



CDM  
ANNUAL  
REPORT  
2013/2014

## CONTENTS

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<b>ACRONYMS</b> .....	6
<b>CHAPTER 1: INTRODUCTION</b> .....	8
COMPONENT A: MAYOR`S FOREWORD.....	8
COMPONENT B: EXECUTIVE SUMMARY .....	10
<b>COMPONENT C: MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW</b>	<b>11</b>
1.1. <b>GEOGRAPHICAL LOCATION OF CDM</b> .....	11
1.2. <b>SERVICE DELIVERY OVERVIEW</b> .....	16
1.3. <b>FINANCIAL HEALTH OVERVIEW</b> .....	17
1.4. <b>ORGANISATIONAL DEVELOPMENT OVERVIEW</b> .....	18
1.5. <b>PERSONNEL PROVISIONING</b> .....	19
1.6. <b>AUDITOR GENERAL REPORT</b> .....	21
1.7. <b>AUDIT COMMITTEE REPORT</b> .....	21
1.8. <b>STATUTORY ANNUAL REPORT PROCESS</b> .....	21
<b>CHAPTER 2 – GOVERNANCE</b> .....	<b>23</b>
COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE.....	23
2.1. <b>MAYORAL COMMITTEE IN CDM</b> .....	25
2.2. <b>ADMINISTRATIVE GOVERNANCE</b> .....	27
INTERGOVERNMENTAL RELATIONS .....	28
2.3. <b>INTERGOVERNMENTAL RELATIONS</b> .....	28
COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION.....	30
2.4. <b>COMMUNITY/PUBLIC PARTICIPATION</b> .....	30
2.5. <b>COMMUNICATION</b> .....	30
2.6. <b>PUBLIC PARTICIPATION PROGRAMMES</b> .....	30
2.7. <b>WARD COMMITTEES</b> .....	30
2.8. <b>IDP PARTICIPATION AND ALIGNMENT</b> .....	31

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COMPONENT D: CORPORATE GOVERNANCE .....	31
<b>2.9. RISK MANAGEMENT</b> .....	31
<b>2.10. ANTI-CORRUPTION AND FRAUD</b> .....	31
<b>2.11. INTERNAL AUDIT</b> .....	32
<b>2.12. SUPPLY CHAIN MANAGEMENT</b> .....	32
<b>2.13. WEBSITES</b> .....	33
<b>2.14. PUBLIC SATISFACTION ON MUNICIPAL SERVICES</b> .....	34
<b>CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)</b> .....	35
KPA1: infrastructure development and Basic Service Delivery .....	35
KPA2: Institutional transformation.....	35
KPA3: Local Economic Development:.....	36
KPA4: Municipal Financial Viability and Management:.....	36
KPA5: Good Governance and Public Participation:.....	36
kpa 6. spatial rationale.....	37
KPA: Cross-Cutting: Sector Support and outreach programmes:.....	38
COMPONENT A: BASIC SERVICES .....	38
<b>3.1. WATER PROVISION</b> .....	39
<b>3.2. WASTE WATER (SANITATION) PROVISION</b> .....	39
<b>3.3. ELECTRICITY</b> .....	41
COMPONENT B: ROAD TRANSPORT.....	43
<b>3.4. ROADS</b> .....	43
<b>3.5. TRANSPORT (INCLUDING VEHICLE LICENSING &amp; PUBLIC BUS OPERATION)</b> 45	
<b>3.6. WASTE WATER (STORMWATER DRAINAGE)</b> .....	49
COMPONENT C: PLANNING AND DEVELOPMENT .....	49
<b>3.7. PLANNING</b> .....	49
<b>3.8. LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)</b> .....	52
COMPONENT D: COMMUNITY & SOCIAL SERVICES .....	55

3.9. LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC) .....	56
3.10. CEMETORIES AND CREMATORIUMS .....	56
3.11. Child Care; Aged Care; Social Programmes.....	56
COMPONENT E: ENVIRONMENTAL PROTECTION .....	57
3.12. BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION) .....	59
COMPONENT F: HEALTH.....	59
<b>3.13. CLINICS</b> .....	59
<b>3.14. AMBULANCE SERVICES</b> .....	59
<b>3.15. HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC</b> 59	
COMPONENT G: SECURITY AND SAFETY .....	60
<b>3.16. POLICE</b> .....	60
<b>3.17. FIRE</b> .....	60
<b>3.18. OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)</b> .....	63
COMPONENT H: SPORT AND RECREATION .....	68
<b>3.19. SPORT AND RECREATION</b> .....	68
COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES .....	68
<b>3.20. EXECUTIVE AND COUNCIL</b> .....	69
3.21. FINANCIAL SERVICES.....	70
3.22. HUMAN RESOURCE SERVICES.....	72
3.23. INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES .....	74
<b>3.24. PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES</b> 76	
<b>CHAPTER 4: Departmental SERVICE DELIVERY REPORT</b> .....	78
<b>CHAPTER 5 – ORGANISATIONAL DEVELOPMENT PERFORMANCE</b> .....	278
, Turnover And Vacancies.....	278
COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE.....	280

<b>5.1. Policies</b> .....	280
<b>5.2. Performance Rewards</b> .....	282
COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE.....	283
<b>5.4. EMPLOYEE EXPENDITURE</b> .....	284
<b>CHAPTER 6 – FINANCIAL PERFORMANCE</b> .....	285
COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE.....	285
<b>6.1. AG Report of the Auditor-General</b> to the Limpopo Provincial Legislature and the Council of the Capricornicity.....	285
Report on the financial statements.....	285
Introduction.....	285
Accounting officer’s responsibility for the financial statements.....	286
Auditor-general’s responsibility .....	286
Opinion.....	286
Emphasis of matters .....	286
Restatement of corresponding figures.....	287
Material underspending of the budget and conditional grants.....	287
Additional matter .....	287
Unaudited supplementary schedules .....	287
Unaudited disclosure notes.....	287
Report on other legal and regulatory requirements .....	287
Predetermined objectives.....	287
<a href="#">Compliance with laws and regulations</a> .....	289
<a href="#">Internal control</a> .....	290
<b>6.2. ANNUAL FINANCIAL STATEMENTS</b> .....	291
<b>6.3. REPORT OF THE AUDIT COMMITTEE</b> .....	354
<b>6.4. CONCLUSION</b> .....	356

## ACRONYMS

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ABET	: Adult Basic Education Training
ABSA	: Amalgamated Banks of South Africa
AFS	: Annual Financial Statements
AP	: Aerial Photograph
BBBEE	: Broad Based Black Economic Development
CAPEX	: Capital Expenditure
CBO	: Community Based Organization
CBP	: Community Based Planning
CDM	: Capricorn District Municipality
CDW	: Community Development Workers
CETA	: Construction Education and Training Agent
CFO	: Chief Financial Officer
CGE	: Commission on Gender Equality
CIDB	: Construction Information Database
CLLR	: Councilor
CPTR	: Current Public Transport Record
CRR	: Capital Replacement Reserve
CSR	: Corporate Social Responsibility
DAC	: District Aids Council
DALA	: Department of Agriculture and Land Administration
DBSA	: Development Bank of South Africa
DC35	: Capricorn District Municipality
DEAT	: Department of Environmental Affairs and Tourism
DHSD	: Department of Health and Social Development
DPLG	: Department of Provincial and local Government
DSAC	: Department of Sport, Arts and Culture
DWAF	: Department of Water Affairs and Forestry
ECT	: Electronic Communication Transaction
EEP	: Employment Equity Plan
EM	: Executive Mayor
EPWP	: Expanded Public Works Programme
FBW	: Free Basic Water
GAAP	: Generally Accepted Account Practices
GAMAP	: Generally Accepted Municipal Accounting Practices
GDP	: Gross Domestic Product
GDS	: Growth and Development Summit
GGP	: Gross Geographical Product
GIS	: Geographical Information System
GRAP	: Generally Recognized Accounting Practices
HR	: Human Resource
HRD	: Human Resource Development
ICT	: Information Communication Training
IDP	: Integrated Development Plan
IDT	: Independent Development Trust
IGR	: Inter-Governmental Relations
IMATU	: Independent Municipal Allied Trade Union

ISDF	: integrated Spatial Development Framework
ITP	: integrated Transport Plan
IWMP	: Integrated Waste Management Plan
KPA	: Key Performance Area
KPI	: Key Performance Indicator
LAC	: Local Aids Council
LED	: Local Economic Development
LGSETA	: Local Government Sector Education Training Authority
LIBSA	: Limpopo Business Support Agency
LLF	: Local Labor Forum
LM	: Local Municipality
MFMA	: Municipal Finance Management Act
MHS	: Municipal Health System
MIG	: Municipal Infrastructure Grant
MM	: Municipal Manager
MMC	: Member of Mayoral Committee
MOU	: Memorandum of understanding
MRM	: Moral Regeneration Movement
MSA	: Municipal Systems Act
MSP	: Master System Plan
NEMA	: National Environmental Management Act
NER	: National Electricity Regulator
NGO	: Non-Governmental Organization
NMT	: Non Motorized Transport
NPI	: National Productivity Institute
NRA	: National Road Agency
NSDP	: National Spatial Development Perspective
OD	: Organisational Development
OPEX	: Operational Expenditure
PGDS	: Provincial Growth Development Strategy
PMS	: Performance Management Systems
RDP	: Reconstruction Development Programme
RSC	: Regional Services Council
S&LP	: Social and Labour Plans
SALGA	: South African Local Government Association
SAMAG	: South African Men Action Group
SAMWU	: South African Mine Workers Union
SAPS	: South Africa Police Services
SAYC	: South African Youth Commission
SCM	: Supply Chain Management
SDBIP	: Service Delivery and Budget Implementation plan
SMME	: Small Micro Medium Enterprise
TDM	: Transport Demand Management
VIP	: Ventilated Improved Pits
WSA	: Water Services Authority
WSDP	: Water Services Development Plan
WSF	: Water Sorting Facility
WSP	: Water Services Provider

## CHAPTER 1: INTRODUCTION

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### COMPONENT A: MAYOR`S FOREWORD

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The end of each financial year is the perfect time for reflecting on all aspects of development. This report is presented at a time when the Capricorn District Municipality has already entered the financial year 2014/15 with new plans and the will continue delivering on the mandate of meeting the core aspirations of the people in pursuit for a better life.

Significant progress has been made in addressing challenges facing our district. As the Executive Mayor of the district; I am pleased with monumental strides that have been made to address service delivery backlogs. It is imperative for me to indicate that this progress would not have been achieved without the support of various sector departments, state agencies, private partners, civil society stakeholders and most importantly our communities.

The presentation of this annual report is an exciting benchmark that reflects systematically on the progress of our District. This annual report is our key public document through which transparency and accountability are achieved. In it we lay bare our actual performance against our predetermined objectives. In doing so, role players and our communities are enabled to assess our institution's success and to see whether we are achieving our Constitutional and legislative mandates as part of developmental local government.

To our stakeholders and communities, let's reiterate the fact that we are a people centred municipality and we have created platforms that are aimed at strengthening our relations with them. We have held a series of Council Outreaches, Public participation, IGR forums, and other crucial meetings that were aimed at maintaining a continuous process of engagements between government and citizenry through which accountability was maintained and communities were asserted as co-creators of solutions to the broader district socio-economic challenges.

We remain committed to the economic growth, infrastructure development. A lot has been achieved towards bettering the lives of the majority of our communities since the introduction of the democratic local government system in 1995, but much still needs to be done. It is against this background that our vision that says "*the home of excellence and opportunities for a better life*" is still relevant as it was during its adoption.

This annual report will also be paramount, as it will highlight significant progress that has been made, as we are all aware that as the country we are celebrating 20 years of democracy in 2014. The celebrations should be an opportunity for the people of the district to reflect and measure the impact that we have collectively made in improving livelihoods of our communities. As we reflect on this annual report, let's also be mindful of more work that still lies ahead, as the third decade of our democracy will require acceleration of new approaches in line with the National Development Plan (NDP).

As we step into the new financial year, we must collectively move with speed in transforming our plans as contained in the Integrated Development Plan (IDP) into tangible deliverables that will contribute immensely in addressing service delivery backlogs. We have put together various



strategies in place, as part of our concerted effort to achieve clean audit opinion; these measures will go a long way in our approaches of attaining clean administration. Let me take this opportunity to thank our stakeholders and communities for their contribution into the development of this district.

In conclusion, let me thank all the employees of the district municipality who have continued to provide valuable services to our communities.

Re Šoma Le Setšhaba

**Executive Mayor - Cllr Gilbert Kganyago**

## **MUNICIPAL MANAGER'S OVERVIEW**

The year under review has seen a greater degree of professionalism and the strengthening of our administrative impetus. We also have improved a lot when it comes to financial management of the institution more especially around Supply Chain Management.

Undoubtedly, Capricorn District Municipality, continues to make strides in turning around not only the performance of the institution, but also its control environment, which will ultimately contribute towards better improvement of our financial and human resource systems. The commitment shown by both the Political and Administrative leadership, in ensuring that we achieve the clean administration will take the institution to higher level. Capricorn District Municipality, is undoubtedly on the road to recovery despite the numerous legacy challenges facing the municipality.

During the year under review, 2013/14 financial year, the Capricorn District Municipality (CDM) remained a paragon of service delivery and excellence. As an affirmation of exemplary sustained performance, Council has inter alia, between 2012/13 and 2013/14 financial years the CDM made significant financial commitments in terms of infrastructure development.

What will make the turn-around of this municipality to be a success is the commitment that has been made by the new leadership of the municipality as a collective, as well as the positive attitude and the acknowledgement of our weakness in order for us to be assisted where possible, in coming up with realistic and achievable strategies and mechanisms to overcome those challenges.

As a municipality, we are mindful of our target for a clean audit and for certain we will not leave that to chance and indeed we will work tirelessly to achieve that target before it is due. We also acknowledge that we are a government in our own right, and that through the spirit of cooperative government we will continue to work very closely with the other spheres of government in particular, the Provincial Departments and National Treasury and organs of state such as the Auditor General's office, to name but a few, in order for us to achieve our desired objectives.

Our approach and commitment to effective service delivery is premised in our understanding of the new development trajectory as encapsulated in the 2014 vision and objectives of government at all levels, that is, to grow the economy; tackle poverty and unemployment; and promote social inclusion. In so doing we are focused and decisive. We continuously weigh trade - offs and make our choices aimed at achieving the said vision and objectives of government.

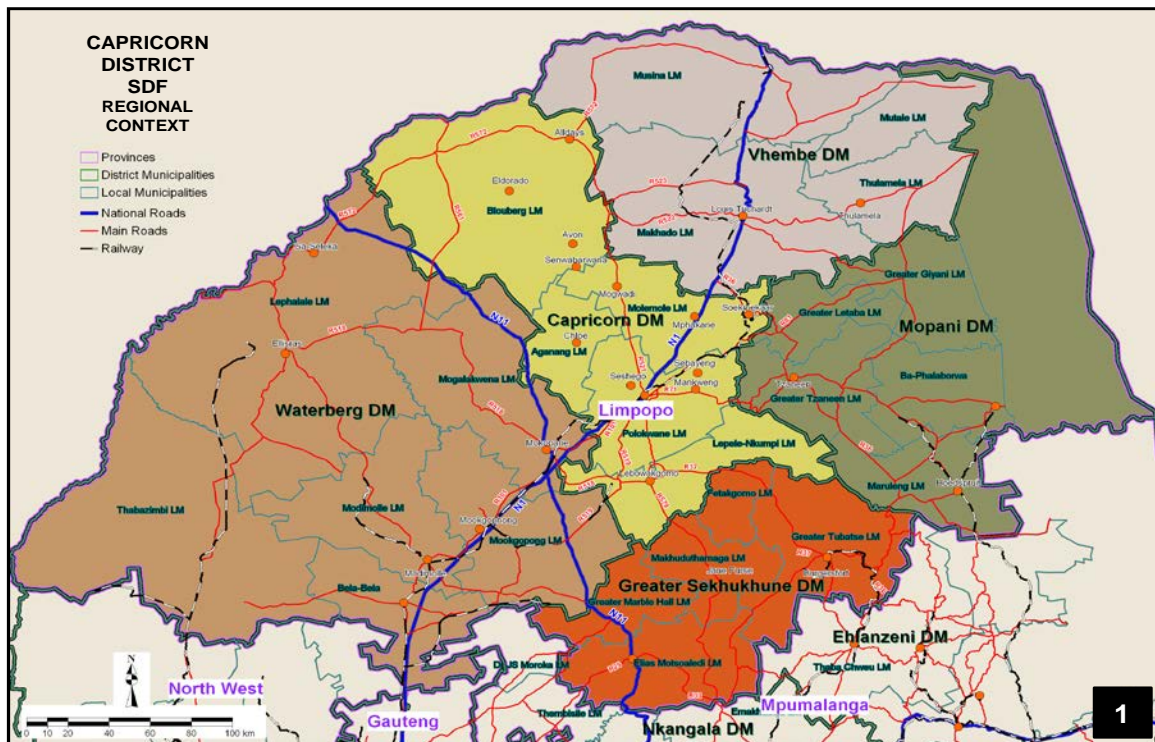
Overall, the performance of the municipality has improved remarkably and for certain the environment that prevails is conducive to good working order and for that reason there can never be any reasons for failure.

Re Šoma Le Setšhaba  
**Municipal Manager - Ngoako Molokomme**

## COMPONENT C: MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### 1.1. GEOGRAPHICAL LOCATION OF CDM

Capricorn District Municipality (DC35) is situated in the centre of the Limpopo Province, sharing its borders with four district municipalities namely; Mopani (east), Sekhukhune (south), Vhembe (north) and Waterberg (west). The district is situated at the core of economic development in the Limpopo Province and includes the capital of the province, the City of Polokwane. One national and various major provincial roads pass through the district municipal area, i.e. the N1 - National Road from Gauteng to Zimbabwe and the rest of Africa, the P33/1 (R37) from Polokwane to Burgersfort/Lydenburg, the P94/1 (R521) from Polokwane to Alldays and Botswana and the P17/1 (R71) from Polokwane to Tzaneen and Phalaborwa.



The District Municipality covers an area of about 2 180 530ha which constitutes 12% of the total surface area of the Limpopo Province. The figure below indicates five local municipalities with their relative coverage area within CDM. Bloubaai Local Municipality has the largest proportion of around 43% (927,270ha) followed by Polokwane Local Municipality, and the least being Aganang Local Municipality which contribute 9% (190,798ha).

### Population Distribution by District Municipality

According to Census 2011, half of the population of the CDM resides in the Polokwane Municipality, followed by Lepelle-Nkumpi, Blouberg and Aganang with 18%, 13% and 10% respectively, while Molemole Local Municipality accounts for 9% of the population of the district.

### Demographics

Municipality	Total Population				
	1996	2001	% change	2011	% change
Aganang	146 335	146 872	0.1%	131 164	-1.1%
Blouberg	158 751	171 721	1.6%	162 629	-0.5%
Lepelle-Nkumpi	234 926	227 970	-0.6%	230 350	0.1%
Molemole	107 635	109 441	0.3%	108 321	- 0.1%
Polokwane	424 835	508 277	3.6%	628 999	2.1%
<b>Capricorn</b>	<b>1 072 484</b>	<b>1 164 281</b>	<b>1.6%</b>	<b>1 261 463</b>	<b>0.8%</b>

According to Census 2011, the total population of the CDM is **1,261,463 persons**. A majority of the residents of the CDM are Black Africans who constitute about 96% of the population. The population distribution per local municipality is shown in table below.

### Population Distribution by Race

#### Population by local municipality and population group

Indicator	Blouberg	Aganang	Molemole	Polokwane	Lepelle-Nkumpi	CDM
<b>Population</b>	162,629	131,164	108,321	628,999	230,350	1,261,463
<b>Black Africans</b>	99.2	99.8	98.6	93.1	99.7	96.3
<b>Others</b>	0.8	0.2	1.4	6.9	0.3	3.7

*Source: Stats S.A Census, 2011*

### Population Distribution by Age

As reflected in figure 7 below, the population of CDM is characterized by more females than males. The population is concentrated between the age groups of 0 to 34, which represents a very youthful population. Also of significance is that the old age group is highly dominated by females.

Years	1996	2001	2011
0-14	454 536	456 626	423 301
15-64	547 797	637 910	755 220
65+	59 584	69 744	82 942
<b>Total</b>	<b>1 061 917</b>	<b>1 164 280</b>	<b>1 261 463</b>

*Source: Census, 2011*

## **Population growth**

Although the population of the district is growing, the rate of growth is declining. For example in 2006, the population was growing at 1% per annum. However, in 2007 and 2008 the rate dropped and remained at 0.9% year on year. The reasons for this decline are unknown, but could be due to:

- outward migration being higher than inbound,
- death rate being higher than births,
- lowered fertility in the population

In the year 2030 the population of CDM would be close to 1.5 million, if we assume a linear growth of the population at an average of 1% for the next 17 years (2013 – 2030). The population will have grown by about 215,000 people;  $(P_i + (P_i \times 17 \times 1) / 100)$ ; where  $P_i$  is the initial population, and 17 is time in years and 1 is the assumed rate of population growth.

The age groups of 0-14 years (children) and 15-35 years (youth) are two important age groups for the 2030 Growth and Development Strategy. The percentage of the population that is aged between 0 and 14 years currently is almost 34%. This group represents the next generation of economic drivers, entrepreneurs, workers and managers of various industries in the District; the 15–35 groups will be at the tail end of their careers, representing captains and leaders of the economy.

These estimated population figures are shown in table below; these figures are based on the assumption that the population growth is constant at 1% and therefore the growth of the population over the whole period is linear.

## **Aganang Local Municipality**

Aganang Local Municipality is situated 45 kilometres west of Polokwane. Aganang area is predominantly rural, and has four Traditional Authorities namely Moletji, Matlala, Maraba and Mashashane. It is the fourth densely populated municipality within Capricorn District and has a population of 131 164 and total of 33 918 households (Stats S.A Census 2011).

Aganang Municipality is purely rural and has no township. However, its Spatial Development Framework shows potential in two sectors i.e. Agriculture and Tourism, which further identifies nodal points i.e. Rampuru-Ceres, Mashashane, Madietane, Kalkspruit and Tibane.

## **Blouberg Local Municipality**

Blouberg Local Municipality is situated towards the far northern part of the Capricorn District, bordered by Aganang on the south, Molemole on the south-west, Makhado on the north-east, Lephalale on the north-west, with Mogalakwena on the south-west and Musina on the north. The municipality has five Traditional Authorities namely Maleboho, Makgato, Seakamela, Kibi, and Mamadi. It is the third densely populated municipality within Capricorn District and has a population of 162 629 and total of 35 598 households.

The major economic sectors or sources are Agriculture, Mining and Tourism. There are mining prospects at Dalmy, Windhoek-Papegaai, Silvermyn platinum prospects and Towerfontein gold to complement Venetia mine. In terms of tourism the municipality houses one of the six kings in the province i.e. King Maleboho, Blouberg nature reserves and Mapungubwe heritage sites. The municipality's proximity to Lephalale, Botswana and Zimbabwe and three border posts i.e. Platjan, Zanzibar and Groblersbrug also serves to boost the local economy.

Blouberg Local Municipality experiences challenges in the area of high level of unemployment, high illiteracy rate. Most areas are not suitable for development. There is huge infrastructure backlog in terms water, roads, sanitation, education, health and recreational facilities.

### **Lepelle-Nkumpi Local Municipality**

Lepelle-Nkumpi local municipality is located in the southern part of Capricorn District. The municipality is pre-dominantly rural with approximately 95% of its land falls under the jurisdiction of Traditional Authorities. The municipality has six Traditional Authorities namely Mathabatha, Seloane, Ledwaba, Moletlane, Mphahlele, and Mafefe. It is the second densely populated municipality within Capricorn District and has a population of 230 350 and total of 59 682 households.

Lepelle-Nkumpi Local Municipality is still faced with the following key challenges, most of which are not a peculiarity,

- High infrastructure development backlog
- Land un-availability due to tribal ownership and spatial reconstruction
- Infrastructure management and maintenance systems
- Environmental management
- By-laws enforcement
- Low Revenue Base

However, regardless of these challenges the municipality has registered the following achievements, among others; which improve the quality of living through livelihood and economic development.

Water services provision agency status from the district

- Expansion of household refuse removal to rural areas
- Improved collection rate of billed revenue
- Introduction of four new mining developments
- High sports activity among young people, with one professional soccer club and high pitched softball clubs in the Provincial league that outnumber all municipalities in the Province combined
- Completion of infrastructure projects on time and with high quality in terms of standards of engineering, especially roads and storm water control

### **Molemole Local Municipality**

Molemole Municipality is located within the Capricorn District Municipality about 60km north of Polokwane. The municipality is bordered to the south by Polokwane Municipality, to the North West by Blouberg Municipality, to the south east by greater Letaba Municipality and to the north by Makhado Municipality. One national road, the N1 crosses through the municipal area linking Molemole with Zimbabwe to the north. The provincial road P94/1 (R521) passes through the municipality and links Molemole to Botswana to the west.

The municipality has four Traditional Authorities namely Manthata, Makgato, Ramokgopha, and Machaka. It is the fifth densely populated municipality within Capricorn District and has a population of 108 321 and total of 30 043 households as reported in the Stats SA Census 2011.

Molemole municipality is predominantly rural and characterised by high level of poverty and inequalities. A large part of Molemole's economy depends on agricultural development. The municipality produces the finest potatoes and tomatoes for the export markets. However the

agricultural sector has contracted significantly, resulting in many crop commercial farmers opting for game farming. Those employed are predominantly employed in government and community service sectors, followed by those working for a household, then retail and trade, followed by construction and then agriculture. The majority of households derive their income from social grants, public sector and informal sector.

Molemole municipality is the second largest economy, after Polokwane municipality, in the Capricorn District municipality. The development of the LED strategy is complete and the Housing Chapter is still a draft. The existence of the LED forum is also an advantage to the municipality.

### **Polokwane Local Municipality**

Polokwane Municipality covers a surface area of 379,300ha and accounts for 17% of the district's total surface area. In terms of its physical composition Polokwane Municipality is 23% urbanized and 71% still rural. The remaining area (6%) comprises small holdings and institutional, industrial and recreational land. The municipality is the first densely populated municipality within Capricorn District. In 2011 the population size stood at 628 999 and depicts a slight decrease of the population growth by 2.1%.

In comparison with other municipalities within Capricorn District, Polokwane population over the three census periods has increased while there has been a decrease of the population growth in other municipalities with exception of Lepelle-Nkumpi. total of 178 001households.

The steady growth in population size is attributed to the spatial pattern of economic activity within the Capricorn District whereby Polokwane Municipality finds itself as the economic hub of both the District and the Province

There is a definite opportunity for Polokwane to become the logistics hub and freight interchange within the region also given its proximity to the neighbouring countries of Botswana, Zimbabwe, Mozambique and Swaziland. Three of the four Spatial Development Initiatives pass through Polokwane which reiterates the City's strategic location and its importance as far as the economy of the Province is concerned. The Population growth in Polokwane has been significant.

The municipality is currently experiencing rapid population growth and service backlogs which will hinder to meet the millennium development goals and government targets of 2014. These issues require the municipality to develop strategies that promote integrated human settlements and build robust local economy that consider seriously sustainable development principles and empower communities to get involved in municipal activities.

### **Spatial Density**

The CDM covers an area of approximately 2 180 530ha. The municipal area consists mainly of commercial farms, game farming, etc. and only approximately 4.24% of the total area is used for settlement purposes (i.e. towns and villages). Approximately 30.53% of all the settlements (i.e. towns and villages) in the CDM area are located within Polokwane Local Municipality. Approximately 20% of all the larger settlements with 5 000 people and more are also located within this local municipal area. All 5 local municipal areas have a large number of small villages, i.e. villages with less than 1 000 people. These low population densities have serious implications to improve the levels of service provision to communities, as the cost associated with respect to the provision of service infrastructure is very high.

## Land Development and Land Use Management

The SDF integrate and coordinate on a broader level spatial information which includes the five local municipalities and LUMS on the other hand deals with the detailed administration of land development and land use change. The four local municipalities have developed and promulgated the Land Use Management Scheme for their area of jurisdiction whereas Polokwane LM only has a Town Planning Scheme for Polokwane and Seshego. These schemes assist to guide development and land control management. The implementation of the LUMS is still a challenge as majority of the settlements in the district are not formalised therefore, a phased approach will be used in order to address the challenge.

Land development and land use management is hindered by the applicability of different types of legislation to different areas and towns/settlements/villages in the CDM area and the reluctance by Traditional Authorities to release land for development. There are four main types of land tenure in CDM that can be divided into Commercial Land (owned by banks, churches etc.), Government Land, Tribal Land; and Private Land. Tribal authorities are managing a small portion of the municipal land and other portions of land held in trust for the tribal authority although owned by the government. A large part of land is owned by the Government or held in trust for a specific community followed by private individuals or institutions. Most of the privately owned land in the municipality is utilized for agricultural purposes that have a positive economic effect in the municipality.

Spatial Land Use Management Act has been enacted by the President which requires Municipalities to establish Municipal Tribunals and development of land use municipal skills, processes are already underway. Spatial development framework was developed and approved by council . Municipal Integrated Development Plan was rated high in the MEC Integrated Development Plan Assessment

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## 1.2. SERVICE DELIVERY OVERVIEW

The district municipality is still faced with huge backlogs in water and sanitation. Some of the highlights and challenges of service delivery include the following:

Major challenges	Interventions
	<b>Water</b>
Inadequate bulk water supply and funding	<ul style="list-style-type: none"> <li>• Provide water infrastructure to Reconstruction and Develop Programme (RDP) level of service.</li> <li>• Provide water infrastructure to metered yard connection to enable water conservation and demand management.</li> <li>• DWA funding finalization of feasibility studies and designs.</li> </ul>
Over-reliance on boreholes	Drilling of additional boreholes. Provision of water tanker services to communities.
Inadequate planning budget	Planning budget to be sourced from Equitable share



Unauthorised connections	Enforcement of by-laws by relevant department in CDM. Provision of infrastructure development to metered yard connections where possible.
Ageing infrastructure	Functional assessment study completed by O&M and the outcome of the study to assist in developing program for replacement of the infrastructure.
Dysfunctional completed projects	Project Management Unit (PMU) established to monitor and quality assure the implementation of infrastructure projects.
Borehole Disinfection: replacement of refills	<ul style="list-style-type: none"> <li>• Installation of online disinfection units: <ul style="list-style-type: none"> <li>✓ Boreholes</li> <li>✓ Reservoirs</li> </ul> </li> <li>• Use of reservoir floaters.</li> </ul>
Overloaded wastewater works, poor effluent quality discharged into the environment	Upgrading of all WWTW.
Limited Funding/Budgeting (O & M)	Mobilise more budget from equitable funds.
Reactive Maintenance (Crisis Management)	Appointed term contractors to respond to challenges at local municipalities.
<b>Sanitation</b>	
Sanitation backlog requires a huge amount of money to clear off	Provided honey suckers to locals for areas where they still use substandard methods like pit latrine
Scarcity of natural water resources, a pre-condition for rolling out waterborne sanitation and expanding the reticulated water networks	Focus on resolving how to optimize existing natural resources and engage with competing water users
<b>Energy</b>	
A section of the people still relies on firewood for cooking and heating due to electricity costs.	Implementing grid and solar energy infrastructure in areas where there is none
Cutting of trees for energy provision leads to deforestation and soil erosion	District to explore alternative sources of energy and the implementation of the energy saving strategy

### 1.3. FINANCIAL HEALTH OVERVIEW

Financial viability is about being able to generate sufficient income to meet operating and capital payments and where applicable, to allow growth while maintaining service levels. The focus of the financial viability assessment was on the audited financial statements for the previous financial year, that is, 2013/2014.

The unlocking of the financial management systems distinguished us from the rest as it enables us to review our compliance process and procedures in line with the Municipal Financial Management Act (MFMA). The systems enable tighter control on process, extensive protection of financial resources to ensure that the service to be acquired is value adding. This enables us to explore in confidence our alternative revenue strategy and to embark upon various activities

of unlocking the revenue potential of the district, in particular the functional areas like water services for sustainability in the district. The following has been executed:

- The District is providing intensive financial support to Local Municipalities. The audit opinions of the three Local Municipalities have improved from disclaimer to qualified Aganang, Blouberg and Molemole respectively.
- The District has developed a program to capacitate Lepelle Nkumpi Local Municipality on water revenue enhancement and to date improvement have been noted, the Debt Collection and Credit Control Policy is being implemented and as such revenue collection has increased to 15% as compared to prior financial years which was below 10%.
- The District financial processes were given an overall B rating by the National Treasury, which indicate that the Municipality is financially healthy.
- The audit opinion of the Municipality remained qualified

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#### **1.4. ORGANISATIONAL DEVELOPMENT OVERVIEW**

Human Resource Management is central to the strategic thrust of the District. It is geared to achieve optimal outcomes and impact on Service Delivery. The function is organized and discharged through the following units; HR Provisioning and Maintenance, Training and Organizational Development, Labor Relations and Payroll management.

- Provisioning and Maintenance is responsible for implementation of the organizational structure through recruitment, both internally and externally.
- Payroll ensures that salaries are paid timeously and in accordance to legislative requirements.
- Labour Relations manages and ensures sound labour practices..
- Performance Management for improved individual Performance Management
- Organizational Development for organizational renewal
- Training and Organizational Development coordinates training programmes in an integrated approach for both employees and councilors.

The Human Resource Management (HRM) is further strengthened through various Committees in line with Good Governance.

- Training Committee
- Work Place Forum (Local Labour Forum)
- Employment Equity Committee
- Health & Safety Committee
- Remuneration Committee

##### **A. External Bursary Programme**

As part of the partnership that the municipality has established with the Capricorn Further Education and Training (FET) College, Seventeen (17) young people were awarded bursaries to pursue courses in Civil Engineering at the Capricorn FET College.

## B. Internal Employee bursary programme

Forty Six (46) employees were awarded bursaries to pursue studies at various institutions of higher learning for the 2013/2014 financial year

## C. Internships and Learnerships

The learnership and internship programmes which were launched in the municipality as a Partnership with Crimsson formerly known as Lulu Gwagwa Development Consultants in association with Lepelle Northern Water is still continuing. In 2012/13 the municipality was able to complete a learnership in Water Treatment and an artisanship programme in Mechanical and Electrical. 9 young people were recruited for the Artisan Programme and 34 for the learnership. As part of this programme, 19 interns were able to finish their in service training after being placed in different departments in the municipality.

Furthermore there were other internships that were facilitated by the municipality in the areas of finance and transport. In these internships two youth were placed in transport and 5 interns are part of the Financial Management Grant (FMG) Internship programme. The interns on the FMG programme are on a three year contract.

## D. Employee Wellness Program

The municipality continues to provide Employee Wellness Services to all employees who require such service. Reports were compiled according to individual cases and follow ups were done for each case

## E. Individual performance management

The Performance Management Unit has processed and paid performance rewards for the 2013/2014 financial year.

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## 1.5. PERSONNEL PROVISIONING

- a) **Recruitment and retention of employees** – 41 positions have been filled in the year under review, 06 positions in Community Services, 05 in Strategic Support Services, 15 positions in Finance department, 06 positions in Corporate Services Department, 08 position in Infrastructure Services and 01 in Development Planning and Environmental Management Services
- b) An **Employment Equity** report was developed and submitted to the Department of labour in line with the requirements of the Employment Equity Act.

<b>EMPLOYMENT EQUITY ALL EMPLOYEES</b>	
Female	199
Male	330
<b>Grand Total</b>	<b>529</b>

c) **Gender representatives** in respect of departments is represented hereunder:

Department	Female	Male	Total
Community Services	52	61	113
Corporate Services	22	18	40
Development Planning & Environmental Management Services	8	6	14
Financial Management Services	19	6	25
Infrastructure Services	72	219	291
Strategic Support Services	26	20	46
<b>Grand Total</b>	<b>199</b>	<b>330</b>	<b>529</b>

d) **Disability** profile for the whole organization is represented hereunder.

Number of total employees = 529  
 Number of people with disability = 6  
 Percentage = 1.14%

e) **Equity Status** at managerial level as at end 2012/2013 Financial year.

Occupation Category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
0-3	19	0	1	1	10	0	0	1	32
Percentage	59.4%	0	3.1%	3.1%	31.2%	0	0	3.1%	97.5%

f) **Occupational Health and Safety** – Occupational Health and Safety committees were established. The municipality has complied with the Collective Agreement by ensuring that legislated Committees that deal with human resources are established and active.

g) **Human Resources Development** - On annual basis, municipalities are expected to compile and submit to the Local Government SETA a Workplace Skills Plan (WSP) and the Annual Training Report (ATR) by the end of each financial year.

h) **Workplace Skills Plan (WSP)** and the **Annual Training Report (ATR)** were developed and submitted to the Local Government SETA by the 30<sup>th</sup> of April 2014.

i) **Leave Management**  
**Employees:**

- Personal leave files were opened for all employees including transferred employees.
- Approved leave applications were captured weekly on SAP and for transferred employees on Excel.

j) **SAP System:**

- SAP Consultants from EPI – Use were appointed to address the leave management challenges that we experienced.

- The system configurations were done and we are currently able to deduct leave taken from either annual leave quarter or accumulated leave quota, which was not possible before.
- The 50/50 study leave quota was created in line with the policy.
- The long service leave quota was created for recognition of long service and compensation. The system automatically credits the employee when they reach the service period, we no longer have to use the employee's annual days for this compensation like we did previously.
- The system allowed 6 months after the leave cycle for an employee to use the remaining leave days and they will be kept as unused leave days and they will also reflect on the payslips.

**k) Labour Relations**

- CDM had a good relationship with the Unions and issues of Labour forums were attended to
- We have never faces any internal strike in the institution
- There is labour involvement in issue of the management

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**1.6. AUDITOR GENERAL REPORT**

*To be Submitted when financial statements have been submitted by AG*

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**1.7. AUDIT COMMITTEE REPORT**

*To be Submitted when Audit Committee report is submitted with financial statements*

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**1.8. STATUTORY ANNUAL REPORT PROCESS**

<b>Activity</b>	<b>Date</b>	<b>Responsibilities</b>
Approval of draft IDP & Budget Process plan	30 July 2014	Executive Mayor/Council
Tabling and approval of the Annual Performance Report by Council	29 August 2014	Municipal Manager /Council
1 <sup>st</sup> IDP Rep Forum (to present IDP/Budget Process Plan)	20 August 2014	Municipal Manager
Tabling Budget policy framework	30 September 2014	Municipal Manager/ CFO
Submission of 1 <sup>st</sup> quarter performance report to council for noting	30 October 2014	Municipal Manager/Council
Departmental Strategic Planning Sessions (review status quo, analysis, strategies and projects)	11-26 November 2014	All Departments
2013/14 Draft Annual Report	12 December 2014	Mayoral Committee/Council
Public hearings on 2013/14 Annual Report	January- February 2015	Municipal Manager /Council
Submission by departments for budget adjustment, 2015/2016 draft projects and MTREF budget plans	15 January 2015	All Departments/Executive Managers

First 2015/16 MTREF Draft IDP/Budget	20 January 2015	Budget Committee
Consideration of budget adjustment	23 January 2015	Mayoral Committee
Tabling and approval of the Draft Annual Report, Mid-year performance report, Policy review process plan and SDBIP process plan to Mayoral Committee and Council	30 January 2015	Mayoral Committee/ Council
Review of 2014/15 Organizational Performance on IDP and Budget	January 2015	Management/Municipal Manager
Submission of reviewed 2014/15 SDBIP aligned to budget adjustment to Council for noting	30 January 2015	Executive Mayor/ Council
Review of budgets related policies	January-March 2015	All Departments
2 <sup>nd</sup> IDP Rep Forum (IDP Status Quo Report and 2 <sup>nd</sup> Quarter Report)	25 February 2015	Executive Mayor
Management Strategic Planning Sessions(Review strategies and projects and 1 <sup>st</sup> Quarter report)	10-11 February 2015	Management Team
Draft IDP, Budget and budget related policies presented to portfolio committees	March 2015	Executive Managers
Consideration of draft budget.	17 March 2015	Budget Committee
IDP/Budget engagement with Councilors (1 <sup>st</sup> Draft)	19 March 2015	Municipal Manager/Council
Tabling of Draft Budget/IDP and budget related policies to Mayoral Committee	24 March 2015	Municipal Manager/CFO
Tabling of 1 <sup>st</sup> Draft IDP and budget related policies to Council	30 March 2015	Executive Mayor/Council
Tabling of 13/14 Annual Report	30 March 2015	Executive Mayor/Council
IDP/Budget Public Consultations	13-16 April 2015	Speaker's Office, Councilors, Budget Committee , Management , relevant officials and stakeholders
3 <sup>rd</sup> IDP Rep Forum (Draft IDP/Budget and 3 <sup>rd</sup> Quarter report)	22 April 2015	Executive Mayor
Organisational Strategic Planning Session ( finalize the Budget after inputs from public consultation)	30 April 2015	Executive Management/Mayoral Committee
Final draft IDP/Budget engagement with councilors	14 May 2015	Executive Mayor/Municipal Manager
Tabling of Final 2015/16 Reviewed IDP/budget, draft SDBIP, and draft performance agreements.	26 May 2015	Executive Mayor/Council
Submission of approved IDP/Budget to MEC for Cooperative Governance, Human Settlement and Traditional Affairs and to National and Provincial Treasury	05 June 2015	Municipal Manager
Publish and distribute approved IDP/Budget	11 June 2015	Municipal Manager and CFO

Approval and submission of Final 2015/16 SDBIP	28 June 2015	Executive Mayor
Submission of draft performance agreements to the Executive Mayor	30 June 2015	Municipal Manager
Submission of final performance agreements to the Executive Mayor	15 July 2015	Municipal Manager

## **CHAPTER 2 – GOVERNANCE**

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CDM is a Category C municipality that has both the executive and legislative authority in an area that includes more than one municipality.

The division of powers and functions between the district municipalities and local municipalities were adjusted by the MEC for Local Government and Housing in terms of Sections 16 and 85 of the Municipal Structures Act, 1998. The following district municipal powers and functions were transferred to local municipalities:

- Solid waste disposal;
- Municipal roads which form an integral part of a road transport system of the municipal area;
- The establishment, conduct and control of cemeteries and crematoria serving the municipal area;
- Promotion of local tourism for the municipal area;
- Municipal public works relating to any of the above functions or any other functions assigned to the local municipality.

The powers of the district -as mandated by Section 84 of the Municipal Systems Act- Provincial and National Departments

The Executive Mayor and the Speaker head the political component of the municipality. The overall executive and legislative authority vests in Council. However, CDM has an approved delegation system that seeks to decentralize and democratize decision-making within the institution, and improve the pace at which services are delivered to the community. This is intended to maximize administrative and operational efficiency and provide for adequate checks and balances. In line with the delegations system, some decision-making powers have been cascaded from Council to the Executive Mayor, Mayoral Committee, its Portfolio Committees and the full-time Councillors. Other powers have been delegated to the Municipal Manager.

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### **COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE**

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Council comprises of the political and administrative components responsible for decision-making and implementation respectively. The Executive Mayor and the Speaker head the political component of the municipality. The Municipality has all the powers assigned to it in terms of the Constitution as well as relevant national and provincial legislations. The municipality has the authority to take any possible actions to effectively exercise powers assigned to it.

## Political Governance

The Council of the District Municipality may designate any of the following office-bearers as full time councillors in terms of section 18(4) of the Municipal Structures Act, 1998:

- Speaker;
- Executive Mayor;
- Chief Whip and
- Members of the Mayoral Committee (4 out of 8 are full-time).

Traditional leaders play an important role in line with Traditional Leadership and Governance Framework Act, 2003 (Act No. 41 of 2003) in supporting the municipality to identify community needs within their areas, and through the District Traditional Leaders Forum by promoting the ideals of co-operative governance, integrated development planning, sustainable development and service delivery. They fully comply with the Act particularly in terms of Chapter 4 (12), and have established a Local House of Traditional Leaders in accordance with provincial Legislation for the area of jurisdiction of the district.

<i>Photos</i>	<p><b>POLITICAL STRUCTURE</b></p> <p><b>EXECUTIVE MAYOR</b>  <b><u>Makgabo Lawrence Mapoulo</u></b></p> <p>A delegated powers and functions to our mayor-</p> <ul style="list-style-type: none"> <li>• promote the image of the municipality</li> <li>• to ensure that the executive committee performs its functions properly</li> <li>• to lead and promote social and economic development in municipality</li> <li>• to preside over public meetings and hearings</li> <li>• to convene public meetings and hearings</li> <li>• to promote inter-governmental and inter-institutional relations</li> <li>• to identify those of the municipality's activities that need a specific committee of councillors to investigate, discuss, evaluate and report and make recommendations to the executive committee after consultation with the municipal manager;</li> <li>• to appoint a member of the executive committee as chairperson for each committee established by the council;</li> <li>• to ensure, in consultation with the municipal manager, that a proper committee service responsible for the agendas and minutes is in place for the executive and other committees, that all committees meet regularly and that they submit reports to the executive committee timely;</li> <li>• to take responsibility for the quality and speed of decision-making in the executive committee;</li> <li>• to, build, maintain and enhance sound relationships between the council, councillors and the administration in consultation with the municipal manager;</li> <li>• to be available on a regular basis to interview the public and visitors to the municipal offices, and to interact with prominent business people as well as developers;</li> </ul>
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	<ul style="list-style-type: none"> <li>to perform such ceremonial role as the council may determine by resolution from time to time; and</li> <li>to assess the performance of the municipal manager and the mayor's personal assistant, if any, in terms of the relevant performance agreement.</li> </ul>
	<p><b>SPEAKER</b> <b><u>Nakedi Maria Lekganyane</u></b></p> <p>The speaker of a municipal council must-</p> <p>(a) presides at meetings of the council;</p> <p>(b) performs the duties and exercises the powers delegated to the speaker in terms of section 59 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000);</p> <p>(c) must ensure that the council meets at least quarterly;</p> <p>(d) must maintain order during meetings; must ensure compliance in the council and council committees with the Code of Conduct set out in Schedule 1 to the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000); and (f) must ensure that council meetings are conducted in accordance with the rules and orders of the council.</p>
	<p><b>CHIEF WHIP</b> <b><u>Hlengani Patrick Baloyi</u></b></p> <p>The Whip of a municipal council is the to do-</p> <ul style="list-style-type: none"> <li>Political management of council meetings and committee meetings</li> <li>Inform councillors of meetings called by the Speaker and the Mayor and ensuring that such meetings quorate</li> <li>Advise the Speaker and Mayor on the Council agenda</li> <li>Informs councillors on important matters on the relevant agenda</li> <li>Advise the Speaker on the amount of time to be allocated to speakers and the order of such speakers addressing the Council</li> <li>Ensures that councillors' motions are prepared and timeously tabled in terms of the procedural rules of Council</li> <li>Assisting the Speaker in the counting of votes</li> <li>Advising the Speaker and the Mayor of urgent motions</li> <li>Advising the Speaker and Mayor on how to deal with important items not disposed of at a Council meeting</li> </ul>

## 2.1. MAYORAL COMMITTEE IN CDM

3. Name of Committee	Chairperson	Support Department	Cluster
Finance	Cllr. Dandane Pheeha Gabriel	Finance	Institutional Services
Corporate Services	Cllr. Tsheola Kwena Gloria	Corporate Services	Institutional

			Services
Development Planning and Environmental Management Services (DPEMS)	Cllr. Mashangoane Puleng Roseline	DPEMS	Institutional Services
Local Economic Development (LED)	Cllr. Masoga Matome Calvin	LED	Institutional Services
Strategic Executive Management Services	Cllr. Vilankulu Raisibe Julia	Strategic Executive Management Services	Institutional Services
Infrastructure Services	Cllr. Moropa Madimetja Joel	Infrastructure Services	Infrastructure & Social Services
Community Services	Cllr. Makwena Betty Kgare	Community Services	Infrastructure & Social Services
Sports, Arts and Culture	Cllr. Boloka Mushaisane Phineas	Community Services	Infrastructure & Social Services

### **Councillors**

Part-time councillors are expected to play a political role in representing residents and other stakeholders thereby providing the political linkage between the council and the community.

Part-time councillors therefore play a key role in facilitating consultative processes that are envisaged in the Systems Act as well as is in the Municipal Finance Management Act (MFMA), particularly with regard to budgets, IDPs, budget-related policies, tariff setting for services, indigent policies, long-term borrowing.

### **Portfolio Committees**

CDM has established Portfolio Committees to discuss and recommend policies to Council. Portfolio Committees, as the engine room of Council, serve as an interface between the political structures of Council with the administrative structures of Council. It is in these committees where policy issues are debated thoroughly prior to their submission to the Mayoral Committee that, in turn, forwards them to Council for adoption. Through Portfolio Committees, Councillors are able to give political direction to the administrative programmes of Council.

There is an existing Audit Committee attached to our municipality that provides opinions and recommendations on financial processes and performance and provides comments to the Oversight Committee on the Annual Report.

We have effective Oversight Committee, comprised of non-executive councillors, with the specific purpose of providing our Council with comments and recommendations on the Annual Report. The Oversight Committee report is published separately in accordance with MFMA guidance.

### **Political Decision-Taking**

The overall executive and legislative authority vests in Council. The Council take all the major decisions of the Municipality. However, CDM has an approved delegation system that seeks to decentralize and democratize decision-making within the institution, and improve the pace at

which services are delivered to the community. This is intended to maximize administrative and operational efficiency and provide for adequate checks and balances.

In line with the delegations system, some decision-making powers have been cascaded from Council to the Executive Mayor, Mayoral Committee, its Portfolio Committees and the full-time Councillors. Other powers have been delegated to the Municipal Manager and directors. These powers have to be further cascaded to the other management levels in the institution. The proper application of the delegations system will improve time management within the institution and fast track the pace of service delivery in the community.

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## **2.2. ADMINISTRATIVE GOVERNANCE**

The administrative structure of CDM comprises of six (6) departments with their small units. The Municipal Manager is the head of the administrative component and acts as the municipality's Accounting Officer. The administrative structure is divided into six departments headed by Section 57 Managers reporting directly to the Municipal Manager. The departments are: Strategic Executive Management Services; Finance; Corporate Services; Community Services; Infrastructure Services; Development Planning and Environmental Management Services.

### **Duties in relation to the administration**

The Municipal Manager is responsible, subject to the policy direction of the council, for the management of the administration in accordance with the Systems Act and other applicable legislation. Importantly, the municipal manager is tasked with the implementation of the IDP and the monitoring of its progress and making sure that the municipality is financially viable.

The onus is on the municipal manager, as head of the administration, to see to the implementation of the principles and values in his or her administration. Critically, section 51(d) of MSA stipulates that all staff and councillors must align their roles and responsibilities with the priorities and objectives of the IDP. The municipal manager also ensures that everyone within the administration contributes towards the implementation of the IDP.

### **Executive Management and Management**

CDM council also appointed Executive Managers, after consultation with the Municipal Manager. Municipal manager has negotiated performance contracts (s 57 of the Systems Act) with new appointees. This represents a balance between the council's interest in appointing a executive management team to drive its IDP goals and the municipal manager's interest in having an opportunity to influence appointments and subsequently formalising what is expected of the new manager in a performance agreement. The working relations in CDM is of high-quality. The Municipal Manager together with Section 57 managers has established a Executive Management committee where departmental issues of the municipality are deliberated and such matters are taken to Council for decision making. There is also a third layer of managers (s56 of the Systems Act) that are managing as line managers and they participate in Management committee where issues of sectional units are deliberated.

