the statutory framework. It points out the fact that the principal objective of the policy is to enable the Municipality to meet its service delivery objectives efficiently and effectively. The responsibilities of the accounting officer with regards to assets are noted on the policy. The policy predominantly covers the following significant areas:

Chapter 5

Outlines the definitions or terms used in the policy, Recognition of fixed assets, Asset management system, Roles and responsibilities in respect of asset management, Format of fixed asset register, Classification of fixed assets, Safekeeping of assets, Identification of fixed assets, Capitalisation criteria, Maintenance plans, Deferred maintenance, General maintenance of fixed assets, Depreciation of fixed assets, Rate of depreciation, Method of depreciation, Amendment of asset lives and diminution in the value of fixed assets, Alternative methods of depreciation in specific instances, Carrying values of fixed assets, Revaluation of fixed assets, Verification of fixed assets, Writing off of fixed assets, Replacement norms, Insurance of fixed assets, Biological assets, Procedure in case of loss, theft, destruction, or impairment of fixed assets, etc.

TREATMENT OF THE ASSET ACQUIRED

PROPERTY, PLANT AND EQUIPMENT

Initial Recognition

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year. The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits or service potential associated with the item will flow to the entity, and the cost or fair value of the item can be measured reliably. Items of property, plant and equipment are initially recognised as assets on acquisition date and are initially recorded at cost. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Where an asset is acquired by the Municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Chapter 5

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the assets acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

Subsequent Measurement – Cost Model

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

Where the Municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component. Subsequent expenditure incurred on an asset is capitalised when it increases the capacity or future economic benefits associated with the asset.

Depreciation and Impairment

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. The annual depreciation rates are based on the estimated useful lives as determined in the policy.

Property, plant and equipment are reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The impairment charged to the Statement of Financial Performance is the excess of the carrying value over the recoverable amount.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of impairment is recognised in the Statement of Financial Performance.

De-recognition

Chapter 5

Items of property, plant and equipment are derecognised when the asset is disposed or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

Land and buildings and Other Assets – application of deemed cost (Directive 7)

The Municipality opted to take advantage of the transitional provisions as contained in Directive 7 of the Accounting Standards Board, issued in December 2009. The Municipality applied deemed cost where the acquisition cost of an asset could not be determined. For Land and Buildings the fair value as determined by a valuator was used in order to determine the deemed cost as on 1 July 2008. For Other Assets the depreciation cost method was used to establish the deemed cost as on 1 July 2008.

Property, plant and equipment are accounted for according to the revised Generally Recognised Accounting Practice (GRAP 17) as issued by the Accounting Standards Board (ASB).

BORROWING COSTS AND CAPITAL GRANT FUNDING

Borrowing costs and other costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised to the cost of that asset unless it is inappropriate to do so. The amount of borrowing costs that the Municipality capitalises during a period shall not exceed the amount of borrowing costs it incurred during that period. The Municipality ceases the capitalisation of borrowing costs when substantially all the activities to prepare the asset for its intended use or sale are complete. Borrowing costs incurred other than on qualifying assets are recognised as an expense in the Statement of Financial Performance when incurred.

COMMENT ON ASSET MANAGEMENT:

Rehabilitation and Construction of Hilton Link Roads as well as the Waste Recycling Facility were the only projects approved in the period under review. The main purpose of these projects is to facilitate the provision of service delivery to the local community and enhance the standard of living in turn. The cost of projects have been capitalised as an asset on completion date. The projects are recorded at fair value (total project costs as per the certified work) at date of initial recognition and subsequently depreciated over their estimated useful lives as determined by the accounting policy. Prior to completion of the project, a work-in-progress (WIP) asset is recognised as an accumulation of all direct project costs.

Repairs and Maintenance Expenditure

Chapter 5

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

Repairs and Maintenance is a mechanism in place to restore or maintain all assets in a condition that will maximize the economic benefits arising from the use of the affected assets. However, repair and maintenance costs are directly related to the age of the assets and the care thereon. Our assets are, in the majority, classified as old and therefore would require constant repairing. An amount of R4.1million was incurred in the 2013/14 financial year compared to R4.4 million in the previous financial year. The major areas that were repaired during the year were Buildings, Vehicles & Implements as well as the Streets and Storm-water.

Chapter 5

Performance ratios		2013/14	2012/13
Total Assets		286 754 609	269 300 250
Less current liabilities		-69 207 673	-46 005 917
Capital Employed		217 546 936	223 294 333
Surplus before interest charges (PBIT)		(4 754 336)	(12 194 400)
ROCE		-0.05	-0.05
Capital Employed/Surplus before interest charges (PBIT)			
This ratio measures the return or benefit earned on the capital employed by the entity.			
Debt and Gearing Ratios			
Debt Ratio		0.02	0.03
Total Debt		6 516 372	7 831 688
Total Assets		286 754 609	269 300 250
Gearing ratio		0.01	0.01
Gearing ratios measures the municipal level of indebtedness in relation to the value of assets required to generate economic benefits or cash inflows that will eventually payback the debts when they fall due. This is also referred to as a long term measure of liquidity.			
Efficiency Ratios			
Debt Collection Period (in days)		49.90	44.12
Trade Receivables		10 893 099	8 606 125
Revenue from exchange transactions and property taxes		79 673 314	71 202 833
Days in a year		365.00	365.00
Payment Period (in days)		381.14	268.53
Trade Payables		51 252 417	32 937 062
Purchases		49 081 655	44 769 869
Days in a year		365.00	365.00
Current Ratio		0.26	0.26

Chapter 5

5.3 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

NET SURPLUS/(DEFICIT) FOR THE YEAR	(9 517 422)	(15 532 739)
Add back interest	4 763 086	3 338 339
Net income	(4 754 336)	(12 194 400)
Revenue	126 430 410	118 313 590
Return on Sales	-0.04	-0.10
Revenue	126 430 410	118 313 590
Total Assets	286 754 609	269 300 251
Asset Turnover	0.44	0.44
Asset Turnover measures how well the assets of the entity are being used to generate sales. Ability to use assets to provide a satisfactory service. A higher turnover means that Assets were used more effectively and much better in the current year than in the previous year. Revenue generated is influenced by the tariff rates applicable to the consumers. The degree of the indigent population within the municipality has a major contributing factor on the revenue generated from exchange and non-exchange transactions.		
ROCE (Return on Sales x Asset Turnover)	-0.05	-0.05
Revenue from exchange transactions and taxes	79 673 314	71 202 833
Expenditure for trading	135 947 832	130 346 062
less non-operating expenses	(78 444 350)	(73 006 593)
	57 503 482	57 339 468

Cash flow Ratio	0.30	0.40
Net annual cash inflow (Operations)	20 652 648	16 255 323
Total debts	67 485 882	40 768 751
Measures the municipal annual net cash inflows in relation to its total debts. Indicates the municipality's position to meet its foreseeable debts and future commitments from the cash generated by its operations.		

Liquidity Ratio

Liquidity is a reflection of the municipality's ability to meet its short-term obligations when they fall due. The municipality's ability to convert current assets into cash to meet the current liabilities that are convertible into cash within a period of twelve months or less from the end of the financial year is assessed by its liquidity ratios.

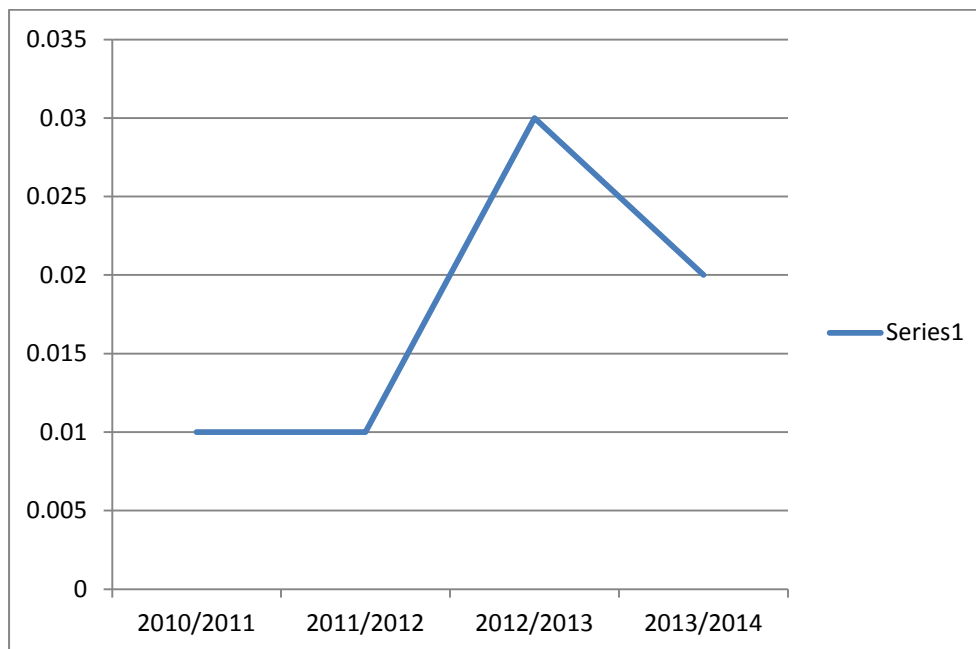
Chapter 5

These include current assets to current liabilities ratio which measures the extent to which total current assets can meet the corresponding total current liability.

This ratio was 1:0.27 as at 30 June 2014 indicating that the value of total current assets at year end is not adequate to settle the total outstanding debts for the same period. This means that the total value of current assets could only pay up to 27% of the total value of current liabilities.

The other ratio that assesses the municipality's liquidity is the acid test ratio, which specifically excludes inventory as an asset that can be easily converted into cash. This ratio reflects that current assets to current liabilities is at 1:0.27, meaning that the total value of current assets at year end can only cover 37% of total current liabilities for the same period.

