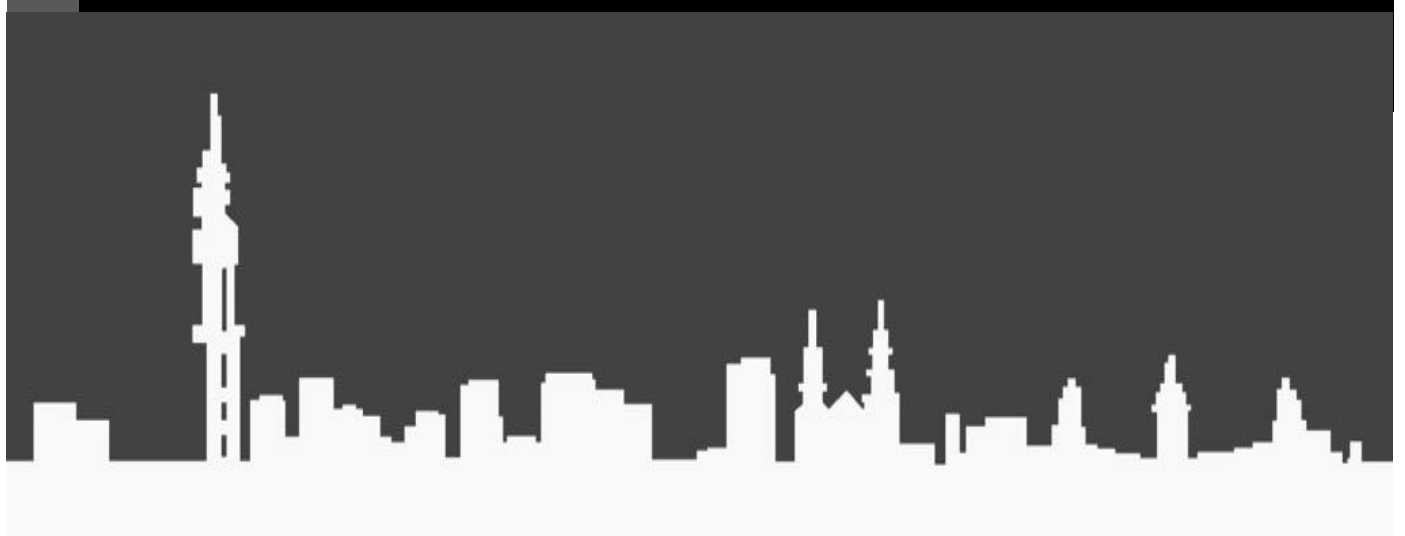


Consolidated Annual Report for the City of Tshwane

For the period: July 2016-June 2017



Glossary of Terms and Acronyms

Term	Definition
Accounting officer	(a) In relation to a municipality, the municipal official referred to in Section 60 of the Municipal Systems Act; or (b) In relation to a municipal entity, the official of the entity referred to in Section 93 and including a person acting as the accounting officer.
Annual report	In relation to a municipality or a municipal entity, an annual report as contemplated in Section 121 of the Municipal Finance Management Act.
Auditor-General of South Africa	The person appointed as the Auditor-General in terms of Section 193 of the Constitution, and including a person – (a) acting as Auditor-General; (b) acting in terms of a delegation by the Auditor-General; or (c) designated by the Auditor-General to exercise a power or perform a duty of the Auditor-General.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment. According to Regulation 10 of the Municipal Planning and Performance Management Regulations, 2001, such services include water, sanitation, electricity and solid waste removal.
Backlog	Services or goods that have accumulated over time and are still undelivered, unattended or still not produced.
Baseline	The accurate and quantitative data at a stated point in time that mark the beginning of a trend.
Councillor	A member of a municipal council.
Section 56 employee	In terms of the Municipal Systems Act, a person employed by a municipality who is directly accountable to a municipal manager.
Employer	The municipality employing a person as a municipal manager, or as manager directly accountable to a municipal manager, and as represented by the mayor, executive mayor or municipal manager, as the case may be.
Employment contract	A contract as contemplated in Section 57 of the Municipal Systems Act.
External service provider	An external mechanism referred to in Section 76(b) of the Municipal Systems Act, which provides a municipal service to a municipality.
Financial statement	In relation to a municipality or municipal entity, a statement consisting of at least – (a) a statement of financial position; (b) a statement of financial performance; (c) a cash flow statement; (d) any other statement that may be prescribed; and (e) any notes to these statements.
Financial year	The financial year of municipalities, which ends on 30 June of each year.
Input indicator	An indicator that measures the costs, resources and time used to produce an output.

Term	Definition
Integrated Development Plan (IDP)	A plan envisaged in Section 25 of the Municipal Systems Act.
Local community or community	In relation to a municipality, that body or persons comprising – (a) the residents of the municipality; (b) the ratepayers of the municipality; and (c) any civic organisation and non-government, private sector or labour organisation or body that is involved in the local affairs of the municipality.
Mayor	In relation to – (a) a municipality with an executive mayor: the councillor elected as the executive mayor of the municipality in terms of Section 55 of the Municipal Structures Act; or (b) a municipality with an executive committee: the councillor elected as the mayor of the municipality in terms of Section 48 of the Act.
Mid-year report	A report that is developed in terms of Section 72 of the MFMA and is intended to inform the council of a municipality's mid-year budget and performance assessment.
Mid-term report	A report that is developed half-way during the council's term and reflects, among others, the progress of the municipality on the IDP for that period. It is not a legislated report.
Municipality	When referred to as – (a) an entity: a municipality as described in Section 2 of the Municipal Systems Act; and (b) a geographical area: a municipal area determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act 27 of 1998).
Municipal entity	As defined in Section 1 of Act 44 of 2003 – (a) a private company referred to in Section 86B(1)(a) of the Municipal Systems Act; (b) a service utility; or (c) a multi-jurisdiction service utility.
Municipal Finance Management Act	The Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) and any regulations made under the act.
Municipal manager	A person appointed in terms of Section 82 of the Municipal Structures Act.
Municipal Structures Act	The Local Government: Municipal Structures Act, 1998 (Act 117 of 1998).
Municipal Systems Act	The Local Government: Municipal Systems Act, 2000 (Act 32 of 2000).
Outcome indicator	An indicator that measures the quality and/or impact of an output regarding a particular objective.
Output indicator	An indicator that measures the results of activities, processes and strategies of a municipality's programme.

Term	Definition
Performance agreement	An agreement as contemplated in Section 57 of the Municipal Systems Act.
Performance plan	A part of the performance agreement that details the performance objectives and targets that must be met and the timeframe within which these must be met.
Service Delivery and Budget Implementation Plan (SDBIP)	A detailed plan approved by the mayor of a municipality in terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate – <ul style="list-style-type: none"> (a) projections for each month of – <ul style="list-style-type: none"> (i) revenue to be collected by source; and (ii) operational and capital expenditure by vote; (b) service delivery targets and performance indicators for each quarter; and (c) any other matters that may be prescribed; and include any revisions of such plan by the mayor in terms of Section 54(1)(c) of the Municipal Finance Management Act.
Monitoring and evaluation	<p>Monitoring is a process that entails collecting and analysing data on inputs, activities, outputs, outcomes and impacts as well as external factors in order to support effective management.</p> <p>Evaluation is a process of assessing relevance, efficiency, effectiveness, impact and sustainability.</p>

ABBREVIATION	FULL DESCRIPTION
ACCSF	African Capital Cities Sustainability Forum
AFC	Automated fare collection
AFS	Annual financial statements
AGSA	Auditor-General of South Africa
AOPO	Audit of predetermined objectives
APC	Audit and Performance Committee
APR	Annual performance report
ART	Antiretroviral treatment
ARV	Antiretroviral
BEE	Black economic empowerment
CAPEX	Capital expenditure
CAV	Centurion Aerospace Village
CFO	Chief Financial Officer
CITP	Comprehensive Integrated Transport Plan
CM	City Manager
CNG	Compressed natural gas

ABBREVIATION	FULL DESCRIPTION
COGTA	Cooperative Governance and Traditional Affairs Department
CPD	Continuing professional development
CSOP	City Strategy and Organisational Performance
CSPM	City Strategies and Performance Management
CSU	City Sustainability Unit
DCM	Deputy City Manager
DTI	Department of Trade and Industry
ECD	Early childhood development
ED	Executive Director
ESD	Emergency Services Department
EMTCT	Elimination of mother-to-child transmission
EPWP	Expanded Public Works Programme
GBCSA	Green Building Council of South Africa
GIFA	Gauteng Infrastructure Financing Agency
HCT	Housing Company Tshwane
HPV	Human papilloma virus
HR	Human resources
ICT	Information and communication technology
IDC	Interactive Digital Centre
IDP	Integrated Development Plan
IDSA	International Diplomatic Spouses Association
IGR	Intergovernmental relations
IMCI	Integrated management of childhood diseases
IRPTN	Integrated Rapid Public Transport Network
KPA	Key performance area
KPI	Key performance indicator
LGSETA	Local Government Sector Education and Training Authority
LTS	Long-term Strategy
MEC	Member of the Executive Committee
MFMA	Municipal Finance Management Act
MHS	Municipal Health Services
MICE	Meetings, incentives, conferences and exhibitions
MMC	Member of the Mayoral Committee
MoU	Memorandum of understanding

ABBREVIATION	FULL DESCRIPTION
MRF	Material recovery facility
MSA	Municipal Systems Act
MTREF	Medium-term Revenue and Expenditure Framework
NDP	National Development Plan
NDPG	Neighbourhood Development Partnership Grant
NMT	Non-motorised transport
NRW	Non-revenue water
OHS	Occupational health and Safety
OPCA	Operation Clean Audit
PCF	Premier's Coordinating Forum
PCR	Polymerase chain reaction
PHC	Primary healthcare
PMTCT	Prevention of mother-to-child transmission of HIV
PR	Proportional representation
SACN	South African Cities Network
SALGA	South African Local Government Association
SCM	Supply chain management
SDBIP	Service Delivery and Budget Implementation Plan
SDG	Strategic Development Goal
SHI	Social Housing Institution
SLA	Service-level agreement
SMART	Specific, measurable, attainable, realistic and time bound (criteria)
SMME	Small, medium and or micro-sized enterprise
Stats SA	Statistics South Africa
STG	Standard Treatment Guideline
STI	Sexually transmitted infection
SWA	Sandspruit Works Association
TA	Transactional advisor
TB	Tuberculosis
TBS	Tshwane Bus Services
TCVB	Tshwane Convention and Visitors Services Bureau
TEDA	Tshwane Economic Development Agency
TLMA	Tshwane Leadership and Management Academy
TMPD	Tshwane Metropolitan Police Department

ABBREVIATION	FULL DESCRIPTION
TRT	Tshwane Rapid Transit
TUT	Tshwane University of Technology
UTC	Urban traffic control
VAS	Vitamin A supplementation
WRI	World Resources Institute
WWF	Worldwide Fund for Nature
WWTW	Waste water treatment works

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Foreword of the Executive Mayor



The consolidated annual report for the City of Tshwane is a reflection of the performance of the municipality and municipal entities for the first year of the new administration's term of office, which started after the local government elections of 3 August 2016.

At the outset, we indicated that the financial situation in which the City of Tshwane found itself when I took office was "less than desirable but not unsalvageable". We recognised that in order to provide better, more efficient service **delivery**, we would have to **stabilise** the new government and **revitalise** Tshwane's economy.

In the 2016/17 financial year, we set out to provide a stable, reliable, decisive and progressive political and administrative leadership. Significant progress has been made to stabilise the institution, with the approval of a new macro structure in November 2016. The City Manager was appointed and took office in March 2017. At the end of the financial year, Section 56 managers were appointed, and, at this stage, of tabling the report to council, most senior managers have been appointed with recruitment processes underway for divisional heads.

The new administration that came to power in August 2016 is not yet perfect. However, we are committed to arresting the City of Tshwane's decline and turning the administration around. In carrying out our plans to turn around the administration, we started the process to create a new long-term vision for the City, and we submitted the 2017–2021 IDP to Council, with this vision embedded.

Financial sustainability is essential for any institution that wants to pursue a developmental agenda and implement change. We proposed a budget for the 2017/18 financial year that took into consideration the deficits we faced when we took office.

During our first 100 days in office, we worked in earnest to steer this giant ship on course. We established a cable theft task team to focus on preventing vandalism and sabotage of our strategic assets. Parallel to this, a comprehensive plan was developed and a contractor appointed to start upgrading two waste water treatment plants. In the medium term, we aim to develop infrastructure master plans that will guide our investment priorities in order to propel growth.

In addition, we launched Operation Tswelopele in Marabastad. This operation aims to change the perception of Marabastad as an unsafe and unsavoury neighbourhood. It is known for muggings, prostitution and armed robberies. The area is also a haven for illicit trade and drug use, despite numerous visible Tshwane Metro Police and SAPS vehicles in the area. The intended transformation will be achieved through increased visible policing and the provision of integrated municipal services.

Over the medium term, the plan is to replicate Operation Tswelopele in other regions. In partnership with the private sector and property owners, we will adopt a block-by-block and precinct-by-precinct approach to ensure that Tshwane is a safe and liveable city. In our quest to create a safer city, we have also established an anti-hijack unit and a bicycle unit in the Tshwane Metropolitan Police Department.

When we took over, there were also challenges with regard to A Re Yeng labour-related issues. The City of Tshwane engaged with A Re Yeng operators to resolve the issues that were hampering services, and the buses are now operating at full capacity.

Since 2013, the number of informal settlements in Tshwane has grown to 178, and this remains one of the major challenges facing the City. We have started the administration all informal settlements in Tshwane. This task includes shack marking, confirmation of beneficiaries, and estimating the cost of the infrastructure requirements. Our approach is premised on the appreciation that, as the City of Tshwane, it is our task to administer and manage the entire urban environment, including informal settlements. Our approach from now on will focus on site and services – we will provide all the infrastructure and formalise informal settlements, while the construction of a top structure pipeline is attended to through a partnership with the Gauteng Provincial Government and other stakeholders. The City will also accelerate the handing over of title deeds with a view to expanding access to housing opportunities, such as access to equity, and making residents part of the society we are creating.

Despite the strides made since the August 2016 elections, we have not yet fully achieved the goals we set. With 72.7% of the planned SDBIP targets realised, and capital expenditure of over R3bn, there is still gruelling work ahead to achieve our aims of stabilisation, revitalisation and service delivery. However, as a result of services rendered, 82% of households in formal areas have access to metered water connections, 79.13% of households have access to sanitation and 80.95% of formal households have access to electricity.

The City of Tshwane is still under pressure on the liquidity front as indicated by the current and cost coverage ratios. The non-achievement of the 95% debtor collection rate impacts available cash, and residents are encouraged to pay for services received. However, despite the limited revenue base, the measures implemented to minimise costs and maximise efficiencies have indicated improvement from the baseline of 2015/16.

It is noteworthy that the City of Tshwane has achieved an unqualified audit opinion for the FY 2016/17. I remind the administration to continue to implement the governance measures we have begun to instill and address all findings raised by the auditor-general.

I extend my gratitude to all who supported us in our first year of office and actively participated in our developmental agenda.

Cllr Solly Msimanga
EXECUTIVE MAYOR

Foreword of the Municipal Manager

Section 121 of the Municipal Finance Management Act (MFMA) requires all municipalities to prepare annual reports, and to include in their annual reports the annual performance report prepared in terms of section 46 of the Municipal Systems Act (MSA) and the annual financial statements of the municipality and its municipal entities. The annual report is tabled to council in terms of section 127 of the MFMA, after the annual performance reports and annual financial statements of the municipality and its municipal entities are audited by the auditor-general.

Performance on Predetermined Objectives

Chapter 3 of this report contains detailed service delivery reporting for both the City of Tshwane and its entities. I note with concern that although progress has been made, not all planned targets were realised with an achievement of 72.7% of planned targets on the SDBIP. I have begun to implement numerous interventions to improve the performance of the City of Tshwane, including the procurement of project management support, and the implementation of dedicated business review processes, to hold senior managers accountable for performance. Mitigation measures and reasons for non-performance are scrutinised, and consequence management measures are being implemented. Below I discuss performance on some of the objectives contained in the IDP and SDBIP.

Upgrading and development of informal settlements

Although informal settlements were provided with rudimentary water, sanitation and waste removal services on target, the municipality did not achieve the formalisation target.

Improve access to basic services

At the beginning of the financial year 2016/17 targets were set to increase access to basic services (water, electricity, sanitation and waste removal). There was general progress towards this goal, however, the provision of sanitation services and electrification of households continues to disappoint. In the case of electricity, only 2 429 houses were electrified against a target of 7 900. The usefulness and reliability findings raised by the auditor-general on the provision of basic services by the Housing department is also concerning, and scrutiny is being placed on how the department plans its projects and delivery processes in financial year 2017/18.

Improve public roads and transport infrastructure and services

Roads and stormwater targets were realised, however, the construction of TRT lanes remained a challenge with 0KM delivered during the financial year. After interventions made, however, this project is showing progress in FY 2017/18.

Improve employment levels

Although 17 183 work opportunities were created in the financial year, they were far short of the 21 500 planned. Of further concern is that this indicator was found to be unqualified in FY 2015/16, however, received material findings by the auditor-general in FY 2016/17, based on the same processes and evidence as previously

presented. The EPWP programme itself has been redesigned in FY 2017/18, and the senior management will be held accountable for all usefulness and reliability findings raised by the auditor-general.

To improve financial sustainability of the City of Tshwane

The historic under-performance on non-revenue energy has not yet been corrected. Non-revenue energy stood at 20.58% at financial year end against a baseline of 19%. However, non-revenue water has been reduced to 23.00%. The three regulated financial ratios, debt coverage, cost coverage and service debtors to revenue were achieved.

Achievement of the child health index

The City of Tshwane continues to provide health care services to its communities. The targets on the child health index were achieved, which is a good indication that PMTCT programmes are being implemented, that immunisation coverage for children under 1 year of age is taking place and that the PHC fixed clinics are providing HIV testing facilities for pregnant women.

To reduce household deprivation through the city's facilitated interventions

The registration of new indigent households remains a challenge. This is affected by numerous factors, including non-application of poor households, and households that apply not qualifying for free basic services per the indigent policy. However, the administration continues to go out to communities to assist with the application process, in order to expand the provision of free basic services to those who qualify for such services.

Human Resources

The 2016/17 financial year was a year of transition, with the administration having to endure numerous shifts. There were effectively three city managers in one financial year, before my appointment. Numerous contracts of senior management were expired, or close to expiry, and there was a massive budget shortfall.

My task when I took office in March 2017 was clear; to rapidly stabilise the administration by ensuring that senior management was appointed, to ensure that a new budget was developed that focused on key priorities while addressing serious budget deficits experienced in FY 2015/16 and the first half of 2016/17, and to rapidly deliver services.

At the end of the financial year, most senior management posts were filled or in process of being filled. The micro-structure was being finalised, the placement of current staff into the new micro structure was identified as a priority.

Conclusion

I extend my gratitude to the political leadership for the insight, guidance and support shown to the administration in forging a new vision for the City. I further extend my gratitude to the administration for the dedication shown by officials, those who left, and those who remain, who despite the transition into new departments, financial constraints, and regular disruption of work due to protest actions across the city, have been responsive, professional and dedicated to service delivery. Their dedication realised approximately 71,8% of planned targets.

I encourage all officials to maintain the shift into higher gear, for fast-tracked performance in 2017/18. The performance management system will be strictly applied going forward to ensure that our plans are realised.

Moeketsi Mosola
CITY MANAGER

Report of the Audit and Performance Committee to the council of the City of Tshwane for the year ended 30 June 2017

Introduction

The Audit and Performance Committee (APC) is pleased to present its annual report for the year ended 30 June 2017, in accordance with sections 166(2) and (3) of the Local Government: Municipal Finance Management Act, No. 56 of 2003 (MFMA) and Section 94 (7) (f) of the Companies Act, No 71 of 2008 read with the related Treasury Regulations, the National Treasury Internal Audit Framework, MFMA Circular 65 and applicable Council resolutions. The APC provides shared oversight assurance for the City of Tshwane and its entities namely: Tshwane Economic Development Agency SOC Limited (TEDA), Housing Company Tshwane NPC (HCT) and Sandspruit Water Association NPC (SWA)(in the process of disestablishment).

Audit and Performance Committee (APC) Legislative roles and responsibilities

The APC is constituted in terms of sections 166(1) and (2) and 166 (6) (b) of the Local Government: Municipal Finance Management Act, No. 56 of 2003 (MFMA) and Section 94 (7) of the Companies Act, 71 of 2008, read with the applicable Treasury Regulations. The APC is an independent advisory body which must advise the municipal council, the political office bearers, the accounting officer and the management and staff of the municipality, or the board of directors, the accounting officer and the management staff of the municipal entity, on matters relating to:

- Internal financial control and internal audits;
- Risk management;
- Accounting policies;
- The adequacy, reliability and accuracy of financial reporting, records and information;
- Performance management;
- Effective governance;
- Compliance with the Municipal Finance Management Act, the annual Division of Revenue Act and any other applicable legislation;
- Performance evaluation;
- Any other matter referred to it by the City or its entities; and
- Investigations into the financial affairs of the municipality and its entities.

The advice tendered by the APC is recorded in the minutes of the various APC meetings and reports to MAYCO, MPAC and Council.

The effectiveness of the Committee and its individual members is assessed on an annual basis. For the year under review, all members were considered competent and they contributed meaningfully to the evaluation and interrogation of the various reports submitted to it.

Terms of reference

The APC has formal terms of reference (the Charter), which are presented, deliberated upon and recommended for final approval by Council. In the year ended 30 June 2017, it executed its duties in accordance with the Charter approved by Council on 29 October 2015.

Audit and performance committee members and attendance

The APC members are listed below. For the 2017 year, the APC consisted of members appointed for varying terms: those appointed in October 2011 to 09 November 2016 ; those with extended terms up to 26 April 2017 and those appointed effective 25 August 2017.

The APC met nineteen (19) times during the reporting period to consider a series of reports tabled by senior management under the direction of the accounting officers of the City and its entities including unaudited and audited stand alone and group annual financial statements for the City and its entities; the unaudited and audited annual performance reports of the City and its entities; various management and audit reports issued by the Auditor-General South Africa (AGSA) to the accounting officers of the City and its entities and many internal audit reports issued by the Chief Audit Executive (CAE) to the accounting officers of the City and its entities

The various APC Chairpersons met individually on several occasions with the Accounting Officer of the City, the Chief Audit Executive (CAE) and the AGSA. The APC also had several separate in-committee meetings with the accounting officer of the City, the CAE and the AGSA.

APC meetings are attended by the Accounting Officer, The accounting officers of the entities, Chief Financial Officers, Top Management, Electricity and Water Services (Utility Services Department), Legal and Compliance, Group Audit and Risk, Corporate Human Resources (Human Capital Management), invitees according to the charter and the AGSA.

The APC secretarial function was performed by the City's Secretariat services. The meeting attendance by APC members during the reporting period is summarized in the table below.

Table 1: Schedule of meetings and attendance during the reporting period

Member	Qualifications	Appointed	End of Term	Contract Extension due to recruitment process	No. APC meetings (including committee) risk	
					Scheduled	Attended
Mr. William Huma	B. Proc, LLB. (Bachelor of Laws), LLM (Master of Laws), LLD (Doctor of Laws)	27 August 2015	26 April 2017	Month to Month from 09 November 2016 to 26 April 2017	11	10
Mr. Petrus Stephanus Fourie	BCom (Hons) Accounting Certificate of Theory in Accountancy. CA (SA)	October 2011	Current Member*	Month to Month from 09 November 2016 to 26 April 2017.	19	18
Mr. Roy Mnisi	Bachelor of Laws/LLB Degree Masters in Corporate Law	October 2011	December 2016	Month to Month from 09 November 2016 to 26 April 2017 J	11	7
Mr. G Rangongo	Bcom Degree Diploma in Asset Base finance	October 2011	October 2016	N/A	11	4
Ms. L Sebesho	Masters of Business Administration Bachelor of Commerce (HRM) Diploma in Labour Law	October 2011	Current Member*	Month to Month from 09 November 2016 to 26 April 2017	19	16
Ms. P Mzizi	Bcompt Honour's, CTA. CA (SA) Bcom Honors in Transport Economics	October 2011	Current Member*	Month to Month from 09 November 2016 to 26 April 2017	19	16
Ms. P Noxaka	MBA Bcom Acc (Hons) Bcompt (Admin)	October 2011	October 2016	N/A	11	4
Ms. S Makinta	Bcom Degree Bcom (Hons) Acc	October 2011	October 2016	N/A	11	2
Mr. M Sebeelo	B-Tech Internal Auditing	October 2011	October 2016	N/A	11	4

Effectiveness of internal controls

The systems of internal control are the legislated responsibility of the accounting officers and senior executive management as required by the MFMA, MFMA regulations and the principles of the King III Report on Corporate Governance read in conjunction with National Treasury Audit and Risk Frameworks, MFMA Circular 65 and International Standards for the Professional Practice of Internal Auditing.

The effectiveness of the City's internal controls was evaluated by both Group Audit and Risk and the AGSA in the reporting period. The various reports issued by Group Audit and Risk and the AGSA show that the system of internal control was **not properly effective for the year under review**. Areas of concern reported by Group Audit and Risk include IT security and IT access control, Revenue and Debt management, Supply Chain and contract management as well as matters relating to individual Performance management.

During the year, several deficiencies in the system of internal control and deviations therefrom were reported by Group Audit and Risk and the AGSA. In certain instances, the AGSA reports include matters previously reported which have not been fully and satisfactorily addressed.

The APC is concerned about the following AGSA findings and conclusions: -

- The continued financial instability of the City resulting primarily from the City not achieving its debt collection targets. The APC acknowledges and supports the draft financial sustainability plan under consideration by the various governance structures within the City which should address this issue.
- Material electricity losses R1.6 billion (2015/16: R1, 3 billion): technical losses of R536 million (2015/16: R489.2 million); and non-technical losses of R1, 0 billion (2015/16: R 858,2 million)
- Material debt impairment of R 5.5 billion (2015/16: R4.9 billion restated);
- Expenditure management deficiencies resulting in the finding that reasonable steps were not taken to prevent irregular expenditure as required by section 62(1)(d) of the PFMA; and
- Financial management internal control deficiencies resulting in the finding that the slow response by management to implement adequate monitoring controls caused over expenditure of R634,0 million.

The APC further notes that the following issues still remain:

- Significant improvement is required in the acquisition management process to ensure compliance with SCM regulations and policies.
- There is still an absence of swift, consistent and decisive consequence management to drive proper accountability within the City.
- There is an urgent need to formulate and implement a strategy to reduce Electricity and Water losses for the Municipality, especially in light of the impact the issue has on the financial sustainability of the city.
- The City's debt collection remains less than optimum and requires intervention.

In-year monitoring and quarterly reports submitted to the APC

The APC was not fully satisfied with the timeliness, content and quality of monthly and quarterly oversight and assurance reports prepared and submitted by the accounting officers for review.

The APC, concurs with the recommendations by Group Audit and Risk that failed KPI's and their risk implications need to be reviewed and a root cause analysis undertaken to determine reasons for the consistent non-achievement of certain quarterly targets.

Municipal entities

The APC was satisfied with the internal controls implemented by TEDA. It raised concerns about the effectiveness of internal financial controls at HCT and its ability to achieve a clean audit for the year under review.

Risk management and governance

The Accounting Officers of the City and its entities have legislated responsibility to establish and maintain effective, efficient and transparent systems of risk management in accordance with section 62 of MFMA:

- A separate Risk Committee undertook risk oversight as at the end of quarter one of 2016/17, and was able to assess certain risk reports. It was disestablished shortly thereafter, and since then no further risk oversight reports have been presented to the APC.
- The APC was not fully satisfied with the effectiveness, efficiency and completeness of the Compliance Risk Universe of the City. The City's improved risk management process is acknowledged, but it is encouraged to further enhance the management processes required to achieve a higher risk maturity level.
- The APC recommends urgent intervention for COT to ensure:
- The alignment of strategic municipal processes to ensure that the annual development of risk profiles takes place during Strategic Planning, and is approved simultaneously with the budget and scorecard processes by MAYCO and Council;
- The Legal and Compliance framework is developed and skills and competencies required be procured in order to ensure custody of records and the management of compliance risk framework and adherence to applicable laws and regulations, COT wide.

Evaluation of performance information

The APC has reviewed performance information provided by both the City and its entities at quarterly meetings throughout the year. Whilst the committee remains satisfied with the information provided, it is important that the Key Performance Indicators (KPI's) definitions are comprehensive and relevant to ensure that the City effectively measures and monitors performance.

Repeated concerns regarding the level of achievement of the organizational predetermined objectives (Key Performance Indicators) has been expressed by the APC. The corporate level adjusted SDBIP scorecard had 39 targets, and 28 of the 39 targets are achieved (71, 8%).

The APC also raised concerns about the City's performance against targets set for service delivery programmes and recommends that proactive measures are taken to remedy weak performance including monitoring and reporting on the impact of the non-achievement of performance targets on the organizational risk profile.

Management was requested to investigate the root causes for non-achievement of service delivery targets. Proper monitoring and appropriate remedial action was recommended. The progress on actions taken to improve the City's performance management framework through a comprehensive plan that focuses on addressing reliability and usefulness of performance information raised in previous years were again noted.

The Committee believes that Top management needs to work harder in embedding a performance management system and work ethic that improves management's performance accountability. Information to monitor performance and substantiate achievements should be effectively and pro-actively evaluated by all levels of assurance providers.

Internal audit function

The APC works in close co-operation and partnership with the Chief Audit Executive in overseeing the internal audit function. The internal audit charter, three-year risk based internal audit strategic plan and annual operational plan were developed by Group Audit and Risk in consultation with management and approved by the APC.

Invited members of Group Audit and Risk attend all APC meetings. They present the salient findings of all internal audits concluded in the period, including management responses to recommended corrective actions. Internal Audit provide the APC with feedback on how internal and external audit recommendations have been implemented.

The effectiveness of internal audit is assessed on an annual basis. Internal Audit was effective for the year under review and achieved its annual targets. All internal audit quarterly progress reports were reviewed and approved by the APC.

The APC supports and will monitor the progress on the corrective measures introduced by Group Audit and Risk in response to the National Treasury report on “Readiness for an external review”.

Evaluation of annual financial statements

The APC has, for the City and its entities:

- Reviewed the external audit scope including the extent of co-ordination with and reliance on the work of internal audit by the AGSA;
- Reviewed the annual external audit strategic plans, fees and other compensation;
- Reviewed and discussed the unaudited and the audited annual financial statements to be included in the annual report with the AGSA, and the Accounting Officers;
- Reviewed the AGSA’s audit reports on the audited annual financial statements of the City and its entities and the AGSA executive summaries of the management reports for the City and its entities.
- Reviewed changes to the accounting policies and practices;
- Reviewed the City and the entities’ compliance with the MFMA, Division of Revenue Act and any other applicable laws, regulations and Treasury regulations; and
- On a continuous basis, monitored the relationship between the AGSA and the auditee’s.

The APC concurs with the AGSA’s reported audit findings on Key Audit Matters (KAM) as defined and is not aware of any KAM not addressed and reported on in terms of the AGSA audit strategy.

The APC concurs and accepts the Auditor-General South Africa audit report on the group annual financial statements and is of the opinion that the audited annual group financial statements should be accepted together with the consolidated audit report of the AGSA.

Auditor General South Africa (AGSA)

The APC has met regularly with the AGSA to ensure that there are no challenges and unresolved issues, and that all issues that have come to our attention including subsequent events have been adequately communicated to the AGSA.

Based on processes followed and assurances received from the AGSA, nothing has come to the attention of the APC with regard to any matter impacting on the independence of the external auditors.

Conclusion

The Audit and Performance Committee thanks the Municipal Council, Boards of Directors, Accounting Officers, Chief Financial Officers, the Chief Audit Executive, the Auditor-General South Africa and all levels of management and staff for their co-operation and support during the year under review.

P.S.FOURIE

Chairperson of the Audit and Performance Committee (appointed 25 August 2017)

Context of the Annual Report

1 Legislative Context for the Development of the annual report

Section 121 of the Municipal Finance Management Act (MFMA) requires every municipality and every municipal entity to prepare an annual report. The annual report must deal with the annual report of the municipality and of any municipal entity, within nine months after the end of the financial year. Section 121(3) requires the annual report to include the annual financial statements of the municipality as submitted to the AG for audit in terms of section 126(1), the annual performance report of the municipality prepared by the municipality in terms of section 46 of the MSA, and the Auditor-General's report in terms of section 126(3) of the MFMA on the financial statements.

2 Strategic context- 2016/17 a transitional year

During the 2016/17 FY, the City underwent a shift in its strategic visioning, from an IDP focused on strategic objectives, to a new IDP approved in May 2017 focusing on strategic pillars. It was also a transitional year that saw a shift in processes away from Tshwane Vision 2055 to a new long term strategy, Tshwane 2030, that was initiated and is likely to be finalised in the 2017/18 financial year. Therefore, this report reflects on performance against the approved objectives as contained in the IDP of 2016-2021, while being cognisant of the shift to a new vision and pillars in the IDP of 2017-2021. This transition is indicated in the following figure:

Figure 1: Vision and strategic objectives 2016-2021

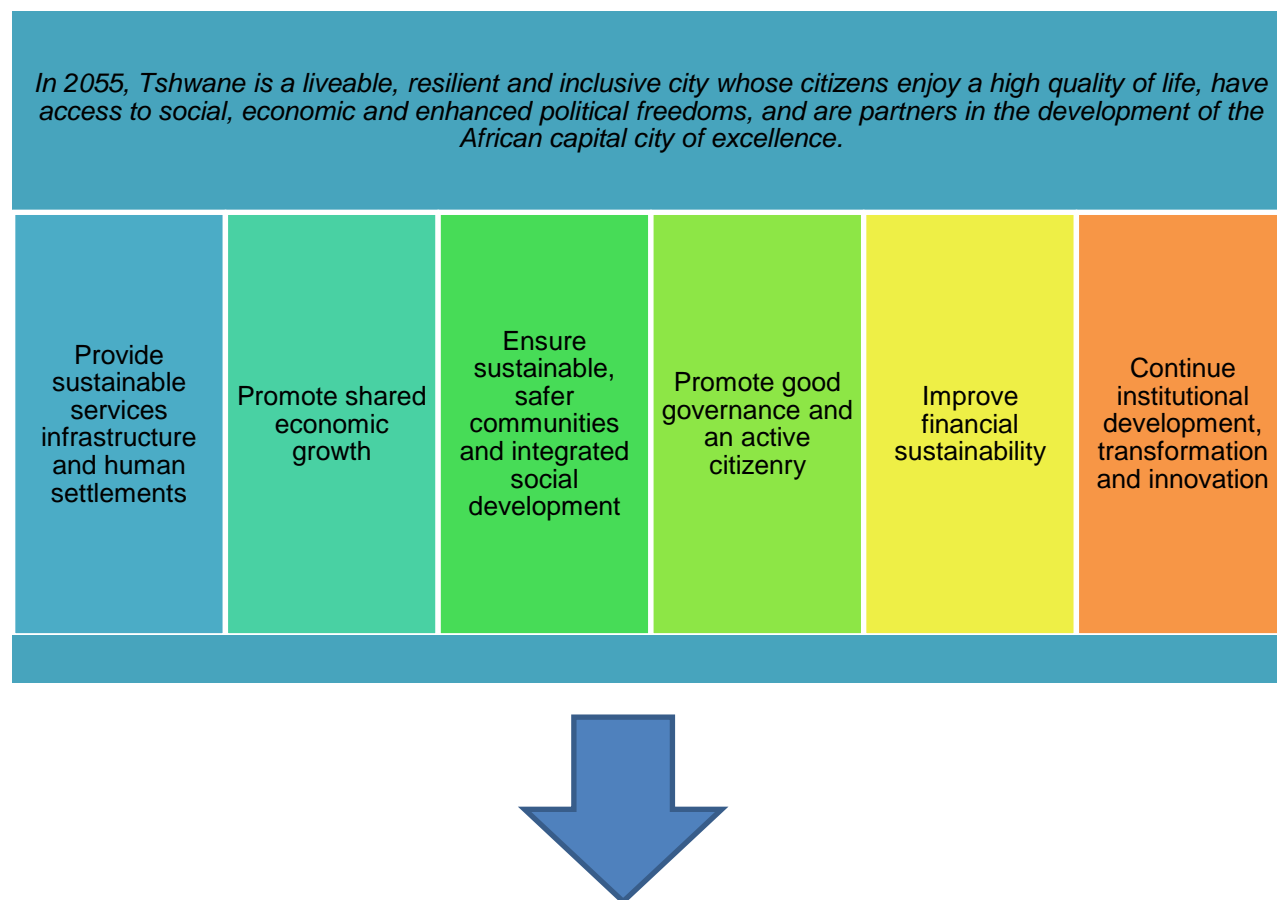
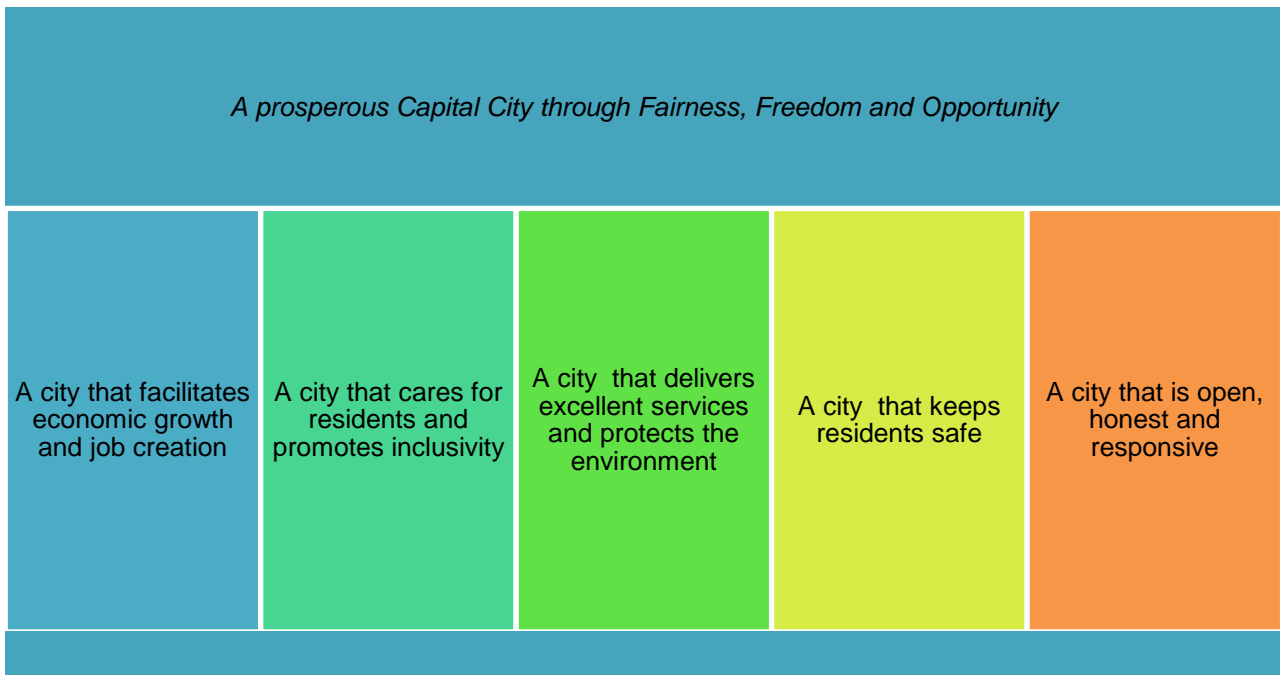


Figure 2: Vision and pillars 2017-2021



3 Organisational context- 2016/17 A transitional year

3.1 Municipal Entities

At the beginning of the 2016/17 financial year, the City of Tshwane had three municipal entities: Housing Company Tshwane (HCT), Tshwane Economic Development Agency (TEDA) and Sandspruit Works Association (SWA). The SWA was however disestablished at the end of the financial year.