Executive Managers	<p><b>Executive Manager: Strategic Executive Management Services (SEMS)</b>  <b><u>Ms. Mavis Matlala</u></b>          Managing issues of Strategic Executive Management where the following Units are located (Office of the Mayor, Office of the Whip, Office of the Speaker,</p>
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Communications, Audit, Risk, Intergovernmental Relations, Council Support, Policy Unit and Special Focus)

**Executive Manager: Corporate Services**

**Ms Motlatjo Manthata**

Managing issues of Corporate Services where the following units are located (administration, legal, Human resource, PMS, IT)

**Executive Manager: Infrastructure Department**

**Mr Ali Said**

Managing issues of Infrastructure department where the following units are located (Water Quality, ISD, Sanitation, Roads, Energy, Operations and Maintenance (O&M), designs)

**Executive Manager: Community Services**

**Mr. Isaac Motsuki**

Managing issues of Community Services department where the following units are located (Environmental management, environmental health, fire and disaster, sports, arts and culture)

**Executive Manager: Development Planning and environmental Management Services (DPEMS)**

**Ms Nokuthula Mazibuko**

Managing issues of Strategic Planning and LED where the following units are located (IDP, LED, Planning, GIS, and Environmental Management)

**Chief Financial Officer**

**Mr Naazim Essa**

Managing issues of Financials where the following units are located (income, budget, SCM, Salaries, )

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## INTERGOVERNMENTAL RELATIONS

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Our Inter-Governmental Relations (IGR) was really about improving the delivery of outcomes through effective systems, processes and procedures that ensured cooperation of different role players around policy formulation, planning, monitoring and support and delivery.

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### 2.3. INTERGOVERNMENTAL RELATIONS

A District Framework Protocol was developed to guide the activities of the IGR processes in the District. CDM has established IGR Structures in terms of the Intergovernmental Relations Act 13 of 2005. The District Executive Mayor IGR is the decision making within the District and its family of municipalities. The Executive Mayor's forum participates to the Premier's IGR forum that is convened by the Premier to implement resolutions taken at Provincial level.

The Municipal Managers’ IGR sits on regular bases to recommend issues to be discussed and implement resolutions of the political IGR. The following are “political” and non-political inter-governmental Structures that facilitate inter-governmental relations within the province, between the district, province and local municipalities:

<b>Structures</b>	<b>Participants</b>	<b>Responsibilities</b>
<b>Political Structures</b>		
Premier’s Intergovernmental Forum	Premier Mayors Heads of Departments Municipal Managers	Co-ordination of inter-governmental relations (Provincial and Local Government)
Mayors’ Intergovernmental Forum	Executive Mayor Mayors Traditional Leaders Municipal Managers	Co-ordination of inter-municipal relations (District and Local Municipalities)
District Speakers’ Forum	Speakers of District and Local Municipalities	Co-ordinate public participation processes in the municipalities
<b>Non-Political Structures</b>		
Municipal Managers’ forum	All municipal managers within the district	To discuss implementation of IDPs
Clusters	Councillors Municipal Managers Municipal Senior Managers (Directors)	Co-ordinate policy issues affecting government at a district level (between sector departments and municipalities)
Technical Committees of Clusters and all other forums	Sector Departmental Officials Municipal Senior Managers (Directors) Municipal Officials	Provide inter-governmental inputs into the work of Clusters
Provincial Development Planning Forum	IDP Managers at local and district level; Development Planners from the Provincial Sector Departments; and Parastatals	Provide for a coherent intergovernmental planning framework and alignment and integration of development plans in the province.
District Development Planning Forum	Managers in IDP, LED, Infrastructure and Town Planning Units at local and district level; Development Planners from the Provincial Sector Departments at district and provincial level; and Parastatals	Forum wherein planners in the district converge and conduct joint planning as well as co-act on the directives from both the National Development Planning Forum and the Provincial Development Planning Forum
Provincial M&E forum	Sector Depts. M&E specialists	Provide for a provincial wide M&E framework for implementation of plans

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**2.4. COMMUNITY/PUBLIC PARTICIPATION**

CDM had public participation mechanisms within its area of jurisdiction which included among others Council Outreach programme, IDP Public Consultations. The CDWs and councillors were meant to assist communities to participate in issues of governance within their localities.

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**2.5. COMMUNICATION**

The CDM had achieved remarkable progress in institutionalizing and implementing its Communication Strategy, Consultation mechanisms, Stakeholder participation and Customer Care. The mechanisms that the District utilises in communication included a District-wide 16 page newsletter-CDM Talk and CDM Insight, the annual report, website, local and national newspapers, provincial , flyers, events, brochures, the ward committee system, CDW"s, as well as loud hailing and local radio stations.

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**2.6. PUBLIC PARTICIPATION PROGRAMMES**

The District has put in place various programmes of public participation to strengthen interaction with community members and stakeholders in local municipalities, that is, through public participation (Council and Mayoral). The main purpose of this interaction is mainly to create platform and opportunity for political leadership of the District to directly communicate with community members and stakeholders on issues relating to service delivery in municipalities implemented in line with the IDP. The following programmes were held during the financial year-2013/14:

- Municipal Public Accounts Committee Public Hearing on Annual Report held on 05 March 2014 at St Marco Hall, Polokwane;
- Municipal Public Accounts Committee Public Hearing on Annual Report held on 14 March 2014 in the Capricorn District Municipality Council Chamber, Polokwane;
- Council Public Participation/Outreach held on 11 September 2013 at Rankhuwe Black Aces Sport Ground, Aganang Local Municipality;
- Council Public Participation/Outreach held on 14 November 2013 at Ga-Makwetja Sports Ground, Molemole Local Municipality;
- Council Public Participation/Outreach held on 26 February 2014 at Ga-Machaba, Blouberg Local Municipality;
- Council Outreach to deliver State of The District Address held on 20 May 2014 at Botlokwa Primary School Sports Ground, DikgolanengVillage, Molemole Local Municipality;
- Mayoral Public Participation/Outreach held on 25 June 2014 at Blouberg Local Municipality Council Chamber; Senwabarwana.

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**2.7. WARD COMMITTEES**

All local municipalities in the District have established ward committees in all their wards and have ward committee policies, which are in line with the Provincial policy. The work and functionality of ward committees are accounted for quarterly in the District Speakers Forum which is convened and presided over by the Speaker of Capricorn District Municipality. The

District Speakers Forum is held quarterly and is attended by all the Speakers (and their support staff) of the local municipalities.

## 2.8. 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
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

## COMPONENT D: CORPORATE GOVERNANCE

### 2.9. RISK MANAGEMENT

CDM is in a continuous process of ensuring pro-activeness by putting in place preventative and protective measures that will mitigate business risks, thus ensuring that all the objectives set out in the IDP are achieved. The Risk Management Strategy, Fraud Prevention Plan and the Whistle blowing policy are in place and being implemented. The risk management committee has been established to monitor the implementation of risk mitigation strategies employed by departments on a quarterly basis. The fraud hotline is fully functional with reported cases being investigated continuously. Awareness campaigns are conducted annually.

### 2.10. ANTI-CORRUPTION AND FRAUD

#### **Fraud and Anti-Corruption Strategy**

In terms of Chapter 2, Part 1 of the Prevention and Combating of Corrupt Activities Act, 2004, Any person who directly or indirectly accepts, agrees or offers to accept, gives or agrees or offers to give to any person any gratification for himself or another with the purpose of acting personally or influencing another person to act in a manner that is: illegal, dishonest, unauthorized, incomplete or biased; misuse or selling of information acquired in the carrying out of functions arising out of a statutory/contractual, legal obligation; the abuse of position of authority; a breach of trust; violation of a legal duty or set of rules; designed to achieve unjustified result; amounts to any other unauthorized or improper inducement to do or not do anything IS GUILTY OF CORRUPTION!!

People report any unethical behavior anonymously to the CDM Tip-offs Line - Toll free: 0800 20 50 53 or Email: [cdm@tip-offs.com](mailto:cdm@tip-offs.com) or visit Website: [www.tip-offs.com](http://www.tip-offs.com) even fax to Free fax: 0800 00 77 88. The free post is also encouraged and people can forward it to KZN 138, Umhlanga Rocks, 4320. Our theme is always simple "Reporting is not a crime, keeping quite is". The toll free number operates 24 hours a day, seven days a week!

The following that what the public can report about:

- Fraud
- Bribery and Corruption
- Theft of company time
- Abuse of company Property and Equipment
- Nepotism, Racism, Sexual Harassment

What not to Report:

- Petty arguments amongst staff
- Service complaints
- Personality clashes
- Salary complaints
- Personal clashes with colleagues
- Reporting or lodging human rights violations

**NB:** it should be noted that this is independently managed by an independent service provider. It is not managed by CDM.

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### **2.11. INTERNAL AUDIT**

The Internal Audit unit conducted regulatory, internal control, performance audits and IT audits on quarterly basis and presented to the Audit Committee for approval. These audits were informed by the three (3) year strategic and annual audits coverage plans which were reviewed annually. Follow-up audits were conducted on both Auditors General and internal audit report and progress reports were submitted to management and Audit committee for review. The Audit committee presented their report to Council on annual basis.

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### **2.12. SUPPLY CHAIN MANAGEMENT**

#### **Overview Supply Chain Management**

Capricorn District Municipality has a centralised supply chain management function responsible for the procurement of goods and services. The supply chain management unit is constituted by a reasonably small team supported by the three committees namely, the Bid Specification, Evaluation and Adjudication Committees, appointed in terms of the municipal SCM policy.

The reviewed supply chain policy is in place and in line with MFMA, Supply Chain regulations and MFMA circulars. The goal of this policy is to provide a framework to ensure a sound and accountable system of supply chain management within the Capricorn District Municipality, whilst promoting the following five pillars of procurement:

- Value for money
- Open and effective competition
- Ethics and fair dealing



- Accounting and reporting
- Equity

## Expenditure

Capricorn District Municipality focuses on providing water infrastructure services, the urgent need of maintenance and upgrades to existing infrastructure. To this end it is pleasing to note that the municipality has expanded 89.9% of its Municipal Infrastructure Grant (MIG) towards water infrastructure which results in a substantial increase in the prior year financial year's expenditure of 56%.

In addition, the municipality continues to make payments to its creditors within 30 days.

By-laws introduced during 12/13					
Newly Developed	Revised	Public Participation conducted prior to adoption of By-Laws (Yes/no)	Dates of Public Participation	By-Laws gazette (yes/no)	Date of Publication
Tariff Bylaws	New	No	N/A	No	Not yet done

## 2.13. WEBSITES

Municipal website: content and currency of material		
Documents published on the municipality's /entity's website	Yes/No	Publishing date
Current annual and adjustment budgets and all budget related documents	Yes (IDP Budget)	10-Jun-2013
All current budget related policies	Yes (Policies)	03 July 2013
The previous annual report (2011/12)	Yes (Annual Report)	07 February 2013
The annual report (2012/13) published / to be published	Yes	06-Feb-2014
All current performance agreements required in terms of section 57 (1) (b) of the MSA and resulting score cards	Yes	13 August 2013
All service delivery agreements (2012/13)	Yes	21-Jul-2014
All long term borrowing contracts (2012/13)	No	
All supply chain management contracts above a prescribed value (give value) for (2012/13)	Yes (Tenders)	21-Jul-2014
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during (2012/13)	Yes (Annual Report)	06-Feb-2014
Contracts agreed in 2011/12 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	
PPP agreements referred to in section 120 made in	No	

(2012/13)		
All quarterly reports tabled in the council in terms of section 52 (d) during (2012/13)	yes	04-Nov-2013 29-Jan-2014

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#### **2.14. PUBLIC SATISFACTION ON MUNICIPAL SERVICES**

The municipality has not conducted the Public Satisfaction Survey to determine the public satisfaction level.

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

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### KPA1: INFRASTRUCTURE DEVELOPMENT AND BASIC SERVICE DELIVERY

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The following are key achievements in the Infrastructure Development and Basic Service Delivery:

- A total of 342 838 households (89%) in the District have access to water
- The Ground Water Study, Phase one is complete, the result indicate that some areas have poor quality of water and others has inadequate water capacity
- Feasibility studies for Bulk Water Supply from Nandoni, Glen Alpine and Flag Boshielo Dams is progressing well in partnership with Department of Water and Sanitation to augment ground water supply through Bulk Water Supply.
- Functional Assessment on Infrastructure in the District is completed and the main objective was to assess the status of the ageing and dysfunctional Infrastructure
- Term Contractors appointed for rapid respond on water breakdown
- The construction of the Water Quality Laboratory in University of Limpopo is almost complete and the District has partnered with Council for Scientific and Industrial Research to accredit the Laboratory, capacity building to our staff and to partner with the University to relook at the quality of Water and Sanitation qualification
- Through the Premier's intervention, Department of Water and Sanitation is implementing accelerated water programme in order to respond to dysfunctional boreholes
- 90% expenditure in Municipal Infrastructure Grant for development of new water infrastructure where there is none.
- 93 % expenditure on refurbishment and replacement of ageing and obsolete water infrastructure
- 100% expenditure on Water Service Operating Grant as an interim measure to no water situations.
- The cooperation between the District and Lepelle-Nothern Water Board on implementation of Sanitation and 3189 units allocated to the District in order to address the backlog.
- Access to basic energy is at ..... in the District in line with the Census 2011
- Completion of Lepelle Nkumpi Landfill Site to reduce health hazard and improve the cleanliness in the area

### KPA2: INSTITUTIONAL TRANSFORMATION

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We have embarked on a process that unearthed all the organizational and transformational challenges, as well as propelling us to engage in high level process mapping and organizational design for effective response to our functional imperatives. The following has been executed:

- The Organisation Structure was adopted in line with the current Integrated Development Plan
- The relationship between the organisation and the Labour Unions is stable; there was no strike during the year under review.

- The process of Job evaluation is completed to ensure that the job content is appropriately graded.
- A total of 57 learners provided with bursaries to study engineering technology with Further Education and Training College (FET)
- Relevant HR policies were reviewed and adopted by Council to ensure predictable relationship between Employer and Employees.
- Phase 1 of the SAP upgrade is completed which included the technical upgrade and database migration to be in line with the current accounting standards and address the audit challenges.

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### KPA3: LOCAL ECONOMIC DEVELOPMENT:

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In response to the micro economic development interventions we are continuously supporting projects for the purpose creating sustainable jobs. The municipality has achieved the following in support of Local Economic Development:

- 1343 internal jobs created by Capricorn District Municipality
- 2537 jobs created through Expanded Public Works Programme (EPWP)
- 68 356 jobs created by other sectors i.e. Agriculture, Mining, Manufacturing, Trade and Transport
- The 2030 Development Strategy is developed in line with the National Development Plan to enhance investment opportunities

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### KPA4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT:

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The unlocking of the financial management systems distinguished us from the rest as it enables us to review our compliance process and procedures in line with the Municipal Financial Management Act (MFMA). The systems enable tighter control on process, extensive protection of financial resources to ensure that the service to be acquired is value adding. This enables us to explore in confidence our alternative revenue strategy and to embark upon various activities of unlocking the revenue potential of the district, in particular the functional areas like water services for sustainability in the district. The following has been executed:

- The District is providing intensive financial support to Local Municipalities. The audit opinions of the three Local Municipalities have improved from disclaimer to qualified Aganang, Blouberg and Molemole respectively.
- The District has developed a program to capacitate Lepelle Nkumpi Local Municipality on water revenue enhancement and to date improvement have been noted, the Debt Collection and Credit Control Policy is being implemented and as such revenue collection has increased to 15% as compared to prior financial years which was below 10%.
- The District financial processes were given an overall B rating by the National Treasury, which indicate that the Municipality is financially healthy.
- The audit opinion of the Municipality remained qualified

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### KPA5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION:

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The introduction of effective audit and risk mechanisms enable us to refine our processes and systems towards good governance that brings confidence into the organization and our stakeholders at large. We have noted great successes in these regard especially in redirecting

our processes and procedures towards ensuring trust in our systems and the communities we serve.

The following Governance structures are in place and functional and met as per municipal legislations:

- Council – to exercise the municipality’s Executive and Legislative authority
- Mayoral Committee – to assist the Executive Mayor in executing his assigned and delegated functions
- Executive Management – to implement resolution from different structures of the Municipality and also provide strategic/administrative support to Council.
- Audit Committee – to provide oversight to ensure the quality of the Financial Statements
- Performance Audit Committee – to provide oversight on pre-determined objectives
- Risk Management Committee – to oversee the implementation of risk mitigations
- Information Technology Committee – to oversee the implementation of Information Technology Governance Framework
- Mayor’s IGR Forum and Municipal Managers Forum – to consult with Local Municipalities in terms of the IGR Act
- Speakers Forum – to consult with Speaker in Local Municipalities on issues of mutual interest
- Chief whip's Forum – to coordinate the convening of District Lekgotla to ensure that the Ruling Party priorities are incorporated in the programmes of the Municipality
- Municipal Public Accounts Committee – to provide political oversight on issues raised by the Auditor General and also the Annual Report
- District Municipal Public Accounts (MPAC) Forum – to share best practices with regard to issues of financial management.
- Ethics Committee – to ensure compliance with the Code of Conduct for Councillors

#### **Public Participation**

- Council outreach programmes were held quarterly on a rotational basis in various Local Municipalities to involve communities in programmes of the municipality
- Mayoral Outreach programmes were held in various Local Municipalities and were used as a platform to give feedback to communities on service delivery.
- IDP and Budget consultative process held with various stakeholders in the district to prioritise and align community needs with budget.
- Projects visits were undertaken to assess the completeness and impact of the projects in various communities
- MPAC public hearings held to annually to solicit input from stakeholders on the Annual Report

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### KPA 6. SPATIAL RATIONALE

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- The 2013/14 IDP was approved and adopted by Council
- Spatial Land Use Management Act has been enacted by the President which requires Municipalities to establish Municipal Tribunals and development of land use municipal skills, processes are already underway
- Spatial development framework was developed and approved by council
- Municipal Integrated Development Plan was rated high in the MEC Integrated Development Plan Assessment

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## KPA: CROSS-CUTTING: SECTOR SUPPORT AND OUTREACH PROGRAMMES:

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a. Health and HIV/AIDS:

- The District Aids Council is established and functional to create awareness in terms of HIV, STI and Gender abuse in line with Provincial HIV/STI Policy
- The District has developed the District HIV/Aids Operation Plan to operationalize the Provincial HIV/AIDS Plan
- HIV and Aids prevalence in the district is at 22.3% as per the Annual Antenatal Survey due to awareness campaigns, capacity building to NGO's and Traditional Forums as well as implementing prevention initiatives supported by all stakeholders.

b. Sports, Culture and Heritage:

- Heritage celebration was held at Ga-Maleboho, Blouberg Local Municipality to enhance social cohesion
- Back to school campaign was held in non-performing schools adopted by the District
- Various schools competitions were held in schools in the District to promote wellness and social cohesion
- Five Sports facilities were upgraded in various Local Municipalities.
- District Community Safety Forum established in partnership with Department of Safety, Security and Liaison to combat crime, substance abuse and teenage pregnancy.

c. Special Focus:

- An Award was received by the District as a Centre on Excellence on Gender Mainstreaming in South African Development Countries (SADC) facilitated by Gender Links
- Gender Based Violence (GBV) Awareness Campaigns were held in all Local Municipalities to sensitize community members of the impact of GBV
- Children Camp on life skills for Children in conflict with the Law was held in partnership with National Institute for Crime Prevention Reintegration of Offenders (NICRO) to promote life skills.

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## COMPONENT A: BASIC SERVICES

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

### Introduction to Basic Services

Availability of infrastructure services such as water and sanitation, electricity, roads and telecommunications, are necessary conditions for economic growth and improvement in the quality of life of citizens. The state of infrastructure within the district has improved over the past years, the challenge in the district is however not primarily the lack of public investment on infrastructure, but poor coordination between the various spheres of government, although this can still be improved.

### 3.1. WATER PROVISION

Recent legislation includes the Water Services Act 1997 and the General Enabling Act 2005 District Municipality and Polokwane Local Municipality are Water Services Authorities (WSA) while the other four local municipalities within the District are serving as Water Services Providers (WSP). The district has prepared the WSDP (Water Service Development Plan) to ensure effective, efficient, affordable and sustainable access to water services.

According to the District and Local municipal's administrative records based on the infrastructure provision, approximately 89% of the households living in the district have access to water at RDP standards. Lepelle-Nkumpi ranks the highest in provision of water at 97% followed by Molemole at 94%, Blouberg 88%, Polokwane at 82%, and Aganang 60%. 12.2 % (backlog) of the households receives water from natural sources such as rivers, dams, springs, etc. which increases their susceptibility to disease such as cholera. Most of the run off in the district originates from the higher rainfall parts of Olifants WMA (Water Management Areas). Ground water constitutes the only dependable source of water for many users. The Glen Alpine Dam, Rhenosterkop Dam and Flag Boshielo Dam are the main storage dams within CDM and other sources are Ebeneser, Olifantspoort, Own sources (Dap naude, Boreholes, Rural dams)

The district has conducted Ground Water Study as currently the main source of water supply is boreholes. The study will assist the district future planning in terms of exploring high and intermediate ground water potential areas as per the recommendations/outcome of the study in order to improve portable water supply in the district

### 3.2. WASTE WATER (SANITATION) PROVISION

Sanitation is the hygienic means of promoting health through prevention of human contact with the hazards of wastes. The fact that most households within the district do not have RDP level sanitation constitutes a major risk in terms of ground water pollution, environmental and health problems. The main types of sanitary systems used in the district are water-borne sewerage (flush toilets), septic tanks, Ventilated Improved Pit latrines (VIP), French drains and ordinary pit latrines to no basic services at all. Water-borne sewerage is mainly found in towns and townships, septic tanks are mainly on privately owned properties like farms, hotels, etc with the rest primarily found in rural areas.

<b>Employees: Sanitation Services</b>					
<b>Job Level</b>	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalent)</b>	<b>Vacancies (as a % of total posts) %</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>		
<b>0-3</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>100%</b>
<b>4-6</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>100%</b>
<b>7-9</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

Sanitation Supply to Households Municipality	No. of Households	Number of households served		Backlog Remaining households	
Aganang	33 918	8 700	25.65%	25 218	74.35%
Blouberg	41 192	25 102	60.94%	16 090	39.06%
Lepelle-Nkumpi	59 683	32 402	54.29%	27 281	45.71%
Molemole	30 043	18 525	61.66%	11 518	38.34%
Polokwane	178 001	99 289	55.78%	78 712	44.22%
<b>Capricorn (total)</b>	<b>342 837</b>	<b>184 018</b>	<b>51.66%</b>	<b>158 819</b>	<b>48.34%</b>

### Challenges

The 48.3% of household backlog requires a huge amount of money to clear off. The district is also threatened by waterborne diseases like cholera. The scarcity of natural water resources, a pre-condition for rolling out waterborne sanitation and expanding the reticulated water networks, is raised as a critical issue in this IDP. Even where there is an access, poor sanitation and lack of hygienic practices and storage facilities enable transmission of water-borne germs. Although in recent years the government has successfully been able to provide potable water to a number of villages, a lot still needs to be done.

### Interventions

CDM has provided water tankers as an interim measure for areas that experience shortage water supply. In trying to address the operation and maintenance issues that are affecting the sustainable provision of water supply, local municipalities have been appointed as water service providers (decentralised the function from the district). The municipality has also provided honey suckers to locals for areas where they still use substandard methods like pit latrine. The district is partnering with various sector departments such as Human Settlement and Lepelle Northern Water in order to decrease the backlog

It will further, therefore strengthen the impact of the SDF to guide service delivery, based on a shared understanding of potential and viability of the various settlements and spaces throughout the district. A reviewed SDF seek to resolve at a policy level, the competing needs of urbanization and rural livelihoods, for service delivery and other public and private investment. Since the SDF has been finalized, the District will spell out its spatial implications for where land and service delivery will be prioritised and where public and private investment will be encouraged. This includes clarifying how linkages will be created between urban growth and rural concentration points, in the context of the surrounding settlement patterns.

The District Municipality will focus on resolving how to optimize existing natural resources and engage with competing water users. The strategy is to first deal with improving efficiency of current uses, in the residential, industrial and agricultural sectors. Secondly, it will provide a basis for the development and implementation of a policy on water and sanitation service levels and tariffs.



### 3.3. ELECTRICITY

Energy distribution has important economic development implications with a potential to make a considerable development impact in relation to improved living conditions, increased productivity and greater sustainability of the environment.

Electricity Service Delivery Levels		
Description	Households	
	2011/12 Actual No.	2012/13 Actual No.
Energy: (above minimum level)	134 255	
Electricity (at least min. service level)	Eskom	
Electricity – prepaid (min. service level)		
Minimum service level and above sub- total		
Minimum service level and above percentage		
Energy: (below minimum level)	Eskom	Eskom
Electricity (< min. service level)		
Electricity – prepaid (<min. service level)		
Other energy sources	Eskom	Eskom
Below minimum service level sub-total	Eskom	Eskom
Below minimum service level percentage	Eskom	Eskom
Total number of households		

Electricity service policy objectives taken from IDP						
Service objectives xxx	Outline service target	Service Actual Performance				Targets
		2011/12 Previous year (iii)	2012/13 current year (iv)	2012/13 midyear (v)	2012/13 current year (vi)	2013/14 following year (vii)
Service indicators (i)	(ii)					
<b>Service objective xxx</b>						
To provide electricity according to set standards to 100% of the existing population by the end of 2014	<ul style="list-style-type: none"> <li>Explore to other source of energy such as solar system</li> <li>Facilitate in the electrification of schools and clinics</li> <li>Facilitate and coordinates with Local Municipalities in the Demand Side Management</li> </ul>					Engage Eskom on the fast-tracking of the Free Basic Electricity.  Refer to the progress table below

Electricity Supply to Households Municipality	No. of Households	Number of Households with access to Electricity		Number of Households with no access to Electricity (backlog)	
Aganang	33 918	32 096	94.63%	1 822	5.37%
Blouberg	41 192	36 235	87.97%	4 957	12.03%
Lepelle-Nkumpi	59 683	54 873	91.94%	4 810	8.06%
Molemole	30 043	28 763	95.74%	1 280	4.26%
Polokwane	178 001	147 710	82.98%	30 291	17.02%
<b>Capricorn (total)</b>	<b>342 837</b>	<b>299677</b>	<b>90.65%</b>	<b>43 160</b>	<b>9.35%</b>

Employees; Electricity Services					
Job Level	2012/13	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
	No.	No.	No.		
0-3	NONE	NONE	NONE	NONE	NONE
4-6	0	0	0	0	0%

#### Comment on Electricity Services Performance Overall:

##### Status Quo

Electricity is largely generated and distributed by ESKOM. However, Blouberg and Polokwane LMs are electricity services providers (electricity license holders). A total of 299 677 (90.65%) of households in the CDM area have access to electricity and 43 160 (9.35%) do not have access to electricity. Polokwane LM registers a huge backlog of 17.02% whilst its counterparts are standing at an average backlog of 9.65%.

##### Challenges

Even though people have access to electricity, an average of 39, 5% still relies on firewood for cooking and heating due to electricity cost. This is a concern as the cutting of trees for energy provision leads to deforestation and soil erosion.

##### Interventions

Provision of sustainable energy is to be achieved by implementing grid and solar energy infrastructure in areas where there is none. There is also a need to expand a pool of financial resources to provide energy infrastructure to communities and engagements with Eskom on fast tracking of free basic electricity systems. The district will also explore the alternative sources of energy and the implementation of the energy saving strategy. The current electricity challenges facing our country require every citizen with access to electricity to a role. For the ordinary citizen, this calls for a simple change in behaviour patterns and discipline.

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## COMPONENT B: ROAD TRANSPORT

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This component includes: roads; transport; and waste water (storm water drainage).

The location of the CDM is strategic in that it borders on the neighboring countries of Zimbabwe and Botswana. It is also located central in the Limpopo Province, with many major provincial routes traversing the municipal area.

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### 3.4. ROADS

Responsibility for the road network in CDM rests with four agencies/authorities, as follows:

- **The South African National Roads Agency Limited (SANRAL)** - responsible for the national route network. The national route network within CDM area comprises of portion of the N1 and including full access interchanges.
- **Limpopo Province, Department of Roads and Transport** – is responsible for the provincial road network.
- **Capricorn District Municipality** – is responsible for district road network.
- **Local Municipalities** – are responsible for local roads and networks. T3.7.1

#### Road Network (District Roads)

The total length of the district roads is 2,468kms of which 500kms (20.2%) is tarred and 1 968 is not tarred. The highest backlog is observed in Polokwane LM at 506km followed by Blouberg 452km, Lepelle-Nkumpi 259km, Aganang 407km, and Molemole at 344km and lastly Lepelle-Nkumpi at 259km.

Municipality	Total length of road	Access (km)	Backlog (km)
Aganang	474	67	407
Blouberg	516	64	452
Lepelle-Nkumpi	394	135	259
Molemole	401	57	344
Polokwane	683	177	506
<b>Capricorn District</b>	<b>2 468</b>	<b>500 (20.2%)</b>	<b>1968 (79.8%)</b>

#### Road Network (Municipal Roads)

Local Municipalities are responsible for the local road network which comprises of total length of 3 866 km of which 329 (8.5%) is tarred. The highest backlog is observed in Polokwane LM at 800km followed by Aganang 565km, Blouberg 452km, Lepelle-Nkumpi 349km and Molemole at 344km.

Municipality	Total length of road	Access (km)	Backlog (km)
Aganang	675,1	110, 1	565
Blouberg	513	61	452
Lepelle-Nkumpi	380	31	349
Molemole	398	54	344
Polokwane	1900	73	800
<b>Capricorn District</b>	<b>3866</b>	<b>329(8.5%)</b>	<b>3537 (91.5%)</b>

Road service policy objectives taken from IDP								
Service Objectives  Service indicators (i)	Outline service targets  (ii)	2011/12		2012/13	2013/14			
		Target		Actual	Target			
		*Previous year (v)	*Current year (vi)		*Current year (viii)	*Current year (ix)	*following year (x)	
Service objectives To provide a safe, efficient ,affordable and accessible multi-modal transport system backed by good infrastructure that is sustainable and user friendly.								
Roads and Transport	To have 4%(100km) of the District Roads surfaced by the year 2012				<ul style="list-style-type: none"> <li>Chloe to Kordon D3432 (EPWP)</li> <li>Pinkie Sebotse to Rosenkranz clinic (D3429)</li> <li>Ga-Molele to Gemark D3325</li> </ul>	<p>The road has been surfaced, and outstanding works are the road markings and signs.</p> <p>The road is surfaced, although the rain damaged areas are to be rectified, and the outstanding works include the road markings, signs, and channel drainages</p> <p>The project is practically complete, and contractor is attending to snag list items. Practical Handover was on the 18<sup>th</sup> June 2014.</p>		

				<ul style="list-style-type: none"> <li>Routine maintenance</li> </ul>			
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Employees: roads services					
Job level	2012/13	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0-3	0	0	0	0	0%
4-6	0	0	0	0	0%

**3.5. TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)**

The Capricorn District Municipality developed its ITP for its area of jurisdiction, as required in terms of Section 27 of the National Land Transport Act , No 5 of 2009 (NLTA). The plan is relevant for the period from December 2013 to December 2018 with review due from the third year.

The plan seeks to obtain balance between demand and supply as well as advocating for development of transport infrastructure that is able to facilitate efficient flow of traffic with minimum negative impact.

**Road Transport**

The major public transport services in CDM are bus and taxi operations. There is also significant freight transport due to the mining activities in the district. The ITP indicates that there are very few metered taxis in operation in the CDM area. The main points that are being operated by the metered taxis are from the Polokwane International Airport, Savannah Shopping Mall, Mall of the North, Meropa Casino and the Ultra City along the N1 highway in the Polokwane Local Municipality. Public transport is therefore based largely on the road network.

**Railway Transport**

The only rail line is the route from Tshwane to Musina with Polokwane, Groenbult and Morebeng Stations being the major points of access for mainline passengers in the CDM area. The existing line, which runs as a double line between Tshwane North and Pienaars River, falls partly under the commuting area of the Gauteng Province. The whole rail network in the CDM is owned and operated by Spoornet, and the rail service only serves long distance passengers. Train facilities are restricted to the main station in Polokwane. The station has proper facilities but serves only mainline passengers.

**Airline Transport**

Polokwane International Airport is the main regional airport in Limpopo, linking Limpopo with the rest of the World. It is the only commercial airport in the region from where both passenger

services and freight movements are undertaken. Numerous private airstrips exist but are mainly used for tourism and private purposes as well as public transport purposes. The airport is significant in the Transportation System with specific attention to the tourism, freight and public transport.

### Non-motorised transport

The ITP has identified the donkey carts and bicycles as forms of non-motorized transport. The CDM has implemented bicycle projects through the “Namela le Setšhaba” project, and established bicycle shops in Lepelle-Nkumpi LM and Blouberg LM. The objective was to avail 800 subsidised bicycles to learners travelling more than 5km to school. The learners contributed R250.00.

Municipal bus service data					
	Details	2011/12	2012/13		2013/14
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Passenger Journeys				
2	Seats available for all journeys				
3	Average unused bus capacity for all journeys	%			
4	Size of bus fleet at year end				
5	Average number of buses off the road at any one time	%			
6	Proportion of the fleet off road at any one time	%			
7	No. of bus journeys scheduled				
8	No. of journeys cancelled				
9	Proportion of journeys cancelled	%			

Transport service policy objectives taken from IDP							
Service Objectives  Service indicator (i)	Outline service targets  (ii)	2011/12		2012/13	2013/14		
		Target		Actual	Target		
		*Previous year  (v)	*Current year  (vi)	(vii)	*Current year  (viii)	*Current year  (ix)	*following year  (x)
Service objective xxx							
Transport	To enhance efficiency of all transpo			Public transport rural infrastructure planning	Public transport rural infrastructure planning(Compilation of Rural Road Assets	Public transport rural infrastructure planning(Compilation of Rural Road	

	rt infrastr ucture through approp riate policies and strategi es				Management for the District)	Assets Management for the District) continues	
	Develo pment of transpo rt related strategi es and policies			Provide roads users with safety awarene ss and ensure multi- agency treatmen t of hazardo us locations  <input type="checkbox"/> Coordin ation of public passeng er transport (Routes and operatio ns)	Provide roads users with safety awareness campaigns throughout the district  Development of Integrated Transport Plan(Draft available)	Provide roads users with safety awareness campaigns throughout the district targeting school that are prone road accident  Development of Integrated Transport Plan finalized	

Employees: Transport Services					
Job level	2012/13	2013/14			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	N/A	N/A	N/A	N/A	N/A
4-6					

7-9					
10-12					
13-15					
16-18					
19-20					
Total					

**Comment on the Performance of Transport Overall:**

**Challenges**

Transportation costs are considered a key factor that affects competitiveness in the district. This affects other sectors of business including tourism as the accessibility of the district, and the province at large is made much costly due to high transport costs arising from the remoteness of the district in relation to other main economic centres of the country.

Above all that transport functions and responsibilities were largely fragmented between and within the various spheres of government, that is, the national, provincial, and municipal spheres of government. This lead to difficulties with the effective management and co-ordination of providing effective transport services in the metropolitan areas.

The current bus subsidy budget makes little provision for learner transport. Subsidised buses serve mainly peak hour commuters and offer limited off-peak services to learners, students and the elderly. Non-existence of transport authorities within the district is also a challenge.

Challenge with regard to non-motorised transport for the municipality is the strategy for improving usage of donkey carts and bicycles including safety measures, infrastructure, signage (visibility), and regulatory mechanisms.

**Interventions**

To address the challenges indicated above, CDM will focus its efforts and resources on the following strategic components of transportation capacity and skills development;

- Motivate subsidised public transport coverage in the CDM with the objective of reducing the cost of travel,
- Install public transport infrastructure such as shelters, lay-bys, and inter-modal facilities, and
- Upgrade road infrastructure and streets between residential and business nodes,
- Support the non-motorised transport plan and implement projects, manage congestion;
- Develop a Central Communications Centre for Incident Management, conduct road safety audits, address hazardous locations, motivate law enforcement and conduct education and communication campaigns.
- The District is currently conducting a feasibility study for the possible formation of the Transport Authority.



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### 3.6. WASTE WATER (STORMWATER DRAINAGE)

#### Introduction to Stormwater Drainage

- It is managed at the Local Municipal level\_

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### COMPONENT C: PLANNING AND DEVELOPMENT

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This component includes: planning; and local economic development.

#### Introduction to Planning and Development

The SDF is an integral part of the Municipality's IDP. It represents the spatial expression of the Council's development vision. District Council has adopted the 2011-2016 SDF. The CDM covers an area of approximately 2 180 530ha. The municipal area consists mainly of commercial farms, game farming, etc. and only approximately 4.24% of the total area is used for settlement purposes (i.e. towns and villages). Approximately 30.53% of all the settlements (i.e. towns and villages) in the CDM area are located within Polokwane Local Municipality.

Approximately 20% of all the larger settlements with 5 000 people and more are also located within this local municipal area. All 5 local municipal areas have a large number of small villages, i.e. villages with less than 1 000 people. These low population densities have serious implications to improve the levels of service provision to communities, as the cost associated with respect to the provision of service infrastructure is very high.

#### Population Distribution

The population of the district is concentrated largely in the Polokwane Local Municipality and some isolated areas stretching north (Dendron, Bochum, Lebowakgomo). Some areas to the north are quite sparsely populated

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### 3.7. PLANNING

#### Land Development and Land Use Management

The SDF integrate and coordinate on a broader level spatial information which includes the five local municipalities and LUMS on the other hand deals with the detailed administration of land development and land use change. The four local municipalities have developed and promulgated the Land Use Management Scheme for their area of jurisdiction whereas Polokwane LM only has a Town Planning Scheme for Polokwane and Seshego. These schemes assist to guide development and land control management. The implementation of the LUMS is still a challenge as majority of the settlements in the district are not formalised therefore, a phased approach will be used in order to address the challenge.

The recent promulgation of Spatial Planning Land Use Management Act (SPLUMA) no. 16 of 2013 requires all local municipalities to develop wall to wall Land Use Schemes according to the reviewed guidelines that are now aligned to the Act. The district awaits finalization of the reviewed guidelines from the Department of Rural Development and Land Reform.

Land development and land use management is hindered by the applicability of different types of legislation to different areas and towns/settlements/villages in the CDM area and the

reluctance by Traditional Authorities to release land for development. There are four main types of land tenure in CDM that can be divided into Commercial Land (owned by banks, churches etc.), Government Land, Tribal Land; and Private Land. Traditional authorities are managing a small portion of the municipal land and other portions of land held in trust for the tribal authority although owned by the government. A large part of land is owned by the Government or held in trust for a specific community followed by private individuals or institutions. Most of the privately owned land in the municipality is T3.10.1

### Nodal Development Points

Nodal development points are those specific locations where development tends to concentrate. The table below shows the nodes that have been identified, in the Provincial SDF, 2007 and confirmed in the district SDF.

Provincial Growth Points	District Growth Points	Rural service points/ Municipal Growth Points
Polokwane (Polokwane LM)	Lebowakgomo (Lepelle-Nkumpi LM)	Rampuru (Aganang LM)
Seshego (Polokwane LM)	Morebeng (Molemole LM)	Alldays (Blouberg LM)
	Mogwadi (Molemole LM)	Avon (Blouberg LM)
	Mankweng (Polokwane LM)	Eldorado (Blouberg LM)
	Senwabarwana (Blouberg LM)	Magatle (Lepelle-Nkumpi LM)
		Mphakane (Molemole LM)
		Sebayeng A & B (Polokwane LM)
Sizeable economic sector providing jobs to many local residents with regional and provincial services delivery function, large number of social services (hospital, tertiary education) and government offices as well as local or district municipal offices:	Have meaningful economic base with some job creation, various social facilities (hospital, health centres or tertiary education), regional government offices or local municipal offices and large number of people grouped together	Have small economic base compared to district growth points. Services are mainly farming areas with a sizeable business sector providing number of job opportunities. Municipal Growth Points may have social or institutional activities and reasonable number of people:

Planning policy objectives taken from IDP							
Service Objectives  Service indicators (i)	Outline service targets (i)	2011/12			2012/13	2013/14	
		Target		Actual	Target		
		*Previous year (v)	*Current year (vi)	(vii)	*Current year (viii)	*Current year (ix)	*following year (x)
Spatial Planning	To promote sustainable	To promote sustainable	Tenure Upgrading	Tenure Upgrading report	n/a	n/a	n/a

	ble human settlements and improved quality of life.	ble human settlements and improved quality of life.	Site demarcation  Spatial Planning Awareness (IDP/SDF/GIS)	Site demarcation report  Spatial Planning Awareness (IDP/SDF/GIS)	n/a  Spatial Planning Awareness (SDF)	n/a  Spatial Planning Awareness (SDF)	n/a  Spatial Planning Awareness (SDF)
	To ensure that reliable and updated spatial information is available for planning purposes.		Database update 2011/12 and 2012/13 projects	Database update	Database update 2012/13 and 2013/14 projects	Database update on 2013/14 projects	

Employees: Planning Services					
Job level	2012/13	2013/14			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	2	2	2	0	0
4-6	3	3	3	0	0
7-9	1	1	1	0	0

Financial performance 2013/14: Planning services					
Details	2012/13	2013/14			
	Actual	Original budget	Adjustment budget	Actual	Variance to budget
Total operational revenue (excluding tariffs)		14,667	15,050		0%
Expenditure:					
Employees	5,901	7,430	7,430		26%
Repairs & Maintenance					
Other	3,804	10,459	10,842		175%
Total operational expenditure	9,705	17,889	18,272		84%

Net operational expenditure (service)	-9,705	-3,222	-3,222		
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**Comment on the Performance of Physical Planning Overall:**

The provincial SDF identified a total of 29 settlements clusters in the district of which 13 were categorized as growth points (with the majority being located in Blouberg, Polokwane and Molemole). 23% (285 928 population) of the district population reside in these 13 growth points.

The alignment between the IDP, SDF and Budget will result in the quality of life of the people in the Capricorn District Municipality being improved by reduction in poverty through private investment which will create jobs; sustainable growth where the benefits are distributed equitably over the long term and an environment which is healthy and safe.

**3.8. LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)**

The purpose of the LED Strategy is to position the Capricorn district as a centre of sustainable economic growth and development. The LED is in partial fulfillment of the district’s IDP goals which will position the district in attaining its vision as a “*home of excellence and opportunities for a better life*”

The LED strategy has an objective of economic growth of 4.0% for next 5 years; reduce unemployment below 22.3% in five years; decrease the number of households below poverty line of R1800 per month; increase and develop access to economic opportunities and expand the municipal revenue base.

The Local Economic Strategy of CDM is driven by five priority areas namely:

- (1) Growing the first economy
- (2) Developing the second economy
- (3) Building knowledge economy
- (4) Land and infrastructure
- (5) Governance and partnership.

Each priority area has its main objective, rationale and key actions.

The first priority’s objective of **growing the first economy** diversifies the existing industrial base by developing and strengthening the attractiveness and competitiveness of the district with specific reference to tourism, agriculture, transport and logistics, manufacturing and agro-processing, retail and trade and community services.

The second priority which is **developing the second economy** seeks to address issues faced by the SMMEs’ so that they can access finance and opportunities. This would lead to their sustained growth, sustainable employment and reduce poverty.

The third priority is about, **Knowledge economy** and its objective relates to improving the competitiveness of the district economy through investment into applied research, technology design and creativity.

The fourth priority of **Land and Infrastructure** has an objective of creating conducive environment for economic development to happen. It entails the provision of water, electricity, transportation infrastructure to support economic development. This is the backbone of growing the economy and promoting development.

The fifth priority of Governance **and partnership** is about the processes, procedures and systems for coordinating LED efforts. It is also about finding appropriate institutional model/ structure for CDM structure partnerships, create sector LED platforms for engagement and facilitate access to development finance including donor support for LED.

Gross value added (per sector)

**Constant 2005 prices (R 1000)**

	<b>Sector 2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
1 Agriculture	12 392	15 259	18 358	20 329
2 Mining	8 381	9 888	10 921	10 186
3 Manufacturing	17 863	18 021	18 306	19 146
4 Electricity	1 378	1 506	1 844	2 256
5 Construction	22 703	23 126	23 475	24 857
6 Trade	65 912	65 136	65 456	68 356
7 Transport	8 679	9 047	9 635	9 675
8 Finance	24 532	25 324	24 891	25 039
9 Community services	55 641	57 912	59 361	61 323
Households	23 485	22 661	22 075	22 708
<b>Total</b>	<b>240 965</b>	<b>247 880</b>	<b>254 321</b>	<b>263 874</b>

Job Creation has increased in Capricorn District from 240 965 in 2010 to 263 874 in 2013. The Trade Sector employed the most number of people (68 356 jobs) in the district in 2013.

**Gross Value Added by Region (GVA-R)**

**Constant 2005 prices (R 1000)**

<b>Sector</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
1 Agriculture	665 556	661 604	668 283	679 180
2 Mining	156 909	144 175	135 507	138 111
3 Manufacturing	1 247 874	1 257 244	1 289 630	1 320 315
4 Electricity	681 213	691 420	698 922	700 244
5 Construction	735 833	734 349	760 282	802 933
6 Trade	3 783 943	3 887 156	4 058 858	4 246 883
7 Transport	3 763 801	3 835 620	3 928 377	4 097 845
8 Finance	6 853 397	7 030 212	7 321 848	7 662 065
9 Community services	7 803 052	7 937 362	8 067 477	8 105 872
Total Industries	25 691 577	26 179 142	26 929 184	27 753 449
Taxes less Subsidies on products	3 162 542	3 171 078	3 218 265	3 123 916
Total (Gross Domestic Product - GDP)	28 854 120	29 350 220	30 147 449	30 877 364

Total economic output has increased in the district from R 28.85 Billion in 2010 to R30.88 billion in 2013 in terms of constant 2005 prices.

Local Economic Development policy objectives taken from IDP							
Service Objectives  Service indicators (i)	Outline service targets (ii)	2012/13			2013/14		
		Target		Actual	Target		
		*Previous year (v)	*Current year (vi)	(vii)	*Current year (viii)	*Current year (ix)	*following year (x)
Service objective xxx							
Promotion of Tourism Products (Tourism Exhibitions)		0	4 exhibitions	4 Exhibitions held	4 exhibitions	5 exhibitions	0
Facilitation of information sharing sessions (agriculture, tourism, general SMMEs)		0	4 Information sharing sessions	4 Information sharing sessions held	0	1 consolidated information sharing session where 4 schools participated	0
Investment Promotion			1 Investment Seminar	1 Investment Seminar held	0	1 Investment Seminar held	0

Employees: Local Economic Development Services					
Job level	2012/13	2013/14			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	2	3	2	0	25%
4-6	1	1	1	0	0%
7-9	0	0	0	0	0%
10-12					
13-15					

16-18					
19-20					
Total					

Financial performance 2013/14: Local Economic Development services					
Details	2012/13	2013/14			
	Actual	Original budget	Adjustment budget	Actual	Variance to budget
Total operational revenue (excluding tariffs)	-	R 5 080 896.85	R 5 080 896.85	R 2 904 555.70	42.8%
Expenditure:					
Employees	2,245	R 3 120 896.85	R 3 120 896.85	R 2 392 970.29	23.3%
Repairs & Maintenance					
Other	308	R 1 960 000.00	R 1 960 000.00	R 511 585.41	73.9%
Total operational expenditure	2,553				
Net operational (service) expenditure	-2,553	R 5 080 896.85	R 5 080 896.85	R 2 904 555.70	42.8%

**Comment on Local Economic Development Performance Overall:**

The District is about to advertise a call for expression of Interest in the form of proposals from potential partners to commercialize Motumo Trading post. Mafefe Tourism centre was successfully transferred to Lepelle-Nkumpi Local Municipality.

Capricorn District is also negotiating for partnerships with other government departments and parastatals through signing of memorandum of understanding to coordinate and enhance economic development in the district.

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**COMPONENT D: COMMUNITY & SOCIAL SERVICES**

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

**Introduction to Community and Social Services**

The functions of Community Services is the Environmental Management, Emergency and Disaster Management, Health and HIV/Aids and, Sector Support and Coordination in terms of Sports, Arts and Culture and Education.

The Department of Community Services comprises of four units, namely; Environmental Management, Emergency and Disaster and Fire Management, Sports, Arts and Culture. Each of these units is charged with specific core responsibilities meant to support and enhance the role and function of the district municipality.

3.9. LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

Introduction to Libraries; Archives; Museums; Galleries; Community Facilities

- It Is Not The Function Of The Municipality:

3.10. CEMETORIES AND CREMATORIUMS

**Introduction to Cemeteries & Crematoriums**

- It is not the function of the Municipality

3.11. CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

**Introduction to Child Care; Aged Care; Social Programmes**

The Special Focus section ensures that all special focus groups - the youth, elderly and disabled - in the municipality are mainstreamed into the developmental agenda. In making sure that CDM responds to the needs of these groups of people, various Special Focus intergovernmental structures have been launched and supported. The district is able to successfully coordinate children, gender, older person and youth programs.

Child Care, Aged Care; Social Programmes Policy objectives taken from IDP							
Service Objectives  Service indicator  (i)	Outline service targets  (ii)	2011/12		2012/13	2013/14		
		Target		Actual	Target		
		*Previous year  (v)	*Current year  (vi)	  (vii)	*Current year  (viii)	*Current year  (ix)	*following year  (x)
Service objective xxx							
Special Focus Programmes.		Coordinate Special Focus Programmes	Coordinate Special Focus Programmes	Special programmes coordinated	Coordinate Special Focus Programmes	Coordinate Special Focus Programmes	Coordinate Special Focus Programmes



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Employees: Child Care, Aged Care, social programmes					
Job level	2012/13		2013/14		
	Employees	Posts	Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
	No.	No.	No.		
0-3	1	1	1	0	0
4-6	2	4	2	3.70	50

#### Comment on the Performance of Child Care; Aged Care; Social Programmes Overall:

- Lack of funding due non-core function of the District
- Lack of Coordinators at local level.
- Lack of Monitoring & Evaluation of programmes
- Lack of reasonable accommodation for people with disabilities in the district.
- Lack of economic empowerment for people with disabilities:
- Employment target for people with disabilities of 2% is not met in the district.

#### Intervention Projects

- To mainstream cross-cutting issues in the municipal programmes
- To minimize disparities between gender equity.

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### COMPONENT E: ENVIRONMENTAL PROTECTION

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This component includes: pollution control; biodiversity and landscape; and costal protection.

#### Introduction to Environmental Protection

To manage all the components of environmental management within the Capricorn district, including planning, monitoring, enforcement, education and awareness, air quality management, environmental advisory services as well as capacity building and empowerment to ensure that the function of environmental management is established and promoted with the Capricorn district.

#### Introduction to Pollution Control

CDM aims to manage and direct the effective rendering of a comprehensive and professional Environmental Management service to residents of the district to ensure a sustainable, healthy and safe environment for every person to live, work and recreate in, within the district.

#### Service Statistics for Pollution Control.

Pollution Control Policy objectives taken from IDP							
Service Objectives	Outline service targets	2013/14			2014/15	2015/16	
		Target		Actual	Target		
		*Previous year	*Current year		*Current year	*Current year	*following year
Service indicator	(ii)	(v)	(vi)	(vii)	(viii)	(ix)	(x)

Employees: Pollution Control					
Job level	2013/14	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0-3	1	1	1	0	0
4-6	3	3	3	0	0%
7-9					
10-12					
13-15					
16-18					
19-20					
<b>Total</b>					

(i)							
Service objective xxx							
Water and air purity	T% clean	T% clean	T% clean	T% acceptable	T% acceptable	T% acceptable	T% acceptable
	T% clean	T% clean	T% clean	T% acceptable	T% acceptable	T% acceptable	T% acceptable
Ambient Air Quality Monitoring	100	100	100	100	100	100	100

**Comment on the Performance of Pollution Control Overall**

CDM is currently implementing an air quality monitoring program in various locations within local municipalities. The objective of the program is to obtain baseline air quality data on the pollutants concentrations and trends that will inform future activities for air quality management including emission reduction strategies in problem areas.

CDM in conjunction with relevant sector departments celebrate environmental calendar days through awareness campaigns and other capacity building initiatives to address environmental management challenges.

CDM aims to promote the effective and efficient management of waste through support programmes to local municipalities. CDM has developed Waste Management Plans, continues to purchase equipment and are funding the development of landfill sites for local municipalities.