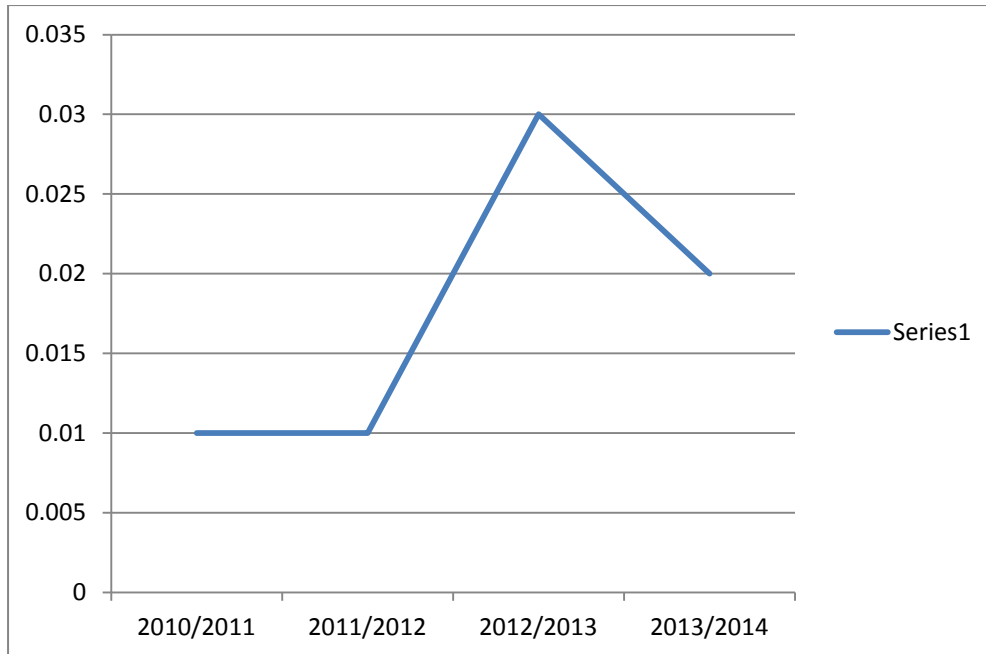
Liquidity Ratio



Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets by the municipality's current liabilities.

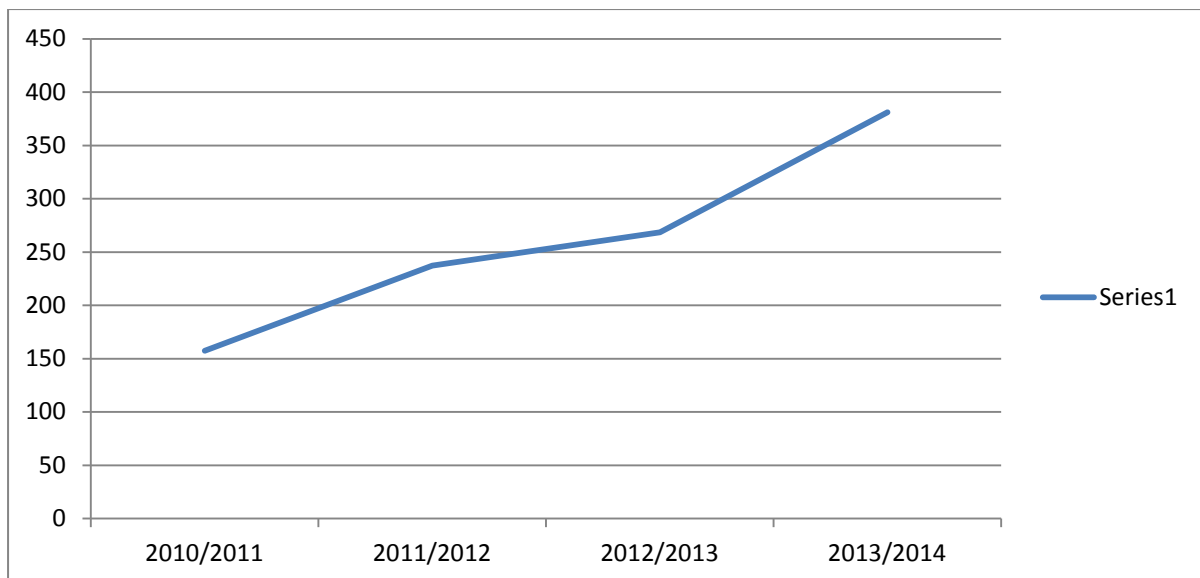
Chapter 5

Debt Ratio



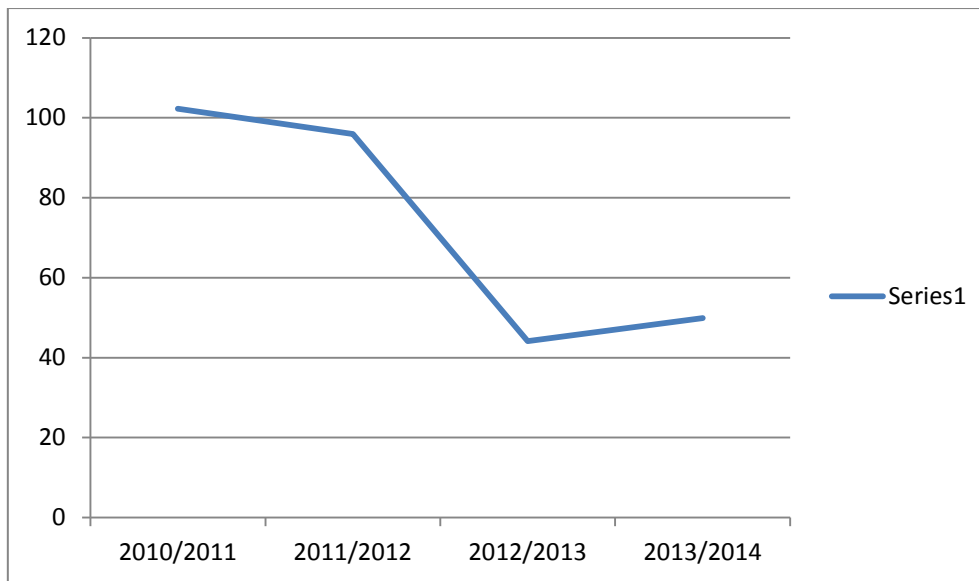
The number of times debt payments can be accommodated within operating (excluding grants). This in turn represents the ease with which debt payments can be accommodated by the municipality.

Debt Payment Days

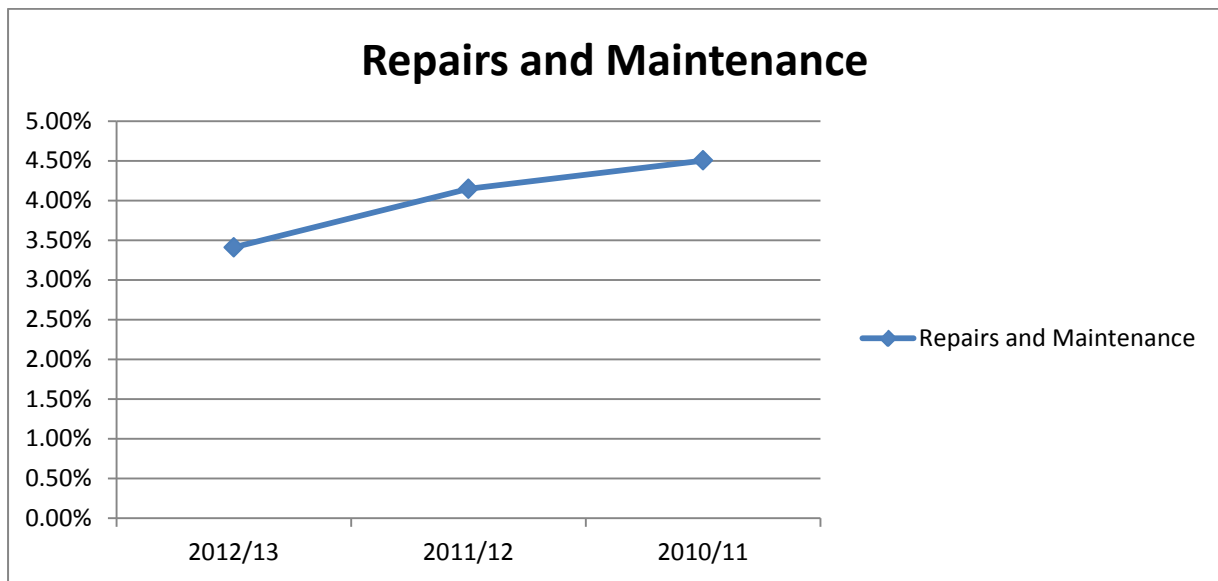


Creditor system efficiency – the proportion paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases.

Chapter 5



Debtors' system efficiency – the proportion paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade debtors divided by credit sales.



This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Equitable share

The Equitable Share is the unconditional share of the revenue that is raised nationally and is being allocated in terms of Section 214 of the Constitution (Act 108 of 1996) to the municipality by the National Treasury.

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Health Subsidy

Health subsidy was used to fund primary health care services in the municipal area.

Finance Management Grant (FMG)

The Financial Management Grant is paid by National Treasury to municipalities to help implement the financial reforms required by the Municipal Finance Management Act (MFMA), 2003. The FMG Grant also pays for the cost of the Financial Management Internship Programme (e.g. salary costs of the Financial Management Interns).

Municipal Systems Improvement Grant (MSIG)

The MSIG was used for building in-house capacity to perform municipal functions and stabilise institutional and governance systems.

Municipal Infrastructure Grant (MIG)

The grant was used to construct roads and storm water infrastructure, with the main focus on the historically disadvantaged areas.

Housing Grants

Housing grants was utilised for the development of erven and the erection of top structures.

Integrated National Electrification Grant

The National Electrification Grant was used to upgrade the sub-station and electrification network.

Expanded Public Works Program (EPWP)

This program is aimed at providing poverty income relief through the creation of temporary work opportunities.

Department of Environmental Affairs and Tourism (DEAT)

The grant is utilised to protect, conserve and enhance our environment, natural and heritage assets and resources.

Other

Chapter 5

Grants

Various grants were received from other spheres of government and includes for example the following: Spatial Development Framework, Skills Development Grant, UKhahlamba Library Equipment Fund etc.