The MFMA requires the accounting officers of municipal entities to directly submit to the Auditor-General of South Africa (AGSA) their AFS and performance information for audit purposes. The information of the municipal entities were audited by the auditor-general.

3.2 Departments in the administration

Council approved a new organisational structure in November 2016. This structure was implemented through transitional mechanisms as from January 2017. Due to the new structure, the following organisational changes had to be transitioned into the organisation:

- Merging departments to improve coordination and synergies
- Changing reporting lines
- Relocating specific operational functions

As a result of the transitional arrangements, City employees needed to be placed into positions on a new micro structure that aligned with the Council-approved macro structure. The micro structure was not finalised during the 2016/17 financial year, hence senior managers held positions on the macro structure in acting capacities. It must also be noted that, due to the contract periods of senior managers having been linked to a Council term, numerous senior managers' contracts also expired during the financial year, requiring further transitional mechanisms to be implemented to ensure stability and a smooth transition to the new financial year. One

implemented practice that was that, in cases of agreement and a necessity, senior managers whose contracts had expired were contracted for an additional three implemented months.

Municipal overview

Tshwane A Capital City

- Tshwane is the capital city of the Republic of South Africa.
- A major contributor to national growth and development.

Location and Expanse

- Category A municipality in terms of the Municipal Structures Act.
- Located in Gauteng, making up more that 30% of Gauteng province.
- 6 345km² in extent
- Approximately 121km from East to West.
- Approximately 108km from North to South.

Demographics

- Population of 3 161 809 million in 2015.
- Almost 24% of the Gauteng population of 13,5million.

Figure 3: Demographics

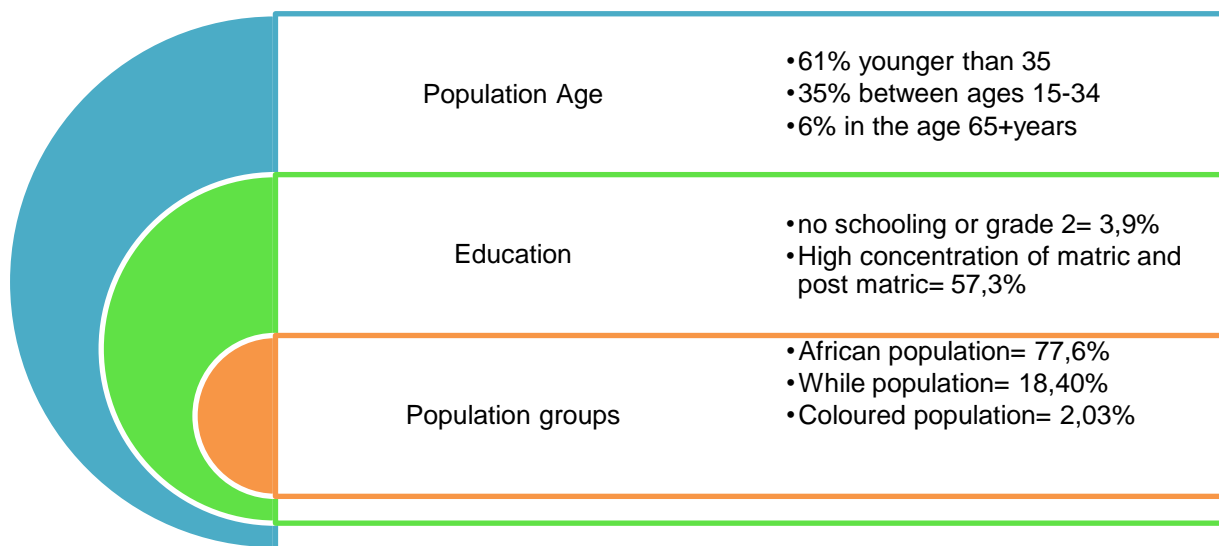


Figure 4: The University of South Africa- one of many tertiary education institutions located in Tshwane

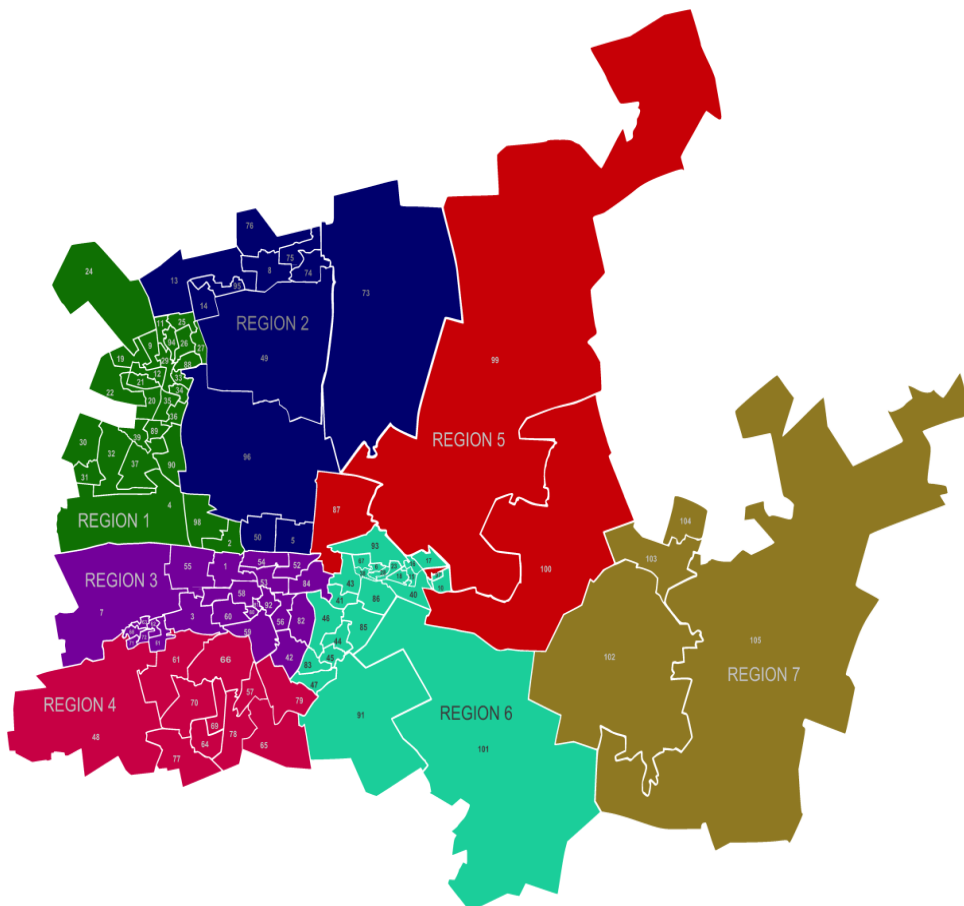
The following table provides an approximate breakdown of the population in accordance with the administrative regions of Tshwane.

Table 2: Tshwane population distribution by planning region

Region	Population	Percentage of population
1	871 390	27.55%
2	355 365	11.23%
3	598 070	18.91%
4	440 695	13.93%
5	99 602	3.15%
6	679 389	21.48%
7	117 299	3.70%
Total	3 161 810	100%

Source: IHS Global Insight (2016)

Figure 5: City of Tshwane administrative regions



2 Governance

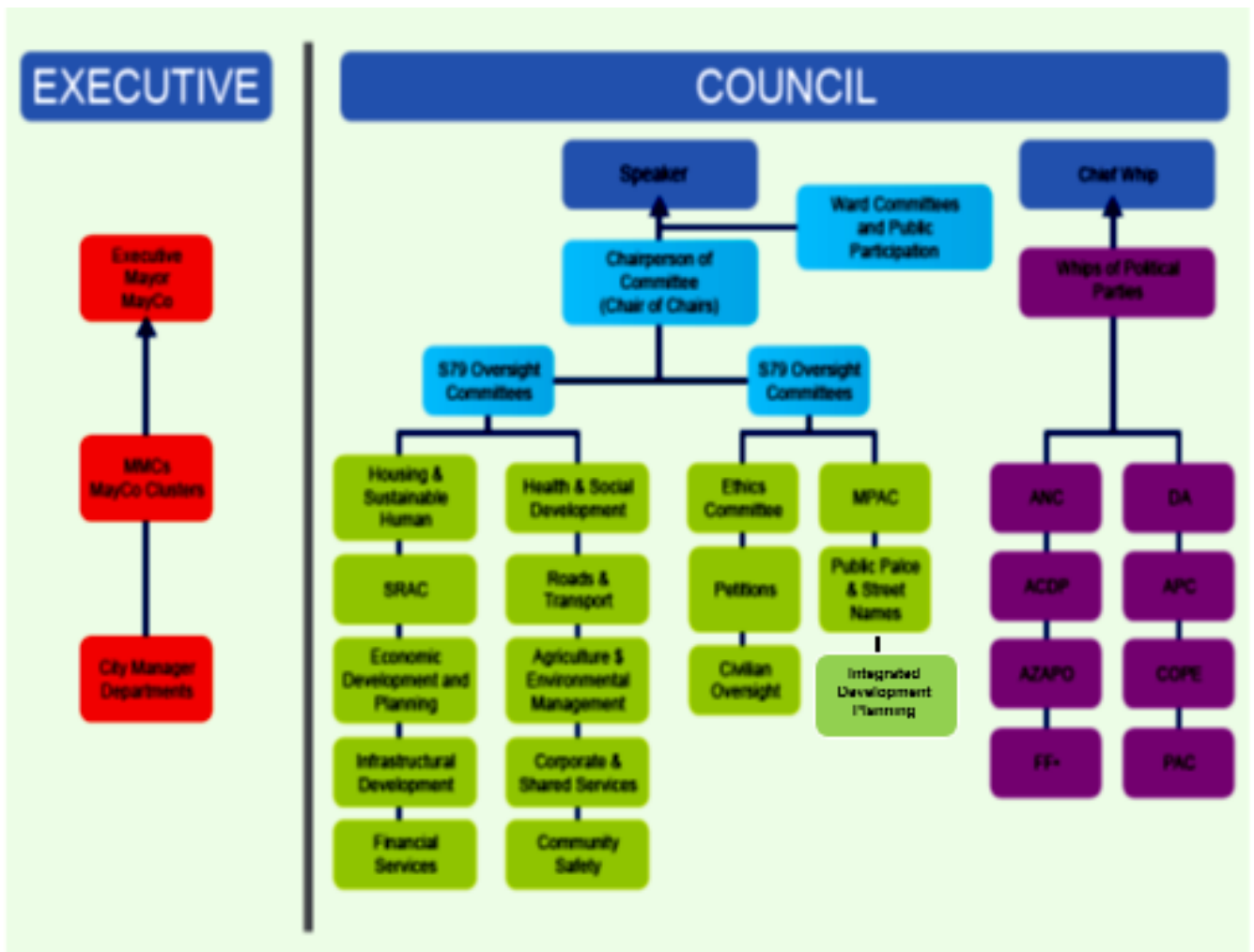
INTRODUCTION

An accountable government is one that is transparent and accessible. This chapter reports on governance by the City of Tshwane. This section provides an overview of the framework of the institutional management and governance structures through which the City implements its strategies using the appropriate resources.

The following key aspects are reported on:

- Mechanisms for political and administrative governance
- Intergovernmental relations
- Public accountability and participation
- Corporate governance

Figure 6: Governance Model of the City of Tshwane



1 Political governance

Legislature

The legislature consists of the Council; the Speaker of Council, Councillor Rachel Mathebe; the Chief Whip, Councillor Christiaan van der Heever; and two sets of Council committees: Section 79 portfolio committees and standing committees.

Council

The Council consists of 214 elected councillors, of which 107 are ward councillors and 107 are proportional representation councillors. The role of Council, in line with the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), is to engage in meaningful discussion on matters related to Tshwane's development.

Council is responsible for approving municipal by-laws, the IDP, the budget and tariffs. Further, Council, through its various committees, monitors and scrutinises delivery and outputs as carried out by the executive branch. In relation to public participation, Council is responsible for facilitating stakeholder and community participation in the affairs of the Municipality as described by the Municipal Structures Act.

Office of the chief whip

The Office of the Chief Whip was established to create synergy and to maintain discipline among councillors from various political parties. The role of the Chief Whip of Council covers both the political and administrative domains of Council, with emphasis on the political aspect.

The Chief Whip of Council works with a committee, the Multiparty Whippery, which consists of the whips of the various political parties represented in Council.

The roles and responsibilities of the Whippery include the following:

- Ensuring quorate Council and committees of Council meetings
- Promoting and maintaining positive party-to-party relations
- Ensuring that councillors attend Council and committee meetings
- Representing their parties on the Programming Committee
- Ensuring that party members are familiar with the Standing Rules and Orders of Council
- Organising the work of councillors in party caucuses
- Nominating speakers for debates
- Assessing the performance of councillors
- Deciding the party allocation of councillors to committees
- Facilitating and coordinating inspections in loco in respect of study groups



Figure 7: Multiparty Whippery Committee

Oversight Committees of Council

The Section 79 oversight committees are chaired by councillors who are designated full-time councillors and these chairpersons are elected by Council. The responsibilities of the Section 79 committees are as follows:

- Scrutinising reports referred to them by Council emanating from the Executive Mayor and/or Mayoral Committee and advising Council accordingly
- Overseeing the performance of the executive branch and departments on behalf of Council
- Providing an advisory legislative role

Table 3: Chairpersons of committees in the City of Tshwane

Name	Committee
Ali Makhafula	Community Safety
Peter Sutton	Finance
Thabisile Vilakazi	Sport and Recreation
Abel Nkwana	Economic Development and Spatial Planning
Dikeledi Selowa	Services Infrastructure
Wildri Peach	Agriculture and Environmental Management
Zweli Khumalo	Corporate and Shared Services
Elmarie Linde	Transport
Nkele Molapo	Housing and Human Settlement
Rita Aucamp (Alderwoman)	Health and Social Development
Prof Clive Napier	Integrated Development Planning

Political leadership of the City of Tshwane

Following the conclusion of the 2016 local government elections, the Executive Mayor, Councillor Solly Msimanga, took the reins of the administrative capital on 19 August 2016. In terms of the Municipal Structures Act, an executive mayor must appoint a mayoral committee from the elected councillors to assist him or her. An executive mayor may delegate specific responsibilities and powers to the MMCs.

The Executive Mayor, assisted by the Mayoral Committee, leads the executive branch of the City. The executive powers are vested in him by Council to manage the daily affairs of the City.

Each Member of the Mayoral Committee is responsible for a specific portfolio, as listed below:

Executive Mayor	Cllr Solly Msimanga
Speaker	Cllr Rachel Mathebe
Chief Whip	Cllr Christian van der Heerven

Table 4: Council seat allocation

SUMMARY OF COUNCIL SEAT ALLOCATION					
No.	PARTY		WARD SEATS	PR SEATS	TOTAL SEATS
1.	Democratic Alliance	DA	39	54	93
2.	African National Congress	ANC	68	21	89
3.	Economic Freedom Fighters	EFF	0	25	25
4.	Freedom Front Plus	FF+	0	4	4
5.	African Christian Democratic Party	ACDP	0	1	1
6.	Congress of the People	COPE	0	1	1
7.	Pan Africanist Congress of Azania	PAC	0	1	1

SUMMARY OF COUNCIL SEAT ALLOCATION					
No.	PARTY		WARD SEATS	PR SEATS	TOTAL SEATS
	TOTAL SEATS		107	107	214

Standing Committees

Standing committees are permanent committees established to deal with Council-related matters. They are delegated some decision-making powers and are required to submit reports to Council. Councillors chair all standing committees, except the Audit Performance Committee, which is chaired by an independent person in line with the prescriptions of the Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA).

The standing committees and their chairpersons are as follows:

Table 5: Chairpersons of standing committees of Council

Chairperson	Committee
Awie Erasmus	Municipal Public Accounts
Hannes Coetzee	Civilian Oversight
Kate Prinsloo (Alderwoman)	Petitions
Piet Uys	Rules and Ethics
Karen Meyer (Alderwoman)	Local Geographical Names

Executive Mayor and Mayoral Committee

Following the conclusion of the 2016 local government elections, The Executive Mayor, Councillor Solly Msimanga took the reigns of the administrative capital on the 19th August 2016. In terms of the Municipal Structures Act, an executive mayor must appoint a mayoral committee from the elected councillors to assist him or her. An executive mayor may delegate specific responsibilities and powers to the MMCs.

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Each Member of the Mayoral Committee is responsible for a specific portfolio, as listed below:

Table 6: Members of the Mayoral Committee

Member	Portfolio
Mike Mkhari	Agriculture and Environmental Management
Randall Williams	Economic Development and Spatial Planning
Cilliers Brink	Corporate and Shared Services
Annruth Kisoonduth	Safety and Security
Mare-Lise Fourie	Finance
Sakkie du Plooy	Health and Social Development
Mandla Nkomo	Housing and Human Settlements
Darryl Moss	Infrastructure

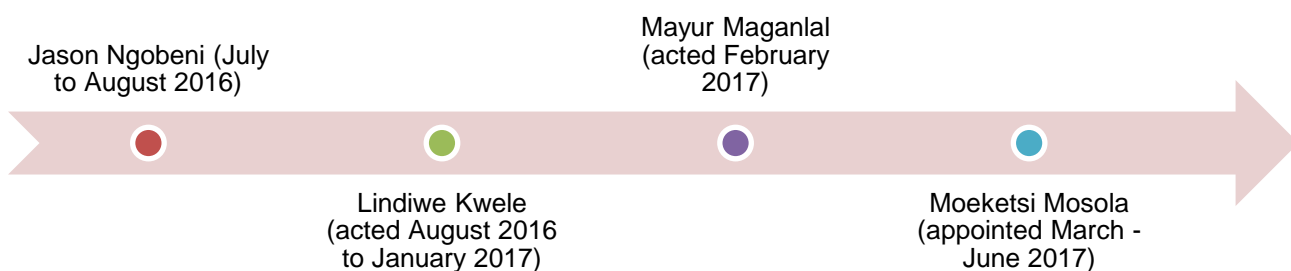
Member	Portfolio
Ntsiki Mokhotho	Sport, Recreation, Arts and Culture
Sheila Lynn Senkubuge	Roads and Transport

2 Administrative governance

The administration is accountable to the executive through the City Manager. Through various structured committees, reports are generated and submitted to the Executive Mayor and the Mayoral Committee in order to comply with applicable legislation, to seek approval and provide updates on service delivery, as well as to explore new and innovative ways to provide services to the community.

After the local government elections in August 2016, the new political dispensation reviewed the institutional arrangements in the City. The purpose was to restructure the organisation to enable it to respond and deliver the priorities of local government.

Figure 8: Municipal managers in City of Tshwane for FY 2016/17



The City of Tshwane had two different macro organisational structures that were in force during the financial year. The second structure became operational from February 2017.



CITY MANAGER /
RECOMMENDED

DATE

13/11/2013

**CITY OF TSHWANE ADMINISTRATION
MACRO ORGANISATIONAL STRUCTURE**

EXECUTIVE MAYOR /
APPROVED

DATE

16/01/14



TSHWANE
Siyona! 2055

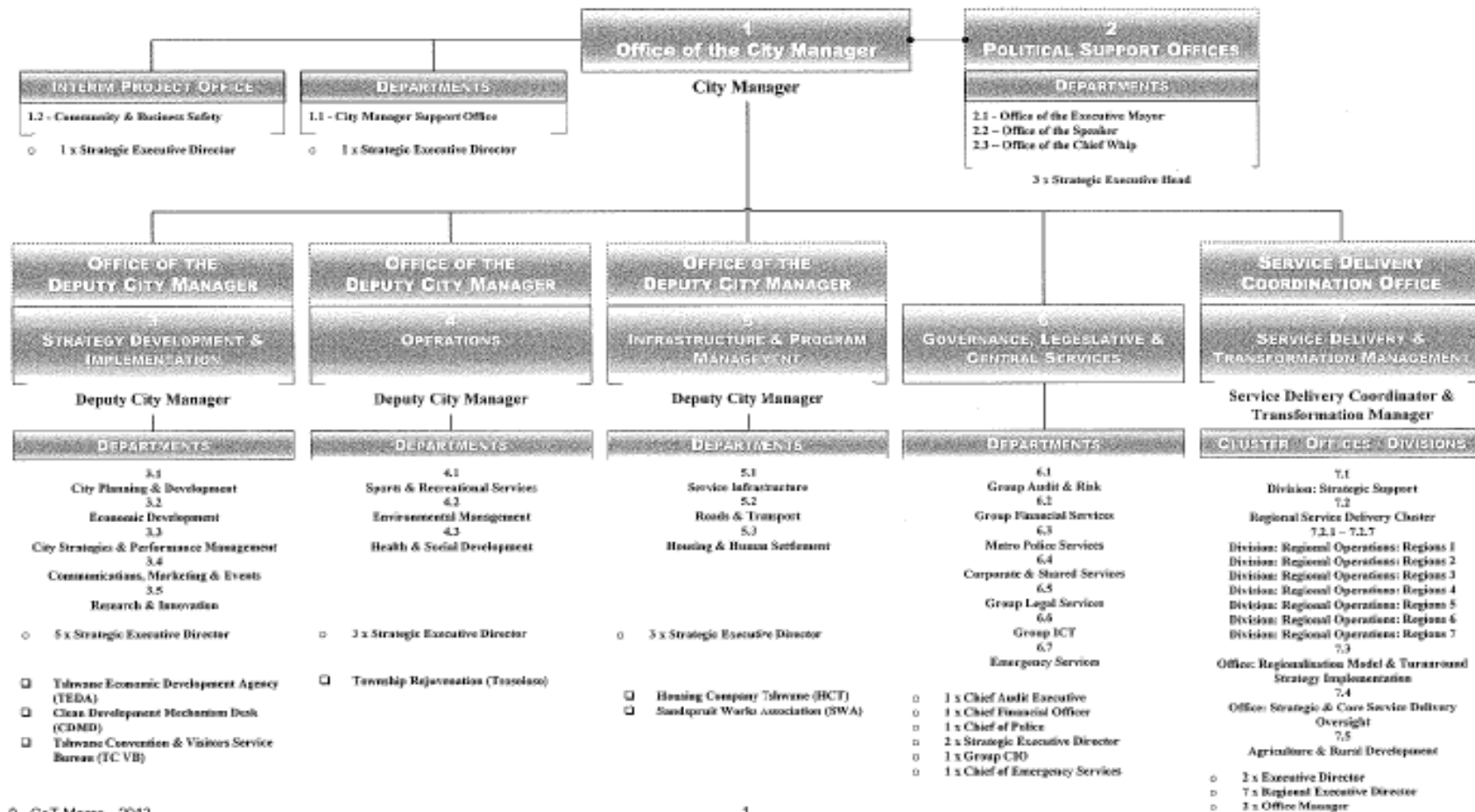
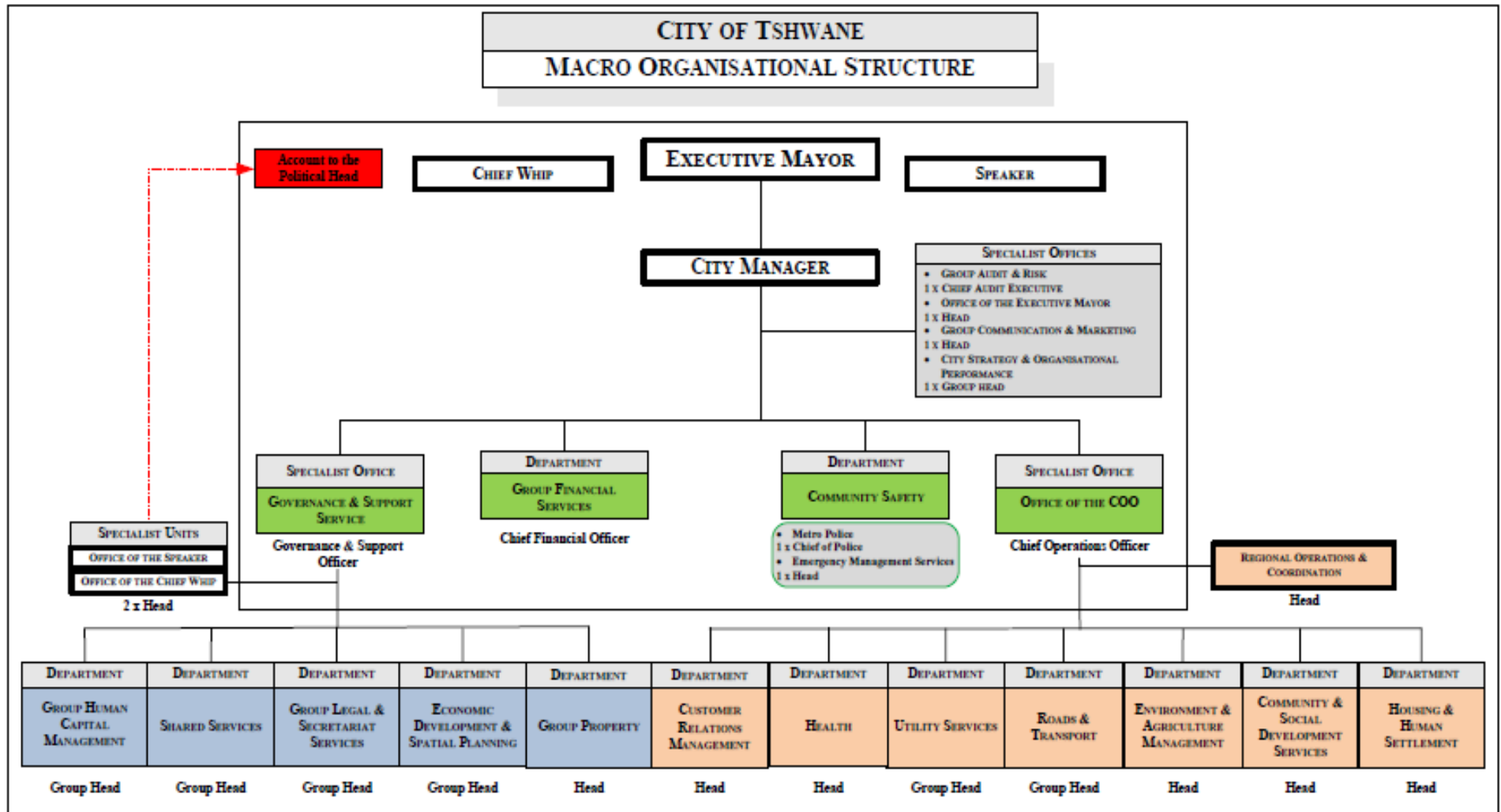


Figure 9: City of Tshwane macro organisational structure operational from February 2017



3 Intergovernmental relations

1 Introduction

Since Tshwane is the administrative capital of South Africa, the City of Tshwane has unique international obligations and responsibilities. The Office of the Executive Mayor provides administrative support to the Executive Mayor in executing the Executive Mayor's intergovernmental and international relations functions. Key support functions include research and the formation of administrative partnerships that enable, for example signing city-to-city cooperation agreements, hosting international conferences and engaging with the diplomatic community.

The Office of the Executive Mayor also ensures that media enquiries are responded to swiftly and that the Executive Mayor has all relevant information when participating in intergovernmental forums.

2 National intergovernmental structures

The City of Tshwane conducts its intergovernmental business following the prescripts of the Intergovernmental Relations (IGR) Framework at both the political and administrative level. The City participates in the members' forum of the South African Local Government Association (SALGA) and the Provincial Executive Committee Lekgotla of this association with other municipalities to discuss local government issues. The aim is to ensure that national government provides an environment that is conducive for municipalities to deliver services to communities. The City also participates in MinMec meetings to discuss national policy and strategic issues.

The City of Tshwane's IGR practitioners attend meetings and workshops convened by Cooperative Governance and Traditional Affairs (COGTA), SALGA and the Office of the Premier. These meetings focus on support to municipalities in their management of IGR and on strengthening the functioning of the IGR system at the level of local government. The engagements also concerned sharing and examining information that has policy implications that affect local government and the City of Tshwane in particular. In addition, the Premier will engage with provincial executive mayors about issues that affect their cities.

COGTA and the City of Tshwane met with other national structures and counterparts and enjoyed the benefit of sharing the national perspective and challenges of IGR coordination programmes and projects, as well as best practices in solving some of the IGR challenges, with other metros and municipalities. Interactions with other spheres of government also ensured that there is alignment in terms of planning and implementation of government programmes and projects. These meetings also provided space for capacity building and skills development of skills

3 Provincial intergovernmental structures

The Executive Mayor participates in the Premier's Coordinating Forum (PCF), the Extended Executive Council Lekgotla. The City of Tshwane participates in the SALGA Gauteng Members' Forum where the Executive Mayor of Tshwane is a member of the Provincial Executive Committee. Benefits include ensuring collective planning on issues of interest to local government in Gauteng and agreeing on issues of mutual interest.

The Executive Mayor also serves on the board of the South African Cities Network (SACN) as well as other strategic forums.

The Executive Mayor delegates attendance of the Provincial IGR Forum to MMCs, who facilitate their own sectoral engagements and are involved in policy-making MEC or MMC forums. The City of Tshwane encourages the implementation of protocols, particularly for agreements on projects with other spheres of

government, and it supports technical engagements by City departments, which receive their mandate from their Mayoral Committee Clusters and the IDP.

In terms of Section 55(1) of the Municipal Systems Act, 2000, the City Manager coordinates intergovernmental relations as the administrative head of the Municipality, participates in the Provincial Coordinating Forum Technical Committee and SALGA technical committees, and also engages ex officio in other statutory technical committees on national, provincial and municipal level.

In order to promote the coordinated implementation of the City's IDP and to ensure alignment of the service delivery programme with other spheres of government, heads of City departments (Group Heads) participate in sector forums and maintain working relations with the relevant national and provincial departments.

The City of Tshwane's IGR and IR Unit staff members participate in the Provincial Intergovernmental Relations and International Relations Forums convened quarterly by the Office of the Premier, where metropolitan and district municipalities of Gauteng meet to discuss policies and programmes and to share information and best practices.

The City of Tshwane developed its own IGR Forum for City departments and community-based structures, such as those for community development workers and representatives of traditional leaders in the Tshwane region. The IGR Forum helps to coordinate IGR work and provides better reporting on IGR practice in the City. The City of Tshwane IGR Forum is linked to the provincial IGR system and provides reports to the Provincial IGR Forum. This is intended to enhance alignment and coordination in the delivery of services to communities with other spheres of government and other municipalities and organs of state.

The City of Tshwane has regular engagements with other municipalities and also provides water to neighbouring municipalities.

4 Public accountability and participation

Introduction

This section outlines the legislative framework that guides community and stakeholder participation as well as the community outreach processes that have been conducted in developing the IDP review for the 2017/18 financial year.

The development of the Municipal Integrated Development Plan is guided by Chapter 5 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) (MSA). The MSA is founded on the constitutional principles of participatory democracy and cooperation. The annual review and amendment of the IDP are prescribed by Section 34 of the MSA.

One of the City's commitments is to promote public participation and consultation, which is based on constitutional and legal obligations, including the governance model. To give effect to this commitment, the City has and will continue to promote participatory engagements with communities in all its processes, including development of the IDP.

Communities were consulted during review of the IDP and budget, as well as the adjusted SDBIP and the annual report. In February 2017, the City engaged with its provincial counterparts in accordance with the IDP July-to-July Road Map of provincial COGTA and the approved IDP process plan. The objectives of the discussions were to –

- solicit progress on the provincial projects for the 2017/18 financial year;
- provide a platform for provincial departments to articulate their priorities for the 2017/18 financial year; and

- address issues of dependency and ensure alignment with provincial and national counterparts.

Further consultations were held with stakeholder groups during March and April 2017 to finalise the draft IDP 2017–2021 that was submitted to Council for approval in May 2017.

5 Corporate governance

BY – LAWS

By-laws assist the City to regulate the utilisation of municipal facilities (such as resorts, parks and swimming pools) so as to ensure that they are utilised in a safe and orderly manner and contribute to the well-being of the people and environment of the municipality.

The following table provides information on by-laws developed by the City in the 2016/17 financial year.

Table 7: By-laws promulgated

Name of by-law	Status	Date promulgated
Homes for the Elderly: LAN 584	Promulgated	Provincial Gazette 102 of 2 February 2017
Withdrawal and Determination of Various Fees, Charges, Tariffs and Property Rates and Taxes: LAN 923	Promulgated	Provincial Gazette 153, Vol 23 of 28 June 2017
Property Rates By-laws and Policy: LAN 924	Promulgated	Provincial Gazette 153, Vol 23 of 28 June 2017

3 Service Delivery Performance

INTRODUCTION

The purpose of this chapter is to report on the core service delivery areas of the Municipality, aligned with the schedule 4 and 5 functions as set out in the Constitution, and as planned for in the 2016/17 IDP and SDBIP.

CONTENTS OF THE CHAPTER

The contents of this section are arranged in response to the National Treasury's MFMA Circular 63 and not by the City of Tshwane departments. The following table should be used as a guide to navigate the content of the chapter.

Table 8: Areas of performance reported on in this chapter

Component	Contents
A: Basic services	<ul style="list-style-type: none"> • Water (including SWA) • Sanitation • Electricity • Waste management • Housing and related services (including HCT) • Free basic services and indigent support
B: Road transport	<ul style="list-style-type: none"> • Roads and storm water services • Transport services (excluding TRT which is discussed in the previous section as a flagship project)
C: Planning and development	<ul style="list-style-type: none"> • Land-use planning and development applications • Local economic development and job creation (including TEDA)
D: Community and social services	<ul style="list-style-type: none"> • Libraries • Social programmes
E: Health	<ul style="list-style-type: none"> • Clinics • Primary health care • Environmental health • Ambulance services
F: Safety and security	<ul style="list-style-type: none"> • Metro Police • Fire rescue • Disaster management
G: Sport and recreation	<ul style="list-style-type: none"> • Sport and recreation
H: Corporate policy offices	<ul style="list-style-type: none"> • Human resource services, property management and fleet • City strategies and performance management • City Sustainability • Information and Communication Technology • Office of the Speaker • Legal Services • Audit and Risk • Communication and Marketing

Component	Contents
	<ul style="list-style-type: none"> • Group Property Management
I: Organisational performance scorecard	<ul style="list-style-type: none"> • Performance scorecards for the IDP and SDBIP of the 2016/17 financial year

Highlight: Mayoral Economic Summit 22 to 23 February 2017

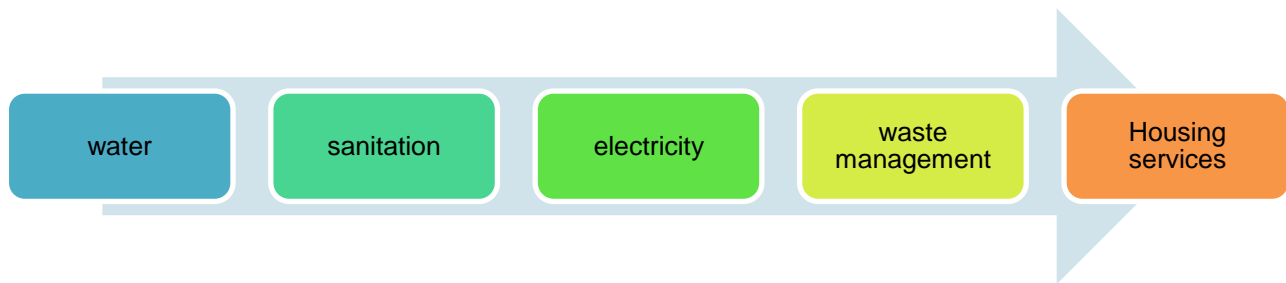
Topics included the following:

- Specific projects identified to address inner city decay in the CBD and Centurion
- Stringent by-law enforcement and traffic control
- Deployment of social workers in communities
- Metro Police cadet programme and the safe schools project, which promote responsible citizenship
- Development of an advanced manufacturing section in partnership with private investors
- Multi-billion-rand mixed-use developments include the Hazeldean development, Menlyn Maine and the African Gateway
- .

A Basic services

INTRODUCTION

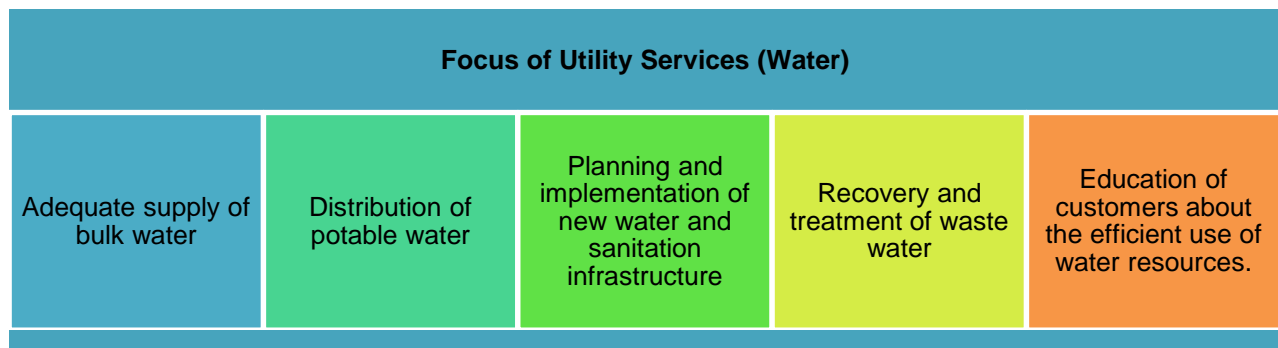
This section of the report focuses on the provision of basic services and housing services. The performance on specific targets contained in the IDP, SDBIP and the business plans of municipal entities are found in the scorecards later in this chapter.



1 Water

INTRODUCTION

Water is provided by the Utility Services Department and the Housing and Human Settlement Department.



WATER PROVISION

Tshwane's rapid growth and ageing infrastructure have resulted in a backlog of capacity at waste water treatment works. The growth of informal settlements has led to backlogs in the distribution of metered water to residents in these areas. However, Council has taken a resolution to ensure provision of water in these informal settlements. This will address the backlog problem in the short term, but the solution is to formalise these areas so that a permanent network can be installed.