Planning and design for the Blouberg landfill is complete, a tender has been issued and we are awaiting the appointment of a service provider for the construction phase of the project that will become operational in 2014/15.

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

**Introduction Bio-Diversity And Landscape**

- Not A District Function:

**COMPONENT F: HEALTH**

This component includes: clinics; ambulance services; and health inspections.

**Introduction to Health**

Note: Recent legislation includes the National Health Act 2004.

**3.13. CLINICS**

- Not a function of the district:

**3.14. AMBULANCE SERVICES**

- Not a function of the district

**3.15. HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC**

**Introduction to Health Inspections; Food and Abattoir Licensing and Inspections, Etc**

Health inspections involve inspection of food handling premises, non-food handling premises and institutions and issuing of compliance certificates and notices. These include inspection of water and waste management facilities and sites. The three main targets include waste management sites monitoring and food and water quality monitoring services.

**Service Statistics For Health Inspection, Etc:**

Health Inspection, Etc. Policy objectives taken from IDP							
Service Objectives Service indicator (i)	Outline service targets (ii)	2011/12		2012/13	2013/14		
		Target		Actual (vii)	Target		
		*Previous year (v)	*Current year (vi)		*Current year (ix)	*following year (x)	

Service objective xxx							
Food quality monitoring		2400	2000	2196	<u>2415</u>		

**Comment on the Performance of Health Inspections, Etc Overall:**

Since the District is the custodian of municipal health services, it has the authority for the adoption of uniform by-laws applicable and for the planning of the function (MHS) throughout its municipal area. However, district municipalities may delegate where appropriate to the local municipalities in its area of jurisdiction, the actual provision and the day-to-day management of the services in terms of the Service Level Agreement (SLA).

The Municipal Health system functions within the Capricorn district municipality and ensures that there is improvement in the quality of:- food, water, waste, communicable diseases control, the monitoring of compliance as well as holding formal health and hygiene education sessions.

**Summary Challenges**

1. No proper office accommodation for staff
2. Inadequate office equipment e.g. Computers/Laptops and their accessories (Printers and 3Gs)
3. Inadequate protective equipment e.g. Protective shoes and caps.
4. Lack of nearby laboratory services

**Interventions**

The department of Corporate Services is currently addressing some of these issues and these are being planned for solution using budget for this financial year. .

**COMPONENT G: SECURITY AND SAFETY**

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

**Introduction to Security & Safety**

In terms of law enforcement facilities, CDM has 12 police stations and 5 magistrates spread across its local municipalities.

**3.16. POLICE**

Not a function of the District but of the Local Municipality. However, our Intergovernmental relations also coordinated such forums:

**3.17. FIRE**

The main objective of fire and rescue services is to prevent the loss of life, protect property and the environment against fire and other hazards and to promote general safety of communities. Other objectives include rescue/extrication services, fire prevention and public education/awareness's.

In terms of the Act, Fire and Rescue services is the function of the District Municipality. Currently this function is performed by the District Municipality in the four local municipalities (Blouberg, Molemole and Lepelle-Nkumpi and Aganang) excluding Polokwane. Polokwane Local Municipality is responsible for the function in its area of jurisdiction. A draft SLA between Polokwane and the district is under consideration to facilitate gradual handover of the service back to the district. Aganang Municipal area is serviced from Polokwane, Lepelle-Nkumpi and Blouberg and this depends on which area is closer to the reported incident.

The Fire and Rescue Services as a District function, strives to protect life and property and to preserve the environment, the following are the three main priorities of the service:

1. Respond to Emergencies (known as operations)
2. Fire prevention & Public Education ( Fire Safety)
3. Training and development

The District Municipality accumulatively procured equipment and vehicles, and more personnel were employed (job creation) to improve service efficiency. Awareness campaigns were conducted to inform the community and to market the service.

Control rooms were beefed-up to improve call reporting, call taking and dispatch. All this was done with the aim of improving service delivery.

<b>District Fire Service Data</b>							
	<b>Details</b>	<b>2011/12</b>		<b>2012/13</b>		<b>2013 / 2014</b>	
		<b>Estimate No.</b>	<b>Actual No.</b>	<b>Estimate No.</b>	<b>Actual No.</b>	<b>Estimate No.</b>	<b>Actual No.</b>
<b>1</b>	Total number of incidents attended in the year		<b>204</b>		<b>495</b>		<b>544</b>
<b>2</b>	Total fires attended in the year		<b>177</b>		<b>195</b>		<b>223</b>
<b>3</b>	Total MVA/PVA attended in the year				<b>276</b>		<b>215</b>
<b>4</b>	Total other services attended in the year				<b>24</b>		<b>32</b>
<b>5</b>	Average turnout time – urban areas		<b>10min</b>				<b>10min</b>
<b>6</b>	Average turnout time – rural areas		<b>45min</b>				<b>1hour</b>
<b>7</b>	Fire fighters in post at year end		<b>72</b>		<b>61</b>		<b>75</b>
<b>8</b>	Total fire appliances at year end		<b>10</b>		<b>10</b>		<b>35</b>
<b>9</b>	Average number of appliance off the road during the year		<b>1</b>		<b>3</b>		<b>1</b>

Fire Service Policy objectives taken from IDP							
Service Objectives Service indicators (i)	Outline service targets (ii)	2011/12			2012/13	2013/14	
		Target		Actual		Target	
		*Previous year (v)	*Current year (vi)	(vii)	*Current year (viii)	*Current year (ix)	*following year (x)
<b>Provision of Fire and Rescue Services</b>							
<b>Response to emergencies</b> <b>Response to emergencies</b>							
		0	0	0	0	0	0
	Pick-up van	0	0	0	0	4	0
	Tactical vehicles	0	0	0	0	0	0
	Fire water tanker	0	0	0	0	0	0
	Aganang Fire Station					1	1
	Foam and extinguishers					1	1
	Installation of cascade systems					3	0
<b>Fire Prevention &amp; Public Education</b>	Procure inspection vehicles 4	0	2	0	0	2	0
	SANS & NFPA codes	2	2	2	2	2	2
<b>Training</b>	Minibus (multi-seater)	0	1	0	0	0	0
	BE-SAFE mobile					0	1

Employees: Fire Services								
Job level	2011/12				2012 / 13			
Fire Fighters Administrators	Pos ts No.	Employ ees No.	Vacancie s (fulltime equivale nts) No.	Vacanci es (as a % of total posts) %	Pos ts No.	Employ ees No.	Vacancie s (fulltime equivale nts) No.	Vacanci es (as a % of total posts) %
Chief fire Officer & Deputy	3	2	6.16	66.67	3	2		33.33
Other fire officers	75	65	7.4	89.71	75	61		18.66
0-3								
4-6								
7-9								

#### Comment on the Performance of Fire Services Overall:

- Lack of fire and rescue service coverage at Aganang Local municipality leads to the inefficient rendering of services in line with best practices.
- Transfer of Polokwane fire services to the District.

#### Interventions

- Polokwane Local Municipality was requested to provide land (location: Sterkloop Portion 10. 6 hectares) for purposes of relocating the disaster risk management centre and an application is being considered.
- CDM has purchased the emergency vehicles and equipment to address the turnaround problem associated with the provision of emergency services. Plans have been put in place to establish a fire and rescue service in the Aganang area. To achieve the objectives, CDM will improve communication networks for incident reporting; ensure compliance with the Disaster Management Act. Awareness on environmental issues will also be raised.
- CDM will ensure that approval of new building plans consider fire compliance, regulate the handling and storage of flammable liquids including hazardous materials and conduct building inspections to reduce the vulnerability of the community as a result of fire. It will conduct awareness campaigns and support community-based partnerships regarding fire and disaster management, including training the communities on the use of the equipment and materials procured.

### 3.18. OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

Disaster Management Centre is located at the Polokwane Fire station servicing the entire district. Main Disaster hazards identified in the District are: Natural and Anthropogenic (man-made) such as (Strong Winds, Flash Floods, Drought, Epidemics, Veld fires, Transport Emergencies) amongst others. Almost all communities in the district are affected in one way or the other by these hazards although, the degree in which they are affected differs based on their vulnerability.

The focus of the services is measured based on the following key performance areas and enablers

- Institutional Capacity building for the Disaster Management
- Pre-Disaster Risk Reduction
- Post Disaster Recovery
- Public awareness ,Education , Training and Research
- Monitoring, Evaluation and Improvement

**Enablers**

- Information Management and Communication
- Funding arrangements for disaster risk management

The top service delivery priorities are:-

- |   |   |
|---|---|
| <b>Institutional Capacity Building</b>          | <ul style="list-style-type: none"> <li>- Establishment of Advisory forum structures for both DM and LM's, and community based capacity building.</li> <li>- Recruitment and establishment of Disaster Management Volunteers</li> <li>- Entering into Mutual Aid Agreements with other institution to promote disaster risk reduction programs.</li> </ul>   |
| <b>Pre-Disaster Risk Reduction</b>              | <ul style="list-style-type: none"> <li>- Identification and monitoring of risks (Vulnerability and Hazards assessment).</li> <li>- Prioritization and profiling of identified risks.</li> <li>- Referral of the prioritized risks to relevant departments.</li> <li>- Development of risk reduction strategies, programmes and Projects, and also</li> <li>- Incorporating risk reduction strategies and plans into the municipal DMP And IDP.</li> </ul> |
| <b>Post –Disaster Recovery</b>                  | <ul style="list-style-type: none"> <li>- Responding to disasters (windstorms, displaced families due to disaster activities).</li> <li>- Facilitated provision of disaster emergency houses (RDPs) to disaster victims with the help of COGHSTA. In addition to the above-mentioned assistance, SASSA and Red Cross have also provided food parcels to disaster victims.</li> <li>- Coordinating rehabilitation and reconstruction programs.</li> </ul>   |
| <b>Education, Training, Awareness campaigns</b> | <ul style="list-style-type: none"> <li>- Conducting community based training and awareness Campaigns (primary and secondary schools as well as in Communities).</li> </ul>  |



**Information Management and-Communication Centre**

A centre with 24-hour communication facility for reporting and dispatching which allows for co-ordination of response measures in the case of events and disaster Incidents.

**\* Funding**

- Capital and operational budget for disaster management activities (refer to IDP)

**Response and relief interventions -**

Respond to all reported incidents within the set standard of eight (8) hours, incident assessments conducted and relevant intervention provided in four local municipalities (Aganang, Blouberg, Lepelle-Nkumpi and Molemole) and support given to Polokwane LM as per request.

Disaster management, Animal Licensing and control, control of public Policy objectives taken from IDP							
Service Objectives Service indicators (i)	Outline service targets (ii)	2011/12			2012/13	2013/14	
		Target		Actual	Target		
		*Previous year (v)	*Current year (vi)	(vii)	*Current year (viii)	*Current year (ix)	*following year (x)
Provision of disaster management services in the district							
Institutional arrangement	Review of District Disaster Management Plan. (Consolidation of locals plans)	0	0	0	0	Number of disaster management plans reviewed	0
	Development of disaster management preparedness policy	0	0	0	0	Number of disaster management preparedness policy developed for the	0

						district	
	Recruitment, engagement and registration of disaster management volunteers	0	0	0	0	Recruitment, engagement and registration of disaster management volunteers	0
Capacity building	Non-accredited Workshop on Disaster management for Tribal authorities and ward committee members	0	0	0	0	Number of workshops conducted for Tribal Authorities, Ward committees on disaster management	1
Response and recovery	Disaster relieve material	50 Tents, 1000 Blankets, 30 Salvage sheets.		0	100 tents, 650 blankets, 30 salvage sheets	Procure (70 tents, 50 sleeping mates, 1000 blankets, 100 lamps, and 60 salvage sheets, 10 foldable shack)	1
Reduction	Hosting of International Disaster Day	1	1	1	1	1	1
	Hosting of international Fire week	1	1	1	1	1	1

Referral of request for Disaster Management Centre	Land for disaster centre	1	1	0	1	1	1

Employees: Disaster management, Animal Licensing and control, control of public					
Job level	2013/14				
Job Level	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	
0-3	0	0	0	0	
4-6	1	1	0	0	
7-9	3	3	0	0	
10-12	15	15	0	0	
13-15					

**Comment on the Performance of Disaster Management, Animal Licensing and Control of Public Nuisances, Etc Overall:**

Disaster Management Advisory forums structures are established within the district 4 meeting are held annual per advisory forum. 124 awareness campaigns across the district were held to ensure capacity building in the community and also to promote the use of the emergency number. Disaster cases (incidents) are responded and attended to within 8hrs of being reported for the financial 2013/14 over 664 disaster incidents are attended to.

**Challenges**

- Disaster Management Services is run from a minimum budget and this can pose challenge in case of a major disaster, the funds availed for 2013/2014 was for procurement of disaster relief material which puts more emphasis on post-disaster recovery than pre-disaster risk reduction.
- Non-response by other stakeholders (e.g. Dept of Education, CoGHSTA etc.) is delaying service delivery.
- Referral of request for Disaster Management Centre the matter is still pending.

**Interventions**

- Request for land to erect Disaster Management Centre, matter referred to Municipal manager and IGR forum but to date no intervention to the request.

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## COMPONENT H: SPORT AND RECREATION

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This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

### Introduction to Sport and Recreation

The district is playing a minimum role within the context of powers and functions. Most of these services reside within the ambit of department of Sport, Arts and Culture as well as that of local municipalities with the district offering some support within the extent of available resources.

The main focus has been with refurbishment of community facilities (mainly community halls and sport facilities). This support has experienced scaling down in terms of resource allocations especially since the introduction of some treasury circulars which have resulted in re-aligning interventions in line with core functions and responsibilities of different levels of local government services

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### 3.19. SPORT AND RECREATION

- Heritage celebration was held at Ga-Maleboho, Blouberg Local Municipality to enhance social cohesion
- Back to school campaign was held in non-performing schools adopted by the District
- Various schools competitions were held in schools in the District to promote wellness and social cohesion
- Five Sports facilities were upgraded in various Local Municipalities.
- District Community Safety Forum established in partnership with Department of Safety, Security and Liaison to combat crime, substance abuse and teenage pregnancy.

Employees: Sport and Recreation					
Job level	2013/14				
Job Level	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	
0-3	1	1	1	100%	
4-6					

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## COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

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This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

### Introduction to Corporate Policy Offices, Etc.

The main objective is to provide support and auxiliary services to all Departments and the political component of the Municipality. Some of the functions include Fleet control, Office accommodation, Effective security services, Reliable and efficient telecommunication service. Timely and well-collated qualitative documents.

### 3.20. EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councilors; and municipal manager).

#### Introduction to Executive and Council

Capricorn District Municipality was established in terms of the Municipal Structures Act, 1998 (Act No. 117 of 1998) on 01 October 2000 - Provincial Government Notice No. 307 of 2000. CDM is a Category C municipality as determined in terms of Section 4 of the Municipal Structures Act, 1998.

The Executive Mayor and the Speaker head the political component of the municipality. The overall executive and legislative authority vests in Council. However, CDM has an approved delegation system that seeks to decentralize and democratize decision-making within the institution, and improve the pace at which services are delivered to the community. This is intended to maximize administrative and operational efficiency and provide for adequate checks and balances. In line with the delegations system, some decision-making powers have been cascaded from Council to the Executive Mayor, Mayoral Committee, its Portfolio Committees and the full-time Councilors. Other powers have been delegated to the Municipal Manager.

The Executive and Council Policy objectives taken from IDP							
Service Objectives Service indicators (i)	Outline service targets (ii)	2011/12		2012/13	2013/14		
		Target		Actual	Target		
		*Previous year (v)	*Current year (vi)	(vii)	*Current year (viii)	*Current year (ix)	*following year (x)
Service objective xxx							
Councilor's Support	To provide support to the Executive Mayor, Speaker and Chief Whip.	Establish comprehensive support to political functionaries and all Councillors.	Establish comprehensive support to political functionaries and all Councillors.	comprehensive support to political functionaries and all Councilors established	Establish comprehensive support to political functionaries and all Councillors.	Establish comprehensive support to political functionaries and all Councillors.	Establish comprehensive support to political functionaries and all Councillors.

### 3.21. FINANCIAL SERVICES

#### Introduction Financial Services

One major area of change is citizens' expectations of their governments regarding public services and their willingness to pay for these services. Every level of government is expected to live within its financial resources and provide as good or better service than in the past.

#### A Viable Municipality is able to:

- Grow in population and economic terms
- Govern and democratically represent the interests of the community
- Satisfy the responsibilities for administration and services in accord with legislation
- Provide the services needed at a cost that the residents are willing to pay
- Fund services from its financial resources.

The CDM NSDP indicates that the operating budget for all municipalities, on average, has been growing over the periods 2003/04 to 2009/10. Polokwane has the highest sources of operational budget over the years, whereas Aganang has the lowest sources. During the period under review Blouberg municipality experienced an average growth of 32.6%, followed by Lepelle-Nkumpi (23.6%), Molemole (21.3%), Polokwane (16%) and Aganang (15.4%). The average annual capital budget growth was greatest in Lepelle-Nkumpi, Molemole local municipality, and Polokwane local municipality) between 2003/04 and 2009/10.

Financial Services Policy objectives taken from IDP							
Service Objectives Service indicators (i)	Outline service targets(ii)	2011/12			2012/13	2013/14	
		Target		Actual (vii)	Target		
		*Previous year (v)	*Current year (vi)		*Current year (viii)	*Current year (ix)	*following year (x)
		Service objective xxx					
Budget	Preparations and monitoring of budget  seminar for District financial management organized	Budget preparations and monitoring  District financial management seminar	Budget preparations and monitoring  District financial management seminar	Preparations and monitoring of budget  seminar for District financial management organized	Budget preparations and monitoring  District financial management seminar	Budget preparations and monitoring  District financial management seminar	Budget preparations and monitoring  District financial management seminar
Income	To improve	Financial manage	Financial manage	support given to	Financial management	Financial	Financial manage

	revenue collection of the district	ment support Enforcement of by-laws	ment support Enforcement of by-laws	Financial management By-laws Enforced	ent support Enforcement of by-laws	management support Enforcement of by-laws	ment support Enforcement of by-laws
Expenditure	To ensure that payment are effected timeously  Recording of assets according to GRAP 17	Salary, assets, petty cash, creditors reconciliation  Employees benefits valuation  Asset management	Salary, assets, petty cash, creditors reconciliation  Employees benefits valuation  Asset management	Reconciliation of Salary, assets, petty cash, creditors  Employees benefits valued  Asset managed	Salary, assets, petty cash, creditors reconciliation  Employees benefits valuation  Asset management	Salary, assets, petty cash, creditors reconciliation  Employees benefits valuation  Asset management	Salary, assets, petty cash, creditors reconciliation  Employees benefits valuation  Asset management
Supply Chain Management	To ensure implementation of SCM regulations, expenditure, service standards and policies.	Development of procurement schedule  Capacity building of service providers and bid committee members	Development of procurement schedule  Capacity building of service providers and bid committee members	procurement schedule Developed  Capacity building of service providers and bid committee members organized	Development of procurement schedule  Capacity building of service providers and bid committee members	Development of procurement schedule  Capacity building of service providers and bid committee members	Development of procurement schedule  Capacity building of service providers and bid committee members

### 3.22. HUMAN RESOURCE SERVICES

Human Resource Services is to attract, develop, manage, reward, engage and retain Capricorn District Municipality's employees to ensure that municipality's strategic objectives are met and help to make Capricorn District Municipality and employer of choice

Service Objectives service indicator (i)	Outline service targets (ii)	2011/12		2012/13	2013/14		
		Target		Actual	Target		
		*Previous year (v)	*Current year (vi)	(vii)	*Current year (viii)	*Current year (ix)	*following year (x)
Service objective xxx							
staff provisioning plan	% compliance to staff provisioning plan / cycle		95% compliance to staff provisioning plan/cycle	33% compliance to staff provisioning plan/cycle	100% compliance to staff provisioning plan / cycle	90 percent filling of all funded vacancies	92.75 percent filling of all funded vacancies
Employment Equity Plan	% progress in the review and implementation of the Employment Equity Plan		100% progress in the review and implementation of the Employment Equity plan	100% progress in review of the Employment Equity plan	100% in the review and the implementation of the Employment Equity Plan	97.5% positions (of filled posts) in the four highest level of management filled by employees from EE target	97.5% positions (of filled posts) in the four highest level of management filled by employees from EE target
						1 employment equity report submitted to DOL (Depart	1 employment equity report submitted to DOL (Depart



						ment of Labour) by January 2014	ment of Labour) by January 2014
training	Number of training programs/ interventions		70% administration and 90% councillors trained	64.5 % of the targeted employees trained and 140% of councillors trained	80% administration and % councillors trained	100 Percent of a municipality's budget actually spent on implementing its Workplace Skills Plan	47.84 Percent of a municipality's budget actually spent on implementing its Workplace Skills Plan
bursary	Internal and External bursary		40 internal and 20 external beneficiaries to receive bursaries	52 internal bursaries awarded and 40 external bursaries awarded	40 internal and 25 external beneficiaries received bursaries	45 internal and 40 external beneficiaries to receive bursaries	46 internal and 17 external beneficiaries received bursaries
Employee Wellness program	Employee Wellness program		100% progress in implementing employee wellness program	100% of all cases referred within 5 days for attention	100% progress in implementing employee wellness program	100 percent of employee wellness programme implemented	100 percent of employee wellness programme implemented
Job evaluation	Job evaluation		90% of OD and change management recommendations implemented	3 change management interventions conducted.	100% of OD and Change management recommendations implemented	4 change management programs conducted	4 change management programs conducted

### 3.23. INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

#### Introduction to Information and Communication Technology (ICT) Services

Top 3 service delivery priorities

- Improved bandwidth for the remote offices for speed access and availability of the network
- Implementation of onsite backup to protect municipal data and ensure data availability
- Technical system upgraded to the latest version ECC for ease of support and enhancements
- Implementation of mail archiving solution to improve security and protect municipal data
- Implemented ICT steering Committee to monitor Governance of ICT

#### Service Statistics for ICT Services

- Information Technology Policies approved and implemented
- Information Technology Disaster recovery plan in place
- Upgraded network and fire station sites
- Effective management of infrastructure and network security
- Effective management of the integrated application system
- Improved server room infrastructure
- Database migrated from Oracle to Sybase to reduce license fee cost and SAP supported database.

ICT Services Policy objectives taken from IDP							
Service Objectives Service indicators (i)	Outline service targets (ii)	2012/13			2013/14	2014/15	
		Target		Actual	Target		
		*Previous year (v)	*Current year (vi)	(vii)	*Current year (viii)	*Current year (ix)	*following year (x)
Service objective							
	Disaster recovery plan in place and implemented		Disaster recovery plan in place		Implementation of disaster recovery recommendations		Review of the disaster recovery plan and Business Continuity plan
	Corporate Governance ICT Policy Framework						Development of Corporate Governance ICT Policy

						framework
	Implementa tion of backup system		100% internal and 50% external backup manageme nt		100% internal and 70% external backup management	100% internal and 100% external backup manageme nt
	% of availability of Security Cameras at remote sites		70% availability of cameras		70% availability of cameras	70% availability of cameras
	Implementa tion of new network system		70% network standardiz ation		80% network standardizati on	
	Implementa tion of new server rack by September 2011		100% server rack installed and managed		100% server rack installed and managed	
	Develop implementat ion plan on IT policies by august 2011		100% workshop conducted		100% workshop conducted	Reviewed ICT Policies and procedure manual
	100% implementat ion of IT Risks and Audit recommend ations		100% risks recommen dation implement ed		100% risks recommenda tion implemented	99% risks and audit recommen dation implement ed

<b>Employees: ICT Services – no changes here</b>					
<b>Job level</b>	<b>2012/13</b>		<b>2013/14</b>		
	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies</b>	<b>Vacancies</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>(fulltime</b>	<b>(as a % of</b>
				<b>equivalents)</b>	<b>total posts)</b>
				<b>No.</b>	<b>%</b>
<b>0-3</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>None</b>	<b>None</b>
<b>4-6</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>None</b>	<b>None</b>
<b>7-9</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>None</b>	<b>None</b>

**Comment on the Performance of ICT Services Overall:**

- Policies and procedures approved and implemented
- IT Helpdesk software utilized for effective support
- Upgrading of the infrastructure network was implemented
- Technical system upgraded to the latest version ECC for ease of support and enhancements functional upgrade in progress

**3.24. PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES**

This component includes: property; legal; risk management and procurement services.

**Introduction to Property; Legal; Risk Management and Procurement Services**

Property; legal; Risk Management and Procurement Services Policy objectives taken from IDP							
Service Objectives Service indicators (i)	Outline service targets (ii)	2011/12			2012/13	2013/14	
		Target		Actual	Target		
		*Previous year (v)	*Current year (vi)	(vii)	*Current year (viii)	*Current year (ix)	*following year (x)
Service objective: Provision of Legal services							
		100% contracts signed on time	100% contracts signed on time		100% contracts signed on time	100% contracts signed on time	100% contracts signed on time
		100% compliance with litigation and settlement process			100% compliance with litigation and settlement process	100% compliance with litigation and settlement process	100% compliance with litigation and settlement process
		100% updates on legal matters			100% updates on legal matters	100% updates on legal matters	100% updates on legal matters

<b>Employees: Property; legal; Risk Management and Procurement Services</b>					
<b>Job level</b>	<b>2012/13</b>		<b>2013/14</b>		
	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
<b>0-3</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>N/A</b>
<b>4-6</b>	<b>2</b>	<b>14</b>	<b>8</b>	<b>6</b>	<b>42.8%</b>
<b>7-9</b>	<b>7</b>	<b>9</b>	<b>6</b>	<b>3</b>	<b>33.3%</b>
<b>Total</b>		<b>26</b>	<b>17</b>	<b>9</b>	<b>34.6%</b>

## **CHAPTER 4: DEPARTMENTAL SERVICE DELIVERY REPORT**

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

### **a) Introduction**

In terms of section 46 of the Municipal Systems Act of 2000, municipalities are required to prepare an Annual Performance Report that is to form part of the Annual Report to be prepared in terms of the Municipal Finance Management Act. This Report therefore reports on performance on Organisational Objectives with regard to the progress made by the Municipality. It also gives an indication of achievements and failures made with regard to the implementation of programmes and projects' on planned targets as set out in the approved Service Delivery and Budget Implementation Plans (SDBIP) for 2011/2012 financial year.

### **b) Purpose of a Performance Management System**

PMS is defined as “ a strategic approach to management which equips leaders, managers, employees and stakeholders at different levels, with a set of tools and techniques to regularly plan, continuously monitor and periodically measure and review performance of the organization (municipality) in terms of indicators and targets for efficiency, effectiveness and impact.” A PMS is also intended to assist the Council to improve service delivery by channelling its resources to meet performance targets and in doing so, ensure that the municipality achieves its strategic objectives as contained in its IDP.

### **c) Service Delivery Excellence**

Essentially, service delivery excellence has its firm basis on providing the optimum services to the community of CDM in its area of jurisdiction.

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
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**FINANCE DEPARTMENT**

**Outcome 9 Output:** Responsive, Accountable, Effective and Efficient Local Government System **Strategic objective:** To provide sound financial management for the district. **Measurable objective:** To obtain unqualified audit report by 2013 and improve capital expenditure to 99%. **KPA 4:** Municipal Financial Viability

Budget compliance	Budget compliance	Number of credible budget prepared, tabled to and adopted by council as per the prescribed budget process timelines in the	1 approved 2013/14 credible budget to be tabled and adopted as per Municipal Finance Management Act (MFMA)	1 approved 2014/15 credible budget to be tabled and adopted as per Municipal Finance Management Act	1 approved 2014/15 credible budget to be tabled and adopted as per Municipal Finance Management Act	5 approved 2014/15 credible budget to be tabled and adopted as per Municipal Finance Management Act	1 2014/15 budget approved by council	Number of credible budget prepared, tabled to and adopted by council as per the prescribed budget process timelines in the	1 2014/15 budget approved by council	<b>Achieved</b>	Nil	Nil	Nil	None	None	One 2014/15 budget approved by council	N/A, pending audit outcomes	Target is consistent with the review SDBIP	One 2014/15 budget approved by council
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Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		Municipal Finance Management Act (MFMA) Finance Management Act (MFMA)	timelines	(MFMA)timelines		(MFMA)timelines		Municipal Finance Management Act (MFMA) Finance Management Act (MFMA)											
		Number of accurate budget reports submitted to executive management	12 accurate budget reports submitted to executive management	12 accurate budget reports submitted to executive management	N/A	60 accurate budget reports submitted to executive	12 budget reports submitted	Number of accurate budget reports submitted to executive manag	12 budget reports submitted	<b>Achieved</b>	Nil	Nil	Nil	None	None	Number of accurate budget reports submitted to executive manag	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	12 accurate budget reports submitted to exec



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		ement and mayoral committees monthly (Sec 71)	and mayoral committees monthly (Sec 71)	and mayoral committees monthly (Sec 71)		management and mayoral committees monthly (Sec 71)		ement and mayoral committees monthly (Sec 71)								ement and mayoral committees monthly (Sec 71)			utive management and mayoral committees monthly (Sec 71)
Financial Reporting	Financial Reporting	Number of monthly financial statements submitted to stakeholders	4 of quarterly financial statements submitted to stakeholders	12 financial statements submitted to stakeholders within 10	6 monthly financial and 2 quarterly financial statements submitted to stakeholders	60 financial statements submitted to stakeholders within 10	monthly financial statements	Number of monthly financial statements submitted to stakeholders	6 monthly financial and 2 quarterly financial statements submitted	<b>Achieved</b>	Nil	Nil	Nil	None	None	4 of quarterly financial statements submitted to stakeholders	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	4 of quarterly financial statements submitted to

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		holders within 10 working days after the end of the month	within 10 working days after the end of the month	working days after the end of the month	holders within 20 working days after the end of the month	working days after the end of the month		within 10 working days after the end of the month	ed to stakeholders within 20 working days after the end of the month							within 10 working days after the end of the month An unqualified audit opinion for 2011/12			stakeholders within 10 working days
		Unqualified audit opinion	Qualified audit opinion for 2012/13	Unqualified audit opinion for 2012/13	N/A	Unqualified audit opinion for 5 Financial years	Auditor General Report	Unqualified audit opinion for 2012/13	Qualified Audit Opinion	<b>Not achieved</b>	Opex	Opex	Opex	Qualified on transversal issues i.e. roads and water	Busy engaging with Treasury, Department of Roads and	A qualified audit opinion received	N/A, pending audit outcomes	Target is consistent with the reviewer SDBI	Audit or General Report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														transactions	Transport and Auditor General			P	
		Number of annual financial statements and performance report to the Auditor General by 31st August	1 annual financial statement submitted on the 31 August 2012	1 annual financial statement to be submitted on the 31 August 2013	N/A	5 annual financial statement to be submitted on the 31 August yearly	Auditor General Report	1 annual financial statement to be submitted on the 31 August 2013	1 annual financial statement submitted to AG on the 31 August 2013	<b>Achieved</b>	Nil	Nil	Nil	None	None	1 annual financial statement to be submitted on the 31 August 2013	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	
		Number of interim financial	1 interim financial	1 interim financial	N/A	5 interim financial		1 interim financial statement	1 interim financial statement	<b>Achieved</b>	Nil	Nil	Nil	None	None	1 interim financial statement	N/A, pending audit outcomes	Target is consistent with	1 interim financial

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		12 statements submitted to Treasury by the 31st January 2013	statement submitted to Treasury by the 31st January 2013	statement submitted to Treasury by the 31st January 2013		statement submitted to Treasury by the 31st January yearly		12 statements submitted to Treasury by the 31st January 2013	12 statements submitted to Treasury by the 31st January 2013							12 statements submitted to Treasury by the 31st January 2013	es	the reviewer SDBIP	statement submitted to Treasury by the 31st January 2013
Treasury management	Treasury management	Number of monthly cash flow projections, bank and petty cash reconciliation	12 monthly cash flow projections, bank and petty cash reconciliation	12 cash flow projections, bank and petty cash reconciliation prepared	N/A	60 monthly cash flow projections, bank and petty cash reconciliation	Reviewed and signed cash flow projections, bank and petty cash reconciliation	12 Reviewed and signed cash flow projections, bank and petty cash	12 Reviewed and signed cash flow projections, bank and petty cash	<b>Achieved</b>	Nil	Nil	Nil	None	None	12 Reviewed and signed cash flow projections, bank and petty cash	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	Reviewed and signed cash flow projections, bank and

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		iation prepared	prepared			ciliation prepared	iation prepared	reconciliation prepared	reconciliation prepared							reconciliation prepared			petty cash reconciliation prepared
Expenditure management	Payables	Percentage creditors reconciled and paid within 30 days	90 Percent creditors reconciled and paid within 30 days	80 Percent creditors reconciled and paid within 30 days	N/A	Percentage creditors reconciled and paid within 30 days	Creditors paid register	80 Percent creditors reconciled and paid within 30 days	80 Percent creditors reconciled and paid within 30 days	<b>Achieved</b>	Nil	Nil	Nil	None	None	80 Percent creditors reconciled and paid within 30 days	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	Creditors paid register
		Number of petty cash reconciliations performed	12 petty cash reconciliations performed	12 petty cash reconciliations performed	N/a	Number of petty cash reconciliations performed	Petty cash reconciliations reviewed and	12 petty cash reconciliations performed	6 petty cash reconciliations performed	<b>Achieved</b>	Nil	Nil	Nil	None	None	Petty cash reconciliations reviewed and	N/A, pending audit outcomes	Target is consistent with the	Petty cash reconciliations reviewed

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		ed	ed	ed		ns performed	signed-off performed	ed								signed-off		reviewer SDBIP but discontinued for the 3 <sup>rd</sup> and 4 <sup>th</sup> quarter.	wed and signed-off
	Employee benefits	Number of payroll runs and reconciliations performed	12 payroll runs and reconciliations performed	Review and sign-off of payroll runs and reconciliations	N/A	60 payroll runs and reconciliations performed	Review and sign-off of payroll runs and reconciliations Employee cost benefit	Review and sign-off of payroll runs and reconciliations Employee cost benefit	12 payroll runs and reconciliations performed	<b>Achieved</b>	Nil	Nil	Nil	None	None	Review and sign-off of payroll runs and reconciliations Employee cost benefit	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	Review and sign-off of payroll runs and reconciliations Empl

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
							evaluation report	evaluation report								evaluation report			oyee cost benefit evaluation report
		Number of employee cost benefit evaluation performed	1 Employee cost benefit evaluation performed for 2012/13	1 Employee cost benefit evaluation performed for 2012/13	N/A	5 Employee cost benefit evaluation performed for 2012/13	Employee cost benefit evaluation report	1 Employee cost benefit evaluation performed for 2012/13	1 Employee cost benefit evaluation performed for 2012/13	<b>Achieved</b>	159 000	159 000	159 000	None	None	1 Employee cost benefit evaluation performed for 2012/13	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	1 Employee cost benefit evaluation performed for 2012/13
Supply Chain Management	Demand management	Number of municipal procure	1 municipal procurement	1 municipal procurement	N/A	5 municipal procurement	Review and sign-off of procure	Number of municipal procure	1 municipal procurement	<b>Achieved</b>	Nil	Nil	Nil	None	None	1 municipal procurement	N/A, pending audit outcomes	Target is consistent with	1 municipal procure

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		ment plan developed and implemented	plan developed and implemented	plan developed and implemented		plan developed and implemented	ment plan	ment plan developed and implemented	plan developed and implemented							plan developed and implemented	es	the reviewer SDBIP	nt plan developed and implemented
		Number of municipal database for Service Providers updated	1 municipal database for Service Providers updated	1 municipal database for Service Providers updated	N/A	5 municipal database for Service Providers updated	All application forms process on database	Number of municipal database for Service Providers updated	1 municipal database for Service Providers updated	<b>Achieved</b>	Nil	Nil	Nil	None	None	1 municipal database for Service Providers updated	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	Number of municipal database for Service Providers updated
		Percentage of Supply Chain	New indicator	100 Percent of Supply	N/A	100 percent of Supply	Budget variation report	Budget variation report	100 percent of Supply	<b>Achieved</b>	Nil	Nil	Nil	None	None	100 Percent of Supply	N/A, pending audit outcomes	Target is consistent	100 Percent of Supply



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		Management (SCM) requirements that are linked to the budget		Chain Management (SCM) requirements are linked to the budget		Chain Management (SCM) requirements that are linked to the budget			Chain Management (SCM) requirements linked to the budget							Chain Management (SCM) requirements are linked to the budget	es	with the reviewer SDBIP	y Chain Management (SCM) requirements are linked to the budget
		Number of reports on market pricing trends	Number of reports on market pricing trends	1 updated report on market pricing trends	N/A	5 updated report on market pricing trends	Updated report of market pricing trends	Updated report of market pricing trends	1 updated report on market pricing trends	<b>Achieved</b>	Nil	Nil	Nil	None	None	1 Updated report of market pricing trends	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	Updated report of market pricing trends

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	Acquisition management	Percentage of orders issued within 7 working days after appointment	95 Percent of orders issued within 7 working days after appointment	95 Percent of orders issued within 7 working days after appointment	N/A	Percentage of orders issued within 7 working days after appointment	Order register	Percentage of orders issued within 7 working days after appointment	95 Percent of orders issued within 7 working days after appointment	<b>Achieved</b>	Nil	Nil	Nil	None	None	95 Percent of orders issued within 7 working days after appointment	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	Percentage of orders issued within 7 working days after appointment
		Percentage of compliance to the SCM regulations that result in	New indicator	100% compliance to the SCM regulations that result in R nil	100% compliance to the SCM regulations that result in R nil	100% compliance to the SCM regulations that result in R nil	100% compliance to the SCM regulations that result in R nil	Percentage of compliance to the SCM regulations that result in	100% compliance to the SCM regulations that result in R nil	<b>Achieved</b>	Nil	Nil	Nil	None	None	100 Percent of compliance to the SCM regulations	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	Percentage of compliance to the SCM regulation

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		R nil irregular expenditure		irregular expenditure	expenditure	in R nil irregular expenditure	irregular expenditure	R nil irregular expenditure	irregular expenditure							that result in R nil irregular expenditure		P	s that result in R nil irregular expenditure
		Amount of fruitless and wasteful expenditure incurred in the Finance department	New indicator	No (R nil) fruitless and wasteful expenditure incurred in the Finance department	No (R nil) fruitless and wasteful expenditure incurred in the Finance department	No (R nil) fruitless and wasteful expenditure incurred in the Finance department	N/a	Fruitless and wasteful expenditure report	No (R nil) fruitless and wasteful expenditure incurred in the Finance department	<b>Achieved</b>	Nil	Nil	Nil	None	None	No (R nil) fruitless and wasteful expenditure incurred in the Finance department	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	N No (R nil) fruitless and wasteful expenditure incurred in the Finance department

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		Days taken to appoint service providers since advertising of goods and services	New indicator	90 days taken to appoint service providers since advertising of goods and services	90 days taken to appoint service providers since advertising of goods and services	Days taken to appoint service providers since advertising of goods and services	Report on appointment of service providers	Number of days taken to appoint service providers since advertising of goods and services	90 days taken to appoint service providers since advertising of goods and services	<b>Achieved</b>	Nil	Nil	Nil	None	None	90 Days taken to appoint service providers since advertising of goods and services	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	New indicator
		Days taken to submit list of irregular, fruitless	New indicator	15 days taken to submit list of irregular, fruitless	15 days taken to submit list of irregular, fruitless and	Days taken to submit list of irregular,	Register of irregular expenditure	Number days taken to submit list of irregular,	15 days taken to submit list of irregular, fruitless	<b>Achieved</b>	Nil	Nil	Nil	None	None	Days taken to submit list of irregular,	N/A, pending audit outcomes	Target is consistent with the reviewer	Days taken to submit list of irregular

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		and wasteful expenditure to COH GTA and AGSA		and wasteful expenditure to COH GTA and AGSA	wasteful expenditure to COH GTA and AGSA	fruitless and wasteful expenditure to COH GTA and AGSA		fruitless and wasteful expenditure to COH GTA and AGSA	and wasteful expenditure to COH GTA and AGSA							fruitless and wasteful expenditure to COH GTA and AGSA		er SDBIP	lar, fruitless and wasteful expenditure to COH GTA and AGSA
		Percentage of complaints on service providers addressed within 5 working	100 Percent of complaints on service providers addressed 5 working	100 Percent of complaints on service providers addressed 5 working	N/A	100 Percent of complaints on service providers addressed	Contract register	Percentage of bids evaluated, adjudicated, awarded and contract signed	100 Percent of complaints on service providers addressed within 5	<b>Achieved</b>	Nil	Nil	Nil	None	None	Percentage of bids evaluated, adjudicated, awarded and contract signed	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	Percentage of bids evaluated, adjudicated, awarded

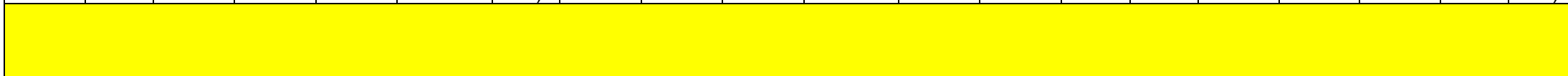
Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		days	days	days		ssed within 5 working days		within set timeframes	working days							within set timeframes			and contract signed within set timeframes
		Percentage of bids evaluated, adjudicated and contract signed within set of timeframes	100 percent of bids evaluated, adjudicated and contract signed within set of timeframes	100 percent of bids evaluated, adjudicated and contract signed within set of timeframes	N/A	100 Percent of bids evaluated, adjudicated and contract signed within set of timeframes	Report on bidders evaluated within set of timeframes	Percent of bids evaluated, adjudicated and contract signed within set of timeframes	100 Percent of bids evaluated, adjudicated and contract signed within set of timeframes	<b>Achieved</b>	Nil	Nil	Nil	None	None	100 Percent of bids evaluated, adjudicated and contract signed within set of timeframes	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	Report of bids evaluated within set timeframes

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
Assets and logistics	Assets and logistics	Number of updated asset registers	1 updated asset register	1 updated asset register	N/A	5 updated asset register	Complete asset register	Complete asset register	1 updated asset register	<b>Achieved</b>	Nil	Nil	Nil	None	None	Complete asset register	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	Complete asset register
		Number of inventory verifications performed	12 inventory verifications performed	12 inventory verifications performed	N/A	60 inventory verifications performed	Inventory verification report	Inventory verification report	12 inventory verifications performed	<b>Achieved</b>	nil	Nil	Nil	None	None	Inventory verification report	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	Inventory verification report
		Number of asset verifications performed	2 asset verification performed	2 asset verification performed	N/A	10 asset verification performed	Asset verification report	Asset verification report	2 asset verification performed	<b>Achieved</b>	3 500 00000	4 000 000		None	None	Asset verification report	N/A, pending audit outcomes	Target is consistent with	Asset verification report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		ed	ed	ed		med											es	the reviewer SDBIP	
		Percentage of all assets disposed reported	100 Percent of all assets disposed reported	100 Percent of all assets disposed reported	N/A	Percentage of all assets disposed reported	Asset disposal report	Asset disposal report	100 Percent of all assets disposed reported	<b>Achieved</b>	10 000	100 000		None	None	Asset disposal report	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	Asset disposal report
Institutional Arrangements/ Human Resources	Institutional Arrangements/ Human Resources	Number of employees trained (bid committees, Barcoded	New indicator	4 employee trained (bid committees, Barcoded Asset	1 employee trained (bid committees, Barcoded Asset Audit system	Continuous training for Number of employees trained (bid	Report on employees trained	Number of employees trained (bid committees, Barcoded	1 employee trained (bid committees, Barcoded Asset	<b>Achieved</b>	295 000	295 000		None	None	1 employees trained (bid committees, Barcoded Asset	N/A, pending audit outcomes	Target is consistent with the reviewer SDBIP	Report of employees trained (bid committees,



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		Asset Audit system (Baud), Generally recognized Accounting Practice (GRAP), Excel & SAP)		Audit system (Baud), Generally recognized Accounting Practice (GRAP), Excel & SAP),	(Baud), Generally recognized Accounting Practice (GRAP), Excel & SAP),	committees, Barcoded Asset Audit system (Baud), Generally recognized Accounting Practice (GRAP), Excel & SAP)		Asset Audit system (Baud), Generally recognized Accounting Practice (GRAP), Excel & SAP)	Audit system (Baud), Generally recognized Accounting Practice (GRAP), Excel & SAP),							Audit system (Baud), Generally recognized Accounting Practice (GRAP), Excel & SAP)			Barcoded Asset Audit system (Baud), Generally recognized Accounting Practice (GRAP), Excel & SAP)



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
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**DEPARTMENT: INFRASTRUCTURE SERVICES**

**Outcome 9 Output:** Responsive, Accountable, Effective and Efficient Local Government System. **Strategic objective:** To ensure universal access to basic sustainable water **Measurable objective:** 100% access by all communities to water by 2014. **KPA 2:** Basic Service Delivery and Infrastructure Development

**WATER DEVELOPMENT**

Water (Planning & Development)	Pinkie Sebotse Water Supply	Number of household with access to water.	New indicator	267 households with water access	N/A	500 households with access to water	Progress report	Number of households with access to water	95 Percent Construction completed	<b>Partially Achieved</b>	4 000 000	4 000 000	3 648 041.44  (91.0%)	Physical construction completed and Eskom has completed the works waiting for Eskom to switch on	Contractors making follow ups with Eskom on regular basis so that Eskom can energize the borehole	95 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department
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Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														power only					
Water (Planning & Development)	Saaiplaas Water Supply	Number of household with access to water.	New indicator	267 households with water access	N/A	300 households with access to water	Progress report	Number of households with access to water	90 Percent Construction completed	<b>Partially Achieved</b>	4 000 000	4 000 000	2 704 428.22 (67.0%)	Physical construction completed and Eskom has completed the works waiting for Eskom to switch on power only	Contractors making follow ups with Eskom on regular basis so that Eskom can energise the borehole	90 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence completed by the Department

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														and delivery of the steel tank					
Water (Planning & Development)	Segwahlen Water Supply	Number of household with access to water.	New indicator	267 households with water access	Tender advert	318 households with access to water	Progress report	Number of households with access to water	Project put on hold	<b>Not Achieved</b>	4 000 000	4 000 000	547273.44  (14.0%)	Project is not yet registered with MIG therefore is being put on hold until registration	Technical report submitted to DWA and it has been recommended	Project put on hold	NA pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
Water (Planning & Development)	Diana Water Supply	Number of household with access to water.	New indicator	267 households with water access	N/A	349 households with access to water	Progress report	Number of households with access to water	80 Percent Construction completed	<b>Partially Achieved</b>	4 000 000	4 000 000	2 704 428.22 (67.0%)	Strike in the steel and metal industry delayed the delivery of steel tanks because all deliveries have been stopped	After the strike is completed suppliers promised to prioritize the delivery of the tanks	80 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department
Water (Planning & Development)	Naledi Water	Number of	New indicator	267 household	N/A	322 household	Progress	Number of	100 percent	<b>Achieved</b>	4 344	4 344	3 485 359.2	Cable stolen	Contractor	100 Percent	N/A pending	The target	Portfolio of

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
ing & Development)	Supply	household with access to water.	r	olds with water access		holds with access to water	s report	households with access to water	construction completed with 267 households having access to water	d	143	143	1 (87.0%)	and it was reported to ESKOM	engaging Eskom to replace the cable	Construction completed	Audit outcome	is consistent with the reviewer SDBIP	evidence compiled by the Department
Water (Planning & Development)	Ga Seema Water Supply	Number of household with access to water.	New indicator	267 households with water access	N/A	450 households with access to water	Progress report	Number of households with access to water	95 Percent Construction completed	<b>Partially Achieved</b>	4 000 000	4 000 000	3 630 978.81 (90.0%)	Physical construction completed and Eskom has completed the works	Contractors making follow ups with Eskom on regular basis so that Eskom can	95 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														waiting for Eskom to switch on power only	energise the borehole				
Water (Planning & Development)	Mankodi Water Supply	Number of household with access to water.	New indicator	267 households with water access	N/A	361 households with access to water	Progress report	Number of households with access to water	90 Percent Construction completed	<b>Partially Achieved</b>	4 000 000	4 000 000	1 858 834.45 (46.0%)	Physical construction completed and Eskom has already surveyed the route	Contractors making follow ups with Eskom on regular basis so that Eskom can energise the	90 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
															borehole				
Water (Planning & Development)	Maupye & Helena Water Supply	Number of household with access to water.	New indicator	267households with water access	N/A	370 household with access to water	Progress report	Number of households with access to water	90 Percent Construction completed	<b>Partially Achieved</b>	4 000 000	4 000 000	3 551 915.37 (89.0%)	Steel tank delivered and being erected. Eskom has completed the works waiting for Eskom to switch on power	Contractors making follow ups with Eskom on regular basis so that Eskom can energise the borehole	90 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence completed by the Department



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														only					
Water (Planning & Development)	Phoffu Water Supply	Number of household with access to water.	New indicator	533 households with water access	N/A	799 households with access to water	Progress report	Number of households with access to water	70 Percent Construction completed	<b>Partially Achieved</b>	5 000 000	5 000 000	5 212 156.48 (65.0%)	Strike in the steel and metal industry delayed the delivery of steel tanks because all deliveries have been stopped and	Contractors making follow ups with Eskom on regular basis so that Eskom can energise the borehole and after the strike is completed	70 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														Eskom	suppliers promised to prioritise delivery of the tanks				
Water (Planning & Development)	Lepotlako Water Supply	Number of household with access to water.	New indicator	300 households with water access	N/A	454 households with access to water	Progress report	Number of households with access to water	95 Percent construction completed	<b>Partially Achieved</b>	4 500 000	4 500 000	3 903 631.20 (87.0 %)	Physical construction completed and Eskom has completed the works waiting	Contractors making follow ups with Eskom on regular basis so that Eskom can energise	95 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														g for Eskom to switch on power only	e the borehole				
Water (Planning & Development)	Sekurwe Water Supply	Number of household with access to water.	New indicator	300 households with water access	N/A	321 households with access to water	Progress report	Number of households with access to water	100 percent construction completed with 300 households having access to water	<b>Achieved</b>	4 596 175	4 596 175	3 714 200.57 (83.0%)	None	None	100 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department
Water (Planning & Development)	Makgodu Water	Number of household with access to water.	New indicator	300 households	N/A	490 households	Progress report	Number of households	90 Percent construction	<b>Partially Achieved</b>	4 717 826	4 717 826	3 666 445.23	Eskom delaye	Contractor making	90 Percent Construction	N/A pending Audit	The target is	Portfolio of evidence

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
Development)	Supply	old with access to water.		with water access		with access to water		with access to water	ction completed				(81.0 %)	d in commencing with the project, Eskom on-site busy with construction	follow ups with Eskom to fast track the energisation process	ction completed	outcome	consistent with the reviewer SDBIP	nce completed by the Department
Water (Planning & Development)	Senwabarwana Bulk Water Supply	Number of household with access to water.	New indicator	233 households with water access	Designs completed	328 households with access to water	Progress report	Number of households with access to water	Site investigation underway	<b>Not Achieved</b>	2 106 963	2 106 963	Nil	Poor performing consultant terminated	New consultant appointed and project differed to 2014/1	Site investigation underway	N/A pending Audit outcome	The target is consistent with the reviewer	Portfolio of evidence completed by the Depa

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
															5 financial year			SDBIP	rtment
Water (Planning & Development)	Witten Bulk Water Supply	Number of household with access to water.	New indicator	400 households with water access	N/A	554 households with access to water	Progress report	Number of households with access to water	90 Percent construction completed	<b>Partially Achieved</b>	6 000 000	6 000 000	3 878 485.95  (64.64%)	None	None	90 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department
Water (Planning & Development)	New Jerusalem WS	Number of household with access	New indicator	267 households with water	N/A	300 households with access	Progress report	Number of households with	50 Percent construction complet	<b>Not Achieved</b>	4 000 000	4 000 000	2 819 218.15	The project commenced	Contractor to fast track the	50 Percent Construction complet	N/A pending Audit outcome	The target is consistent	Portfolio of evidence compi