5.4 CAPITAL EXPENDITURE

	Budget 2013/2014	Variance	Actual 2013/2014
Mayor and Council	R 15,000	R 94,304	R 109,304
Municipal Manager	R 20,000	-R 1,949	R 18,051
Budget & Treasury Office	R 220,000	R 28,833	R 248,833
Property Services	R 20,000	R 3,959	R 23,959
Corporate Services	R 20,000	R 50,906	R 70,906
Community Services	R 20,000	-R 13,857	R 6,143
Libraries	R 20,000	-R 15,694	R 4,306
Housing	R 20,000	-R 13,423	R 6,577
Traffic	R 20,000	-R 17,693	R 2,307
Sport And Recreation	R 35,000	R 34,693	R 307
Waste Management/Solid Waste	R 1 605,000	-R 601,667	R 1,033,333
Road Transport/Roads	R 13,819,700	R 5,355,063	R 8,464,637
Electricity /Electricity Distribution	R 3,420,000	-R 1,328,098	R,2,091,902
Total	R 19,289,700	R 7,209,136	R 12,080,564

5.5 SOURCES OF FINANCE

R' 000						
Details	2012/2013	2013/14				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance						
External loans	2 255	0	0	0	0.00%	0.00%
Public contributions and donations	0	0	0	0	0.00%	0.00%
Grants and subsidies	14 370	17 876	1 124	11 119	6.28%	-37.8%

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	Other	0	0	0	0	0.00%	0.00%
Total		16 625	17 876	1 124	11 119	6.28%	-37.8%
<i>Percentage of finance</i>							
	External loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Public contributions and donations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Grants and subsidies	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%
	Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Capital expenditure</i>							
	Water and sanitation	0	0	0	0	0.00%	0.00%
	Electricity	51	3 876	- 456	2 092	-12.14%	44.03%
	Housing	0	0	0	0	0.00%	0.00%
	Roads and storm water	12 944	13 800	20	8 465	.14%	38.66%
	Other	4 879	275	1 775	1 524	545.45%	454.18%
Total		17 873	17 951	1 339	12 081	533.45%	536.87%
<i>Percentage of expenditure</i>							
	Water and sanitation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Electricity	.28%	21.6%	-34.06%	17.3%	0.0%	0.0%
	Housing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Roads and storm water	72.42%	76.9%	1.5%	70.1%	0.0%	0.0%
	Other	27.30%	1.5%	132.56%	12.6%	0.0%	0.0%
							<i>T 5.6.1</i>

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5.6 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Details	Recycling Plant	Electricity Reticulation	Roads
Road Transport	0	0	R 8,464,637
Waste Management	R 1,033,333	0	0
Electricity Reticulation	0	R 2,082,902	0
Total	R 1,033,333	R 2,082,902	R 8,464,637

5.7 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

Major challenges in electricity and remedial actions

The major problems regarding electricity are the infrastructure upgrading and high replacements costs. The transformers services have never been done in many years, and as a result it makes the continuous supply of electricity to be unpredictable. The old underground cables must immediately be replaced because they are small and cannot cope with the increased consumer's demands.

Major challenges in road maintenance services and remedial actions

Major challenges are regarding funding to upgrade from gravel roads to surfaced roads. The maintenance of potholes and crocodile cracking with limited funding is also a major challenge.

Major challenges in waste management services and remedial action

The major challenges in waste management are the following:

- Damaged incinerator at the landfill site makes it impractical to burn waste in line with the permit.
- Sickly staff that are frequently booked off duty.

Major challenges in housing and town planning services and remedial actions

- Shortage of land
- Informal settlements
- Back yard dwelling

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- Lack of capacity of appointed developers

Town Planning Consultants have been appointed; the spatial development framework plan is adopted by Council and has already been reviewed once. Remedial actions are done on a need as we go basis in between the bi-annual reviews.

Major challenges in spatial planning services and remedial actions

- Shortage of land for development
- Low capacity infrastructure

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

Cash Flow Management

Liquidity, which is sometimes referred to as cash flow, is a reflection of the municipality's ability to meet its short-term obligations when they fall due. The municipality's ability to honor its current obligations is determined by its cash reserves (cash flow) and the duration required converting current assets into cash within a cycle of twelve months or less from the end of the financial year. These include current assets to current liabilities ratio which measures the extent to which total current assets can meet the corresponding total current liability.

This municipal current ratio of 1:0.27 as at 30 June 2014 indicates that the value of total current assets at year end is not adequate to settle the total outstanding debts for the same period. This means that the total value of current assets could only pay up to 27% of the total value of current liabilities.

The other ratio (acid test ratio), that assesses the municipality's liquidity which specifically excludes inventory as an asset that can be easily converted into cash, reflects that current assets to current liabilities is at 1:0.26, meaning that the total value of current assets at year end can only cover 26% of total current liabilities for the same period.

The cash inflows and outflows are monitored on a daily basis to ensure that there are adequate reserves or cash to meet the daily operational requirements.

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5.8 CASH FLOWS

Cash Flow Outcomes				
Description	R'000			
	Year 2012/13	Current: Year 2013/14		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	78 960	87 774	91 638	73 958
Government	42 583	47 818	48 233	44 988
Interest	413	3 466	615	825
Payments				
Suppliers and employees	(103 556)	(116 126)	(120 938)	(95 632)
Finance charges	(2 146)	(614)	(539)	(3 486)
Transfers and Grants	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	16 255	22 318	19 009	20 653
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	29	65	89	261
Decrease (Increase) in non-current debtors	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-
Decrease (increase) in non-current investments	(38)	-	-	(38)
Payments				
Capital assets	(15 072)	(17 951)	(19 290)	(11 714)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(15 080)	(17 886)	(19 201)	(11 491)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	-	-	-	-
Borrowing long term/refinancing	-	-	-	-
Increase (decrease) in consumer deposits	101	101	101	173
Payments				
Repayment of borrowing	(1 318)	(963)	(963)	(1 554)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(1 217)	(851)	(851)	(1 380)
NET INCREASE/ (DECREASE) IN CASH HELD				
Cash/cash equivalents at the year begin:	1 156	(6 663)	(6 663)	1 114
Cash/cash equivalents at the year-end:	1 114	(3 093)	(7 716)	8 895

Source: MBRR A7

T 5.9.1

Cash flow Ratios

Cash flow Ratio	2012/13	2013/14
Net annual cash inflow (Operations)	16 255 323	20 652 648
Total debts	40 768 751	67 485 882

Measures the municipal annual net cash inflows in relation to its total debts. Indicates the municipality's

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position to meet its foreseeable debts and future commitments from the cash generated by its operations.

5.9 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

Borrowing serves as the finance bridge on any shortfall on which the municipality is funded for by either any sphere of government and is not able to generate the funds from its internal sources. Council makes use of the bank facility with ABSA to fund the purchase of capital assets as well as DBSA. There are no other loan facilities exercised by the municipality.

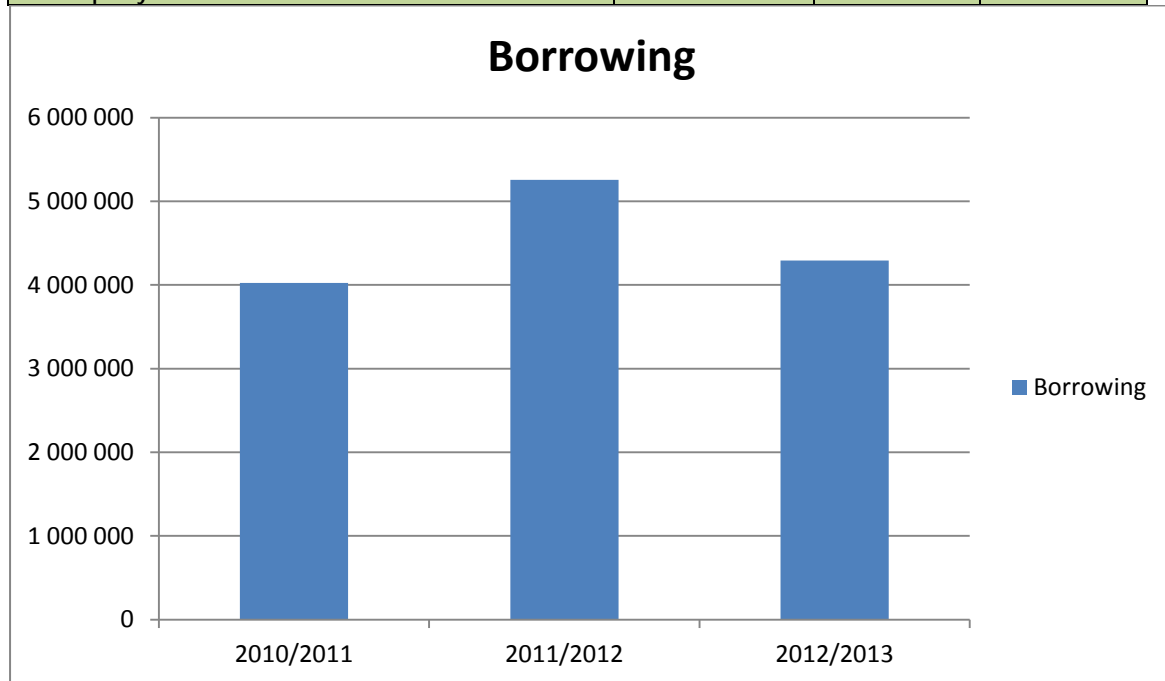
Debt Ratio		0.02	0.03
Total Debt		6 516 372	7 831 688
Total Assets		286 754 609	269 300 250
Gearing ratio		0.01	0.01

Gearing ratios measures the municipal level of indebtedness in relation to the value of assets required to generate economic benefits or cash inflows that will eventually payback the debts when they fall due. This is also referred to as a long term measure of liquidity.