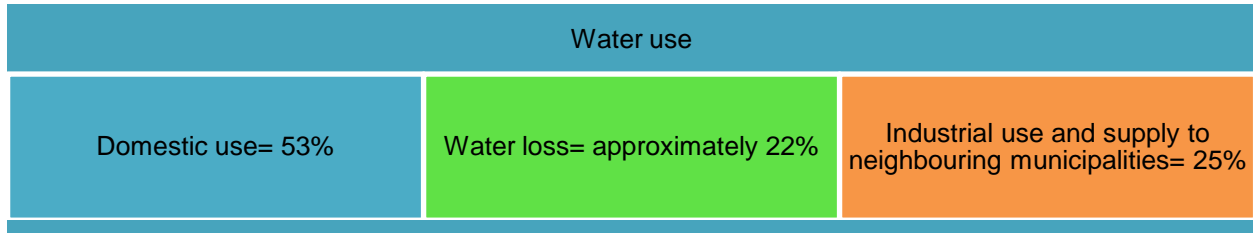
The quality of water in Tshwane has been rated at a South African National Standard 241 level of 99,1%, placing it in the top category of quality drinking water in South Africa.

The City of Tshwane analyses approximately 9 000 water samples per month, including tap samples (point of use), distribution network samples, reservoir samples, samples from water treatment works, as well as samples from catchment areas, boreholes and springs.

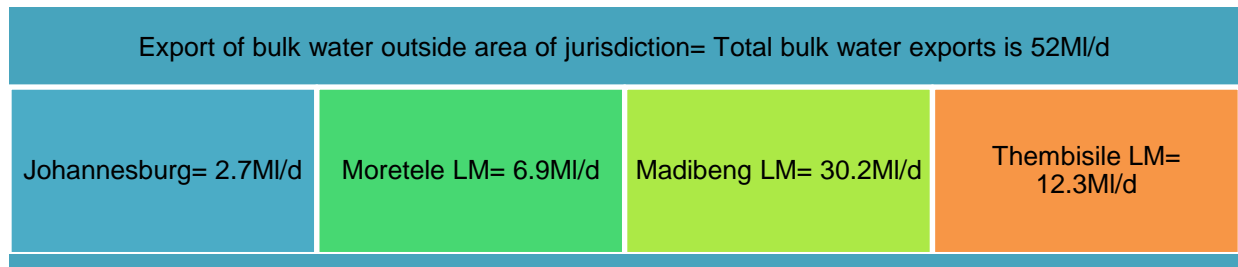
Table 9: Provision of water services since 2011

Indicator or service	Five-year plan (2000–2006)		Five-year plan (2006–2011)		Five-year plan (2011–2016)		Current 2016/17		Total to date
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
New water meter connections (consumer applications)	16 000	20 639	21 000	18 571	4 360	4 656	5200	5 516	49 382
Water backlog (number)	-	-	23 578	25 761	7 100	-	900	0	25 761
New water infrastructure (meter, bulk and network)	24 300 m	37 356 m	142 816 m	246 317 m	31 898 m	18 446 m	0	12130m	314 249
Water infrastructure upgraded (meter, bulk and network)	132 090 m	216 341 m	857 917 m	813 688 m	12 900 m	94 156 m	8500m	7679m	1 131 864m

ACCESS TO WATER



The net average volume supplied in Tshwane is 961 Mℓ/day.



The City is implementing service projects to address backlogs in the formalisable settlements of Ramotse, Marokolong, Kudube, Suurman, Mashemong, Majaneng, Stinkwater, New Eersterus, Tswaing and Ekangala. These areas are already supplied with a basic water service. Upgrading to full-service metered water connections per stand is scheduled before waterborne sanitation is installed.

Bulk water and sanitation infrastructure projects precede the reticulation components. The Temba Waste Water Treatment Works and Temba Water Purification Plant upgrades are part of these components, as is the Babelegi Reservoir.

INFORMAL SETTLEMENTS

The City provides water services to informal settlements via standpipes. Such informal settlements are also serviced via water tankers that fill JoJo tanks placed in certain informal settlements. The City has established a programme called “Re Aga Tshwane”, where the challenge of informal settlements and basic service delivery are addressed with dedicated resources. In the 2016/17 financial year all informal settlements were provided with rudimentary water services.

NEW CONNECTIONS

Water connections are provided either through a response to consumer applications or the backlog eradication programme. The Utility Services department recorded new connections in financial year 2016/17 which are application driven, since the project for backlog was completed in the previous financial year. 5 516 new connections were made.

Table 10: Upgrade of water connections from basic to full services

KPI	Programme targets	Achievement to date
Number of full service metered connections installed (backlogs)	2011/12: 787	2011/12: 787
	2012/13: 180 (967)	2012/13: 325
	2013/14: 6 905	2013/14: 14 292
	2014/15: 6 040	2014/15: 9 358
	2015/16: 1 400	2015/16: 4502
	2016/17: 5 200	2016/17: 5 516

PROVISION OF WATER SUPPLY TO MEET GROWING DEMAND

In accordance with the City of Tshwane’s current water and sewer master plan, which was based on the Municipal Spatial Development Framework (MSDF), the City’s potable water demand is set to increase over the next 40 to 50 years to 2 600 Mℓ/d, with concomitant increase in sewer return flows to 1 600 Mℓ/d.

The anticipated future water demands and sewer return flows will require a growth rate of ± 2% per annum (in Tshwane) which is not altogether unrealistic, given historical statistics. There are, however, a few large areas where growth may or may not occur as anticipated. This may have a significant effect on sewer return flows and therefore on the water resource availability at certain points in the Crocodile and Olifants River basins:

- R21 Corridor (extends into Ekurhuleni)
- Western Centurion
- East of Silver Lakes
- Doornpoort (north of Montana)
- Kameeldrift/Derdepoort area (southwest of Roodeplaat Dam)
- Area southeast of Soshanguve
- South of Temba

PROVISION OF BULK WATER AND UPGRADE OF INFRASTRUCTURE

The City of Tshwane’s waste water treatment works are being upgraded and extended to comply with the strict standards that are necessary to prevent pollution of the environment.

REDUCTION OF NON-REVENUE WATER

The components of non-revenue water (NRW) are **apparent losses**, **real losses** and **unbilled authorised consumption** (unbilled metered/billed metered). It should be noted that free basic water is treated as ‘revenue water’. By reducing input volume, leakage, apparent losses and unbilled authorised consumption, non-revenue water will decrease.

The City of Tshwane has identified certain key initiatives in the Water Conservation and Water Demand Management Strategy that have proven to have the largest impact on NRW and water demand. These initiatives are the following:

- **Pipeline and valve replacement** (reduces physical loss): To reduce leaks and bursts, replacement and upgrading of pipelines and valves will continue as an ongoing project.
- **Pressure management and installation of smart controllers** (reduces physical loss): This is an ongoing initiative in the City of Tshwane. This programme supports the pipe replacement programme. Total annual water savings as a result of ongoing initiatives equate to R15,2 million.
- **Industrial and commercial water meter audits** (target apparent losses and increases revenue): This initiative relates to revenue enhancement in industrial areas and commercial business districts. It involves tracing unmetered connections, combining multiple metering points into a single feed where applicable, completing shut-downs and pressure testing to ensure discreteness of each stand, replacing faulty meters and incorrect meter installations, and ensuring that all meters are on the City of Tshwane billing system. Increased annual revenue as a result of these initiatives has resulted in an additional annual income in excess of R13,8 million.
- **Top 600 consumer water meter audits** (targets apparent losses and increases revenue): These are the largest consumers of water in Tshwane and special attention is given to ensure that water meters are replaced at regular intervals that do not exceed eight years. A pilot project to install advanced metering systems linked to a web-based reporting system has commenced. Equipment has been installed at 10 of the identified large consumers.
- **Monitoring of flow and pressure in reservoir zones** (analysis of high night flow (results in decreased physical loss): This includes monitoring minimum night flows in the various reticulation systems in order to pinpoint areas of high leakage or problems with zone discreteness.
- **Domestic meter audits and replacements** (target apparent losses and increases revenue): Throughout Tshwane, a total of 43 433 defective, vandalised, damaged and stolen domestic and bulk water meters were replaced. Aging and defective water meters tend to underregister, and revenue is significantly enhanced by this ongoing initiative.
- **Visual leak identification and repair projects** (result in decreased physical loss): Visual leak inspection initiatives in previously disadvantaged areas.

TOTAL USE OF WATER BY SECTOR AND WATER QUALITY

Domestic water consumption is the largest sector of water use in Tshwane as indicated in the following table.

Table 11: Water use by sector

Total Use of Water by Sector (cubic meters)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2016/17	2 872 945	0	83 021 446	128 724 974	66 509 725 (23.66%)

The Blue Drop assessment indicates water quality. The following table provides comparative information on the Blue Drop assessment scores with the most recent available information.

Table 12: Blue Drop assessment scores

Performance area	Tshwane Central and South (Rietvlei)	Nokeng	Tshwane North (Roodeplaat)	Temba	CBD (Findley)	Bronkhorstspuit	Bronkhorstbaai	Summer Place
2010 Blue Drop score	96,36%	61,25%	96,36%	96,36%	96,36%	41,25%	19,50%	Not Assessed
2011 Blue Drop score	97,22%	83,01%	95,48%	82,35%	92,22%	81,24%	66,99%	Not Assessed
2012 Blue Drop score	99,20%	90,75%	96,88%	93,50%	97,02%	95,33%	78,07%	66,33%
2013 Blue Drop (estimate)	99,50%	95,00%	97,00%	97,00%	98,00%	97,00%	95,00%	80,00%
2014 Blue Drop score	97,56%	-	97,22%	88,97%	96,04%	96,08%	90,67%	95,57%
2015 Blue Drop score	No score	-	No score	No score	No score	No score	No score	No score
2016 Blue Drop score	No score	0	No score	No score	No score	No score	No score	No score
System design capacity (Ml/day)	40	14	60	60	40	54	1	1
Operational capacity (% in terms of design)	92,50%	69%	75%	92%	94%	93%	100%	91%
Population served	1 193 194	63 595	643 860	500 875	5 000	121 228	2 000	500
Water safety planning (%)	97%	84%	97%	97%	97%	97%	90%	84%
Treatment process management	100%	93%	100%	100%	75%	85%	51%	36%
DWQ compliance	100%	100%	100%	86%	100%	100%	62%	18%
Microbiological compliance (%)	99,90%	97,20%	99,20%	98,60%	99,90%	99,90%	94,30%	87,50%
Chemical compliance (%)	99,90%	99,90%	99,90%	99,90%	99,90%	99,90%	99,10%	95,10%

2 Provision of Sanitation

INTRODUCTION

The provision of sanitation is an essential service led by the Services Infrastructure Department, which was renamed to Utility Services in November 2016 in accordance with the new organisational structure. Sandspruit Works Association also provided a sanitation service in specific areas in Tshwane during the 2016/17 financial year. In addition, the Housing and Human Settlement Department also contributed to the provision of sanitation services in Tshwane.

Levels of sanitation service	
Full sanitation services (flush toilets) Current project= Nelmapius extension 24 which is the installation of waterborne sanitation with toilet top structures.	Basic level of service (includes urine diversion systems)

Winterveld consists of large plots which vary in size from 5 to 10 morgen. The owner(s) often give permission for individuals to stay on their properties. These stands are not formally sub-divided, however, the occupant(s) rent the 'stand' from the owner. This results in these plots being occupied by more than one household for which services are installed.

ADDRESSING BACKLOGS

Factors affecting reduction of sanitation backlogs				
Full service water supply	Formalised plans	Bulk infrastructure	Availability of sewer reticulation	Funding

The following table outlines achievements on sanitation provision since 2011.

Table 13: Sanitation achievements since 2011

Programme targets	Achievements to date
2011/12: 3 228 2012/13: 2 787 2013/14: 3 608 2014/15: 1 000 2016/17: 1 800	2011/12: 2 005 2012/13: 1 700 2013/14: 1 910 2014/15: 2 072 2015/16: 2 371 2016/17: 1 586

Setbacks, such as the Rooiwal sewage spill into the Apies River, resulted in concerns about contaminated borehole water and led to urgent action by the City at the Rooiwal Waste Water Treatment Works (WWTW). This treatment plant has been repaired, and it will be closely monitored until the extension and refurbishment of Rooiwal WWTW is completed in 2019.

BULK INFRASTRUCTURE

Bulk infrastructure that is currently under construction are as follows:

- The Temba Water Purification Plant Extension
- The Temba Waste Water Treatment Works Extension
- The Moreleta and Silver Lakes outfall sewers
- Annlyn, Parkmore, Klipgat/Hospital and Babelegi Reservoirs
- Ekangala WWTW – almost completed with commissioning in progress

The following table summarises sanitation provision since 2011.

Table 14: Sanitation provision since 2011

Indicator or service	Five-year plan (2000–2006)		Five-year plan (2006–2011)		Five-year plan (2011–2016)		Five-year plan (2017–2022) Current (2016/17)		Total for year to date
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Sanitation backlog (number)	-	-	13 852m	9 516m	12 823m	9 999m		0	19 515m
New sanitation infrastructure (meter, bulk and network)	44 439 m	38 106 m	104 869 m	37 869 m	128 731 m	113 227m	2750m	7130m	196 332m
Sewer infrastructure upgraded (meter, bulk and network)	23 578 m	25 761 m	159 720 m	140 029 m	85 810 m	90 125m	3000m	0	255 915m

The following table summarises sanitation service delivery levels up to 2016.

Table 15: Sanitation service delivery levels

Sanitation Service Delivery Levels				
*Households				
Description	2015/16		2016/17	
	Target	Actual	Target	Actual
	Outcome	Outcome	Outcome	Actual
	No.	No.	No.	No.
Sanitation/sewerage: (above minimum level)				
Flush toilet (connected to sewerage)		574 379		582 994
Flush toilet (with septic tank)		-		
Chemical toilet		-		
Pit toilet (ventilated)		4,975		4 975
Other toilet provisions (above min.service level)		12,733		12 943
<i>Minimum Service Level and Above sub-total</i>		581 229		600 912
<i>Minimum Service Level and Above Percentage</i>		79%		75%
Sanitation/sewerage: (below minimum level)				
Bucket toilet		-		
Other toilet provisions (below min.service level)				
No of toilet provisions		151,863		185,289
<i>Below Minimum Service Level sub-total</i>		196 146		203 174
<i>Below Minimum Service Level Percentage</i>		25%		25%
Total households		777 375		804 085

2.1 Sandspruit Works Association

INTRODUCTION

SWA is a registered Non-Profit Company (Section 21) which was recognized as a municipal entity of the City of Tshwane Metropolitan Municipality until its disestablishment at the end of the financial year under review. SWA undertook the provision of water and sanitation services function in the northern region of the City of Tshwane Metropolitan Municipality (CTMM) and thus had the function of a Water Services Provider (WSP) in terms of the Water Services Act (Act 108 of 1997). The supply area of Sandspruit Works Association included Garankuwa, Mabopane and Winterveldt. The principal activity of the company was to install, provide and maintain water and sanitation services and related services to these designated areas.

CORPORATE GOVERNANCE AT SWA

To ensure accountability and governance arrangements are in place, Section 121(2) (c) of the MFMA supports the requirements of Section 18(1) (d) of the MSA: information on matters of governance should be communicated to communities. This should, according to Sections 65(1) (a) of the MFMA and 46 of the MSA be undertaken through the compilation and publication of the Annual Report. The purpose of such an

annual report is to promote accountability to communities for decisions taken by the Council and matters relating to administrative structures, throughout a financial year.

The board provides effective leadership based on a principled foundation and the entity subscribes to high ethical standards. Responsible leadership, characterised by the values of responsibility, accountability, fairness and transparency, has been a defining characteristic of the entity since the company's establishment in 2005.

The fundamental objective has always been to do business ethically while building a sustainable company that recognises the short- and long-term impact of its activities on the economy, society and the environment. In its deliberations, decisions and actions, the board is sensitive to the legitimate interests and expectations of the company's stakeholders.

The Board of Directors has incorporated the City of Tshwane 's Corporate Governance Protocol in its Board Charter, which *inter alia* regulates its relationship with the City of Tshwane as its sole member and parent municipality in the interest of good corporate governance and good ethics.

The Protocol is premised on the principles enunciated in the King Report for Corporate Governance for South Africa 2009 (King III). The Company steadfastly consolidated its position in respect of adherence to the King III report on Corporate Governance. During the year under review the Company entrenched its risk management reviews and reporting and compliance assessments were conducted in terms of the Companies Act and the Municipal Finance Management Act (MFMA). The annual Board assessments and evaluations were conducted and an annual report for the previous year was effectively completed in accordance with the terms of section 121 of the Municipal Finance Management Act.

The board and management recognise that the entity is formed under a political structure. As such, it has a social and moral standing in society with all the attendant responsibilities. The board is therefore responsible for ensuring that the entity protects, enhances and invests in the well-being of the economy, society and natural environment, and pursues its activities within the limits of social, political and environmental responsibilities outlined in international conventions on human rights.

Compliance with laws, rules, codes and standards

The board is responsible for ensuring that the entity complies with applicable laws and considers adhering to non-binding rules, codes and standards.

The Board of Directors of SWA as stipulated in the King Code III and the Code of Conduct for Directors referred to in section 93L of the Municipal Systems Act, 2000 as amended

Table 16: SWA Board of Directors

Board Member	Capacity: Executive / Non-Executive	Race	Gender	Board Membership Committee
Z Kabini	Non-Executive Director	Black	Female	N/A
CV Maboka	Non-Executive Director	Black	Male	Operations Committee, Social and Ethics Committee and Governance Risk and Finance Committee.
LN Bokaba	Non-Executive Director	Black	Male	Operations Committee, Social and Ethics Committee and HR RemCo.
AZ Ndlala	Non-Executive Director	Black	Male	HR RemCo, Governance Risk and Finance Committee and Operations Committee.
Adv. B Malatji	Non-Executive Director	Black	Male	Social and Ethics Committee, HR RemCo and Governance Risk and Finance Committee
B Zwedala	Executive Director (ACEO)	Black	Female	

SWA's SUPPLY CHAIN PROCESSES AND CAPACITY

In terms of the Constitution, the procurement of goods and services must be done in accordance with a system that is fair, equitable, transparent, competitive and cost effective.

SWA has developed and implemented a Supply Chain Management Policy which is aligned to the City of Tshwane's policy and approved by its Board of Directors. The Supply Chain Management Policy sets out ethical and sound procurement practices to be followed by all staff involved in procuring of goods and services, to ensure value for money outcomes for SWA.

The practices in the policy are based upon and supplement the General Procurement Guidelines issued by the Minister of Finance and are to apply to purchases of goods, services, consultancies, specialized equipment etc. The development and implementation of the policy document therefore, represent a significant milestone towards facilitating the SWA's contribution towards the development and promotion of emerging and previously marginalized service providers/suppliers as well as provide a framework that satisfies the constitutional requirement of transparency and accountability. This Policy document will be subjected to changes/amendments, as new SCM prescripts are introduced/ put in place.

The SCM unit was established in September 2005 and which monitors the implementation of the entity's SCM policies in line with the regulations which seeks to modernize financial governance and improve accountability and transparency in the entity's processes. The entity's SCM policies provide for the exclusion of awards persons in the service of the state subject to the exemptions and regulations issued by National Treasury from time to time.

The following table lists the SCM committees and their related functions at SWA.

Table 17: SWA's supply chain committees and functions

Supply Chain Management Committees:	Guidelines	Functions and purpose of the Committee	No of Meetings targeted	Actual	Reasons	Intervention/ Action Taken
Bid Specification Committee	SCM Regulations 27	To develop and approve the bid specification	46	12	SWA Disestablishment	Advertised Bids were cancelled due to SWA Disestablishment
Bid Evaluation Committee	SCM Regulations 28	To evaluate the bids received, which include verification of the capacity/ability of the bidder to execute the contract from a technical, managerial and financial perspective, and to make recommendations to the BAC.	46	2	SWA Disestablishment	Advertised Bids were cancelled due to SWA Disestablishment
Bid Adjudication Committee	SCM Regulations 29	The BAC assesses the process followed by the BEC by making recommendations to ensure that the SCM policy and all other relevant legislative requirements have been complied with, and it makes the final award or recommendation to the CEO	46	2	SWA Disestablishment	Advertised Bids were cancelled due to SWA Disestablishment

Table 18: SWA's Bid Adjudication Committee Structure and non-compliance with the requirements

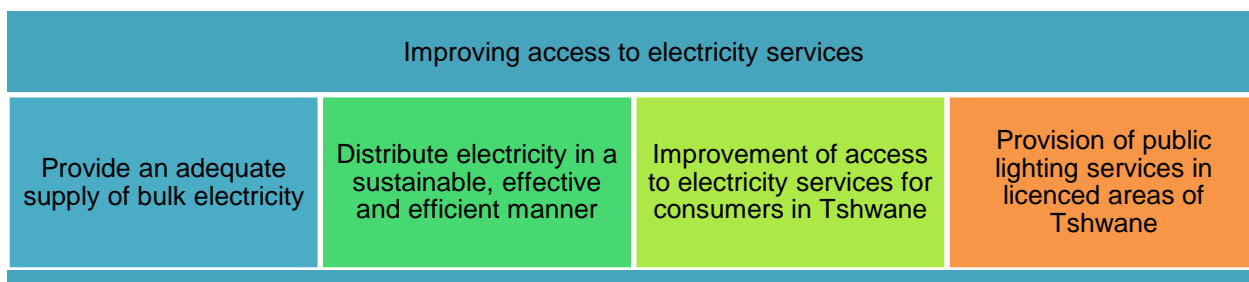
Supply Chain Management procurement threshold and delegations (Table 10) Value of Purchase	Procurement method and requirements	Delegated Authority	Oversight role	Procurement requirements defaults	Reasons	Intervention/ Action Taken
0 to R2,000	Petty Cash	Accounting Officer	Board of Directors	None	N/A	None
R2 0001 to R10 000	Request for Quotation (RFQ)/ Formal Written Price Quotation	Accounting Officer	Board of Directors	None	N/A	None
R10,000 to R30 000	Request for Quotation (RFQ)/ Formal Written Price Quotation	Accounting Officer	Board of Directors	None	N/A	None

Supply Chain Management procurement threshold and delegations (Table 10) Value of Purchase	Procurement method and requirements	Delegated Authority	Oversight role	Procurement requirements defaults	Reasons	Intervention/ Action Taken
R30 001 to R200 000	Request for Quotation (RFQ)/ Formal Written Price Quotation	Accounting Officer	Board of Directors	None	N/A	None
Tenders above R200 000 to R10 million and long term contracts	Bid	Accounting Officer	Board of Directors	None	All advertised bids were cancelled due to SWA Disestablishment	No awards were made
Tenders above R10 million	Bid	Accounting Officer	Board of Directors	None	No bids above R10 million were advertised	No awards were made

3 Electricity

INTRODUCTION

In November 2016, the Energy and Electricity Department, in accordance with the newly approved macro structure, merged with the Water and Sanitation Department to form the Utility Services Department. One of its main objectives is to improve access to electricity services in order to satisfy the essential needs of consumers in Tshwane.



During the 2016/17 financial year, the Municipality electrified houses in order to address backlogs, and it provided 2 222 electricity connections in formalised areas, as well as conventional and prepaid electricity services to Tshwane residents.

NEW CONNECTIONS

New connections cater for the ad hoc expansion of residential development in Tshwane. The need arises from private development for townships, land use applications (which include subdivisions) and consent use. The process starts with an application from a potential consumer and a subsequent payment for the provision of an electrical connection point. The City then responds to an application by providing a customer with a quotation and the connection is provided once a payment is made. The total electricity connections (application driven) for the year under review was 2 222.

ADDRESSING OF BACKLOGS

ELECTRICITY FOR ALL

The provision of electricity services to households follows the formalisation of townships by the Housing and Human Settlement Department and/or the Re Aga Tshwane programme through the township establishment processes. Once townships are formalised, provision of services, including electricity, follows. Due to the growth and establishment of new informal settlements, the service backlog figure is not static and changes continuously

New Connections programme 2016/17= 2 429 customers connected		
Region 1 Winterveldt Extension 3, Soshanguve Thorn Tree View, Soshanguve Extension 19	Region 3 Melusi informal settlement	Region 6 Mahube Valley Extension 2 and 15, Nelmapius Extension 21 and 24

Challenge: Most customers on stands are not in possession of the legal documentation required to process the applications.

Incomplete electrification projects due to shortage of materials 2016/17			
Region 1 Zone 14 informal settlement	Region 4 Olievenhoutbosch Extension 27 and 60	Region 5 Piensaarspoort	Region 7 Zithobeni Extension 9

PUBLIC LIGHTING

Lighting is achieved through the installation of street lights, lampposts, street lamps, and high-mast lights. Depending on where the street is, the infrastructure is connected through either underground or overhead network wiring. With the recent vandalism of street light poles in areas surrounding the CBD, a resolution was taken to replace the vandalised street light poles with concrete pole structures to ensure well-lit roads at night. 2 193 Street lights and 23 high mast lights were installed.



Figure 10: Street lights at Fountains Circle

BULK CAPACITY

The City has applied to Eskom for construction of the Wildebees infeed station to increase intake from the Eskom grid. In recent years, the City has experienced a steady growth and increase in electricity applications in the eastern part of Tshwane. The area is currently supplied from the Njala infeed station, which is currently operating beyond its maximum capacity. Therefore, it is necessary for the City to invest in the proposed Wildebees infeed station in order to alleviate capacity constraints in the eastern part of Tshwane. Discussions with Eskom on the technical designs, project specifications and implementation timelines are in the final stages. The City invested R26 million in the 2016/17 financial year to the Eskom portion of the works.

Four bulk electricity infrastructure projects were undertaken in the 2016/17 financial year in order to strengthen the existing network and to provide additional capacity for new developments.

Multi-year projects being implemented to eradicate the backlogs

<p>Construction of the new Soshanguve JJ 132/11KV, 40 MVA sub-station</p> <p>Phase one of the Soshanguve bulk electricity programme to phase out the 33kv network.</p> <p>Bulk earthworkds done. Contractor busy with civil work.</p> <p>Major equipment ordered</p>	<p>Upgrading of Eldoraigue 132/11KV substation</p> <p>Upgrade of capacity from 40MVA to 80MVA</p> <p>Status: 92% completion, with civil work done.</p> <p>Indoor equipment has been installed and commissioned.</p> <p>Outdoor yard equipment completed and energised.</p>	<p>Upgrading of Mamelodi 3 132/11kV substation</p> <p>Upgrade from the current capacity of 20MVA to 80MVA.</p> <p>Status: 88% completion, with civil works completed.</p> <p>The installation, testing and commissioning of all indoor equipment is completed.</p>	<p>Construction of 132kv power lines between Mamelodi 2 and the Hatherly primary sub-station</p> <p>To provide additional capacity for new developments in Nelmapius and Pienaarspoort</p> <p>Tower foundations (except 3) have been completed</p> <p>Contractor busy with assembly of steel towers</p> <p>Status: 65% completion</p>
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Figure 11: Eldoraigue 132/11kV substation



Figure 12: Mamelodi 3, 132/11kV substation



REDUCTION OF NON-REVENUE ENERGY

The non-revenue energy target was not achieved in the 2016/17 financial year. Electricity losses have increased in the past three financial years, with the losses in 2016/17 being recorded as 20.58%.

Challenges that remain include a shortage of metering equipment and devices, inadequate funds, the lack of a metering strategy, and personnel shortages.

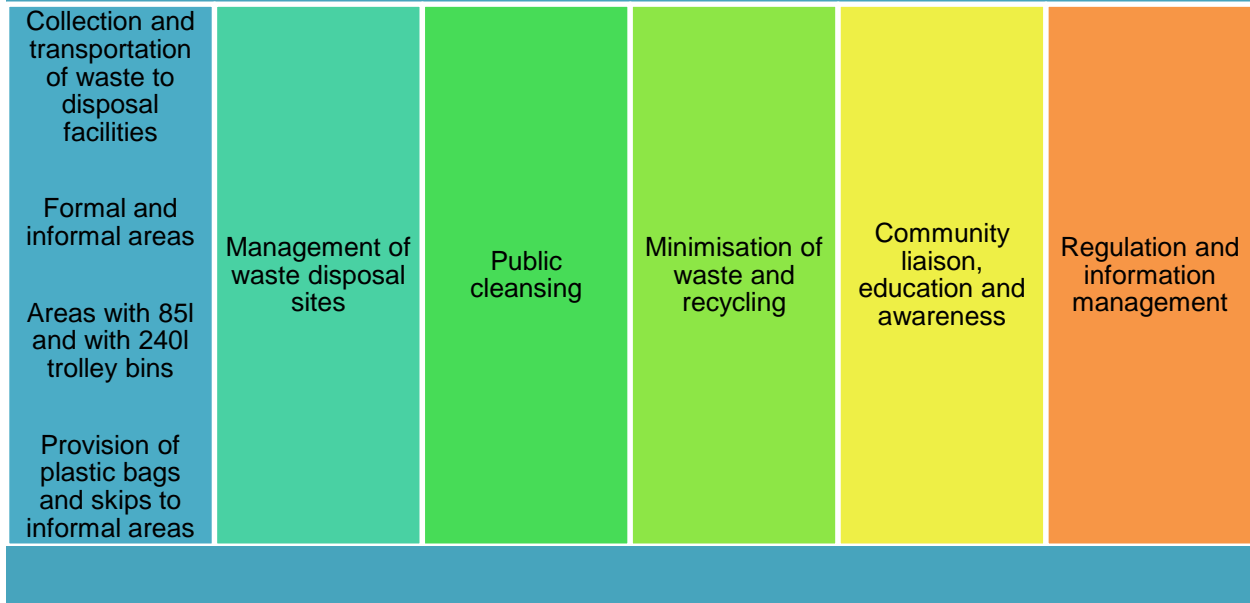
4 Waste management

INTRODUCTION

Providing waste removal is a basic service. The City of Tshwane provides waste management services to residents in formal and informal settlements.

Solid waste management is a function performed by the Regional Operations Centre, and the department of Environmental Management.

Solid waste management functions



For the year under review:

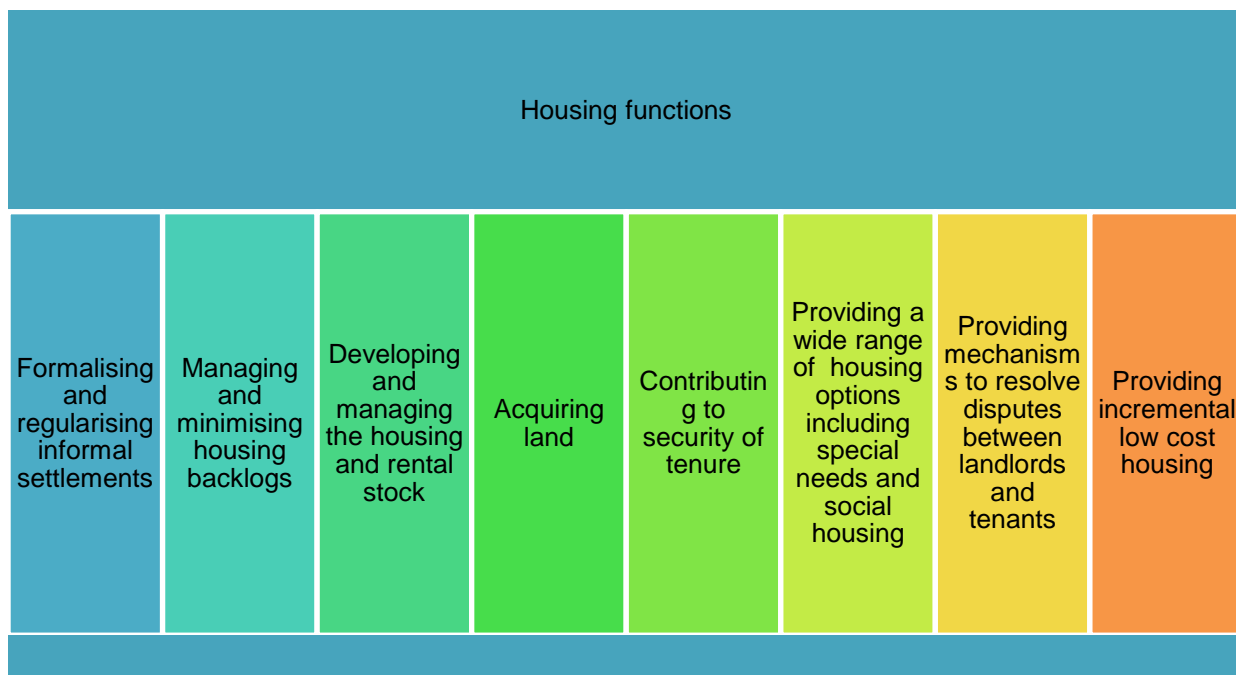
- A total of 2 338 areas were provided with weekly kerbside waste removal across the city.
- On average 135 informal settlements were provided with weekly minimal waste removal service.
- 64 Informal settlements were provided with access to rudimentary sanitation services.

5 Housing and Human Settlement Services

INTRODUCTION

The Housing and Human Settlement Department is responsible for providing housing and allocating houses to qualifying beneficiaries. The housing functions performed by the department are based on the prescripts of the Housing Act, 1997 (Act 107 of 1997).

The City is supported by Housing Company Tshwane, which manages the City's rental housing stock.



The following was achieved in the 2016/17 financial year:

- 918 houses were built
- 1 540 households (houses and stands) were connected to water supply.
- 2 929 households (houses and stands) were connected to sewerage reticulation.
- 807 social housing units were facilitated.

ADDRESSING OF BACKLOGS

The City relies on the National Housing Needs Register, which is a database that captures all potential housing beneficiaries in Tshwane. Currently, the register has a total of about 187 302 people who are registered as potential beneficiaries of low-cost housing. Over and above the National Housing Needs Register, there is a backlog at informal settlements of more than 170 000 households as well as backyard dwellers at about 100 000 households. There is a city-wide backlog.

RE AGA TSHWANE (FORMALISATION OF INFORMAL SETTLEMENTS)

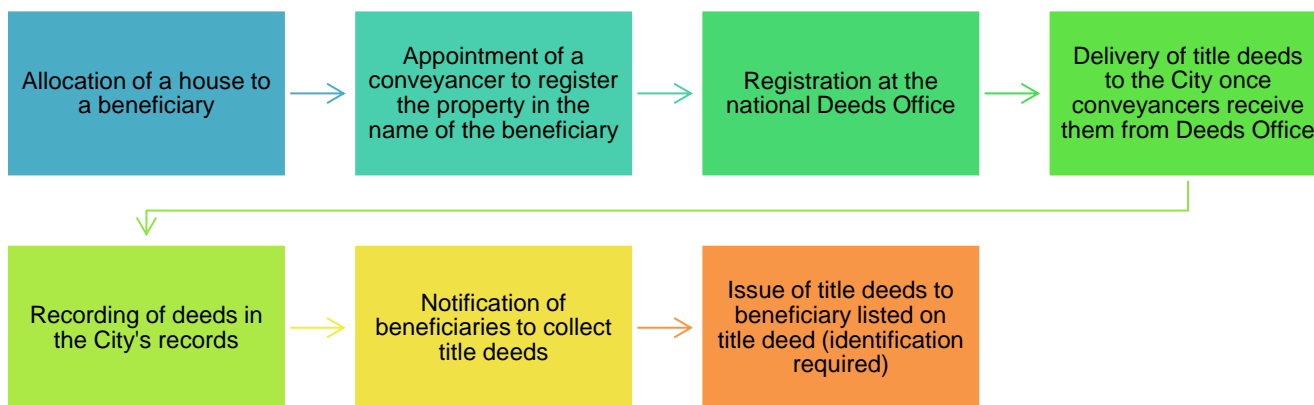
The town planning process for about sixteen 16 projects is currently underway in different stages. Some have been approved and implementation is expected to commence in the 2017/18 financial year. The planning process for the remaining projects will be completed in the 2017/18 financial year and the projects are expected to be implemented in the 2018/19 financial year.

The formalisation of informal settlements benefits households in that they are allocated stands, thereby promoting security of tenure and improving service delivery to and the quality of life of those households.



PROPERTY REGISTRATION AND TITLE DEEDS

The City issues title deeds to provide security of tenure to its residents. The process is as follows:



The following were achieved in the 2016/17 financial year:

- 2 372 title deeds were received by the City from conveyancers for issuing to beneficiaries.
- 2 372 title deeds were issued to beneficiaries.
- 1 155 houses built by the provincial department were allocated to beneficiaries.
- 2 357 houses were registered at the Deeds Office.

The following communities benefitted from the process of housing registration and title deeds:

- Region 1: Soshanguve, Mabopane, Winterveld and Ga-Rankuwa
- Region 2: Hammanskraal, Stinkwater and Kudube
- Region 3: Atteridgeville, Saulsville and Lotus Gardens X 2
- Region 4: Olievenhoutbosch
- Region 5: Refilwe (X 2, 3 and 20)
- Region 6: Mamelodi, Nellmapius and Eersterust
- Region 7: Rethabiseng and Zithobeni

5.1 Housing Company Tshwane (HCT) – Municipal Entity

INTRODUCTION

The Housing Company Tshwane is a municipal entity of the City of Tshwane, established to develop and manage social housing and other forms of institutional housing in and around Tshwane.

For the period under review:

- The company continued to successfully manage Eloff Building, a 95-unit residential building owned by Housing Company Tshwane, with a 95% occupancy rate.
- The entity also managed the Clarina residential complex, an asset of the parent municipality,
- Conditional accreditation by the Social Housing Regulatory Authority (SHRA) was retained throughout the period, with submissions of interest for social housing funding submitted during the year.
- The CEO was appointed on 1 July 2016, and the COO on 1 September 2016.
- Detailed designs and planning were done for Townlands and Timberland.
- A brownfield building, Silver (121 units) was transferred to HCT.

HCT's CORPORATE GOVERNANCE

The Board of Directors has incorporated the City of Tshwane's Corporate Governance Protocol (the Protocol) in its Board Charter, which *inter alia* regulates its relationship with the City of Tshwane as its sole member and parent municipality. The Protocol is premised on the principles enunciated in the King Report for Corporate Governance for South Africa 2002 ("King III report").

Ongoing steps are taken to align practices with the King code's recommendations, and the Board continually reviews progress to monitor and ensure improvement of corporate governance. During the year under review, HCT finalised its risk management reviews as well as reporting and compliance assessments in terms of the Companies Act and the Municipal Finance Management Act.

Company policies and operational procedures were duly developed, and some were reviewed and approved for implementation by management. However, limited human resources continued to undermine the company's ability to comply *inter alia* with certain provisions of the MFMA in some areas.

Table 19: HCT's Board of Directors

Board member	Capacity: Executive/Non-executive	Race	Gender	Board committee membership
Mr TS Phetla	Board Chairperson	Black	Male	None
Adv EM Mphahlele	Board Member	Black	Male	Development and Projects Committee Human Resources and Remuneration Committee
Adv ST Kholong	Board Member	Black	Male	Finance, Risk and Social Ethics Committee Development and Projects Committee
Adv A Singh	Board Member	Indian	Male	Development and Projects Committee
Dr W Rowland	Board Member	White	Male	Human Resources and Remuneration Committee
Dr M Matlou	Board Member	Black	Male	Human Resources and Remuneration Committee Finance, Risk and Social Ethics Committee
Ms DM Masilela	Board Member	Black	Female	Finance, Risk and Social Ethics Committee

ENTITY'S SUPPLY CHAIN PROCESSES AND PROCEDURES

During the current financial year, 2016/2017, the entity developed the new Supply Chain Policy that is aligned with the provisions of the MFMA and the National Treasury: Municipal Supply Chain Management Regulations, 2005, and the policy was approved by the Board. The entity's Supply Chain Management policy provides for the exclusion of awards to persons in the service of the state, subject to the exemptions and regulations issued by the National Treasury from time to time. The entity has started implementing bidding processes and set up separate Bid Specification, Bid Evaluation and Bid Adjudication Committees.