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
ment)		to water.		access		s to water		access to water	ed				(70.4 %)	on 29 Jan 2014 with construction period of six (6) months and expected completion date of 29 July 2014	construction of the project	ed	e	with the reviewer SDBIP	led by the Department
Water (Planning & Development)	Windhoek Extension	Number of households with	New indicator	267 households with	N/A	405 households with	Progress report	Number of households	40 Percent construction	Not Achieved	4 316 300	4 316 300	342 854.01	Project awarded in	Expedite the construction of	40 Percent Construction	N/A pending Audit outcome	The target is consistent	Portfolio of evidence

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
ment)	sion	access to water.		water access		access to water		with access to water	completed				(7.9%)	February 2014 with five (5) months construction period and the delay is being encountered due to procurement of the package	the project and reduction of the capacity of the package plant	completed		tent with the reviewer SDBIP	completed by the Department

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														plant					
Water (Planning & Development)	My Darling Extension Reticulation Water Supply	Number of household with access to water.	New indicator	267 households with water access	N/A	432 households with access to water	Progress report	Number of households with access to water	25 Percent construction completed	<b>Not Achieved</b>	6 367 100	6 367 100	771 335.23 (12.1%)	Project awarded in February 2014, site hand over done on 27 Feb 2014 with six (6) months construction period and	Contractor to fast track the construction of the project	25 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														expected completion date of 27 Aug 2014					
Water (Planning & Development)	Devilliersdale BWS	Number of household with access to water.	New indicator	267 households with water access	N/A	431 households with access to water	Progress report	Number of households with access to water	53 Percent construction completed	<b>Not Achieved</b>	4 417 195	4 417 195	831 538.90  (18.8%)	Project awarded in February 2014, site hand over done on 04 Feb 2014 with	Contractor to fast track the construction of the project	53 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														six (6) months construction period and expected completion date of 04 Aug 2014					
Water (Planning & Development)	Undermark BWS	Number of household with access to water.	New indicator	267 households with water access	Designs completed	331 households with access to water	Progress report	Number of households with access to water	Site investigation underway	Not Achieved	963 600	963 600	Nil	Poor performing consultant terminated	New consultant appointed and project differed to	Site investigation underway	N/A pending Audit outcome	The target is consistent with the review	Portfolio of evidence compiled by the

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
															2014/15 financial year			er SDBIP	Department
Water (Planning & Development)	Black hill WS	Number of household with access to water.	New indicator	267 households with water access	Design completed	1017 households with access to water	Progress report	Number of households with access to water	No progress	<b>Not Achieved</b>	2 000 000	2 000 000	Nil	Project not registered with MIG	Project differed to 2014/15 financial year	No progress	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department
Water (Planning & Development)	Diepsloot BWS	Number of household with access to water.	New indicator	267 households with water access	25 Percent construction completed	437 households with access to water	Progress report	Number of households with access to water	Contractor appointed	<b>Not Achieved</b>	3 682 333	3 682 333	628 196.74 (17.0)	Addition of the second village to the	Fast track the construction process	Contractor appointed	N/A pending Audit outcome	The target is consistent with the	Portfolio of evidence compiled by

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
													%)	project caused delays during design				reviewer SDBIP	the Department
Water (Planning & Development)	Avon BWS	Number of household with access to water.	New indicator	300 households with water access	N/A	432 households with access to water	Progress report	Number of households with access to water	25 Percent construction completed	<b>Not Achieved</b>	4 646 900	4 646 900	1 113 614.33 (24.7%)	Appointed contractor declined offer	The 2 <sup>nd</sup> contractor was appointed	25 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department
Water (Planning & Development)	Glenfernis Phase 2 WS	Number of household with	New indicator	300 households with	N/A	385 households with	Progress report	Number of households with	70 Percent construction	<b>Not Achieved</b>	4 500 000	4 500 000	3 419 943.98	Project awarded in	Contractor to fast track	70 Percent Construction	N/A pending Audit outcome	The target is consistent	Portfolio of evidence

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
ment)		access to water.		water access		access to water		access to water	completed				(76.0%)	February 2014 with five (5) months construction period and expected completion of July 2014	the construction of the project	completed		tent with the reviewer SDBIP	completed by the Department
Water (Planning & Development)	Ga Kibi BWS	Number of household with access	New indicator	252 households with water	25 Percent Construction complete	387 households with access	Progress report	Number of households with	Project at tender adjudication	<b>Not Achieved</b>	2 000 000	2 000 000	Nil	Drilled boreholes were collapsed	Special drilling methods and casing	Project at tender adjudication	N/A pending Audit outcome	The target is consistent	Portfolio of evidence complete

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
ment)		to water.		access	d	s to water		access to water	stage					ing due to soft soil conditions	material were used. The project is at adjudication stage	stage	e	with the reviewer SDBIP	led by the Department
Water (Planning & Development)	Eldorado Phase 1 WS	Number of household with access to water.	New indicator	267 households with water access	25 Percent Construction completed	437 households with access to water	Progress report	Number of households with access to water	Project at adjudication stage	<b>Not Achieved</b>	3 430 000	3 430 000	628 196.74 (18.3%)	Challenges were encountered due to low yielding boreholes	Adequate yielding borehole was found	Project at adjudication stage	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department
Water (Planning & Development)	Groot hoek	Number of	New indicator	133 household	Appointment of	167 household	Progress report	Number of household	Draft tender	<b>Not Achieved</b>	1 033 000	1 033 000	Nil	The project	The project	Draft tender	N/A pending	The target	Portfolio of

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
ing & Development)	Regional Water Supply (Gama-Molapo reticulation) [Makgophong]	household with access to water.	r	olds with water access	service provider	holds with access to water		olds with access to water	document submitted	d				t at Gama-Molapo has been put on hold due to community conflicts which also affected the 2012/13 project	has been re-located to Makgopong village, and designs are completed	stage	Audit outcome	is consistent with the reviewer SDBIP	evidence compiled by the Department
Water	Groot	Number	New	133	Designs	191	Progress	Number of	Site	<b>Not</b>	1 716	1 716	Nil	Poor	New	Site	N/A	The	Portfo

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
(Planning & Development)	hoek (Mathibela) Water Supply	of household with access to water.	indicator	households with water access	completed	households with access to water	s report	households with access to water	investigation underway	<b>Achieved</b>	132	132		performing consultant terminated	consultant appointed and project differed to 2014/15 financial year	Investigations underway	pending Audit outcome	target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department
Water (Planning & Development)	Groothoek (Moshengoville reticulation) Water Supply	Number of household with access to water.	New indicator	133 households with water access	N/A	437 households with access to water	Progress report	Number of households with access to water	50 Percent construction completed	<b>Not Achieved</b>	2 996 710	2 996 710	988 501.49 (49.0%)	Strike in the steel and metal industry delayed the delivery	After the strike is completed suppliers promised to prioritise	50 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														y of steel tanks because all deliveries have been stopped	e delivery of the tanks			P	t
Water (Planning & Development)	Groot hoek/ Specoek Regional Water Supply Reticulate Sehla	Number of household with access to water.	New indicator	133 households with water access	N/A	430 households with access to water	Progress report	Number of households with access to water	100 percent construction completed with 133 households having access	<b>Achieved</b>	2 000 000	2 000 000	1 376 896.10  (68.0 %)	None	None	100 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence completed by the Department

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	beng and Mash ego								to water										
Water (Planning & Development)	Groot hoek (Matjati Reticulation) Water Supply	Number of household with access to water.	New indicator	133 households with water access	N/A	419 households with access to water	Progress report	Number of households with access to water	100 percent construction completed with 133 households having access to water	<b>Achieved</b>	2 000 000	2 000 000	2 000 000  (100.0%)	None	None	100 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department
Water (Planning & Development)	Groot hoek (Matlharolla Reticulation)	Number of household with access to water.	New indicator	133 households with water access	N/A	383 households with access to water	Progress report	Number of households with access to water	100 percent construction completed	<b>Not Achieved</b>	2 000 000	2 000 000	2 000 000	None	None	100 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
ment)	ation)	to water.		access		s to water		access to water	ed with 133 households having access to water				(100.0%)			ed	e	with the reviewer SDBIP	led by the Department
Water (Planning & Development)	Groot hoek (Moletane Yard Access) Connection	Number of households with access to water.	New indicator	333 households with water access	N/A	908 households with access to water	Progress report	Number of households with access to water	100 percent construction completed with 333 households having access to water	<b>Achieved</b>	4 917 143	4 917 143	4 917 143  (100.0%)	None	None	100 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department
Water (Planning & Development)	Groot hoek (Lebo)	Number of households	New indicator	733 households	N/A	885 households	Progress report	Number of households	100 percent construction	<b>Achieved</b>	11 000 000	11 000 000	11 000 000	None	None	100 Percent Construction	N/A pending Audit	The target is	Portfolio of evidence

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
Development)	wakgomo) Water Supply	old with access to water.		with water access		with access to water		with access to water	ction completed with 733 households having access to water				(100.0%)			ction completed	outcome	consistent with the reviewer SDBIP	nce completed by the Department
Water (Planning & Development)	Stocks (Madisha Leolo Yard Access)	Number of household with access to water.	New indicator	267 households with water access	N/A	405 households with access to water	Progress report	Number of households with access to water	100 percent construction completed with 267 households having access to water	<b>Achieved</b>	4 563 316	4 563 316	4 563 316	None	None	100 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence completed by the Department
Water	Groot	Number	New	267	N/A	816	Progress	Number of	13	<b>Not</b>	4 791	4 791	933	Slow	Warnin	13	N/A	The	Portfo

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
(Planning & Development)	hoek (Madis Ditoro) Water Supply	of household with access to water.	indicator	households with water access		households with access to water	s report	households with access to water	Percent construction completed	<b>Achieved</b>	967	967	298.43 (23.0%)	progress on-site	g letter issued by consultant	Percent Construction completed	pending Audit outcome	target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department
Water (Planning & Development)	Mphahlele RWS (Nkoto Yards Access)	Number of household with access to water.	New indicator	133 households with water access	N/A	342 households with access to water	Progress report	Number of households with access to water	75 Percent construction completed	<b>Partially Achieved</b>	2 262 276	2 262 276	171 735.77 (7.6%)	Strike in the steel and metal industry delayed the delivery of steel tanks	After the strike is completed suppliers promised to prioritize delivery of the	75 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														because all deliveries have been stopped	tanks				
Water (Planning & Development)	Mphahlele RWS (Seleteng Reticulation & Yard Access)	Number of household with access to water.	New indicator	133 households with water access	N/A	640 households with access to water	Progress report	Number of households with access to water	100 percent construction completed with 133 households having access to water	<b>Achieved</b>	2 000 000	2 000 000	2 000 000  (100.0%)	None	None	100 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department
Water (Planning & Development)	Mphahlele RWS (Seleteng Reticulation & Yard Access)	Number of household with access to water.	New indicator	133 households with water access	N/A	359 households with access to water	Progress report	Number of households with access to water	100 percent construction completed with 133 households having access to water	<b>Achieved</b>	2 000 000	2 000 000	2 000 000	None	None	100 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
ng & Development)	RWS (Mashite Yard Access) Connection	household with access to water.	r	olds with water access		holds with access to water		olds with access to water	construction completed with 133 households having access to water				(100.0%)			Construction completed	Audit outcome	is consistent with the reviewer SDBIP	evidence compiled by the Department
Water (Planning & Development)	Mathabatha RWS (Mphaneng Bulk Line)	Number of household with access to water.	New indicator	100 households with water access	Designs completed	234 households with access to water	Progress report	Number of households with access to water	Site investigation underway	<b>Not Achieved</b>	184 300	184 300	Nil	Poor performing consultant terminated	New consultant appointed and project differed to 2014/15 financial year	Site Investigation underway	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
Water (Planning & Development)	Dublin and Mahlatjane Water Supply	Number of household with access to water.	New indicator	133 households with water access	N/A	212 households with access to water	Progress report	Number of households with access to water	Engineer busy with revised scope of works	<b>Not Achieved</b>	219 040	219 040	Nil	Contractor has withdrawn from the project	Project will to be re-advertised	Engineer reviewing scope of works	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department
Water (Planning & Development)	Green side and Riverside Water Supply	Number of household with access to water.	New indicator	133 households with water access	N/A	637 households with access to water	Progress report	Number of households with access to water	90% construction completed	<b>Partially Achieved</b>	3 000 000	3 000 000	1 188 800.57 (40.0%)	Physical construction completed waiting for Eskom to	Letter written to Eskom to expedite the electrification of the	90 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														energise the borehole	boreholes			P	t
Water (Planning & Development)	Matseke, Sefene and Ramajowe RWS	Number of household with access to water.	New indicator	200 households with water access	N/A	1221 households with access to water	Progress report	Number of households with access to water	90 Percent Construction completed	<b>Partially Achieved</b>	5 000 000	5 000 000	4 283 118.26  (86.0%)	Physical construction completed waiting for Eskom to energise the borehole	Contractor making follow ups with Eskom to fast track the energisation process	90 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department
Water (Planning & Development)	Nyakeane and Sekhohale	Number of household with	New indicator	333 households with	Designs completed	440 households with	Progress report	Number of households with	No target	<b>Not Achieved</b>	1 217 000	1 217 000	Nil	Drilled boreholes are	Project differed to 2014/15	Boreholes drilled	N/A pending Audit outcome	The target is consistent	Portfolio of evidence

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
ment)	kho RWS	access to water.		water access		access to water		access to water	Boreholes drilled					approximately 10 Kilometres from the village and Class of water is 3	5 financial year		e	tent with the reviewer SDBIP	completed by the Department
Water (Planning & Development)	Dikgading, Sekonye, Mphakane and Springs	Number of household with access to water.	New indicator	267 households with water access	N/A	376 households with access to water	Progress report	Number of households with access to water	90 Percent Construction completed	<b>Partially Achieved</b>	3 000 000	3 000 000	1 214 296.61 (40.0%)	Physical construction completed waiting for Eskom to	Contractor making follow ups with Eskom to fast track the	90 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBI	Portfolio of evidence completed by the Department

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														energise the borehole	energisation process			P	t
Water (Planning & Development)	GaMokganya RWS	Number of household with access to water.	New indicator	200 households with water access	N/A	256 households with access to water	Progress report	Number of households with access to water	90 Percent Construction completed	<b>Partially Achieved</b>	2 997 300	2 997 300	2 676 106.52 (89.3%)	Physical construction completed waiting for Eskom to energise the borehole but Eskom is on-	Contractor making follow ups with Eskom to fast track the energisation process	90 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
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Water (Planning & Development)	Mamotshana, Makgato, Sekalegole RWS	Number of households with access to water.	New indicator	199 households with water access	N/A	365 households with access to water	Progress report	Number of households with access to water	90 Percent Construction completed	<b>Partially Achieved</b>	6 432 325	6 432 325	2 369 927.00  (79.0 %)	Physical construction completed waiting for Eskom to energise the borehole but Eskom is on-site	Contractor making follow ups with Eskom to fast track the energisation process	90 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department
Water (Planning & Development)	Sekakeni,	Number of	New indicator	200 households	N/A	2087 households	Progress report	Number of households	80 Percent	<b>Partially Achieved</b>	3 035 900	3 035 900	1 362 068.2	The project	The human	80 Percent	N/A pending	The target	Portfolio of

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
Planning & Development)	Polatla, Sione and Dikgol aneng RWS	household with access to water.		households with water access		households with access to water		households with access to water	construction completed	<b>Not Achieved</b>			6 299 (27.0 %)	Project was delayed due to discovery of human remains during excavation	remains were taken by SAPS for further investigation and the project has resumed	Construction completed	Audit outcome	is consistent with the reviewer SDBIP	evidence compiled by the Department
Water (Planning & Development)	Sephakula, Mokoapu, Thokana, Makw...	Number of household with access to water.	New indicator	333 households with water access	N/A	2922 households with access to water	Progress report	Number of households with access to water	100 Percent construction completed	<b>Achieved</b>	3 000 000	3 000 000	2 699 109.77 (90.0 %)	None	None	100 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer	Portfolio of evidence compiled by the Depa

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	etja RWS																	SDBIP	rtment
Water (Planning & Development)	Nthabiseng Capricorn park	Number of household with access to water.	New indicator	200 households with water access	Designs completed	364 households with access to water	Progress report	Number of households with access to water	New consultant appointed to replace the terminated consultant and busy with site investigations	<b>Not Achieved</b>	Nil	Nil	Nil	Shama Specialist was terminated	New consultant appointed to replace the terminated consultant	New consultant appointed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department
Water (Planning & Development)	Ramogopha RWS (Ga-	Number of household with access	New indicator	200 households with water	N/A	1215 households with access	Progress report	Number of households with access	80 Percent construction completed	<b>Partially Achieved</b>	4 500 000	4 500 000	3 349 154.13	Waiting for Eskom to energise	Contractor making follow ups	80 Percent Construction completed	N/A pending Audit outcome	The target is consistent	Portfolio of evidence compi

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	Joel, Ramoroko) Bulk supply & storage	to water.		access		s to water		to water	ed				(74.0%)	se the borehole and delay in delivering of the steel tank	with Eskom to fast track the energisation process	ed		with the reviewer SDBIP	led by the Department
Water (Planning & Development)	Eisleben	Number of household with access to water.	New indicator	333 households with water access	N/A	483 households with access to water	Progress report	Number of households with access to water	90 Percent Construction completed	<b>Partially Achieved</b>	4 034 900	4 034 900	428 043.54 (14.0%)	Waiting for Eskom to energise the borehole	Contractor making follow ups with Eskom to fast track the energisation	90 Percent Construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Portfolio of evidence compiled by the Department

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
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<b>OPERATIONS AND MAINTENANCE</b>																			
	Fencing of reservoirs	Number of reservoirs fenced	4 Reservoir Fenced	4 reservoirs fenced	N/A	20 Reservoirs fenced	Progress report	Number of Operator Houses Constructed	Project Re-advertised	<b>Not Achieved</b>	440 000.00	440 000.00	R0.00 (0%)	Non responsive Tenders	Project rolled over(re-advertised) to 2014/2015	Project to be re-advertised	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Adjudication outcome Memo
	Construction of operator houses	Number of operator houses constructed	Planning and building plans available	2 operator houses constructed	1 Operator House Constructed	4 operator Houses constructed	Progress Report	Number of operator houses constructed	One operator house under constructed	<b>Not Achieved</b>	R1 500 000.00	R1 500 000.00	R0.00 (0%)	Delayed procurement processes	Terms of reference for 14/15 approved	One operator house under constructed	N/A pending Audit outcome	The target is consistent with the reviewer	Progress Report



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
																		SDBIP	
	Boreholes concrete pump houses	Number of concrete pump houses constructed	20 concrete pump houses constructed	20 concrete pump houses constructed	20 concrete pump houses constructed	75 concrete pump houses constructed	Progress Report	Number of Concrete pump Houses constructed	15 concrete pump houses under construction	<b>Not Achieved</b>	1800 000.00	1800 000.00	R0.00 (0%)	Only 15 Pump houses can be afforded	Target to align with funds	15 concrete pump houses under construction	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Progress Report
	Refurbishment of Water	Number of water schemes refurbished	2 water schemes refurbished	2 water schemes refurbished	2 water schemes refurbished	2 water schemes refurbished	Progress Report	Number of water schemes refurbished	2 water schemes refurbished	<b>Not Achieved</b>	R17 669 000.00	R16 382 228.00 (92%)	Project under construction	Design scope needs to be finalized by end of	Fast track construction and designs to be completed in	Projects under construction	N/A pending Audit outcome	The target is consistent with the reviewer	Portfolio of evidence compiled by the Depa

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														1 <sup>st</sup> quarter	the 1 <sup>st</sup> quarter.			SDBIP	rtment
	Electrification of Boreholes	Number of boreholes electrified	13 boreholes electrified	20 boreholes electrified	20 boreholes electrified	100 Boreholes Electrified	Progress Report	Number of boreholes electrified	20 boreholes electrified	<b>Not Archived</b>	R3 000 000.00	R852 000.00	R771 506.00 (90%)	Project still under construction	Eskom turnaround time on Application is prolonged	20 boreholes electrified	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Progress Report
	Operation and maintenance support	Percent of all reported breakdowns attended	100 Percent of all reported breakdown attended	100 Percent of all reported breakdown attended	100 Percent of all reported breakdown attended	100 Percent of all reported breakdown	Progress Report	Percent of all reported breakdowns attended	100 Percent of all reported breakdown attended	<b>Achieved</b>	R20 000 000.00	R51 269 821.00	R51 269 821.00 (100%)	All reported breakdowns attended	None	100 Percent of all reported breakdown attended	N/A pending Audit outcome	The target is consistent with the reviewer	Progress Report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	programme / Term Contracts		d	d		attended			d							d		er SDBIP	
	O&M Tools	Number of tools procured	50 tools procured	50 tools procured	50 tools procured	50 tools procured	Delivery report	Number of tools procured	50 tools procured	<b>Not Achieved</b>	R330 000.00	R330 000.00	R0.00	Service provider appointed late	To be done on term supply basis	50 tools procured	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Delivery report
	Free Basic Water	Percentage payment of electricity &	100 Percent payments of electricity &	100 Percent payments of electricity &	100 Percent payments of electricity & diesel invoices	100 Percent payments of	Processed invoices	Percentage payment of electricity & diesel.	100 Percent payments of electricity &	<b>Achieved</b>	R11 880 000.00	R13 011 200.00	R13 011 200.00 (100%)	None	None	100 Percent payments of electricity &	N/A pending Audit outcome	The target is consistent with	Processed invoices

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		diesel.	diesel invoices	diesel invoices		electricity & diesel invoices			diesel invoices							diesel invoices		the reviewer SDBIP	
	Bulk water purchase	Percentage payment of Bulk Water Supply	100 percent of received invoices processed	100 percent payment of Bulk Water Supply	100 percent of received invoices processed	100 percent of received invoices processed	Processed invoices	Percentage payment of Bulk Water Supply	100 percent of received invoices processed	<b>Achieved</b>	R55 000 000.00	R49 961 000.00	R49 961 000.00 (100%)	None	None	100 percent of received invoices processed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Processed invoices

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence

### WATER QUALITY MANAGEMENT

**Outcome 9 Output:** Responsive, Accountable, Effective and Efficient Local Government System (*Single window of coordination*). **Strategic objective:** To achieve 95% compliance to Blue Drop and 75% compliance to Green Drop assessment by 2014 **KPA 2 :** Basic Service Delivery and Infrastructure Planning

	Construction of Water Quality Laboratory: Phase 3	Percent completion of the fence around the laboratory and internal finishes	100% completion of phase 2	100% Completion of fence around the laboratory and internal finishes	100% Completion of fence around the laboratory and internal finishes.	100% Construction of Water Quality Laboratory complete	Completion reports	Percent age of Water quality laboratory constructed and completed	Construction at 68 %	<b>Not achieved</b>	2 000 000.00	2 685 700.00	410 331.60 (15%)	Unavailability of suitable bids on the first advert	Tender re-advertised and appointment made on the second advert	Construction at 68 %	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP.	Progress reports
	Water Quality	Percent age of	New indicator	100 percent	100 percent	100 percent	Progress report	Percent age of	100 percent	<b>Achieved.</b>	1 800 000.00	1 700 000.00	984 781.48	None	None	100 percent	N/A pending	The target	Progress

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	Laboratory Equipments & Instruments	all required instruments/equipments procured.	r	of all require instruments/equipments procured	of all require instruments/equipments procured	nt of laboratory equipments / instruments require procured		Laboratory equipments & instruments procured	of the require equipments & instruments procured.				(56 %)			of the require equipments & instruments procured.	Audit outcome	is consistent with the reviewer SDBI P.	Report
	Construction of Water Softening package plant	Percentage completion of water package plant	New indicator	Percentage completion of 1 water package plant	Percentage completion of 1 water package plant	100 percent completion of water softening package	Completion report	100 Percent completion of water softening package plant.	100 % of the Package Plant completed.	<b>Achieved.</b>	350 000.00	270 000.00	260 368.02 (96 %)	None	None	100 % of the Package Plant completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBI	Progress Report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
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	Implementation of Water Safety & Security Plans	Number of reservoirs cleaned	6 reservoirs cleaned	5 Reservoirs cleaned	5 Reservoirs cleaned	All reservoirs cleaned and water comply with SANS 241.	Progress report	Number of reservoirs cleaned	Service provider starts cleaning of 5 reservoirs on the 4 <sup>th</sup> August 2014	<b>Not Achieved</b>	400 000.00	400 000.00	0.00	Unavailability of suitable bids for 2 times on advert.	Service provider appointed through deviation process	cleaning of 5 reservoirs on the 4 <sup>th</sup> August 2014	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP.	Progress Report
	Water quality monitoring and sampling	Number of chemicals and microbiological samples collected	800 Micro 1 000 Chemical	400 chemicals and 500 microbiological samples	600 chemicals and 850 microbiological samples	4 000 chemicals and 5 000 microbiological samples	Sample reception Log sheets	Number of chemicals and microbiological samples collected	583 chemicals and 1 167 microbiological samples collected	<b>Achieved</b>	1 000 000.00	1 350 000.00	1 130 734.08 (84%)	None	None	Chemicals and microbiological samples done	N/A pending Audit outcome	The target is consistent with the reviewer SDBI	Sample reception log sheets available

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
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	Number of Online Disinfection Units installed	Number of Online Disinfection Units installed	20 Online Disinfection Units installed	12 Online Disinfection Units	12 Disinfection Units	60 Disinfection Units	Delivery notes	Number of Online Disinfection Units procured	20 Online Disinfection units procured	<b>Achieved</b>	200 000.00	200 000.00	0.00 (0.0%)	Unavailability of suitable bids for 2 times on advertisement.	Service provider appointed through deviation process	20 Online Disinfection units procured	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Progress Reports
	Water and waste water quality consumables	% of all requested consumables procured	100 percent of all requested consumables procured	100 percent of all requested consumables procured	100% of all requests consumables procured	100% of all requests consumables procured	Delivery note and Tax Invoice	% of all requested consumables procured	100 % of the requested consumables procured	<b>Achieved</b>	300 000.00	210 000.00	116 990.55 (55,7%)	None	None	Consumables procured as require.	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Delivery note & Tax invoice available



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
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	Unit Process Audit for Water Treatment Works	Number of Water Supply Systems assessed ( Audited )	4 water supply systems assessed.	4 water supply systems assessed	4 water supply systems assessed	20 Water Supply Systems Assessed (Audited)	Assessment Reports	Number of Water Supply Systems assessed ( Audited )	Assessment of 4 Water Supply Systems completed.	<b>Achieved</b>	300 000.00	300 000.00	227 278.95 (75,76 %)	None	None	Water Supply Systems assessed ( Audited )	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Assessment reports available.
	Accreditation and management of water quality laboratory	Percentage completion of the laboratory Business Plan and accreditation	New	100 % completion of the Laboratory Business Plan and 30 % completion	100 % completion of the laboratory business plan.	Comprehensive Laboratory Business Plan and Accreditation	Business Plan and Accreditation certificate	Percentage completion of the Laboratory Business Plan	Laboratory Business Plan 100 % completed.	<b>Achieved.</b>	2 000 000.00	1 000 000.00	831 099.84 (83,11 %)	None	None	Laboratory Business Plan completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBI	Progress Report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		ation certificate		ion of the laboratory accreditation		n certificate.												P	

### SANITATION

**Outcome 9 Output:** Responsive, Accountable, Effective and Efficient Local Government System (*Single window of coordination*). **Strategic objective:** To have 100% of households with access to basic service by 2014. **Measurable objective:** To ensure provision of access to basic sanitation to 60% of the district population. **KPA 2 :** Basic Service Delivery and Infrastructure Planning

Sanitation	Agana ng Sanita	Number of households with	410 household with access to basic	333 household with access to basic	N/A	1000 households with acces	Progress report	Number of households with	25 percent construction complet	<b>Not Achieved</b>	5 000 000	5 000 000.00	629 097.16	Top 2 recommended contra	Deviati on to appoint the 3 <sup>rd</sup> contract	25 percent construction complet	N/A pending Audit outcom	The target is consistent	Progress Report
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Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	tion	access to sanitation	sanitation	sanitation.		s to sanitation		access to sanitation	ed				(13.0%)	ctors are having projects with CDM and their performance is poor	or was approved by adjudication committee	ed	e	with the reviewer SDBIP	
Sanitation	Blouberg Sanitation	Number of households with access to sanitation	250 household with access to basic sanitation	333 household with access to basic sanitation.	N/A	1000 households with access to sanitation	Progress report	Number of households with access to sanitation	333 households with access to basic sanitation, 100 percent construction	<b>Achieved</b>	5 000 000.00	5 000 000.00	5 000 000	None	None	333 households with access to basic sanitation, 100 percent construction	N/A pending Audit outcome	The target is consistent with the reviewer SDBI	Progress Report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
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Sanitation	Senwabarwana Sewerage	Number of households with access to sanitation	New indicator	500 Household with access to basic sanitation.	25 Percent construction completed	4550 households with access to sanitation	Progress report	Number of households with access to sanitation	Technical report developed, Environmental Impact Assessment in progress	<b>Not achieved</b>	4 000 000	4 000 000	Nil	Environmental Impact Assessment underway waiting for responses	Constant engagement with Department of Environmental Affairs for progress and approval of the EIA	Technical report developed, Environmental Impact Assessment in progress	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Progress Report
Sanitation	Lepelle-Nkum	Number of households	150 household with	300 household with	250 Households with	1000 Households	Progress report	Number of households	300 households	<b>Achieved</b>	4 500 000	4 500 000	4 500 000	None	None	300 households	N/A pending Audit	The target is	Progress

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	Sanitation	Access to basic sanitation	Access to basic sanitation	Access to basic sanitation.	Access to sanitation	with access to sanitation		Access to basic sanitation	with access to basic sanitation, 100 percent construction completed				(100.0%)			with access to basic sanitation, 100 percent construction completed	outcome	consistent with the reviewer SDBIP	report
Sanitation	Upgrading of Lebowakgomo WWTW	Number of household with access to basic sanitation	2134 household with access to basic sanitation	2134 household with access to basic sanitation.	25 Percent construction completed	2300 Households with access to sanitation	Progress report	Number of household with access to basic sanitation	Project is at Design stage	<b>Not Achieved</b>	6 491 550	6 491 550	Nil	Phase 1 under construction presently	The project have been differed to 2014/15 to enable Phase 1 to be	Project is at Design stage	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Progress report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
															completed				
Sanitation	Molemole Sanitation	Number of household with access to basic sanitation	210 household with access to basic sanitation	424 household with access to basic sanitation.	325 household with access to basic sanitation	1000 Households with access to sanitation	Progress report	Number of household with access to basic sanitation	424 households with access to basic sanitation, 100 percent construction completed	<b>Achieved</b>	6 369 000	6 369 000	6 369 000  (100.0%)	None	None	424 households with access to basic sanitation, 100 percent construction completed	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Progress Report
Sanitation	Nthabeng and Moreb	Number of household with	New indicator	400 household with access	25 Percent construction	230 0 Households with	Progress report	Number of household with	Project at Design	<b>Not Achieved</b>	4 000 000	4 000 000	Nil	Community conflicts	Meeting arranged with the	Project at Design	N/A pending Audit outcome	The target is consistent	Progress Report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	eng Sewer	access to basic sanitation		to basic sanitation.	completed	access to sanitation		access to basic sanitation	stage					delayed the commencement of the project	community to finalize the dispute	stage		tent with the reviewer SDBIP	rt

### ROADS

**Outcome 9 Output:** Responsive, Accountable, Effective and Efficient Local Government System (*Single window of coordination*). **Strategic objective:** To provide access roads and accessible quality transport services within the district. **Measurable objective:** To ensure provision of roads and quality transport services. **KPA 2:** Basic Service Delivery and Infrastructure Planning

Roads	Chloe to Kordon D3432 (EPWP)	Length Km's surfaced	1 km	1 kilometer surfaced	N/A	Roads project to be discontinued	Progress report	Km's tarred	Construction 40% complete	<b>Not Achieved</b>	3 900 000.00	3 900 000.00	327 306.38 (8.4%)	Late appointment of service provider	Fast track construction	Construction at 40%	N/A pending Audit outcome	The target is consistent with the reviewer SDBI	Progress report
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Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
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	Pinkie Sebotse to Rosenkranz clinic (D3429)	Length's tarred	2 km	2 kilometer surfaced	N/A	Roads project to be discontinued	Progress report	Km's tarred	Construction 50% complete	<b>Not Achieved</b>	3 000 000.00	3 000 000.00	721 899.11 (24.1%)	Late appointment of service provider	Fast track construction	Construction at 50%	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Progress report
	Ga-Molele to Gemarke	Length's tarred	New indicator	3 km to be surfaced	N/A	Roads project to be discontinued	Progress report	Kilometers tarred	Tender evaluation stage	<b>Not Achieved</b>	8 100 000.00	8 100 000.00	1 206 190.31 (15%)	Appointed service provider declined the offer	Project at evaluation stage	Tender processes slow	N/A pending Audit outcome	The target is consistent with the reviewer SDBIP	Progress report



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
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### ELECTRICITY

**Outcome 9 Output:** Responsive, Accountable, Effective and Efficient Local Government System (*Single window of coordination*). **Strategic objective:** To have 100% of households with access to basic service by 2014. **Measurable objective:** To ensure provision of access to electricity to 90% of the district population. **KPA 2:** Basic Service Delivery

	Aganang LM	Number of households electrified	New indicator	250 households having access to basic electricity	100 percent electrification reticulation completed with 250 households electrified	1000 households electrified	Progress reports	Number of households electrified	Construction 85% completed	<b>Not Achieved</b>	4 900 000.00	4 900 000.00	2 000 000.00 (40.8%)	Long processes of approval at Eskom	Expedite the construction	Construction at 85%	N/A pending Audit outcome	Target consistent with the reviewed SDBIP.	Progress Report
	Bloubaerg LM	% of budget transfer to LM and signed	New indicator	100% Construction and commissioning	100% of R 1 000 000.00 transferred to LM	100% of R4 190 000.000 transf	Progress reports	% of budget transfer to LM and signed	100% of R 1 000 000.00 transferred to	<b>Achieved</b>	1 000 000.00	1 000 000.00	1 000 000.00	None	None	Funds transferred to LM and SLA	N/A pending Audit outcome	Target is consistent with the	Completion report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		service level agreement			and signed service level agreement	erred to LM and signed service level agreement		service level agreement	LM and SLA signed				(100%)			signed		reviewed SDBIP.	
	Lepelle Nkumpi LM	Number of households having access to basic electricity	New indicator	N/A	250 households electrified	1000 households electrified	Progress reports	Number of households electrified	250 household electrified	<b>Achieved</b>	4 900 000.00	4 900 000.00	4 900 000.00 (100%)	None	None	250 household electrified	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP.	Completion report
	Molemole LM	Number of households having access	New indicator	N/A	250 households electrified	1000 households electrified	Progress reports	Number of households electrified	Construction 75% complete	<b>Not Achieved</b>	3 850 000.00	3 850 000.00	1 850 000.00	Long processes of approval at	Expedite the construction	Construction at 75%	N/A pending Audit outcome	Target is consistent with the	Progress report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		to basic electricity											(48.1%)	Eskom				reviewed SDBIP.	
Water (Planning & Development)	Water Services Development Plan	Reviewed WSDP	WSDP available	Reviewed WSDP	Reviewed WSDP	Reviewed WSDP	Progress report	Number	TOR's developed  Consultant appointed and Draft WSDP developed	<b>Not Achieved</b>	1 500 000.00	500 000.00	0.00(0%)	The project is dependent on the completion of the Water Master Plans	The project will be implemented in the 2013/14 financial year after the completion of the Master plan.	Draft WSDP developed	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	Report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
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**DEVELOPMENT PLANNING AND ENVIRONMENTAL MANAGEMENT SERVICES**

**INTEGRATED DEVELOPMENT PLANNING**

**Outcome 9 Output:** Responsive, Accountable, Effective and Efficient Local Government System. **Strategic objective:** To manage and co-ordinate the Integrated Development Planning process within the district. **Measurable objective:** To ensure integrated development planning within the district. **KPA 6 :** Municipal transformation and organizational development

	Development and Review of Integrated Development Plan	Number of IDP/Budget approved	Approved 2011/12 IDP/Budget	1 (one) 2012/13 IDP/Budget approved.	1 (one) 2012/13 IDP/Budget approved.	1 IDP/Budget approved	IDP/Budget	Number of IDP/Budget approved	1 Approved reviewed 2013/14 IDP Budget	<b>Achieved</b>	530 000	530 000	431 000.00 (95.7%)	None	None	IDP/Budget approved as planned	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	IDP/Budget
	Strategic Planning Session	Number of Strategic Planning	11/12 strategic planning	Coordinated all 6 Departmental,	Coordinated all 6 Departmental, 1 Manager	Coordinated all 30 Department	Report and Attendance register	Number of Strategic Planning	1 Organizational strategic	<b>Achieved</b>	500 000.00	330 000	375 000.00 (83.3%)	None	None	Strategic planning session	N/A pending Audit outcome	Target is consistent with	Report and Attendance

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	ons	g Sessions coordinated.	session s held	1 Management and 1 Organizational Strategic Planning Sessions.	ment and 1 Organizational Strategic Sessions.	al, 5 Management and 5 Organizational Strategic Planning Sessions.	s	g Sessions coordinated.	planning session held				%)			s held	e	the reviewed SDBIP	registers
	2030 Growth and Development Strategy	Number of 2030 growth Development Strategy approved	New indicator	1 (one) 2030 Growth and Development Strategy approved	1 (one) 2030 Growth and Development Strategy approved	1 (one) 2030 Growth and Development Strategy	Reports per milestone	Number of 2030 growth Development Strategy approved	Scenario report developed	<b>Not achieved</b>	1 800 000.00	1 000 000.00	535 174.56 (29.7%)	Delayed start at appointment stage and	Close monitoring on progress to ensure that no further delays	2030 growth Development Strategy not yet approved	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	Reports per milestone

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
				ed		gy approved								increased consultation sessions for awareness purposes during diagnosis phase	are incurred	ed.			

**SPATIAL PLANNING**

**Outcome 9 Output: Responsive, Accountable, Effective and Efficient Local Government System (Initiative supportive of Human Settlement Outcome).**

**Strategic objective:** To promote sustainable human settlements and improved quality of household life. **Measurable objective:** Contribute to rural development, food security and land reform. **KPA 1:** Spatial Rationale

	Spatial Development	Updated SDF Implementation	New indicator	Updated SDF Implementation	Updated SDF Implementation	1 SDF Implementation	Framework	Updated SDF Implementation	Updated SDF implementation	<b>Achieved</b>	Nil	Nil	Nil	None	None	SDF implementation	N/A pending Audit outcome	Target is consistent	Framework
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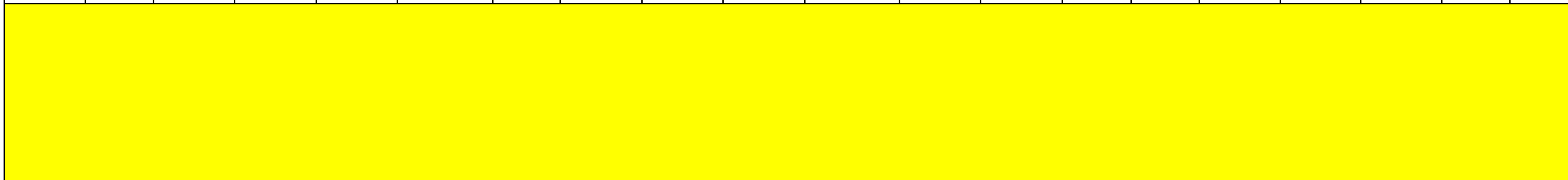
Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	nt Framework (SDF) implementation framework	Framework		Framework	Framework	Frameworks updated		Framework	framework available							framework updated		with the reviewed SDBIP	
	Site Demarcation	Number of baseline reports on sites demarcated	New indicator	1 report on site demarcation produced	N/a	1 report on site demarcation produced	Reports	Number of baseline reports on sites demarcated	1 Site demarcation report available	<b>Achieved</b>	Nil	Nil	Nil	None	None	Site demarcation report done	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	Reports
	Tenure Upgrading	Number of baseline reports on	New indicator	1 report on tenure upgrading produced	1 report on tenure upgrading produced	1 report on tenure upgrading	Reports	Number of baseline reports on	1 Tenure upgrading report available	<b>Achieved</b>	Nil	Nil	Nil	None	None	Tenure upgrading report done	N/A pending Audit outcome	Target is consistent with the	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		nodal tenure upgrading		ed		produced		nodal tenure upgrading	e									reviewed SDBIP	
	Spatial Planning Awareness (IDP and SDF) (Training industries)	Number of awareness campaigns conducted	SDF 2011/12 IDP/Budget	5 SDF awareness campaigns conducted	3 Spatial Planning Awareness session	27 Spatial Planning Awareness session	Reports Attendance registers Presentations	Number of awareness campaigns conducted	9 Spatial Planning Awareness sessions conducted	<b>Achieved</b>	50 000.00	50 000.00	33 110.00  (66.2%)	None	None	Spatial Planning Awareness sessions conducted	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	Reports Attendance registers Presentations
	Development of Lebowakgomo Master Plan	Availability of Lebowakgomo Master Plan	New indicator	Availability of Lebowakgomo Master Plan	Availability of Lebowakgomo Master Plan	1 Lebowakgomo Master Plan	Master Plan	Availability of Lebowakgomo Master Plan	Final master plan report available	<b>Achieved</b>	Nil	Nil	Nil	None	None	Lebowakgomo Master Plan developed	N/A pending Audit outcome	Target is consistent with the reviewed	Master Plan



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	r Plan																	SDBIP	
	Corporate GIS 2 GIS	Number of strategies and policies developed and approved	GIS System	1 GIS database & GIS website updated	1 GIS strategy and policy approved	1 GIS strategy and policy approved	GIS strategy & policy	Number of strategies and policies developed and approved	Draft GIS strategy & policy available	<b>Partially achieved</b>	450 000.00	450 000	267 526  (59.4%)	Lack of internal capacity to run the project	Project will be finalised under PMU in 2013/14 as the function has been transferred	Draft GIS strategy & policy not yet approved.	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	GIS strategy & policy
		Number of GIS reports compiled for website update	N/a	2 reports on GIS compiled for website update	2 reports on GIS compiled for website update	2 reports on GIS compiled for website update	Reports	Number of GIS reports compiled for website update	1 report compiled GIS website currently hosted by service	<b>Partially Achieved</b>	Nil	Nil	Nil	Lack of internal capacity to run the project	Project will be finalised under PMU in 2013/14 as the function has	Report compiled on GIS	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
						e			s providers					t	been transferred				
	Database Update on 2011/12 & 2012/13 Projects	Percentage progress of GIS database update on all completed projects	New indicator	100% update of GIS database on all completed projects	100% update of GIS database on all completed projects	100% update	Report	Percentage progress of GIS database update on all completed projects	20% of all completed projects updated on the GIS database	<b>Not achieved</b>	Nil	Nil	Nil	Lack of internal capacity to run the project	Project will be finalised under PMU in 2013/14 as the function has been transferred	20% of all completed projects updated on the GIS database	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	Report



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
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### LOCAL ECONOMIC DEVELOPMENT

**Outcome 9 output:** Responsive, Accountable, Effective and Efficient Local Government System **Strategic objective:** to manage and coordinate the Integrated Development Planning process within the district **Measurable Objective:** to strengthen forward planning and integrated development planning **KPA 4:** Local Economic Development

	Promotion of Tourism Products (Tourism Exhibitions)	Number of tourism exhibitions coordinated	2 tourism exhibitions coordinated	3 Tourism exhibition coordinated	3 Tourism exhibition coordinated	16 Tourism exhibition coordinated	Reports and Attendance Registers	Number of tourism exhibitions coordinated	4 exhibitions conducted	<b>Achieved</b>	230 000.00		215 140.76 (93.5%)	None	None	Exhibitions conducted	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	Reports and Attendance Registers
	Development of Capricorn Nature Reserve	Number of business plans developed	Feasibility study report	3 Business plans developed	3 Business plans developed	3 Business plans developed	3 Business Plans	Number of business plans developed	Business plans not developed. NEDBA NK was	<b>Not Achieved</b>	Opex		Opex	No Budget SEDA rescinded	Engaged NEDBA NK for business plan development	Business plans not developed.	N/A pending Audit outcome	Target is consistent with the reviewed	3 Business Plans

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	ve Belt								engage d to develop business plans					on the promise to compile business plans for free	ment			SDBIP	
	Facilitation of information sharing sessions (agriculture, tourism, gener	Number of information sharing session held.	3 information sharing session held	4 information sharing session held	4 information sharing session held	20 information sharing session held	Reports and Attendance Registers	Number of information sharing session held.	4 Information sharing sessions held	<b>Achieved</b>	100 00 0.00		45 100.0 0 (45.1 %)	None	None	Information sharing sessions held	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	Reports and Attendance Registers

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence	
	al SMM Es)																			
	Implementation of Capricorn Economic Development Agency [CEDA] (pre-establishment Phase)	Percentage progress on the completion of CEDA establishment phase 1	New target	100% completion of CEDA establishment phase 1	100% completion of CEDA establishment phase 1	100% completion of CEDA establishment phase 1	1 Council Resolution	Percentage progress on the completion of CEDA establishment phase 1	1 Council Resolution available	<b>Achieved.</b>	Opex		Opex	None	None	Council resolution obtained	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	1 Council Resolution	

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	Monitoring of number of jobs created in the district	Report on number of jobs created	New indicator	12 Reports produced on number of jobs created	2 Reports produced on number of jobs created	12 Reports produced on number of jobs created	Job Creation Reports	Report on number of jobs created	8 reports produced	<b>Achieved.</b>	Opex		Opex	None	None	Reports produced on number of jobs created	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	Job Creation Reports
	Facilitation of Partnership with sector departments, parastatals,	Number of Memorandum of Understanding signed	New indicator	Two (2) memorandums of understanding signed.	1 memorandums of understanding signed.	4 memorandums of understanding signed.	Signed MoUs	Number of Memorandum of Understanding signed	MoU submitted to TEP for signature	<b>Partially Achieved</b>	Opex		Opex	TEP has decided to use a standardised format for MoU for all	Continuous engagement with TEP until MoU is signed	MoU submitted to TEP for signature	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	Signed MoUs

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence	
	and private sector													provinces						
	SMM E Cooperatives and support (transport requirements for exhibitors)	SMME and Cooperatives supported	SMME and Cooperatives supported	30 SMMEs supported with transport to Exhibitions	30 SMMEs supported with transport to Exhibitions	80 SMM Es supported with transport to Exhibitions	Reports and Attendance Registers	SMME and Cooperatives supported	37 SMMEs transported	<b>Achieved</b>	100 000.00		93 885.00 (93.8 %)	None	None	SMME and Cooperatives supported	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	Reports and Attendance Registers	
	Investment promotion	Number of investment missions	Investment promoted	Promotion of investment	1 Investment Mission undertaken	3 Investment Mission undertaken	Report	Number of investment missions	One Investment seminar hosted	<b>Achieved.</b>	150 000.00		43 226.00 (28.8 %)	None	None	Investment seminar hosted	N/A pending Audit outcome	Target is consistent with the	Report	

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		undertaken				aken		undertaken										reviewed SDBIP	
	Agricultural programmes	Number of agricultural projects supported	Agricultural project supported	1 Agricultural project supported	1 Agricultural project supported	5 Agricultural project supported	Report	Number of agricultural projects supported	1 Agricultural project supported	<b>Achieved.</b>	Opex		Opex	None	None	Agricultural project supported	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	Report
	Facilitation of the development of Makgabeng Rock Art into a	Number of reports compiled on the tourism strength of the site	New indicator	100 % completion of Phase 1 of Makgabeng Heritage site	1 report compiled on the tourism strength of the site	1 report compiled on the tourism strength of the site	Report	Number of reports compiled on the tourism strength of the site	Report available	<b>Achieved</b>	Opex		Opex	None	None	Reports produced	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	Report



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence	
	tourism Destination																			

**PUBLIC TRANSPORT**

**Outcome 9 Output:** Responsive, Accountable, Effective and Efficient Local Government System (*Single window of coordination*). **Strategic objective:** To enhance efficiency of all transport infrastructure through appropriate policies and strategies. **Measurable objective:** Development of transport related strategies and policies.  
**KPA 2 :** Basic Service Delivery and Infrastructure Planning

	Road Safety Awareness Campaign	Number of Road Safety education and Communication campaigns facilitated and coordinated	16 Road safety education and communication campaigns facilitated & coordinated	16 Road safety education and communication campaigns facilitated & coordinated	N/a	16 Road safety education and communication campaigns facilitated & coordinated	Attendance registers	Number of Road safety education and communication campaigns facilitated & coordinated	16 Road safety education and communication campaigns facilitated & coordinated	<b>Achieved</b>	50 000.00		50 000.00 100%	None	None	16 Road safety education and communication campaigns facilitated & coordinated	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	Attendance registers
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Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
						nated													
	Public Transport Rural Infrastructure Planning	Number of rural roads infrastructure plan developed	Rural roads infrastructure database	1 Rural roads infrastructure plan developed	N/a	1 Rural roads infrastructure plan developed	Monthly and quarterly progress reports	Number of rural roads infrastructure plan developed	1 Rural roads infrastructure plan developed	<b>Achieved</b>	Current 1 879 650 00 0.00		1 764.15 (93% )  490 000.00 Roll-over budget (100% )	None	None	1 Rural roads infrastructure plan developed	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	Reports
	Development of District Road master Plan	Number of District Road master plan developed	District Integrated Transport plan	1 District Road Master plan Developed	N/a	1 District Road Master plan Developed	Service level Agreement and Appointment letter	Number of District Road Master plan developed	Introductory report – necessary data and information	<b>Not Achieved</b>	500 000.00	None	None	Approved Service provider declined	Second service provider reappointed	No District Road Master plan Developed	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	Appointment letter and signed SLA

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	Monitoring & implementation of facility management Plan	Number of Monitoring reports on the implementation of Facility management Plan	Facilities Management plan	16 Monitoring reports on the implementation of Facility management Plan	N/a	16 Monitoring reports on the implementation of Facility management	Reports and facility management plan	Number of Monitoring reports on the implementation of Facility management Plan	16 Monitoring reports on the implementation of Facility management plan	<b>Achieved</b>	170 000.00	None	27 000.00 50%	None	None	16 Monitoring reports on the implementation of Facility management	N/A pending Audit outcome	Target is consistent with the reviewed SDBIP	Reports
	Reviewed and Alignment of ITP with Public Transport Strateg	Number of ITP reviewed and aligned to Public Transport Strateg	District Integrated Transport Plan	1 ITP reviewed and aligned to Public Transport Strategy	N/a	1 ITP reviewed and aligned to Public Transport Strategy	Attendance register, Final DI TP document and Council resolution	Number ITP reviewed and aligned to Public Transport Strateg	1 ITP reviewed and aligned to Public Transport Strateg	<b>Achieved</b>	200 000.00		68 000.00 100% final certificate	None	None	1 ITP reviewed and aligned to Public Transport Strateg	N/A pending Audit outcome	Target is consistent with the reviewed SDBI	Final reviewed ITP approved by Coun

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence	
	Port Strategy and Action Plan																			

**DEPARTMENT: COMMUNITY SERVICES**

**Outcome 9 Output:** Responsive, Accountable, Effective and Efficient Local Government System. **Strategic objective:** To ensure and provide effective firefighting and rescue services, fire and prevention and public education for the district. **Measurable objective:** Improving access to basic services. **KPA 2:** Basic Service Delivery