Actual Borrowings: 2011/12 to 2013/14			
	R' 000		
Instrument	2011/2012	2012/2013	2013/2014
Municipality	8,092,492	9,345,620	7,896,514
Long-Term Loans (annuity/reducing balance)	5,952,117	7,788,464	6,692,630
Long-Term Loans (non-annuity)	-	-	-
Local registered stock	-	-	-
Instalment Credit	-	-	-
Financial Leases	2,140,375	1,557,156	1,203,884
PPP liabilities	-	-	-
Finance Granted By Cap Equipment Supplier	-	-	-
Marketable Bonds	-	-	-
Non-Marketable Bonds	-	-	-

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Bankers Acceptances	-	-	-
Financial derivatives	-	-	-
Other Securities	-	-	-
Municipality Total	8 092 492	9 345 620	7 896 514



Municipal and Entity Investments			
R' 000			
Investment* type	Year 2011/12	Year 2012/13	Year 2013/14
	Actual	Actual	Actual
Municipality			
Securities - National Government	-	-	-
Listed Corporate Bonds	-	-	-
Deposits - Bank	665,309	702,902	740,904
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			

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	665,309	702,902	740,904
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Cash and Cash Equivalents

	R 571,658.83	R 8,082,369.31
Call Investments Deposits		

Due to the fact that the municipality is not funded by shareholders or investors but by public funds through government grants and subsidy, accumulated surplus will therefore be regarded as employment of capital, augmented by external funding from DBSA and commercial institutions, required to meet operational requirements. As indicated by a low ratio of 3% for both years, the municipality is not heavily indebted and is therefore not at risk of failure to obtain further external funding should a need arise in the near future.

5.10 PUBLIC PRIVATE PARTNERSHIPS

Maletswai Municipality does not have any public-private partnership agreements in place during the year under review.

COMPONENT D: OTHER FINANCIAL MATTERS

5.11 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

The municipality has developed a supply chain management policy that conforms to the requirements or guidelines of the National Treasury Regulations. The policy was revised and implemented in December 2011 after taking into consideration the changes on the revised regulations and published circulars. Although the policy was work-shopped to all councilors and management staff, the full implementation thereon remains a challenge. Due to the municipal geographical situation, which is on the far northern end of the Eastern Cape with low economic activity, significant procurement from local suppliers is always a challenge. The local suppliers and contractors are often out of stock and resources to deliver the orders requested by the municipality.

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All committee membership recommended by the policy is in place and none of the councilors serves in any of the committees. Management has embarked on a drive to capacitate its staff by enrolling all qualifying staff members on accredited courses. The municipality has submitted a “Special Merit Case” application to National Treasury for extension of the competency deadline to July 2014. The auditor’s remarks on the supply chain management are contained in the audit report; however the significant finding was in relation to irregular expenditure incurred due to non-compliance with the policy. An audit action has been developed on how to address these findings.

5.12 GRAP COMPLIANCE

GRAP COMPLIANCE

GRAP is the acronym for **Generally Recognised Accounting Practice (GRAP)** and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise.

The annual financial statements have been prepared in accordance with the Municipal Finance Management Act (MFMA) and effective standards of Generally Recognised Accounting Practices (GRAP), including any interpretations and directives issued by the Accounting Standards Board (ASB) in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003).

Accounting policies for material transactions, events or conditions not covered by the GRAP reporting framework , have been developed in accordance with paragraphs 8,10 and 11 of GRAP 3 (Revised – February 2010) and the hierarchy approved in Directive 5 issued by the Accounting Standards Board.

The audit report for 2012/13 financial year indicates that there were deviations from the accounting standards of GRAP in the preparation of the annual financial statements. These deviations resulted in a qualified audit opinion and management has developed audit action plans to address the root cause of the weaknesses identified.

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6 CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA S45 states that the results of performance measurement in terms of section 41 (l) (c) must be audited annually by the Auditor-General.

The annual financial statements together with the annual performance report were audited by the Auditor-General after the submission of these statements on 31 August 2012. The audit report was issued on completion of the audit on 30 November 2012, within three months of the submission of the annual financial statements, as required by section 126 (3) (b) of the Municipal Finance Management Act, (Act 56 of 2003).

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2012/13

6.1 AUDITOR GENERAL REPORT 2012/13

FINDING	SOLUTION TO THE PROBLEM	PROGRESS TO DATE
Audit finding 2012/2013		
Inadequate monitoring and review of the Performance Management System (IDP & SDBIP)	The IDP and SDBIP of 2013/14 will be reviewed during the Mid – year Adjustment Budget Ensure that all the KPA`s are included in the IDP under all the directorates Ensure that the SDBIP are aligned to the financial year plan of the institution	All Directorates is in the processes of making the necessary changes to the two documents.
Inadequate implementation of PMS	Review of the PMS Policy Framework	
The municipality's integrated development plan does not explicitly contain the general key performance indicators as required by section 43(2) of the MSA.	All the indicators will be reviewed and adjust so that it can be applied to local government generally.	All Directorates is in the processes of making the necessary changes to the two documents
Key Performance Areas	Alignment of the National KPA`s and the	

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FINDING	SOLUTION TO THE PROBLEM	PROGRESS TO DATE
(development priorities) not adequately linked to budget	budget	
The audit committee did not review quarterly internal audit reports on performance measurement.	All internal Audit Assessments on performance will be submitted to the Audit Committee	First report submitted
No standard operating procedures in place for key performance indicators	Development of Procedure Manual for all Directorates	Templates for the procedure is have forwarded to all Directorates
Report templates are not designed such that it provides for space for preparer and reviewer to sign and indicate any resolutions taken by council in respect of the report.	All Directorates to design the reporting template in such a manner that it make space for all the signatures	
The municipality does not have proper systems in place to facilitate proper record keeping and reporting. Most importantly, there seems to be an ineffective review and reconciliation of reports to ensure that they have been properly prepared and there is valid, accurate and complete information supporting the reports.	All reports will be kept electronically Ensure that when evidence is submitted it correspond with the indicator and is reliable	
The reports are not cross-referenced to evidence indicating where the information included in the report has been obtained from to substantiate management's representations. In addition, the report has not been initialed and dated by an independent senior official as evidence of review. All this results in the report potentially being invalid. It is also important for management to attach meetings held to discuss the reports (such as standing committee and council meetings) to further indicate that the report is valid.	The new reporting template will make space for all the necessary additions	
The indicators have been assessed as not being well defined: Rewording the indicator title will take away the ambiguity.	Review of all the indicators	

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FINDING	SOLUTION TO THE PROBLEM	PROGRESS TO DATE
Some of the indicators title contradicts with the target and required level of performance and make the target not specific.	Alignment of the indicator and the target to be more specific and smart (both the indicator and the target)	
The KPI is more on the number of reports against the actual performance and are therefore not smart	All the SDBIP` s will be reviewed	
The remedial measures included in the annual performance report were found to be inadequate as it does not indicate specifically how the municipality intends to address the underperformance.	An action plan will be develop to ensure that all the targets not achieved are addressed.	

COMPONENT B: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2012/13

6.2 AUDITOR GENERAL REPORT 2013/14

[Insert 2013/14 Action plan]

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6.2.1 FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

FINANCIAL SUSTAINABILITY

The indicators or conditions that may, individually or collectively, cast significant doubt about the going concern assumption are as follows:

Financial Indicators

The current liabilities at year end exceeded the current assets and this could result in the municipality being unable to settle all of its liabilities.

Management will continue to put measures in place to ensure that municipal current assets are in excess of the current liabilities. Expenditure patterns and budget control measures will be enforced to reduce the expenditure that lead to an increase in current liabilities.

The number of days it takes to collect money from consumer debtors has increased from the prior year and this has placed constraints on the cash flow resulting in delays in settling the creditors.

Although the debtors' collection period has increased compared to prior year, management has continued to enforce the credit control measures through electricity disconnections, prepaid blockages and handover of long outstanding debts to attorneys.

The municipality experienced material losses in both electricity and water usage to the value of R 3 515 352 (2012 - R2 425 163) and R0 (2012 - R452 890) respectively. This represents a loss of 11.49% (2012 - 18.50%) on electricity and 0% (2012 - 14.37%) on water consumption.

Operating Indicators

The use of conditional grants for operations increased in the current year. An unspent conditional grant amounting to R3 469 024 (2012 - R 6 832 555) was used to meet the operational expenditure requirements.

The amount of R 8 026 962 million owed by Joe Gqabi District Municipality has been outstanding for a long period of time. This total of R 5 026 962 relates to the 2008/09 financial year. The outstanding amount by the district municipality will be off-set against the debt owed by the municipality on water collections and this will alleviate the future cash flow challenges.

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Other Indicators

The municipality has incurred unauthorised, irregular and fruitless & wasteful expenditure as shown in note 43 above.

Key Successes

- Improved average collection rate from 75% to 97%
- Improved collection efforts through the use of disconnections, blockings, notices through normal mail and short message system.
- Successful unbundling of directive 4 as required by Accounting Standards Board (ASB)
- Timely submission of the Annual Financial Statements

Challenges

- Difficulty in achieving the Supply Chain Management targets of between 60%-70% business with previously disadvantaged entities. Capacitation of the local business through a workshop to be organized by all relevant stakeholders.
- Limitation of office space resulting in compromised filing system and storage facility. Negotiations in place with potential property owners to let out buildings with more space to the municipality over a long term lease period with option of purchasing in the long-term
- Billing errors resulting from inaccuracies in meter readings. Use of a device that synchronizes readings with a cell phone linked technology which minimizes the human error or current manual recording system.
- Unfavorable cash flows resulting from expenditure needs that exceed the revenue generation sources. Stricter control measures on expenditure and constant reminder to departmental managers and supervisors to spend within the budgeted amounts. Tough credit collection measures that ensures an average collection of over 90% per month.
- Improper application of the finance policies such as supply chain management policy, subsistence and travel policy and accommodation policy. Regular workshops will be held to inform and remind all staff to adhere to the requirements of the supply chain policies and regulations. Provide update of all changes in the supply chain

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management policies. Departmental Managers, Supply Chain Staff and Senior Managers have been enrolled for courses that thoroughly deal with these policies among other competencies.