HCT employed a Senior Supply Chain Officer in the first quarter of the financial year, who subsequently resigned in March 2017.

The Board has ensured that the Procurement Policy embraced the objectives of broad-based black economic empowerment (B-BBEE) and the CEO, as the accounting officer of the company, was appointed as the custodian for effective implementation. The capital projects implemented during this period served as foundations for ensuring community participation in HCT's BEE programmes. This process will be enhanced and the company will continue to be sensitive to the financial constraints facing emerging black-owned businesses.

HCT is committed to the development of BEE and SMMEs. In instances where there are deviations from the supply chain processes, or irregular, wasteful and fruitless expenditure, management reports these to the Board and consequence management is undertaken.

The following table lists the SCM committees and their related functions at HCT.

Table 20: HCT's supply chain committees and functions

Supply chain management committee	Guidelines	Functions and purpose of the committee	Number of meetings planned	Actual	Reasons
Bid Specification Committee (BSC)	Municipal Finance Management Act, Board terms of reference	Consideration and approval of the project's scope of works for upcoming tenders/bids	5	Consideration of bid specification for the following: 1. Tender for development of a social housing scheme on Erven 708 and 709 in Sunnyside. 2. Tender for development of a social housing scheme at Townlands in Marabastad. 3. Tender for installation of internal civil services (water, sewer and storm water reticulation) in Chantelle. 4. Rental of photocopier machines. 5. Provision for geotechnical investigation for development of a social housing scheme in Townlands in Marabastad.	All five bid specifications were considered and approved.
Bid Evaluation Committee (BEC)	Municipal Finance Management Act, Board terms of reference	Receive tenders from Bid Specification Committee and evaluate tenders according to the criteria determined by the BSC	5	Evaluation of bids: 1. Tender for development of a social housing scheme on Erven 708 and 709 in Sunnyside. 2. Tender for development of a social housing scheme at Townlands in Marabastad. 3. Tender for installation of internal civil services (water, sewer and storm water reticulation) in Chantelle. 4. Rental of photocopier machines. 5. Provision for geotechnical investigation for the development of a social housing scheme at Townlands in Marabastad.	All five bids were evaluated according to the criteria specified in the tender document.
Bid Adjudication Committee (BAC)	Municipal Finance Management Act, Board terms of reference	Consider the evaluation report from the Bid Evaluation Committee and make awards	5	Four bids were awarded: 1. Tender for development of a social housing scheme at Townlands in Marabastad. 2. Tender for installation of internal civil services (water, sewer and storm water reticulation) in Chantelle. 3. Rental of photocopier machines. 4. Provision for geotechnical investigation for the	One bid was not awarded; as a result the bids received were higher than the estimated cost. The BAC then resolved that the bid be referred back to the BSC for reviewing the specification and for it to be re-advertised. Name of the bid:

Supply chain management committee	Guidelines	Functions and purpose of the committee	Number of meetings planned	Actual	Reasons
				development of a social housing scheme at Townlands in Marabastad.	1. Tender for development of a social housing scheme on Erven 708 and 709 in Sunnyside.

B Roads and Transport

INTRODUCTION

The Roads and Transport Department is responsible for providing an efficient and sustainable road and transport infrastructure system in Tshwane.

Roads and Transport includes Tshwane Airport Services, Tshwane Bus Services and Tshwane Rapid Transit (TRT).

SUMMARY OF ACHIEVEMENTS

TRT CBD to Hatfield	Tshwane Bus Services	Tshwane Airport	Transport Planning and Operations
<ul style="list-style-type: none">• Began operation on 1 December 2014.• Since March 2016 the interim Automated Fare Collection System was implemented to replace the MIFare system.	<ul style="list-style-type: none">• Full implementation of the Automated Fare Collection system since 17 March 2017 (Go live)• 84 Buses added to bus fleet, increasing the total fleet to 114 buses.• Average of 161 buses operated daily, with the implementation of the new shift system.• By the end of the financial year the TBS were transporting an average of 5,069 commuters per day.	<ul style="list-style-type: none">• An increase in the number of passengers departing from Tshwane Airport.• An increase in the number of aircraft landings on the runway.	<ul style="list-style-type: none">• Approval of the CITP in March by the provincial MEC of Roads and Transport• 100% issuing of operating licences• Revision of 8 traffic signal timing plans

Challenge

Dipping of TRT ridership numbers in 2016/17

PROJECT/PROGRAMME RELATED ACHIEVEMENTS DELIVERED BY THE DEPARTMENT

Table 21 Projects and Programmes delivered

Programme/projects	Key programme outputs in relation to game changers and executive interventions
Simon Vermooten	<ul style="list-style-type: none"> Construction of 5,3 km of roads and storm water drainage, including dedicated TRT lanes, with the creation of an estimated 200 job opportunities. The project is linked to the bus rapid transit system and job creation.
TRT busway infrastructure on Line 1A: CBD to Wonderboom Station (Rainbow Junction)	<ul style="list-style-type: none"> Construction of 2,93 km of roads and storm water drainage, including dedicated TRT lanes with the creation of an estimated 329 job opportunities. The project is linked to the bus rapid transit system and job creation.
Belle Ombre CNG Depot	<ul style="list-style-type: none"> Construction of compressed natural gas (CNG) depot at Belle Ombre in the CBD to provide facilities for overnight bus parking, a maintenance and servicing area, facilities for operational or administrative and other resources for the operation of CNG bus fleet, with the creation of 15 job opportunities. The project is linked to the bus rapid transit system and job creation.
TRT stations on Line 1A: CBD to Wonderboom Station	<ul style="list-style-type: none"> Construction of five enclosed median stations, with the creation of an estimated 178 job opportunities. The project is linked to the bus rapid transit system and job creation.
<ul style="list-style-type: none"> Cycle and pedestrian paths Safety at pedestrian crossings 	<ul style="list-style-type: none"> Protection of vulnerable road users such as learners, elderly people and people with disabilities through road safety measures (27,2 km of NMT facilities). The project is linked to safer city initiatives. Provision of tactile paving at pedestrian crossings and provision of accessibility for all pedestrians. The project is linked to safer city initiatives.
Implementation of an urban traffic control (UTC) system to improve traffic flow	<ul style="list-style-type: none"> Implementation of an UTC system to improve traffic flow, reduce congestions, provide priority for BRT busses and manage incidents on the road network. The project is linked to the bus rapid transit system.
Procurement of new TRT buses	<ul style="list-style-type: none"> Compilation of technical specifications, evaluation and appointment of service provider, contract signing and service level agreement, installation and commissioning of the system and the system going live. The project is linked to the bus rapid transit system and job creation.
Procurement of automated fare collection (AFC) system	<ul style="list-style-type: none"> Revenue management plan; fare collection control; fleet monitoring system. The project is linked to the bus rapid transit system.

1 Roads and storm water

Roads and storm water infrastructure is a critical element of services required for the proclamation of townships. In the 2016/17 financial year –

- 38.583 kilometres of roads were provided at a full level of service; and
- 15.127 kilometres of storm water drainage were provided at a full level of service.

Storm water master plans (SMPs) comprising the planning and prioritisation of all required storm water drainage systems (routes, sizing, estimated costs, etc) were completed in all the backlog areas of the City of Tshwane

2 Transport

The City aims to enhance the quality of life of all people in Tshwane through a developmental system of local government and by rendering efficient, effective and affordable transport services.

TSHWANE BUS SERVICES

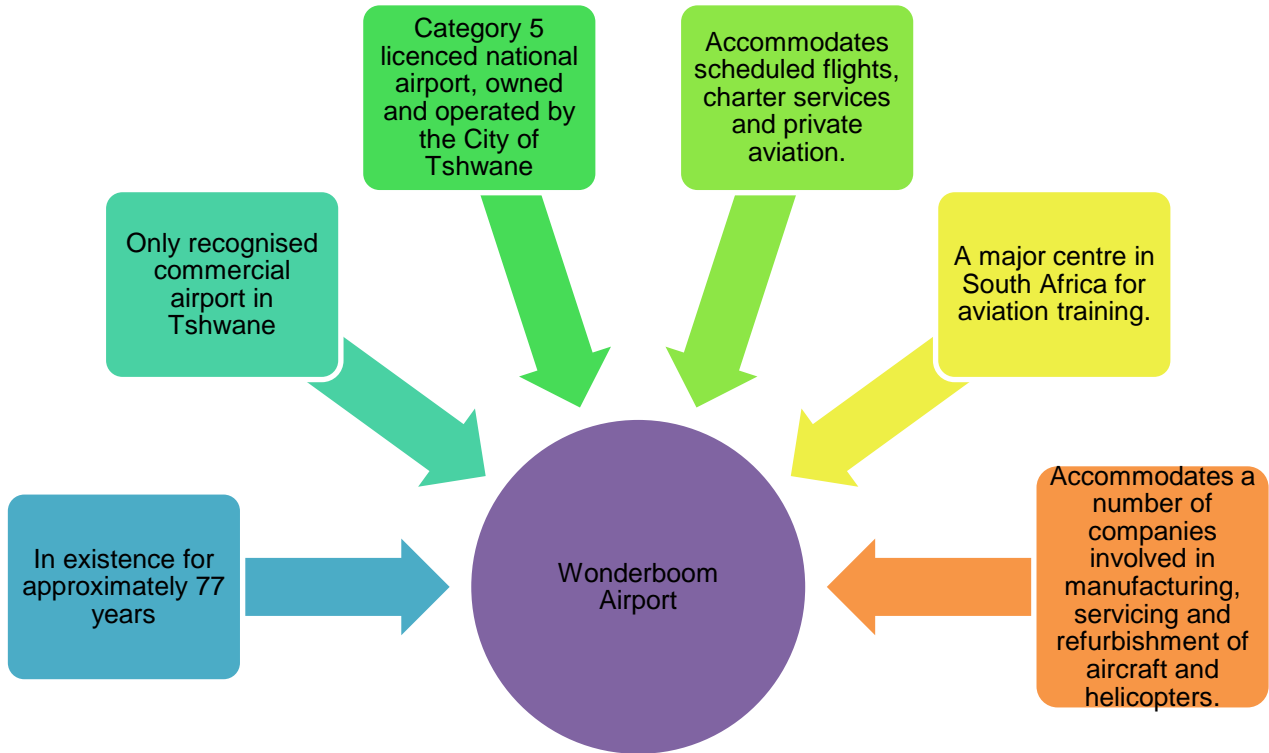
Tshwane Bus Services (TBS) is a specialised unit in the City of Tshwane's Roads and Transport Department.

TBS has three depots, with a fleet of 348 buses, including 120 new MAN buses. Shifts are divided among the three TBS depots, namely C de Wet, Jan Niemand Park and Pretoria North. There are 278 routes that radiate from the city centre. Operations are within a radius of about 15 km from the city centre. There are 185 school routes, 95 normal routes and 2 contracted routes. In addition, there are 2 212 planned trips per day and 234 shifts.

Table 22: Tshwane Bus Services data

Municipal Bus Service Data 2016/17		
	Details	Actual No.
1	Passenger journeys	2 936 234
2	Seats available for all journeys	14 254 833
3	Average Unused Bus Capacity for all journeys	11 318 599
4	Size of bus fleet at year end	227
5	Average number of Buses off the road at any one time	63
6	Proportion of the fleet off road road at any one time	28%
7	No. of Bus journeys scheduled	337 500
8	No. of journeys cancelled	97 452
9	Proportion of journeys cancelled	28.87%

WONDERBOOM AIRPORT



C Planning and Development

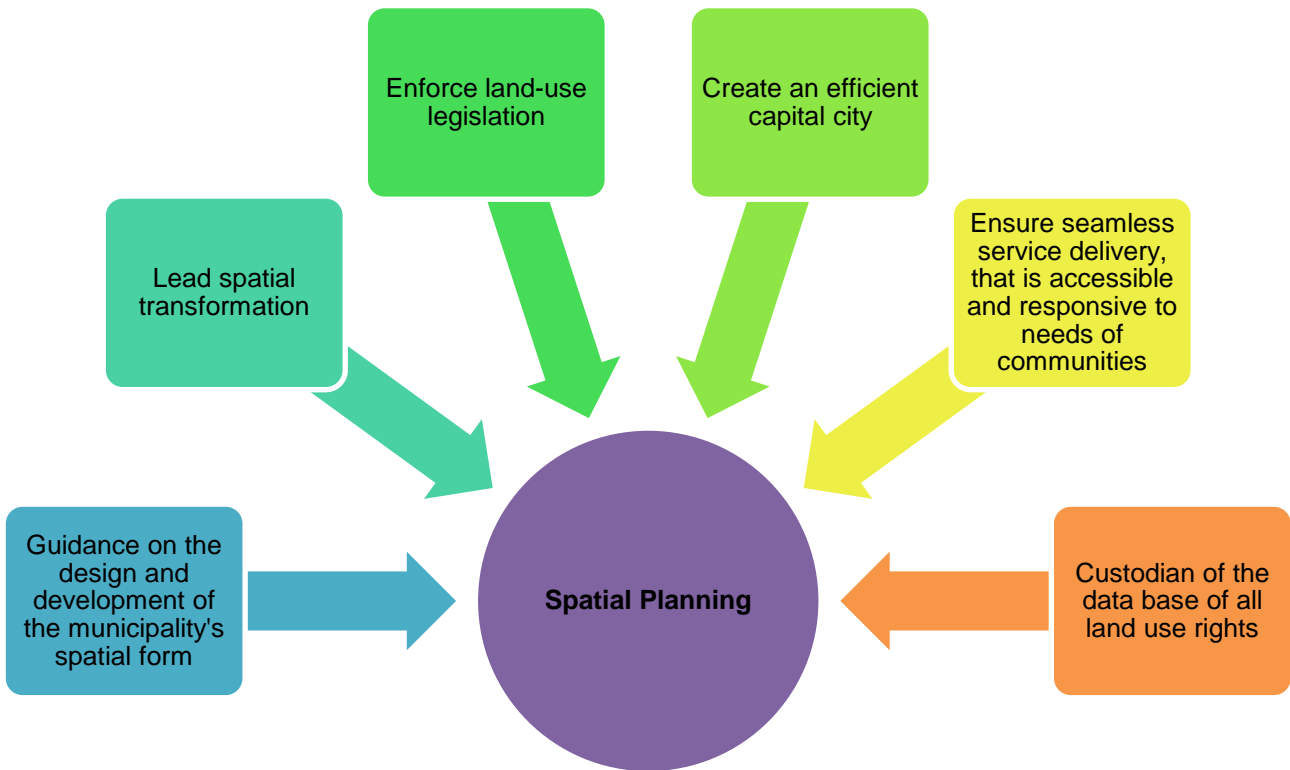
This section of the report focuses on the work of the Economic Development and Spatial Planning Department. Before November 2016, the department consisted of two separate departments. The Tshwane Economic Development Agency (TEDA) is a municipal entity that also contributes to the City's economic development objectives

Achievements

<p>Spatial Planning</p> <p>Spatial Development Framework and Land Use Management System developed and approved in line with the Spatial Planning and Land Use Management Act (SPLUMA)</p> <p>Establishment of the Municipal Planning Tribunal in terms of section 35 of SPLUMA.</p> <p>Establishment of the Municipal Appeals Tribunal</p>	<p>Street Naming</p> <p>658 street naming enquiries addressed</p> <p>2,431 approved names on Geographical Names Bank</p> <p>39 naming reports (1,307 names) served before the Local Geographical Names Committee</p> <p>24 naming reports approved by Council (729 names)</p> <p>15 reports served before Council in May/June 2017 (578 names)</p>	<p>Physical addresses</p> <p>29,543 address enquiries completed</p> <p>132 duet plans prepared</p> <p>24,328 addresses captured</p> <p>50,743 addresses modified</p> <p>94 street address inspections conducted</p> <p>250 street name inspections conducted</p>	<p>Economic Development</p> <p>17,186 EPWP job opportunities created</p> <p>374 cooperatives provided with support through business development support programmes</p> <p>146 entrepreneurs were supported</p>	<p>Fresh produce market</p> <p>Increase in the market's mass by 2,91%</p> <p>Increase in turnover by 0,15% to R3,093 billion</p>
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1 Planning

PURPOSE OF PLANNING



Land-use applications received

The following list indicates the statistics on land use applications received and processed during the 2016/17 financial year.

- 3 386 land use applications pertaining to the Regional Spatial Plan were processed during the financial year, with the highest number of applications in Regions 6 and 7.
- 2 234 applications were finalised in the financial year.
- 476 consent use applications were received.
- 102 applications for subdivision were received.
- 10 applications were received to extend boundaries, eight of which were for Region 4.

All land use applications are processed within 60 days; however, the finalisation of each application depends on the completeness of the application in terms of the required legal and administrative criteria.

The following table provides the statistics on land use applications received during the 2016/17 financial year.

Table 23: Land-use applications received

APPLICATIONS RECEIVED										
RSP LAND USE APPLICATIONS YEARLY STATS JULY 2016- MAY 2017										
TYPE OF APPLICATION	REGIONS									TOTAL
	1	2	3	4	5	6 NORTH	6 SOUTH	7		
CONSENT USES										
Consent Use General (Clause 16)	24	13	37	28	10	34	37	7	190	
Permission Additional Dwelling-House (Clause 14 (10))	9	1	7	28	3	12	20	1	81	
Permissions	56	37	48	79	16	49	46	9	340	
	89	51	92	0	29	95	103	17	476	
TOTAL: SUBDIVISIONS Sec 16(12)	3	9	10	16	6	15	34	9	102	
TOTAL: CONSOLIDATIONS Sec 16(12)	12	3	21	14	2	12	13	3	80	
TOTAL: SIMULTANEOUS SUBDIVISION & CONSOLIDATION	0	0	0	3	0	0	7	0	10	
TOTAL: DIVISIONS Sec 16(5)	1	0	0	1	0	0	3	1	6	
REMOVAL/AMENDMENTS/ CONSENT OF RESTRICTIVE CONDITIONS by Law:Sec 16(2) and Sec 16(2)(d)	3	34	17	72	6	24	74	2	232	
TOTAL REZONINGS Sec 16(1)	19	17	46	76	9	47	84	16	314	

APPLICATIONS RECEIVED									
RSP LAND USE APPLICATIONS YEARLY STATS JULY 2016- MAY 2017									
TYPE OF APPLICATION	REGIONS								TOTAL
	1	2	3	4	5	6 NORTH	6 SOUTH	7	
TOTAL: TOWNSHIP ESTABLISHMENT Sec 16(4)	1	13	1	2	16	11	5	1	50
TOTAL EXTENSION OF BOUNDRIES Sec 16(4)	0	0	0	8	0	0	2	0	10
DIVISION OF TOWNSHIP- Sec 16(5)	0	0	0	0	0	0	8	0	8
AMENDMENT AFTER APPROVAL OF A TOWNSHIP(Ordinance 19/86)		0		10	0				
Administrative amendments to lay-out plan and/ or conditions of establishment	29	0	6	130	0	4	3	0	172
Amendment to lay out plans and/or conditions of establishment(Sec 100)	32	2	14	5	0	0	2	1	56
TOTAL: AMENDMENT AFTER APPROVAL OF A TOWNSHIP (Ordinance 19/86)	57	2	20	0	0	6	5	1	91
TOTAL:AMENDMENT AFTER APPROVAL OF A TOWNSHIP:Sec 16(4)	0	0		9	0	0	0	0	9
TOTAL: RESTRICTION OF ACCESS	0	0	0		0	0	0	0	0

APPLICATIONS RECEIVED									
RSP LAND USE APPLICATIONS YEARLY STATS JULY 2016- MAY 2017									
TYPE OF APPLICATION	REGIONS								TOTAL
	1	2	3	4	5	6 NORTH	6 SOUTH	7	
TOTAL: EXTENSION OF TIME-Sec 101(2) & 72(1)	67	0	15	137	13	44	35	11	322
TOTAL: Extension of Time -By Law applications	2	0	0	72	0	0	0	5	79
TOTAL:SDP'S	76	0	129	194	20	294	604	7	1324
APPLICATIONS RECEIVED	323	129	351	884	101	548	977	73	3386
APPLICATIONS PROCESSED	323	129	351	884	101	548	977	73	3,386

The following table provides the statistics on land use applications finalised during the 2016/17 financial year.

Table 24: Land use applications finalised

APPLICATIONS FINALISED																																	
TYPE OF APPLICATION	REGIONS																																
	1				2				3				4				5				6 NORTH				6 SOUTH				7				TOTAL
DELEGATION	Del.(Special CPDC)	E-C	CPC	TOTAL	Del.(Special CPDC)	E-C	CPC	TOTAL	Del.(Special CPDC)	E-C	CPC	TOTAL	Del.(Special CPDC)	E-C	CPC	TOTAL	Del.(Special CPDC)	E-C	CPC	TOTAL	Del.(Special CPDC)	E-C	CPC	TOTAL	Del.(Special CPDC)	E-C	CPC	TOTAL					
Consent Use General (Clause 16)	3	0	0	3	14	0	0	14	9	0	0	9	8	0	0	8	1	0	0	1	5	0	0	5	6	0	0	6	2	0	0	2	48
Consent Use General (Clause 16) by law	3	0	0	3	0	0	0	0	6	0	0	6	0	0	0	0	2	0	0	2	1	0	0	1	2	0	0	2	2	0	0	2	16
Clause 6 PERI URBAN	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	0	0	3	3	0	0	3	7
Permission Second Dwelling	3	0	0	3	1	0	0	1	3	0	0	3	4	0	0	4	0	0	0	0	4	0	0	4	9	0	0	9	9	0	0	9	33
Permission Additional Dwelling-by law	0	0	0	0	1	0	0	1	6	0	0	6	0	0	0	0	0	0	0	0	3	0	0	3	7	0	0	7	7	0	0	7	24
Permission	19	0	0	19	16	0	0	16	9	0	0	9	12	0	0	12	4	0	0	4	13	0	0	13	11	0	0	11	4	0	0	4	88
Permission - by law	6	0	0	6	4	0	0	4	10	0	0	10	6	0	0	6	0	0	0	0	2	0	0	2	9	0	0	9	3	1	0	3	40
TOTAL: CONSENT USES	34	0	0	34	37	0	0	37	43	0	0	43	30	0	0	30	7	0	0	7	28	0	0	28	47	0	0	47	30	1	0	30	256
SIMULTANEOUS CONSENT USE AND REMOVAL OF RESTRICTIVE CONDITIONS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	2	0	0	0	0	0	0	0	0	2

APPLICATIONS FINALISED																																	
SUBDIVISIONS (15/86)	6	0	0	6	2	0	0	2	13	0	0	13	10	0	0	10	0	0	0	0	8	0	0	8	6	0	0	6	2	0	0	2	47
SUBDIVISIONS 16(12) by law	1	0	0	0	3	0	0	3	4	0	0	4	2	0	0	2	1	0	0	1	1	0	0	1	7	0	0	7	7	0	0	7	25
CONSOLIDATIONS(15/86)	3	0	0	3	0	0	0	0	6	0	0	6	5	0	0	5	1	0	0	1	6	0	0	6	4	0	0	4	1	0	0	1	26
CONSOLIDATIONS 16/12 by law	2	0	0	2	2	0	0	2	14	0	0	14	1	0	0	1	0	0	0	0	1	0	0	1	7	0	0	7	7	0	0	7	34
TOTAL: COUNCIL SUBDIVISION & CONSOLIDATION	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SIMULTANEOUS SUBDIV./CONSOLIDATION	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SIMULTANEOUS SUBDIV./CONSOLIDATION by law	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	1	1	0	0	1	2
DIVISIONS	1	0	0	1	0	0	0	0	1	0	0	1	3	0	0	3	3	0	0	3	4	0	0	4	3	0	0	3	3	0	0	3	18
DIVISIONS 16/12 by law	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	0	0	3	3	0	0	3	6
REMOVAL/AMENDMENTS/ CONSENT OF RESTRICTIVE CONDITIONS (ACT 3 OF 1996)	1	0	0	1	0	0	0	0	0	0	0	0	19	0	0	19	1	0	0	1	8	0	0	8	11	0	0	11	11	0	0	11	51
REMOVAL/AMENDMENTS/ CONSENT OF RESTRICTIVE CONDITIONS by Law:Sec 16(2) and Sec 16(2)(d)	1	0	0	1	11	0	0	11	5	0	0	5	7	0	0	7	0	0	0	0	8	0	0	8	18	0	0	18	18	0	0	18	68

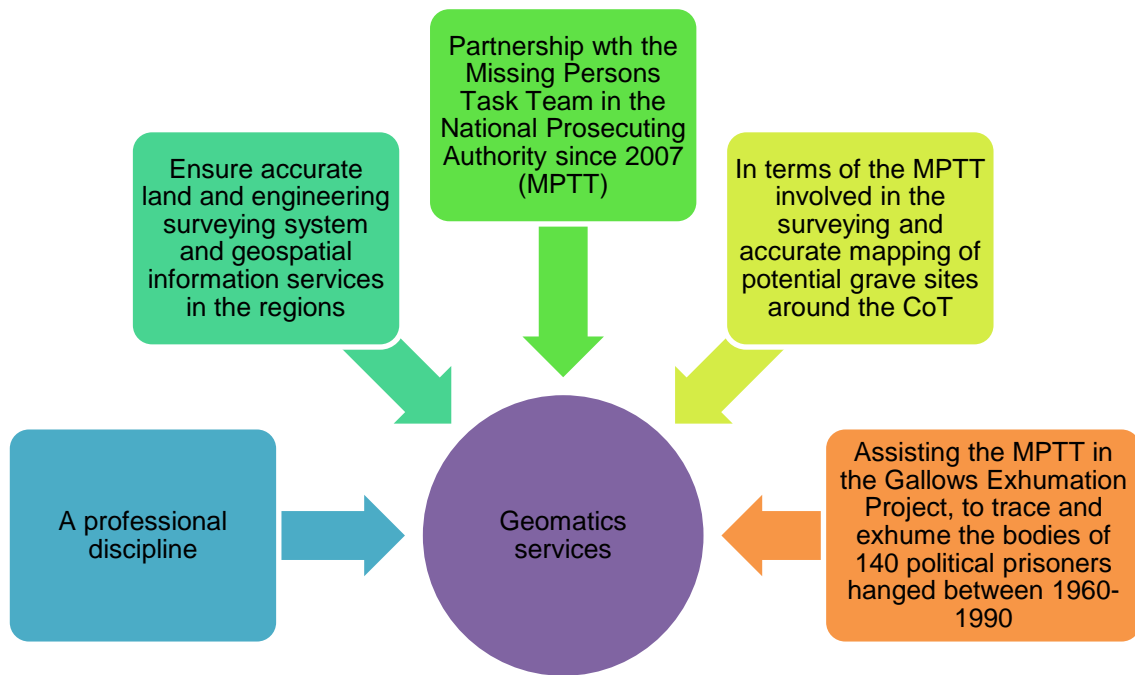
APPLICATIONS FINALISED																																		
Amendment application (Section 100)	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0	1	0	0	0	0	2	0	0	2	0	0	0	4			
Amendment application (Section 16(4))by law	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
TOTAL: AMENDMENT AFTER APPROVAL OF A TOWNSHIP	35	0	0	35	32	0	0	32	22	0	0	22	32	0	0	32	3	0	0	3	15	0	0	0	28	0	0	28	0	0	0	75		
TOTAL RESTRICTIONS OF ACCESS	0	0	0	0	0	0	0	0	0	0	0	0	4	0	0	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4			
WITHDRAWN /Refused (Ordinance)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7	0	0	7	0	0	0	0	2	0	0	2	9		
Total Withdrawn/Refused By Law							0	0	2			2	0	0	0	0	3	0	0	3	4	0	0	4	9	0	0	9	9	0	0	9	27	
EXTENSION OF TIME Sec 72 & 101	49	0	0	49	79	0	0	79	17	0	0	17	64	0	0	64	15	0	0	15	50	0	0	50	45	0	0	45	4	0	0	4	23	
EXTENSION OF TIME By law Applications	2	0	0	2	0	0	0	0	0	0	0	0	14	0	0	14	0	0	0	0	0	0	0	0	0	0	0	0	3	0	0	3	19	
SDP	76	0	0	76	137	0	0	137	82	0	0	82	120	0	0	120	10	0	0	10	213	0	0	213	13	3	0	0	33	6	0	0	6	77
TOTAL APPLICATIONS FINALISED	264	0	0	264	312	0	0	312	258	0	0	258	403	0	0	403	50	0	0	50	116	0	0	116	130	0	0	380	151	1	0	151	2,234	

The following table provides a statistical summary of building plan applications and functions performed during the previous five financial years. All building plans are processed within 30 days, and approval depends on compliance with administrative and documentary requirements, as well as the National Building Regulations and legal requirements.

Table 25: Building control, building plan applications and inspection management

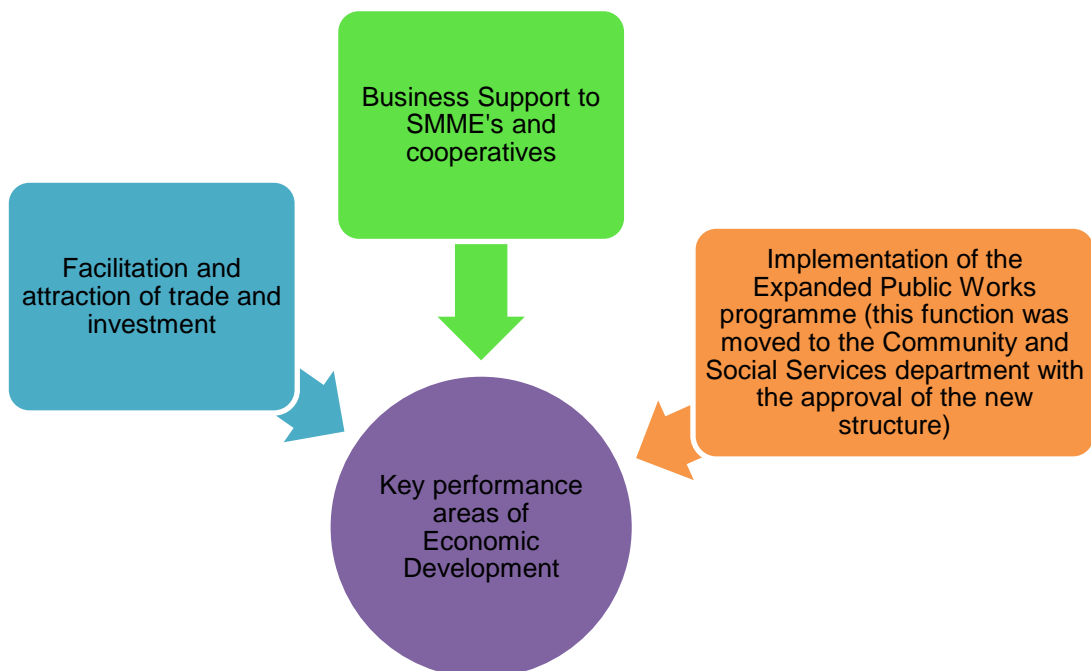
Particulars	Previous financial years (2009/10 to 2011/12)	2012/13	2014/15	2015/16	2016/17	Total achieved
Building plan applications received	40 074	19 529	20 140	13 012	12 193	104 948
Building plan applications approved	33 502	14 406	16 248	11 267	10 253	85 676
Site development plans submitted	2 905	938	871	786	875	6 375
Site development plans approved	1 733	611	536	2 641	695	6 216
Encroachment and height relaxation applications received	6 474	2 540	2 643	2 641	3 026	17 324
Encroachment and height relaxation applications approved	4 829	1 756	2 298	2 519	3 239	14 641
Building related inspections conducted	112 360	40 168	39 772	35 902	34 026	262 228
Building related kilometres travelled	930 411	380 715	360 549	367 213	380 827	2 419 715
Contravention notices served	3 825	898	833	868	809	7 233
Occupation certificates issued – residential	13 601	6 362	7 283	4 560	8 562	40 368
Occupation certificates issued – non-residential	373	141	217	100	149	980
Occupation certificates issued – additions and alterations to existing residential and non-residential buildings	4 602	1 731	1 250	1 378	1 558	10 519
Approved construction area (N)	5 044 612	2 140 964	2 727 782	2 414 801	2 229 460	14 557 619

Geomatics services

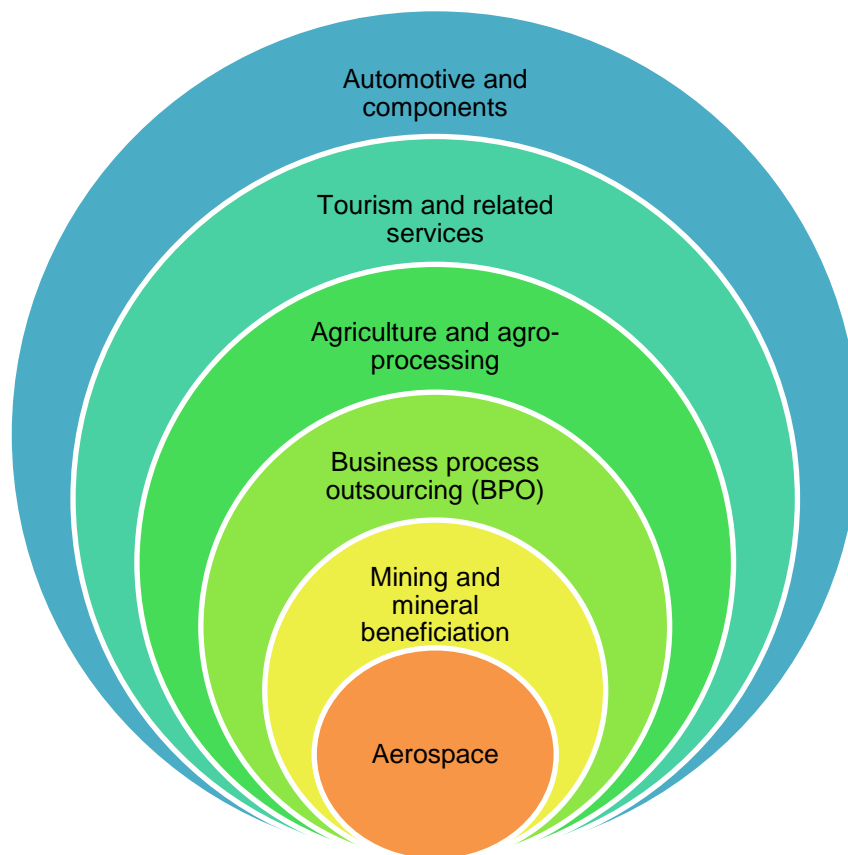


2 Economic development

INTRODUCTION



Priority Economic Sectors in the City of Tshwane



Expanded Public Works Programme (EPWP)

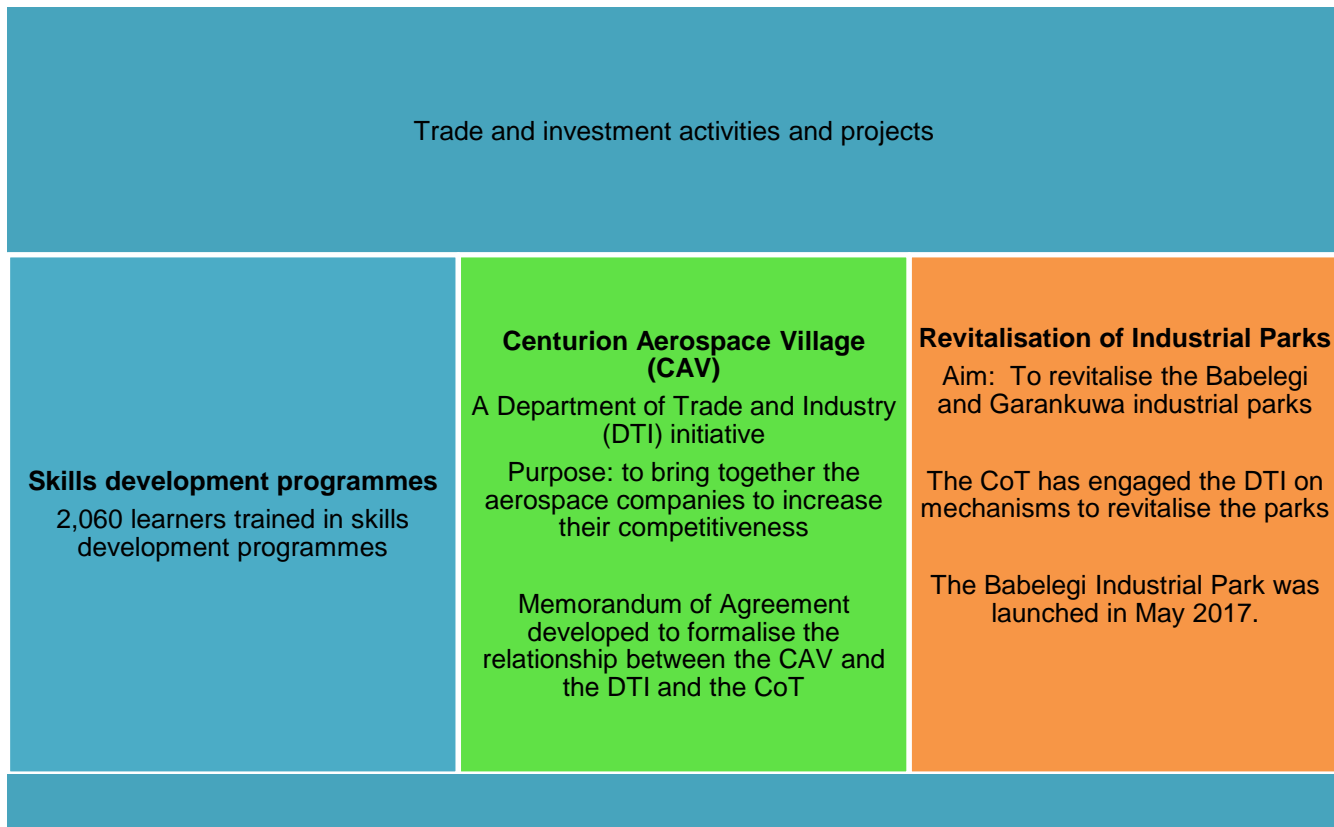
The EPWP, is a nationwide programme aimed at creating employment and skills opportunities for the unemployed and marginalised. The city coordinated the citywide implementation of the EPWP in terms of the City of Tshwane’s EPWP policy. For the year under review, a total of 17,183 job opportunities were created through EPWP projects city wide.

Comparison of EPWP job opportunities across financial years					
2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
19,001 opportunities	20,386 opportunities	32,420 opportunities	42,026 opportunities	30,369 opportunities	17,183 opportunities

TRADE AND INVESTMENT

The purpose of Trade and Investment is to create a conducive environment for economic activity to take place to stimulate economic development, growth and transformation.