Emergency management services	Establishment of Agana Fire Station	Phased establishment of Agana fire station	Three fire stations established (Blouberg, Molemole and Lepelle-Nkumpi local municip	Phase one: fencing of the site Designs and plans for the fire stations	N/a	100% Functional fire station	Report	Phased establishment of Agana fire station	Draft designs and specific ations to be approved soon.	<b>Partly achieved</b>	1 500 000.00	Require 2 100 000.00	0%	Delays in appointments of services provider.	SCM processes have been given attention	Draft designs and specific ations to be approved soon	N/A pending Audit outcome	The target is consistent with the reviewed SDBIP.	Report
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Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
			alities	Drilling of water and installation of water reservoir															
	Foam and fire extinguisher	Number of liters of foam and fire extinguishers procured	500 litres of foam	200 of liters of foam and fire extinguishers procured	N/a	200 of liters of foam and fire extinguishers procured	Report/invoices	Number of liters of foam and fire extinguishers procured	Firefighting foam procured and fire extinguishers serviced	<b>Achieved</b>	40 000.00	40 000.00	40 000.00	None	None	Firefighting foam procured and fire extinguishers serviced	N/A pending Audit outcome	The target is consistent with the reviewed SDBIP.	Report/invoices
	SANS and NFPA licences renewed	Number of licences renewed	Two licences renewed	Two licences renewed	N/a	Two licences renewed	Reports/invoices	Number of licences renewed	SANS licences and NFPA renewed	<b>Achieved</b>	70 000.00	70 000.00	70 000.00	None	None	SANS licences and NFPA renewed	N/A pending Audit outcome	The target is consistent with	Reports/invoices

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	al																	the reviewed SDBIP	
Municipal Health Services	Food and water quality management (control)	Number of reports on food and water quality standards	12 reports on food and water quality standards	12 reports on food and water quality standards	N/a	12 reports on food and water quality standards	Reports	Number of reports on food and water sampling	12 reports on food and water quality standard produced	<b>Achieved</b>	Nil	Nil	Nil	None	None	12 reports on food and water quality standard produced	N/A pending Audit outcome	The target is consistent with the reviewed SDBIP.	Reports Reports
	Moore pads planting (communic)	Number of reports on Moore pads	12 reports on Moore pads planted	12 reports on Moore pads planted	N/a	12 reports on Moore pads planted	Reports	Number of reports on Moore pads	12 reports on Moore pads planted	<b>Achieved</b>	100 000.00	100 000.00	100%	None	None	12 reports on Moore pads planted	N/a, pending Audit outcome	The target is consistent with	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	able diseases control)	planted				d		planted										the reviewed SDBI P.	
	Monitoring compliance of facilities with relevant legislation	Number of facilities monitoring reports produced	12 facilities monitoring reports on compliance with environmental health legislation produced	12 facilities monitoring reports on compliance with environmental health legislation produced	12 facilities monitoring reports on compliance with environmental health legislation produced	12 facilities monitoring reports on compliance with environmental health legislation produced	Reports	Number of facilities monitoring reports produced	12 reports on facilities monitored	Achieved	Nil	Nil	Nil	None	None	12 reports on facilities monitored	N/a, pending Audit outcome	The target is consistent with the reviewed SDBI P.	Report
	Conduct	Number of	12 reports	12 reports	12 reports	12 reports	Reports	Number of	12 reports	<b>Achieved</b>	Nil	Nil	Nil	None	None	12 reports	N/a, pending	The target	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	environmental health awareness	reports on environmental health awareness sessions conducted	on environmental health awareness sessions conducted	on environmental health awareness sessions conducted	on environmental health awareness sessions conducted	s on environmental health awareness sessions conducted		reports on environmental health awareness	on environmental health awareness							on environmental health awareness	Audit outcome	is consistent with the reviewed SDBIP.	
Disaster Management	Review of District Disaster Management plan (consolidation of locals	Number of Disaster Management plans reviewed	Disaster management plans for locals available	1 Disaster management plan reviewed	N/a	Revised and up to date disaster plan	Reviewed plan	Number of Disaster Management plans reviewed	Reviewed plan adopted by Council	<b>Achieved</b>	200 000.00	400000	R46 465	None	None	Reviewed plan adopted by Council	N/a, pending Audit outcome	The target is consistent with the reviewed SDBIP.	Reviewed plan



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	plan)																		
	Development of Disaster Management preparedness policy	Number of disaster management preparedness policies developed for the district	New indicator	1 disaster preparedness policy developed for the district	N/a	Capacitated community and other stakeholders	Approved policy	Number of disaster management preparedness policies developed for the district	Approved Policy	<b>Achieved</b>	Nil	None	None	None	None	Approved Policy	N/a, pending Audit outcome	The target is consistent with the reviewed SDBIP.	Approved policy
	Non-accredited workshops on disaster management for tribal	Number of workshops conducted for Tribal Authorities, ward committees on	New indicator	4 Disaster Management workshops conducted	N/a	Capacitated community & other stakeholders	Attendance register	Number of workshops conducted for Tribal Authorities, ward committees on	4 workshops conducted	<b>Achieved</b>	50 000.00	None	45354	None	None	4 workshops conducted	N/a, pending Audit outcome	The target is consistent with the reviewed SDBIP.	Attendance register

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence	
	authorities and ward committee members	disaster management						disaster management												
	Disaster relief materials and shelters	Number of disaster relief material procured	60 tents, 800 blankets, 30 salvage sheets, 100 mini lights and 400 batteries	Procure 70 tents, 50 sleeping mates, 1000 blankets, 100 lamps, 60 salvage sheets and 10 foldable shacks	N/a	Procure 70 tents, 50 sleeping mates, 1000 blankets, 100 lamps, 60 salvage sheets and	Delivery Note	Number of disaster relief material procured	1 <sup>st</sup> bunch of Disaster relief material Delivered	<b>Partially achieved</b>	1 000 000.00	1 525 660.00	689970	None	None	1 <sup>st</sup> bunch of Disaster relief material Delivered	N/a, pending Audit outcome	The target is consistent with the reviewed SDBIP.	Delivery Note	

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
						10 foldable shacks													
	Recruitment engagement and registration of disaster management volunteers	Number of policy developed for recruitment, engagement and registration of disaster management volunteers	New indicator	Development of one policy for recruitment, engagement and registration of disaster management volunteers	N/a	1 Recruitment engagement and registration of disaster management volunteers	Approved Policy	Number of policy developed for recruitment, engagement and registration of disaster management volunteers	Approved Policy	<b>Achieved</b>	Nil	None	None	None	None	Policy approved by Council	N/a, pending Audit outcome	The target is consistent with the reviewed SDBIP.	Approved Policy

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
Sports and recreation	Heritage event celebration	Number of heritage events held	One heritage event	One heritage event celebrated	1 heritage celebrations event	1 heritage celebrations event	Report	Number of heritage events held	1 heritage event held	<b>Achieved</b>	100 000.00	116 000.00	100%	None	None	1 heritage event held	N/a, pending Audit outcome	The target is consistent with the reviewed SDBIP	Report
	Refurbishment of identified community assets in local municipalities	Number of identified community assets refurbished in local municipalities	Transfer of 800 000.00 to local municipalities	4 identified community assets refurbished in local municipalities	N/a	4 identified community assets refurbished in local municipalities	Reports and MoU's	Number of identified community assets refurbished in local municipalities	Transferred money to identified local municipalities	<b>Achieved</b>	200 000.00	200 000.00	100%	None	None	Transferred money to identified local municipalities	N/a, pending Audit outcome	The target is consistent with the reviewed SDBIP.	Reports and MoU's
	Coordi	Number	New	4	N/a	4	Reports	Number	4	<b>Achieved</b>	40 000.	40 000.	100%	None	None	4	N/a,	The	Repo

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	nation of community safety forums	of Community safety forums coordinated	indicator	community safety forums coordinated		community safety forums coordinated	/minutes	of Community safety forums coordinated	community safety forums coordinated	d	00	00				community safety forums coordinated	pending Audit outcome	target is consistent with the reviewed SDBIP.	reports /minutes
	Sports and recreation development	Number of sport and recreation development events organized	One sporting event held	One sport and recreation development organized	N/a	One sport and recreation development organized	Reports	Number of sport and recreation development events organized	1 sporting event held	<b>Achieved</b>	100 00 0.00	150 00 0.00	100%	None	None	1 sporting event held	N/a, pending Audit outcome	The target is consistent with the reviewed SDBIP.	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
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**DEPARTMENT: CORPORATE SERVICES**

**ADMINISTRATION**

**Outcome 9 Output:** Responsive, Accountable, Effective and Efficient Local Government System. **Strategic objective:** To manage and co-ordinate the Integrated Development Planning process within the district. **Measurable objective:** To ensure integrated development planning within the district. **KPA 6 :** Municipal transformation and organisational development

Administration	Fleet payments	Percentage of fleet payments effected	100 percent fleet payment done	100 percent fleet payment effected	N/a	100 percent fleet payment effected	Expenditure report	Percentage of fleet payments effected	100 percent fleet payment effected	<b>Achieved</b>	4 104 000	4 304 000	3 678 902.09	None	None	100 percent fleet payment effected	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Expenditure report
Administration	Furniture and Equipment	Percentage of approved requests office furniture	100 percent of office furniture requested purchases	100 percent of approved requested office furniture	N/a	100 percent of approved requested office furniture	Proof of payment and delivery note	Percentage of approved requested office furniture	Service provider appointed and furniture procured	<b>Achieved</b>	2 350 000.00	2 422 000	1 449 100.00	None	None	Service provider appointed and furniture procure	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment and delivery note

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		purchased	ed	e purchased		re purchased		purchased								d			
Administration	Protective clothing	Percentage of qualifying staff provided with protective clothing	100 percent of all protective clothing requests purchased	100 percent of qualifying staff (Fire, disaster, operations and maintenance, General Assistants) provided with protective	N/a	100 percent of all protective clothing requests purchased	Proof of payment and delivery note	Percentage of qualifying staff provided with protective clothing	Protective clothing is currently undue delivery process	<b>Partially achieved</b>	3 500 000.00	3 500 000.00	Nil	Delay in delivery of protective clothing	Service provider is being engaged to fast track the delivery process	Protective clothing is currently undue delivery process	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment and delivery note

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
				ve clothing															
Administration	Cleaning services	Number of buildings provided with hygiene services	Two offices provided with the services	11 buildings provided with hygiene services		11 buildings provided with hygiene services	Report	Number of buildings provided with hygiene services	4 buildings provided with hygiene services	<b>Partially achieved</b>	400 000 00		194 754 57	Service provider not appointed due to non-responsive bid	Tender re-advertised	4 buildings provided with hygiene services	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Report
Administration	Plant and	Number of	8 fleet purchases	6 Fleet Plant	N/a	15 Fleet	Report	Number of	6 Fleet Plant	<b>Achieved</b>	2 800 00	2 800 00	2 462	None	None	6 Fleet Plant	N/A, pending	Target consistent	Report



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
Administration	equipment (Purchasing)	Municipal fleet, plants and equipment purchased	ed	and Equipment purchased.		Plant and Equipment purchased.		Municipal fleet, plants and equipment purchased	and Equipment purchased.	d	0	0	273.2			and Equipment purchased.	the audit outcome	tent with reviewed SDBIP	rt
Administration	Plant and equipment (Leasing)	Number of Municipal fleet, plants and equipment leased	114 Fleet leased	43 Municipal Fleet, Plant and equipment leased	N/a	43 fleet	Report	Number of Municipal fleet, plants and equipment leased	0 municipal fleet, plant and equipment leased	<b>Not achieved</b>	3 322 500.00	Nil	Nil	The project is put on hold due to a pending decision on the services which	Follow up on the pending decision	0 municipal fleet, plant and equipment leased	N/A, pending the audit outcome	Target consistent with reviewed SDBIP.	Report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														the fleet was require for					
Administration	Maintenance of vehicles	Number of fleet/vehicles serviced and maintained	82 fleet/vehicles serviced and maintained	92 fleet/vehicles serviced and maintained	N/a	117 fleet/vehicles serviced and maintained	Reports	Number of fleet/vehicles serviced and maintained	92 fleet/vehicles serviced and maintained	<b>Achieved</b>	4 630 000.00	4 630 000.00	3 429 885.36	None	None	92 fleet/vehicles serviced and maintained	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Reports
Administration	Rental external equipment	Percentage of functional rented copiers provided to	New indicator	100 percent of functional rented copiers provide	N/a	100 percent of functional rented copiers	Proof of payment	Percentage of functional rented copiers provided to	92 percent of functional rented copiers provide	<b>Partially achieved</b>	3 090 000	3 090 000	1 901 951.53	Late delivery of equipment	Equipment delivered	92 percent of functional rented copiers provide	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		departments		d to departments		provided to departments		departments	d to departments							d to departments			
Administration	Telephone (communication costs)	Number of departments provided with Telecommunication services	6 Departments and 8 remote offices provided with telecommunication services	6 departments and 8 remote offices provided with Telecommunication services	N/a	6 departments and 8 remote offices provided with Telecommunication services	Reports	Number of departments provided with Telecommunication services	6 departments and 8 remote offices provided with Telecommunication services	<b>Achieved</b>	1 804 800	2 904 800	1 637 984.71	None	None	6 departments and 8 remote offices provided with Telecommunication services	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Report
Administration	Rental Facilities	Number of	3 department	4 facilities	N/a	3 facilities	Reports	Number of	4 facilities	<b>Achieved</b>	3 702 000	3 717 000	2 514 4	None	None	4 facilities	N/A, pending	Target consistent	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	es	facilities rented for office accommodation, mayoral house and storage	ments provided with rented offices	rented for office accommodation, mayoral house and storage		es rented for office accommodation, mayoral house and storage		facilities rented for office accommodation, mayoral house and storage	rented for office accommodation, mayoral house and storage				70.11			s rented for office accommodation	the audit outcome	tent with reviewed SDBIP	
Administration	Fencing of fire stations	Number of fire stations provided with fence	1 fire stations fence dilapidated	1 fire station provided with fence	N/a	N/a	Proof of payment and delivery note	Number of fire stations provided with fence	0 fire stations provided with fence	<b>Not achieved</b>	1 000 000.00	600 000.00	Nil	The appointed service provider declined the	Bid to be re-advertised	0 fire stations provided with fence	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment and delivery note

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														appointment					
Administration	Professional fees and Office accommodation	Percentage of office accommodation acquired	New target	100 percent of Phase 1: Securing Treasury approval and appointment of service provider	N/a	New office building to accommodate will be acquired	Proof of payment and delivery note	Percentage of office accommodation acquired	Phase 1 (foundation on commissioning of Molemole East Satellite Office not commissioned)	<b>Not achieved</b>	1 000 000	1 000 000	Nil	Delays in engagement with the Specification Committee	Specific Committee to finalise the bid for advertisement	Phase 1 (foundation on commissioning of Molemole East Satellite Office not commissioned)	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment and delivery note
Administration	Refurbishment of	Number of fire stations	3 fire stations dilapidated	3 fire stations refurbished	N/a	3 fire stations	Proof of payment and	Number of fire stations	0 fire stations refurbished	<b>Not achieved</b>	2 000 000	2 000 000	Nil	Delay in appointment	Service provider	0 fire stations refurbished	N/A, pending the	Target consistent	Proof of payment

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	fire stations	refurbished	ted	hed		refurbished	delivery note	refurbished	hed					ntment of service provider	appointed and commissioning of the project will be fast tracked	hed	audit outcome	with reviewed SDBIP	ent and delivery note
Administration	Satellite offices	Number of satellite offices constructed	1 satellite office dilapidated	1 satellite offices constructed	N/a	2 satellite offices constructed	Proof of payment and delivery note	Number of satellite offices constructed	0 satellite offices constructed	<b>Not achieved</b>	3 000 000	3 000 000	Nil	Delay in appointment of service provider	Service provider appointed, commissioning of the project will be fast tracked	0 satellite offices constructed	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment and delivery note
Administration	Repla	Number	3 fire	3 fire	N/a	3 fire	Proof of	Number	3 fire	<b>Achieve</b>	250 00	250 00	212 3	None	None	3 fire	N/A,	Target	Proof

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
Administration	Replacement of office equipment at all fire stations (kitchen units, micro-ovens, stoves)	Number of fire stations replaced with office equipment	Stations with dilapidated office equipment	43 stations replaced with office equipment (kitchen units, micro-ovens, stoves)	N/a	83 stations replaced with office equipment (kitchen units, micro-ovens, stoves)	Payment	of fire stations replaced with office equipment	Zero two way radio communication system	<b>Not Achieved</b>	500 000	500 000	67.50			Stations replaced with office equipment (kitchen units, micro-ovens, stoves)	Pending the audit outcome	Consistent with reviewed SDBIP	Proof of payment
Administration	Two way radio communication	Number of two way radio communication	New indicator	43 two way radio communication system	N/a	83 two way radio communication	Proof of payment and delivery note	Number of two way radio communication	Zero two way radio communication system	<b>Not Achieved</b>	500 000	500 000	Nil	Service provider not appointed	The tender to be re-advertised	Zero two way radio communication	N/A, pending the audit outcome	Target consistent with reviewed	Proof of payment and delivery

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	system (O&M)	systems procured		s procure d O&M)		on systems procur ed O&M)		systems procure d	s procure d O&M)					due to non-responsive bid		systems procure d O&M)		SDBIP	ry note
Administration	Records management strategy.	Number of Records management strategies developed	New indicator	1 Records management strategy available and reviewed	N/a	1 Records management strategy available	Reports	Development of 2 <sup>nd</sup> Draft Records management strategy available	1 Records management strategy available	<b>Achieved</b>	Nil	Nil	Nil	None	None	1 Records management strategy available	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Reports
Administration	Translation of PAIA Manuals	Number of PAIA manuals translated	New indicator	2 official language and brail	N/a	4 official language and brail	Proof of payment and delivery note	Number of PAIA manuals translated	Official language and brail version	<b>Achieved</b>	150 000	60 503	60 502.80	None	None	Official language and brail version	N/A, pending the audit outcome	Target consistent with review	Proof of payment and



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	al	ed		version s translat ed		brail versio ns transl ated		ed	s translat ed							s translat ed	e	ed SDBI P	delive ry note
Administration	Electricity transformer	Number of electricity transformers procured	New indicator	1 Electricity transformer procured	N/a	1 Electricity transformer procured	Proof of payment and delivery note	Number of electricity transformers procured	0 Electricity transformer procured	<b>Not achieved</b>	1 500 000	500 000	Nil	Service provider terminated due to non-performance	Bid to be re-advertised	0 Electricity transformer procured	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment and delivery note
Administration	Maintenance Building and	Percentage of implementation of building	100 percent implementation of building	100 percent implementation of building	N/a	100 percent implementation of	Maintenance plan	Percentage of implementation of building	85 percent maintenance of building plan	<b>Partially achieved</b>	514 400	514 400	68 000.00	Delay in reviewing the compr	Fast track finalisation of the compre	85 percent maintenance of building	N/A, pending the audit outcome	Target consistent with reviewed	Maintenance plan

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	Standards	maintenance plan	plan	plan		building plan		maintenance plan						ehensive plan	hensive plan	plan		SDBIP	
Administration	Back-up generator	Number of new back-up generators purchased	3 faulty back-up generators available	2 back-up generators purchased	N/a	5 back-up generators purchased	Proof of payment and delivery note	Number of new back-up generators purchased	3 back-up generators purchased	<b>Achieved</b>	800 000	800 000	540 000.00	None	None	3 back-up generators purchased	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment and delivery note
Administration	Back-up generator  (Repair, Maintenance and	Number of back-up generators maintained and refuelled	1 back-up generators maintained and refuelled	3 back-up generators maintained and refuelled	N/a	5 back-up generators maintained and refuelled	Proof of payment and delivery note	Number of back-up generators maintained and refuelled	3 back-up generators maintained and refuelled	<b>Achieved</b>	50 000	50 000	12 686.00	None	None	3 back-up generators maintained and refuelled	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment and delivery note

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	refuelling of back-up generator)																		
Administration	Mail delivery (Postage)	Percentage of mail delivery services provided within acceptable timeframes	100 percent mail delivery services provided	100 percent mail delivery services provided within acceptable timeframes		100 percent mail delivery services provided within acceptable timeframes	Reports	Percentage of mail delivery services provided within acceptable timeframes	100 percent mail delivery services provided within acceptable timeframes	<b>Achieved</b>	10 000	10 000	4 524	None	None	100 percent mail delivery services provided within acceptable timeframes	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
Administration	Water and Electricity	Percentage of water and electricity bill paid within acceptable timeframes	100 percent water and electricity bill paid within acceptable timeframes	100 percent water and electricity bill paid within acceptable timeframes	N/a	100 percent water and electricity bill paid within acceptable timeframes	Proof of payments	Percentage of water and electricity bill paid within acceptable timeframes	100 percent water and electricity bill paid within acceptable timeframes	<b>Achieved</b>	1 560 00	2 360 00	1 841 462.60	None	None	100 percent water and electricity bill paid within acceptable timeframes	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payments
Administration	Pest Control	Percentage of pest control services provided	80 percent pest control services provided	100 percent pest control services provided	N/a	100 percent of require pest control	Proof of payment	Percentage of pest control services provided	Zero percent pest control services provided	<b>Not achieved</b>	70 000	70 000	Nil	No requests for pest control services	Planned pest control services intervention will	Zero percent pest control services provided	N/A, pending the audit outcome	Target consistent with reviewed SDBI	Proof of payments

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		d within acceptable timeframes	d	d within acceptable timeframes		services provided within acceptable timeframes		d within acceptable timeframes	d within acceptable timeframes					es	be provided to all offices	d within acceptable timeframes		P	
Administration	Maintenance of office machines & equipment	Percentage of maintenance services for machines and equipment provided within acceptable	80 percent of maintenance services for machines and equipment provided	100 percent of maintenance services for machines and equipment provided within acceptable	N/a	100 percent of maintenance services for machines and equipment provided	Proof of payment	Percentage of maintenance services for machines and equipment provided within acceptable	100 percent of maintenance services for machines and equipment provided within acceptable	<b>Achieved</b>	200 000	200 000	1 404.90	None	None	100 percent of maintenance services for machines and equipment provided within acceptable	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		timeframes		ble timeframes		ed within acceptable timeframes		timeframes	ble timeframes							ble timeframes			
Administration	Rent and Maintenance 2-Way Radio	Number of two way radio repeater lease agreement reviewed	License repeaters paid	1 two way radio repeater lease agreement reviewed	N/a	83 two way radio repeater lease agreement reviewed	Proof of payment	Number of two way radio repeater lease agreement reviewed	1 two way radio repeater lease agreement reviewed	<b>Achieved</b>	160 000	160 000	8 869.00	None	None	1 two way radio repeater lease agreement reviewed	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment
Administration	Fleet Management Solution	Number of fleet/vehicles serviced and	New Indicator	92 fleet/vehicles serviced and maintain	N/a	117 fleet/vehicles serviced	Proof of payment	Number of fleet/vehicles serviced and	Fleet maintained as per request	<b>Partially achieved</b>	350 000	350 000	Nil	Delay in appointment of service	Fast track the commissioning of the	Fleet maintained as per request	N/A, pending the audit outcome	Target consistent with reviewed	Proof of payment

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		maintained		ned		and maintained		maintained						e provider	project			SDBIP	
Administration	Least Cost Routing (Telephones)	Telecommunication least cost routing systems procured	New indicator	Telecommunication least cost routing systems installed	N/a	Telecommunication least cost routing systems installed	Proof of payment	Telecommunication least cost routing systems procured	Reconfiguration of the network is done	<b>Partially achieved</b>	420 000	420 000	Nil	Telephone management systems are outstanding	Fast track installation of telephone management system	Reconfiguration of the network is done	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment
Administration	Mayoral Vehicle	Number of Mayoral Vehicle procured	1 vehicle procured	1 Mayoral Vehicle procured	N/a	2 Mayoral Vehicle procured	Proof of payment	Number of Mayoral Vehicle procured	Service provider appointed and order created	<b>Not achieved</b>	750 000	750 000	Nil	Delays in procurement and delivery of	Fast track the delivery of the vehicle	Service provider appointed and order created	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														the vehicle				P	
Administration	Parking shade for fire stations	Parking shades installed at fire stations	New indicator	Parking shades installed at fire stations	N/a	Require parking shades be installed	Proof of payment	Parking shades installed at fire stations	Parking shades installed	<b>Achieved</b>	800 000	800 000	Nil	None	None	Parking shades installed	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment
Legal Services	Promotion of Access to Administrative Justice (PAJA) and	Number of reports for monitoring of the implementation of PAJA	New indicator	4 reports for monitoring of the implementation of PAJA Guideli	N/a	5 reports for monitoring of the implementation of PAJA Guideli	Reports	Number of reports for monitoring of the implementation of PAJA	4 reports for monitoring of the implementation of PAJA Guidelines	<b>Achieved</b>	Nil	Nil	Nil	None	None	4 reports for monitoring of the implementation of PAJA Guideli	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Reports



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	By-laws development and gazetting	Guidelines.		nes		ines		Guidelines.								nes			
		Number of reports on gazetting, translation and monitoring of implementation of By-laws	New indicator	4 reports on gazetting, translation and monitoring of implementation of By-laws	N/a	5 reports on gazetting, translation and monitoring of implementation of	Reports	Number of reports on gazetting, translation and monitoring of implementation of By-laws	4 reports on gazetting, translation and monitoring of implementation of By-laws	<b>Achieved</b>	300 000	300 000	95 000.00	None	None	4 reports on gazetting, translation and monitoring of implementation of By-laws	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence	
						By-														
Legal Services	Contracts development	Percentage of contracts drafted within the required time frames	100 percent of all contracts drafted within 5 days of full instructions (Opex) and 20 days (Capex) of full instructions	100 percent of all contracts drafted within 5 days of full instructions (Opex) and 20 days (Capex) of full instructions	N/a	100 percent of all contracts drafted within 5 days of full instructions (Opex) and 20 days (Capex) of full instructions	Reports	Percentage of contracts drafted within the required time frames	100 percent of all contracts drafted within 5 days of full instructions (Opex) and 20 days (Capex) of full instructions	<b>Achieved</b>	Nil	Nil	Nil	None	None	100 percent of all contracts drafted within 5 days of full instructions (Opex) and 20 days (Capex) of full instructions	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Reports	

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
						tions													
Legal Services	Advisory services	Percentage percent of legal advice and opinions provided within 5 days of full instructions	100 percent of all advices and opinions provided within 5 days of full instruction	100 percent of all advices and opinions provided within 5 days of full instruction	N/a	100 percent of all advices and opinions provided within 5 days of full instruction	Reports	Percentage percent of legal advice and opinions provided within 5 days of full instructions	100 percent of all advices and opinions provided within 5 days of full instruction	<b>Achieved</b>	Nil	Nil	Nil	None	None	100 percent of all advices and opinions provided within 5 days of full instruction	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Reports
Integrated IT Services	IT Hardware (Procure)	Number of Computer hardware	240 computer hardware equipment	70 Computer hardware procure	N/a	590 Computer hardware procure	Proof of payment for the procurement of 70	Number of Computer hardware	70 Computer hardware procure	<b>Achieved</b>	1 200 000	1 509 920	931 463.00	None	None	70 Computer hardware procure	N/A, pending the audit outcome	Target consistent with reviewed	Proof of payment for the

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	Replacement of Computer hardware equipment)	equipment procured	equipment available			equipped	computer hardware	equipment procured										SDBIP	procurement of 70 computer hardware
	IT Networks Infrastructure	Number of sites with installed and upgraded IT Networks	7 sites with installed network	2 sites with upgraded and installed network	N/a	10 sites with upgraded and installed network	Proof of payment for the installed network	Number of sites with installed and upgraded IT Networks	0 sites with upgraded and installed network	<b>Not achieved</b>	500 000	522 800	Nil	The appointed service provider terminated the appointment due to increase	Tender was re-advertised and currently in adjudication process. Implementation of the project will be	0 sites with upgraded and installed network	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment for the installed network

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														single market price	prioritised				
Integrated IT Services	IT Software	Number of Software procured	5 Software's available	1 Software procured	3 software procured	15 software procured	Proof of payment	Number of Software procured	3 software procured	<b>Achieved</b>	300 000	100 000	86 526	None	None	3 software procured	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment
Integrated IT Services	Computer Services  (Renewal of system licenc	Number of systems licenses renewed	5 systems licensed annually	5 systems Licensed		5 systems Licensed	Proof of payment	Number of systems licenses renewed	5 systems Licensed	<b>Achieved</b>	3 200 000	4 430 000	3 229 454.68	None	None	5 systems Licensed	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	es)																		
Integrated IT Services	Development, review and implementation of IT (Information technology) Governance Frameworks	Number of approved and implemented Information communication technology (ICT) Governance framework	Draft IT governance framework in developed	Information communication technology (ICT) Governance framework approved and implemented	N/a	Information communication technology (ICT) Governance framework approved and implemented	Reviewed ICT Governance framework  Minutes of quarterly ICT Governance meetings	Number of approved and implemented Information communication technology (ICT) Governance framework	1 Information communication technology (ICT) governance framework implemented	achieved	Nil	Nil	Nil	None	None	1 Information communication technology (ICT) governance framework implemented	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Reviewed ICT Governance framework  Minutes of quarterly ICT Governance meetings

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		Number of Corporate governance information Communication Technology (ICT) policy framework developed	New indicator	N/a	Development of Corporate governance information Communication Technology (ICT) policy framework	Corporate governance information Communication Technology (ICT) policy framework developed and implemented	Copy of developed framework	Number of Corporate governance information Communication Technology (ICT) policy framework developed	Project charter, project plan and business articulation as well as current assessment is completed	<b>Partially achieved</b>	2 000 000	2 000 000	Nil	The project was a new initiative as per directive from DPSA and we had to wait for adjustment budget to fund the project	Service provider was appointed on 04 June 2014 and project is prioritised since appointment	Project charter, project plan and business articulation as well as current assessment is completed	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Copy of developed framework

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence	
														t						
	Development, review and implementation of IT (Information technology) Governance Frameworks	Number of developed and reviewed IT Policies	Draft Policies available	8 reviewed and approved IT Policies	N/a	8 reviewed and approved IT Policies implemented	Copies of approved reviewed policies	Number of developed and reviewed IT Policies	8 reviewed and approved IT Policies	<b>Achieved</b>	Nil	Nil	Nil	None	None	8 reviewed and approved IT Policies	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Copies of approved reviewer policies	
Integrated IT Service	Implementation of	Number of available	New indicator	1 SharePoint	N/a	1 SharePoint	Proof of payment	Number of available	1 SharePoint	<b>Achieved</b>	300 000	800 000	Nil	None	None	1 SharePoint	N/A, pending the	Target consistent	Proof of payment	



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
s	Share Point system	Availability of SharePoint system		system available		system available		Availability of SharePoint system	system available							system available	audit outcome	with reviewed SDBIP	ent
Integrated IT Services	Procurement of mail archiving system	Number of mail archiving systems procured	New indicator	1 mail archiving system procured	N/a	1 mail archiving system procured	Proof of payment	Number of mail archiving systems procured	1 mail archiving system procured	<b>Achieved</b>	300 000	150 000	130 152	None	None	1 mail archiving system procured	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment
Integrated IT Services	SAP Upgrade and enhancement	Percentage of SAP Upgrade and enhancement	SAP R3 version 4.7 System available	100 Percent implementation of SAP Upgrade phase	N/a	100 Percent implementation SAP	Implementation report	Percentage of SAP Upgrade and enhancement	100 percent implementation of phase 1	<b>Achieved</b>	8 500 000	8 500 000	1 914 021	None	None	100 percent implementation of phase	N/A, pending the audit outcome	Target consistent with reviewed SDBI	Implementation report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	nt	ement available		1		upgrade		ement available								1		P	
Integrated IT Services	District Integrated system and networks (roll out of SAP to LMs)	Number of local Municipalities with integrated system	41 Biccard office with network	1 local Municipality with integrated network	N/a	5 local Municipality with integrated network	Proof of payment	Number of local Municipalities with integrated system	Bid at adjudication stage	<b>Not achieved</b>	1 200 000	300 000	Nil	Delays in appointment of service provider	Fast track the appointment of service provider since bid is at adjudication stage	Bid at adjudication stage	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment
Integrated IT Services	Maintenance of Computer equip	Percentage of cameras, access, hardware	New indicator	100 Percent functionality of cameras and	N/a	100 Percent functionality of	Report on computer equipment	Percentage of cameras, access, hardware	100 Percent functionality of cameras and	<b>Achieved</b>	200 000	200 000	124 629.50	None	None	100 Percent functionality of cameras and	N/A, pending the audit outcome	Target consistent with reviewed	Report on computer equipment

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	ment(Access control, Cameras, IT hardware systems and networks)	re and system services maintained		access, hardware maintained		cameras and access, hardware maintained	maintained	re and system services maintained	access, hardware maintained							access, hardware maintained	e	SDBIP	maintained
Integrated IT Services	Professional Fees(IT Strategy Review)	Number of municipalities with Reviewed Master system	5 Municipalities with MSP	5 Municipalities with reviewed Master system plan	N/a	5 Municipalities with reviewed Master system	Proof of payment and ICT strategy document	Number of municipalities with Reviewed Master system	0 Municipalities with reviewed Master system plan	<b>Not achieved</b>	3 000 000	2 000 000	Nil	Delays in appointment of service provider	Service provider has been appointed and implementation	0 Municipalities with reviewed Master system plan	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Proof of payment and ICT strategy docu

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		plan (MSP)		(MSP)		m plan (MSP)		plan (MSP)	(MSP)					er	progress, The implementation of the project will be fast tracked	(MSP)			ment
Human Capital Management	Retention and Succession Plans	Percentage of implementation of retention and succession plans	Draft Retention and Succession Policies and Plans	100 percent implementation of the retention and succession plans	100 percent implementation of the retention and succession plan	100 percent implementation of the retention and succession plan	Reports	Percentage of implementation of retention and succession plans	80 percent implementation of the retention plan	<b>Partially Achieved</b>	300 000	300 000	Nil	Due to the complexity of the succession planning program, its implementation	Fast track implementation of the remaining activities of the retention plan	80 percent implementation of the retention plan	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														tion be put on hold until a common understanding of the concept is achieved					
Human Capital Management	OD Change management	Number of change management programs	Change management conducted in area of	4 change management programs	N/a	20 change management	Attendance registers	Number of change management programs	4 change management programs	<b>Achieved</b>	200 000.00	200 000.00	Nil	None	None	4 change management programs	N/A, pending the audit outcome	Target consistent with review	Attendance registers

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		m conducted	change	conducted		programs conducted (where change areas have been identified)		m conducted	conducted							conducted		SDBIP	
Human Capital Management	Job Evaluation	Percentage of implementation of job evaluation recommendations and	Services provider appointed	100 percent implementation of job evaluation recommendations and	100 percent implementation of job evaluation recommendations	100 percent implementation of job evaluation recommendations	Implementation report	Percentage of implementation of job evaluation recommendations and	Job evaluation completed	<b>Partially achieved</b>	600 000	600 000	185 989.00	Job description writing process by line managers took	Communicate with SALGA with regard to fast tracking of auditing	Job evaluation completed	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Implementation report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		results		results		recommendations		results						longer than planned	and publishing of results				
Human Capital Management	Labour Relations  (Enhancement of employee relations and management of discipline in	Percentage of referred cases attended to within the required time frames	100 percent of all cases are attended to within 90 days	100 percent of all cases attended to within 90 days	N/a	100 percent of all cases attended to within 90 days	Reports	100 percent of all cases attended to within 90 days	100 percent of all cases attended to within 90 days	<b>Achieved</b>	500 000	500 000	7 329.69	None	None	100 percent of all cases attended to within 90 days	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	the workplace)																		
Human Capital Management		Number of activities coordinated to enhance labour relations	4 LLF (Local Labour Forum) and 3 subcommittee meetings are held on <i>ad hoc</i> basis	6 LLF (Local Labour Forum) and 6 Sub-committees meetings held	N/a	1 LLF (Local Labour Forum) and 1 Sub-committees meetings held	Attendance registers	Number of activities coordinated to enhance labour relations	6 LLF (Local Labour Forum) and 4 Sub-committees meetings held	<b>Achieved</b>	Nil	Nil	Nil	None	None	6 LLF (Local Labour Forum) and 4 Sub-committees meetings held	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Attendance registers
				1 training conducted for members of	N/a	5 training conducted for	Reports	1 training conducted for members	1 training conducted for members of the	<b>Achieved</b>	Nil	Nil	Nil	None	None	1 training conducted for members of	N/A, pending the audit outcome	Target consistent with reviewed	Reports



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
				the committees		members of the committees			committees							the committees		SDBIP	
Human Capital Management	Employee Wellness (Assistance) Programme	Percentage of employee wellness programme implemented	New target	100 percent of employee wellness programme implemented	N/a	100 percent of planned interventions of employee wellness programme implemented on	Reports	Percentage of employee wellness programme implemented	100 percent of planned interventions of employee wellness programme implemented on reported cases	<b>Achieved</b>	2 650 000	1 350 000	1 066 159.90	None	None	100 percent of planned interventions of employee wellness programme implemented on reported	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
						reported cases										d cases			
Human Capital Management	Training of Councilors	Percentage of Councilors capacitated municipal programmes	55 Councilors trained	100 percent of Councilors capacitated on municipal programmes	N/a	100 percent of Councilors capacitated on municipal programmes	Reports	Percentage of Councilors capacitated municipal programmes	10 percent of Councilors capacitated on municipal programmes	<b>Partially Achieved</b>	1 000 000	1 000 000	133 990.38	Delay in appointment of service provider	Service providers appointed and training programs are being implemented	10 percent of Councilors capacitated on municipal programmes	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Reports
Human Capital Management	Training of employees	Percentage of training programmes implemented	200 employees capacitated on all identified	100 percent of training programmes implemented	100 Percent of a municipality's budget actually	100 Percent of a municipality's budget	Reports	Percent of a municipality's budget actually spent	47.84 Percent of a municipality's budget actually	<b>Partially achieved</b>	2 400 000	3 166 430	1 514 886.84	Delay in appointment of service provider	Service providers appointed and training programs	47.84 Percent of a municipality's budget actually	N/A, pending the audit outcome	Target consistent with reviewed SDBI	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		as per workplace skills plan (WSP)	d municipal programmes	ent as per workplace skills plan (WSP)	spent on implementing its Workplace Skills Plan	t actually spent on implementing its Workplace Skills Plan		on implementing its Workplace Skills Plan	spent on implementing its Workplace Skills Plan					provider	ms are being implemented	spent on implementing its Workplace Skills Plan		P	
Human Capital Management		Number of WSP (Workplace Skills Plan) submitted to LGSETA	WSP (Workplace Skills Plan) submitted on annual basis	1 WSP (Workplace Skills Plan) submitted to LGSETA by 30 June	1 WSP (Workplace Skills Plan) submitted to LGSETA by 30 June 2014	5 WSP (Workplace Skills Plans) submitted to LGSETA	Copy of approved WSP and proof of submission	Number of WSP (Workplace Skills Plan) submitted to LGSETA	1 WSP (Workplace Skills Plan) submitted to LGSETA by 30 June	<b>Achieved</b>	Nil	Nil	Nil	None	None	1 WSP (Workplace Skills Plan) submitted to LGSETA by 30 June	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Copy of approved WSP and proof of submission

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
				2013					2014							2014			
Human Capital Management	Bursary Fund Internal	Number of employees awarded with bursaries	40 employees awarded with bursaries	45 employees awarded with bursaries	N/a	225 employees awarded with bursaries	Reports	Number of employees awarded with bursaries	46 employees awarded with bursaries	<b>Achieved</b>	800 000	800 000	722 75.96	None	None	46 employees awarded with bursaries	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Reports
Human Capital Management	Bursary Fund External	Number of external students participating in the bursary scheme	22 student participating in the bursary scheme	40 external student participating in the bursary scheme	N/a	200 external student participating in the bursary scheme	Reports	Number of external students participating in the bursary scheme	17 external student participating in the bursary scheme	<b>Partially achieved</b>	800 000	800 000	256 842	Only 17 students met the minimum requirements of the FET	Broader means of advertising	17 external student participating in the bursary scheme	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
														entrance					
Human Capital Management	Compliance register	Number of compliance register developed and implemented	New target	1 compliance register developed and implemented	N/a	1 compliance register developed and implemented	Report	Number of compliance register developed and implemented	1 compliance register developed and implemented	<b>Achieved</b>	Nil	Nil	Nil	None	None	1 compliance register developed and implemented	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Report
Human Capital Management		Percentage of implementation of the compliance register in line	New indicator	25 percent implementation of the compliance register in line	N/a	100 percent implementation of the compliance	Reports	Percentage of implementation of the compliance register in line	42 percent of implementation of the compliance register	<b>Achieved</b>	300 000	300 000	10 965.75	None	None	42 percent of implementation of the compliance register	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		with the Occupational Health and Safety Act		with the Occupational Health and Safety Act		register in line with the Occupational Health and Safety Act		with the Occupational Health and Safety Act	in line with the Occupational Health and Safety Act							in line with the Occupational Health and Safety Act			
Human Capital Management	Employment Equity planning and reporting	Number of employment equity report submitted to Department of Labour	1 employment equity report submitted to DOL (Department of Labour)	1 employment equity report submitted to DOL (Department of Labour) by 01	1 employment equity report submitted to DOL (Department of Labour) by January	1 employment equity report submitted to DOL (Department of Labour)	Equity reports	Number of employment equity report submitted to Department of Labour	1 employment equity report submitted to DOL (Department of Labour) by	<b>Achieved</b>	Nil	Nil	Nil	None	None	1 employment equity report submitted to DOL (Department of Labour) by	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Equity reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		(DoL)	Labour)	October 2013	2014	r) by January of each year		(DoL)	January 2014							January 2014			
Human Capital Management		Number of employees from EE target groups employed in the four highest levels of management	39 out of 40 positions in the four highest level of management filled by employees from EE target	39 out of 40 positions in the four highest level of management filled by employees from EE target groups	97.5% positions in the four highest level of management filled by employees from EE target	97.5% positions in the four highest level of management filled by employees from EE	Equity reports	percentage of employees from EE target groups employed in the four highest levels of management	97.5% positions in the four highest level of management filled by employees from EE target	<b>Achieved</b>	Nil	Nil	Nil	None	None	97.5% positions in the four highest level of management filled by employees from EE target	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Equity reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
						target													
Human Capital Management	Performance Management System	Number of performance reviews coordinated	4 coordination of performance reviews	4 coordination of performance reviews	N/a	20 coordination of performance reviews	Performance reviews report	Number of performance reviews coordinated	4 coordination of performance reviews	<b>Achieved</b>	5 800 000	5 800 000	5 800 000	None	None	4 coordination of performance reviews	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Performance reviews report
Human Capital Management	Induction of staff	Number of induction sessions conducted	20 induction sessions conducted	4 induction sessions conducted	N/a	20 induction sessions conducted	Induction report	Number of induction sessions conducted	4 induction sessions conducted	<b>Achieved</b>	300 000	300 000	Nil	None	None	4 induction sessions conducted	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Induction report
Human Capital	Recruitment	Percentage of	100 percent	100 percent	90 percent	90 percent	Report on	Percentage of	92.75	<b>Achieved</b>	500 000	700 000	432	None	None	92.75	N/A, pending	Target consistent	Report on



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
Management	services	filling of all funded vacancies	filling of all funded vacancies	filling of all funded vacancies	filling of all funded vacancies	filling of all funded vacancies	filling of vacancies	filling of all funded vacancies	percent filling of all funded vacancies	100	0	0.00	402			percent filling of all funded vacancies	the audit outcome	consistent with reviewed SDBIP	filling of vacancies
Human Capital Management	Benefits administration	Percentage of administration of employee benefits processed	New indicator	100 percent administration of employee benefits requisitions	N/a	100 percent administration of employee benefits requisitions	Benefits administration report	Percentage of administration of employee benefits processed	100 percent administration of employee benefits requisitions	Achieved	1 800 000	1 800 000	Nil	None	None	100 percent administration of employee benefits requisitions	N/A, pending the audit outcome	Target consistent with reviewed SDBIP	Benefits administration report
Human Capital Management	Capacity building	Percentage of support	New indicator	100 percent of	N/a	100 percent of	Reports	Percentage of support	100 percent of	Achieved	50 000	50 000	Nil	None	None	100 percent of	N/A, pending the	Target consistent	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
ement	g and performance management support	programmes provided		support programmes provided		support programmes provided		programmes provided	support programmes provided							support programmes provided	audit outcome	with reviewed SDBIP	

**DEPARTMENT: STRATEGIC EXECUTIVE MANAGEMENT SERVICES**

**OFFICE OF THE EXECUTIVE MAYOR**

**Outcome 9:** Responsive, Accountable, Effective and efficient local government system **Strategic objective:** To provide support to the Executive Mayor **Measurable objective:** To ensure that the office of the Executive Mayor is well-managed. **KPA 6** Good governance and Public Participation

Public/Stakeholder Participation	Mayoral Outreach programme	Number of Mayoral Outreach programmes coordinated	1 Mayoral Outreach programmes coordinated	4 Mayoral Outreach programmes	N/A	20 Mayoral Outreach programmes	Reports	Number of Mayoral Outreach programmes	4 Mayoral Outreach held	<b>Achieved</b>	R250 000.00	R450 000.00	R 450 000.00 (100%)	None	None	4 Mayoral Outreach held	N/A, pending audit outcomes	The target is consistent with the review	Report and attendance register
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Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		ated	ated															ed SDBIP	
Public/Stakeholder Participation	State of the District Address & school outreach	Number of State of the District Addresses	1 State of the District Addresses	1 State of the District Addresses	N/A	5 State of the District Address	Report	Number of State of the District Addresses	1 State of the District Addresses held	<b>Achieved</b>	R 500,000.00		R 525 000.00 (100%)	None	None	1 State of the District Addresses held	N/A, pending audit outcomes	The target is consistent with the reviewed SDBIP	Report and attendance register
		Number of school outreach visits coordinated	1 school outreach held	4 school outreach coordinated		20 school outreach	Reports	Number of school outreach	3 school outreach held	<b>Partially achieved</b>				None	None	3 school outreach held	N/A, pending audit outcomes	The target is consistent with the	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
																		reviewed SDBIP	

**COUNCIL SUPPORT**

**Outcome 9:** Responsive, Accountable, Effective and efficient local government system **Strategic objective:** To provide support to the Executive Mayor **Measurable objective:** To ensure that the office of the Executive Mayor is well-managed. **KPA 6** Good governance and Public Participation

Public/Stakeholder Participation	Stakeholder Participation (Whippery management)	Number of Whippery Forums coordinated	5 Whippery Forums coordinated	12 Whippery Forums Coordinated	N/a	60 Whippery Forums Coordinated	Attendance registers and minutes	Number of Whippery meetings coordinated	21 meetings coordinated	<b>Achieved</b>	150,000	Nil	150,000	None	None	21 meetings coordinated	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Report and attendance register
Public/Stakeholder	Council and Public	Number of Council	4 Council meeting	4 Council meeting	5 Council meetings Coordinated	25 meetings	Attendance register	Number of Council	10 meetings	<b>Achieved</b>	Nil	Nil	Nil	None	None	10 meetings	N/A, pending audit	The target is	Report and atten

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
Participation	Participation programmes (Council outreach)	meetings Coordinated	s held	s Coordinated	ted	coordinated	and copies of minutes	meetings coordinated	coordinated							coordinated	outcomes	consistent with the reviewer SDBIP	dance register
		Number of Portfolio Committee meetings Coordinated	24 Committee meetings held	48 Committee meetings Coordinated	N/a	330 Committee meetings Coordinated	Attendance register and minutes	Number of Portfolio Committee meetings coordinated	51 meetings coordinated	<b>Achieved</b>	Nil	Nil	N/a	None	N/a	51 meetings coordinated	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Attendance register and minutes
		Number of Cluster meeting	6 Cluster meeting	6 Cluster meeting	8 cluster meetings coordinated	Abolished	Attendance register	Number of Cluster meeting	6 meetings	<b>Partially achieved</b>	Nil	Nil	Nil	Clusters abolished	Nil	6 meetings	N/A, pending audit	The target is	Attendance

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		meetings Coordinated	s held	s Coordinated			and copies of minutes coordinated	s coordinated	coordinated					hed with introduction of new governance model		coordinated	outcomes	consistent with the reviewer SDBIP	register and copies of minutes coordinated
		Number of Executive Management meetings Coordinated	34 Executive Management meetings Coordinated	36 Executive Management meetings Coordinated	N/a	180 Executive Management meetings coordinated	Attendance register and minutes	Number of Executive Management meetings coordinated	38 meetings coordinated	<b>Achieved</b>	Nil	Nil	Nil	None	Nil	. 38 meetings coordinated	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	38 meetings coordinated
		Number	11	12	N/a	60	Attendance	Number of	12	<b>Achieved</b>	Nil	Nil	Nil	None	None	12	N/A,	The	Atten

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		of Management Meetings Coordinated	Management meetings Coordinated	Management meetings Coordinated		Management meetings coordinated	Attendance register and minutes	Management Meetings coordinated	meetings coordinated	<b>Not achieved</b>						meetings coordinated	pending audit outcomes	target is consistent with the reviewer SDBIP	dance register and minutes
		Number of council outreach programmes coordinated.	3 Council outreach programmes coordinated	4 Council outreach programmes coordinated	N/a	20 Council outreach programmes coordinated	Attendance register	Number of council outreach programmes coordinated	4 Outreach programmes coordinated	<b>Achieved</b>	350,000	Nil	350,000	None	None	4 Outreach programmes coordinated	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Attendance register
Oversight	Municipal	Number	11	12	N/a	60	Attendance register	Number of council outreach programmes coordinated	23	<b>Achieved</b>	Nil	Nil	Nil	None	None	23 meetings	N/A,	The	Attendance register

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
ht	Public Accounts Committee (MPAC) activities	MPAC (Municipal Public Accounts Committee) meetings coordinated	MPAC (Municipal Public Accounts Committee) meetings coordinated	MPAC (Municipal Public Accounts Committee) meetings coordinated		MPAC meetings coordinated	MPAC meetings and minutes	MPAC meetings coordinated	MPAC meetings coordinated	MPAC meetings coordinated						MPAC meetings coordinated	pending audit outcomes	target is consistent with the reviewer SDBIP	attendance registers and minutes
Oversight		Number of MPAC Public hearings coordinated	1 Public Hearing Coordinated	1 MPAC Public hearings coordinated	2 Public Hearings Coordinated	5 public hearings coordinated	Attendance registers and reports	Number of MPAC Public hearing coordinated	3 MPAC Public Hearings coordinated	<b>Achieved</b>	300,000	Nil	300,000	None	None	3 MPAC Public Hearings coordinated	N/A, pending audit outcomes	The target is consistent with the reviewer	Attendance registers and reports



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
																		SDBIP	
Public/Stakeholder Participation	Women Parliament	Number of Women Parliament coordinated	1 Women Parliament coordinated	1 Women Parliament coordinated	N/a	5 Women Parliament coordinated	Attendance register and report	Number of Women Parliaments coordinated	1 Women Parliament coordinated	<b>Achieved</b>	100,000	Nil	100,000	None	None	1 Women Parliament coordinated	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Attendance register and report
Public/Stakeholder Participation	Youth Parliament	Number of Youth Parliament coordinated	New indicator	1 Youth Parliament coordinated	N/a	5 Youth Parliaments coordinated	Attendance register and report	Number of Youth Parliament coordinated	1 Youth Parliament coordinated	<b>Achieved</b>	100,000	Nil	100,000	None	None	1 Youth Parliament coordinated	N/A, pending audit outcomes	The target is consistent with the reviewer	Attendance register and report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
																		SDBIP	
Public/Stakeholder Participation	Project visit	Number of Project Visits Coordinated	7 projects visit coordinated	5 projects visit coordinated	N/a	25 project visits coordinated	Attendance register and reports	Number of Project Visits coordinated	8 projects visits coordinated	<b>Achieved</b>	20,000	Nil	20,000	None	None	8 projects visits coordinated	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Attendance register and reports
Ward Committee Support	Ward Committee Support	Number of capacity building programmes supported	New indicator	5 capacity building programmes supported	N/a	25 programmes supported	Reports	Number of capacity building programmes coordinated	Service provider appointed	<b>Not achieved</b>	1,000,000	Nil	0,00	Discussions with CoGH STA took a long time	Service provider appointed	Service provider appointed	N/A, pending audit outcomes	The target is consistent with the reviewer	Report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
																		SDBIP	