- Unauthorized expenditure resulting from exceeding the budget by using funds intended for projects in operating requirements. Improved cash-flow management by ring fencing funds such as projects funds as well as maintaining a dedicated bank account that will keep all cash that will assist in ensuring that project funds are cash backed.
- Irregular expenditure due to deficiencies in applying the supply chain management policy. Developed checklist that ensures adherence and compliance with the regulations and supply chain management policies.
- Difficulty in collecting debt (subsidies and other owing) from the District Municipality. High level negotiations are being conducted by accounting officers to find a suitable settlement methodology.
- Accounting uncertainty with the take-over by the District Municipality such as finalization of employee take-over, billing, debt net-off arrangement, etc. Continuous engagements between the District Municipality and all affected local municipalities to spell out any areas of disagreements especially with the labour unions.

The municipality continues to face severe challenges relating to its financial viability. This is mainly due to a negative liquidity or profitability ratios. The going concern status of the municipality is also in doubt due to the fact that the municipality is not able to meet its short-term obligations with the available short-term assets. The ratio of current liabilities to current assets reflects an excess of liabilities over assets.

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	2011/12	Budget Year 2012/2013						
Description	Audited	Original	Adjusted	Year T D	Year T D	Year T D	Year T D	Full
	Outcome	Budget	Budget	Actual	Budget	Variance	Variance	Year
R thousands							%	Forecast
<u>Financial Performance</u>								
Property Rates	R 8,466,194	R 9,900,000	R 9,900,000	R 9,577,682	R 9,900,000	R -322,318	3.26%	R 9,900,000
Service Charges	R 44,176,631	R 56,760,530	R 62,819,680	R 49,652,695	R 62,819,680	R -13,166,985	20.96%	R62,819,680
Investment Revenue	R 207,331	R 270,000	R 230,000	R 153,641	R 230,000	R -76,359	33.20%	R 230,000
Transfers recognized operational	R 26,352,860	R 29,574,720	R 29,120,120	R 30,899,149	R 29,120,120	R 1,779,029	-6.11%	R29,120,120
Other Own revenue	R 8,342,002	R 18,449,322	R 13,873,404	R 12,352,760	R 13,873,404	R -1,520,643	10.96%	R13,873,404
Total Revenue (excluding Total capital transfers and contributions)	R 87,545,018	R 114,954,572	R115,943,204	R102,635,927	R115,943,204	R -13,307,277	11.48%	R115,943,204

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OPERATING RATIOS

	2013 R (Final Budget)	2013 R (Actual)	2013 R (Variance)
Employee related costs	41 342 999	39 847 147	1 495 852
Remuneration of councillors	3 055 501	2 789 258	266 243
Debt impairment	500 000	2 248 667	(1 748 667)
Depreciation & asset impairment	15 130 715	15 070 163	60 553
Finance charges	474 438	3 338 339	(2 863 901)
Bulk purchases	39 011 645	42 107 330	(3 095 685)
Other expenditure	30 379 650	28 122 357	2 257 293
Loss on disposal of PPE	-	323 069	(323 069)
	129 894 948	133 846 329	(3 951 381)

Percentage of Employee related costs over the budget 35.33%

NET SURPLUS/(DEFICIT) FOR THE YEAR		(15 532 739)	(7 464 277)
Add back interest		3 338 339	2 230 004
Net income		(12 194 400)	(5 234 272)
Revenue		118 313 590	101 635 046
Return on Sales		-0.10	-0.05
Revenue		118 313 590	101 635 046
Total Assets		269 300 251	278 325 158
Asset Turnover		0.44	0.37
Asset Turnover measures how well the assets of the entity are being used to generate sales. Ability to use assets to provide a satisfactory service. A higher turnover means that Assets were used more effectively and much better in the current year than in the previous year. Revenue generated is influenced by the tariff rates applicable to the consumers. The degree of the indigent population within the municipality has a major contributing factor on the revenue generated from exchange and non-exchange transactions.			
ROCE (Return on Sales x Asset Turnover)		-0.05	-0.02

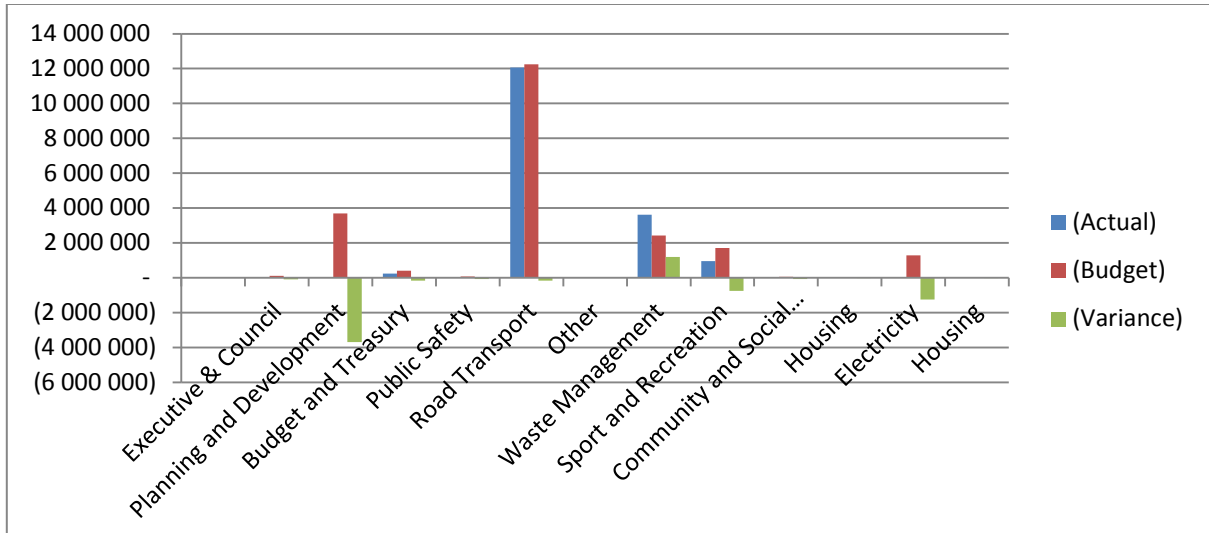
Chapter 6

COMMENT ON OPERATING RATIOS:

The over expenditure in the budget and treasury department is mainly due to the fact that the municipality did not budget for any depreciation charges in the current year.

Capital expenditure by vote	2013 R (Actual)	2013 R (Budget)	2013 R (Variance)	2013 R (%)
Executive & Council	23 019	110 000	(86 981)	-0.79
Planning and Development	21 921	3 703 000	(3 681 079)	-0.99
Budget and Treasury	236 092	404 600	(168 508)	-0.42
Public Safety	15 981	80 000	(64 019)	-0.80
Road Transport	12 070 188	12 238 579	(168 391)	-0.01
Other	2 472	-	2 472	-
Waste Management	3 612 724	2 420 000	1 192 724	0.49
Sport and Recreation	961 400	1 717 800	(756 400)	-0.44
Community and Social Services	2 404	63 000	(60 596)	-0.96
Housing	2 947	15 000	(12 053)	-0.80
Electricity	50 511	1 285 000	(1 234 489)	-0.96
Housing	2 947	15 000	(12 053)	-0.80
	16 999 658	22 036 979	(5 037 321)	-0.23

Overspending on Budget and Treasury vote mainly due to leased assets acquired in the current amounting to R 2 239 490 not budgeted for in the capital budget



6.2.2 AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT 2012/13

The municipality received a qualified audit opinion for the 2011/12 and 2012/13 financial year. The qualification was based on property, plant and equipment, Investment Property, Cash and Cash Equivalent, Trade and Other Payables, Irregular Expenditure, Supply Chain Management Deviations, Inventory and Aggregation of Immaterial Uncorrected Misstatements. The qualification on property, plant and equipment was due to the misclassification and omission of assets. Investment Properties were recognized at incorrect values and the system in place to identify the Investment Properties is not adequate. Cash and Cash equivalents qualification matter was due to the lack of systems to ensure that only valid reconciling items were included. Payables from exchange transactions were understated due to an incorrect recognition of the values and insufficient evidence on the suspense accounts. There were no systems in place to identify and disclose Irregular Expenditure incurred during the year. The incomplete accounting records over inventory made it impracticable to confirm the value of the inventory expensed hence the qualification. A sum of individual immaterial findings aggregated to a material qualification.

APPENDICES

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Council Members	Full Time / Part Time FT/PT	Ward and/or Party Represented	Committees Allocated	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
NS Mathetha	FT	PR = ANC	Council	0%	
			Technical Services	100%	
			Financial Services	100%	
			Community Services	100%	
			Corporate Services	100%	
M Mtshinga a	PT	PR = ANC	Council	0%	
			Technical Services	10%	
			Community Services	0%	
ES Mbana	PT	PR = ANC	Council	0%	
			Financial Services	13%	
			Community Services	30%	
KS Lange	PT	Ward One (1)	Council	13%	
			Financial Services	13%	
			Corporate Services	9%	
MW Mokhoab ane	PT	Ward Two (2)	Council	13%	
			Corporate Services	0%	
			Technical Services	0%	
ZA Betana	PT	Ward Three (3)	Council	13%	
			Community Services	30%	-
			Technical Services	0%	
PN Williams	PT	Ward Four (4)	Council	13%	
			Technical Services	10%	
			Corporate Services	18%	
M Mdumisa	PT	Ward Five (5)	Council	0%	-
			Community Services	0%	
			Financial Services	38%	

APPENDICES

Council Members	Full Time / Part Time FT/PT	Ward and/or Party Represented	Committees Allocated	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
			Technical Services	30%	
M Tsolanku	PT	Ward Six (6)	Council	0%	
			Community Services	10%	
			Corporate Services	0%	
H Du Preez	PT	PR = DA	Council	13%	
			Financial Services	25%	
GD Fourie	PT	PR = DA	Council	0%	
			Corporate Services	0%	
M Jan	PT	PR = URF	Council	0%	
			Financial Services	25%	

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral/Executive Committee) and Purpose of Committees	
Municipal Committees	Purpose of Committee
Corporate Services Standing Committee	To play an oversight role in ensuring municipal transformation, institutional development and good governance
Financial Services Standing Committee	To ensure good financial management and viability, transparency and openness
Technical Services Standing Committee	To provide effective and efficient, sustainable technical and quality basic services
Community Services Standing Committee	To provide effective and efficient, sustainable basic health and social services
Municipal Public Accounts Committee (MPAC)	To exercise oversight and accountability to ensure that programmes and plans are implemented in a way that is consistent with policy, legislation and the dictates of the constitution.
Bid Adjudication Committee	To adjudicate over tenders awarded and ensure transparency, fairness, equitable, competitive and cost effective and comply with prescribed

APPENDICES

Committees (other than Mayoral/Executive Committee) and Purpose of Committees	
Municipal Committees	Purpose of Committee
	regulatory framework for municipal supply chain management.
Audit Committee	To advise the municipal council, the accounting officer and the management staff of the municipality and review the annual financial statements to provide the council with an authoritative and credible view of the financial position of the municipality and perform other duties as may be prescribed.
Performance Appraisal Committee	To assess, monitor, measure, review, manage and reward performance of s57 managers with a view of achieving stated objectives and levels of performance.
Budget Steering Committee	To provide general political guidance over the budget process and the priorities that must guide the preparation of a budget and coordinate annual revision of the IDP.
Employment Equity & Skills Development Committee	To coordinate and manage employment equity and monitor the implementation of skills development plans in the work place in compliance the prescribed legislations.
Local Labour Forum Committee	To create and maintain a healthy relationship with labour.
Occupational Health & Safety Committee	To ensure a safe and secure working environment by implementation of the Occupational Health and Safety Policy.