Cities have become anchors of successful international trade and investment. In view of the vision to position Gauteng as a city region, Council approved the Tshwane Strategic Investment Attraction, Facilitation and Aftercare Plan. The plan commits the City to undertake major investment attraction and technical cooperation drives to solicit investments from strategic countries.



Support to small, medium and micro enterprises (SMMEs) and cooperatives

Support for SMMEs is provided at the six City of Tshwane Small Enterprise Development Agency (SEDA) business support centres, through the provision of business development support services, which include assistance on the development of business plans for access to funding for new and existing businesses, concept plans for entrepreneurs, development of marketing strategies, development of promotional materials, including websites for clients, as well as export strategies and incubation support. A number of outreach events are also supported by the staff of Economic Development. A total of 146 entrepreneurs were supported, both existing and emerging through these centres in the 2016/17 financial year.

CO-OPERATIVES DEVELOPMENT AND SUPPORT:

A total of 374 cooperatives were provided with support through various business development support programmes. The type of support provided includes training (business skills and technical skills), funding by the Gauteng Enterprise Propeller and access to markets.

HIGHLIGHT

On 29 September 2016, the City, jointly with the Automotive Industry Development Centre (AIDC), hosted a farewell function for 33 City of Tshwane-sponsored students, who successfully completed the Automotive Components Manufacturing and Assembly Learnership NQF Level 2 programme (both theory and practice).



Figure 13: Students who completed the Automotive Components Manufacturing and Assembly Learnership NQF Level 2 programme

3 Tshwane Fresh Produce Market

The Tshwane Market is the second-largest out of the 19 national fresh produce markets in South Africa. The market experienced resounding growth over the past financial years. The market played important socio-economic roles, such as improved access to quality food, providing better marketing opportunities for farmers, as well as providing employment and business opportunities to communities. The market has a direct and indirect impact on the city's economy. The direct impacts include income, rental, food security, trade and employment, whereas indirect impacts include taxes/tariffs, business development in the service industry, as well as investment in capital expenditure.

All markets within the country currently use market agents to source produce from the producer and sell such produce on the producer's behalf. The produce remains the property of the farmer until the produce is sold and the market agent acts as his agent. Although ownership is never transferred once the agent receives the producers' produce, he/she becomes responsible and accountable to the market authority/market management company for any shortages that may arise thereafter. The agent receives a commission for services rendered.

Growth in Turnover

Turnover year to date (July to June 2017) grew by 0, 15% over the previous financial year, from R3 089 billion (2015/16 financial year) to R3 093 billion (2016/17) financial year. The Tshwane Market achieved a market share for this period of 21,96%. This was an equal performance on the previous financial year.

Growth in mass

The market's mass increased by 2.91 percentage points, year to date (July 2016 to June 2017) from 633 210 (2015/16 financial year) to 651 668 (2016/17 financial year).

The Tshwane Market does business with the Southern African Development Community (SADC) countries and they contribute to the market's turnover on an annual basis as follows:

- Two buyers from Botswana – estimated trade of R193 million
- Three buyers from Namibia – estimated trade of R60 million
- Twelve buyers from Mozambique – estimated trade of R23 million
- Two buyers from Zimbabwe – estimated trade of R11 million

MARKET AGENCIES

The market introduced three new black economic empowerment (BEE) market agencies in 2016, which brings the total number of agencies acting on behalf of farmers to 11. With the introduction of a new by-law for the market, specific attention is given to ensure that transformation is addressed at agency level. Currently, four market agencies qualify as legitimate and outright BEE agencies; other agencies need to submit their respective BEE status (ie the level achieved at that point in time) on a yearly basis. It is also important to note that there is an amalgamation in progress between two market agencies (Subtropico and DW Fresh). It is foreseen that this process will be finalised early in the 2017/18 financial year.

Infrastructure projects at the Fresh Produce Market= investment of R5,5m made

Upgrading and extension of facilities

Supply and installation of two new screw compressors.

Two chillers were not yet received for installation.

Upgrading of the market trading system

The MoU with the University of Pretoria was used to develop a market trading system.

The estimated "go-live" is September 2017

Features of the system include:

online access

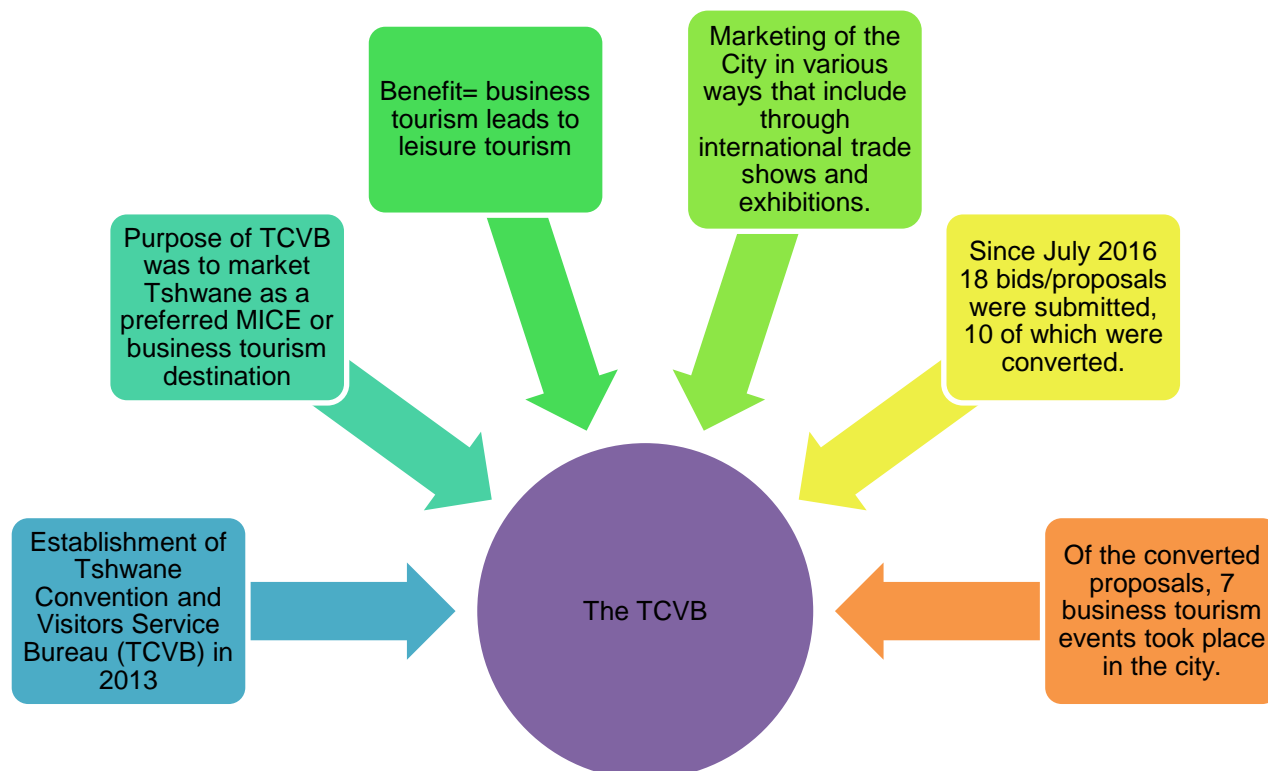
e-commerce

an auction system

Pallet tracking

New business intelligence tool for market management and agents.

4 Tshwane Convention and visitors service bureau (TCVB)



The following table indicates the business events hosted in Tshwane since July 2016 and the estimated economic impact on the city:

Table 26: Business Tourism events hosted

No.	Business tourism hosted from converted leads	Estimated economic impact
1	INVEST 2017: 12 to 17 April 2016, hosting 250 pax	R4,375,000
2	Evidence 2016 (African Regional Conference): 20 to 22 September 2016 for four days, hosting 200 pax	R2,800,000
3	SITE Southern Africa Summit in August 2016	R490,000
4	Studiorum Novi Testamenti (SNTS): 9 to 15 August 2016 for seven days, hosting 300 pax	R7,350,000
5	37 th International Symposium for the Remote Sensing of Environment 2017: 8 to 12 May 2017, hosting 750 pax	R13,125,000
6	28 th International Union of Pure and Applied Physics (IUPAP) Conference on Computational Physics: 10 to 14 July 2016 for five days, hosting 250 pax	R 4,375,000
7	International Federation of Agricultural Journalists: April 2017 for five days, hosting 180 pax	R 3,150,000
TOTAL ESTIMATED ECONOMIC IMPACT OF CONVERTED LEADS SO FAR		R 35,665,000

Although the rate of conversion for business tourism is slow and is usually only realised years after initial contact is made, the resultant economic benefits are worth the wait. The various leads that are generated require constant engagement with the potential client over a long period and is dependent on long-term relationship-building.

HIGHLIGHTS

Tshwane hosted one of the world's pre-eminent scientific conferences in July 2016: the 28th International Union of Pure and Applied Physics (IUPAP) Conference on Computational Physics. This international conference was held at the Saint George Hotel and Conference Centre in Irene. The welcome dinner for this conference was hosted at Freedom Park.

Figure 14: Logos of participating partners during the 28th International Union of Pure and Applied Physics conference



Starts 10 Jul 2016 08:00
Ends 14 Jul 2016 18:00
Africa/Johannesburg



Other
Poster
Programme_BoA
Slides
logos



Figure 15: 28th International Union of Pure and Applied Physics dinner hosted by Tshwane

2017 AFRICAN CAPITAL CITIES SUSTAINABILITY FORUM

The City of Tshwane annually hosts the African Capital Cities Sustainability Forum (ACCSF), which becomes part of Sustainability Week and market initiatives that advance the green economy. Mayors or senior officials from across Africa attended the ACCSF at the invitation of our Executive Mayor, Councillor Solly Msimanga. This year the forum took place between 13 and 15 June 2017.



Figure 16: Mayors from different African countries attended the ACCSF

5 Tshwane Economic Development Agency (TEDA)

TEDA is a municipal entity that was established in November 2006 and is solely owned by the City of Tshwane. TEDA is largely governed by the Companies Act, 2008 (Act 71 of 2008), Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), as amended, and the Local Government: Municipal Finance Management Act, 2003 (Act 53 of 2003), as amended, and its regulations.

The service delivery agreement entered into by TEDA and the City establishes the mandate and the business plan for the entity.

Strategic objectives of TEDA			
To develop, facilitate and promote viable foreign and local investments into the City of Tshwane	To identify, design and develop and manage projects with strategic economic and social benefits for the greater Tshwane community	To promote Tshwane as a vehicle investment destination through the implementation of integrated marketing and communication programmes	To establish and build TEDA as a strong and effective organisation in the context of good governance best practices

CORPORATE GOVERNANCE AT TEDA

LEGISLATIVE FRAMEWORK PRESCRIBING THE FUNCTIONS OF THE ENTITY

TEDA strives to comply with the Constitution of the Republic and the enabling general legislative prescripts. In particular, TEDA is committed to comply with the Companies Act, Municipal Finance Management Act, Municipal Systems Act, Broad-based Black Economic Empowerment Amendment Act, National Environmental Management Act, Occupational Health and Safety Act, Labour Relations Act, Basic Conditions of Employment Act, Employment Equity Act, Promotion of Access to Information Act, the Skills Development Act and their regulations.

TEDA approved its Corporate Governance Policy Framework in April 2014. The framework sets out, amongst other things, roles and responsibilities of the shareholder, Board and management. The framework was developed in line with the King IV Report on Corporate Governance, 2016 (King IV). It also incorporates the Code of Conduct for Employees and Directors, Fraud Prevention Policy, Conflict of Interests Policy and ICT Governance Framework. TEDA adopted various human capital policies in compliance with labour market legislation.

TEDA reviewed the Delegations of Authority Framework and Supply Chain Management Policy which allocate powers and functions to the Board, management committees, CEO and individual executive managers. The sub-delegations were also developed and adopted by the Executive Committee to ensure speedy approval processes and allow managers to manage.

Table 27: TEDA Board of Directors

Board member	Capacity: Executive/non-executive	Race	Gender	Board committee membership
Mosoma, Prof DL (Chairperson)	Non-executive	African	Male	<ul style="list-style-type: none"> Board Chairperson Chairperson: Social and Ethics Committee
Bahula-Ermias, RS	Non-executive	African	Female	<ul style="list-style-type: none"> Finance and Risk Committee Projects Committee
Gouvelis, H	Non-executive	White	Male	<ul style="list-style-type: none"> HR and Remuneration Committee Projects Committee
Mpungose, ZG	Non-executive	African	Female	<ul style="list-style-type: none"> Trade and Investments Committee HR and Remunerations Committee
Mpyane, CR	Non-executive	African	Male	<ul style="list-style-type: none"> Projects Committee Trade and Investments Committee
Mzizi, SP	Non-executive	African	Female	<ul style="list-style-type: none"> Projects Committee Finance and Risk Committee
Sibanda, FK	Non-executive	African	Male	<ul style="list-style-type: none"> HR and Remuneration Committee Trade and Investments Committee
Singh, N	Non-executive	Indian	Female	<ul style="list-style-type: none"> Chairperson: Finance and Risk Committee Social and Ethics Committee
Thubakagale, JL	Non-executive	African	Male	<ul style="list-style-type: none"> Finance and Risk Committee Chairperson: HR and Remunerations Committee

Board member	Capacity: Executive/non-executive	Race	Gender	Board committee membership
Yates, M	Non-executive	White	Male	<ul style="list-style-type: none"> Chairperson: Projects Committee Trade and Investments Committee

TEDA'S SUPPLY CHAIN PROCESSES AND CAPACITY

Supply Chain Management (SCM) is an integral part of financial management and its role is to render support in terms of goods and professional services procured by TEDA. Goods and services are procured in a system that is fair, equitable, transparent, competitive and cost effective, and historically disadvantaged individuals and black economic empowerment are the chief driving forces in allocating contracts.

Currently, SCM is carried out by the following two permanent staff members:

DESIGNATION	RESPONSIBILITY
Senior Manager: SCM	Supply chain performance and policy development
Manager: SCM	Tender administration

All SCM policies are approved by the Board, through the Finance, Risk and Governance Committee. Before approval is granted or the policy is adopted, it is ensured that the policy is aligned to all relevant legislative frameworks like the SCM Guide for Municipal Accounting Officers, Municipal Finance Management Act, Municipal Supply Chain Model, Preferential Procurement Policy Framework Act, Treasury Regulations as well as Practice notes and Circulars, etc.

The following table lists the SCM committees and their related functions at TEDA.

Table 28: TEDA's supply chain committees and functions

SUPPLY CHAIN MANAGEMENT COMMITTEE	GUIDELINES	FUNCTIONS AND PURPOSE OF THE COMMITTEE	NO OF MEETINGS PLANNED	ACTUAL
Bid Specification Committee	Supply Chain Management Policy	<p>A bid specification committee compiles the specifications for each procurement of goods or services by the municipal entity. A bid specification committee is composed of one or more officials of the municipal entity, preferably the manager responsible for the function involved, and may, when appropriate, include external specialist advisors.</p> <p>No person, advisor or corporate entity involved with the bid specification committee, or director of such a corporate entity, may bid for any resulting contracts</p>	1	1
Bid Evaluation Committee	Supply Chain Management Policy	<p>A bid evaluation committee must be cross-functional and must be composed of officials from the end user requiring the good, works or services; and at least one supply chain management official</p> <p>The Bid Evaluation Committee EC must evaluate bids in accordance with the specifications and the criteria specified in the bid documentation for a specific procurement and evaluate each bidder's ability to execute the contract, checks in respect of</p>	1	1

SUPPLY CHAIN MANAGEMENT COMMITTEE	GUIDELINES	FUNCTIONS AND PURPOSE OF THE COMMITTEE	NO OF MEETINGS PLANNED	ACTUAL
		the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears and submit to the Bid Adjudication Committee a report and recommendations regarding the award of the bid or any other related matter		
Bid Adjudication Committee	Supply Chain Management Policy	<p>The Bid Adjudication Committee must be cross-functional of which at least one member should be a supply chain management practitioner. A bid adjudication committee must consist of at least four TEDA senior officials, a technical expert in the relevant field or an end user. The Chairperson of the committee should be the Chief Financial Officer. Neither a member of a bid evaluation committee, nor an advisor or person assisting the bid evaluation committee may be a member of a bid adjudication committee.</p> <p>The Bid Adjudication Committee must consider the report and recommendations of the Bid Evaluation Committee and make a recommendation to the Accounting Officer.</p> <p>The Bid Adjudication Committee must ensure that all necessary bid documents have been submitted, disqualifications are justified and that valid and accountable reasons/motivations were furnished for passing over of bids.</p> <p>They must ensure that scoring has been fair, consistent and correctly calculated and applied and that declarations of interest have been taken cognizance of.</p>	1	1

D Community and Social Services

INTRODUCTION

The City of Tshwane delivers community and social services through the Community and Social Development Services Department by focusing on the provision of services and programmes to support the sport, recreation, libraries, information services, arts, culture and heritage fields. In addition, the following community and social services are also provided by the City of Tshwane and are discussed in this section of the report:

- Parks
- Cemeteries
- Indigent burials
- Environmental management

City of Tshwane departments provide the infrastructure, and the regions manage and maintain the facilities provided.

Another component of social services, sport and recreation, is discussed in Component G of this report in accordance with the guidelines of National Treasury Circular 63.

1 Libraries

LIBRARY PROGRAMMES

During the 2016/17 financial year, the city presented three library programmes, four heritage programmes, three art and cultural programmes, and nine sport development programmes.

HIGHLIGHT- LIBRARY WEEK CAMPAIGN

The City launched its annual South African Library Week campaign on 29 March 2017 at the Ga-Rankuwa Community Hall in Region 1. The aim was to promote libraries and ultimately reading across the city. This was preceded by a national campaign which was facilitated by the Library and Information Association of South Africa (LIASA). The latter celebrated South African Library Week from 18 to 26 March 2017 with the theme “My Library, Your Library” and sub-themes, “My Library, My Home”, “Mind your Library” and “Tell me about your Library”. The campaign took libraries into the heart of the community and strived to awaken a sense of ownership in each community member. In addition, the campaign aimed to encourage communities to reflect on how libraries nourish and sustain societies.



Figure 17: Library week campaign

2 Environmental Management

INTRODUCTION

This section of the report focuses on key environmental management functions, including the provision of recreational facilities, cemeteries and air quality management.

NATURAL ENVIRONMENT

The City has an obligation to manage its operations in environmentally sustainable manner and facilitate that its citizens behave in an environmentally sustainable manner. Environmental compliance and enforcement in the City is overseen by the Environment and Agriculture Management Department in terms of the following:

- Training and appointment of Environmental Management Inspectors (Green Scorpions).
- Licensing and monitoring of industries which undertake listed activities in terms of the National Environmental Management: Air Quality Act, 2004.
- Undertaking of routine compliance inspections.
- Provision of advisory services towards corrective action in terms of inspection findings made.
- Reacting to complaints, incidents and disasters.
- Environmental monitoring (sampling).
- Managing City responses and corrective action related to administrative action taken by the Gauteng Department of Agriculture and Rural Development (GDARD) and the National Department of Environmental Affairs (DEA).
- Facilitating environmental clean-up and rehabilitation for Municipal operations which had detrimental effects on the environment.
- General and job specific training in terms of needs identified during compliance inspections.

PROVISION OF CEMETRIES

Currently, the city has 63 cemeteries and 1 crematorium that are operational for burials and the utilization management of cemeteries and crematoriums within the Municipality's area of jurisdiction are regulated by the National Environmental Management Act (NEMA) 39 of 2004, and cemeteries and crematorium by-law and the Air Quality Management Act.

NATURE RESERVES

The City currently has 10 Proclaimed Nature Reserves and 15 Un-proclaimed nature reserves. In the year under review the reserves had 849 721 visitors and the income generated is R21 526 663. The following programmes have been put in place in order to attract and enable further growth:

- Environmental month promotions (complementary vouchers)
- Environmental awareness programs
- Information brochures on the Tshwane Web site
- Interaction with the existing Friends of Nature Groups in Tshwane (15 established Friends Groups).

AIR QUALITY MANAGEMENT

The City of Tshwane (CoT) has nine (9) ambient air quality monitoring stations. Five (5) of which are maintained by the South African Weather Service (SAWS). A new Air Quality Monitoring station was established in Temba Hammanskraal. Four are maintained by Gauteng Department of Agriculture and Rural Development through a company called CNM. All the stations measure criteria gaseous pollutants while Mamelodi, Pretoria West, Tshwane Mobile and Rosslyn also measure Volatile Organic Compounds (VOCs). In addition, all stations measure meteorological conditions such as wind speed, wind direction, ambient temperature, relative humidity, rainfall, solar radiation and barometric pressure.

The analysis of the data from the stations at the CoT has shown that the combined collection efficiency of 81.81% by the end of the financial year which is considered good data recovery for the Tshwane air quality monitoring network system.

Exceedances of Nitrogen Dioxide, Ozone, and PM10 thresholds were recorded several times over this reporting period in Tshwane. These exceedances can be attributed to vehicle emission (petrol and diesel), industrial emissions, energy production, household fuel combustion, open fire burning and tyre burning in the City. These are issues of concern in the City that require immediate action from the City planners and Air Quality regulators. In terms of pollution level, the City can be categorised as moderate to less polluted. This is due to the fact that out of the 8 monitoring stations, pollutants exceedances were recorded to be high only on Ozone, others are sporadic. Air pollution and health impacts studies in South Africa reflect that Short-term exposure to peak levels of ozone can temporarily affect the lungs, the respiratory tract, and the eyes, and can also increase susceptibility to inhaled allergens. Long-term exposure to ozone has primarily been found to reduce lung function. Given the possible health impacts City's interventions should be considered to help reduce the ozone levels within the CoT.

The following programs were implement in an effort to improve air quality to meet the targets of the City's Air Quality Management Plan:

- Establishing Air Quality Information Management which entails:
 - Producing Air Quality Monitoring Monthly Reports
 - Reporting to South African Air Quality Information System
- Air Quality awareness raising initiatives
- Vehicle emission monitoring for Tshwane fleet
- Follow the smoke and Basa Njengo Magogo awareness campaigns

- Which communities/areas benefited from the above achievements?

ENVIRONMENTAL EDUCATION

The Environment and Agriculture Management Department is responsible for coordinating action on environmental education matters within the City of Tshwane. Within its mandate the Department seeks to promote environmental sustainability while contributing to a balanced integration of the economic, social and environmental dimensions of sustainable development. Some of the Key highlights on campaigns that the department has hosted in the 2016/2017 financial year as part of its Environmental Education and Awareness programme are listed in the following sections.

CITY COMMEMORATED WETLANDS MONTH

The week of 6 to 10 February 2017 was dedicated to raising awareness of the conservation of wetlands and its importance to human life in Region 6, particularly Mamelodi. Together with Umkariso Women in Water, a cooperative based in Mamelodi, the department conducted the following activities:

- A door-to-door awareness campaign where a total of 201 households in Mamelodi X 24 and 25 (Ward 16) were reached.
- A wetlands clean-up campaign.
- Exhibitions with various stakeholders to communicate the importance of wetlands.

Umkariso Women in Water is a cooperative that adopts and cleans wetlands, educates people and promotes awareness about wetland conservation in the surrounding community. During the door-to-door campaign, residents were encouraged to take ownership of and develop sensitivity towards wetlands and to understand that wetlands give us the advantages of various ecosystem functions that we need for survival.



Figure 18: City commemorates Wetlands month

ATTERIDGEVILLE RECYCLING PARK

The Atteridgeville Recycling Park is the first facility of its kind in Tshwane to provide a clean material recovery facility to divert recyclable waste from landfills. The open day was aimed at raising awareness of the activities at the plant, presenting workshops on vegetable gardening and the role of composting therein, as well as developing an understanding of entrepreneurial opportunities associated with compost (bulk purchasing and retailing).



Figure 19: Atteridgeville Recycling Park

TSHWANE ARBOR MONTH

The City of Tshwane's Environmental Management Services Department commemorated Arbor Month 2016 on the 6th September 2016, by planting indigenous and fruit trees to promote urban forestry around different regions in Tshwane. The initiative was aimed at encouraging communities, officials and individuals to plant and conserve trees. The initiative was rolled out in partnership with the Department of Agriculture, Forestry and Fisheries and the Gauteng Department of Agriculture and Rural Development, Department of Education, City of Tshwane Economic Development and other external parties. Environmental Management Services coordinated tree distribution and planting in all seven regions with assistance of trained EPWP Community Educators. PPC Cement- Hercules, Aurecon and the South African Reserve Bank donated trees. The Arbor month activities were conducted in line with the 2016 theme: **"Forest and Water"**.



Figure 20: Planting of trees during Arbor Day

3 Social development

The City provides comprehensive social services to community members. Interventions and programmes of the City contribute to the government-wide fight against multidimensional poverty as expressed in the National Development Plan's Vision 2030. The City also provides free basic services to registered indigent households.

The following were achieved in the 2016/17 financial year:

- The monthly distribution of food parcels to 18 071 needy households.
- 72 early childhood development centres received funding, benefitting over 4 000 children who attend these centres.
- 11 282 homeless adults were assisted through feeding schemes and skills development in partnership with NGOs.
- 14 elderly centres were supported by the City.
- 647 children from child-headed households were supported.
- 8 youth programmes were supported.
- 5 programmes for women were supported.
- 7 programmes for people with disabilities were supported.
- 10 Council-managed early childhood development centres were fully funded by the municipality.

103 early childhood development centres were supported by the City, and an amount of R6 888 204,00 was made available for that activity.



Figure 21: Outdoor equipment bought by a funded early childhood development centre

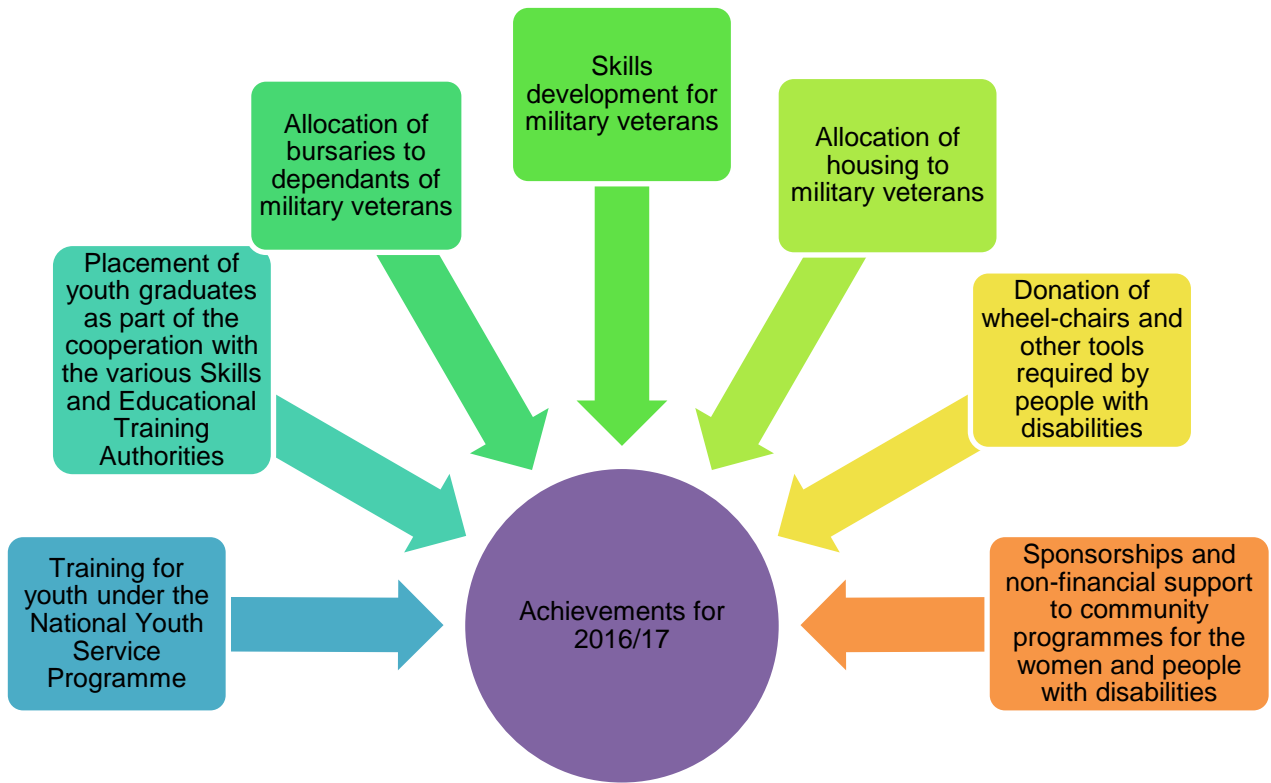
INDIGENT PROGRAMME

The indigent programme focuses on the registration of indigent households that qualify for free basic services, in terms of set policy criteria. The registered households are monitored, and exited once their living status has improved.

For the year under review, the city registered an additional 2 837 indigent households for access to free basic services.

STRATEGIC INTEREST GROUPS DEVELOPMENT

This function seeks to ensure the promotion and protection of vulnerable groups and strategic interest groups within communities. This is done through awareness campaigns and public education, and through advocating for the inclusion of matters pertaining to strategic interest groups in the City's plans, policies, programmes, projects, decision-making, employment and the provision of services.



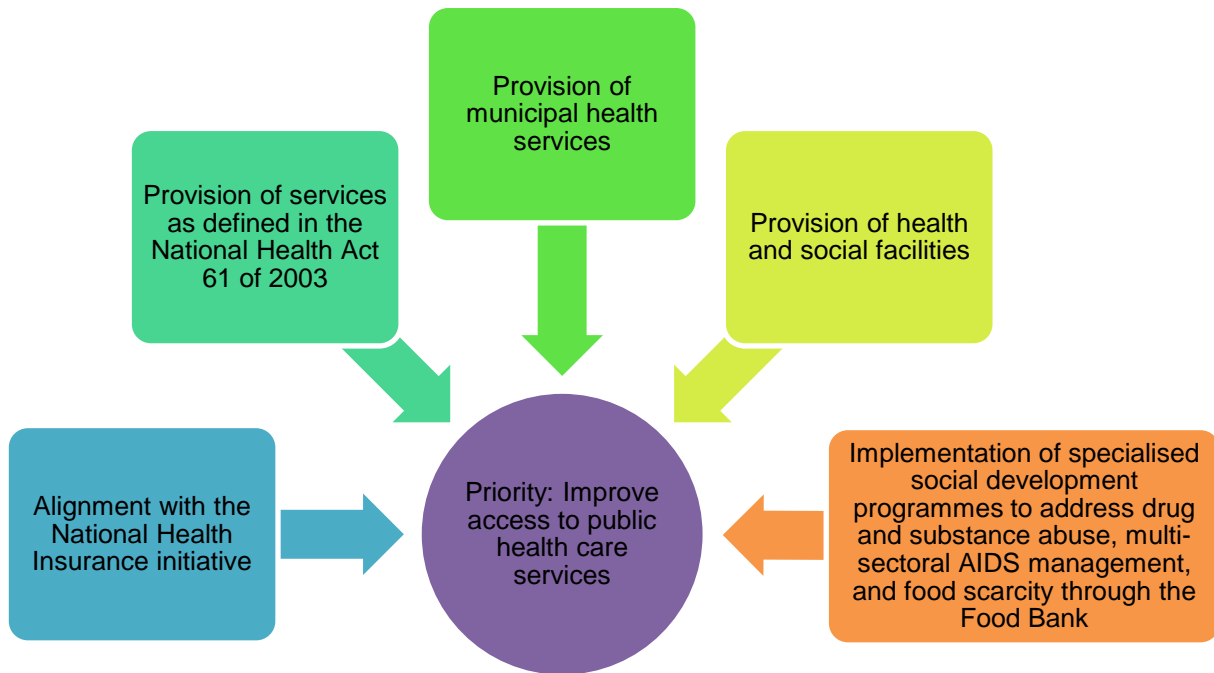
SOCIAL SUPPORT PROGRAMMES

Social relief is provided to qualifying people to assist with addressing poverty. Food and non-food parcels, such as toiletry packs, blankets and mattresses, are provided. In the 2016/17 financial year, there were 18 071 beneficiaries who received food parcels from the social development programme in the city. 56 needy organisations received social assistance from the social relief programme.



Figure 22: Social relief provided to needy families

INTRODUCTION



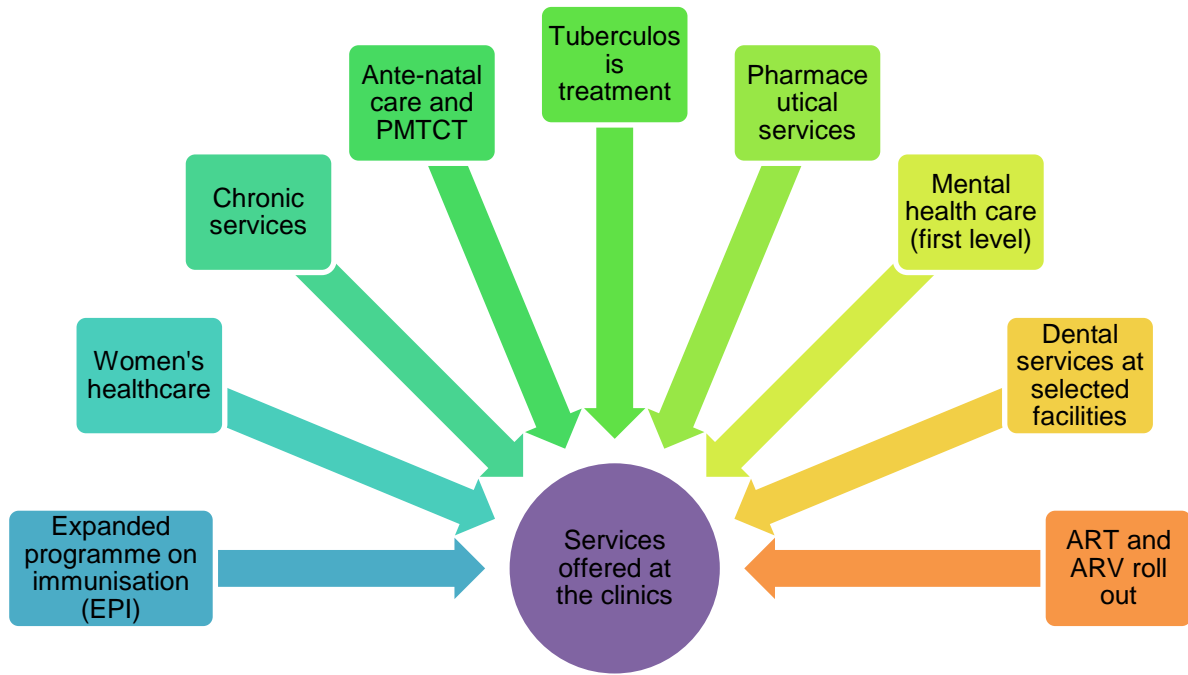
Notable achievements in 2016/17 include the following:

- The handover of cheques to 23 non-profit organisations for drug and substance abuse to the value of R4,9 million.
- Operationalisation of the Soshanguve Block JJ Clinic and completion of the Zithobeni Clinic.
- Consultative workshops on drug and substance abuse.
- Collaboration with the University of Pretoria on the community-based rehabilitation programme where more than a thousand service users were enrolled.

1 Access to healthcare

CLINICS

Primary healthcare (PHC) services are provided to residents of Tshwane by 24 fixed local authority clinics, one satellite clinic and two mobile clinics, with extended service hours from 08:00 to 13:00 on Saturdays. The clinics recorded 1,211,040 patient visits for 2016/17.



The Gazankulu Clinic moved from its temporary structure to a new, permanent facility in Saulsville at the corner of Maunde and Mphalane Street. The clinic started operating in 1992, providing comprehensive primary health care services in temporary structures.



Figure 23: Gazankulu clinic

Table 29: Service data for clinics

Details	2013/14	2014/15	2015/16	2016/17
	Actual number	Actual number	Actual number	Actual number
Number of patient visits on average per annum	1 530 509	1 512 643	1 271 897	1 211 040
Number of HIV/AIDS tests undertaken in the year	52 802	54 363	82 577	50 111
Number of positive HIV/AIDS tests	10 837	9 692	12 174	7 869
Number of children younger than one year that were immunised	14 483	13 214	12 545	11 105
Child immunisations above compared with the population of children younger than one year	88.3%	85%	65.5 %	58.8%

Accessible Services And Suitable Health Facilities In The Tshwane District

Table 30: Tshwane District primary healthcare facilities per region

Tshwane region	Health posts	Mobiles	Satellites	Clinics	Community health centres
Region 1	6	4	1	18	3
Region 2	0	1	1	9	1
Region 3	9	1	0	13	1
Region 4	2	0	1	5	0
Region 5	1	0	0	7	0
Region 6	22	1	0	8	1
Region 7	5	1	0	6	1
Total	45	8	3	66	7

Tshwane District Annual Tshwanelo Awards

These awards are presented annually by the provincial Health Department. The indicators for the 2016 awards used were the overall performance on the assessment of ideal clinic realisation using the dashboard for ideal clinic status. The dashboard is a tool used nationally to determine whether a clinic is ideal or not. The annual satisfaction and clinical record audits are also used as indicators.