**SPECIAL FOCUS**

**Outcome 9:** Responsive, Accountable, Effective and efficient local government system **Strategic objective:** To provide support to the Executive Mayor **Measurable objective:** To ensure that the office of the Executive Mayor is well-managed. **KPA 6** Good governance and Public Participation

Special Focus	Children's development Programme	Number of Children's development Programme implemented	15 children awareness campaigns, 4 Children's Advisory Councils and 1 Children's camp	4 children awareness campaigns, 1 child protection week, 1 children's day, 1 take a child to work, 1 children's	4 children awareness campaigns, 1 child protection week, 1 children's day, 1 take a child to work, 1 children's develop	20 of children awareness campaigns, 5 child protection week, 5 children's day,	Attendance registers and reports	Number of Children's development Programme implemented	5 children awareness campaign Coordinated:- 1 Children's day was held 1 children development	Achieved	R75 000.00	R75 000.00	R72 78.00	None	None	5 children awareness campaign Coordinated:- 1 Children's day was held 1 children development camp	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Attendance registers and reports
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Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
				development camp coordinated	ment camp coordinated				camp held 1 1 Take a girl/boy child to work held 1 Child protection week held							held 1 1 Take a girl/boy child to work held			
Special Focus	Disability development Programme	Number of Disability development Programme implemented	5 Disability awareness campaigns and 4 Disability	5 Disability awareness campaigns, 4 Disability	N/a	25 Disability awareness campaigns, 20 Disability	Attendance registers and reports	Number of Disability development Programme implemented	5 Disability Forums was held: 5 Disability Awareness	<b>Achieved</b>	R50 000.00	R50 000.00	R30 720.00	None	None	5 Disability Forums was held: 5 Disability Awareness	N/A, pending audit outcomes	The target is consistent with the reviewer SDBI	Attendance registers and reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		ented	Forums	y Forums coordinated		lity Forums coordinated			ess Campaigns was held							ess Campaigns was held		P	
Special Focus	Gender development programme	Number of Gender development programme implemented	5 Gender based violence roadshows, 5 Gender empowerment workshops, 1 Women's month programme	4 Gender Forum meetings, 1 365 days gender based violence, 1 Women month programme, 5	4 Gender Forum meetings, 1 365 days gender based violence, 1 Women month programme, 5 gender empowerment worksho	20 Gender Forum meetings, 5 365 days gender based violence, 5 Women month	Attendance registers and reports	Number of Gender development programme implemented	4 Gender Forum meeting was held 1 Women's Month Programme held:- - Coordinated an Internal Women's	<b>Achieved</b>	R150 000.00	R150 000.00	R150 62.00	None	None	4 Gender Forum meeting was held 2 Women's Month Programme held:- - Coordinated an Internal	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Attendance registers and reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
			and 4 Gender forums	gender empowerment workshop, 4 M & E reports	p, 4 M & E reports	programme, 25 gender empowerment workshops, 20 M & E reports			Day Celebration focusing on personal financial planning  7 Gender Empowerment Workshops held 4 M & E report produced.							Women's Day Celebration focusing on personal financial planning  7 Gender Empowerment Workshops held 4 M & E report produced			

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
																ed.			
Special Focus	Older person development programme	Number of Older person development programme implemented.	5 Older Persons awareness campaigns, 5 workshops and Older persons month programme and 4 Older Persons forum	5 older persons awareness workshops, 5 Older Persons Forum Coordinated	5 older persons awareness workshops, 5 Older Persons Forum Coordinated	25 older persons awareness workshops, 25 Older Persons Forum Coordinated	Attendance registers and reports	Number of Older person development programme implemented.	5 Older Persons Forums were held 5 Older Persons Awareness Workshop was held	<b>Achieved</b>	R50 000.00	R50 000.00	R30 800.00	None	None	5 Older Persons Forums were held 5 Older Persons Awareness Workshop was held	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Attendance registers and reports
Special Focus	Youth Development	Number of Youth	1 District Employ	5 Youth development	N/a	25 Youth development	Attendance register	Number of Youth	9 Youth development meeting	<b>Achieved</b>	R150 000.00	R150 000.00	R155 305.00	None	None	9 Youth development meeting	N/A, pending audit	The target is	Attendance

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	nt Programme	Development Programme implemented	ment Summit, 1 Youth health campaigns, 1 Young women dialogue, 5 Youth council workshops, 4 Youth development meetings and 1 Youth month	meetings, 5 youth awareness campaigns coordinated		ment meetings, 25 youth awareness campaigns coordinated	s and reports	Development Programme implemented	coordinated 2 Youth Awareness Campaigns - 1 Youth Development Practitioners Training coordinated. - 1 Youth Financial Management						g coordinated 2 Youth Awareness Campaigns - 1 Youth Development Practitioners Training coordinated. - 1 Youth Financial	outcomes	consistent with the review er SDBIP	registers and reports	



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
			programme						nt Awareness Campaign held -- -							Management Awareness Campaign held -- -			
Special Focus	Establishment of Youth Resource Centre	Number of Youth Resource Centre	New indicator	1 Youth Resource Centre	N/A		Attendance registers and reports	Number of Youth Resource Centres	Procurement of Computers and furniture is underway	<b>Not Achieved</b>	R150 000.00	R150 000.00	R150 000.00	Non-Responsive bid	Tender to be re-advertised	Procurement of Computers and furniture is underway	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Attendance registers and reports
Special Focus	CBO/NGOs (Com	Number of CBO/N	1 CBO/NGOs	1 CBO/NGO	N/a	5 CBO/NGO	Attendance register	Number of CBO/N	1 CBO/NGO	<b>Achieved</b>	R50 000.00	R50 000.00	R31 580.00	None	None	1 CBO/NGO	N/A, pending audit	The target is	Attendance

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	Community Based Organisations/Non-Governmental Organisations) Summit	GOs (Community Based Organisations/Non-Governmental Organisations) Summit held	(Community Based Organisations/Non-Governmental Organisations) Summit	(Community Based Organisations/Non-Governmental Organisations) summit coordinated		(Community Based Organisations/Non-Governmental Organisations) summit coordinated	s and reports	GOs (Community Based Organisations/Non-Governmental Organisations) Summit held	Summit held							Summit held planned.	outcomes	consistent with the reviewer SDBIP	registers and reports
Special Focus	HIV & AIDS Governance (planning)	Number of HIV & AIDS Councils established and function	4 district aids council meetings 4	4 District Aids Council, 4 District Aids Council Technical		20 District Aids Council, 20 District Aids Council	Attendance registers and reports	Number of HIV & AIDS Councils established and function	4 District AIDS Council Technical Committee meeting	<b>Achieved</b>	R100 000.00	R100 000.00	R94 021.00	None	None	4 District AIDS Council Technical Committee meeting	N/A, pending audit outcomes	The target is consistent with the reviewer	Attendance registers and reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		al	district aids technical team meeting and 4 district CBO forum meetings	al Committee 5 District Civil Society Organizations meetings coordinated		Technical Committee 25 District Civil Society Organizations meetings coordinated		al	were held 4 District AIDS Council meetings were held 4 District CBOs meetings were held							g were held 4 District AIDS Council meetings were held 4 District CBOs meetings were held		SDBIP	
Special Focus	HIV & AIDS Prevention Programmes	Number of awareness campaigns coordinated	5 Prevention awareness campaigns coordinated	5 Prevention awareness campaigns coordinated	25 Prevention awareness campaigns coordinated		Attendance registers and reports	Number of awareness campaign coordinated.	7 Prevention campaigns were held - on	<b>Achieved</b>	R150 000.00	R150 000.00	R148 899.00	None	None	7 Prevention campaigns were held - on	N/A, pending audit outcomes	The target is consistent with the review	Attendance registers and report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		ated.	ated.	ated.	ed				- Community Dialogue on HIV & AIDS and GBV was held.							- Community Dialogue on HIV & AIDS and GBV was held.		er SDBIP	s
Special Focus	HIV & AIDS Care & Support Debriefing	Number of HIV & AIDS Care & Support Debriefing Sessions	5 HIV & AIDS Care & Support Debriefing Sessions	5 HIV & AIDS Care & Support Debriefing Sessions		25 HIV & AIDS Care & Support Debriefing Sessions	Attendance registers and reports	Number of HIV & AIDS Care & Support Debriefing Sessions	5 Care & Support Debriefing sessions were held	<b>Achieved</b>	R100 000.00	R100 000.00	R98 443.00	None	None	5 Care & Support Debriefing sessions were held	N/A, pending audit outcomes	The target is consistent with the review	Attendance registers and report

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	Sessions	s coordinated	coordinated	coordinated		5	Sessions coordinated	s coordinated										er SDBIP	s
Special Focus	HIV & AIDS Capacity Building workshops	Number of HIV & AIDS Capacity Building workshops	5 governance workshops to CBO forum board	5 HIV & AIDS Capacity Building workshops coordinated		25	HIV & AIDS Capacity Building workshops coordinated	Attendance registers and reports	5 Capacity building workshops were coordinated	<b>Achieved</b>	R60 000.00	R60 000.00	R45 450.00	None	None	7 Prevention campaigns were held - on - Community Dialogue on HIV & AIDS	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Attendance registers and reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
																and GBV was held.			
Special Focus	HIV & AIDS Coordination programmes	Number of HIV & AIDS Coordination programmes facilitated	HIV & AIDS Coordination programmes	5 HIV & AIDS Coordination programmes facilitated		25 HIV & AIDS Coordination programmes facilitated	Attendance registers and reports	Number of HIV & AIDS Coordination programmes facilitated	1 Special Focus Forum was coordinated.  1 HIV & AIDS Stakeholders Coordination meeting was held  1 HIV &	<b>Achieved</b>	R50 000.00	R50 000.00	R49 110.00	None	None	5 Care & Support Debriefing sessions were held	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Attendance registers and reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
									AIDS Coordination programme was facilitated  Polokwane CBO Forum meeting was held  Molemo le CBO forum was held										
Special	HIV &	Number	5 M & E	5 M & E		25 M	Attendance	Number	5 M & E	<b>Achieve</b>	Nil	Nil	Nil	None	None	5 M &	N/A,	The	Atten

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
Focus	AIDS Monitoring and Evaluation	of M & E reports produced	reports produced	reports produced		& E reports produced	nce registers and reports	of M & E reports produced	report of the 5 municipalities were produced	d						E report of the 5 municipalities were produced	pending audit outcomes	target is consistent with the reviewer SDBIP	dance registers and reports

**COMMUNICATIONS**

**Outcome 9:** Responsive, Accountable, Effective and Efficient Local Government Systems **Strategic Objective:** To manage and coordinate communication within the District **Measurable Objective:** To ensure communication and coordination of District programmes and events **KPA 6** Good Governance and Public Participation

Communication management	Corporate Image Building	Number of communication and corporate image strategy	1 communication and corporate image strategy reviewed	1 communication and corporate image strategy reviewed	1 communication and corporate image strategy reviewed	reviewed communication and corporate image	reviewed communication and corporate image	communication and corporate image strategy	Reviewed communication and corporate image	<b>Achieved</b>	650 000.00		R649 653.95	None	None	Corporate image building and profiling programmes	N/A, pending audit outcomes	The target is consistent with the reviewer	reviewed communication and corporate image
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Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		reviewed	d	d		strategies	es		strategy							done.		SDBIP	e strategies
Communication management		Percentage of corporate profiling on radios and magazines	100 percent of corporate profiling on radios and magazines undertaken	100 percent of corporate profiling on radios and magazines undertaken	100 percent of corporate profiling on radios and magazines undertaken	100 percent of corporate profiling on radios and magazines undertaken	Copies of corporate profiling on radio and magazine organized	Number of copies	100% of corporate profiling on radio and magazine organized issued	<b>Achieved</b>				None	None	Corporate image building and profiling programmes done.		The target is consistent with the reviewer SDBIP	Copies of corporate profiling on radio and magazine organized
Communication management		Number of paid interviews conducted	1 paid interview conducted and	2 paid interviews conducted and	2 paid interviews conducted and	10 paid interviews	Recordings of interviews organized	Number of recordings	7 paid interviews organized	Achieved				None	None	Paid interviews organized	N/A pending audit outcome	The target is consistent	Recordings of interviews

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		ed and organized on radio.	organized on radio.	organized on radio.	organized on radio.		ed									ed	es	with the reviewer SDBIP	organized
		Percentage of corporate materials procured as per request	100 percent of corporate materials procured	100 percent of corporate materials procured	100 percent of corporate materials procured	100% of corporate gifts procured	procure corporate gifts	Percentage corporate gifts procured	100% of corporate gifts procured	<b>Achieved</b>				None	None	Corporate gifts procured	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	procured corporate gifts
Communication management	Advertising	Percentage advertising of request	100 percent advertising of request	100 percent advertising of request	100 percent advertising of request	100 percent advertising	100% Copies of adverts on print	Copies of adverts on print and	100% Copies of adverts on print and	<b>Achieved</b>	R2 000 000.00	R2 800 000.00	R2 734 357.17	None	None	Municipal activities advertising	N/A, pending audit outcomes	The target is consistent	Copies of adverts on print

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		ed municipal activities on print and electronic media	ed municipal activities on print and electronic media	ed municipal activities on print and electronic media	municipal activities on print and electronic media	of municipal activities on print and electronic media	and electronic media	electronic media	electronic media Issued							ed on print and electronic media		with the reviewer SDBIP	and electronic media
Communication management	Publications	Number of CDM Talk magazine and Insight publications	4 CDM Talk and 12 Insight publications	4 CDM Talk and 12 Insight publications	N/a	20 CDM Talk (external) and 60 Insight (internal) publications produced	Number of Copies of CDM Talk and Insight	4 CDM Talk (external) and 12 Insight (internal)	4 CDM Talk (external) and 12 Insight (internal) publications produced	<b>Achieved</b>	R800 000, 00		R686 813.67	None	None	Both external and internal publications produced as planned.	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Copies of publications

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
						ced													
Communication management Communication management		Percentage of request for IDP, Budget speech and annual report produced and printed.	IDP copies, budget speeches & annual reports produced and printed.	IDP copies, budget speeches & annual reports produced and printed	N/a	100 percent of IDP copies, budget speeches & annual reports produced and printed	Number of Copies of IDP and budget speeches	350 IDP, 300 budget speeches	IDP still with service provider . 1000 budget speeches produced	<b>Partially Achieved</b>				Late appointment of service provider	IDP documents to be delivered in the new financial year	1000 budget speeches produced	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Copies of documents

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		Percentage of diaries and calendars as per approval	diaries and calendars provided	diaries and calendars provided	N/a	Percentage of diaries and calendar produced	Copies of diaries and calendars	300 diaries and 4000 calendars	300 diaries and 4000 calendars	<b>Achieved</b>				None	None	Both external and internal publications produced as planned.	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Copies of diaries and calendars
Communication management	Publicity	Percentage of request for Municipal programmes communicated and	100 percent of request for municipal programmes communicated	100 percent of request for Municipal programmes communicated	N/a	100% of all municipal programmes communicated and publicized	Copies and records of municipal programmes communicated and publicized	Percentage of all municipal programmes communicated and publicized	100% of all municipal programmes communicated and publicized	<b>Achieved</b>	R250 000.00	R400 000.00	R398 154.90	None	None	All municipal programmes communicated and publicized	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Copies of records

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		publicized within set timeframes	and publicized	and publicized within set timeframes			ed												
Communication management Communication management Communication management	Stakeholder Participation (Events management)	Percentage of request for institutional events coordinated and video produced as per approval	100 percent of request for institutional events coordinated and video produced as per approval	100 percent of request for institutional events coordinated and video produced as per approval	N/a	100% of institutional events coordinated and video produced	institutional events coordinated	Percentage of institutional events and videos	100% of institutional events coordinated and video produced	<b>Achieved</b>	R800 000.00		R646 101.00	None	None	Events coordinated and videos produced.	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		al	al	al															
		Percentage of request for stakeholders meetings coordinated	Percentage of request for stakeholder meetings coordinated	100 percent stakeholder meetings coordinated as per request		100 percent of stakeholders meeting coordinated	Minutes and attendance of stakeholders meeting	100 percent of stakeholder meetings coordinated	100 percent stakeholder meetings coordinated	<b>Achieved</b>				None	None	stakeholders meeting coordinated	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Minutes and attendance register
		Number of information sharing sessions coordinated.	Percentage of request for information sharing sessions coordinated as	Percentage of request for information sharing sessions coordinated as	N/a	100 percent sessions organized	Programmes and attendance register of sessions	100 percent of information sharing sessions organized	100 percent sessions organized	Achieved				None	None	Information sharing sessions coordinated.	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Programmes and attendance register of sessions

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
			per approval	per approval														P	ons
Communication management	Media Relations	Number of interviews broadcasted and printed	6 interviews broadcasted and printed	6 interviews broadcasted and printed	N/a	30 interviews broadcasted and printed	Copies of interviews broadcasted or printed	Number of broadcasted and printed interviews	14 interviews broadcasted or printed	<b>Achieved</b>	R300 000.00		R185 066.00 Opex	None	None	Interviews broadcasted or printed	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Reports
Communication management		Number of Media days coordinated	4 Media days coordinated	4 Media days coordinated	N/a	20 Media days coordinated	4 Media days coordinated	Number of Media days coordinated	4 Media days coordinated	<b>Achieved</b>				None	None	Media days coordinated	N/A, pending audit outcomes	The target is consistent with the reviewer	Reports



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
																		SDBIP	
Communication management		Percentage of request for media statements issued and articles written	Percentage of request for media statements issued and articles written	Percentage of request for media statements issued and articles written	N/a	Percentage of Media statements issued	Percentage of Media statements issued	Number of Media statements issued	18 Media statements issued	<b>Achieved</b>				None	None	Media statements issued	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Reports
Communication management		Percentage of speeches developed as per request	100 percent speeches developed as per request	100 percent speeches developed as per request	N/a	100 Researched speeches developed	Percentage of speeches developed	Number of speeches developed	87 speeches developed	<b>Achieved</b>				None	None	Speeches developed	N/A, pending audit outcomes	The target is consistent with the reviewer	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
																		SDBIP	

**RISK MANAGEMENT**

**Outcome 9:** Responsive, Accountable, Effective and Efficient Local Government Systems **Strategic Objective:** To manage and coordinate the implementation of risk management issues within the District. **Measurable Objective:** To ensure compliance with risk policy and the municipal system **KPA 6:** Good Governance and Public Participation

Fraud Prevention	Forensic investigations	Percentage of cases investigated	100 percent of cases investigated	100 percent of cases investigated	N/a	100 percent of cases investigated	Reports	Percentage of cases investigated	100 percent of cases investigated	<b>Achieved</b>	R 500 000.00		0	None	None	100 percent of cases investigated	N/A, pending audit outcomes	The target is consistent with the reviewed SDBIP.	Reports
	Fraud prevention	Number of fraud prevention	8 fraud prevention awaren	8 fraud prevention awaren	N/a	40 fraud prevention	Attendance registers for	Number of fraud prevention	8 fraud prevention awaren	<b>Achieved</b>	R100000.00		R 84 370.00	None	None	8 fraud prevention awaren	N/A, pending audit outcomes	The target is consis	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		awareness campaign facilitated	ess campaigns facilitated.	ess campaigns facilitated.		awareness campaigns facilitated.	awareness campaigns	on awareness campaigns facilitated.	ess campaigns facilitated.							ess campaigns facilitated.	es	tent with the reviewed SDBIP.	
	Management of Fraud Hotline	Number of fraud hotline reports issued	12 fraud hotline reports issued	12 fraud hotline reports issued	N/a	60 fraud hotline reports issued	Reports	Number of fraud hotline reports issued	12 fraud hotline reports issued	<b>Achieved</b>				None	None	12 fraud hotline reports issued	N/A, pending audit outcomes	The target is consistent with the reviewed SDBIP.	Reports
Security Management	Security Management	Number of security reports	12 Security reports produced	12 Security reports	N/a	60 Security reports	Reports	Number of Security reports	12 Security reports produced	<b>Achieved</b>	R5 000 000.00		R 4 776 232.14	None	None	12 Security reports	N/A, pending audit outcomes	The target is consistent	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	nt (Services)	produced	ed	produced		s produced		reports produced	ed							produced	es	tent with the reviewed SDBIP.	
Risk Management	Risk Management	Number of Business continuity plan developed	New indicator	1 Business continuity plan developed	Project transferred to IKM	1 Business continuity plan	Business continuity plan developed	1 Business continuity plan developed	Project transferred to IKM	Project transferred to IKM	R1 000 000.00	R0		None	None	Project transferred to IKM	N/A, pending audit outcomes	The target is consistent with the reviewed SDBIP.	Reports
		Number of risk register developed	1 risk register developed and	1 risk register developed and		5 risk register developed	Reports	Number of risk register developed	1 risk register developed and	<b>Achieved</b>	Nil	Nil	Nil	None	None	1 risk register developed and	N/A, pending audit outcomes	The target is consistent	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		ed and monitoring reports	4 monitoring reports	4 monitoring reports		ped and 20 monitoring reports		ed and Number of monitoring reports	4 monitoring reports							4 monitoring reports	es	tent with the reviewed SDBIP.	
		Number of Risk Committee meeting coordinate	4 Risk Committee meeting coordinated	4 Risk Committee meeting coordinated		20 Risk Committee meeting coordinated	Minutes	Number of Risk Committee meetings coordinated	3 Risk Committee meeting coordinated	<b>Not Achieved</b>	R 100 000.00		R 2 938 .12	Meeting postponed due to Tight schedule	Meeting scheduled for July 2014 and held	3 Risk Committee meeting coordinated	N/A, pending audit outcomes	The target is consistent with the reviewed SDBIP	Minutes

**INTERNAL AUDIT**

**Outcome 9:** Responsive, Accountable, Effective and Efficient Local Government Systems **Strategic Objective:** To manage and coordinate the implementation of Audit plan and to ensure functional Audit Committee within the District. **Measurable Objective:** To ensure compliance with the Audit Plan **KPA 6:** Good Governance and

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
<b>Public Participation</b>																			
Audit committee	Audit Committee activities (Expenses)	Number of audit committee meetings coordinated	6 Audit Committee meetings coordinated	4 audit committee meetings coordinated		20 audit committee meetings coordinated	Minutes	Number of audit committee meetings coordinated	8 audit committee meetings coordinated	<b>Achieved</b>	R 600 000.00	R 1 050 000.00	R 895 755.14	None	None	8 audit committee meetings coordinated	N/A, pending audit outcomes	The target is consistent with the reviewed SDBIP.	Minutes
Internal audit	Effective Internal audit	Number of internal audit reports produced	4 internal audit reports produced.	4 internal audit reports produced.		20 internal audit reports produced.	Reports	Number of internal audit reports produced.	4 internal audit reports produced.	<b>Achieved</b>	R 100 000.00	R 50 000.00	0	None	None	4 internal audit reports produced.	N/A, pending audit outcomes	The target is consistent with the reviewed SDBI	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
																		P.	
	Coordination of external audit (AGS A) processes.	percent of request and queries responded timely	100 percent of request and queries responded timely	100 percent of request and queries responded timely		100 percent of request and queries responded timely	Require register	percentage of request and queries responded timely	100 percent of request and queries responded timely	<b>Achieved</b>	Nil	Nil	Nil	None	None	100 percent of request and queries responded timely	N/A, pending audit outcomes	The target is consistent with the reviewed SDBIP.	Require register
External audit		Number of audit steering committee meetings	8 Audit Steering Committee meetings coordinated	8 Audit Steering Committee meetings coordinated		40 Audit Steering Committee meetings coordinated	Minutes	Number of Audit Steering Committee meetings coordinated	8 Audit Steering Committee meetings coordinated	<b>Achieved</b>	Nil	Nil	Nil	None	None	8 Audit Steering Committee meetings coordinated	N/A, pending audit outcomes	The target is consistent with the reviewed	Minutes

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		g Coordinated	ated	ated		nated		ated	ated							ated		SDBI P.	
Municipal Support	Clean Audit 2014	Number of reports on audit support programme to locals.	12 reports on audit support programme to local municipalities	12 reports on audit support programme to local municipalities.	N/a	60 reports on audit support programme to local municipalities.	Reports	Number of reports on audit support programme to local municipalities.	12 reports on audit support programme to local municipalities.	<b>Achieved</b>	Nil	Nil	Nil	None	None	12 reports on audit support programme to local municipalities	N/A, pending audit outcomes	The target is consistent with the reviewed SDBI P.	Reports

### INTERGOVERNMENTAL RELATIONS

**Outcome 9:** Responsive, Accountable, Effective and efficient local government system **Strategic objective:** To manage and coordinate IGR structures within the district and implementation of resolutions. **Measurable objective:** To ensure compliance with IGR framework Act. **KPA 6** Good Governance and Public Participation

Intergovernmental	Inter-governmental	Number of IGR	52 IGR meeting	68 IGR meeting	N/a	340 IGR	Minutes and	Number of IGR	89 IGR meeting	<b>Achieved</b>	R200 0		159 3	None	None	IGR meetin	N/A, pending	The target	Minutes
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Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
Internal Relations	Management Relations (IGR) meetings	meetings coordinated.	coordinated.	coordinated.		meetings	attendance registers	meetings	held	achieved	00 00		80 89			as planned	audit outcomes	is consistent with the reviewer SDBIP	and attendance registers
Intergovernmental Relations	District Lekgotla	Number of District Lekgotla	1 District Lekgotla held	1 District Lekgotla held	N/a	5 District Lekgotla	Report and attendance registers	Number of District Lekgotla	1 District Lekgotla held	Achieved	150 00 0 00		72 79 2 48	None	None	1 District Lekgotla held as planned	N/A, pending audit outcomes	The target is consistent with the reviewer SDBIP	Report and attendance registers

**PROJECT MANAGEMENT**

**Outcome 9:** Responsive, Accountable, Effective and efficient local government system **Strategic objective:** To manage, and coordinate organisational PMS, policy

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
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development & review and conduct research for planning purposes. **Measurable objective:** To ensure compliance with PMS policy framework and research framework  
**KPA 6 Good Governance and Public Participation**

Project Management	Project Management	Percentage of projects monitored for quality assurance	100 percent of projects monitored for quality assurance	100 percent of projects monitored for quality assurance	100 percent of projects monitored for quality assurance	100 percent of projects monitored for quality assurance	PMU Annual Report	% of projects monitored for quality assurance	20% of projects monitored for quality assurance	<b>Not Achieved</b>	R7mil	R7mil	0	Non-performance of service provider	Service provider terminated	20% of projects monitored for quality assurance	N/A, pending audit outcomes	Target is consistent with the reviewed SDBIP	Reports
Institutional and Social Development	Community Awareness Campaigns (Health and Hygiene)	Number of Health and hygiene and water by-laws awareness	18 Community Awareness Campaigns	30 Community Awareness Campaigns facilitated	<b>0</b> Community Awareness Campaigns facilitated (Health		N/A	N/A	N/A (project discontinued)	N/A (project discontinued)	Nil	Nil	Nil	N/A	N/A	N/A (project discontinued)	N/A (project discontinued)	N/A (project discontinued)	N/A (project discontinued)

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	ne and By-Law Enforcement)	ess campaign facilitated.		(Health and Hygiene and By-Law Enforcement)	and Hygiene and By-Law Enforcement)														
Institutional and Social Development	Facilitation of planning, development and operations maintenance of Infrastructure	Percentage of all infrastructure project facilitated for planning, development and operations maintenance	New indicator	100 percent of infrastructure projects facilitated for planning, development and operations maintenance	80 percent of infrastructure projects facilitated for planning, development and operations maintenance	N/a	Facilitation report	Percentage	70% progresses	<b>Partially achieved</b>	Nil	Nil	N/A	Some projects have not completed the planning process and implementation.	Facilitate only projects with DWA and MIG approvals	70% progresses	N/A, pending audit outcomes	Target is consistent with the reviewed SDBIP	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	projects.	ance		ance															
Institutional and Social Development	Job creation facilitation (Infrastructure projects)	Number of jobs creation reports compiled.	New Indicator	4 jobs creation reports compiled.	2 jobs creation reports compiled.	N/a	Reports	Number	2 job creation reports compiled	<b>Achieved</b>	Nil	Nil	N/A	None	None	2 job creation reports compiled	N/A, pending audit outcomes	Target is consistent with the reviewed SDBIP	Reports
Corporate GIS	GIS Training	Number of CDM and Local Municipalities' personnel trained	New Indicator	N/a	30 CDM and Local Municipalities' personnel trained on GIS		Reports and attendance register	Number of personnel trained on GIS	30 personnel trained on GIS	Achieved	Nil	Nil	Nil	None	None	30 personnel trained on GIS	N/A, pending audit outcomes	Target is consistent with the reviewed SDBI	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		on GIS																P	
	GIS analytical capability	Number of CDM local municipalities supported with performing Spatial analysis for decision making	New Indicator	N/a	4 local municipalities supported with performing Spatial analysis for decision making		Return Trip Authority and Audit verification	Number of CDM local municipalities supported	4 local municipalities supported	Achieved	Nil	Nil	Nil	None	None	4 local municipalities supported	N/A, pending audit outcomes	Target is consistent with the reviewed SDBIP	Reports
	GIS Infrastructure support	Number of local municipalities Installed with	New Indicator	N/a	4 local municipalities Installed with GIS software		Return Trip Authority and Audit verification	Number of local municipalities Installed with	4 local municipalities Installed with GIS software	Achieved	Nil	Nil	Nil	None	None	4 local municipalities Installed with GIS software	N/A, pending audit outcomes	Target is consistent with the	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		GIS software					ion	GIS software	e							e		reviewed SDBIP	
	Captured Infrastructure projects on GIS	Number of implemented infrastructure projects for 2012/13 and 2013/14 captured on GIS	New Indicator	N/a	Number of implemented infrastructure projects for 2012/13 and 2013/14 captured on GIS		Maps and datasets	Number of implemented infrastructure on GIS	All implemented infrastructure projects for 2012/13 and 2013/14 captured on GIS	Achieved	Nil	Nil	Nil	None	None	All implemented infrastructure projects for 2012/13 and 2013/14 captured on GIS	N/A, pending audit outcomes	Target is consistent with the reviewed SDBIP	Reports

**STRATEGY MANAGEMENT AND INSTITUTIONAL DEVELOPMENT**

**Outcome 9:** Responsive, Accountable, Effective and efficient local government system **Strategic objective:** To manage and coordinate IGR structures within the

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
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district and implementation of resolutions. **Measurable objective:** To ensure compliance with IGR framework Act. **KPA 6** Good Governance and Public Participation

Organisational performance management	Development and Review of Service Delivery and Budget Implementation Plan (SDBIP)	Number of Organizational Service Delivery and Budget Implementation Plan (SDBIP) developed and reviewed.	2	2		10	Service Delivery and Budget Implementation Plan	Number of Service Delivery and Budget Implementation Plan	2	<b>Achieved</b>	Nil	Nil	Nil	None	None	SDBIP's developed and reviewed	N/A Pending the audit outcome	The target is consistent with the reviewed SDBIP	SDBIP Review
Monitoring and Evaluation	Production of	Number of organizational	4	4	N/a	20	Performance	Number of organizational	4	<b>Achieved</b>	Nil	Nil	Nil	None	None	4	N/A Pending		Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
on	organizational performance report and project monitoring report.	ational performance reports produced	performance reports produced	performance reports produced		al performance reports produced	reports	ational performance reports produced	performance reports produced							performance reports produced as planned	g the audit outcome	The target is c	
		Number of project monitoring reports produced	New indicator	4 project monitoring reports produced.	2 project monitoring reports produced	20 project monitoring reports produced.	Project monitoring reports	Number of project monitoring reports produced.	1 project monitoring report produced.	<b>Partially achieved</b>	Nil	Nil	Nil	Capacity challenges	Internal transfer of an to the unit done in June 2014	1 project monitoring report produced.	N/A Pending the audit outcome	The target is consistent with the reviewed SDBI	Reports



Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
																		P	
Monitoring and Evaluation	Production of outcome 9 and Local Government Turnaround Strategy (LGTA S)	Number of Outcome 9 and Local Government Turnaround Strategy (LGTA S) reports coordinated and produced	4 Outcome 9 reports and 4 Local Government Turnaround Strategy report (LGTAS)	4 Outcome 9 reports and Local Government Turnaround Strategy report (LGTAS)	N/a	20 Outcome 9 reports and Local Government Turnaround Strategy report (LGTAS)	Reports	Number of Outcome 9 reports and Local Government Turnaround Strategy report (LGTAS)	4 Outcome 9 reports and Local Government Turnaround Strategy report (LGTAS)	<b>Achieved</b>	Nil	Nil	Nil	None	None	4 Outcome 9 reports and Local Government Turnaround Strategy report (LGTAS) coordinated and produced	N/A Pending the audit outcome	The target is consistent with the reviewed SDBIP	Reports
Monitoring	Organ	Number	Draft	1	N/a	5	Review	Number	1	<b>Achieved</b>	Nil	Nil	Nil	None	None	1	N/A	The	Repo

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
Monitoring and Evaluation	Organisation of service standards reporting	of organisational service standards coordinated for review.	service standards available.	Organisational service standards reviewed		Organisational service standards reviewed	ed service standards	of Organisational service standards reviewed	Organisational service standards reviewed	Not Achieved	Nil	Nil	Nil	Capacity challenges	Internal transfer of an to the unit done in June 2014	Organisational service standards reviewed	Pending the audit outcome	target is consistent with the reviewed SDBIP	Reports
		Number of reports on monitoring and evaluation of organisational service standards	New indicator	4 reports on monitoring of organisational service standards produced	3 reports on monitoring of organisational service standards produced	20 reports on monitoring of organisational service standards	Reports	Number reports on monitoring of organisational service standards produced	No reports produced	Not Achieved	Nil	Nil	Nil	Capacity challenges	Internal transfer of an to the unit done in June 2014	No report produced	N/A Pending the audit outcome	The target is consistent with the reviewed SDBIP	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
		ds produced				ards produced													
Monitoring and Evaluation	Customer Relations management reporting	Percentage of all complaints received and attended to.	New indicator	100 percent of all complaints received and attended to.	N/a	100 percent of all complaints received and attended to.	Report	Percentage of all complaints received and attended to.	100 % all complaints received and attended to.	<b>Achieved</b>	Nil	Nil	Nil	None	None	100 % all complaints received and attended to.	N/A Pending the audit outcome	The target is consistent with the reviewed SDBIP	Reports
Monitoring and Evaluation	Coordination of the District monitoring and	No. of Monitoring and Evaluation Forums Coordinated.	4 District monitoring and evaluation forum Coordinated.	4 District monitoring and evaluation forum Coordinated.	N/a	20 District monitoring and evaluation	Minutes and attendance registers	Number of District monitoring and evaluation forum	1 District monitoring and evaluation forum Coordinated	<b>Partially achieved</b>	Nil	Nil	Nil	Capacity challenges	Internal transfer of an to the unit done in June 2014	1 District monitoring and evaluation forum Coordinated	N/A Pending the audit outcome	The target is consistent with the review	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	evaluation forum		ated.	ated.		forum Coordinated.		Coordinated.	ated							ated		ed SDBIP	
Research and Development	Customer satisfaction survey (External and internal)	Number of customer satisfaction survey conducted.	New indicator	1 customer satisfaction survey (External/internal) conducted.	N/a	5 customer satisfaction survey (External/internal) conducted.	Report	Number of customer satisfaction survey (External/internal) conducted.	No customer satisfaction survey (External/internal) conducted.	<b>Not Achieved</b>	Nil	Nil	Nil	Non Responsive Bid	Project deferred to 2014/15 financial year	No customer satisfaction survey (External/internal) conducted	N/A Pending the audit outcome	The target is consistent with the reviewed SDBIP	Reports
Policy coordination	Production of analysis reports on existing	Number of analysis reports on existing	New indicator	4 analysis reports on existing policies	2 analysis reports on existing policies	20 analysis reports on existing	Reports	Number of analysis reports on existing	No report produced	<b>Not Achieved</b>	Nil	Nil	Nil	Capacity challenges	Internal transfer of an to the unit done in June	No report produced	N/A Pending the audit outcome	The target is consistent with the	Reports

Strategic focus area (IDP)	Project	Key Performance Indicator	Baseline	Original Annual Target	Revised Annual Target	5 year target	Means of verification	Unit of measure	Actual Progress	Status (achieved or not achieved)	Original Budget	Revised Budget	Expenditure	Challenges	Corrective Measure	Performance monitoring quality assurance comment	Management response	Internal audit comment	Portfolio of evidence
	policies developed.	policies produced		produced	produced	policies produced		policies produced							2014		e	reviewed SDBIP	

## CHAPTER 5 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

Human Resource Management is central to the strategic thrust of the District. It is geared to achieve optimal outcomes and impact on Service Delivery. The function is organized and discharged through the following units; Human Resources Management and Human Resources Development.

- Human Resources Management – the unit is responsible for employee relations, provisioning and maintenance which include recruitment, selection, occupational health and safety as well as benefits administration.
- Human Resources Development – the unit is responsible for training and development of employees, implementation of the organizational structure, employee wellness and performance management.

In terms of human resources development the municipality ensures that employees realise their personal as well as organisational goals as far as career development is concerned. Employee personal problems that may adversely impact their work performance, health and wellbeing are dealt with through the Employee wellness programme.

The municipal council had previously adopted a new organisational structure that included the newly transferred employees for implementation. To ensure proper implementation, this required an overall review of job descriptions and job evaluation. The municipality has appointed Deloitte to conduct the job evaluation process and the process is complete.

Recruitment and selection of positions is done continuously as a result of vacancies. The human resources division has facilitated municipal transformation by ensuring the implementing the Employment Equity Act. The municipality implements a performance management system and assessments are done on a quarterly basis for all municipal employees. Performance rewards for eligible employees are paid annually to the municipal personnel

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### Turnover And Vacancies

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Description	Employees				
	12/13		13/14		
	No. Employees	No. Approved posts	No. of employees	No. of vacancies	% of vacancies
Water	5	6	245	109	30.7%
Waste Water (sanitation)	10	10	9	5	35.7%
Electricity	0	1	0	1	100%
Waste Management	N/A	N/A	N/A	N/A	N/A
Housing	N/A	N/A	N/A	N/A	N/A
Waste Water (Storm water Drainage)	N/A	N/A	N/A	N/A	N/A
Roads	0	0	0	0	0%
Transport	1	1	1	0	0%

Planning	11	12	5	0	0%
Local Economic Development	4	4	4	1	25%
Planning (Strategic & Regulatory)	N/A	N/A	N/A	N/A	N/A
Community & social services	117	124	82	37	31%
Environmental protection	N/A	N/A	4	0	0%
Health	27	33	25	3	10.7%
Security & safety	3	3	3	3	0%
Sport & recreation	1	1		0	0%
Corporate Policy offices & other	64	87	60	23	26.4%
<b>Totals</b>			<b>438</b>	<b>182</b>	<b>29.3%</b>

**Vacancy Rate: 13/14**

<b>Designation</b>	<b>*Total approved posts No.</b>	<b>*Variances (Total time that vacancies exist using fulltime equivalents) No.</b>	<b>*Variances (as a proportion of total posts in each category) %</b>
Municipal Manager	1	0	0
CFO	1	0	0
Other S57 Managers (excluding Finance Posts)	5	2	40%
Other S57 Managers (Finance posts)	0	0	0
Municipal Police	N/A	N/A	N/A
Fire Fighters	121		31.1%
Management: Levels 2-3 (excluding Finance Posts)	28		7.1%
Highly skilled supervision: Levels 4-6 (excluding Finance posts)	51		
skilled: Levels 7-8 (Finance posts)	16		15.8%
Unskilled: Level	202		
<b>Total</b>			

**Turn-over Rate**

<b>Details</b>	<b>Total Appointments as of beginning of financial year No.</b>	<b>Terminations during the financial year No.</b>	<b>Turn-over Rate*</b>
<b>2009/10</b>	<b>530</b>	<b>13</b>	<b>2.45</b>
<b>2010/11</b>	<b>523</b>	<b>19</b>	<b>3.63</b>
<b>2011/12</b>	<b>536</b>	<b>25</b>	<b>4.66</b>
<b>2012/13</b>	<b>532</b>	<b>24</b>	<b>4.51</b>

2013/14	539	39	7.23
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### Comment on Vacancies and Turnover:

The municipality has at all times prioritized filling of vacant positions, appointments of internal staff has been taken into account and eligible employees have always been considered for positions.

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

The municipality places a very high value on workforce management and as a result, policies and procedures have been put in place. This is a continuous process; systems are still developed and reviewed where and when necessary.

### 5.1. POLICIES

HR Policies & Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1	Affirmative Action	0%	0%	None
2	Retention	100%	0%	December 2013
3	Code of conduct for employees	100%	0%	Collective Agreement
4	Delegations, Authorisation & responsibility	100%	0%	None
5	Disciplinary Code & Procedures	100%	0%	Collective Agreement
6	Essential Services	100%	0%	Collective Agreement
7	Employee Assistance/ wellness	100%	100%	December 2013
8	Employment Equity	50%	0%	None
9	Exit Management	50%	0%	None
10	Grievance Procedures	100%	0%	Collective Agreement
11	HIV/AIDS	50%	0%	None
12	Human Resource & Development	100%	0%	2003
13	Information Technology	50%		
14	Job Evaluation	100%	100%	December 2013
15	Leave	100%	50%	2003
16	Occupational Health & Safety	100%	100%	December 2013
17	Official Housing			
18	Official Journeys			
19	Official Transport to attend funerals	100% Part of bereavement policy	New	
20	Official working hours and overtime	100%	0%	Collective Agreement
21	Organisational rights	100%		Collective



				Agreement
22	Payroll Deductions	100%	0%	None
23	Performance Management & Development	80%	0%	None
24	Recruitment, selection & Appointments	100%	100%	December 2013
25	Remuneration Scales & Allowances	100%	0%	Collective Agreement
26	Resettlement	0%	0%	None
27	Sexual Harassment	0%	0%	None
28	Skills development	100%	0%	2003
29	Smoking	100%		
30	Special skills	0%	0%	None
31	Work Organisation	50%	0%	None
32	Uniforms & protective clothing	50%	50%	None
33	Probation Policy	100%	0%	December 2013
34	Induction policy and procedure	100%	0%	December 2013
35	Policy in management of medically incapacitated employees	100%	0%	December 2013
36	Injuries on duty policy and procedure	100%	0%	December 2013
37	Experiential Training policy	100%	0%	December 2013

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		%	Days	R`000
Required basic medical attention only	None	None	None	None	None
Temporary total disablement	None	None	None	None	None
Permanent disablement	None	None	None	None	None
Fatal	None	None	None	None	None
<b>Total</b>					

#### Comment on Injury and Sick Leave:

The municipality has not recorded any injuries or occupational diseases in the year under review.

#### Disciplinary Cases

**07 disciplinary cases were handled in the Financial year 2012/13 and outcomes were as follows:**

- 03 cases were finalized and the Municipality was successful in 02 cases.

- 03 cases were completed and awaiting for chairperson's rulings.
- 01 case is still pending.

There were no suspensions recorded and there was only 02 financial misconduct recorded.

<b>Disciplinary action taken on cases of misconduct</b>			
<b>Position</b>	<b>Nature of alleged misconduct and rand value of any loss to the municipality</b>	<b>Disciplinary action taken</b>	<b>Date finalized</b>
None	None	None	None
HIV Officer	Financial Misconduct	Yes	26 July 2012
Accountant Expenditure	Dereliction of duties	Yes	03 July 2012
Institutional Social Development Coordinator	Gross negligence	Yes	13 February 2103
Manager Water and Sanitation Implementation	Gross negligence	Yes	Not yet finalized
Manager Planning and Design	Gross negligence	Yes	Not yet finalized
Technician	Gross negligence	Yes	Not yet finalized
Artisan	Financial Misconduct	Yes	Not yet finalized

## 5.2. PERFORMANCE REWARDS

<b>Performance Rewards by Gender</b>					
<b>Designation</b>	<b>Beneficiary Profile</b>				
	<b>Gender</b>	<b>Total number of employees in group</b>	<b>Number of beneficiaries</b>	<b>Expenditure on rewards 13/14</b>	<b>Proportion of beneficiaries within group</b>
				<b>R`000</b>	<b>%</b>
Lower skilled (levels 1-2)	Female	45	45	R 238 517.72	100%
	Male	162	157	R 808 057.51	96.9%
Skilled (levels 3-5)	Female	70	69	R 632 738.61	98.5%
	Male	73	66	R 678 921.58	90.4%
Highly skilled production (levels 6-8)	Female	42	39	R 595 837.87	92.8%
	Male	46	42	R 609 250.37	91.3%
Highly skilled supervision (levels 9-12)	Female	30	30	R 616 553.76	100%
	Male	47	37	R 793 673.73	78.7%
Senior Management (levels 13-15)	Female	5	5	R143 153.63	100%
	Male	10	9	R 311 415.58	90%
MM and S57	Female	3	3	R 95 098.78	100%
	Male	3	3	R61 534.47	100%
<b>Total</b>		<b>537</b>	<b>505</b>	<b>R5 584 753.61</b>	<b>94%</b>

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**COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE**


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The municipality will as required by legislation, develop a Workplace Skills Plan on annual basis. This will be followed by a development of a detailed implementation plan that will outline the process to be followed in implementing the plan. Bursaries will still be issued to all eligible employees for career development purposes.

More employees continue to be enrolled for studies each financial year. The municipality will continue to make funds available on each financial year to ensure that capacity building is funded and both the organization and employees benefit from this project.

### 5.3. SKILLS DEVELOPMENT AND TRAINING

Skills Development Expenditure										
Management Level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development 2013/14							
			Learnerships		Skills programmes & other courses		Other forms of training		Total	
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget
MM and S57	Female	2					-			
	Male	3					-			
Legislators, senior officials and managers	Female	36					131 527.96			131 527.96
	Male	51					216 081.78			216 081.78
Technicians and Professionals	Female	27					75 671.24			75 671.24
	Male	29					106 421.02			106 421.02
Skilled workers	Female	18					69 957.08			69 957.08
	Male	15					50 457.08			50 457.08
Clerks	Female	1					5900			5900
	Male									
Service and sales workers	Female									
	Male									
Plant and machine	Female		3	-						-
	Male		8	-						-

operators and assemblers										
Elementary occupation	Female									
	Male									
Sub Total	Female									
	Male									
									%*	R 656 016.16

#### 5.4. EMPLOYEE EXPENDITURE

Number of employees whose salaries were increased due to their positions being upgraded		
Beneficiaries	Gender	Total
Lower skilled (level 1-2)	Female	0
	Male	0
Skilled (level 3-5)	Female	0
	Male	0
Highly skilled production (levels 6-8)	Female	0
	Male	0
Highly skilled supervision (level 9-12)	Female	0
	Male	0
Senior management (levels 13-15)	Female	0
	Male	0
MM & S57	Female	0
	Male	0
<b>Total</b>		<b>0</b>

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

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

## CHAPTER 6 – FINANCIAL PERFORMANCE

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One major area of change is citizens' expectations of their governments regarding public services and their willingness to pay for these services. Every level of government is expected to live within its financial resources and provide as good or better service than in the past.

### **A Viable Municipality is able to:**

- Grow in population and economic terms
- Govern and democratically represent the interests of the community
- Satisfy the responsibilities for administration and services in accord with legislation
- Provide the services needed at a cost that the residents are willing to pay
- Fund services from its financial resources.

The CDM NSDP indicates that the operating budget for all municipalities, on average, has been growing over the periods 2003/04 to 2009/10. Polokwane has the highest sources of operational budget over the years, whereas Aganang has the lowest sources. During the period under review Blouberg municipality experienced an average growth of 32.6%, followed by Lepelle-Nkumpi (23.6%), Molemole (21.3%), Polokwane (16%) and Aganang (15.4%). The average annual capital budget growth was greatest in Lepelle-Nkumpi, Molemole local municipality, and Polokwane local municipality) between 2003/04 and 2009/10.

The report further indicates that the Interest accrued and other unspecified capital budget sources also play a significant role in CDM's sources of income. All municipalities have shown an increasing average growth in capital expenditure over the period under review (albeit from a low base with the exception of Polokwane).

Therefore, there is currently insufficient planning and institutional gearing for the funding and human resources requirements and resources flow between national, provincial sector departments on one hand, and the district and local municipalities on the other. In turn, this means that the operation and maintenance costs associated with the assets and other resources being transferred to municipalities are inappropriately accounted for. The role of the finance department is to carry out REAL (Revenue, Expenditure, Assets and Liability) management. The challenge that CDM faces is to manage these REAL efficiently, effectively and economically. The District also drafted the Financial Plan which indicates the budget projections for the next MTERF, source of revenue and cost recovery plan.

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### COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

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#### **6.1. AG REPORT OF THE AUDITOR-GENERAL**

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### REPORT ON THE FINANCIAL STATEMENTS

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#### INTRODUCTION

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1. I have audited the financial statements of the Capricorn District Municipality set out on pages 291 to 353, which comprise the statement of financial position as at 30 June 2014, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget information with

actual information for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

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#### ACCOUNTING OFFICER'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and Division of Revenue Act, 2012 (Act No. 5 of 2012) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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#### AUDITOR-GENERAL'S RESPONSIBILITY

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

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#### OPINION

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

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#### EMPHASIS OF MATTERS

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

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## RESTATEMENT OF CORRESPONDING FIGURES

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8. As disclosed in note 33 to the financial statements, the corresponding figures for 30 June 2013 have been restated as a result of an error discovered during 2014 in the financial statements of the municipality at, and for the year ended, 30 June 2013.

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## MATERIAL UNDERSPENDING OF THE BUDGET AND CONDITIONAL GRANTS

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9. As disclosed in the notes to the financial statements, the municipality has materially underspent their capital budget to the amount of R146 814 000. As a consequence, the municipality has not achieved all of its objectives in the infrastructure services department.
10. With reference to note 11 to the financial statements, the municipality materially underspent its conditional grants by R130 615 245.

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## ADDITIONAL MATTER

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

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## UNAUDITED SUPPLEMENTARY SCHEDULES

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12. The supplementary information set out on pages 351 to 353 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon.

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## UNAUDITED DISCLOSURE NOTES

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

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## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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14. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters

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## PREDETERMINED OBJECTIVES

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15. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected development objectives presented in the annual performance report of the municipality for the year ended 30 June 2014.
- Objective 2: Infrastructure services on pages 98 to 155
  - Objective 3: Community services on pages 172 to 181.

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

## **Objective 2: Infrastructure services**

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

#### **Consistency of objectives, indicators and targets**

20. Section 41(c) of the Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) requires the integrated development plan to form the basis for the annual report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents. A total of 65% of the reported targets were not consistent with those in the approved integrated development plan. This was due to lack of review and monitoring of the completeness of reporting documents by management

#### **Performance targets not specific, measurable and well defined**

21. The FMPPI requires the following:
  - Performance targets must be specific in clearly identifying the nature and required level of performance. A total of 59% of the targets were not specific.
  - Performance targets must be measurable. We could not measure the required performance for 57% of the targets.
  - Performance indicators must be well defined by having clear data definitions so that data can be collected consistently and is easy to understand and use. A total of 23% of the indicators were not well defined.

This was because management was not aware of the requirements of the FMPPI.

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

22. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. Significantly important targets were not reliable when compared to the source information or evidence provided. This was due to a lack of technical indicator descriptions and standard operating procedures or documented system descriptions for the accurate recording of actual achievements and monitoring of the completeness of source documentation in support of actual achievements.

## **Objective 3: Community services**

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

#### **Consistency of objectives, indicators and targets**

23. Section 41(c) of the MSA requires the integrated development plan to form the basis for the annual report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents. A total of 44% of the reported targets were



not consistent with those in the approved Service Delivery and Budget Implementation Plan. This was due to lack of review and monitoring of the completeness of reporting documents by management.

#### **Performance targets not measurable**

24. Performance targets must be measurable. We could not measure the required performance for 31% of the targets. The measurability of planned targets and indicators could not be assessed due to a lack of technical indicator descriptions and formal standard operating procedures. This was because management was not aware of the requirements of the FMPPI.