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Corporate Services Department	Director Corporate Services - Zolani Eric Pungwani (01/11/2012- 30/06/2014)
Financial Services Department	Chief Financial Officer

APPENDICES

	Thomas Maseko (01/07/2012 – 30/06/2014)
	Assistant Manager: Financial Services Barend Johannes Vorster
	Budget & Treasury Office Manager MandlaNgewu (01/08/2012 – 30/06/2013)
Community Services Department	Director: Community Services NthatiBelina Beauty Mokhantso
	Assistant Manager: Community Services Mzwandile Charles Plaatjie 15/04/2013
Technical Services Department	Director: Technical Services Tobosela Elias Molefe
	Assistant Manager: Technical Services (electricity) Joseph SelloMosenene
	Assistant Manager: Technical Services (civil) Vacant

APPENDIX D – FUNCTIONS OF MUNICIPALITY

Municipal	
MUNICIPAL FUNCTIONS	Functions Applicable to Municipality (Yes/No)
Constitution Schedule 4, Part B functions:	
Air pollution	Yes
Building regulations	Yes
Child care facilities	Yes
Electricity and gas reticulation	Yes
Firefighting services	Yes
Local tourism	Yes
Municipal airports	Yes
Municipal planning	Yes
Municipal health services	No
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	Yes
Pontoons, ferries, jetties, piers and harbors, excluding the regulation of international and national shipping and matters related	No

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Storm-water management systems in built-up areas	Yes until 30/06/2012. JGDM will took over on 01/07/2012
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewerage disposal systems	Yes until 30/06/2012. JGDM will took over on 01/07/2012
Schedule 5, Part B functions:	
Beaches and amusement facilities	Yes, amusement facilities only
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlors and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	Not Applicable
Municipal abattoirs	Yes
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollutions	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes
If municipality: indicate (Yes or No); If entry: Provide name of entity	

APPENDICES

APPENDIX E – WARD REPORTING

Functionality of Ward Committees						
Ward Name (Number)	Name of councillor elected committee members	Ward and Ward	Committee established (Yes/No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers office on time	Number of quarterly <u>(Monthly)</u> public ward meetings held during the financial year
One (1)	Cllr KS Lange		Yes	4	1	6
	S Mnikina					
	T Nodwele					
	RL Ntintile					
	N Tsobileyo					
	N Thulelo					
	M Mankayi					
	M Boyana					
	P Magcuntsu					
	CJ Bekker					
	S Ngcithane					
Two (2)	Cllr MW Mokhoabane		Yes	8	0	10
	VD Davids					
	M Khambi					
	K Chabeli					
	KA Mhlaba					
	PC Seleke					
	D Matlotlo					
	NP Gabuza					
	ZC Mgangana					
	BS Dumzela					
	D Melusie					
Three (3)	Cllr Z Betana		Yes	Nine 7	11	6
	NE Jaho					
	Rev. MF Hani					
	G Souls					

APPENDICES

Functionality of Ward Committees						
Ward Name (Number)	Name of councillor and elected committee members	Ward and Ward	Committee established (Yes/No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers office on time	Number of quarterly (<u>Monthly</u>) public ward meetings held during the financial year
	M Liwani					
	NS Matiso					
	B Hlazo					
	N Mbele					
	BW Mangaliso					
	SE Mawonga					
Four (4)	Cllr PN Williams		Yes	9	3	4
	Z Sigodi					
	M Koto					
	M Morake					
	ZI George					
	B Spungu					
	A Mpayipheli					
	M Nodwele					
	M Mtshingana					
	Z Mbizo					
	Rev. I May					
Five (5)	Cllr M Mdumisa		Yes	10		5
	RF Monaheng					
	MA Ralehoko					
	M Mpela					
	T Panyane					
	BD Roberts					
	NS Stragom					
	P Motebe					
	SF Leeuw					
	M Chamber					
	S Adoons					

APPENDICES

Functionality of Ward Committees						
Ward Name (Number)	Name of councillor and elected committee members	Ward and Ward	Committee established (Yes/No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers office on time	Number of quarterly <u>(Monthly)</u> public ward meetings held during the financial year
Six	Cllr M Tsolanku		Yes	8	4	7
	D Masumpa					
	S Lupuwana					
	T Muma					
	Z Stuurman					
	N Jonase					
	T Blaauw					
	S Mahlaba					
	B Kibi					

APPENDIX E – WARD REPORTING

Functionality of Ward Committees						
Ward Name (Number)	Name of councillor and elected committee members	Ward and Ward	Committee established (Yes/No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers office on time	Number of quarterly <u>(Monthly)</u> public ward meetings held during the financial year
One (1)			Yes	Seven (9)	Zero¹	Seven (7)
	Cllr KS Lange			9		
	S Mnikina			8		
	T Nodwele			9		
	RL Ntintile			9		

¹Twelve reports per ward committee were submitted to Corporate Services Department although not in line with the requirements of Appendix E.

APPENDICES

Functionality of Ward Committees						
Ward Name (Number)	Name of Ward councillor and elected committee members	Ward and Ward	Committee established (Yes/No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers office on time	Number of quarterly (<u>Monthly</u>) public ward meetings held during the financial year
	N Tsobileyo			9		
	N Thulelo			8		
	M Mankayi			9		
	M Boyana			9		
	P Magcuntsu			6		
	CJ Bekker			8		
	S Ngcithane			9		
Two (2)			Yes	Nine (11)		Nine (9)
	Cllr MW Mokhoabane			11		
	VD Davids			10		
	M Khambi			10		
	K Chabeli			11		
	KA Mhlaba			11		
	PC Seleke			11		
	D Matlotlo			11		
	NP Gabuza			11		
	ZC Mgangana			10		
	BS Dumzela			11		
	D Melusie			8		
Three (3)			Yes	Nine (8)		Nine (9)
	Cllr Z Betana			8		
	NE Jaho			8		
	Rev. MF Hani			8		
	G Souls			8		
	M Liwani			8		

APPENDICES

Functionality of Ward Committees						
Ward Name (Number)	Name of Ward councillor and elected committee members	Ward	Committee established (Yes/No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers office on time	Number of quarterly (<u>Monthly</u>) public ward meetings held during the financial year
	NS Matiso			8		
	B Hlazo			7		
	N Mbele			8		
	BW Mangaliso			8		
	SE Mawonga			8		
	P. Masumpa			7		
Four (4)			Yes	Eight (10)		Eight (8)
	Cllr PN Williams			10		
	Z Sigodi			10		
	M Koto			10		
	M Morake			10		
	Swarts M			7		
	P. Stuurman			1		
	A Mpayipheli			10		
	M Nodwele			10		
	Swarts R			10		
	P. Abrahams			5		
	NS Nkani			10		
	C. Noyo			4		
Five (5)			Yes	Ten (12)		Nine (9)
	Cllr M Mdumisa			11		
	RF Monaheng			12		
	MA Ralehoko			7		
	M Mpela			12		
	T Panyane			7		
	BD Roberts			12		
	NS Stragom			12		

APPENDICES

Functionality of Ward Committees						
Ward Name (Number)	Name of Ward councillor and elected committee members	Ward	Committee established (Yes/No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers office on time	Number of quarterly (<u>Monthly</u>) public ward meetings held during the financial year
	LM Mfengwana			8		
	SF Leeuw			10		
	M Chamber Sub Mbali-Mvula			1 7		
	S Adoons Sub AC Nyamatana			4 3		
	L Motsoeneng			3		
Six			Yes	Eight (10)		Six (6)
	Cllr M Tsolanku			10		
	D Masumpa			10		
	S Lupuwana			9		
	T Muma			9		
	Z Stuurman			10		
	N Jonase			10		
	T Blaauw			10		
	S Mahlaba			9		
	B Kibi			7		
	V Fiki			10		
	N Ntlai			10		

APPENDICES

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward councillor and elected Ward committee members	Committee established (Yes/No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers office on time	Number of quarterly <u>(Monthly)</u> public ward meetings held during the financial year
One (1)	Cllr KS Lange	Yes	Seven (7)	Zero²	Seven (7)
	S Mnikina		7	7	7
	T Nodwele		4	4	4
	RL Ntintile		7	7	7
	N Tsobileyo		5	5	5
	N Thulelo		7	7	7
	M Mankayi		7	7	7
	M Boyana		7	7	7
	P Magcuntsu		5	5	5
	CJ Bekker		3	3	3
	S Ngcithane		7	7	7
Two (2)	Cllr MW Mokhoabane	Yes	Nine (9)		Nine (9)
	VD Davids		9	9	9
	M Khambi		7	7	7

²Twelve reports per ward committee were submitted to Corporate Services Department although not in line with the requirements of Appendix E.