The results for the 2016 assessment were as follows:

Table 31: 2016 Tshwanelo Awards assessment results

Patient satisfaction survey trophies	Pharmaceutical trophies	Clinical audit trophy for medium-sized clinics	Overall best-performing local government clinic
<ul style="list-style-type: none"> • Pretorius Park Clinic: 2nd runner-up • Doornpoort Clinic: 1st runner-up • Laudium Clinic: Winner 	<ul style="list-style-type: none"> • Stanza Bopape II Clinic: 2nd runner-up • Lotus Gardens Clinic: 1st runner-up • FF Ribeiro Clinic: Winner 	Karenpark Clinic	<ul style="list-style-type: none"> • East Lynne Clinic: 2nd runner-up • Stanza Bopape II Clinic: 1st runner-up • Doornpoort Clinic: Winner

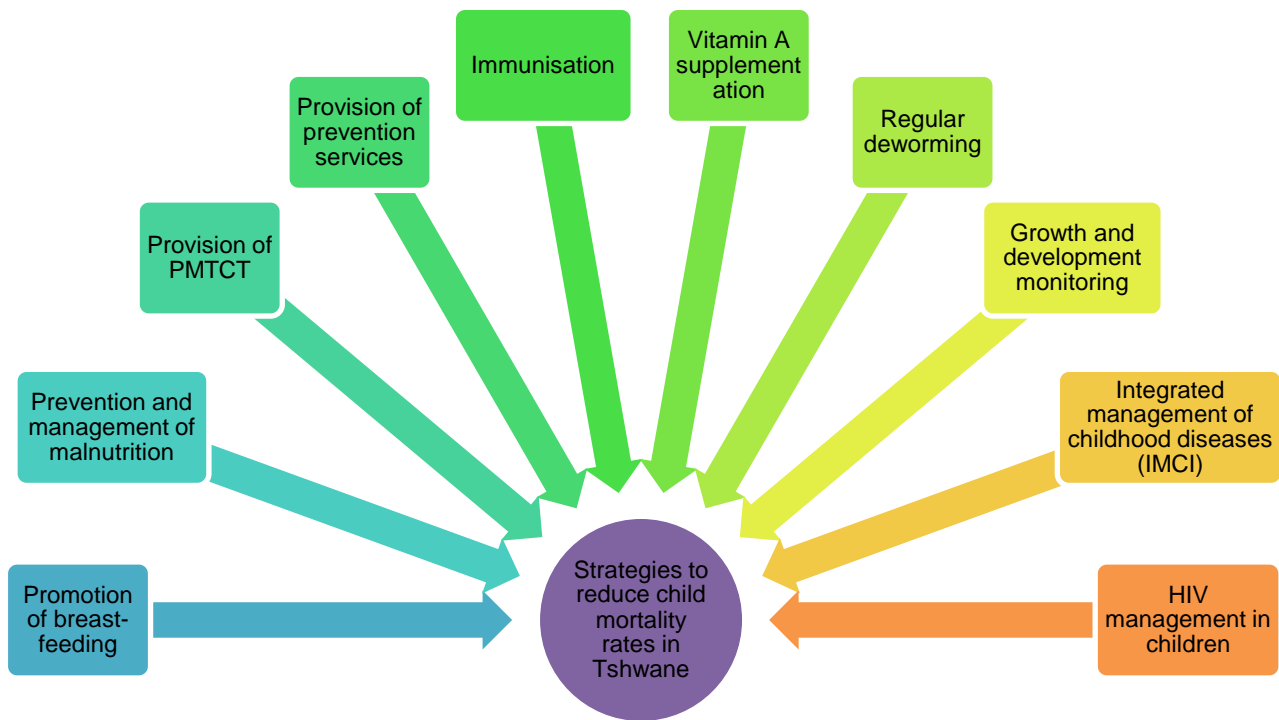
PROVISION OF ESSENTIAL DRUGS

More than 90% of essential medicines are available at facilities. Stock redistribution is done to ensure availability. In total, 801 873 prescriptions and 2 385 597 items were dispensed between July 2016 and May 2017.

R85 368 720,73 was spent (July 2016 to May 2017) on essential medicines procured through the Tshwane Regional Pharmacy. R846 880,63 was spent (July 2016 to April 2017) on surgical items procured via the Tshwane Surgical Stores. The City of Tshwane spent R415 259,90 of its own funds to purchase additional medicine and surgical items that could not be supplied by the provincial department.

PROVISION OF COMPREHENSIVE PRIMARY HEALTHCARE SERVICES

Sexually transmitted infections	Services for children and the youth	Integrated management of childhood illnesses	Monitoring of diarrhoea and severe malnutrition
<ul style="list-style-type: none"> • Increased efforts to educate the public on STI's, in order to reduce STI cases and complications. • Strategies used to attempt to reduce the incidents included the distribution of male and female condoms, adoption of a syndromic treatment approach and monitoring and tracing contacts. 	<ul style="list-style-type: none"> • There is a global and national priority focus on reduction of infant and child mortality. • City of Tshwane focus is on improving basic and preventative care for children. • Strategies were developed to reduce mortality rates. 	<ul style="list-style-type: none"> • Target-group is children under 5 • based on the IMCI strategy adopted in 1996. • Follow an evidence-based syndromic approach to case management • Preventative and curative interventions. • Benefits have included reducing deaths from measles due to vaccinations, and reducing deaths from diarrhoea through oral rehydration therapy. 	<ul style="list-style-type: none"> • Monitored at all public health facilities • National Vitamin A Supplementation (VAS) was integrated into the EPI and IMCI programme in all Tshwane health facilities. • Vitamin A supplementation is provided to children aged 6-11 months, and children aged 12 and 59 months. • The CoT has increased its outreach to ensure Vitamin A supplementation in the 12-59 months age group.



Strategies implemented to increase Vitamin A supplementation include the following:

- An integrated strategy with screening and administration at any contact with routine health services, including individualised health education on VAS for parents.
- Supplemental distribution during campaigns when VAS is feasible, such as catch-up immunisation activities and other campaign-like activities.
- Integrating deworming of children between 12 to 59 months with Vitamin A supplementation. It is cost-effective and more beneficial to give Vitamin A capsules and deworming tablets simultaneously. Research has shown that there is a clinical link between worm infection and reduced Vitamin A levels. Roundworms live in the gut and Vitamin A reduces their growth.
- The resources needed were mobilised through various role players in Tshwane. Other strategic programmes, such as school health services and ward-based outreach teams, were used to scale up VAS.
- An increased focus was put on VAS awareness and communication through health promotion activities.

PREVENTION OF MOTHER-TO-CHILD-TRANSMISSION OF HIV IN TSHWANE

The EMTCT service, which includes monotherapy and dual prophylaxis, was implemented in April 2008. The roll-out of the Elimination of Mother-to-Child Transmission (EMTCT) programme in South Africa has been rapidly scaled up since 2008. EMTCT guidelines were updated in March 2013 to include a standardised triple-drug regimen to treat HIV-infected pregnant women (regardless of CD4 count) during pregnancy and breastfeeding, with continuation of antiretroviral treatment (ART) after breastfeeding for women with CD4 counts less than 350.

Furthermore, for women who were not eligible for lifelong ART, prophylaxis ART treatment was started earlier, at 14 weeks' pregnancy. For the first time, HIV-positive women could safely breastfeed their children, provided that the child was taking ARVs during the breastfeeding period.

On 1 January 2015, South Africa implemented the Option B+ approach, which entitles every pregnant or breastfeeding woman to lifelong ART regardless of CD4 count or clinical staging.

EMTCT in Tshwane aims to provide continued guidance to reduce the vertical transmission of HIV and builds on work done since the inception of the programme and the 2015 policy and guidelines document. In line with the international standards for a comprehensive strategy, the EMTCT Policy recognises that in order to prevent HIV amongst women and children, the four elements of EMTCT are integral. These include the following:

- Primary prevention of HIV, especially amongst women of childbearing age
- Prevention of unintended pregnancies amongst women living with HIV
- Prevention of HIV transmission from a woman living with HIV to her infant
- Provision of appropriate treatment, care and support to women living with HIV and their children and families

The national EMTCT programme aims to ensure the following:

- Primary prevention of HIV, especially among women of childbearing age
- Integration of prevention of mother to child transmission interventions with basic antenatal care, sexual and reproductive health, child and adolescent health, comprehensive care management and treatment and tuberculosis services
- Reduction of maternal mortality, in line with the Sustainable Development Goals (SDGs).

The Gauteng Department of Health has set a goal for 2016/17 to reduce the mother-to-child transmission of HIV from 2% to 0.80% at six weeks after birth and from 3.1% to 2% at 18 months after birth. The success of achieving these outcomes depends on the antiretroviral coverage of pregnant women living with HIV, as well as on decreasing the percentage of young women infected. It is also important to test all exposed babies at birth and at 10 weeks to identify HIV-positive babies and to ensure take-up into treatment and care. The medium-term target set for Gauteng is 90% testing coverage of babies at 18 months by 2019/20.

All the City of Tshwane's fixed clinics provided a 100% EMTCT service. The City of Tshwane trained clinicians on duty and successfully implemented the Option B+ treatment option.

HIV-positive women received counselling on the advantages of the PMTCT programme, and this reduced the chances of HIV transmission from mother to child.

Early diagnosis of infants is essential because peak mortality occurs at 2 to 3 months for newborns who are infected with HIV. The new national consolidated guidelines for the prevention of mother-to-child transmission of HIV and the management of HIV in children, adolescents and adults 2014, updated for 2015, made provision for earlier testing. Polymerase chain reaction (PCR) testing at birth was successfully introduced on 1 June 2015 for all HIV-exposed neonates, with immediate initiation of ART with a positive HIV PCR test.

A system for to follow up on PCR-positive babies has been implemented through cooperation between the Tshwane district clinical specialist team, the National Health Laboratory, health facilities and ward-based outreach teams. A unique Road to Health Booklet Identifier System has been introduced to further enhance the successful identification, tracking and follow-up of babies. These mechanisms aim to ensure an increased uptake of HIV-positive babies into care and treatment as early as possible.

EXPANDED PROGRAMME ON IMMUNISATION

The City of Tshwane follows the vaccination programme as stipulated by the National Department of Health. All children are offered immunisation services according to the programme to protect them against the most important childhood illnesses, which include TB, polio, whooping cough, diphtheria, tetanus, hepatitis B and *haemophilus influenzae* Type B. The uptake of immunisation of 6- and 12-year-olds against tetanus and diphtheria is still a challenge. A national measles campaign was conducted during May and June 2017, and the coverage was 91%. A successful influenza campaign was held in 2017; the coverage of high-risk people being vaccinated against influenza was 92%.

INTERVENTIONS TARGETING THE YOUTH

Teenage pregnancy is still an important issue in our communities. Women are regarded as vulnerable, and their exposure to unprotected sexual activities results in pregnancy at a young age. Health promotion programmes, such as family planning methods and the use of condoms, were put in place to prevent unwanted teenage pregnancies. Interventions targeting adolescents included the implementation of clinical guidelines for the health of young people and adolescents, and of measures to reduce the number of teenage pregnancies and cases of drug-taking. Fast-lane options for family planning services were introduced in most clinics. Unwanted teenage pregnancies increase the risk of illegal backyard abortions.

WOMEN'S HEALTH

South Africa, as a signatory to the United Nations Millennium Declaration of 2000, is committed to achieving the Sustainable Development Goals (SDGs) 2030. Although achieving all the SDGs has important implications for the health and well-being of women, mothers and children, the goal to reduce the global maternal mortality rate to less than 70 per 100 000 live births is very specific. The National Ten-point Plan also has the goal to strengthen programmes focusing on maternal, child and women's health.

CERVICAL CANCER

The cervical screening policy and programme has been implemented since 2001 and aims to decrease the incidence of cervical cancer by 70%. Despite this programme, South Africa has a high burden of cervical cancer. Cancer of the cervix is the most common gynaecological cancer in South Africa, and the fourth most common cancer affecting women worldwide. Screening can reduce the incidence of this cancer.

According to the World Health Organisation (WHO), the introduction of vaccines to prevent human papilloma virus (HPV) infection, combined with a comprehensive cervical cancer screening and treatment policy, is essential to address the burden of cervical cancer.

The national HPV vaccination strategy in South Africa started in March 2014. It was implemented through the Integrated School Health Programme and aims to reach the widest possible number of targeted pre-pubertal females in public schools.

ANTENATAL CARE

Reducing the maternal and child mortality rates is a priority of the Negotiated Service Delivery Agreement and a key component of the Strategy Plan for Maternal, Neonatal, Child and Women's Health and Nutrition in South Africa, 2011–2016. South Africa has adopted the Campaign on Accelerated Reduction of Maternal and Child Mortality in Africa strategy.

The Sustainable Development Goals for 2030 has set a target to reduce global maternal mortality to less than 70 per 100 000 live births by 2030. The National Development Plan for South Africa for 2030 states the target to reduce maternal mortality to less than 100 per 100 000 live births. The Gauteng Department of Health's strategic objective for the maternal death rate is to reduce the in-facility maternal mortality rate from 143 per 100 000 live births in 2013/2014 to 80 per 100 000 live births in 2019/2020. All the City of Tshwane's clinics provide routine antenatal care services to pregnant mothers. Pregnant mothers are screened for HIV in City of Tshwane health facilities and PMTCT treatment is started. HIV-exposed infants are also managed in accordance with the PMTCT policy guidelines.

The City has implemented a ward-based community outreach model with community-based teams, which will visit all households and address health issues with the aim of upgrading the community's health status. Although currently still in the roll-out phase, this model is envisaged to improve outcomes in this regard.

A district clinical specialist team comprising an obstetrician/gynaecologist, paediatrician, family physician, advanced midwife, advanced paediatric nurse and primary healthcare nurse has been deployed to assist with

clinical governance and quality of maternal and child health services. The team's role is to focus on the major causes of maternal and child mortality, HIV and TB.

To reduce maternal mortality in an effort to reach set targets, clinical guidelines, protocols and manuals for the clinical management of the major causes of maternal mortality are provided. It was estimated that 70% of neonatal deaths can be prevented if good quality maternal healthcare is provided.

Remaining problems include late booking for antenatal care, and even patients arriving for the first time during labour. It is projected that mothers will report earlier in pregnancy for care once the ward-based outreach community care model has been fully implemented.

The Basic Antenatal Care (BANC) Programme was updated nationally to BANC Plus in 2017. The process of providing antenatal care has been simplified, and only interventions that are effective during the antenatal period are used and those that are not are excluded. The biggest change has been the increase in the number of antenatal visits. Further studies and a re-analysis of previous work found that focused antenatal care that aims to have goal-orientated coverage of essential interventions with four visits is no longer recommended, and it is associated with higher perinatal mortality than standard antenatal care models with more visits.

The National Department of Health's Mom-Connect initiative has been implemented in City of Tshwane facilities with the aim of preventing a high number of maternal and child deaths through basic interventions. It introduced a mechanism for registering all pregnancies electronically as early as possible, and it facilitates targeted health promotion messages targeted at these pregnant women in order to improve their health and that of their infants. The initiative also provides pregnant women with an interactive mechanism to provide feedback on the service they have received, allowing the health system to respond to the needs of pregnant women.

FAMILY PLANNING

City of Tshwane Health Services offer reproductive health services to –

- remove barriers that restrict access to contraceptive services;
- increase public knowledge of client rights, contraceptive methods and services through health promotion;
- provide high-quality contraceptive services; and
- continue programmes and implement new initiatives to improve accessibility of contraceptive services for underserved groups and communities.

South Africa adopted a revised Contraception Policy in 2012, the National Contraception and Fertility Planning Policy, as well as the Service Delivery Guidelines and National Contraception Clinical Guidelines. These are important documents that aim to reprioritise contraception and fertility planning in South Africa, with an emphasis on dual protection. The policy states the importance as "... one of the most powerful public health tools for any country. Providing women with access to safe and effective contraception is a critical element of women's health. Enabling women to make choices about their fertility is empowering and offers women better economic and social opportunities. Birth spacing also improves the opportunities for children to thrive physically and emotionally. Engaging men in sexual and reproductive health encourages shared responsibility in their roles as partners and parents."

Contraceptives are one of the World Health Organisation's four strategic prongs to prevent mother-to-child transmission of HIV. Contraception and planning for conception contribute to reducing HIV transmission, thereby supporting the 2017–2022 National Strategic Plans against HIV and AIDS, TB and STIs. It is also an important part of the strategy to ensure the successful implementation of the African Union's Campaign for the Accelerated Reduction of Maternal, Neonatal and Child Mortality in Africa, to which South Africa is a signatory.

Fertile women in communities (women between 15 and 44) should be protected from unwanted pregnancies. The target is to increase the couple-year protection rate. There needs to be an intensified focus on contraceptive services in order to improve outcomes.

TUBERCULOSIS SERVICES

Comprehensive TB services are now available at all 24 City of Tshwane healthcare facilities. World TB day was celebrated on 24 March 2017. A patient who was cured from TB and completed her treatment baked a cake in celebration.



Figure 24: Cake baked by patient cured from TB

HIV COUNSELLING AND TESTING

HIV testing is the first entry point into the continuum of comprehensive HIV prevention, treatment, care and support. Free voluntary HIV testing and counselling are available to the public at any of the clinics in Tshwane.

ANTIRETROVIRAL TREATMENT (ART)

City of Tshwane clinics implemented the ART programme at its health facilities. All the City of Tshwane fixed clinics provide a 100% PMTCT service.

HIV-positive women received counselling on the advantages of the PMTCT programme, which reduces the chances of HIV transmission from mother to child.

Great strides have been made in the prevention of mother-to-child transmission of HIV, with the coverage of HIV testing of pregnant women being close to 100%. Challenges include losses in following up on HIV-positive babies and a low ART initiation rate for babies. There is also a need to strengthen mentorship for NIMART-trained nurses.

POST-EXPOSURE PROPHYLAXIS FOLLOW-UP SERVICE

All rape victims were counselled and examined at a specialised crisis centre. There are four dedicated provincial crisis centres in Tshwane, namely the Laudium Community Health Centre, the Mamelodi Hospital, the Tshwane District Hospital and the Soshanguve Community Health Centre. Services at these centres include ART and counselling. If a patient consented to receiving prophylactic ART, treatment was initiated at the crisis centre and the patient was referred to the nearest local clinic for further treatment and follow-up.

2 Environmental health

The Municipal Health Services (MHS) Section is responsible for delivering municipal health services to the residents of Tshwane. Municipal health services, according to the National Health Act, 2003 (Act 61 of 2003), includes water quality monitoring, food control, waste management, health surveillance of premises, surveillance and prevention of communicable diseases, vector control, environmental pollution control, disposal of the dead and chemical safety, but excludes port health and malaria control.

The National Environmental Health Policy provides guidance regarding the development of environmental health service delivery plans for municipalities. The government recognises the importance of prevention across all level of healthcare. Wherever possible the burden of ill health and disability must be averted by preventive interventions. This is clearly indicated in the White Paper on the Transformation of the Health System in South Africa, as well as the Alma-Ata Declaration on primary healthcare . Prevention strategies often need to address adverse environmental factors, as well as individual behaviour and lifestyle.

DEVELOPMENT MANAGEMENT

It is imperative that MHS staff acquire more knowledge and skills through further training and development. Further training in MHS is achieved through continuous professional development (CPD) accredited by the Health Professions Council of South Africa. During the year under review, the following sessions were organised by the MHS Technical Support Unit to achieve training through CPD:

Table 32: Compressed CPD programme

No.	CPD SESSION	DATES	NUMBER OF EHPs ATTENDING
1	Principles of outbreak disease	24/08/2016	29
2	Principles of outbreak diseases	18/10/2016 – 20/10/2016	4
3	Foodborne/waterborne outbreak investigation and management	25/08/2016	28
4	Outbreak report writing	26/08/2016	28
5	Regulation on food labelling	23/09/2016	54
6	Regulation on funeral undertakers	21/10/2016	60
7	Norms and standards: Waste management	28/10/2016	46
8	Recreational water quality	28/10/2016	43
9	Ventilation of buildings in relation to smoking	06/04/2017	36
10	The potential role of health promotions in addressing the social determinants of health	06/04/2017	37
11	Tshwane Geo Web training	April/May 2017	54

No.	CPD SESSION	DATES	NUMBER OF EHPs ATTENDING
12	Best practices of EHP	09/05/2017	45
13	Initiation schools in Tshwane	09/05/2017	47
14	Sustainability Week	13/06/2017 – 15/06/2017	39

SAMPLING MANAGEMENT

In the 2016/17 financial year, 221 samples were taken and submitted to the laboratory for various testing and analysis. The sampling programme seeks to identify and prevent possible water contamination in the potable/drinking water from the tap, rivers, streams, and other food products as well as bottled water,. The sampling programme is managed according to the Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act 54 of 1972). The responsibility for implementing this programme lies with Tshwane's seven regions.

Table 33: Sampling results, 2016/17

2015/16				2016/17			
Type of sample	Total samples taken	Total complying with the standard	Percentage of samples complying with the standard	Type of sample	Total samples taken	Total complying with the standard	Percentage of samples complying with the standard
Microbiological analysis of tap water	122	96	78%	Microbiological analysis of tap water	116	111	95 %
Microbiological analysis of bottled water	16	16	100%	Microbiological analysis of bottled water	12	12	100 %
Microbiological analysis of food	155	111	71%	Microbiological analysis of food	75	72	96 %
Chemical analysis of food	52	52	100%	Chemical analysis of food	18	18	100 %

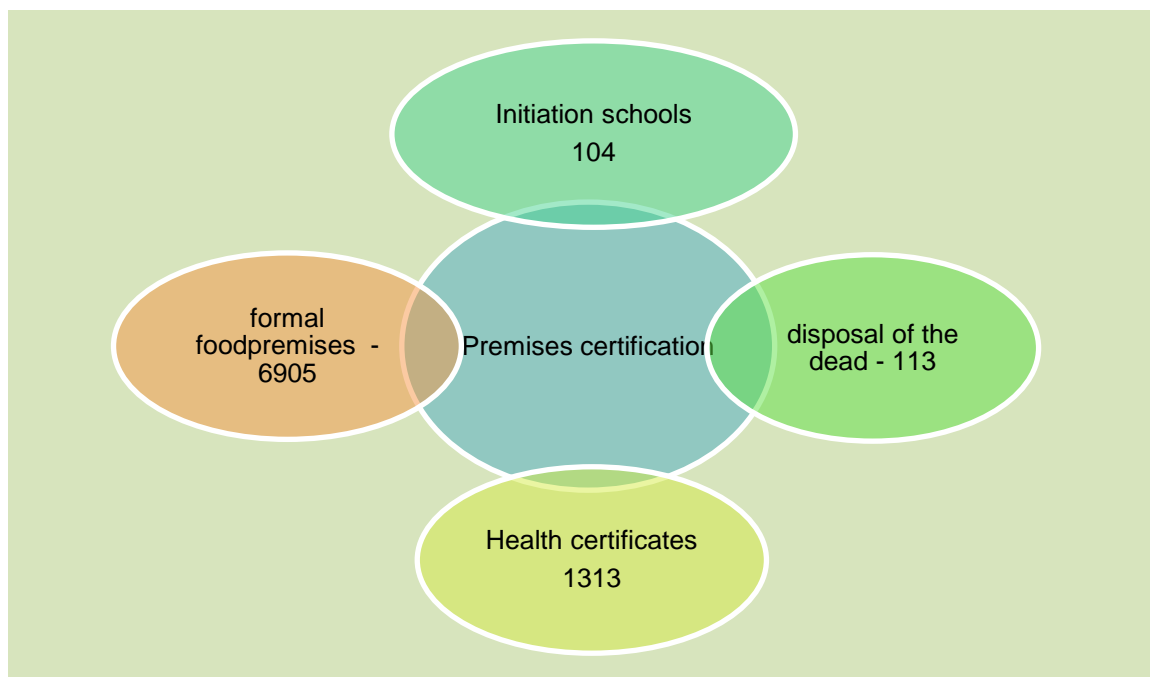
CERTIFICATION RATE FOR PREMISES

The certification of premises is important in order to ensure compliance with specific legislation relating to certain types of business. Formal food premises are certified according to the Regulation on the General Hygiene Requirements for Food Premises and the Transportation of Food (R962). Premises for the disposal of the dead is certified according to the Regulation on the Management of Human Remains (R363). Facilities used for the care of children and the elderly are certified according to municipal by-laws promulgated by the City of Tshwane. The objective of these various pieces of legislation is to ensure that requirements are complied with and premises are operated according to the stipulations of the law.

Legislation requires that premises must be certified to indicate that they are competent to carry out specific activities for public use. Food premises are certified under Regulation R962 to indicate compliance with the hygiene standards required for food premises. The MHS Section will intensify efforts to identify all outstanding premises and ensure compliance with regulations.

Education programmes conducted by the section assisted in making operators understand the need to comply and register their businesses. Childcare services have become a prominent feature in the education and inspection programme of the section, hence there is a significant improvement in all aspects of operation. More centres for the aged are being identified by the section and operators encouraged to register them for monitoring and regular inspections. There is a significant improvement in the standard of these centres, which is good for the health and safety of aged citizens of Tshwane, although there was a decrease in the issuing of health certificates due to zoning.

Figure 25: Certification rate for premises



A total of 104 initiation schools, both males and female, were issued with certificates in the course of 2016/17. These schools were monitored regarding health and hygiene conditions.

For formal food premises, 6 905 new premises were certified, which constitute a large number of certifications for this type of premises. The formal food category includes businesses like caterers, general dealers, canteens and butcheries, just to mention a few.

Childcare centres and old age homes attained 1 313 certificates for the period under review. This indicates an exponential growth rate in a number of complying premises, considering the ever-increasing number of this type of premises.

A total of 16 premises used for the disposal of the dead were issued with certificates. The reason for the lower number of certificates issued is because, of the 140 premises registered on the database, a large number of certificates has already been issued .

MHS EVENTS, PROJECTS AND SPECIAL OPERATION

A highly skilled and dedicated MHS team embarked on an annual initiation school programme to ensure that the minimum requirements as set out by legislation governing this societal functional area are met (City of Tshwane Health By-law for Operation and Management of Initiation Schools, Notice 446/2004). A multi-sectorial

forum was established and supported by the political principals and top management of MHS. The mandate of the forum seeks to address all non-conformances, ensure compliance and prevent casualties and deaths during the season. In the previous financial year, 2 208 initiates were admitted in various initiation schools around the city, and of those, four deaths were reported and the circumstances surrounding the loss of life were allegedly linked to veld fires. The programme is still ongoing and not much information was provided for the current financial year.

F Security and safety

INTRODUCTION

The City seeks to improve the safety of its residents by providing municipal policing, fire and emergency services.



1 Metro Police Services

The core mandate of the Tshwane Metro Police Department (TMPD) focuses on road policing, by-law policing and crime prevention. Road policing centres on all activities that reduce, deter or prevent the occurrence of accidents through the following mechanisms:

- Ensuring effective and efficient law enforcement
- Monitoring relevant infrastructure as well as strategic interventions where and when necessary
- Providing supportive traffic control services

STRATEGIC FOCUS AREAS OF THE DEPARTMENT

The Ward-based Strategy was developed with the vision of deploying ten members per ward per shift and five vehicles per ward per shift throughout the 105 wards in Tshwane. To date, the TMPD micro structure was aligned with the above strategy.

During the 2016/17 financial year, TMPD carried out the following:

- 1 551 road policing interventions.
- 1 770 crime prevention interventions/operations and 772 arrests during these operations.
- 657 by-law policing operations and interventions.
- 615 177 infringement notices were issued for road traffic and by-law offences in the various regions.

TMPD Diplomatic Desk

There are over 130 diplomatic missions in Tshwane. Services rendered by the Diplomatic Unit to Embassies and High Commissions are aligned with the TMPD's mandate. The unit conducts proactive and reactive visits to embassies/parastatals and high commissions. Proactive visits mainly entail the introduction and marketing of TMPD services, whereas reactive visits involve attending to complaints from embassies/parastatals and high commissions in Tshwane. The Diplomatic Unit depends on the TMPD War Room, Nodal point and Communication Unit for information that needs to be communicated to the relevant stakeholders to assist with complaints that are received.

International Diplomatic Spouses Association Self-defence Training

On 27 January 2017, the TMPD Diplomatic Desk presented a self-defence class to women from the International Diplomatic Spouses Association (IDSA). Commander Chris Opperman, Head of the Diplomatic Services Unit, together with Captain Collette of the South African Police Service, presented a theoretic and practical self-defence session to empower women from IDSA to be more vigilant of their surroundings in order to be less anxious of public areas and instructed them on what to do if someone invades their personal space (protection and escape).



Figure 26: Women who attended the self-defence class

Visit by Sul Ross University

One of the key performance areas of the Diplomatic Desk is to source training for the TMPD. On 27 January 2017, the Sul Ross State University from the United States of America visited the department as an initiative to establish possible educational exchange programmes relevant to safety, security and law enforcement. Delegates from the university were welcomed and received by the MMC for Community Safety. The Sul Ross University will offer short courses to the officers, who will gain global law enforcement experience.



Figure 27: Delegation from the Sul Ross State University, United States

2 Fire Services

The main objective of City of Tshwane's Emergency Services Department is to build safer communities. Fire Services is a component of the Emergency Services Department under the function Emergency Services. Fire safety forms part of the approval of new developments and buildings that do not comply with the deemed-to-satisfy rules of SANS 10400; 204 rational design submissions were evaluated by fire consultants during the 2016/17 financial year and 40 applications for township establishment were received and were subjected to the National Building Regulations to comply with the deemed-to-satisfy rules.

Service delivery

During the 2016/17 financial year, the following were achieved:

- 11 974 routine fire safety assessments were conducted to determine the level of compliance to fire safety requirements that might reduce the occurrence of fire incidents.
- 11 357 street fire hydrants were assessed.
- 5 173 hazardous substance assessments were carried out.
- 179 fire investigations were conducted by Fire Safety

Fire service data

Table 34: Metropolitan fire service data

Metropolitan Fire Service data					
	Details	2015/16		2017/18	
		Actual number	Estimated number	Actual number	Estimated number
1	Total fires attended to in the year	4 396	4 640	4 002	4 598

Metropolitan Fire Service data					
	Details	2015/16	2016/17		2017/18
		Actual number	Estimated number	Actual number	Estimated number
2	Total of other incidents attended to in the year	6 311 (rescue) and 452 (specialised humanitarian incidents) Total = 6 763	7 892 (rescue) and 1 019 (specialised humanitarian incidents) Total = 8 911	5 848 (rescue) and 564 (specialised humanitarian incidents) Total = 6 412	7 811 (rescue) and 1 009 (specialised humanitarian incidents) Total = 8 820
3	Average turnout time in urban areas (structural fires, Category A – C, 12 min)	8,06 Min	12 Min	10,04 Min	12 Min
4	Average turnout time in rural areas (structural fires, Category D, 20 min)	18,8 Min	20 Min	19,08 Min	20 Min
5	Firefighters in posts at year end	449	498	442	603
6	Total fire appliances at year end (F&R)	Rescue Pumper 28 Water Tankers 13 Trucks Com 7 Grass Units 20	Rescue Pumper 28 Water Tankers 11 Trucks Com 5 Grass Units 19	Rescue Pumper 8 Water Tankers 11 Trucks Com 5 Grass Units 19	Rescue Pumper 28 Water Tankers 11 Trucks Com 5 Grass Units 21
7	Average number of appliances off the road during the year	Rescue Pumper 18 Water Tankers 6 Trucks Com 4 Grass Units 7	Rescue Pumper 0 Water Tankers 0 Trucks Com 0 Grass Units 0	Rescue Pumper 20 Water Tankers 7 Trucks Com 2 Grass Units 11	Rescue Pumper 0 Water Tankers 0 Trucks Com 0 Grass Units 0

SPECIALIST TASK FORCE SERVICE

Activities conducted by the Specialist Task Force during 2016/17
<p>During the 2016/17 financial year, Specialist Task Force personnel conducted specialised activities in Tshwane. Some of the activities are as follows:</p> <ul style="list-style-type: none"> N1 Wallmansthal/Pyramid: Inspections on dangerous goods transportation vehicles/Law enforcement by TMPD on all vehicles' road worthiness and CoF, issuing of traffic fines for non-compliance. Recovery search at Bon Accord Dam and the Apies River. Follow-up with fire safety officer and a representative from the Environment and Agriculture Management Department on flooding and hazardous materials storage at South African Police Service (SAPS) evidence/pounding camp/storage in Pretoria West. 50 kg of sodium hydrosulphite (a highly water-reactive substance) was smouldering outside the SAPS evidence/pounding camp/storage. An inert substance was used to extinguish it. 55 drums (not leaking) and more than 20 liquefied petroleum gas (LPG) canisters were displaced by flooding water. Hazeldean Office Park, 687 Silverlakes road: Basement flooded and two vehicles were stuck in fast-flowing water (no victims).

Activities conducted by the Specialist Task Force during 2016/17

- Attended the incident where a building collapsed after a gas cylinder explosion at Daspoort.
- Attended a diesel tanker on Fire (N1) on 7 July 2016.
- A truck with TLB stuck under a bridge (N1) causing a hydraulic oil spillage on 7 July 2016.
- R55 and Rod Street, one P4 recovered from 2-m deep ditch using ropes, scoop stretcher and body bag on 12 July 2016.
- Standby, S 1607/0025 N1 Wallmannsthal, Pyramid: Hazardous vehicles inspected and notices given on 13 July 2016.
- Special Service, H1607/0005, Temba, Carousel: Spilled diesel on 15 July 2016.
- HAZMAT/MHI Technical Task Team meeting on 21 July 2016.
- Roadblock, R21 and Nellmapius: 13 trucks stopped and two notices issued on 25 August 2016.
- HAZMAT/MHI Technical Task Team meeting on 25 August 2016.
- Attended petrol tanker fire in Waltloo on 4 September 2016.
- Inspections on dangerous goods transportation. Inspections were conducted once again at Kgosi Mampuru R101 on 12,15 and 26 May 2017.
- Humanitarian services for instance to remove rings stuck on fingers.
- Sunny Lodge, Sunnyside on fire.

3 Emergency services

The objective of the Emergency Services Department responds to the goals of Chapter 12 of the National Development Plan, which deals with building safer communities and states that in 2030, people living in South Africa should feel safe and have no fear of crime.

School awareness campaigns

The City of Tshwane's Emergency Services Department conducted school awareness campaigns during the 2016/17 financial year.

Table 35: School awareness campaigns carried out

Date	Theme and purpose of awareness	Target group	Venue	Ward	Region
07/07/2016	School awareness	Early childhood development	Pretoria West	60	3
13/07/2016	School awareness	Learners	Zodwa Special School	63	3
22/07/2016	School awareness	Early childhood development	Capital Park Preschool	58	3
19/08/2016	School awareness	Early childhood development	Itumeleng Batswana Preschool	21	1
19/08/2016	School awareness	Early childhood development	Rorisang Crèche	20	1
08/09/2016	School awareness	Early childhood development	Kurisiwane Daycare Centre	8	2
08/09/2016	School awareness	Early childhood development	Little Darling's Daycare Centre	74	2
09/09/2016	School awareness	Early childhood development	Leratong Daycare Centre	12	1
09/09/2016	School awareness	Early childhood development	Paballo Daycare Centre	12	1

Date	Theme and purpose of awareness	Target group	Venue	Ward	Region
13/09/2016	School awareness	Early childhood development	Bamboes Crèche	29	1
16/09/2016	Arbor Day	Learners	Iketteng Primary School	49	2
21/10/2016	Career Day	Learners	Vezulwazi Primary School	103	7
28/10/2016	School awareness	Early childhood development	Kamogelo Daycare Centre, Soshanguve X 13	1	1
31/10/2017 to 4/11/2017	Public weather services international workshop	Employees	Erasmusrand	50	4
15/11/2016	School awareness	Learners	Alma Special School	53	3
25/11/2016	Festive season awareness campaign	Learners	Pretoria Military Sports Club	66	3
25/01/2017	Fires, floods, and thunderstorm awareness	Early childhood development	Utlwanang Daycare Centre	75	2
25/01/2017	Fires, floods, and thunderstorm awareness	Early childhood development	Ebenezer Foundation School	75	2
26/01/2017	Fires, floods, and thunderstorm awareness	Early childhood development	Baby Leggy Da-care Centre	74	2
26/01/2017	Fires, floods, and thunderstorm awareness	Early Childhood Development	Kgotso Ya Me Daycare Centre	75	2
15 /02/17	School awareness campaign	Learners	Ditshaba Primary School	12	1
08/03/17	Pre-winter awareness	Sizanani personnel	Sizanani Primary School	105	7
09/03/17	Pre-winter awareness	Learners	Tshegofatsong Special School	40	6
10/03/17	Pre-winter awareness	Learners	Phumula Old Age Home	105	7
16/03/17	Pre-winter awareness	Learners	Central Islamic School	61	4
16/03/17	Pre-winter awareness	Learners	Tshwane Muslim School	61	4
17/03/2017	Pre-winter awareness	Learners	Mfihlakalo Special School	8	2
24/03/17	Pre-winter awareness	Learners	Alma Special School	58	3
24/03/17	Pre-winter awareness	Learners	Tsaroga Phoka Primary School	25	1
30/03/17	Pre-winter awareness	Early childhood development	Happy Landing Daycare Centre	74	2
21/04/17	Pre-winter awareness	Early childhood development	New Kids Daycare Centre	21	1
21/04/17	Pre-winter awareness	Learners	Chipa-Tabane Secondary School	100	5
03/05/17	Pre-winter awareness	Learners	Ditshaba Primary School I	12	1
12/05/17	Pre-winter awareness	Learners	Laerskool Theresapark	98	1
15/07/17	Pre-winter awareness	Learners	Laerskool Theresapark	98	1
18/07/17	Pre-winter awareness	Learners	Hillside Primary School	61	4
23/05/17	Pre-winter awareness	Learners	Redirile Primary School	13	2
25/05/17	Pre-winter awareness	Learners	Tlo-tlo Mpho Primary School	31	1

Date	Theme and purpose of awareness	Target group	Venue	Ward	Region
25/05/17	Pre-winter awareness	Learners	Lekgatong Primary School	31	1
30/05/17	Pre-winter awareness	Learners	Pele Primary School	90	1
30/05/17	Pre-winter awareness	Learners	Lesedi Primary School	90	1
07/06/17	Pre-winter awareness	Learners	Lesego Primary School	90	1
08/06/17	Pre-winter awareness	Learners	Sisonke Forum South (kiddies forum)	90	1
09/06/17	Pre-winter awareness	Learners	Onverwacht Primary School	100	5
09/06/17	Pre-winter awareness	Learners	Soshanguve ECD Forum	25	1
20/06/17	Pre-winter awareness	Learners	George Mukharhi Hospital	20	1
27/06/17	Pre-winter awareness	Learners	Bizzi B Kids	32	1



Figure 28: School awareness campaigns

LAUNCH OF HEUWELoord EMERGENCY STATION

On 16 March 2017, the Heuweloord Emergency Station was launched by the Executive Mayor and the City Manager. The launch of a new emergency fleet also took place, and employees who had more than 30 years' service were awarded with long-service certificates.



Figure 29: Launch of Heuweloord emergency station

Disaster Management

Disaster Management Services focuses on creating safer and resilient communities in Tshwane through the coordination of all hazard prevention, preparedness, and mitigation, response and recovery activities within the framework of sustainable development. These activities are aimed at protecting lives, property and the environment. Everyday risks, if not identified properly, stand to become disastrous, and the identification and assessment of risk in order to reduce the probability of disasters has become the first important challenge in Disaster Management.

During the 2016/17, the following were achieved:

- 309 interventions were carried out to support and strengthen integrated institutional capacity for disaster risk management (DRM).
- 224 disaster risk assessment activities were conducted.
- 233 disaster risk reduction activities were conducted.

Emergency medical services

Emergency Medical Services deals with all human-related incidents and its priority is to save lives and reduce life-threatening incidents in the city.

The Emergency Medical Services (EMS) Division consists of 423 staff members, five primary response vehicles, 70 ambulances, seven transporters, five utility/logistics vehicles, one mobile clinic and seven administrative support vehicles.

EMS operates in 24 stations across the seven regions.

Table 36: Emergency medical services

Emergency Medical Services							
Number	Details	2013/14		2014/15		2016/17	
		Actual number	Estimated number (target)	Actual number	Estimated number (target)	Actual number	Estimate number (target)
1	Number of patients taken to medical facilities during the year	77 930	70 000	89 471	80 000	86 458	80 000
2	Average time for emergency call – in urban areas	127%	80%	118%	80%	94,2%	80%
3	Average time from emergency call – in rural areas	63%	80%	73%	80%	94,2%	80%
4	Number of ambulances	29	26	40	55	26	28
5	Number of paramedics	58	52	80	110	86	146

G Sport and recreation

Sport and recreation are integral parts of reconstructing and developing a healthier society. The Sport and Recreational Services Division, which forms part of the Community and Social Development Services Department, promotes sport, recreation, art, culture, heritage, and library and information services, and it implements development programmes to ensure sustainable, safer cities and integrated social development.