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

25. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. Significantly important targets were not reliable when compared to the source information or evidence provided. This was due to a lack of technical indicator descriptions and standard operating procedures or documented system descriptions for the accurate recording of actual achievements and monitoring of the completeness of source documentation in support of actual achievements.

#### **Additional matters**

26. I draw attention to the following matters:

#### **Achievement of planned targets**

27. Refer to the annual performance report on pages 98 to 155 and 172 to 181 for information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on usefulness and reliability of the reported performance information for the selected development objectives reported in paragraphs 19 to 26 of this report.

#### **Unaudited supplementary schedules**

28. The supplementary information set out on pages 354 to 356 does not form part of the annual performance report and is presented as additional information. We have not audited these schedules and, accordingly, we do not express a conclusion thereon.

---

### **COMPLIANCE WITH LAWS AND REGULATIONS**

---

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

#### **Financial statements, performance and annual reports**

30. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA.

Material misstatements of non-current assets, current assets, liabilities, and revenue and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified audit opinion.

### **Procurement and contract management**

31. Contracts and quotations were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by *Supply Chain Management (SCM) regulation 13(c)*.
32. Awards were made to providers who are in the service of other state institutions, in contravention of section 112(j) of the MFMA and SCM regulation 44. Similar awards were identified in the prior year and no effective steps were taken to prevent or combat the abuse of the SCM process in accordance with SCM regulation 38(1).
33. Bid adjudication was not always done by committees which were composed in accordance with SCM regulation 29(2).

### **Expenditure management**

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

### **Asset and liability management**

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

### **Strategic planning and performance management**

37. The performance management system and related controls were inadequate as it did not appropriately address the processes of performance planning, monitoring, measurement and reporting and how it is conducted, organised and managed, as required by sections 38 of the MSA and regulation 7 of the *Municipal planning and performance management regulations*.

---

## **INTERNAL CONTROL**

---

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

### **Leadership**

39. The municipality did not have sufficient monitoring controls to ensure the proper implementation of the overall process of reporting on predetermined objectives and compliance with legislation.

### **Financial and performance management**

40. The financial statements contained numerous misstatements that were corrected. This was mainly due to inadequate review of the financial statements by management.
41. Non-compliance with laws and regulations could have been prevented had compliance been properly reviewed and monitored.

*Auditor-General*

Polokwane 28 November 2014



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

6.2. ANNUAL FINANCIAL STATEMENTS

for the year ending 30 June 2014										
Province:										
AFS rounding:										
<b>Contact Information:</b>										
<b>Name of Municipal Manager:</b>	Ngoako Molokomme									
<b>Name of Chief Financial Officer:</b>	Mr Naazim Essa									
Contact telephone number:	015 294 1000									
Contact e-mail address:	<a href="mailto:essan@cdm.org.za">essan@cdm.org.za</a>									
<b>Name of contact at provincial treasury:</b>	Youlyna Buys									
Contact telephone number:	082 373 7008									
Contact e-mail address:	<a href="mailto:BuysIY@treasury.limpopo.gov.za">BuysIY@treasury.limpopo.gov.za</a>									
<b>Name of relevant Auditor:</b>	AGSA									
Contact telephone number:	(015) 283 9300									
Contact e-mail address:	<a href="mailto:hvanderwesthuizen@agsa.co.za">hvanderwesthuizen@agsa.co.za</a>									
<b>Name of contact at National Treasury:</b>	Obrey Nekhavhambe									
Contact telephone number:	<a href="tel:0123155867">012 315 5867</a>									
Contact e-mail address:	<a href="mailto:Obrey.Nekhavhambe@treasury.gov.za">Obrey.Nekhavhambe@treasury.gov.za</a>									

## **MEMBERS OF THE COUNCIL**

Mapoulo ML  
Lekganyane L  
Baloyi H  
Boloka P  
Dandane G  
Kgare B  
Mashangoane P  
Masoga C  
Moropa J  
Tsheola G  
Vilankulu J  
Leshilo MS  
Matlou JM  
Matsaung M  
Sebone J

Sello MJ  
Seokotsa MM  
Tawana MP

Tsoai ME  
Botha AH  
Chauke HE  
Cholo SS  
Kganyago MW  
Kgatla KE  
Lediga MA  
Maja MJ  
Makgalo NG  
Mamabolo SN  
Manong MA  
Manthata TW  
Mashilo GM  
Mathidza SE  
Mehlape QN  
Mkohliswa S  
Mohale MM  
Mokaba MP  
Mokgehle PS  
Molatjane ML  
Monyetshwale SJ  
Morwana MH  
Motsoku MD

Mphahlele MR  
Ntsoane MA

### **Mayor** **Speaker** **Chief Whip**

Member of the Executive Committee  
Member of the Executive Committee  
Member of the Executive Committee  
Member of the Executive Committee  
Member of the Executive Committee  
Member of the Executive Committee  
Member of the Executive Committee  
Member of the Executive Committee  
Chairperson : Corporate Services Portfolio Committee  
Chairperson : Infrastructure Services  
Chairperson : Community Services Portfolio Committee  
Chairperson : Strategic Executive Management Services Portfolio Committee  
Chairperson : Finance Portfolio Committee  
Chairperson : Corporate Services Portfolio Committee  
Chairperson : Development Planning and Environmental Management Services  
Chairperson : Municipal Public Accounts Committee  
Member  
Member  
Member  
Member  
Member  
Member  
Member  
Member  
Member  
Member - Effective 25 April 2014  
Member  
Member  
Member  
Member  
Member - Deceased December 2013  
Member  
Member  
Member  
Member  
Ceased to hold office and was replaced by Councillor Maleboho MG  
Member  
Member

Racheku MR	Member - Deceased in May 2014
Raletjena MJ	Member
Ramalla TA	Member
Seakamela NW	Member
Sedibane MJ	Member
Seduma MD	Member
Semenya RA	Member
Setjie ND	Member
Sono MMP	Member

**Municipal Manager**

Molokomme N

**Chief Financial Officer**

Essa N

**Grading of Local Authority**

Category B - Grade 5

**Auditors**

Auditor-General

**Bankers**

FNB (Primary bank account)

**Registered Office:**

Capricorn District Municipality

**Physical address:**

41 Biccard Street  
Polokwane  
0700

**Postal address:**

PO Box 4100  
Polokwane  
0700

**Telephone number:**

015 294 1000

**Fax number:**

015 291 4297

**E-mail address:**

[info@cdm.org.za](mailto:info@cdm.org.za)

## Approval of annual financial statements

I am responsible for the preparation of these annual financial statements, which are set out in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councilors, loans made to Councilors, if any, and payments made to Councilors for loss of office, if any, as disclosed in note 21 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

Municipal Manager

DATE

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## **INDEX**

Statement of Financial Position	296
Statement of Financial Performance	297
Statement of Changes in Net Assets	298
Cash Flow Statement	298 - 299
Statement of Comparison of Budget and Actual Amounts	300 - 301
Accounting Policies	302 - 317
Notes to the Annual Financial Statements	318 - 350
Appendix A: Analysis of Property, Plant and Equipment	351 - 353

**STATEMENT OF FINANCIAL POSITION**

as at 30 June 2014

	Note	2014 R	2013 R Restated <sup>1</sup>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	1	292 586 938	254 253 935
Receivables from exchange transactions	2	23 580 088	10 040 197
Inventories	3	7 115 978	4 248 562
Prepayments	4	2 058 536	10 958
VAT receivable	5	19 811 044	26 614 942
		<u>345 152 583</u>	<u>295 168 594</u>
<b>Non-current assets</b>			
Property, plant and equipment	6	1 495 014 598	1 329 713 982
Intangible assets	7	3 159 350	3 758 972
		<u>1 498 173 947</u>	<u>1 333 472 954</u>
<b>Total assets</b>		<b><u>1 843 326 530</u></b>	<b><u>1 628 641 547</u></b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables from exchange transactions	9	113 229 544	100 329 714
Current provisions	10	14 427 243	14 025 396
Current portion of unspent conditional grants and receipts	11	130 615 245	107 168 447
Current portion of finance lease liability	12	1 325 118	1 104 875
		<u>259 597 150</u>	<u>222 628 431</u>
<b>Non-current liabilities</b>			
Non-current portion of finance lease liability	12	2 646 232	-
Non-current provisions	13	23 333 716	20 461 557
		<u>25 979 948</u>	<u>20 461 557</u>
<b>Total liabilities</b>		<b><u>285 577 098</u></b>	<b><u>243 089 988</u></b>
<b>Net assets</b>		<b><u>1 557 749 432</u></b>	<b><u>1 385 551 559</u></b>
<b>NET ASSETS</b>			
Accumulated surplus / (deficit)		1 557 749 432	1 385 551 559
<b>Total net assets</b>		<b><u>1 557 749 432</u></b>	<b><u>1 385 551 559</u></b>



**STATEMENT OF FINANCIAL PERFORMANCE**

	Note	2014 R	2013 R Restated <sup>1</sup>
<b>Revenue from exchange transactions</b>	14		
Service charges		36 033 006	29 853 592
Interest earned - outstanding receivables		3 093 261	5 443 619
Interest earned - external investments		20 153 761	17 967 647
Other income		873 355	2 187 929
		60 153 384	55 452 786
<b>Revenue from non-exchange transactions</b>	15		
Government grants and subsidies		628 966 271	670 157 485
Other income		17 163 121	35 903 633
		646 129 392	706 061 118
<b>Total revenue</b>		<b>706 282 776</b>	<b>761 513 904</b>
<b>Expenses</b>			
Employee related costs	16	198 395 596	177 201 183
Remuneration of councilors	17	10 899 977	9 094 273
Debt impairment	2.1	24 623 705	52 539 917
Commission paid	18	14 502 563	9 564 291
Depreciation and amortization expense	19	43 262 258	40 648 549
Derecognition of assets	20	714 448	11 751 049
Repairs and maintenance		57 626 321	18 633 400
Finance costs	21	511 055	310 692
Bulk purchases	22	49 930 863	44 310 716
Grants and subsidies paid	23	-	7 985 645
General expenses	31	135 225 310	132 052 093
<b>Total expenses</b>		<b>535 692 094</b>	<b>504 091 807</b>
Gain / (loss) on disposal of assets		(754 353)	(700 801)
(Impairment loss)/reversal of impairment loss	61	2 851 214	(14 938 090)
(Write-down)/reversal of write-down to net realizable value		-	(3 965)
Gain / (loss) on actuarial adjustment	24	(489 670)	968 939
<b>Surplus for the period</b>		<b>172 197 873</b>	<b>242 748 180</b>

**STATEMENT OF CHANGES IN NET ASSETS**

as at 30 June 2014

		Revaluation Reserve	Accumulated Surplus/ (Deficit)	Total: Net Assets
	Note	R	R	R
<b>Balance as at June 2012</b>		-	1 356 570 135	1 356 570 135
Accounting errors	37	-	(213 766 755)	(213 766 755)
<b>Restated balance as at June 2012</b>		-	<b>1 142 803 380</b>	1 142 803 380
Surplus for the period restated		-	242 748 180	242 748 180
Accounting errors	37	-	3 423 267	3 423 267
Surplus for the period as previously reported		-	239 324 913	239 324 913
<b>Restated balance as at June 2013</b>		-	<b>1 385 551 559</b>	<b>1 385 551 559</b>
Surplus / (deficit) for the period		-	172 197 873	172 197 873
<b>Balance as at June 2014</b>		-	<b>1 557 749 432</b>	<b>1 557 749 432</b>

**CASH FLOW STATEMENT**

as at 30 June 2014

	Note	2014 R	2013 R Restated <sup>1</sup>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>		<b>678 047 969</b>	<b>708 468 335</b>
Grants		652 413 069	664 463 848
Interest received		23 247 022	23 411 266
Other receipts		2 387 878	20 593 220
<b>Payments</b>		<b>(437 336 590)</b>	<b>(460 233 014)</b>
Employee costs		(206 021 566)	(178 092 968)
Suppliers		(230 803 969)	(281 829 354)
Interest paid		(511 055)	(310 692)
<b>Net cash flows from operating activities</b>	26	<b>240 711 379</b>	<b>248 235 320</b>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of fixed assets (PPE)	(201 397 141)	(251 997 693)
Purchase of intangibles	(312 421)	(1 564 933)
Proceeds/(Deficit) on disposal of assets	702 100	779 502
<b>Net cash flows from investing activities</b>	<b>(201 007 462)</b>	<b>(252 783 124)</b>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Repayment of finance lease liability	(1 370 914)	(2 491 464)
<b>Net cash flows from financing activities</b>	<b>(1 370 914)</b>	<b>(2 491 464)</b>

**Net increase/(decrease) in net cash and cash equivalents**

	38 333 003	(7 039 267)
<b>Net cash and cash equivalents at beginning of period</b>	<b>254 253 935</b>	<b>261 293 202</b>
<b>Net cash and cash equivalents at end of period</b>	<b>292 586 938</b>	<b>254 253 935</b>

1

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS**

for the year ending 30 June 2014

Description	Actual 2013	Original Budget	Budget Adjustments (i.t.o. s28 & s31 Of The MFMA)	Virement (i.t.o. Council Approved By-law)	Final Budget	Actual Income / Expense	Variance	Actual outco me As % Of Final Budge t	Actual outco me As % Of Origin al Budge t
	R	R	R	R	R	R	R	R	R
<b>Financial Performance</b>									
Service Charges	29 853 592	46 140 550	(18 248 500)	-	27 892 050	36 033 006	(8 140 956)	129%	78%
Investment Revenue	17 967 647	18 376 000	(776 000)	-	17 600 000	20 153 761	(2 553 761)	115%	110%
Transfers Recognised	670 157 485	428 340 505	58 829 117	6 849 565	494 019 187	628 966 271	(134 947 084)	127%	147%
Other Own Revenue	7 631 548	42 343 800	(12 076 837)	-	30 266 963	21 129 737	9 137 226	70%	50%
<b>Total Revenue</b>	<b>725 610 271</b>	<b>535 200 855</b>	<b>27 727 780</b>	<b>6 849 565</b>	<b>569 778 200</b>	<b>706 282 776</b>	<b>(136 504 576)</b>	<b>124%</b>	<b>132%</b>
Employee related costs	177 201 183	216 687 600	(11 191 225)	-	205 496 375	198 395 596	7 100 779	97%	92%
Remuneration of councillors	9 094 273	7 896 000	1 770 000	-	9 666 000	10 899 977	(1 233 977)	113%	138%
Debt impairment	52 539 917	31 507 505	(3 615 455)	-	27 892 050	24 623 705	3 268 345	88%	78%
Depreciation and amortisation	40 648 549	100 418 900	(20 527 500)	400	79 891 800	43 976 706	35 915 094	55%	44%
Finance costs	310 692	454 700	-	-	454 700	511 055	(56 355)	112%	112%
Bulk purchases	44 310 716	55 000 000	(6 000 000)	961 000	49 961 000	49 930 863	30 137	100%	91%
General expenses	174 923 700	223 655 450	46 764 460	5 888 165	276 308 075	205 747 003	70 561 072	74%	92%

<b>Total Expenditure</b>	<b>499 029 030</b>	<b>635 620 155</b>	<b>7 200 280</b>	<b>6 849 565</b>	<b>649 670 000</b>	<b>534 084 903</b>	<b>115 585 097</b>	<b>82%</b>	<b>84%</b>
<b>Surplus/(Deficit)</b>	<b>226 581 241</b>	<b>(100 419 300)</b>	<b>20 527 500</b>	<b>-</b>	<b>(79 891 800)</b>	<b>172 197 873</b>	<b>(252 089 673)</b>	<b>-216%</b>	<b>-171%</b>
Transfers Recognised - Capital	(216 379 860)	-	-	-	-	(168 005 457)	(168 005 457)	100%	100%
<b>Surplus/(Deficit) For The Year</b>	<b>10 201 381</b>	<b>(100 419 300)</b>	<b>20 527 500</b>	<b>-</b>	<b>(79 891 800)</b>	<b>4 192 416</b>	<b>(420 095 130)</b>	<b>-5%</b>	<b>-4%</b>
Net Cash From (Used) Operating	248 235 320	226 542 856	(64 280 053)	-	162 262 803	240 711 379	(78 448 576)	148%	106%
Net Cash From (Used) Investing	(252 783 124)	(252 510 562)	(73 749 947)	-	(326 260 508)	(201 007 462)	(125 253 046)	62%	80%
Net Cash From (Used) Financing	(2 491 464)	-	-	-	-	(1 370 914)	1 370 914	0%	0%
<b>Cash Equivalents At The Year End</b>	<b>(7 039 267)</b>	<b>(25 967 706)</b>	<b>(138 030 000)</b>	<b>-</b>	<b>(163 997 706)</b>	<b>38 333 003</b>	<b>(202 330 709)</b>	<b>-23%</b>	<b>-148%</b>

#### Reconciliation Of Budget Surplus/Deficit With The Surplus/Deficit In The Statement Of Financial Performance

Net Surplus/(Deficit) Per The Statement Of Financial Performance	<b>172 197 873</b>
<i>Adjusted For:</i>	
Differences in revenue	(136 504 576)
Employee related costs	(7 100 779)
Remuneration of councillors	1 233 977
Debt impairment	(3 268 345)
Depreciation and amortisation	(35 915 094)
Finance costs	56 355
Bulk purchases	(30 137)
General expenses	(70 561 072)
<b>Net Surplus/(Deficit) Per Approved Budget</b>	<b>(79 891 800)</b>

## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **1. BASIS OF ACCOUNTING**

#### **1.1 ,BASIS OF PRESENTATION**

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

These annual financial statements have been prepared in accordance with Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003).

The principal accounting policies adopted in the preparation of these annual financial statements are set out below.

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP.

The accounting policies applied are consistent with those used to present the previous year's financial statements, unless explicitly stated. The details of any changes in accounting policies are explained in the relevant policy.

#### **1.2. PRESENTATION CURRENCY**

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

#### **1.3. GOING CONCERN ASSUMPTION**

These annual financial statements have been prepared on the assumption that the municipality will continue to operate as a going concern for at least the next 12 months.

#### **1.4. COMPARATIVE INFORMATION**

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

#### **1.5. STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE**

The following GRAP standards have been issued but are not yet effective and have not been early adopted by the municipality:

<b>No.</b>	<b>Title of Standard</b>
------------	--------------------------

<b>Impact on GRAP Reporting Framework</b>
---

GRAP 20
---------

Related Party Disclosures
---------------------------

No material impact
--------------------

GRAP 32
---------

Service Concession Arrangements: Grantor
--

No material impact
--------------------

GRAP 108
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Statutory Receivables
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No impact as no merger is anticipated in the foreseeable future  
An effective date is yet to be determined for the other standards by the Minister.

### **New GRAP standards effective for financial years beginning on or after 1 April 2015**

#### **No. Title of Standard**

#### **Impact on GRAP Reporting Framework**

GRAP 18

Segment Reporting

No material impact

GRAP 105

Transfer of Functions Between Entities Under Common Control

No impact as the municipality is not an municipality under common control

GRAP 106

Transfer of Functions Between Entities Not Under Common Control

No impact as no transfer of functions are anticipated in the foreseeable future

GRAP 107

Mergers

No impact as no merger is anticipated in the foreseeable future

### **New GRAP standards effective for financial years beginning on or after 31 April 2013**

No.

Title of Standard

GRAP 25

Employee Benefits

GRAP 27

Agriculture

GRAP 31

Intangible Assets

IGRAP 1

Applying the Probability Test on Initial Recognition of Revenue (supersedes IGRAP 1 issued 2009)

IGRAP 16

Website Costs

## **2. PROPERTY, PLANT AND EQUIPMENT**

### **2.1. 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. 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, plan 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.

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 asset 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.

## **2.2. SUBSEQUENT MEASUREMENT - COST MODEL**

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and 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.

## **2.3. DEPRECIATION**

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The annual depreciation rates are based on the following estimated average asset lives:

### **Infrastructure**

#### **Other**

Roads and Paving	15-50
Specialist vehicles	10-13
Water Maintenance and purification	15-40
Other vehicles	5-8
Sewerage	15-50
Office equipment	10-13
Water Reservoir	30-50
Furniture and fittings	8-13
Emergency equipment	5-8

#### **Community**

Computer equipment	3-8
Buildings	10-55
Machinery	5-8
Security	5
Telephones	3-6

Communication equipment	3-6
-------------------------	-----

#### **Finance lease assets**

Copiers	3-6
Office equipment	1-10
Computer software	3-10



## **Buildings and Land**

Buildings  
Land

10-33

-

The residual value, the useful life of an asset and the depreciation method is reviewed annually and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

### **2.4. IMPAIRMENTS OF ASSETS**

#### **2.4.1. CASH GENERATING ASSETS**

Cash generating assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recovered in accordance with GRAP 26.

An impairment loss is recognised if the recoverable amount of an asset is less than its carrying amount. The impairment loss is recognised as an expense in the statement of financial performance immediately. The recoverable amount of the asset is the higher of the assets fair value less costs of disposal and its value in use. The fair value represents the amount obtainable from the sale in an arm's length transaction between knowledgeable, willing parties.

For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the assets belong. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash flows from other assets or group of assets. An impairment loss is recognised whenever the recoverable amount of a cash-generating unit is less than its carrying amount.

The impairment loss is allocated to reduce the carrying amount of the asset. The carrying amount of individual assets are not reduced below the higher of its value in use, zero or fair value less cost of disposal.

A previously recognised impairment loss related to assets is reversed if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognised in prior periods.

After the recognition of an impairment loss, any depreciation charge for the asset is adjusted for future periods to allocate the assets' revised carrying amount on a systematic basis over its remaining useful life.

#### **2.4.2. NON CASH GENERATING ASSETS**

Non-cash generating assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recovered in accordance with GRAP 21.

An impairment loss is recognised if the recoverable service amount of an asset is less than its carrying amount. The depreciated replacement cost of an asset is essentially the current cost that will have to be incurred to replace the asset's gross service potential and is then depreciated to reflect the asset's current age or condition.

The impairment loss is recognised as an expense in the statement of financial performance immediately. The recoverable service amount of the asset is the higher of the assets fair value less costs of disposal and its value in use.

The fair value represents the amount obtainable from the sale in an arm's length transaction between knowledgeable, willing parties.

The impairment loss is allocated to reduce the carrying amount of the asset. The carrying amount of individual assets are not reduced below the higher of its value in use, zero or fair value less cost of disposal.

A previously recognised impairment loss related to assets is reversed if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognised in prior periods.

After the recognition of an impairment loss, any depreciation charge for the asset is adjusted for future periods to allocate the assets' revised carrying amount on a systematic basis over its remaining useful life.

## **2.5. DERECOGNITION**

Items of Property, plant and equipment are derecognised when the asset is disposed of 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.

## **3. INTANGIBLE ASSETS**

### **3.1. INITIAL RECOGNITION**

An intangible asset is an identifiable non-monetary asset without physical substance. Examples include computer software, licences, and development costs. The municipality recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality and the cost or fair value of the asset can be measured reliably.

Internally generated intangible assets are subject to strict recognition criteria before they are capitalised. Research expenditure is never capitalised, while development expenditure is only capitalised to the extent that:

- the municipality intends to complete the intangible asset for use or sale;
- it is technically feasible to complete the intangible asset;
- the municipality has the resources to complete the project; and
- it is probable that the municipality will receive future economic benefits or service potential.

Intangible assets are initially recognised at cost.

Where an intangible 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.

Where an intangible asset is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset 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.

### **3.2. SUBSEQUENT MEASUREMENT - COST MODEL**

Intangible assets are subsequently carried at cost less accumulated amortisation and impairments. The cost of an intangible asset is amortised over the useful life where that useful life is finite. Where the useful life is indefinite, the asset is not amortised but is subject to an annual impairment test.

### **3.3. AMORTISATION AND IMPAIRMENT**

Amortisation is charged so as to write off the cost or valuation of intangible assets over their estimated useful lives using the straight line method. The annual amortisation rates are based on the following estimated average asset lives:

Computer software	3-10
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The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each reporting date and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

The municipality tests intangible assets with finite useful lives for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of an intangible asset is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

### **3.4. DERECOGNITION**

Intangible assets are derecognised when the asset is disposed of 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 intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

### **3.5. WEBSITE COSTS**

The municipality has a website designed for internal and external access. The municipality is at the operating stage which comprises maintaining and enhancing applications, infrastructure, graphical design and the content of the file. The municipality incurs internally generated costs on the operation of the website and the costs are therefore expensed.

## **4. INVENTORIES**

### **4.1. INITIAL RECOGNITION**

Inventories comprise current assets held for sale, consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus taxes, transport costs and any other costs in bringing the inventories to their current location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Where inventory 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 the item on the date acquired.

Consumable inventory is valued using the weighted average cost whilst water inventory is valued using the First in First Out (FIFO) method.

#### **4.2. SUBSEQUENT MEASUREMENT**

Inventories, consisting of consumable stores, raw materials, work-in-progress and finished goods, are valued at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. Redundant and slow-moving inventories are identified and written down in this way. Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

Consumable inventories are valued using the weighted average method.

#### **5. FINANCIAL INSTRUMENTS**

Financial instrument is any contract that gives rise to a financial asset of one municipality and a financial liability or a residual interest of another municipality. Financial instruments comprise of financial assets and liabilities in accordance with GRAP 104.

A financial asset is cash; a residual interest of another municipality; or a contractual right to receive cash or another financial asset from another municipality or exchange financial assets or financial liabilities with another municipality under conditions that are potentially favourable to the municipality.

A residual interest is any contract that entitles the holder to an interest in the assets of a municipality after deducting all of its liabilities (i.e. net assets). A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another municipality; or exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the municipality.

Financial instruments, depending on its category, are initially measured at fair value, cost or amortised costs in accordance with GRAP 104. Transaction costs are only included in financial instruments that are initially measured at amortised costs.

##### **5.1. INITIAL RECOGNITION**

Financial instruments classified at fair value (fair value measurement considerations)

The best evidence of fair value is a quoted price in an active market.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, broker, dealer, etc., and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Where there is no active market, the fair value is determined using a valuation technique such as;

- recent arm's length market transaction;
- if available, reference to the current fair value of another instrument that is substantially the same;
- discounted cash flow analysis, discounting the future receipts (payments) of a financial instrument over the period of the contract, by using a market interest rate (adjusted for credit risk), to its present value

Short-term receivables and payables with no stated interest rate is be measured at the original invoice amount if the effect of discounting is immaterial.

#### Financial instruments classified at amortised cost

For financial instruments measured at amortised cost, the interest expense (for financial liabilities) or revenue (for financial assets) is calculated by using the effective interest rate method. The interest rate used is equal to the prevailing rate of return for financial instruments having substantially the same terms and characteristics of the municipality's financial instrument which include:

- the credit quality;
- the remaining term over which the contractual interest rate is fixed;
- the remaining period to repayment of the principal; and
- the currency (if applicable).

#### Financial instruments classified at cost

If the fair value of a financial instrument cannot be reliably measured, it is measured at cost. Financial assets at fair value are subsequently measured by using the fair value measurement considerations.

Any gains or losses due to changes in fair market value during the period are reported as gains or losses in the statement of financial performance, because such investments will usually be sold in the near future at their market value.

This effective interest rate method is used for these financial instruments. The interest rate used is necessary to discount the estimated stream of principal and interest cash flows through the expected life of the financial instrument to equal the amount recognised at initial recognition. The rate is then applied to the carrying amount at each reporting date to determine the interest expense or revenue for the period.

## **5.2. SUBSEQUENT MEASUREMENT**

### Impairment and uncollectability of financial assets

At the end of each reporting period, the municipality assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

### Impairment and uncollectability of financial assets

If there is objective evidence that an impairment loss on a financial asset has occurred, the loss must be recognised in surplus or deficit. Objective evidence that a financial asset or group of assets is impaired can be as a result of the occurrence of one or more of the following events:

- Significant financial difficulty experienced by the borrower/debtor;
- Delays in payments (including interest payments) or failure to pay/defaults;
- For economic or legal reasons, allowing disadvantaged customers who are experiencing financial difficulties to pay as and when they can. The municipality would not otherwise have considered this concession. For example, allowing disadvantaged customers to

pay their account when they can due to the fact the water it supplies to the customer is a basic human right;

- It is probable that the borrower/debtor will enter sequestration (bankruptcy) or other financial reorganisation;
- The disappearance of an active market for that financial asset because of financial difficulties; or
- Observable data, for example historical data, indicating that there is a decrease in the estimated future cash flows that will be received (which can be measured reliably), from a group of financial assets (financial assets with similar credit risk characteristics grouped together) since the initial recognition of those assets. The decrease may not yet be identified for the individual financial assets in the group. These can include:
  - the payment status of borrowers/debtors in the group has deteriorated (e.g. an increased number of delayed payments); or
  - national or local economic conditions that are in line with non-payments in the group (e.g. an increase in the unemployment rate in the geographical area of the borrowers/debtors, or adverse changes in market conditions that affect the borrowers/debtors in the group)
- An municipality assesses financial assets individually, when assets are individually significant, and individually or collectively for financial assets that are not individually significant. Where no objective evidence of impairment exists for an individually assessed asset (whether individually significant or not), an municipality includes the assets in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.

The carrying amount of a financial asset is reduced directly through the use of an allowance account. The impairment loss is recognised in the statement of financial performance.

Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised, are not included in the collective assessment of impairment. As soon as information becomes available that specifically identifies losses on individually impaired assets in a group (that are collectively assessed for impairment), those assets are removed from the group and assessed individually for impairment.

For collective assessment of impairment, as indicated above, assets with similar credit risk characteristics are grouped together. The credit risk characteristics should be indicative of the debtors' ability to pay all amounts due according to the contractual terms.

### **Gains and losses**

Gain or loss can arise from both a financial asset and financial liability measured at fair value, at amortised cost or cost. Any gains and losses are recognised in the statement of financial performance.

Fair value – Changes in fair value will result in either a gain or loss.

Amortised cost and cost – gains and losses are recognised when derecognised, impaired or through the amortisation process

## **5.3. CATEGORIES OF FINANCIAL INSTRUMENTS**

The municipality has the following categories of financial instruments:

- \*Trade and other receivables
- \*Trade and other payables
- \*Cash and cash equivalents

### **5.3.1. TRADE AND OTHER RECEIVABLES**

Trade and other receivables are initially designated at fair value.

Short-term receivables with no stated interest rate is to be measured at the original invoice amount if the effect of discounting is immaterial.

### **5.3.2. TRADE AND OTHER PAYABLES**

Financial liabilities consist of trade payables. They are categorised as financial liabilities held at fair value.

Short-term payables with no stated interest rate is to be measured at the original invoice amount if the effect of discounting is immaterial.

### **5.3.3. CASH AND CASH EQUIVALENTS**

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash, that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. The municipality categorises cash and cash equivalents as financial assets: loans and receivables.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred. Amounts owing in respect of bank overdrafts are categorised as financial liabilities: other financial liabilities carried at amortised cost.

### **5.4. DERECOGNITION**

*The municipality derecognises a financial asset only when:*

- The contractual rights to the cash flows from the financial asset expire, are settled or waived;
- The municipality transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- The municipality, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the that party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

If the municipality has not transferred substantially all of the risks and rewards of ownership of the financial asset, it should continue to recognise the asset.

*The municipality derecognises a financial liability only when:*

- Discharges the liability (or part thereof) by paying the creditor, normally with cash, other financial liabilities, goods or services;
- Is legally released from primary responsibility for the liability (o part of it) either by process of law (expires) or by the creditor (cancelled). If the debtor has given a guarantee, this condition may still be met; or
- Waives the debt or it is assumed by another entity by way of a non-exchange transaction. These transactions are accounted for by considering the requirements in GRAP 104 and GRAP 23- Revenue from Non-exchange Transactions (Taxes and Transfers).

### **6. UNAUTHORISED EXPENDITURE**

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and

where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

## **7. IRREGULAR EXPENDITURE**

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

## **8. FRUITLESS AND WASTEFUL EXPENDITURE**

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

## **9. PROVISIONS**

Provisions are recognised when the municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting date and adjusted to reflect the current best estimate. Where the effect is material, non-current provisions are discounted to their present value using a pre-tax discount rate that reflects the market's current assessment of the time value of money, adjusted for risks specific to the liability (for example in the case of obligations for the rehabilitation of land).

The municipality does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is disclosed where an inflow of economic benefits is probable.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

A provision for restructuring costs is recognised only when the following criteria over and above the recognition criteria of a provision have been met:

(a) The municipality has a detailed formal plan for the restructuring identifying at least:

- the business or part of a business concerned;
- the principal locations affected;
- the location, function, and approximate number of employees who will be compensated for terminating their services;
- the location, function, and approximate number of employees who will be compensated for terminating their services;
- when the plan will be implemented; and

(b) The municipality has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.



## **10. LEASES**

### **10.1. MUNICIPALITY AS LESSEE**

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Property, plant and equipment or intangible assets subject to finance lease agreements are initially recognised at the lower of the asset's fair value and the present value of the minimum lease payments. The corresponding liabilities are initially recognised at the inception of the lease and are measured as the sum of the minimum lease payments due in terms of the lease agreement, discounted for the effect of interest. In discounting the lease payments, the municipality uses the interest rate that exactly discounts the lease payments and unguaranteed residual value to the fair value of the asset plus any direct costs incurred.

Subsequent to initial recognition, the leased assets are accounted for in accordance with the stated accounting policies applicable to property, plant, equipment or intangibles. The lease liability is reduced by the lease payments, which are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred. The accounting policies relating to derecognition of financial instruments are applied to lease payables. The lease asset is depreciated over the shorter of the asset's useful life or the lease term.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are accrued on a straight-line basis over the term of the relevant lease.

## **11. REVENUE**

### **11.1. REVENUE FROM EXCHANGE TRANSACTIONS**

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

#### **11.1.1. Measurement**

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

#### **11.1.2. Sale of goods**

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the group has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and

- the costs incurred or to be incurred in respect of the transaction can be measured reliably

### **11.1.3. Rendering of services**

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the group;
- the stage of completion of the transaction at the reporting date can be measured reliably; and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the expenses recognised that are recoverable.

### **11.1.4. Interest income**

Revenue arising from the use of assets by others of the municipal assets yielding interest shall be recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the;
- The amount of the revenue can be measured reliably;
- Interest shall be recognised on a time proportionate basis that takes into account the effective yield on the asset;

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

## **11.2. REVENUE FROM NON-EXCHANGE TRANSACTIONS**

Revenue from non-exchange transactions refers to transactions where the municipality receives revenue from another municipality without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no obligation to repay the amount.

### **11.2.1. Grants, transfers and donations**

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

## **12. EVENTS AFTER BALANCE SHEET DATE**

Recognised amounts in the financial statements are adjusted to reflect events arising after the balance sheet date that provide evidence of conditions that existed at the Balance Sheet

date. Events after the Balance Sheet date that are indicative of conditions that arose after the Balance Sheet date are dealt with by way of a note to the Financial Statements.

### **13. COMMITMENTS**

A commitment arises when a decision is made to incur a liability e.g. purchase order, delivery schedules or contract for construction of infrastructure assets. A commitment becomes a liability when the intention to agree to an outflow of resources outflow of resources becomes a present obligation.

### **14. EMPLOYEE BENEFITS**

#### **14.1. Short-term employee benefits**

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of surplus sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

#### **14.2. Defined contribution plans**

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the municipality's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

The municipality provides retirement benefits to employees and councillors through contributions made to designated retirement or pension funds.

#### **14.3. Long term service awards and accumulated leave days**

##### **14.3.1. Long term service**

Employees qualify for additional leave for various period of uninterrupted service in accordance with SALGBC condition of service. The long term service award measured in accordance with GRAP 25 through an actuarial valuation.

##### **14.3.2. Accumulated leave days**

Accumulated leave benefit accrues to employees unto maximum of 48 leave days. The benefits are paid in the events of death, disability, retrenchment or/and retirement. Employees who have leave days in excess of the 48 days for periods, before the conditions of service came to effect, are measured in accordance with GRAP 25 through an actuarial valuation

#### **14.4 Post-employment obligations**

The municipality provides post employment medical care benefits to retired employees completion of a minimum service period. The expected cost, of these benefits is accrued over the life expectancy of the retired employees.

The actuarial valuation method used to value liabilities is the Projected Unit Credit Method prescribed by GRAP 25.

Any plan assets are valued at current market value as required by GRAP 25.

### **15. CHANGE IN ACCOUNTING POLICY, ACCOUNTING ESTIMATES AND PRIOR PERIOD ERRORS**

#### **15.1. Change in accounting estimate**

Change in accounting estimate is an adjustment of the carrying amount of an asset or a liability, or the amount of the periodic consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities.

Changes in accounting estimates result from new information or new developments and, accordingly, are not corrections of errors. Any changes to the relevant financial items (associated with assets and liabilities) are made prospectively.

#### **15.2. Change in accounting policy**

Accounting policies are the specific principles, bases, conventions, rules and practices applied by an municipality in preparing and presenting financial statements. Any changes to these policies arising from new or amended GRAP standards will be applied either retrospectively or prospectively if transitional provisions exists.

#### **15.3. Prior period errors**

Prior period errors are omissions from, and misstatements in, the municipality's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that;

- (a) was available when financial statements for those periods were authorised for issue; and
- (b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud.

#### **15.4. Measurement/re-measurement**

##### **Change in accounting policy and change in estimate**

Prospective application of a change in an accounting policy and of recognising the effect of a change in an accounting estimate, respectively, are;

- (a) applying the new accounting policy to transactions, other events and conditions occurring after the date as at which the policy is changed; and
- (b) recognising the effect of the change in the accounting estimate in the current and future periods affected by the change. Retrospective application is applying a new accounting policy to transactions, other events and conditions as if that policy had always been applied.

### **15.5. Prior period errors**

Retrospective restatement is correcting the recognition, measurement and disclosure of amounts of elements of financial statements as if a prior period error had never occurred.

### **16. RELATED PARTIES**

Related party means parties are considered to be related if one party has the ability to control the other party, or exercise significant influence over the other party in making financial and operating decisions, or if the related party entity and another entity are subject to common control.

Related party transaction is a transfer of resources or obligations between related parties, regardless of whether a price is charged. Related party transactions exclude transactions with any other entity that is a related party solely because of its economic dependence on the reporting entity or the government of which it forms part.

Management is regarded as a related party and comprises of the Councillors, Executive Mayor, Mayoral Committee members, and Executive Managers.

Related party transactions are accounted for in accordance with IPSAS 20.

### **17. BUDGET INFORMATION**

The annual budget figures have been prepared in accordance with the GRAP standards, and are consistent with the accounting policies adopted by the Council for the preparation of these financial statements. The amounts are scheduled as a separate additional financial statement, called the statement of comparison of budget and actual amounts. Explanatory comments are provided in the notes to the annual financial statements.

The annual budget figures included in the financial statements are for the Municipality and these figures are those approved by the Council at the beginning and during the year.

### **18 VALUE ADDED TAX**

VAT is payable on the accrual basis.

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ending 30 June 2014

	Note	2014 R	2013 R Restated <sup>1</sup>
<b>1 CASH AND CASH EQUIVALENTS</b>			
First National Bank Current Account (Primary Bank Account)		46 824 905	15 269 181
Investment Accounts		245 739 032	238 983 705
Cash on hand		23 000	1 049
<b>Total cash and cash equivalents</b>		<b>292 586 938</b>	<b>254 253 935</b>
 <i>Bank statement balances as 30 June 2014</i>			
First National Bank Current Account (Primary Bank Account)		46 824 905	26 026 575
Investment Accounts		245 739 032	238 983 705
		<b>292 563 938</b>	<b>265 010 280</b>
<b>2 RECEIVABLES FROM EXCHANGE TRANSACTIONS</b>			
	<b>Gross Balances</b>	<b>Provision for Doubtful Debts</b>	<b>Net Balance</b>
	<b>R</b>	<b>R</b>	<b>R</b>
<b><u>Trade receivables</u></b>			
<b>as at 30 June 2014</b>			
Service debtors - water	76 225 818	(62 510 886)	13 714 932
Other receivables	9 865 156	-	9 865 156
<b>Total Trade and other receivables</b>	<b>86 090 973</b>	<b>(62 510 886)</b>	<b>23 580 088</b>
 <b>as at 30 June 2013</b>			
Service debtors - water	150 446 385	(147 593 186)	2 853 198
Other receivables	7 186 999	-	7 186 999
<b>Total</b>	<b>157 633 383</b>	<b>(147 593 186)</b>	<b>10 040 197</b>
 <u>Other receivables</u>			
Local Municipalities - Operation and maintenance		4 238 080	1 385 180
Sundry debtors		5 627 075	5 801 819
		<b>9 865 156</b>	<b>7 186 999</b>

The following represents water debts that are not impaired;

**Water: Ageing**

(0 – 90 days)	10 199 281	996 781
91 - 120 Days	114 222	446 186
121 - 365 Days	364 835	1 410 232
<b>Total</b>	<b>10 678 338</b>	<b>2 853 198</b>

**2.1 Reconciliation of the doubtful debt provision**

Balance at beginning of the year	147 593 186	88 889 598
Amounts written off	(113 150 977)	-
VAT	3 444 972	6 163 671
Contributions to provision	24 623 705	52 539 917
<b>Balance at end of year</b>	<b>62 510 886</b>	<b>147 593 186</b>

**3 INVENTORIES****Opening balance of inventories:**

Consumable stores - at cost	316 172	211 569
Maintenance materials - at cost	3 640 266	2 940 470
Water	292 124	317 981

**Additions:**

Consumable stores	1 329 562	878 549
Maintenance materials	6 320 343	699 796
Water	-	292 124

**Issued (expensed):**

Consumable stores	(1 334 994)	(773 945)
Maintenance materials	(3 432 651)	-
Water	(14 844)	(317 981)

**Closing balance of inventories:**

Consumable stores	310 740	316 172
Maintenance materials	6 527 958	3 640 266
Water	277 280	292 124

**4 PREPAYMENTS**

Prepaid expenses	<b>2 058 536</b>	<b>10 958</b>
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2014/15 SALGA membership fees paid in advance to benefit from the discount given if paid before year-end

**5 VAT RECEIVABLE**

VAT is receivable on the invoices basis	<b>19 811 044</b>	<b>26 614 942</b>
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**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ending 30 June 2014

**6 PROPERTY, PLANT AND EQUIPMENT**

	Land	Buildings	Infrastructure	Other Assets	Finance lease assets	Total
	R	R	R	R	R	R
<b>6.1 Reconciliation of Carrying Value</b>						
<b>as at 30 June 2013</b>	<b>11 861 500</b>	<b>57 266 609</b>	<b>1 212 840 636</b>	<b>46 684 952</b>	<b>1 060 285</b>	<b>1 329 713 982</b>
Cost/Revaluation	11 861 500	70 704 654	1 563 637 068	67 747 014	6 925 994	1 720 876 230
Accumulated depreciation and impairment losses	-	(13 438 045)	(350 796 432)	(21 062 061)	(5 865 710)	(391 162 248)
Acquisitions	-	-	331 465 281	6 990 216	4 264 743	342 720 241
Depreciation	-	(2 318 880)	(29 897 834)	(7 977 102)	(2 156 399)	(42 350 214)
Carrying value of disposals	-	-	<b>(137 112 793)</b>	<b>(719 324)</b>	<b>(88 508)</b>	<b>(137 920 624)</b>
Cost/Revaluation	-	-	(137 135 373)	(1 674 470)	(4 964 107)	(143 773 950)
Accumulated depreciation and impairment losses	-	-	22 581	955 146	4 875 599	5 853 325
Impairment loss/Reversal of impairment loss	-	-	3 938 911	(1 087 697)	-	2 851 214
<b>as at 30 June 2014</b>	<b>11 861 500</b>	<b>54 947 729</b>	<b>1 381 234 202</b>	<b>43 891 046</b>	<b>3 080 121</b>	<b>1 495 014 598</b>
Cost/Revaluation	11 861 500	70 704 654	1 757 966 976	73 062 760	6 226 630	1 919 822 521
Accumulated depreciation and impairment losses	-	(15 756 925)	(376 732 775)	(29 171 714)	(3 146 509)	(424 807 923)



## 6.2 Reconciliation of Carrying Value

	Land	Buildings	Infrastructure	Other Assets	Finance lease assets	Total
	R	R	R	R	R	R
<b>as at 1 July 2012</b>	<b>11 861 500</b>	<b>50 232 010</b>	<b>1 009 358 324</b>	<b>46 097 900</b>	<b>1 714 247</b>	<b>1 119 263 982</b>
Cost as previously stated	11 861 500	61 466 933	1 621 383 452	59 452 147	6 384 538	1 760 548 571
Cost - correction of error	-	-	(301 830 869)	(541 457)	541 456	(301 830 870)
Accumulated depreciation - correction of error	-	(1)	70 486 259	8 601 822	(2 906 219)	76 181 861
Accumulated depreciation as previously stated	-	(11 234 922)	(380 680 518)	(21 414 612)	(2 305 528)	(415 635 580)
Acquisitions	-	9 237 721	296 786 179	9 313 336	-	315 337 236
Depreciation	-	(2 203 122)	(27 575 362)	(8 936 499)	(653 963)	(39 368 946)
<b>Carrying value of disposals</b>	-	-	<b>(52 340 581)</b>	<b>(388 859)</b>	-	<b>(52 729 440)</b>
Cost/Revaluation	-	-	(52 701 694)	(477 013)	-	(53 178 707)
Accumulated depreciation and impairment losses	-	-	361 114	88 154	-	449 268
Impairment loss/Reversal of impairment loss	-	-	(13 387 924)	599 074	-	(12 788 851)
<b>as at 30 June 2013</b>	<b>11 861 500</b>	<b>57 266 609</b>	<b>1 212 840 636</b>	<b>46 684 952</b>	<b>1 060 285</b>	<b>1 329 713 982</b>
Cost/Revaluation	11 861 500	70 704 654	1 563 637 068	67 747 014	6 925 994	1 720 876 230
Accumulated depreciation and impairment losses	-	(13 438 045)	(350 796 432)	(21 062 061)	(5 865 710)	(391 162 248)

**No property, plant and equipment's are held or pledged as security for any liabilities of the municipality**

<b>7</b>	<b>INTANGIBLE ASSETS</b>	
<b>7.1</b>	<b>Reconciliation of carrying value</b>	<b>Computer Software</b>
		<b>R</b>
	<b>as at 30 June 2013</b>	<b>3 758 972</b>
	Cost	7 252 185
	Accumulated amortisation and impairment losses	(3 493 213)
	Acquisitions	312 421
	Amortisation	(912 043)
	<b>as at 30 June 2014</b>	<b>3 159 350</b>
	Cost	7 564 606
	Accumulated amortisation and impairment losses	(4 405 256)
<b>7.2</b>	<b>Reconciliation of carrying value</b>	
	<b>as at 1 July 2012</b>	<b>3 473 643</b>
	Cost	5 687 252
	Accumulated amortisation and impairment losses	(2 213 609)
	Acquisitions	1 564 933
	Amortisation	(1 279 604)
	<b>as at 30 June 2013</b>	<b>3 758 972</b>
	Cost	7 252 185
	Accumulated amortisation and impairment losses	(3 493 213)

**No intangible assets are held or pledged as security for any liabilities of the municipality**

## **8 RETIREMENT BENEFIT INFORMATION**

**8.1**

### Post-employment medical aid liability

Certain employees of the municipality belong to the post-employment medical aid benefit. The most recent actuarial valuation was done in July 2014 for balances as at 30 June 2014.

### **Post-employment Medical Aid Liabilities**

The expected value of each employee and their spouse's future medical aid subsidies is projected by allowing for future medical inflation. The calculated values are then discounted at the assumed discount interest rate to the present date of valuation (calculation). We also allowed for mortality, retirements and withdrawals from service as set out below. The accrued liability is determined on the basis that each employee's medical aid benefit accrues uniformly over the working life of an employee up until retirement. Further it is assumed that the current policy for awarding medical aid subsidies remains unchanged in the future. We assumed that 100% of all active members on medical aid will remain on medical aid once they retire. We also assumed that all active members will remain on the same medical aid option at retirement.

### Valuation of Assets

As at the valuation date, the medical aid liability of the Municipality was unfunded, i.e. no dedicated assets have been set aside to meet this liability. We therefore did not consider any assets as part of our valuation.

### Financial Variables

The two most important financial variables used in our valuation are the discount- and medical aid inflation rates. We have assumed the following values for these variables:

	<b>Assumed Value 30 June 2014 Current Valuation</b>	<b>Assumed Value 30 June 2013 Preceding Valuation</b>
Discount Rate	8.94%	7.89%
CPI (Consumer Price Inflation)	7.05%	6.14%
Medical Aid Contribution Inflation	8.05%	7.14%
Net Effective Discount Rate	0.82%	0.70%

### Discount Rate

The determination of the Discount rate assumption to be used is as follows:

"The discount rate that reflects the time value of money is best approximated by reference to market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, an entity uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve."

The discount rate was therefore set as the yield of the R209 South African government bond as at the valuation date. The actual yield on the R209 bond was sourced from the RMB Global Markets website on the 30th of June 2014.

### Medical Aid Inflation

The medical aid inflation rate was set with reference to the past relationship between CPI and medical aid contribution rate Inflation. We have derived the underlying future rate of consumer price index inflation (CPI inflation) from the relationship between current conventional South African government bond yields (R209) and current index-linked SA government bond yields (R202).

South Africa has experienced high health care cost inflation in recent years. The annualised compound rates of increase for the last ten years show that registered medical aid schemes contribution inflation outstripped general CPI by almost 3% year on year. We do not consider these increases to be sustainable and have assumed that medical aid contribution increases would outstrip general inflation by 1% per annum over the foreseeable future.

### Accrued Liability

The accrued liability is given below and is split between the current employees and continuation members (pensioners).

Category	Valuation R	Valuation R
Current (In Service) Members	-	-
Continuation Members (Pensioners)	3 268 000	4 209 000
<b>Total</b>	<b>3 268 000</b>	<b>4 209 000</b>

### Interest Cost

The Interest Cost represents the accrual of interest on the Accrued Liability, allowing for benefit payments, over the corresponding year. This arises because the post-employment medical aid scheme contributions are one year closer to payment.

Category	Valuation To be used in the 30 June 2015 Actuarial Loss/(Gain) calculation R	Valuation To be used in the 30 June 2014 Actuarial Loss/(Gain) calculation R
Interest Cost	282 000	323 000

### Current

### Service

### Cost

The Current Service Cost reflects the additional liability that is expected to accrue in respect of in service members' service over the corresponding year.

### Sensitivity Analysis

As mentioned in the introduction of this report, the valuation is only an estimate of the cost of providing post-employment medical aid benefits. The actual cost to the Municipality will be dependent on actual future levels of assumed variables.

In order to illustrate the sensitivity of our results to changes in certain key variables, we have recalculated the liabilities using the following assumptions:

- 20% increase/decrease in the assumed level of mortality;
- 1% increase/decrease in the Medical Aid inflation.

**Mortality****rate**

Deviations from the assumed level of mortality experience of the current employees and the continuation members (pensioners) will have a large impact on the actual cost to the Municipality. If the actual rates of mortality turns out higher than the rates assumed in the valuation basis, the cost to the Municipality in the form of subsidies will reduce and vice versa.

We have illustrated the effect of higher and lower mortality rates by increasing and decreasing the mortality rates by 20%. The effect is as follows:

	<b>-20% Mortality rate R</b>	<b>Valuation Assumption R</b>	<b>20% Mortality rate R</b>
Total Accrued Liability	3 576 000	3 268 000	3 027 000
Interest Cost	310 000	282 000	261 000
Service Cost	-	-	-

**Medical aid inflation**

The cost of the subsidy after retirement is dependent on the increase in the contributions to the medical aid scheme before and after retirement. The rate at which these contributions increase will thus have a direct effect on the liability of future retirees.