APPENDICES

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward councillor and elected Ward committee members	Committee established (Yes/No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers office on time	Number of quarterly <u>(Monthly)</u> public ward meetings held during the financial year
	K Chabeli		9	9	9
	KA Mhlaba		9	9	9
	PC Seleke		9	9	9
	D Matlotlo		9	9	9
	NP Gabuza		9	9	9
	ZC Mgangana		9	9	9
	BS Dumzela		9	9	9
	D Melusie		8	8	8
Three (3)	CIlr Z Betana	Yes	Nine (9)		Nine (9)
	NE Jaho		9	9	9
	Rev. MF Hani		9	9	9
	G Souls		9	9	9
	M Liwani		8	8	8
	NS Matiso		9	9	9
	B Hlazo		9	9	9
	N Mbele		9	9	9
	BW Mangaliso		9	9	9
	SE Mawonga		9	9	9

APPENDICES

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward councillor and elected Ward committee members	Committee established (Yes/No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers office on time	Number of quarterly <u>(Monthly)</u> public ward meetings held during the financial year
Four (4)	Cllr PN Williams	Yes	Eight (8)		Eight (8)
	Z Sigodi		8	8	8
	M Koto		5	5	5
	M Morake		7	7	7
	ZI George		8	8	8
	B Spungu		8	8	8
	A Mpayipheli		6	6	6
	M Nodwele		8	8	8
	M Mtshingana		8	8	8
	Z Mbizo		8	8	8
	Rev. I May		7	7	7
Five (5)	Cllr M Mdumisa	Yes	Ten (10)		Nine (9)
	RF Monaheng		10	10	9
	MA Ralehoko		9	9	9
	ZE Golozana		10	9	9
	T Panyane		9	9	9

APPENDICES

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward councillor and elected Ward committee members	Committee established (Yes/No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers office on time	Number of quarterly <u>(Monthly)</u> public ward meetings held during the financial year
	BD Roberts		9	9	9
	NS Stragom		10	10	9
	P Motebe		10	10	9
	SF Leeuw		10	10	9
	M Chamber		7	7	9
	S Adoons		9	9	9
Six	Cllr M Tsolanku	Yes	Eight (8)		Six (6)
	D Masumpa		8	8	6
	S Lupuwana		8	8	6
	T Muma		8	8	6
	Z Stuurman		8	8	6
	N Jonase		8	8	6
	T Blaauw		8	8	6
	S Mahlaba		8	8	6
	B Kibi		4	4	3

APPENDICES

APPENDICES

APPENDIX F – WARD INFORMATION

Ward Title: Ward Name (Number)				
Capital Projects: Seven Largest in 2012/13 (Full List at Appendix X)				
No	Project and Detail	Start Date	End date	Total Value
63(a)2012	Construction of Hilton Link Road	15/10/2012	Continuing	R5,061,589.17
63(b)2012	Rehabilitation and Construction of Hilton Roads	15/10/2012	Continuing	R6 213 422.03
63/2012	Resealing/ Rehabilitation of Roads	01/10/2012	30 June 2013	R1,000,000,00
Basic Service Provision				
Detail	Water	Sanitation	Electricity	Refuse
Households with minimum service delivery	5 610	5 610	4 689	12 443
Households without minimum service delivery	0	0	0	0
Total households*	12 443	12 443	12 443	12 443
*including informal settlements				

Issues Raised on Public Participation Programme held on March 2014

KPA	Priority Submission	Type of Project	Projects	Budget Implication	Comments
WARD 1 (Jamestown) 04/03/2014					
Basic Services & Infrastructure					
	Paving of Streets	Capital	Paving of Lonwabo and Mzomhle Streets		Council took a resolution of attending one street annually (in each financial year) per ward
	Speed Humps		Speed humps in the De Beer Street		
	Upgrading of Stadium	Capital	Upgrading of Sarah Moorosi		To be attended on the 2014/15 Financial Year
	Fencing	Opex	Fencing of the Dam, Reservoirs and cemeteries with Palisade		JGDM
	Clinic	Capital	Clinic must be extended		
	Honey Suckers	Capital	Additional 2 Honey Suckers		To be attended

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KPA	Priority Submission	Type of Project	Projects	Budget Implication	Comments
			needed		on the 2015/16 Financial Year
Social Issues, Facilities and Services	Youth Centre		Establishment of a Youth Centre		Municipality has applied for a funding where one centre will be established to accommodate the entire Maletswai youth.
	Skills development		Learner ships and internships are needed to nurture and nourish the capacity of the youth		
	Construction of a new Library		The existing library is too small and has no books for tertiary students		
	Upgrading of Recreational park		Upgrading of recreational park in Town		
	Testing Station		Testing Station for drivers license		

APPENDICES

KPA	Priority Submission	Type of Project	Projects	Budget Implication	Comments
	Electricity supply by Maletswai Municipality		Taking over of electricity supply from Eskom to Maletswai Municipality		
Economic Issues	Financial institutions (FNB, Capitec)		Establishment of Financial institutions and additional ATM's		
	Primary School	DoBE	The DoBE has identified the dire need of a second Primary school		
WARD 2 (Joe Gqabi, Hilton) 19/03/2014					
Basic Services & Infrastructure	Sidewalks in Hospital road to Joe Gqabi	Capital	Sidewalks		
	Storm water drainage	Capital	Storm water management		
	Taxi rank shelter		Taxi rank shelter is needed in the ward		
	Gravelling	Opex	Provide each house with gravelling		
	Water meter boxes		Provision of water meter boxes		
	Street lights at 44's				

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KPA	Priority Submission	Type of Project	Projects	Budget Implication	Comments
	Fencing of a Community Hall				
Social Issues, Facilities & Services	Day Care Centre	DSD			
	Mobile Police station	Sector			A letter has been submitted
	Rectification of cracked houses	Sector	Rectification of all cracked houses in Joe Gqabi		To be attended in the 2014/15 financial year
	Houses for Low, Middle and High income earners		Houses for Low, Middle and High income earners		BNG will address that
	Refuse bags and drums		Refuse bags and drums be made available to all households		To be attended in the 2014/15 Financial Year
	Primary School	DBE/Sector	Primary and Higher Primary School needed in the area – municipality has set aside a site for building of the School		A letter is being processed by the DoBE

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KPA	Priority Submission	Type of Project	Projects	Budget Implication	Comments
Economic Issues	Shopping mall		Shopping mall is needed to serve Joe Gqabi, Hongerbult, Hilton and Springs communities and to create jobs		Tender has been awarded.
	Shelters for traders (Hawkers)		Shelters for traders (Hawkers)		
WARD 3 (Block G, Block H2) 11/03/2014					
Basic Services & Infrastructure	Storm water drainage system	Capital	Storm water management		
	Fencing of community hall, installation of security gates and additional Chairs	Capital	Fencing		
	Gravelling of Streets	Opex	Gravelling		
Social Issues, Facilities & Services	Cutting of trees – Houses near Maletswai SAPS	Capital	Cutting of trees next to Pelomosa and in houses near Maletswai SAPS		
	Cleaning of Streets				
	Park next to the hall				

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KPA	Priority Submission	Type of Project	Projects	Budget Implication	Comments
	upgraded				
Spatial-Natural-Environmental Issues	Surveying		Surveying of all open sites in the Ward and Municipality for Housing Development		
WARD 4 (Springs, Phola Park, Hongerbult, Soul City) 05/03/2014					
Basic Services & Infrastructure	Water and Sanitation	Capital	Public toilets at Soul City		
	Paving of streets	Capital	Paving at Petunia street and a short street next to Johnson Williams		Council took a resolution of attending one street annually (in each financial year) per ward
	High mast lights		Installation of high mast lights next to Sport field ground		
	Speed humps		Speed humps at Angeline and Rose Street		
Social Issues, Facilities and Services	Provision of Gel stoves		Soul City, No Name and Phola Park		

APPENDICES

KPA	Priority Submission	Type of Project	Projects	Budget Implication	Comments
	Houses	DoHS	Special houses for physically challenged people		
	Child Care centre	DSD	Establishment of a child care centre		
	Crèche	DSD	Establishment of a crèche		
	Skills development		Competency certificate for youth		Contractors must employ youth and granted them competency certificate when job is completed
<u>WARD 5 (Arbor View, Phola Park, Block A, B, C [till Mokoena Street], E, F, G) 06/03/2014</u>					
Basic Services & Infrastructure	Rectification of 140 Block B Houses	DHS/Sector	Rectification of 140 Block B Houses be expedited		Awaiting DoHS to implement
	Storm water drainage	Opex			
	Storm water slaps	Opex	Storm water slaps at Meje Park		
	Paving of Streets and speed humps	Capital	Paving of Streets and speed humps.		Council took a resolution of

APPENDICES

KPA	Priority Submission	Type of Project	Projects	Budget Implication	Comments
					attending one street annually (in each financial year) per ward
	Sewer spillages and Public Taps	Capital	Sewer spillages and Public Taps		JGDM
	Installation of Solar Energy		Installation of Solar Energy panels at Phola Park		Application has been submitted to the Dept. of Energy
Social Issues, Facilities and Services	Maintenance of Street lights	Opex	Maintenance at Bantu Street, Block E and Mathebe corner Church Block F		
	Remove skip bins in Phola Park		Remove skip bins in Phola Park and replace them with dust bins		To be attended on the 2014/15 Financial Year
Economic Issues	Car Parking meter Project		Car Parking meter Project		The call for the tender process is underway
WARD 6 (Block C,D, F, H, Chris Hani Section, Area 13) 18/03/2014					
Basic Services & Infrastructure	Paving	Capital	Paving of all street-Mojekisane street Block H1		