1 Sport programmes

The following sport programmes were delivered in the 2016/17 financial year:

Table 37: Sport programmes delivered in the financial year

Programme	Outcome/Impact	Date	Area of implementation
BBRU Rugby Development Programme	<ul style="list-style-type: none"> A total of 388 boys and girls participated in this programme. They played against each other and also received valuable training and coaching from the Blue Bulls rugby coaches. 	20/08/16	Loftus Stadium in Region 3

Programme	Outcome/Impact	Date	Area of implementation
Aerobics Marathon	<ul style="list-style-type: none"> This annual aerobics programme is implemented once per quarter and hosted in partnership with the Gauteng Department of Sport. The programme attracted over 300 participants, particularly the youth, from across the city. The event also included various indigenous games which participants participated in throughout the day. 	27/08/16	Rietondale Park in Region 3
Spar Ladies Marathon	<ul style="list-style-type: none"> More than 25 000 participants attended and participated in the race, which included development runners from previously disadvantaged areas. The Spar Ladies Marathon had a big impact on the enhancement of social cohesion as people from all walks of life and different races attended the race, including families. The event also achieved one of the key objectives of encouraging a healthy lifestyle. 	03/09/16	Supersport Park in Region 4
KFC Mini Cricket Development Programme	<ul style="list-style-type: none"> More than 1 000 children from across the city participated in the programme, where they received training on different aspects of the game from the Titans development coaches and some of the current players. 	03/09/16	TUT in Region 3
Netball Challenge	<ul style="list-style-type: none"> A total of 244 players from various clubs across the city participated in this annual development programme that aims to revive netball clubs and to identify potential talent that can be groomed further. 34 of the players that participated in the tournament were identified to form part of the development team that will receive special training. 	08/10/16	Korfbal Grounds in Gezina in Region 3
OR Tambo Games	<ul style="list-style-type: none"> The City again participated in all the sporting events and received position three in the overall results. This programme contributes to the wellness and healthy lifestyle of employees, including building teamwork, and enhances the relationship with the employer. 	21/10/16	Ekurhuleni Municipality
Aerobics Marathon	<ul style="list-style-type: none"> The annual aerobics programme that is implemented once a quarter and hosted in partnership with the Gauteng Department of Sport. The programme attracted over 600 participants, particularly the youth, from across the City. 	03/12/16	Ekgangala in Region 7
Festive Community Games	<ul style="list-style-type: none"> The Festive Community Games were hosted in all seven regions. All the games were played until 31 December 2016 in various venues across the city. The department supported these games with various logistics, sport equipment and attire to ensure successful hosting by the organisers. A total number of 171 teams participated in all the games. The games contributed immensely in keeping the youth, in particular, busy throughout the holiday period, thereby preventing them from engaging in any unlawful activities. 	11-31/12/16	Mabopane (Region 1), Hammanskraal (Region 2), Atteridgeville (Region 3), Olievenhoutbosch (Region 4), Refiloe (Region 5), Mamelodi (Region 6) and Ekgangala (Region 7)
The Netball Camp	<ul style="list-style-type: none"> The camp was organised for the Tshwane Team that participated in the provincial tournament that was held on 11 February in Sedibeng. The team represented the City well and managed to get positions four and five in the under-19 and under-16 categories respectively. 	10-11/02/17	Sedibeng Municipality
Easter Community Games	<ul style="list-style-type: none"> The department supported the Easter Community Games' organisers to ensure the successful staging of the games. Some of the key items that were donated for the games included trophies, medals and emergency management services. More than 50 teams participated in both games. 	14-17/04/17	Mamelodi (Region 5) and Hammanskraal (Region 1).

Programme	Outcome/Impact	Date	Area of implementation
City of Tshwane Half Marathon	<ul style="list-style-type: none"> The marathon is held annually and was previously part of the commemoration and remembrance of Solomon Mahlangu's life. The name and venue of the race were changed in 2017 as part of the long-term plan to develop the event to be one of the major events and attractions in Tshwane. As a result, the number of participants increased and more than 2 500 runners took part. 	29/04/17	Voortrekker Park in Silverton in Region 6

2 Art and culture programmes

The following arts and culture programmes were delivered in the 2016/17 financial year:

Gauteng Carnival

The City of Tshwane participated in the Gauteng Carnival which was hosted at the Tshwane Events Centre on 24 September 2016. The Gauteng Carnival was the largest carnival Tshwane had ever seen, with more than 23 000 spectators flocking to the streets. Tshwane was transformed into a rainbow city for the spectacular Gauteng Social Cohesion Carnival by South Africans, young and old, braving the scorching heat to celebrate Heritage Day.

The event, a partnership between the Gauteng Provincial Government, the City of Tshwane and Dali Tambo's Carnival Company, saw people flocking to the carnival, which was free to the public. Floats, giant puppets and people on stilts, as well as others dressed in their Pedi, Zulu, Xitsonga, Chinese and Indian traditional outfits, among others, descended on the city streets in a ray of various colours as part of the carnival. In song and dance, people and floats depicting the face of former President Nelson Mandela, a calabash, a fish and one of the big five animals, the buffalo, among others, made their way from outside the events centre to WF Nkomo Street towards the Pretoria CBD.



Figure 30: Gauteng Carnival

Tshwane Inaugural Clap and Tap Choral Showcase

The Gauteng Department of Sport, Arts, Culture and Recreation, in partnership with the Arts and Culture Section of the City of Tshwane's Community and Social Development Services Department, hosted the Inaugural Tshwane Clap and Tap Choral Showcase on 10 December 2016 at the Ekangala Community Hall in Region 7. The showcase was part of the provincial government and the City's mass participation programme to promote choral music in Gauteng, and it is one of the ways in which the government intends to exhibit and support indigenous apostolic faith music in the region. The programme also aimed to showcase the clap and tap music genre to different audiences in our communities.

The City of Tshwane and the Gauteng Provincial Government saw a need to partner with the local choirs from Region 5 and 7 in order to stage the inaugural Tshwane Clap and Tap Choral Showcase. By doing this, the government the government contributes to promoting and developing the clap and tap music genre in Tshwane.



Figure 31: Tshwane Inaugal Clap and Tap Choral Showcase

Meloding Ya Tshwane Choral Competition

The Community and Social Development Services Department, in partnership with the Tshwane Choral Music Association (TCMA), hosted the Meloding ya Tshwane Choir Festival on 9 April 2017 at The South African State Theatre. The main objective of the festival was to develop choral music in the Tshwane region, ensuring strong representation at all choral music competitions and to enhance the profile of choral music in the city. The festival also aimed to honour past and present choral music composers from Tshwane. Meloding ya Tshwane 2017 honoured Mr Malesela Harry Masenya, who was a legendary music master, mentor and music composer, who gave the people of the city an opportunity to celebrate his music with him as one of our beloved sons of the soil.



Figure 32: Meloding Ya Tshwane choral competition

2016/17 Speak Out Loud Youth Poetry Competition

The Community and Social Development Services Department, in collaboration with The South African State Theatre, hosted the 2016/17 Tshwane Speak Out Loud Youth Poetry Competition on 12 April 2017. This is the second year that the City has hosted the Speak Out Loud Poetry Competition, which has its origin in a Sister Cities Agreement by the mayors of Tshwane and Washington DC, with the signing of an MoU on 7 July 2011.

The competition included creative, educational and interventional programmes with poetry slam sessions, master classes with professional artists, school workshops, open microphone sessions, poetry evenings, the poetry competition, as well as exchange visits to Washington DC. The competition entailed initial auditions and a total of 120 poets entered this season's competition, in comparison to the 80 participants of 2015. Ten top finalists were selected at the semi-finals on 15 October 2016 at the Rendezvous Theatre, and they then competed at the second annual TSOL Youth Poetry Competition. In addition to the competing poets, the grand finale featured performances by some of South Africa's top musicians, namely Lady Zamar, Black Motion, The Muffinz and DJ Ethics. They acted as crowd pullers and set an engaging and enjoyable mood at the event. The welcoming address was conducted by the CEO of the South African State Theatre, Dr Sibongiseni Mkhize, and the keynote address was by the MMC for Health, Cllr Sakkie du Plooy.

The adjudication panel consisted of three professional judges who are active in journalism, poetry and literature. Busisiwe Mahlangu won this year's competition and was awarded R30 000; Anga Mamfanya came second and was awarded R15 000; and Emmah Mabye was rewarded R5 000 as the third-place winner. Anga Mamfanya and Busisiwe were invited to and took part in the Naked Word Poetry Festival in Cape Town from 8 to 11 June 2017.



Figure 33: Winners of the Speak Out Loud competition

TSHWANE GOLF OPEN 2017

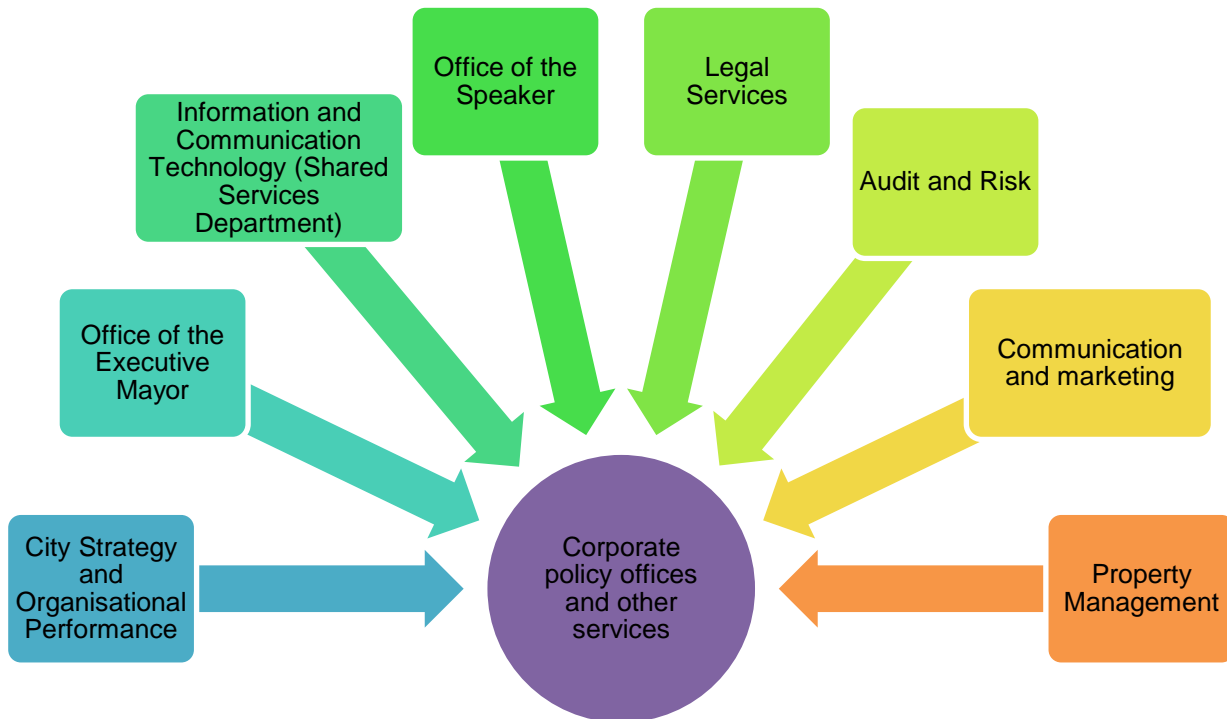
The 2017 Tshwane Golf Open tournament was held from 2 to 5 March at the Pretoria Country Club. In its fifth year, the the sponsors and investors made the tournament possible and greatly contributed to the development of the city and civic responsibility to provide much-needed services to the citizens of the City of Tshwane. A total of 156 international and local professional golfers participated in this tournament. The television coverage during the four days of the tournament reached more than 400 million homes worldwide with an estimated media value of \$9.91 million.



Figure

H Corporate policy offices and other services

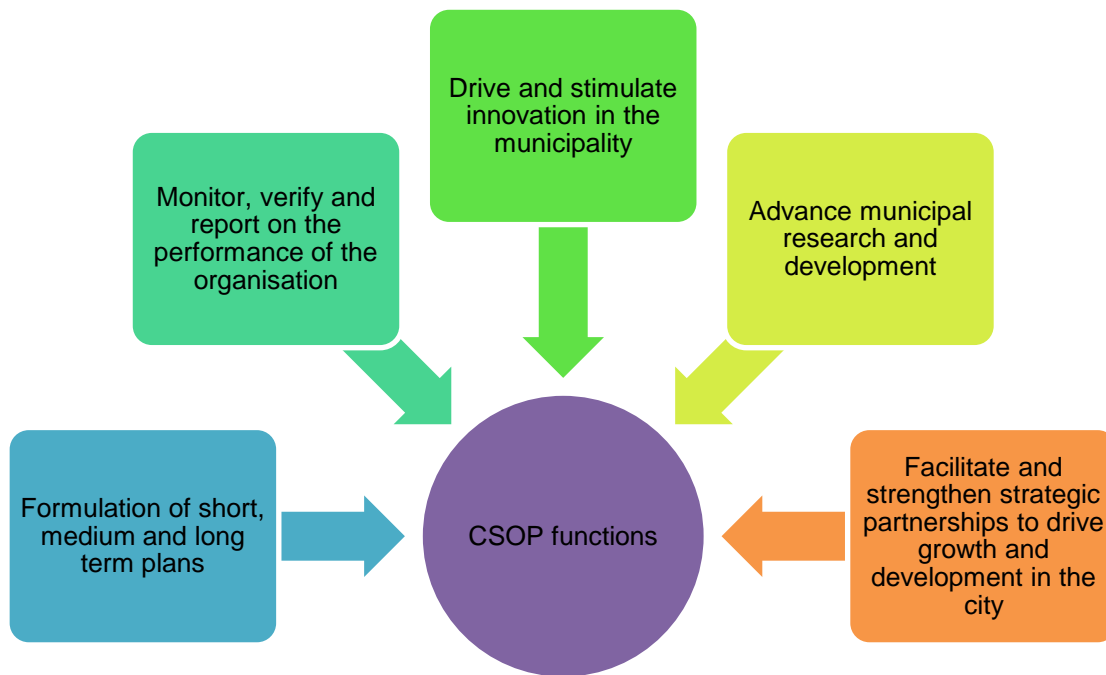
This component focuses on the following departments:



1 City Strategy and Organisational Performance

INTRODUCTION

City Strategy and Organisational Performance (CSOP) is one of a group of four departments that form part of the specialist offices reporting to the City Manager in accordance with the newly approved macro structure. The department is the nerve centre of the administration pertaining to planning and organisational performance. To ensure that the department functions effectively and delivers on expectations, it is essential to maintain sound working relations with implementing departments, regions, entities, oversight departments and committees, external stakeholders and, most importantly, the Office of the City Manager and the political offices, including the Office of the Executive Mayor, Office of the Speaker and Office of the Chief Whip. Furthermore, the department must ensure compliance with legislation, alignment with the strategic intent (over the short, medium and long term) of the City of Tshwane, while being flexible, responsive, professional and innovative.



CSOP plays a Level 2 assurance role with regard to the plans and reports of the City, especially in relation to the IDP, the SDBIP and the AOPO process.

CSOP also monitors the implementation of the Long-term Strategy (LTS) in order to identify possible stumbling blocks on implementation and to set action plans in place to address this. Part of the monitoring and implementation of the LTS is to monitor changes in the socio-economic situation in the city and to execute specific research work to guide future development and to inform plans in the IDP, thereby responding to any changing circumstances.

CSOP achieved the following during 2016/17:

- Development of the review of the 2016–2021 IDP
- Development of the annual SDBIP for 2017/18
- Development of 2015/16 annual reports for the City
- Submission of performance monitoring reports to Council for the financial year
- Verification of performance results for the 2015/16 and 2016/17 financial years
- Training of departments on performance management

The City hosted its inaugural Tshwane Innovation Hackathon from 13 to 15 June 2017 under the banner of the African Capital Cities Sustainability Forum. Twenty-seven young aspiring entrepreneurs were presented with a platform to develop innovative solutions in real time that address service delivery challenges which the City is grappling with. The three entities that presented the best solutions were awarded with a business starter pack (laptops, printers and hard drives) and a nine-month incubation programme through The Innovation Hub.

EXTERNAL INNOVATION PROGRAMMES

The FabLab Schools Programme has proven to be a valuable initiative by the City of Tshwane, in partnership with The Innovation Hub. The programme was recognised at the 2017 Gauteng Premier’s Service Excellence Awards in February 2017. The City of Tshwane and The Innovation Hub received second prize in the Innovative Projects category for their collaboration on the FabLab Schools Programme.

2017 GAUTENG PREMIER'S EXCELLENCE AWARDS



Figure 35: The award received at the 2017 Gauteng Premiers Excellence Awards

TSHWANE INNOVATION CHALLENGE



Figure 36: Young entrepreneurs exposed to ICT

INTRODUCTION

The City Sustainability Unit (CSU) is mandated to address climate change and stimulate the green economy. The unit has been responsible for implementing four sustainability programmes. These programmes are aligned to the reduction of greenhouse gas emissions. According to the 2014/15 Greenhouse Gas Emissions Inventory (GHGEI), the City emits 28 million tonnes of CO₂e and in order of magnitude the contributing sectors are energy, transport and waste. In order to avoid and minimize the production of greenhouse gases, the Unit is tasked with developing programmes that drive emissions reductions in these three sectors. The programmes follow

Programme 1. Sustainable Energy

Small Scale Embedded Generation Policy Development

The State of Energy Study identified that small-scale embedded generation was a practical way of meeting growing energy demand without compromising the City's carbon footprint.

Solar Photovoltaic System in City of Tshwane Buildings

The City's greatest source of emissions is electricity most of which is consumed by buildings. Noting this fact and that the City is a member of the Green Building Council of South Africa's Green Building Leadership Network, the CSU has been planning to install PV panels on a municipal building which will save on electricity costs in the long run and lead by example. This project will now be combined with the Building Accelerator Efficiency Programme (see below) which aims to refurbish a City-owned building to ensure minimal energy and water consumption.

Programme 2. Green Buildings

Green Building By-law

The City Council passed a Green Building By-law in 2013 which was considered a highly progressive move by the municipality especially given the impact that the built environment has on water and energy resources and biodiversity. However, since its promulgation certain obstacles have been encountered that have seen low level compliance with the by-law. Therefore, under the auspices of the City Sustainability Unit, a Green Building committee has been established with relevant departments forming part of the committee to accelerate the review and implementation of the by-law and review of incentives relevant to the by-law.

Tshwane House

The city officially moved to its new R2b headquarters green building in the city centre on the 2nd of June 2017. With almost 1 600 staff member accommodation and a standalone council chamber with 250 seats (enabled for 350), with associated meeting rooms and communication booths, the building was constructed on the site of the old Munitoria building. The city's headquarters boasts several state-of-the-art green features and provides optimum space plans for the executive and staff.



Figure 37: Tshwane House

Green Building Council membership

The City is a member of the Green Building Council of South Africa's Green Building Council Leadership Network after signing an MoU on 26 May 2015. The City's membership of the Green Building Leadership Network has led to it being accepted as a participant in the Building Efficiency Accelerator Programme.

Building Efficiency Accelerator Programme

The City of Tshwane has entered into an agreement with the World Resources Institute (WRI) to be part of the Building Efficiency Accelerator Programme, established by Sustainable Energy for All (SE4ALL) of the United Nations. The programme was developed with the aim of accelerating action on energy efficiency, improving air quality and reducing greenhouse gas emissions. The City of Tshwane's work plan has been finalised and a tracking progress is now done monthly and reported to WRI representatives.

The City participated in the Sustainable Energy for All Forum held in New York City in May 2016. The City has also been invited by GBCSA to attend the Singapore International Green Buildings conference in September 2017.

As part of the BEA, the HP Phillips building has been identified as one of the City buildings to be refurbished and retrofitted using green technology. After the refurbishment, the building will be occupied by municipal court officials and other departments. A committee has been established to deal with the project logistics of the refurbishment and greening process.

Programme 3. Alternative mobility

After energy, transport-related greenhouse gas emissions are the next-greatest source of emissions. The City of Tshwane's low-carbon mobility strategy consists of three main components, ie the design and implementation of a bus rapid transit (BRT) system, the inclusion of clean vehicles in its fleet and the uptake of non-motorised transportation.

In the interest of creating sustainable transport and improving mobility for citizens, the City of Tshwane has published its Comprehensive Integrated Transport Plan which, amongst others, provides for a comprehensive non-motorised transportation network and integrated public transport with an emphasis on safety.

The CSU's contribution to reducing transport-related emissions is the greening of the fleet and the uptake of non-motorised transportation.

Transport Month

During October 2016, the CSU organised three engagements to highlight the role of sustainable transport. These were the launch of solar-powered electric vehicle charging stations (3 October 2016), followed by the Sustainable Transport seminar (27 October 2016) and concluding with the Tshwane Green Ride (30 October 2016).

One of the key outcomes of Transport Month was support of the implementation of car-free day/week for Transport Month in October 2017.

Non-motorised transport

The CSU has adopted a keen interest in promoting cycling through its sustainability outreach campaign known as Tshwane Green Ride. The aim of its outreach programme is to approach each key sector – individuals, households, communities, schools, businesses and municipal officials – with a targeted strategy to inculcate behaviour change. In the last 12 months, through the CSU, the Municipality has initiated a variety of innovative events to promote eco-mobility.

In the last financial year, the Tshwane Green Ride took place in Mamelodi on 30 October 2016, and we supported three Kasi Rides – one in Ga-Rankuwa (18 December 2016), one in Hammanskraal (26 March 2017) and another in Mamelodi (16 June 2017).

Programme 4. Sustainable waste management

Waste-related emissions are the third-greatest source of emissions in Tshwane. This, coupled with diminishing landfill airspace, points to the importance of measures to divert waste from landfills and to beneficiate waste for further use.

Tshwane Alternative Waste Treatment Technologies Feasibility Study

The City of Tshwane secured funding from the Gauteng Infrastructure Financing Agency (GIFA) for a feasibility study to determine alternative technologies to minimise waste going to landfill sites. GIFA appointed Golder Associates as the transactional advisor to conduct the feasibility study.

The feasibility study, which started at the beginning of 2016, will be finalised by around September 2017. Nine deliverables have been developed and presented to the Project Steering Committee. The primary recommendations are the development of integrated waste management facilities at existing landfill sites and a thermal treatment facility at Pretoria West Power Station. For the waste water treatment works,.

Atteridgeville Eco-Park

A critical step in diverting waste from landfill is the development of recycling infrastructure. The first major investment in this regard has been through a partnership with the private sector to establish a multi-purpose material recovery facility (MRF) developed on the buffer zone of the decommissioned Kwaggasrand landfill site. The MRF has attracted R40 million of private sector capital to Atteridgeville and will create 161 jobs when operating at full production. The first phase of the facility became operational in July 2016 and focuses on material recovery, which involves separating clean recycling waste into its different components and baling these for sale to recycling companies for further processing. The first phase was officially launched on 9 November 2016.

The recyclable material will be primarily sourced from the City's three buy-back centres and from the separation-at-source programme being rolled out in Regions 3 and 4.

Furthermore, in April 2016, the facility received an environmental impact assessment for composting, building rubble crushing and transfer station activities.

The value of the facility is underpinned by several imperatives. Firstly, Tshwane is rapidly running out of landfill airspace since it only has five landfill sites in operation for the entire city, and the closure of one of the five, Onderstepoort, is imminent. Solid waste from Region 3 is directed to this landfill and waste from Region 4 is split between the Onderstepoort and Hatherley landfill sites. Secondly, the Waste Act and the Integrated Waste Management Plan, which is informed by the requirements of the Waste Act, require that waste be diverted from landfill sites and that recycling infrastructure be put in place. Thirdly, emissions from landfills can be avoided or minimised by diverting as much waste from landfill sites as possible.

In addition to the GIFA feasibility study and the Atteridgeville Eco-Park, the CSU has a Green Economy Programme that addresses the waste economy.

CB234 – Green Economy Projects

The Atteridgeville Eco-Park is part of the City Sustainability Unit's Green Economy Programme to put into effect the Strategic Framework for a Transition to the Green Economy. The City is faced with some harsh realities – our emissions profile, fiscal constraints and key pressure points such as rapidly diminishing landfill space, excess sludge, and electricity outages. These pressure points must be alleviated in a way that is affordable way for the City. The unit has therefore spearheaded a capex-neutral process to enable the private sector to present its proposals for innovative solutions to these pressure points in a manner that would not affect the capex of the City.

The process was initiated in November 2013 with a request for information (RFI). Approximately 30 proposals were submitted in response. These were assessed and then scaled down to 14 potential projects, thus triggering the request for proposals (RFP) process. 14 proposals were received, covering 13 potential projects – the BEC approved the further development of proposals for nine submissions. These nine submissions were developed into detailed proposals and a transactional advisor (TA) was appointed to perform due diligence on each proposal. The TA's recommendations were presented to the EAC. This yielded the following resolution:

- Implementation of recycling infrastructure in Kwaggasrand, Onderstepoort, Soshanguve and Ga-Rankuwa thus triggering Section 33 of the MFMA
- The development of a feasibility study for financial close-out of Hatherley within six months
- The development of a feasibility study for financial close-out of waste water treatment works within six months

3 Information and Communication Technology

Group Information and Communication Technology was a stand-alone department for the first half of 2016/17. With the approval of the macro structure in November 2016, it became part of the new Shared Services Department.

The ICT function is to direct ICT resources to support the business of the City of Tshwane. Its priority functions include the following:

- Providing strategic ICT leadership in Tshwane
- Managing ICT infrastructure services in the City
- Providing strategic application support to the City

- Implementing sound ICT governance

SERVICE DELIVERY PROGRAMMES AND SUCCESSES

During the 2016/17 year, Group ICT achieved the following:

- The successful roll-out of the Electronic Bill Presentment and Payment (EBPP).
- The launch of the Interactive Digital Centre (IDC) which focuses on knowledge transfer based on virtual reality and the educational needs of vocational skills training.

FREE WI-FI

The City has installed internet access points in all regions. Users are capped at 500 MB per day with content filtering. The department has launched three additional services to its network: Tshwane Wi-Fi Voice, Tshwane Wi-Fi Chat, and Tshwane Wi-Fi Drive-In. Through free Wi-Fi hotspots, residents can access internet services, giving them the ability to apply for jobs, access educational content and transact with the City through the e-Tshwane portal.

E-SERVICES IMPLEMENTED

The Electronic Bill Presentment and Payment (EBPP) was successfully implemented in this financial year. There are currently 27 702 registered users and 50 003 accounts from 1 July 2016 until 30 June 2017.

The following systems were developed and implemented in support of other departments:

Table 38: Support systems developed

Project	Description	Client department
Investment Facilitation System automated	This allows investors to register on the portal and submit investment-related queries.	Economic Development
Online meter reading	Meter reading online is integrated to e-Tshwane and is used to capture readings on the e-Tshwane system.	Group Finance (Supply Chain)

4 Office of the Speaker

INTRODUCTION

The Office of the Speaker plays an important role in –

- supporting Council and committees of Council; and
- leading public participation and consultation processes.

WARD COMMITTEES

Ward committees play an important role in the participation process on Council matters. They are linked to the term of office of the elected Council. Due to the local government elections which were held in August 2016, ward committees have not yet been elected. Once elected, they will be expected to fulfil their role in participatory processes and in decision-making at ward level.

The Office of the Speaker plays an important role in training ward committee members in core skills as part of the drive to capacitate ward committees for improved participation and to play a meaningful role as a bridge between the Council and the community. The functionality and effectiveness of the ward committee system are determined by the outcomes of the IDP. Training will take place once ward committees are elected.

PETITIONS RAISED BY THE COMMUNITY

The City of Tshwane Petitions Committee has been established on the basis of the constitutional mandate that everyone has a right to present a petition. Also, Section 17(2)(a) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) states that a municipality must “establish appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality, and must for this purpose provide for receipt, processing and consideration of petitions and complaints lodged by members of the local community”.

The Office of the Speaker facilitates responses to petitions raised by the community. For the 2016/17 financial year, the petitions committee received 141 petitions, responded to 122 petitions and sent resolutions to departments for implementation. The remaining 19 petitions will be resolved in the 2017/18 financial year by the Section 79 Standing Committee. The turnaround time to resolve petitions is 90 days; however, most petitions are resolved within 60 days.

Petitioners are invited to the deliberations of the Petitions Committee meeting and they are given an opportunity to discuss the matter before resolutions are taken. The resolutions are given to petitioners and forwarded to the relevant departments for implementation. The Office of the Speaker, together with petitioners, monitors the implementation of the resolutions.

SUPPORT FOR TRADITIONAL LEADERS

In terms of the Traditional Leadership and Governance Framework Act, 2003 (Act 41 of 2003), the role of traditional authorities relevant to the Municipality includes the following:

- Supporting municipalities in the identification of community needs
- Facilitating the involvement of the traditional community in the development or amendment of the integrated development plan of the municipality in whose area they reside
- Recommending, after consultation with the relevant local and provincial Houses of Traditional Leaders, appropriate interventions to government that will contribute to development and service delivery in the area of jurisdiction of the Traditional Council
- Participating in the development of policy and legislation at local level
- Participating in the development of programmes of municipalities and of the provincial and national spheres of government
- Promoting the ideals of cooperative governance, integrated development planning, sustainable development and service delivery

The Office of the Speaker provides support to recognised traditional leaders and is responsible for coordinating all issues related to traditional leadership in Tshwane.

It is therefore important that the Office of the Speaker engage with the various traditional leadership stakeholders in Tshwane to find common ground and formally cooperate to ensure effective and efficient communication with and support to these stakeholders.

In terms of Provincial Gazette Extraordinary of 4 February 2013, the MEC for Local Government in the Province of Gauteng has identified the following two traditional leaders who may participate in the proceedings of the City of Tshwane Municipal Council:

- 1) Kgosi Kgomotso Cornelius Kekana, AmaNdebele-Ba-Lebele Community (Majaneng, Hammanskraal)
- 2) IKosi uMkhambi Petrus Mahlangu, AmaNdebele Nzunza Sokhulumu Community (Sokhulumu)

For the year under review, a total of 14 engagement sessions were held with traditional councils/ leaders.

5 Legal Services

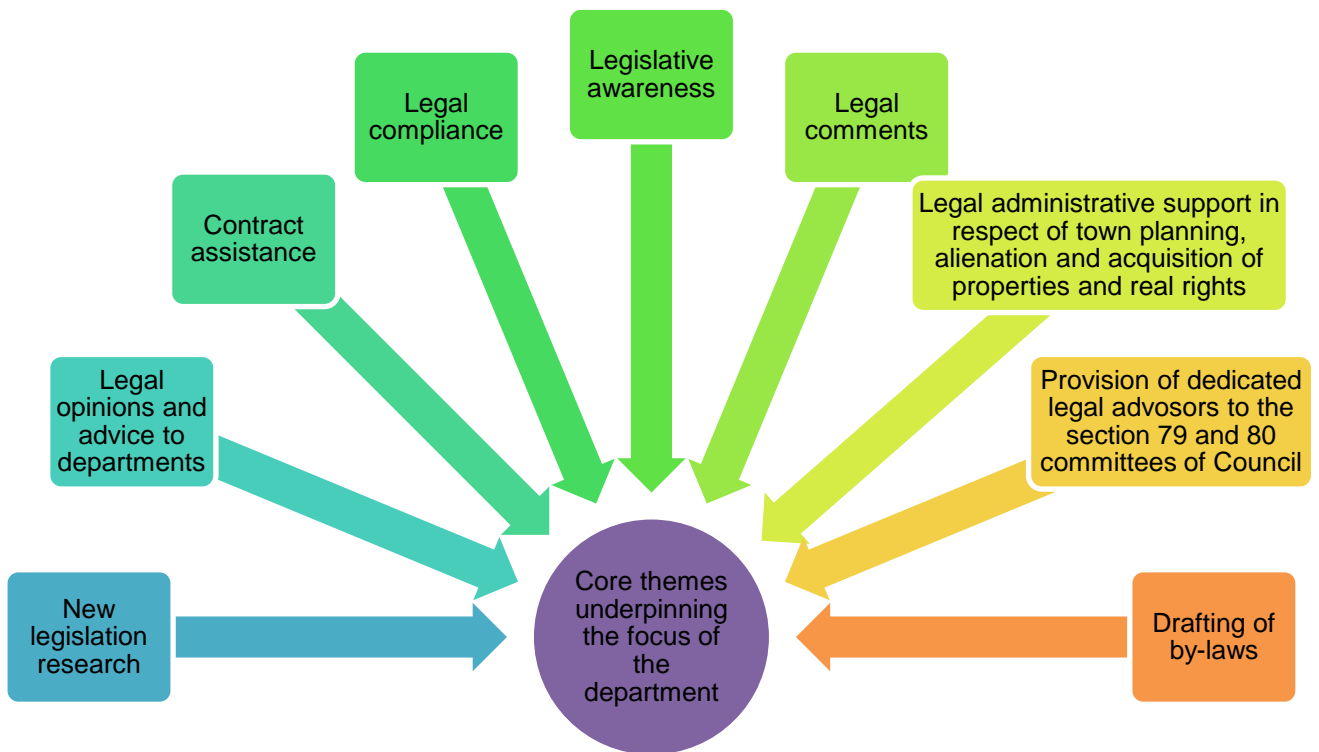
The Group Legal and Secretariat Services Department is mandated to render efficient and effective legal services support to both the political and administrative components of the City of Tshwane.

Legal Services will assist in safeguarding the interests of the City of Tshwane. The support is provided from internal resources as well as from the expertise sourced from the City's panel of attorneys.

Core functions

The core functions of Legal Services include the following:

- **Litigation management**
 - Defending all legal actions and/or applications instituted against the City by third parties.
 - Instituting legal actions and/or applications on behalf of the City against third parties.
- **Corporate and Council legal compliance**
 - Providing legal comment in respect of all reports submitted to the City of Tshwane's committees, the Mayoral Committee and the Council, and legal opinion to the Council and its departments.
 - Providing legal comments in respect of proposed provincial and national legislation.
 - Drafting the City's by-laws and assist the various departments with policy-making.
 - Providing legal support to the Office of the Speaker.
 - Providing legal advice, comments and opinions to the various procurement committees in terms of the City's Supply Chain Policy.
 - Providing specialised legal services in respect of projects or initiatives of the City and serve as members of such technical task teams.
 - Providing specialised legal support in respect of commercial ventures and contracts that emanate from them.
 - Managing and finalising (repudiating, settling or defending) all claims instituted against the City by third parties.
 - Managing the legal process to recover damages caused by third parties against City-owned property.
 - Rendering legal service in municipal courts.

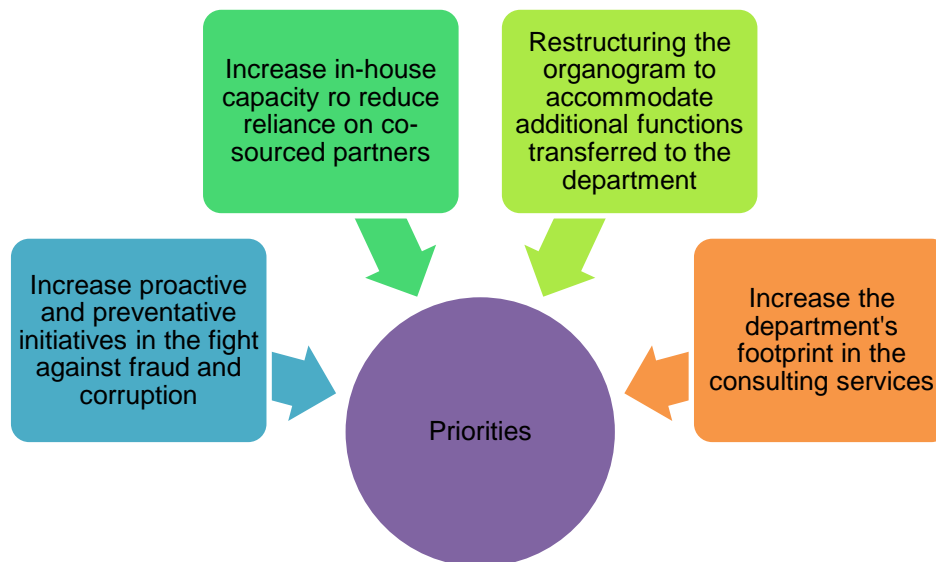


The department does not operate in isolation. It has dependencies, interactions with and contributions to national, provincial and other stakeholders, namely, the Departments of Justice and Transport, and the National Prosecuting Authority, which form an integral part of the day-to-day work of the department.

6 Audit and Risk

INTRODUCTION

The Group Audit and Risk Department is established in terms of Section 165 of the MFMA. For the department to fully and effectively execute its mandate, the principles of objectivity and independence are important and should be respected. The desired level of independence is determined by the reporting structure of the department. According to the King III Report of Good Governance and the Institute of Internal Auditors of South Africa, the independence of internal auditing is enhanced when the head of internal auditing reports functionally to the Audit and Performance Committee and administratively to the City Manager; and the Group Audit and Risk Department acts in accordance with this best practice.



Consistent with the department’s mandate, the operations of Group Audit and Risk are guided by the following legislation, policies and best-practice documents:

- Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003)
- Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)
- National Treasury circulars issued in terms of various local government legislation, including MFMA Circular 65
- King III Report on Governance in South Africa
- National Treasury frameworks, including the National Treasury Internal Audit Framework and the Public Sector Risk Management Framework
- International Standards for the Professional Practice of Internal Auditing as published by the Institute of Internal Audit South Africa
- City of Tshwane Internal Audit Charter
- City of Tshwane Risk Management Policy
- City of Tshwane Business Continuity Management Policy
- City of Tshwane Audit and Performance Committee Charter

STRATEGIC RISK MANAGEMENT AND MITIGATION

Group Audit and Risk has an active Risk Management Division, headed by the Chief Risk Officer, which provides specialist risk management advice. During the financial year under review, this division has facilitated the development of the City’s strategic risk register, departmental/operational risk registers and regional risk registers. The facilitation process included assisting management with identifying mitigation measures to keep risks within the City’s tolerance levels. In addition to the facilitation process, the division conducted an internal control assessment or validation, to provide an objective and independent assessment of the strength of existing controls so that the residual level is as accurate as possible. The department also conducted biannual reviews of the status of the implementation of risk mitigation strategies and measures.

ETHICAL LEADERSHIP

Ethical leadership is one of the basic principles recommended by King III as essential to good governance. An ethical leadership sets the tone for acceptable behaviour and points out unacceptable behaviour in the whole organisation. As the corporate conscience of the City, Group Audit and Risk plays an important role in enhancing

ethical leadership and instilling a culture of ethical leadership. During the financial year under review, the department, through its Internal Audit Services, conducted several audits including the quarterly review of supply chain management processes that aimed to foster a culture of ethical conduct and leadership.

Furthermore, the department's Forensic Services Division conducted several workshops and activities to encourage ethical behaviour among the City of Tshwane workforce.

In addition to the in-house events, Group Audit and Risk also ran public awareness programmes to encourage members of the public to hold councillors, employees and service providers accountable. This was done through providing facilities/avenues through which members of the public can report any unethical behaviour of service providers, councillors and employees.