We have tested the effect of a 1% p.a. change in the medical aid inflation assumption. The effect is as follows:

	<b>-1% Medical aid inflation R</b>	<b>Valuation Assumption R</b>	<b>+1% Medical aid inflation R</b>
Total Accrued Liability	2 952 000	3 268 000	3 646 000
Interest Cost	254 000	282 000	316 000
Service Cost	-	-	-

**Actuarial Loss/(Gain)**

The combined Accrued Liability in respect of Post-employment medical aid liability is built-up as follows:

	<b>Current Valuation date 30 June 2014 R</b>	<b>1 Year Following the Valuation Date R</b>	<b>2 Years Following the Valuation Date R</b>	<b>3 Years Following the Valuation Date</b>
PV of the obligation as at the previous valuation date	4 209 000	3 268 000	3 318 000	3 361 000
Current Service Cost	-	-	-	-
Interest Cost	323 000	282 000	286 000	289 000
Benefits Paid	(303 901)	(232 000)	(243 000)	(255 000)
Actuarial Loss / (Gain)	(960 099)	-	-	-
<b>PV of the obligation as at</b>	<b>3 268 000</b>	<b>3 318 000</b>	<b>3 361 000</b>	<b>3 395 000</b>

the current valuation date				
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### 8.2. Long service award liability

Long service benefits are awarded in the form of a number of leave days awarded once an employee has completed a certain number of years in service. We have converted the awarded leave days to a percentage of annual salary by assuming there are 250 working days per year. The expected value of each employee's long service award is projected to the next interval by allowing for future salary growth. The table below contains a summary of the benefit policy:

Completed Years of Service	Total Long Service Benefit Award (% of Annual Salary)	Formula used to calculate Total Long Service Benefit Award
10	4%	$(10/250) \times \text{Annual Salary}$
15	8%	$(20/250) \times \text{Annual Salary}$
20, 25, 30, 35, 40, and 45	12%	$(30/250) \times \text{Annual Salary}$

The calculated award values are then discounted at the assumed discount interest rate to the date of calculation. We also allowed for mortality, retirements and withdrawals from service as set out in the next section of this report.

The accrued liability is determined on the basis that each employee's long service benefit accrues uniformly over the working life of an employee up to the end of the interval at which the benefit becomes payable. Further it is assumed that the current policy for awarding long service awards remains unchanged in the future.

### **Valuation of Assets**

As at the valuation date, the long service leave award liability of the Municipality was unfunded, i.e. no dedicated assets have been set aside to meet this liability. We therefore did not value any assets as part of our valuation.

### **Valuation Assumptions**

#### **Financial Variables**

The two most important financial variables used in our valuation are the discount- and medical aid inflation rates. We have assumed the following values for these variables:

	Assumed Value Current Valuation	Assumed Value Preceding Valuation
Discount Rate	8.94%	7.89%
CPI (Consumer Price Inflation)	7.05%	6.14%
Medical Aid Contribution Inflation	8.05%	7.14%
Net Effective Discount Rate	0.82%	0.70%

### Discount Rate

The determination of the Discount rate assumption to be used is as follows:

“The discount rate that reflects the time value of money is best approximated by reference to market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, an entity uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve.”

The discount rate was therefore set as the yield of the R209 South African government bond as at the valuation date. The actual yield on the R209 bond was sourced from the RMB Global Markets website on the 30th of June 2014.

### Normal Salary Inflation Rate

We have derived the underlying future rate of consumer price index inflation (CPI inflation) from the relationship between current conventional bond yields (R208) and current index-linked bond yields (R197). The actual yield on the R208 and R197 South African government bonds was sourced from the RMB Global Markets website. Our assumed rate of salary inflation was set as the assumed value of CPI plus 1%. The salaries used in the valuation include an assumed increase on 01 July 2014 of 6.79%. The next salary increase was assumed to take place on 01 July 2015.

In addition to the normal salary inflation rate, we assumed the following promotional salary increases:

Age Band	Promotional Increase
20 - 24	5%
25 - 29	4%
30 - 34	3%
35 - 39	2%
40 - 44	1%
45 and over	0

### Normal Retirement Age

The normal retirement age (NRA) for all active employees was assumed to be 65 years.

### Mortality Rates

Mortality before retirement has been based on the SA 85-90 mortality tables. These are the most commonly used tables in the industry.

### Withdrawal Decrements

A table setting out the assumed rates of withdrawal from service is set out below:

Age Band	Withdrawal Rate Males	Withdrawal Rate Females
20 - 24	16%	24%
25 - 29	12%	18%
30 - 34	10%	15%
35 - 39	8%	10%

40 - 44	6%	6%
45 - 49	4%	4%
50 - 54	2%	2%
55 - 59	1%	1%
60 +	0%	0%

### Accrued Defined Benefit Obligation (ADBO)

The value of the accrued defined benefit obligation in respect of the long service awards is given below.

ADBO	Valuation R	Valuation R
Eligible in service employees	R 9 331 000	R 4 845 000

### Interest Cost

The Interest Cost represents the accrual of interest on the Accrued Defined Benefit Obligation, allowing for benefit payments, over the corresponding year. This arises because the long service benefits are one year closer to payment.

	30-06-2014 Valuation To be used in the 30 June 2015 Actuarial Loss/(Gain) calculation R	30-06-2013 Valuation To be used in the 30 June 2014 Actuarial Loss/(Gain) calculation R
Eligible in service employees	749 000	363 000

### Current Service Cost

The Current Service Cost reflects the additional liability that is expected to accrue in respect of in service members' service over the corresponding year.

	Valuation To be used in the 30 June 2015 Actuarial Loss/(Gain) calculation R	Valuation To be used in the 30 June 2014 Actuarial Loss/(Gain) calculation R
Eligible in service employees	927 000	575 000

### Actuarial Loss/(Gain)

The combined Accrued Liability in respect of Long Service Leave Awards is built-up as follows:



	<b>Current Valuation Date 30 June 2014 R</b>	<b>1 Year Following the Valuation date R</b>	<b>2 Years Following the Valuation Date R</b>	<b>3 Years Following the Valuation Date R</b>
PV of the obligation as at the previous valuation date	7 295 000	9 331 000	9 278 000	9 078 781
Current Service Cost	575 000	927 000	953 146	983 823
Interest Cost	363 000	749 000	702 635	682 585
Benefits Paid	(351 769)	(1 729 000)	(1 855 000)	(1 991 000)
Actuarial Loss / (Gain)	1 449 769	-	-	
<b>PV of the obligation as at the current valuation date</b>	<b>9 331 000</b>	<b>9 278 000</b>	<b>9 078 781</b>	<b>8 754 189</b>

### Sensitivity Analysis

As mentioned in the introduction of this report, the valuation is only an estimate of the cost of providing Long service leave award benefits. The actual cost to the Municipality will be dependent on actual future levels of assumed variables and the demographic profile of the membership.

In order to illustrate the sensitivity of our results to changes in certain key variables, we have recalculated the liabilities using the following assumptions:

- 20% increase/decrease in the assumed level of withdrawal rates;
- 1% increase/decrease in the Normal Salary cost inflation

### Withdrawal rate

Deviations from the assumed level of withdrawal experience of the eligible employees will have a large impact on the actual cost to the Municipality. If the actual rates of withdrawal turns out to be higher than the rates assumed in the valuation basis, then the cost to the Municipality in the form of benefits will reduce and vice versa.

We have illustrated the effect of higher and lower withdrawal rates by increasing and decreasing the withdrawal rates by 20%. The effect is as follows:

	<b>-20% Withdrawal rate R</b>	<b>Valuation Assumption R</b>	<b>20% Withdrawal rate R</b>
Total Accrued Liability	9 884 000	9 331 000	8 842 000
Current Service Cost	1 024 000	927 000	846 000
Interest Cost	797 000	749 000	707 000

### Normal salary inflation

The cost of the long service awards is dependent on the increase in the annual salaries paid to employees. The rate at which salaries increase will thus have a direct effect on the liability of future retirees.

We have tested the effect of a 1% p.a. change in the Normal Salary inflation assumption. The effect is as follows:

	-1% Normal salary inflation R	Valuation Assumption R	1% Normal salary inflation R
Total Accrued Liability	9 331 000	9 331 000	10 548 000
Current Service Cost	927 000	927 000	1 097 000
Interest Cost	749 000	749 000	853 000

	Note	2014 R	2013 R Restated <sup>1</sup>
<b>9</b>	<b>PAYABLES FROM EXCHANGE TRANSACTIONS</b>		
	Trade creditors	68 249 129	46 455 774
	Retentions	44 970 630	53 520 266
	Other creditors	9 786	353 673
	<b>Total creditors</b>	<b>113 229 544</b>	<b>100 329 714</b>
	The fair value of trade and other payables approximates their carrying amounts		
<b>10</b>	<b>PROVISIONS</b>		
	Provision for bonuses	10.1 9 211 339	7 817 134
	Provision for leave	10.2 3 257 904	4 947 262
	Other provisions	10.3 1 958 000	1 261 000
	<b>Total provisions</b>	<b>14 427 243</b>	<b>14 025 396</b>
10.1	<u>Provision for bonuses</u>		
	<b>Performance Bonus</b>		
	Opening accrued liability as at 1 July	4 880 534	4 398 034
	Benefits Paid	(4 856 234)	(4 880 534)
	Contributions to provision	5 775 700	5 363 034
	Closing accrued liability as at 30 June	5 800 000	4 880 534
	<b>13th cheque provision</b>		
	Opening accrued liability as at 1 July	1 261 000	2 573 988
	Expenditure incurred	(8 664 059)	(8 340 798)
	Contributions to provision	10 814 398	8 703 409
	Closing accrued liability as at 30 June	3 411 339	2 936 600

	<b>Total provision for bonuses</b>	<b>9 211 339</b>	<b>7 817 134</b>
10.2	<u>Provision for leave</u> <b>Leave days (short-term)</b>		
	Opening accrued liability as at 1 July	4 947 262	1 207 000
	Transfers (to)/from long-term	(1 689 358)	3 740 262
	Closing accrued liability as at 30 June	<b>3 257 904</b>	<b>4 947 262</b>
10.3	<u>Other provisions</u> <b>Post-employment Medical Aid Benefits (short-term)</b>		
	Opening accrued liability as at 1 July	323 000	399 000
	Transfers (to)/from long-term	(41 000)	(76 000)
	Closing accrued liability as at 30 June	282 000	323 000
	<b>Long-service award (short-term)</b>		
	Opening accrued liability as at 1 July	938 000	1 341 000
	Transfers (to)/from long-term	738 000	(403 000)
	Closing accrued liability as at 30 June	1 676 000	938 000
	<b>Total provision for bonuses</b>	<b>1 958 000</b>	<b>1 261 000</b>
11	<b>UNSPENT CONDITIONAL GRANTS</b>		
	Finance management grant (FMG)	517 072	266 435
	Water services operating grant (WSOG)	7 999 841	-
	Municipal infrastructure grant (MIG)	11.1	118 284 293
	Expanded Public Works Programme Integrated Grant for Municipalities (EPWP)		105 332 750
			1 078 388
	Rural transport services infrastructure grant (RTSIG)	-	490 873
	Rural household infrastructure grant (RHIG)	3 706 528	-
	<b>Current portion of unspent conditional grants</b>	<b>130 615 245</b>	<b>107 168 447</b>
11.1	<u>Municipal infrastructure grant (MIG)</u> <b>Balance unspent at beginning of year</b>	105 332 750	110 744 610
	Funds returned to Treasury	(48 189 000)	-
	Current year receipts	229 146 000	210 968 000
	Conditions met - transferred to revenue	(168 005 457)	(216 379 860)
	<b>Conditions still to be met - remain liabilities</b>	<b>118 284 293</b>	<b>105 332 750</b>

MIG is a conditional grant with a purpose to assist municipalities to build in-house capacity to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related legislation, policies and the local government turnaround strategy.



Current service cost		575 000	854 000
Interest Cost		363 000	487 000
Benefits Paid		(351 769)	(199 213)
Actuarial Loss/(Gain) <sup>1</sup>	37.3	1 449 769	6 213
		<b>9 331 000</b>	<b>7 295 000</b>
Liability transferred to short-term portion	10.3	(1 676 000)	(938 000)
<b>Closing accrued liability as at 30 June</b>		<b>7 655 000</b>	<b>6 357 000</b>
<b>13.2 <u>Post-employment Medical Aid Benefits</u></b>			
Opening accrued liability as at 1 July		4 209 000	5 040 000
Interest Cost		323 000	399 000
Benefits Paid		(303 901)	(254 848)
Actuarial Loss/(Gain)		(960 099)	(975 152)
		<b>3 268 000</b>	<b>4 209 000</b>
Liability transferred to short-term portion	10.3	(282 000)	(323 000)
<b>Closing accrued liability as at 30 June</b>		<b>2 986 000</b>	<b>3 886 000</b>
<b>13.3 <u>Long-term leave days</u></b>			
Opening accrued liability as at 1 July		15 165 819	10 530 433
Net accrued leave		3 021 224	8 712 472
Annual leave days forfeited/(paid out)		(2 236 423)	(4 077 086)
		<b>15 950 620</b>	<b>15 165 819</b>
Liability transferred to short-term portion	10.2	(3 257 904)	(4 947 262)
<b>Closing accrued liability as at 30 June</b>		<b>12 692 716</b>	<b>10 218 557</b>
<b>14 REVENUE FROM EXCHANGE TRANSACTIONS</b>			
Service charges - water	14.1	<b>36 033 006</b>	<b>29 853 592</b>
Interest earned			
Outstanding receivables		3 093 261	5 443 619
External investments		20 153 761	17 967 647
		23 247 022	23 411 266
Other income			
Tender Fees income		873 355	1 408 427
Insurance Refunds		-	779 502
		873 355	2 187 929
		<b>60 153 384</b>	<b>55 452 786</b>

## 15 REVENUE FROM NON- EXCHANGE TRANSACTIONS

Government grants and subsidies			
Equitable share		431 845 000	402 162 000
MIG Grant	11.1	168 005 457	216 379 860
Other Government Grants and Subsidies	11.2	29 115 814	51 615 625
		<b>628 966 271</b>	<b>670 157 485</b>
Other Income			
Retention liability written back		17 163 121	-
Commission liability written back		-	35 903 280
Bad debt recovered		-	353
		<b>17 163 121</b>	<b>35 903 633</b>

An amount of R4 578 300 for EDSM grant was withheld due to inconsistent monthly reporting and non-submission of the business plan.

An amount of R560 000 for MWIG was withheld due to poor performance on the 2012/13 allocated budget and underspending.

### Included within Other Government Grants and Subsidies are the following:

#### 15.1. Expanded Public Works Programme Integrated Grant for Municipalities (EPWP)

To incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in identified focus areas, in compliance with the Expanded Public Works Programme guidelines.

#### 15.2. Municipal Systems Improvement Grant (MSIG)

To assist municipalities build in-house capacity to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related legislation, policies and the local government turnaround strategy.

#### 15.3. Water Services Operating Subsidy Grant (WSOG)

To subsidise and build capacity in water schemes owned and/or operated by the Department of Water Affairs or by other agencies on behalf of the department and transfer these schemes to local government.

#### 15.4. Local Government Financial Management Grant (LGFMG)

To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act.

#### 15.4. Rural transport services infrastructure grant (RTSIG)

To assist rural district municipalities to set up rural Road Asset Management Systems, and collect road and traffic data in line with the Road Infrastructure Strategic Framework for South Africa.

#### 15.5. Municipal Water Infrastructure Grant (MWIG)

To assist Water Services Authorities (WSAs) to provide water supply services to consumers currently without services, particularly those in rural areas.

#### 15.6. Local Government Financial Management Grant (LGFMG)

To promote and support reforms in financial management by building capacity in municipalities to

implement the Municipal Finance Management Act.

**15.7. Equitable Share**

In terms of the Constitution, this grant is an unconditional grant .

**15.8. Energy Efficiency and Demand Side Management Grant (EEDG)**

To provide subsidies to municipalities to implement Energy Efficiency and Demand Side Management initiatives within municipal infrastructure, in order to reduce electricity consumption and improve energy efficiency.

**15.9. Rural Household Infrastructure Grant (RHIG)**

To provide specific capital funding for the reduction of rural sanitation backlogs and to target existing households where bulk-dependent services are not viable.

<b>16</b>	<b>EMPLOYEE RELATED COSTS</b>		
	Employee related costs - Salaries and Wages	129 201 335	119 539 719
	Contributions for UIF, pensions and medical aids	31 976 908	26 572 156
	Travel, motor car, subsistence and other allowances	17 419 978	13 733 091
	Housing benefits and allowances	2 198 825	2 308 250
	Overtime payments	10 285 209	7 910 000
	Performance and other bonuses	5 835 823	4 880 534
	Other employee related costs	16.1	1 477 518
		<b>198 395 596</b>	<b>177 201 183</b>
<b>16.1</b>	<b><u>Other employee related costs include</u></b>		
	Workers' compensation assoc. contributions	-	1 327 675
	Employee Assistant Programme	1 168 915	240 432
	Union affiliations	46 940	32 497
	Special Allowance	261 662	656 830
		<b>1 477 518</b>	<b>2 257 434</b>
<b>16.2</b>	<b><u>Remuneration of the Municipal Manager</u></b>		
	Annual Remuneration	1 088 876	1 007 691
	Performance- and other bonuses	26 306	74 583
	Travel, motor car, subsistence and other allowances	204 000	240 670
	Contributions to UIF, Medical and Pension Funds	284 105	264 756
		<b>1 603 287</b>	<b>1 587 699</b>
<b>16.3</b>	<b><u>Remuneration of the Chief Finance Officer</u></b>		
	Annual Remuneration	915 854	967 738
	Performance- and other bonuses	13 031	30 698
	Travel, motor car, subsistence and other allowances	132 000	224 509
	Contributions to UIF, Medical and Pension Funds	24 086	5 901
		<b>1 084 971</b>	<b>1 228 846</b>
<b>16.4</b>	<b><u>Remuneration of Technical Services</u></b>		
	Annual Remuneration	311 316	265 362

	Performance- and other bonuses	-	23 878
	Travel, motor car, subsistence and other allowances	43 872	77 561
	Contributions to UIF, Medical and Pension Funds	620	6 653
		<b>355 808</b>	<b>373 454</b>
<b>16.5</b>	<b><u>Remuneration of Development, Economic and Planning Management Services</u></b>		
	Annual Remuneration	804 998	548 257
	Performance- and other bonuses	19 421	40 948
	Travel, motor car, subsistence and other allowances	120 609	173 376
	Contributions to UIF, Medical and Pension Funds	75 010	46 344
		<b>1 020 038</b>	<b>808 925</b>
<b>16.6</b>	<b><u>Remuneration of Strategic Support Services</u></b>		
	Annual Remuneration	731 104	439 688
	Performance- and other bonuses	44 178	82 809
	Travel, motor car, subsistence and other allowances	180 000	296 123
	Contributions to UIF, Medical and Pension Funds	162 704	106 213
		<b>1 117 987</b>	<b>924 834</b>
<b>16.7</b>	<b><u>Remuneration of Corporate Services</u></b>		
	Annual Remuneration	482 123	767 320
	Performance- and other bonuses	20 021	172 718
	Travel, motor car, subsistence and other allowances	96 600	-
	Contributions to UIF, Medical and Pension Funds	47 665	76 397
		<b>646 409</b>	<b>1 016 435</b>
<b>16.8</b>	<b><u>Remuneration of Community Services</u></b>		
	Annual Remuneration	586 089	566 082
	Performance- and other bonuses	14 770	47 291
	Travel, motor car, subsistence and other allowances	105 990	121 846
	Contributions to UIF, Medical and Pension Funds	154 804	150 445
	<b>Total</b>	<b>861 653</b>	<b>885 663</b>
<b>17</b>	<b>REMUNERATION OF COUNCILLORS</b>		
	Executive Mayor	965 255	710 115
	Speaker	807 040	556 101
	Chief Whip	823 240	501 135
	Member of the Executive Committee:		
	Boloka P	272 959	107 552
	Dandane G	744 974	522 587
	Kgare B	799 178	528 679
	Mashangoane P	733 655	501 857
	Masoga C	509 372	288 889



Moropa J		770 510	522 587
Tsheola G		116 022	87 803
Vilankulu J		180 043	95 224
Ordinary Councillors		594 738	1 618 635
Councillors' pension and medical aid		1 063 527	747 974
Councillors' allowances		2 519 464	2 305 135
		<b>10 899 977</b>	<b>9 094 273</b>

### **In-kind Benefits**

The Executive Mayor, Deputy Executive Mayor, Speaker and Executive Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

The Executive Mayor is entitled to stay at the mayoral residence owned by the Council at no cost. The Executive Mayor has use of the Council owned vehicle for official duties. The Executive Mayor has 3 full-time bodyguards.

<b>18</b>	<b>COMMISSION EXPENSE</b>		<b>14 502 563</b>	<b>9 564 291</b>
	Commission is paid to local municipalities for the management of water related services.			
<b>19</b>	<b>DEPRECIATION AND AMORTISATION EXPENSE</b>			
	Property, plant and equipment	6.1	42 350 214	39 368 946
	Intangible assets	7	912 043	1 279 604
			<b>43 262 258</b>	<b>40 648 549</b>
<b>20</b>	<b>DERECOGNITION OF ASSETS</b>		<b>714 448</b>	<b>11 751 049</b>
	During 2014 and 2013 assets previously recognised as asset under construction were derecognised as these assets no longer complied with the definition of an asset.			
<b>21</b>	<b>INTEREST PAID</b>			
	Finance costs - Finance lease		107 642	213 451
	Other interest and penalty charges		403 412	97 241
			<b>511 055</b>	<b>310 692</b>
	Other interest and penalties of R103 410 (R97 241) relates to charges by SARS for changes in PAYE declarations caused by back payment of upper limits			
<b>22</b>	<b>BULK PURCHASES - WATER</b>		<b>49 930 863</b>	<b>44 310 716</b>
	Bulk purchases of water from Lepelle Northern Water			
<b>23</b>	<b>GRANTS AND SUBSIDIES PAID</b>		-	<b>7 985 645</b>
<b>24</b>	<b>PROFIT / (LOSS) ON ACTUARIAL VALUATIONS</b>		<b>(489 670)</b>	<b>968 939</b>

## 25 COMMITMENTS

### 25.1 Commitments in respect of capital expenditure

Infrastructure	119 067 267	51 786 230
Community	-	180 000
Other	9 213 191	75 895 518
	<b>128 280 458</b>	<b>127 861 748</b>

*This expenditure will be financed from:*

- Government Grants	127 174 567	54 664 790
- Equitable share grants	1 105 891	73 196 958
	<b>128 280 458</b>	<b>127 861 748</b>

### 25.2 Commitments in respect of Operating expenditure

Infrastructure	19 848 955	5 357 200
Community	-	25 660
Other	55 654 526	20 783 378
	<b>75 503 481</b>	<b>26 166 238</b>

*This expenditure will be financed from:*

- Government Grants	24 072 455	4 048 070
- Equitable share grants	51 431 026	22 118 168
	<b>75 503 481</b>	<b>26 166 238</b>

Commitments in respect of capital expenditure	128 280 458	127 861 748
Commitments in respect of Operating expenditure	75 503 481	26 166 238
<b>Total Commitments</b>	<b>203 783 939</b>	<b>154 027 986</b>

*This expenditure will be financed from:*

- Government Grants	151 247 022	58 712 860
- Equitable share grants	52 536 917	95 315 126
	<b>203 783 939</b>	<b>154 027 986</b>

## 26 CASH GENERATED BY OPERATIONS

Surplus/(deficit) for the year	172 197 873	242 748 180
Adjustment for:-		
Other revenue	(17 163 121)	(779 502)
Depreciation and amortisation	43 262 258	40 648 549
Changes on fair value adjustment	489 670	(968 939)
Inventories: (Write-down) / reversal of write-down to net realisable value	-	3 965

Impairment of assets	(2 851 214)	14 938 090
Debt impairment loss	24 623 705	52 539 917
Contribution to provisions - current	-	
Changes on disposal of assets	754 353	700 801
<b>Operating surplus before working capital changes:</b>	<b>221 313 523</b>	<b>349 831 062</b>

## CASH GENERATED BY OPERATIONS

(Increase)/decrease in inventories	(2 867 416)	(778 542)
(Increase)/decrease in other receivables	(34 518 484)	(46 572 432)
Increase/(decrease) in conditional grants and receipts	23 446 798	(5 693 636)
Increase/(decrease) in provisions	3 274 007	8 202 488
Increase/(decrease) in trade payables	30 062 951	(56 753 619)
<b>Cash generated by/(utilised in) operations</b>	<b>240 711 379</b>	<b>248 235 320</b>

## 27 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED

### 27.1 Unauthorised expenditure

Opening balance	18 058 547	-
Unauthorised expenditure current year	-	18 058 547
<b>Total awaiting authorisation</b>	<b>18 058 547</b>	<b>18 058 547</b>

### 27.2 Irregular expenditure

Opening balance	97 804 755	74 825 588
Irregular expenditure current year	9 504 030	22 979 167
<b>Irregular expenditure awaiting condonement</b>	<b>107 308 785</b>	<b>97 804 755</b>

The irregular expenditure of R9 504 030 is as a result of appointments made in the 11/12 financial year that are in the process completion in the 13/14 financial year.

The above expenditure was mainly due to the payments of the final retention certificates after completion of the projects.

### 27.3 Fruitless and wasteful expenditure

Opening balance	173 570	13 044 482
Fruitless and wasteful expenditure current year	413 312	97 241
Condoned or written off by Council	-	(12 968 153)
<b>Irregular expenditure awaiting condonement</b>	<b>586 882</b>	<b>173 570</b>

## 28 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

### 28.1 Audit fees

Opening balance	744	-
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Current year audit fee	2 545 191	2 127 188
Amount paid - current year	(2 545 935)	(2 126 444)
	-	<b>744</b>

28.2 PAYE and UIF

Opening balance	(272 419)	-
Current year payroll deductions	28 482 638	28 205 639
Amount paid - current year	(28 210 219)	(28 478 058)
	-	<b>(272 419)</b>

28.3 Pension and Medical Aid Deductions

Opening balance	-	-
Current year payroll deductions	31 976 908	39 883 846
Amount paid - current year	(31 976 908)	39 883 846
	-	-

28.4 Contributions to local government -SALGA

Opening balance	1 737 965	1 511 864
Current year contributions	(1 737 965)	(1 511 864)
	-	-

28.5 Deviations

In terms of section 36 of the Municipal Supply Chain Management Regulations, any deviation from supply chain management policy needs to be approved/condoned by the Municipal Manager, and noted by Council. The expenses incurred, as listed below, have been approved/condoned by the City Manager and noted by Council.

**Incident**

Supply and Delivery of SUV Vehicle	526 800
Employee wellness	264 900
Exhibition stores	30 000
Construction of VIP Toilets	339 772
Installation of cascade system	107 108
Training	73 000
Construction of Stand	68 238
Data Link	161 664
Inline Disinfection project	121 786
Water safety and security plans project	162 450
	<b>1 855 718</b>

28.6 Non-Disclosure of interest

The following interests exists between the service providers doing business with the municipality and officials employed by the municipality

<b>Position Held</b>	<b>Connected persons</b>	
Researcher	M L Lesufi	112 530
	M.P	
Senior Accountant: Budget & Treasury	Ramutsindela	32 900
		<b>145 430</b>

## **29 CONTINGENT LIABILITY**

### **29.1 Claim for damages**

The Municipality has a Contingent liability of R21 765 406.83 due to it being sued by service providers due to damages arising from payments alleged to be outstanding Council is contesting the claim based on legal advice. Most court date has not yet been set. Should Council be unsuccessful in defending the claims, there is a possibility that the claim will be settled.

M.Tech Rustenburg	16 175 619
Themashi Business Enterprise	2 729 178
BC Viljoen	140 032
Storm Fencing	585 023
ALS BEE	170 816
T. Phogole/ CDM	231 380
Qualis Consulting	1 733 360
	<b>21 765 409</b>

29.2 *Guarantee held by Eskom with regard to electricity accounts amounting to R294 600*

29.3 *Wage curve based on the outcome of the court case between SALGA and the Unions amounting to R 714 314*

## **30 RELATED PARTIES**

\*Remuneration for members of key management - *Note 16*

\*Post-employment benefit plan for employees of municipality and/or other related parties - *Note 10.3 and 13.2*

\*Compensation to councillors - *Note 19*

\*Contributions to organized Local Government - *Note 26.4*

## **31 GENERAL EXPENSES**

*Included in general expenses are the following:-*

Advertising	2 391 996	1 740 159
Admin fees	2 061 202	1 303 805
Audit fees	2 545 191	2 127 188
Bank charges	219 155	145 742
Bursaries	1 657 493	1 168 881
Cleaning	368 519	324 023

Conferences and meetings		3 119 314	2 636 308
Groceries		272 466	13 163
Catering and Refreshments		112 147	346 602
Financial management		15 934 379	13 825 373
Fleet payments and public transport		8 053 958	8 366 582
Insurance		870 392	1 775 275
Legal expenses		1 839 330	1 381 551
Levies paid		-	-
Membership fees		2 005 929	1 555 359
Operational projects	31.1	28 472 727	23 886 262
Postage		8 698	6 359
Printing and stationery		985 838	770 525
Professional fees		5 178 015	16 363 516
Rental of buildings		3 369 816	2 798 142
Rental of office equipment		560 132	273 418
Security costs		4 776 232	4 062 123
Skills development levies		1 666 695	1 396 085
Subscription & publication		1 146 271	906 021
Telephone cost		2 628 217	3 702 712
Training		2 856 513	2 015 531
Travel and subsistence		10 556 264	6 437 987
Uniforms & overalls		135 333	160 802
Water and Sanitation	31.2	31 433 088	32 562 599
		<b>135 225 310</b>	<b>132 052 093</b>

31.1 Operational projects

Electrifications -Infrastructure		15 685 761	11 375 681
Environmental projects		1 207 630	932 461
Computer Services		3 886 861	3 090 930
Stakeholder Participation		2 772 571	1 565 984
Other projects		4 919 905	6 921 206
		<b>28 472 727</b>	<b>23 886 262</b>

31.2 Water and Sanitation

Free Basic Water		13 162 032	13 824 914
Water Quality Projects		1 920 274	1 260 811
Household sanitation		15 579 275	16 381 905
Other water related projects		771 506	1 094 969
		<b>31 433 088</b>	<b>32 562 599</b>

32 **KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS**

In using estimates a number of assumptions are required. GRAP 1 places the responsibility on

management to set these assumptions, as guided by the principles set out in GRAP 1 and in discussion with the professional consultants.

The assumptions should be realistic and mutually compatible. The difference between the assumptions drives the estimate and it is very important to monitor how this difference changes from one year's estimate to the next.

The following areas involve a significant degree of estimation uncertainty:

- \* Useful lives and residual values of property, plant, and equipment
- \* Recoverable amounts of property, plant and equipment
  - \* Present value of defined benefit obligation
  - \* Provision for doubtful debts
  - \* Impairment of assets
- \* Provision for long-term service award and medical aid benefits

The following areas involved judgements, apart from those involving estimations disclosed above, that management has made in the process of applying the municipality's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- \* Impairment of assets
- \* Provisions

### **33. RISK MANAGEMENT**

#### ***33.1. Maximum credit risk exposure***

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

#### ***33.2. Liquidity risk***

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities. Cash flow forecasts are prepared.

#### ***33.3. Interest rate risk***

As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates.

OR

The municipality's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the group to cash flow interest rate risk. Borrowings issued at fixed rates expose the municipality to fair value interest rate risk. Municipality policy is to maintain approximately 60% of its borrowings in fixed rate instruments.



**34 IMPAIRMENT LOSS****2 851 214 (14 938 090)**

During the year an impairment test, was performed on all categories of Property, Plant and Equipment. The method which was used to determine the recoverable amount was the higher of fair value less costs and value in use. The impairment existed in the category of roads infrastructure.

**Fair value less damages and value in use**

Because the unbundling of the infrastructure assets was done recently, the value in use and the fair value was deemed to be the same, other than the fact that it can differ if the infrastructure has significant damages. As such the recoverable amount being the greater of fair value less cost and value in use, differed with each with the costs of damages of the said infrastructure.

The engineer estimated the costs of damages of each class of infrastructure assets based on quoted prices available in the market to restore the infrastructure and the professional knowledge based on the industry norms.

**35 REASSESSMENT LOSS**

GRAP 17 Paragraph 61 state that the residual value and the useful life of an asset shall be reviewed at least at each reporting date and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate in accordance with the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors.

In the financial 2013-2014 an assessment was done however no adjustments were made and therefore no impairment loss was recognised.

**Reassessment**

Machinery and equipment / Office Equipment	-	1 415 264
Furniture & Fittings	-	3 715 029
Motor vehicles	-	159 000
Computer equipment	-	737 866
Buildings	-	1 649 714
	-	<b>7 676 873</b>

### 36. COMPARISON WITH THE BUDGET

The comparison of the Municipality's actual financial performance with that budgeted is set out in separate additional financial statements.

The budget is approved on an accrual basis using a classification based on the nature of expenses. The approved budget covers the period from 01 July 2013 to 30 June 2014. The budget and accounting basis are the same.

#### 36.1. Revenue

##### **Service Charges**

Billing increased with due to the cost recovery project that was implemented.

##### **Investment Revenue**

A higher return on investment was achieved than anticipated.

##### **Transfers Recognised**

Grants recognised is higher due to conditions being met from roll-over funds.

##### **Other Own Revenue**

Included in the budget for own revenue was funds due from SARS for VAT. These funds are recognised as debtors.

#### 36.2. Expenditure

##### **Employee related costs**

Not all positions were filled during the financial year.

##### **Remuneration of councillors**

Budget on councillors exceeded due to back pay of upper limits.

### 37. Changes in accounting estimates, errors and disclosure

#### **2013 Accounting errors**

2013 Surplus for the period as previously reported		239 324 913
Depreciation-buildings	37.1	(339 621)
Other income	37.1	9 056 551
Depreciation machinery and equipment	37.2	(3 131)
Depreciation vehicles	37.2	1 697 520
Depreciation fixtures and fittings	37.2	44 684
Depreciation hardware	37.2	6 439
Depreciation water infrastructure	37.2	(583 140)
Gain actuarial valuation	37.3	(2 450 000)
Depreciation roads	37.4	7 940 062
Bank interest	37.5	13 510
Boreholes electrification	37.6	745 570
Loss on assets scrapped	37.6	(954 127)
Derecognition of assets	37.6	(11 751 049)
Water commission paid	37.7	520 285
Sales Revenue Water	37.7	(520 285)

37.1. During 2013, buildings with a value of R 9 056 551 were donate to the municipality but not capitalised.

37.2 Depreciation on these buildings amounted to R 339 621. Depreciation on machinery and equipment not correctly accounted for in 2013.

37.3. There were discrepancies in the dates of employment in the valuation data's membership. The 2013 valuation data contained incorrect dates of employment for a number of employees. This caused the liability change by an increase of R 2 450 000

Accrued Liability as at 30 June 2013		7 295 000	6 147 000
Current Service Cost (As calculated at 30 June 2013)		575 000	854 000
		363 000	487 000
Interest Cost (As calculated at 30 June 2013)			
Benefits Paid		(351 769)	(199 213)
Account error	37.3	(2 450 000)	2 450 000
Actuarial Loss/(Gain)		3 899 769	(2 443 787)
Accrued Liability as at 30 June 2014		<b>9 331 000</b>	<b>7 295 000</b>

37.4 During 2010 capital expenditure incurred on the building of roads were capitalised as own assets. However during the current year it was gazetted that all district roads belong to Roads Agency Limpopo. These roads were subsequently de-recognised as assets.

37.5 Bank interest for 2013 was understated and corrected.

37.6 During 2013, borehole pumps with a value of R 745 570 were expensed under general expenses. This error was corrected by capitalising these pumps and writing of depreciation of R 3 107 in 2013.

37.7 Water revenue and commission expense incorrectly accounted for in 2013.

### **2012 Accounting errors**

2012 Retained surplus as previously reported		1 356 570 135
Roads	37.4	(288 892 982)
Accumulated Depreciation Roads	37.4	83 175 502
Accumulated depreciation - machinery and equipment	37.8	6 263
Accumulated Depreciation - Hardware IT	37.8	2 284
Accumulated depreciation - motor vehicles	37.8	6 343 107
Accumulated depreciation - fixtures and fittings	37.8	(64 796)
Fixtures and fittings impairments	37.8	81 252
Accumulated Depreciation Water Infrastructure Assets	37.8	(1 422 015)

Accumulated Depreciation Sanitation Infrastructure Asset	37.8	(390 778)
Machinery and equipment	37.9	3 238
Hardware - IT	37.9	9 135
Fixtures and fittings	37.9	(113 593)
Water Infrastructure Assets	37.9	4 851 373
Revaluation reserve	37.10	1 987 998
Water Debtors	37.11	(520 285)
Assets under construction	37.12	(15 543 774)
Retention Creditors	37.13	(3 280 769)
Input tax	37.14	(1 363)
Accounts payable-misc income	37.14	3 447
<b>2012 Retained surplus restated</b>		<b>1 142 803 380</b>

37.8 The error was as a result of additional assets identified from the asset verification that was not previously on the asset register and misallocations between the asset classes.

In addition, the motor vehicles had to be reassessed for useful life's from the prior financial years.

37.9 Cost of assets not previously accounted for corrected: The prior year difference was as a result of diesel engines and electrical motors that were not previously included in the annual financial statements. Correction of mathematical errors in accumulated depreciation in sanitation asset class. The error was as a result of additional assets identified from the asset verification that was not previously on the asset register and misallocations between the asset classes.

37.10 Revaluation reserve incorrectly accounted for in 2010/11

37.11 Water debtors correction incorrectly accounted for in 2012

37.12 Assets under construction derecognised during 2012

37.13 Retention creditors under stated in 2012 corrected

37.14 Sundry items incorrectly accounted for in 2012.

During 2014 SARS refunded CDM R1 363 for VAT Input that related to 2011.

The error was as a result of additional assets identified from the asset verification that was not previously on the asset register and misallocations between the asset classes

37.15 Changes in disclosure of comparative information

The following disclosure in comparative information was restated due to reallocation of line items

***Employee related costs as previously reported*** 176 960 751

Contributions for UIF, pensions and medical aids

Union levies to be disclosed as part of other employee related costs (32 497)

<u>Travel, motor car, subsistence and other allowances</u>	8 159 439
Overtime premiums disclosed as part of ravel, motor car, subsistence and other allowances	(5 573 652)
Car allowances was disclosed as part of other employee related costs	13 733 091
<u>Overtime payments</u>	4 916 822
Overtime premiums disclosed as part of ravel, motor car, subsistence and other allowances	5 573 652
Special allowance disclosed as part of overtime payments	(656 830)
<u>Other employee related costs</u>	(12 803 332)
Union levies to be disclosed as part of other employee related costs	32 497
Special allowance disclosed as part of overtime payments	656 830
Employee assistant programme disclosed as part of other general expenses	240 432
Car allowances was disclosed as part of other employee related costs	(13 733 091)
<b>Employee related costs restated</b>	<b>177 201 183</b>
<u>Debt impairment as previously reported on face of statement of financial performance</u>	-
Debt impairment as previously reported as part of general expenses	52 539 917
<b>Debt impairment restated on face of statement of financial performance</b>	<b>52 539 917</b>
<u>Repairs and maintenance as previously reported</u>	3 732 382
Repairs and maintenance previously reported as other general expenses	66 000
Repairs and maintenance previously reported as other general expenses	101 724
Repairs and maintenance previously reported as other general expenses	14 733 294
<b>Repairs and maintenance restated</b>	<b>18 633 400</b>
<u>Finance cost as previously reported</u>	213 451
Other interest and similar expenses previously reported as part of general expenditure	97 241
<b>Finance cost restated</b>	<b>310 692</b>

<u>Contracted services as previously reported on face of statement of financial performance</u>	4 818 723
Contracted services reported as part of general expenses	(4 818 723)
<b>Contracted services on face of statement of financial performance restated</b>	<b>-</b>
<u>Grants and subsidies paid as previously reported</u>	800 000
O&M Transfers previously reported as part of general expenses	7 185 645
<b>Grants and subsidies paid restated</b>	<b>7 985 645</b>
<u>General expenses as previously reported</u>	199 528 218
Employee assistant programme disclosed as part of other general expenses	(240 432)
Debt impairment reported on the statement of financial performance	(52 539 917)
Repairs and maintenance reported on the statement of financial performance	(14 901 018)
Other interest and similar expenses reported as finance cost	(97 241)
Contracted services reported as part of general expenses	4 818 723
O&M Transfers previously reported as part of general expenses	(7 185 645)
Loss from external product price differences	(1 334)
Gain-inventory differences	26 782
Gain -valuation	3 418 939
Accounting error	(745 570)
Loss-inventory differences	(29 413)
	<b>132 052 093</b>

<b>38</b>	<b>Distribution loss</b>		
	Net loss in Rands	<b>18 143 987</b>	<b>18 447 043</b>
	% Loss on purchases of water	31.88%	36.52%

There is 5% reduction on loss due to cost recovery being implemented and operations and maintenance of infrastructure assets

**ANALYSIS OF PROPERTY PLANT AND EQUIPMENT**  
as at 30 June 2014

	Cost / Revaluation				Accumulated Depreciation and Impairments					Carrying Value
	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Depreciation	Disposals	Impairment loss/Reversal of impairment loss	Closing Balance	
2014	R	R	R	R	R	R	R	R	R	R
<b>Land</b>	11 861 500	-	-	11 861 500	-	-	-	-	-	11 861 500
<b>Buildings</b>	70 704 654	-	-	70 704 654	(13 438 045)	(2 318 880)	-	-	(15 756 925)	54 947 729
<b>Infrastructure</b>										
Sewerage Mains & Purification	24 674 582	2 987 114	-	27 661 696	(6 391 026)	(1 329 637)	-	-	(7 720 663)	19 941 034
Electricity Peak Load Equipment	1 491 695	-	-	1 491 695	(408 727)	(243 438)	-	-	(652 165)	839 530
Water Mains & Purification	1 202 911 980	134 471 029	(387 869)	1 336 995 140	(343 996 680)	(28 324 759)	22 581	3 938 911	(368 359 947)	968 635 193
Under construction	334 558 811	194 007 138	(136 747 504)	391 818 445	-	-	-	-	-	391 818 445
	1 563 637 068	331 465 281	(137 135 373)	1 757 966 976	(350 796 432)	(29 897 834)	22 581	3 938 911	(376 732 775)	1 381 234 202
<b>Other Assets</b>										
Office Equipment	6 754 312	575 210	(27 918)	7 301 603	(2 462 909)	(1 064 598)	15 742	-	(3 511 765)	3 789 839
Furniture & Fittings	10 169 641	2 224 584	(847 776)	11 546 448	(3 616 180)	(1 461 984)	378 105	(1 087 697)	(5 787 756)	5 758 692

Motor vehicles	44 291 800	2 631 177	(476 557)	46 446 421	(13 164 924)	(4 488 057)	419 262	-	(17 233 720)	29 212 701
Computer Equipment	6 531 261	1 559 245	(322 218)	7 768 288	(1 818 048)	(962 462)	142 037	-	(2 638 474)	5 129 815
	67 747 014	6 990 216	(1 674 470)	73 062 761	(21 062 061)	(7 977 102)	955 146	(1 087 697)	(29 171 714)	43 891 046
Finance Lease Assets	6 925 994	4 264 743	(4 964 107)	6 226 630	(5 865 710)	(2 156 399)	4 875 599	-	(3 146 509)	3 080 121
<b>Total</b>	<b>1 720 876 230</b>	<b>342 720 241</b>	<b>(143 773 950)</b>	<b>1 919 822 521</b>	<b>(391 162 248)</b>	<b>(42 350 214)</b>	<b>5 853 325</b>	<b>2 851 214</b>	<b>(424 807 923)</b>	<b>1 495 014 598</b>

	Cost / Revaluation				Accumulated Depreciation and Impairments					Carrying Value
	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Depreciation	Disposals	Impairment loss/ Reversal impairment loss	Closing Balance	
2013	R	R	R	R	R	R	R	R	R	R
Land	11 861 500	-	-	11 861 500	-	-	-	-	-	11 861 500
Buildings	61 466 933	9 237 721	-	70 704 654	(11 234 923)	(2 203 122)	-	-	(13 438 045)	57 266 609
<b>Infrastructure</b>										
Sewerage Mains & Purification	24 674 582	-	-	24 674 582	(4 915 485)	(1 475 541)	-	-	(6 391 026)	18 283 556
Electricity Peak Load Equipment	1 491 695	-	-	1 491 695	(204 363)	(204 363)	-	-	(408 727)	1 082 968
Water Mains & Purification	1 158 307 605	45 755 733	(1 151 358)	1 202 911 980	(305 074 411)	(25 895 458)	361 114	(13 387 924)	(343 996 680)	858 915 301



Under construction	135 078 701	251 030 446	(51 550 336)	334 558 811	-	-	-	-	-	334 558 811
	1 319 552 583	296 786 179	(52 701 694)	1 563 637 068	(310 194 259)	(27 575 362)	361 114	(13 387 924)	(350 796 432)	1 212 840 636
<b>Other Assets</b>										
Office Equipment	5 227 795	1 526 517	-	6 754 312	(1 490 638)	(975 402)	3 131	-	(2 462 909)	4 291 403
Furniture & Fittings	7 797 113	2 372 528	-	10 169 641	(730 226)	(2 885 955)	-	-	(3 616 180)	6 553 460
Motor vehicles	40 815 038	3 895 963	(419 200)	44 291 800	(9 362 055)	(4 354 023)	48 907	502 248	(13 164 924)	31 126 876
Computer Equipment	5 070 746	1 518 329	(57 813)	6 531 261	(1 229 872)	(721 119)	36 116	96 826	(1 818 048)	4 713 213
	58 910 690	9 313 336	(477 013)	67 747 014	(12 812 790)	(8 936 499)	88 154	599 074	(21 062 061)	46 684 953
<b>Finance Lease Assets</b>										
	6 925 994	-	-	6 925 994	(5 211 747)	(653 963)	-	-	(5 865 710)	1 060 285
<b>Total</b>	<b>1 458 717 701</b>	<b>315 337 236</b>	<b>(53 178 707)</b>	<b>1 720 876 230</b>	<b>(339 453 719)</b>	<b>(39 368 946)</b>	<b>449 268</b>	<b>(12 788 851)</b>	<b>(391 162 248)</b>	<b>1 329 713 982</b>

### 6.3. REPORT OF THE AUDIT COMMITTEE

We are pleased to present our annual report covering the financial year ended 30 June 2014.

#### **Audit Committee Membership and meetings**

The Audit Committee was appointed in April 2012 and additional three members were appointed on the 31 of October 2012 to complement the required areas of expertise. The Audit Committee held a total of five (5) meetings for the financial year 2013/2014. The Audit Committee members are listed hereunder and meets at least four times a year or more when the need arise.

No	Name of Member	Portfolio	Expertise	No of meetings attended
1	Mr. M.D Poopedi	Chairperson	Internal Auditing	05
2	Adv. S.T Kholong	Member	Legal	04
3	Mr. I.S Modisha	Member	Performance Management	03
4	Mr. SAB Ngobeni	Member	External Auditing	04
5	Prof Anton Du Toit (CA)SA	Member	Accounting	05
6	Ms. A.M Badimo	Member	Municipal Governance	04
7	Ms. IT Ranape	Member	IT Governance	04

#### **Audit Committee Responsibility**

The Audit Committee adopted appropriate formal terms of reference as contained in the Audit Committee charter approved by the Municipal Council and has regulated its affairs in compliance with the charter and has discharged all its responsibilities as contained therein supported by the Internal Audit unit.

#### **The Effectiveness of Internal Control Systems**

The system of internal control is designed to manage risk in the municipality and to ensure that the municipality is able to achieve its objectives and goals. The Internal Auditor and Auditor-General of South Africa's reports has revealed certain weaknesses in the internal control systems of the municipality particularly on the account payables and receivables relating to water transactions. The Audit Committee of the view that internal control systems are partially effective and concurs with management that the intricacies involved in the water transactions with local municipalities need to be resolved at a higher level. Management is committed to address these issues without delay, a committee made up of Mayors, Municipal Managers and Senior officials of the affected municipalities has been established and meet regularly to eliminate the remaining milestones.

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## **Budget and Treasury Office**

The Audit Committee will like applaud the Municipality for capacitating the budget and treasury Office with competent and highly qualified personnel, the appointment of two Chartered Accountants as CFO and Deputy CFO clearly demonstrate the commitment by Council to attaining clean audit. We further support the decision of the Accounting Officer of filling all vacant positions within the Budget and Treasury Office has achieved the desired results. Beside the challenges on capital expenditure the Audit Committee is satisfied with the performance of the department.

The AC appreciates the decision to review the supply chain management policy to align to new circulars issued by Treasury regarding supply chain management matters.

## **Risk Management**

A formal risk assessment was conducted by the Risk Management unit to review the risk exposure to the municipality in order to put together an action plan to address the weaknesses and risks identified. The municipality has appointed an independent Chairperson which will ensure efficient risk management processes.

## **Internal audit function and its effectiveness**

The Audit Committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the municipality. The audit unit comprises of six (6) permanently employed staff, which are Chief Audit Executive, Senior Internal Auditor (Risk Based Audits), Senior Internal Auditor (IT Audits) and 2 Internal Auditors. The municipality has also created additional positions of Performance Auditor and Compliance Auditor to be filled in the next financial year.

The committee is of the view that the unit was effective for the year 2012/13 as it was able to discharge its responsibilities as set out in the approved audit plan and section 165 of the Municipal Finance Management Act.

## **IT Governance**

The municipality has established the IT steering committee which oversees on matters of Information Technology governance within the municipality and advises the Accounting Officer on potential IT related risks and possible recommendations for improvements.

The municipality has in this financial year opted for the review of the current IT solutions focusing on the SAP system to address financial reporting challenges which were perpetually reported by the Auditor General which had a negative effect into the audit outcomes. The Audit Committee is satisfied with the reported progress on the system upgrade.

## **Risk areas of the municipality covered in the scope of internal and external audit work.**

The Audit Committee is of a view that certain risk areas were not fully addressed for the year under review. The recording of water revenue from local municipalities and the valuation of the district water related assets held by the local municipalities could

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not be resolved in order to achieve fair disclosure. A high level committee mentioned elsewhere in this report is addressing these challenges.

### **The Quality of in year management and monthly/quarterly reports Accounting and auditing concern identified**

The Audit Committee is satisfied with the content of the reports issued by the municipality during the year under review. The Audit Committee is of the view that the quality of reports presented enables it to inform itself on the state of the municipality, and therefore they were satisfied with the standard and content presented.

### **Compliance with legal and regulatory provisions**

The municipality was able to prepare and present its Annual Financial statements in terms of section 126 (1)(a) of the MFMA for the year under review.

The relationship between management and Auditor General of South Africa (AGSA) has significantly improved and all matters which needed management attention were subsequently addressed.

### **Evaluation of Annual Financial Statements**

The Audit Committee was able to review and discuss changes in accounting policies, practices and significant adjustments to be included in the annual financial statement prior to the commencement of the audit by the Auditor-General of South Africa.

It is the view of the Audit Committee that the municipality has improved from the previous year as issues raised by the Auditor General were adequately addressed except for water related financial control systems at local municipalities which had an adverse effect on the District Municipality's audit outcomes.

The Audit Committee concurs and accept the Auditor-General's conclusion on the Annual Financial Statements and Performance report and is of the opinion that the audited Annual Financial Statements and Performance Report should be accepted and read together with the report of the Auditor-General of South Africa.

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**On behalf of the Audit Committee  
Mr. M.D Poopedi (Chairperson)**

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## **6.4. CONCLUSION**

The district still holds a view that through continued harnessing the optimal participation of the entire populace of the district and social partners in the decision-making processes of the Council the CDM vision shall be realized. We will continue to improve the water quality and adequate sanitation, District outreach meetings, Mayoral visits to communities, working with economic sector people. We promise that as we move forward, the livelihoods of the communities will be enhanced. The Inter-Governmental Relations (IGR) structures established should be improved and also the stakeholder participation and customer care and other mechanisms the district has put in place, the District together with its constituent Local Municipalities. we will continue to shine as institution of excellence, service with excellence.