APPENDICES

KPA	Priority Submission	Type of Project	Projects	Budget Implication	Comments
	Paving	Capital	Completion of the entrance road via Chris Hani to Area 13		
		Capital	Access road from Area 13 to Maize field graveyard		
	Bus shelters	Capital			
	Storm water management	Capital	Storm water must be covered at the back of the hall		
	Street lights and high mast lights	Opex	Street lights and high mast lights in Area 13		
	Removal of Brickfield				
Social Issues, Facilities and Services	Library Service and Indoor Centre in Dukathole	Capital	Community needs a community Library as the library in town is far		
	Housing	Sector	Rectification of Aliwal 330, 172 projects be sped up and special cases allocation in all housing projects		
	Street names	Opex	Naming of streets		S.G has not yet responded
	Police visibility or satellite	Sector	Police visibility or satellite		

APPENDICES

KPA	Priority Submission	Type of Project	Projects	Budget Implication	Comments
	station		station in Area 13 road between Block H1 and Area 13 is requested		
	Drivers license	Sector	Drivers license for youth		
	Cutting of grass	Opex	Cutting of grass in the ward		
Spatial-Natural-Environmental Issues	Surveying of Eggili sites	Opex/Capital	Surveying of the area around Eggili for Housing Development (550 infill sites)		

Table: 8 Issues raised in imbizo's

Top Four Service Delivery Priorities for Ward	
No	Priority name and Detail
	Improving Basic Service Delivery and Infrastructure Investment;
	- Ensuring all communities have access to clean water and sanitation by 2010;
	- Ensuring all houses have access to electricity by 2012;
	- Ensuring universal access to free basic services;
	Improve Local Economic Development;

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2013/14

Municipal Audit Committee Recommendations			
Date of Committee	Audit Findings/Concern	Committee Recommendations during 2013/14	Recommendations Adopted (enter Yes); not adopted (provide explanations)
20/05/13	The Chairperson of the Audit Committee raised a concern about the non attendance of council representatives at Audit Committee (AC) meetings.	It was suggested that a member of the Municipal Public Accounts Committee (MPAC) should be a part of all Audit Committee meetings.	

APPENDICES

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long Term Contracts (20 Largest Contracts Entered into 2012/13)						R'000
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value	
Rethusehile & Mvelase JV	Rehabilitation of Sauer Park Stadium – Athletic Track		2011/12	T Molefe	R4.92m	

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July 2013 to 30 June 2014		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor	N.S Mathetha	None
Councillors	Cllr Z. Betana	None
	Cllr S.E Mbana	None
	Cllr M. Mdumisa	None
	Cllr M. Mokhoabane	None
	Cllr K.S Lange	None
	Cllr N.P Williams	None
	Cllr M.M Tsolanku	None
	Cllr M.G Mtshingana	None
	Cllr G.D Fourie	None
	Cllr H. Du Preez	None
	Cllr M. Jan	None
Municipal Manager	M.P Nonjola	None

APPENDICES

Chief Financial Officer	T. Maseko	None
(Executive) Directors	T.E Molefe	None
	N.B.B.Mokhantso	None
	T. Maseko	None
	Z.E Pungwani	None
Other S57 Officials	None	N/A
* Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A T J		

APPENDICES

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Vote	2013 Actual Income R	2013 Actual Expenditure R	2013 Surplus/ (Deficit) R	2014 Actual Income R	2014 Actual Expenditure R	2014 Surplus/ (Deficit) R
Executive & Council	135 446	(17 396 331)	(17 260 885)	6 636 390	(16 164 376)	(8 527 986)
Planning and Development	1 979 899	(1 429 899)	550 000	10 000	(1382 633)	(1 372 633)
Budget and Treasury	42 803 604	(27 479 164)	15 324 440	43 662 523	(30 409 656)	13 252 868
Public Safety	3 961 409	(3 732 590)	228 819	3 896 607	(3 758 444)	138 163
Road Transport	14 105 827	(15 958 163)	(1 852 336)	9 961 247	(14 073 119)	(4 111 871)
Other	353 315	(118 6140)	234 701	851 482	(111 025)	740 457
Waste Management	2 603 855	(9 271 629)	(6 667 774)	5 330 896	(9 931 918)	(4 601 022)
Sport and Recreation	1 642 284	(2 836 885)	(1 194 601)	408 443	(3 070 619)	(2 662 176)
Community and Social Services	1 181 300	(3 523 307)	(2 342 007)	1 086 886	(2 970 788)	(1 883 902)
Housing	31 458	(1 422 194)	(1 390 736)	-	(1 461 711)	(1 461 711)

APPENDICES

Electricity	49 560 314	(50 381 438)	(821 124)	54 585 936	(53 613 544)	972 392
Total	118 358 711	(133 550 213)	(15 191 502)	126 430 410	(135 947 831)	(9 517 421)

APPENDICES

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Description	Budget R,000	Actual R,000	Variance
Property taxes	11 621	11 455	(166)
Government Grants and Subsidies	50 393	41 701	(8 692)
Service Charges	63 909	55 821	(8 087)
Fines	224	246	23
Rental of Facilities and Equipment	2 182	2 072	(110)
Interest Earned - external investments	245	478	233
Interest Earned - outstanding debtors	370	347	(23)
Licenses and Permits	2 680	2 074	(606)
Agency Services	5 111	4 705	(406)
Other Income	2 292	7 361	5 069
Gain on disposal of Property, Plant & Equipment	89	170	81
TOTAL	139 115	126 430	(9 517)

APPENDICES

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003									
Grant Description	Balance	Correction	Restated	Grants	Interest		Operating	Capital	Balance
	1 JULY 2013	of error	balance	Received	on Investments	Transfers	Expenditure	Expenditure	30 JUNE 2014
UNSPENT CONDITIONAL GOVERNMENT GRANTS AND RECEIPTS									
	R	R	R	R	R	R	R	R	R
<u>National Government Grants</u>									
Equitable Share				24 074 000			24 074 000		0
Skills Development Grant				93 756			93 756		
Finance Management Act.				1 650 000			1 631 790	18 210	0
MSIG Funds				890 000			780 129	109 871	0
MIG Funds	(179 064)		(179 064)	14 526 000			1 870 200	8 186 511	4 290 225
DME Electricity Reticulation Fund	61 749		61 749	2 000 000		(1 144 000)	228 382	1 809 708	(1 120 341)
Expanded Public Works Program									
<u>Provincial Government Grants</u>									
Spatial Development Plan	361 000		361 000						361 000
1218 Link Houses	271 617		271 617						271 617
330 Houses	168 331		168 331						168 331
Area 5 Services	63 514		63 514						63 514

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Hilton 89 Houses	6 746		6 746					6 746
Area 13 – Fund	254 064		254 064					254 064
Aliwal North 100 Houses Fund	(251 439)		(251 439)					(251 439)
318 Houses Jamestown	373 367		373 367					373 367
Jamestown 858 Houses Planning	6 090		6 090					6 090
Jamestown 858 Houses	639 778		639 778					639 778
838 Dwellings Fund	690 403		690 403					690 403
DEAT - Waste Recycling Project	(514 524)		(514 524)			149 702	994 815	(1 658 941)
Land Survey Management	467 500		467 500					467 500
LED Garden Project Jamestown	104 863		104 863					104 863
Library Grant				704 000			704 000	0
District Municipality Grants								
LED				10 000			10 000	0
Other Grant Providers								

APPENDICES

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

The Rehabilitation and Construction of Hilton Link Roads

The Waste Recovery Facility

APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

As above

APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

APPENDIX M CAPITAL EXPENDITURE UPGRADE/RENEWAL PROGRAM			
Details	Budget 2013/14	Variance	Actual 2013/14
Mayor and Council	15 000	(90 902)	105 098
Municipal Manager	20 000	1 949	18 051
Budget & Treasury Office	220 000	(28 833)	248 833
Property Services	20 000	3 959	23 959
Corporate Services	20 000	50 906	70 906
Planning and Development	0	0	0
Community Services	20 000	13 857	6 143
Libraries	20 000	15 694	4 306
Community Halls	0	0	0
Housing	20 000	13 423	6 577
Traffic	20 000	17 693	2 307
Sport And Recreation	35 000	34 693	307
Waste Management/Solid Waste	1 640 000	606 667	1 033 333
Road Transport/Roads	13 819 700	5 355 063	8 464 637
Electricity /Electricity Distribution	3 420 000	1 328 098	2 091 902
Other/Tourism	0	0	0
Total	19 289 700	7 209 136	12 080 564

APPENDICES

APPENDIX N – CAPITAL PROGRAMME BY PROJECT 2013/14

Capital Programme by Project 2013/14					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act –Adj %)	Variance (Act –OB %)
Electricity	3 876	3400	2 092	61.53	53.97
Housing	0	0	0	0	0
Refuse Removal	40	1 640	1 033	62.99	258.25
Storm water/roads	13 820	13 820	8 465	61.25	61.25
Economic Development	0	0	0	0	0
Sports, Arts and Culture	0	0	0	0	0
Environment	0	0	0	0	0
Health	0	0	0	0	0
Safety and Security	0	0	0	0	0
ICT and Other	0	0	0	0	0

APPENDIX O – CAPITAL PROGRAMME BY WARD 2013/14

Capital Project	Ward(s) affected	R000 Works Completed (yes/no)
Water	0	0
428Sanitation/Sewerage	0	0
Electricity	0	0
Housing	0	0

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Capital Project	Ward(s) affected	R000 Works Completed (yes/no)
Refuse Removal	0	0
Storm water	0	0
Economic Development	0	0
Sports, Arts and Culture	0	0
Environment	0	0
Health	0	0
Safety and Security	0	0
ICT and Other	0	0

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Not applicable to Maletswai Municipality

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

Not applicable to Maletswai Municipality

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the municipality: Year 0				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value Year 0 R' 000	Total Amount committed over previous and future years
None	None	None	None	None
* Loans/Grants - whether in cash or in kind				T R

APPENDICES

APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and Provincial Outcomes for Local Government		
Outcome/Output	Progress to date	Number or Percentage Achieved
Output: Improving access to basic services		
Output: Implementation of the Community Work Programme		
Output: Deepen democracy through a refined Ward Committee model		
Output: Administrative and financial capability		
<p><i>* Note: Some of the outputs detailed on this table may have been reported elsewhere in the Annual Report. Kindly ensure that this information consistent.</i></p>		

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Volume II

Annual Financial Statements