ANTI-FRAUD AND CORRUPTION

According to global research conducted by the Association of Certified Fraud Examiners, at least 5% of an organisation's turnover is lost to fraud and corruption. The City of Tshwane launched the Tshwane Anti-fraud and Corruption Hotline in 2013, and activity on the hotline has steadily increased.

RISK MANAGEMENT

As required by Section 165 of the MFMA, the Internal Audit Division prepared a risk-based audit plan and audit programme for the 2016/17 financial year. It reported to the Audit and Performance Committee on the implementation of the audit plan and matters related to internal auditing, internal controls, accounting procedures, performance and practices, risk and management, performance management, loss control and compliance with the MFMA. In addition, as provided by Sections 45 and 46 of the MSA, the division reviewed the performance report prepared by the City, which compared the actual performance to the set targets and the measures that were adopted to improve performance where targets were not met.

PERFORMANCE

The department's structure is as follows:

- Internal Audit Services
- Specialised Audit Services
- Risk Management
- Forensic Services

In the 2014/2015 financial year, the City adopted the Combined Assurance Model. The main objectives were to minimise duplication, create a more complementary work process, clearly outline the duties and responsibilities of each role player in the value chain, and increase the AGSA's reliance on the work of Internal Audit. The process involved engagements with the department's various key stakeholders, including management, the APC and AGSA.

COMBINED ASSURANCE

The combined assurance model was approved by Mayco in February 2017. In terms of the model, the Group Audit and Risk is responsible for at least two levels. Level 2 through the Risk Management division and Level 3 through the Specialised and Internal Audit Services divisions. The risk management division facilitated the development of the risk registers for the City, municipal entities and City's departments. Follow-up and/or monitoring activities were conducted at the entities quarterly and bi-annually for the City.

The Specialised and Internal Audit services provided assurance services through the execution of both audits on the approved risk based internal plan and ad hoc audits as requested by management and the Audit and Performance Committee (APC). A pilot project on the efficacy of the Combined Assurance Model was successfully conducted on the Emergency Services department. In addition, the department successfully spearheaded the implementation model in the addit of performance of information with all the five levels of defense actively participating. A detailed implementation plan is currently being developed and will be tabled for approval during the first of the 2017/18 financial year.

7 Communication and Marketing

INTRODUCTION

The Group Communication and Marketing is mandated to keep citizens and stakeholders informed about the City's services and developments and to position Tshwane to attract tourists and investors, nationally and internationally.

The following are the highlights of the programmes that the department implemented during the financial year:

- Media communication on title deeds
- Media communication on water restrictions
- Media communication on municipal property destruction during the period of local government elections and service delivery protests
- Further penetration of digital communication platforms

Over the year, the City attracted 129 895 new followers on Twitter and 15 209 new followers on Facebook.

CORPORATE EVENTS SUPPORTED

These events include receptions hosted on the initiative and instruction of the Executive Mayor of Tshwane. They pertain to the affairs of the community and are standard on the annual national agenda and managed in line with the Intergovernmental Relations Act, 2005 (Act 13 of 2005), between the City of Tshwane, provincial and national government. Examples of such events are Freedom Day celebrations, Women's Day, the PRASA launch and the IDP public participation process.



Figure 38: Example of corporate events supported

8 Group Property Management

INTRODUCTION

This department's functions include the procurement, allocation and management of office and parking space for operational objectives; the verification, recording and auditing of land and buildings; the maintenance of operational and investment properties, the management of all leases on investment properties; and the alienation of land portions belonging to the City.

Group Property Management achieved the following in the 2016/17 financial year:

- It successfully renegotiated favourable leasing terms with the landlords of buildings that currently house internal City departments. Although the negotiations are still ongoing in some instances, the City was successful in reducing operating costs and the leasing footprint in the inner city. The intention is to utilise office space optimally through implementing the space rationalisation strategy. The City engaged with the landlords to provide proposals on how they could participate in the process to reduce the amount of space used and, based on these submissions, the City determined which buildings to retain in its books and which to exit.
- The construction of Tshwane House was completed in the 2016/17 financial year and occupation commenced on 2 June 2017. To facilitate the smooth relocation of 11 departments into the new municipal headquarters, a relocation forum was established with client departments.
- A report was submitted to the Executive Committee to appoint an agent to manage the City's residential rental stock, enhance revenue and maintain these assets. The recommendations will be implemented in the new financial year (2017/18).

OTHER PROJECTS

The land audit project, which is a three-year project, has commenced and the first phase of the audit was completed in the year under review. The Deeds Office data was obtained and the deeds records were reconciled with the City's own data to confirm inclusions in the Fixed Assets Register. This project is at an advanced stage and has already yielded results.

I Organisational Performance Scorecards

INTRODUCTION

The purpose of this section of the report is to present performance against specific targets on the following scorecards:

- The IDP targets
- The SDBIP targets
- The municipal entity scorecards per the business plans of entities

The IDP is developed once every five years for a Council term. However, it is reviewed annually. The municipal entity business plans are multi-year documents. They are also required to be reviewed annually, in line with the MTREF and IDP reviews. The SDBIP targets of the Municipality are approved by the Executive Mayor and are tabled at Council.

1 Performance of the municipality on the IDP targets

The IDP scorecard contains 23 targets at an outcome level, of which one was not applicable for the 2016/17 financial year. Most of the IDP indicators are driven by specific SDBIP level outputs. The following table reports on the performance against the 22 applicable targets for 2016/17 financial year.

16 targets were achieved.

Table 39: Performance on IDP targets

Performance area	Outcome	Objective	Indicator	5 Year Target	2015/16 audited results	Target 2016/17	Actual 2016/17
a	b	c	d	e	f	g	h
Water security	Quality infrastructure development that supports liveable communities	Improved access to basic services: Water	Percentage of households in formal areas with access to water (metered connections)	87.09 %	81.24 %	81.97 %	82.02 %
Sustainable waste management	Quality infrastructure development that supports liveable communities	Improved access to basic services: Waste removal	Percentage of formalised areas with access to weekly waste removal services	100.0 %	100.0 %	100.00 %	101.53%
Water security	Quality infrastructure development that supports	Improved access to basic services: Sanitation	Percentage of households with access to sanitation	82.23 %	78.63 %	79.14 %	79.13 %

Performance area	Outcome	Objective	Indicator	5 Year Target	2015/16 audited results	Target 2016/17	Actual 2016/17
a	b	c	d	e	f	g	h
	liveable communities						
Energy security	Quality infrastructure development that supports liveable communities	Improved access to basic services: Electricity	Percentage of formal households with access to electricity	86.45 %	80.43 %	81.46 %	80.95 %
Sustainable human settlement	Quality infrastructure development that supports liveable communities	Improve mobility through the provision of roads, storm water and public transport	Percentage of required municipal storm water drainage network provided	209.70 km	37.76 %	38.55 %	38.62 %
Sustainable human settlement	Quality infrastructure development that supports liveable communities	Improve mobility through the provision of roads, storm water and public transport	Percentage of roads provided to the required standard (km)	192.00 km	23.10 %	24.08 %	24.17 %
Transit oriented development	Quality infrastructure development that supports liveable communities	Improve mobility through the provision of roads, storm water and public transport	Percentage of completed TRT bus way lanes constructed	100.0 %	17.72 km	52.05 %	0.0 %
Sustainable human settlement	Quality infrastructure development that supports liveable communities	Upgrading and development of informal settlements	Percentage of informal settlements with access to rudimentary water services	100 %	100.00 %	100.00 %	101.86 %
Sustainable human settlement	infrastructure development that supports liveable communities	Upgrading and development of informal settlements	Percentage of informal settlements with access to rudimentary sanitation services	100.00 %	58.00 %	100.00 %	118.06 %
Sustainable human settlement	infrastructure development that supports liveable communities	Upgrading and development of informal settlements	Nr. of informal settlements formalised		10	5	0

Performance area	Outcome	Objective	Indicator	5 Year Target	2015/16 audited results	Target 2016/17	Actual 2016/17
a	b	c	d	e	f	g	h
Economic transformation	A growing economy that is inclusive, diversified and competitive	Improve employment levels	Nr of new work opportunities facilitated by the city	125,500	152,697	21,500	17,183
Sector support and investment attraction	A growing economy that is inclusive, diversified and competitive	Increase investors in the city	Rand value of investment attracted to the city (annual)	R'b 13.0	Rb12.54	R'b 2.2	R'b 2,298,000,000
Economic transformation	A growing economy that is inclusive, diversified and competitive	Provide support to SMMEs	Support through mentorship/training of the Tshepo 10 000 cooperative	1,342	607	245	289
Healthy living	An equitable city that supports happiness, social cohesion, safety and healthy citizens	Achievement of the child health index	Percentage achievement of the child health index	100.0 %	100.00 %	100.00 %	100.00 %
Indigent and vulnerable support	An equitable city that supports happiness, social cohesion, safety and healthy citizens	To reduce household deprivation through the City's facilitated interventions	Number of indigent households supported by the city through its social packages	20,000 new indigent households	110,863 total indigent households	114,863 total indigent households	104,936 total indigent households
Safe city	An equitable city that supports happiness, social cohesion, safety and healthy citizens	Improve safety levels in Tshwane	Percentage of reduction in safety incidents(Fire, rescue and specialised humanitarian incidents) (annual)	5.0 %	33.62%	1.0 %	23.9 %
Safe city	An equitable city that supports happiness, social cohesion, safety and	Improve safety levels in Tshwane	Percentage of increase in interventions to root out crime and related incidents (annual)	5.0 %	3 706	1.00 %	43.56 %

Performance area	Outcome	Objective	Indicator	5 Year Target	2015/16 audited results	Target 2016/17	Actual 2016/17
a	b	c	d	e	f	g	h
	healthy citizens						
Revenue maximisation and financial Management	An African capital city that promotes excellence and innovative government solutions	Improve corporate governance through performance, financial and risk management	Unqualified Audit Opinion achieved (Annual)	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion
Revenue maximisation and financial Management	An African capital city that promotes excellence and innovative government solutions	Improve financial sustainability of the City	Percentage of financial targets met (regulated targets=cost coverage, debt coverage and % service debtors to revenue)	100.0 %	66%	100.00 %	100 %
Revenue maximisation and financial Management	An African capital city that promotes excellence and innovative government solutions	Improve financial sustainability of the City	Percentage of average of annual non-revenue energy (NRE)(Annual)	10.0 %	19.28 %	19.00 %	20.58%
Revenue maximisation and financial Management	An African capital city that promotes excellence and innovative government solutions	Improve financial sustainability of the City	Percentage reduction in non-revenue water (NRW) from 28.2% to 26.0% (2.2% annual reduction)	2.25 %	23.83 %	26.00 %	23.00 %
Institutional efficiency	An African capital city that promotes excellence and innovative government solutions	Improve organisation efficiency and equity	Percentage of employee satisfaction rating	62.0 %	60.0 %	NA	NA
Civic education programme	An African capital city that promotes excellence and innovative	Improve interaction with citizens in the City's governance processes	Percentage of ward committees established and operational	100% of elected ward committees	NA	Initiation of process for the election of ward committees	Process of establishing ward committees is underway

Performance area	Outcome	Objective	Indicator	5 Year Target	2015/16 audited results	Target 2016/17	Actual 2016/17
a	b	c	d	e	f	g	h
	government solutions						

2 Performance on SDBIP outputs

The 2016/17 corporate-level adjusted SDBIP had 39 targets.

- 10 targets are not achieved (25.6%)
- 29 of the applicable 39 targets are achieved (74.4%)

During the planning of the IDP, budget and SDBIP, usefulness of plans is an important consideration. This is tested and ensured in many ways, including the following:

- Departments develop indicator descriptions which outline the systems put in place to measure the achievement of the targets
- The targets are developed on available budgets as per budget guidelines, and these are cross-examined by the Budget Steering Committee
- The project plans to deliver the targets are assessed through the capital budget prioritisation process
- Internal Audit reviews the plans and identifies usefulness concerns

The reliability of reported results is an important consideration during the monitoring of implementation. Measures have been put in place to test the reliability of reporting and include the following:

- All reported results are required to be reviewed internally and must be supported by listings and evidence on a quarterly basis
- The reported results are audited by Internal Audit and tested by CSOP
- Performance results and concerns are monitored by the Audit and Performance Committee (APC), the Management Letter Action Plan (MLAP) committee and top management
- Annual verification and audit measures are put in place to supplement quarterly verification and audit measures to ensure that all closure periods are taken into consideration when the final performance results are presented
- The finance results on the three financial ratios are not tested through performance processes, but audited by Internal Audit as part of the financial statements audit process
- The audited results are presented at the Audit and Performance Committee and senior management before submission to the AGSA for external audit.

Results presented in this report have been subjected to internal assurance processes and to external audit by the auditor-general. Each head of department is accountable for the performance of their department, and for the reliability of reported results.

Table 40: Performance on SDBIP targets

- * Denotes under-performance

Indicator number	Indicator owner	Objective	Key Performance Indicator	Annual target 2016/17	Annual result 2016/17	Annual target 2015/16	Annual result 2015/16	Annual target 2014/15	Annual result 2014/15
1.1.2.1	Regional Operations and Coordination	Upgrading and development of informal settlement	Number of informal settlements with access to rudimentary water services	130	133	124	128	115	50*
1.1.2.2	Utility Services	Improve access to basic services: Water	Number of households provided with full water meter connections	5 200	5 516	4 360	4 502	12 103	9 358*
1.1.2.2a	Housing and Human Settlement		Number of serviced stands provided with water reticulation (Housing and Human Settlements dept)	1 500	1 540	NA	NA	NA	NA3
1.1.2.3	Utility Services	Improve access to basic services: Sanitation	Number of households provided with a sanitation service (Utility Services dept)	1 800	1 586*	1 874	2 370	1 912	2 072
1.1.2.3a	Housing and Human Settlement		Number of serviced stands provided with sewer reticulation (Housing and Human Settlements dept)	2 900	2 929	NA	NA	NA	NA
1.1.2.4	Utility Services	Improve access to basic services: Electricity	Number of new electricity connections provided (new connections)	2 550	2 222*	2 400	2 421	2 200	2 216

Indicator number	Indicator owner	Objective	Key Performance Indicator	Annual target 2016/17	Annual result 2016/17	Annual target 2015/16	Annual result 2015/16	Annual target 2014/15	Annual result 2014/15
1.1.2.4c	Housing and Human Settlement	Diversification of City-facilitated housing typologies	Number of houses built	765	918	NA	NA	NA	NA
1.1.2.6	Utility Services	Improve access to basic services: Electricity	Number of completed houses electrified to eradicate backlogs (electrification)	7 900	2 429*	4 200	3 056*	15 000	9 152*
1.1.2.9	Regional Operations and Coordination	Upgrading and development of informal settlement	Number of informal settlements with access to rudimentary sanitation services	54	64	45	59	45	49
1.1.4.1	Regional Operations and Coordination	Improve access to basic services: Waste management	Number of informal settlements provided with weekly minimal waste removal services	130	135	124	134	115	124
1.1.4.2	Regional Operations and Coordination		Number of areas provided with weekly kerbside waste removal ¹	2 352	2 338*	701 852	436 021*	701 852	731 342
1.3.1.1	Utility Services	To improve financial	Percentage reduction in non-revenue water from 28.2% to 26.0% (2.2% annual reduction)	26.00%	23.66 %	25.06%	23.83%	23.55%	23.33%

¹ This was previously measured in households, therefore there is a vast difference in statistics for the financial year 2016/17 compared to previous financial years.

Indicator number	Indicator owner	Objective	Key Performance Indicator	Annual target 2016/17	Annual result 2016/17	Annual target 2015/16	Annual result 2015/16	Annual target 2014/15	Annual result 2014/15
1.3.1.3	Utility Services	sustainability of the City of Tshwane	Percentage average of annual non-revenue energy (Annual)	19.0%	20.58 %*	10%	19.28%	10%	16.05%*
1.4.1.1	Roads and Transport	Improve public Roads and Transport infrastructure and services	Km of TRT bus lanes constructed	0.65 km	0.00 km*	5.65	2.96*	11.3	12.07
1.4.1.6	Roads and Transport		Total length of roads in proclaimed areas provided to the full level of service (km)	30.00 km	32.583 km	25	37.863	58.7	62.452
1.5.1.3	Roads and Transport		Total length of storm water drainage system in the proclaimed areas provided to the full level of service (km)	14.00km	15.127 km	32	36.464	37.6	37.761
1.9.1.4	Regional Operations and Coordination and Housing and Human Settlements	Upgrading and development of informal settlements	Number of informal settlements formalised	5	0*	5	6	10	16
2.1.1.1	Economic Development and Spatial Planning	Improve employment levels	Number of new work opportunities facilitated by the City	21 500	17 183*	60 000	30 369*	41 500	44 516
2.1.1.3	Economic Development and Spatial Planning	Increase investors in the city	Rand value of investment attracted to the City	R'b2,200,000,000	R'b 2,298,000,000	R 2 billion	R 2.25 billion	R1.8 billion	R 2.1 billion

Indicator number	Indicator owner	Objective	Key Performance Indicator	Annual target 2016/17	Annual result 2016/17	Annual target 2015/16	Annual result 2015/16	Annual target 2014/15	Annual result 2014/15
2.1.4.1	Economic Development and Spatial Planning	Provide support to SMMEs	Support through mentorship/training to the Tshepo 10 000 cooperatives	245	289	240 cooperatives	282 cooperatives	264 cooperatives	325 cooperatives
2.1.4.2	Economic Development and Spatial Planning		Enterprises supported by the City through business development support programmes	260	297	4 500	5 138	3 800	5 649
2.6.1.3	City Manager Support Office	Improve corporate governance through performance, financial and risk management	Unqualified audit opinion achieved (Annual)	Unqualified Audit Opinion	² Unqualified Audit Opinion	Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion
3.1.1.2	Health	Achievement of the Child Health Index	Percentage of Tshwane PHC fixed clinics implementing the PMTCT programme	100%	100%	100%	100%	100%	100%
3.1.2.1	Health		Percentage of Tshwane PHC fixed clinics providing immunisation coverage for children under 1 year of age.	100%	100%	85%	64.464%*	85%	75.742%

² The final result for this item will be obtained upon conclusion of the AGSA audit. Such interim result has been inserted in order to complete the statistical results of performance at the overall level on an interim basis.

Indicator number	Indicator owner	Objective	Key Performance Indicator	Annual target 2016/17	Annual result 2016/17	Annual target 2015/16	Annual result 2015/16	Annual target 2014/15	Annual result 2014/15
3.1.2.3	Health		Percentage of Tshwane PHC fixed clinics providing HIV testing facilities for pregnant women	100%	100%	91%	98.845%	91%	99.783%
3.2.1.1	Health (taken over by Community and Social Services)	To reduce household deprivation through the City's facilitated interventions	Number of new households registered in the City's indigent register	6 000	2 837*	6 000	3 054*	8 000	7 769*
3.2.1.2	Health (taken over by Community and Social Services)		Number of indigent households exited from the indigent register	2 000	8 764	2 000	2 681	2 000	2 435
3.4.1.1.1	Emergency Services	Improved safety levels in Tshwane	Number of fire incidents reported and responded to	<4 640	4 002	4 687	3 691	<4 734	4 116
3.4.1.2.1	Emergency Services		Number of rescue incidents reported and responded to	<7 892	5 848	7 972	5 457	<8 052	5 810
3.4.1.1.3	Emergency Services		Number of specialised and humanitarian incidents reported and responded to	<1 019	564	1 029	444	<1 040	485
3.4.1.2	Tshwane Metro Police	Improved safety levels in Tshwane	Number of road policing operations/interventions executed in order to comply	764	1 547	732	1 344	736	1 220

Indicator number	Indicator owner	Objective	Key Performance Indicator	Annual target 2016/17	Annual result 2016/17	Annual target 2015/16	Annual result 2015/16	Annual target 2014/15	Annual result 2014/15
			with the road safety plan (road policing)						
3.4.1.3	Tshwane Metro Police		Number of crime intervention operations/interventions executed to contribute to a reduction of crime throughout Tshwane	1 524	1 764	1 440	1 800	1 496	1 659
3.4.1.4	Tshwane Metro Police		Number of by-law policing operations/interventions executed to contribute to a reduction in by-law transgressions	476	657	468	562	460	567
5.1.1.3	Group Financial Services	To improve financial sustainability of the City of Tshwane	Cost coverage ratio	1.00%	30,99* (municipality) 1.02(Group)	1%	0,50% (municipality)* 0.51% (Group)*	1.1%	0.1% (Group)*

³ The ratio achieved must show higher numbers than target to be achieved for cost coverage, and for debt coverage, and must be lower than target for service debtors to revenue

Indicator number	Indicator owner	Objective	Key Performance Indicator	Annual target 2016/17	Annual result 2016/17	Annual target 2015/16	Annual result 2015/16	Annual target 2014/15	Annual result 2014/15
5.1.1.2	Group Financial Services		Percentage debt coverage	15.00%	33.55 % (municipality)	15%	35.44% (CoT) 35,35% (Group)	15%	16.51%
5.1.1.1	Group Financial Services		Percentage service debtors to revenue	25.00%	22.8 % (municipality)	25%	16,32% (CoT) 16,86% (Group)	25%	20.62%
6.1.1.2	Group Human Capital Management	Improve organisation efficiency and equity	Percentage of employees appointed as per the approved EE plan (Annual)	100% adherence to the approved EE plan	89.93%*	100%	62%*	100%	102%
6.3.1.1	City Manager Support Office (Communications and Marketing)	Improve interaction with citizens in the City's governance processes	No. of digital platforms utilised to allow citizens to interact with the City	1	1	N/A	N/A	N/A	N/A
6.3.1.2	Office of the Speaker		No. of engagement sessions held with traditional councils/ leaders	4	14	N/A	N/A	N/A	N/A

The reasons for non- performance and associated mitigation measures have been outlined as follows:

Table 41: Mitigation measures for non-performance on the SDBIP

Indicator number	Indicator owner	Key Performance Indicator	Annual target 2016/17	Annual result 2016/17	Underperformance Level	Reason for non-performance and Mitigation Plan
1.1.2.3	Utility Services	Number of households provided with a sanitation service (Utility Services dept)	1 800	1 586*	11.89%	Delays in registration by Rand Water Foundation as vendor at National Treasury database. Rand Water is the implementing agent for Winterveldt UDS toilets and also had delays in appointing suppliers for proving top structures. The registration problem is now resolved and suppliers appointed although it was already late.
1.1.2.4	Utility Services	Number of new electricity connections provided (new connections)	2 550	2 222*	12.86%	This is application/demand driven KPI and therefore affected by economic growth and investment in the city. The targets will be monitored and adjusted in the new year if necessary.
1.1.2.6	Utility Services	Number of completed houses electrified to eradicate backlogs (electrification)	7 900	2 429*	69.25%	There were serious delays with supply chain and unavailability of stores items needed for the projects that impact on this KPI. Materials (meters) became available late in the financial year and this affected KPI performance. Continue to engage supply chain management.
1.1.4.2	Regional Operations and Coordination	Number of areas provided with weekly kerbside waste removal	2 352	2 338*	0.6%	<p>The underperformance is due to revision of the areas classified within Tshwane. After the listings were received from GIS the cleanup process with the Regional teams were conducted and it was found that some of the areas on the listings were not serviced by the regional teams for example agricultural holding etc, and those areas had to be removed from the reported actual work done.</p> <p>The mitigation is that the listings will be reviewed before the target is set so that it is accurate and consistent with the actual work to be done.</p>
1.3.1.3	Utility Services	Percentage average of annual non-revenue energy (Annual)	19.0%	20.58 %*	7.68%	Target not achieved due to lack of funding and filling required positions of artisans to deal turnaround times and illegal connections. Support from other departments such as Metro police needed for credit control purposes. Department engaged with Metro Police for support and will request for filling of critical positions in the new financial year.
1.4.1.1	Roads and Transport (TRT)	Km of TRT bus lanes constructed	0.65 km	0.00 km*	100%	This serves to confirm that the Km of TRT Bus lane achieved in the 2016/17FY is zero (0). These km's were to be achieved upon completion of Line 1A-WP4B (Rainbow Junction Bypass). The project was delayed due to the lengthy process of obtaining the

Indicator number	Indicator owner	Key Performance Indicator	Annual target 2016/17	Annual result 2016/17	Underperformance Level	Reason for non-performance and Mitigation Plan
						permit for demolishing the Fritz Dwelling which fell within the road reserve. PHRA-G issued the permit to demolish the Fritz Dwelling only on 24 March 2017, which was too late for the contractor to catch-up with the programme for completion at the end of June 2017. The project is currently at 54% with completion expected within the first quarter (Q1) of the 2017/18 Financial Year.
1.9.1.4	Regional Operations & Coordination AND Housing & Human Settlements	Number of informal settlements formalised	5	0*	100%	<p>This KPI was transferred to the Department during the latter part of the financial year. The handover and associated budget arrangements contributed towards the delays in some of the planning processes that are key in the formalisation value chain.</p> <p>Within the limited time left before the end of the FY, the Department managed to finalise outstanding procurement processes; complete a number of planning phases and facilitate commencement of relocations in 2 projects.</p> <p>The Department conducted a detailed assessment of upgrading of informal settlements that are underway in order to set realistic targets, aligned to availability of budget in 2017/18. In this regard, a target of 7 has been set for the number of informal settlements that will be upgraded in 2017/18;</p> <p>A process of identification and categorization of informal settlements across the City has been done. This included the adoption of the CoT definition of upgrading of informal settlements/ formalisation.</p> <p>The Department is currently finalizing the prioritisation of upgrading of informal settlements and putting together a 3-year prioritisation plan. This process is done in conjunction with relevant sister Departments who contribute to the upgrading of informal settlements. Annual targets and implementation plans will be based on this 3-year plan.</p>
2.1.1.1	Economic Development and Spatial Planning	Number of new work opportunities facilitated by the City	21 500	17 183*	20.08%	<p>A total of 4 784 work opportunities were reported by City Departments and Regional offices, with limited supporting documents and could therefore not be included in the final listing. The City Manager and the Executive Mayor should take punitive measures against City Departments and Regional Offices that do not adhere to the Expanded Public Works Programme (EPWP) reporting norms and standards, as articulated in the EPWP Standard Operating Procedure.</p> <p>In the 2017/18 financial year, the EPWP Division has been provided with Technical Support by the National Department of Public Works and the Provincial Department of Infrastructure Development, to assist City Departments and Regional Offices with the</p>

Indicator number	Indicator owner	Key Performance Indicator	Annual target 2016/17	Annual result 2016/17	Underperformance Level	Reason for non-performance and Mitigation Plan
						collection of supporting documents. This, however, does not take the responsibility of collecting support documents away from City Departments and Regional Offices implementing EPWP projects.
3.2.1.1	Health (taken over by Community and Social Services)	Number of new households registered in the City's indigent register	6 000	2 837*	52.72%	<p>Since the inception of the indigent e-system, indigent registration is done electronically. However, the section has had challenges with obtaining cartridges. At the time, Indigent Programme Management Section was administered under the Regional Operations Centre (ROC). The Section's budget was also at ROC. The Section requested to be assisted with procurement of cartridges but the cartridges were never procured.</p> <p>The Section was moved back to the Health and Social Development Department in February 2017 without the budget and without the cartridges.</p> <p>In April 2017 the Section was again moved to Community and Social Development Department still without a budget and no cartridges up to the end of the financial year.</p> <p>The Section was also unable to implement the weekend indigent registration road shows due to budgetary constraints.</p> <p>The mitigation measure includes the allocation of budget to enable the section to procure cartridges as well as to implement the weekend indigent registration road shows.</p>
6.1.1.2	Group Human Capital Management	Percentage of employees appointed as per the approved EE plan (Annual)	100% adherence to the approved EE plan	89.93%*	10.07%	<p>Reasons for non-achievement are non-adherence to targets, high rate of unfilled vacancies and high turnover rate.</p> <p>It should be noted that the organisational transition into the new leadership impacted the aforementioned areas. Such process resulted in positions not filled due to finalisation of the departmental and organisation micro-structure requiring extended time for completion.</p> <p>Measures to be implemented include positions to be filled should be informed by EE Plan, improve the rate in filling of vacancies which is at a slow pace, conduct workforce analysis to determine high turnover and stabilization of the organisation structure for implementation.</p>

3 Performance of municipal entities on business plan targets

Tshwane Economic Development Agency performance scorecard

In the year under review, the entity achieved 13 out of is planned 13 targets.

Table 42: TEDA performance scorecard

Number	Output	Performance indicator	Annual target	Annual performance achieved
1.1	Trade and investment intelligence acquired	Number of trade and investment reports produced	3	3
1.2	Export development and promotion services provided	Number of capacity-building initiatives held for SMME export readiness	2	3
1.3	Trade and investment missions undertaken	Number of trade and investment missions participated in	3	4
1.4	Investment attracted	Rand value of investment attracted to the City by TEDA	R1 billion	R1.2 billion
1.5	Facilitate economic growth that is labour absorptive	No of income earning opportunities facilitated by TEDA	300	400
2.1	Tshwane Agro-processing Hub	Infrastructure feasibility study for the Hub produced	Infrastructure feasibility study for the Hub	Infrastructure feasibility study report
		Preliminary design of the Hub produced	Preliminary design of the Hub	Preliminary design of the Hub completed
2.2	Tshwane Freight Terminal and Logistics Hub	Project feasibility study facilitated	Quarterly projects reports	Quarterly projects reports produced
2.3	Revitalisation of the Groenkloof Nature Reserve	Preparation work on refurbishment completed	Project implementation on preparatory work (e.g. EIA, Designs and Permits)	Project implementation on preparatory work completed
2.4	Clothing and Textile Hub	Pre-feasibility study produced	Pre-feasibility study of the Hub	Pre-feasibility study of the Hub completed
2.5	Tshwane Agro-processing hub bioenergy facility	Feasibility study produced	Feasibility study of the Tshwane Agro-processing hub bioenergy facility	Feasibility study of the Tshwane Agro-processing hub bioenergy facility completed
3.1	City's increased competitiveness	Number of exhibitions and trade shows participated in	4	7
4.1	Approved quarterly risk control matrix	% of strategic risks monitored against the approved strategic risk register	100%	100%

Performance Improvement Measures by TEDA

The entity seeks to align its performance management and reporting processes with the City's Performance Management Framework. Progress towards achieving TEDA's KPIs are assessed using the performance scorecard, which measures performance in terms of both the service delivery mandate, financial and other resource management processes. The scorecard targets aim to improve performance and efficiency, and achieve long –term goals.

The entity also has appropriate systems to ensure that valid, accurate and actual achievements against planned objectives, indicators and targets are reported on.

Housing Company Tshwane performance scorecard

Housing Company Tshwane had 17 targets on its scorecard. It achieved 11 (64,7%) of its planned targets.

Table 43: HCT performance scorecard

Department	Key performance indicator	Project Name	Q4 Target	Q4 Actual	Annual Target	Actual	Comments on work done / Reasons for non-performance	Mitigation plan
Property Development (Construction of Social Housing Units)	100 units completed in Townlands	Townlands	100 Units completed	0 units completed in Townlands	100 units completed in Townlands	0 units completed in Townlands	49 completed foundations in block A1, F2 and 3H (see item 9 of the attached report). Contractor's non-performance 49 completed foundations in block A1, F2 and 3H	Contractor to be put on terms starting July 2017 and applying penalties. Cession will be applied and a nominated sub-contractor will be appointed to assist expediting progress

Department	Key performance indicator	Project Name	Q4 Target	Q4 Actual	Annual Target	Actual	Comments on work done / Reasons for non-performance	Mitigation plan
	Detailed Designs completed in Timberland	Timberlands	Detailed designs 100% complete	Detailed design at 90% completed	Detailed Designs 100% completed in Timberland	0 detailed design completed	Detailed design at 90% completed A rezoning application was submitted to the City in October 2016 and there were objections relating to the density and the height of the building, thus affecting the finalization of the detailed designs.	The matter will be heard by the Municipal Planning Tribunal on 13 September 2017
	Bulk infrastructure provision completed in Sunnyside	Sunnyside Erf 708 and 709	Bulk Infrastructure provision completed	Bulk infrastructure provision is not completed	Bulk infrastructure provision completed in Sunnyside	0 bulk infrastructure completed	No work was done The BAC recommended that the tender should be re-advertised as it was non-responsive due to price.	Management and the professional team is investigating alternative ways to reduce the costs in terms of design or looking for partnerships
	Internal reticulation completed in Chantelle X39	Chantelle X39	Internal reticulation 100% completed	Internal reticulation at 35% completion.	Internal reticulation completed in Chantelle X39	Internal reticulation at 35% completion.	Internal reticulation at 35% completion. Delayed due to an illegal occupant in a building that has to be demolished to make way for construction.	A notice of eviction was given to the illegal occupant through his attorney. An agreement was reached to give the occupant 90days which expires on 16 September 2017.

Department	Key performance indicator	Project Name	Q4 Target	Q4 Actual	Annual Target	Actual	Comments on work done / Reasons for non-performance	Mitigation plan
Property Management (Management of Housing Stock)	Number of CoT's transferred to THE HCT for management(brownfields)	Ellofsdal(Silwerkroon)	N/A	N/A	120 rental units transferred from CoT to THE HCT	120 rental units were transferred from CoT to THE HCT effective on the 1st of July 2016	Performance will be sustained	N/A
	Occupancy level in units under management	Eloff	95%	97%	95%	98%	Performance will be sustained	N/A
		Clarina	90%	97%	90%	96%	Performance will be sustained	N/A
		Silwerkroon	95%	98%	95%	97%	Performance will be sustained	N/A
	Turnaround in resolving tenant complaints	Eloff, Clarina and Silwerkroon	90%	100%	90% of the complaints resolved within the approved timeframes	100%	Performance will be sustained	N/A
Finance (Financial Management)	Development of BEE SMME's		31%	114%	31% of total expenditure spent on procurement	48.45%	Performance will be sustained	

Department	Key performance indicator	Project Name	Q4 Target	Q4 Actual	Annual Target	Actual	Comments on work done / Reasons for non-performance	Mitigation plan
					from BEE & SMME's			
	Manage budget processes of the entity in accordance with regulatory frameworks		25%	155%	Budget management and implementation: 90% of Budget spent	60.87%	The delay in the tender process for both Chantelle X39 and Sunnyside has impacted the budget spending.	A Procurement plan must be submitted to the Supply Chain Department in the beginning of the new financial year which will be utilised to plan projects properly.
	Rental collection rate of billed units above baseline	Eloff	2.5%	6%	2.5% Rental collection rate of billed units above baseline of 94%	4.7%	Performance will be sustained	N/A
	% of Levies collection of billed units above baseline	Clarina	4%	-30.50%	4% of Levies collection of billed units above baseline of 46%	-23.9%	Tenants allocated at Clarina did not go through the normal HCT due diligence as Clarina is used as short-term alternative accommodation for ex-Schubart Park residents as per the Constitutional Court ruling of October 2012. HCT has been requested to manage the building on behalf of the City. A majority of the residents are unemployed and already 20	Continuous engagements with the Residents sub-committee, working with them to drive through the message of complying with their obligation to pay the Levies. Re-education about levy payments and the consequences of

Department	Key performance indicator	Project Name	Q4 Target	Q4 Actual	Annual Target	Actual	Comments on work done / Reasons for non-performance	Mitigation plan
							<p>of them have been approved as indigents in terms of the City's Indigent Policy. Of those residents who are employed, some do not earn enough to even pay the levy.</p> <p>There is also an inherent culture of non-payment with the ex-Schubart Residents</p>	<p>non- payment. A junior credit controller has been appointed to engage the residents and facilitate payment arrangements. Furthermore, the residents who are employed and are intentionally defaulting on their payments are handed over to the lawyers for eviction</p>
	Rental collection rate of billed units above baseline	Silwerkroon	2%	8.28%	2% Rental collection rate of billed units above baseline of 90%	8.99%	Performance will be sustained	N/A
	Maintaining entity asset liquidity to an acceptable level		Liquidity ratio of 1.1	Liquidity ratio of 1:1,2	Achieving Liquidity Ratio of 1:1	Liquidity ratio of 1:1,38	Performance will be sustained	N/A
Governance	Review of Internal Governance Structures and Processes.	Entity annual strategic review and approval	N/A	N/A	Review	Reviewed and approved	Performance will be sustained	N/A

Department	Key performance indicator	Project Name	Q4 Target	Q4 Actual	Annual Target	Actual	Comments on work done / Reasons for non-performance	Mitigation plan
		Policy review and approval	Review	Policies reviewed and approved - Performance Management policy, Petty cash policy, Rent collection policy Cell phone and data Policy, Bad debts Write -off Policy, Code of Conduct, Code of Ethics Policy,, Training and Development Policy, Arrears and Debtors Policies and Procedures, Anti-Corruption and Anti - Fraud Policy	Policy review and approval i.e. Supply Chain, Delegations of Authority, Human Resources, Marketing & Communication, Management , Financial and Internal control	Policies reviewed and approved – Supply Chain, Delegation of Authority, Performance Management policy ,Petty cash policy, Rent collection policy, Cell phone and data Policy ,Bad debts Write -off Policy, Code of Conduct, Code of Ethics Policy, Training and Development Policy ,Arrears and debtors Policies and Procedures, Anti-Corruption and Anti -Fraud Policy, Marketing and Communication Policy, Employee Rent Discount Policy, Travel & Subsistence	Performance will be sustained	N/A

Department	Key performance indicator	Project Name	Q4 Target	Q4 Actual	Annual Target	Actual	Comments on work done / Reasons for non-performance	Mitigation plan
						Policy, Property Development Policy, Financial & Internal Control Policies and Procedures, Asset Management Policy, Leave Management Policy, Risk Management Policy Achieved		

Sandspruit Works Association performance scorecard

SWA's performance is set against the 2016/17 business plan and the implementation of the approved Debt Collection Strategy as well as the background of the 27th October 2016 Council resolution of disestablishing SWA.

SWA performance during the first 6 months resulted in the entity revising the business plan for 2016/17 to ensure alignment with the City's Integrated Development Plan and Service Delivery and Budget Implementation Plan. The Entity proposed amendments to its scorecard to ensure that the Key Performance Indicators are drafted in terms of SMART principle. Additional to the exercise was that SWA was in the process of Disestablishment as per Council Resolution dated 27 October 2016 thus some of the Key Performance Indicators were no longer applicable since SWA will be absorbed by the City.

12 Key performance indicators were reduced to 9 in the 3rd and 4th quarter of the 2016/17 financial year. 6 targets were achieved (66,6%).

Table 44: SWA performance scorecard

Strategic Objective	Department Division	Key Performance Area	Not Revised/Revised 2016/17 Target	Baseline	2016/17 Performance Actual	Budget 2016/17 R'000	FY
Promote Sustainable Service Infrastructure and Human Settlement Management	Operations	Achieve an annual target of 20% Non-Revenue Water	20%	20%	25.26%	40 000	
Promote Shared Economic Growth and Job Creation	Finance	Outsourcing 40 % job opportunities to SMME's (30%) and Co-operatives (10%) annually	40%	Target 40%	44.92%	3 000	
Ensure Sustainable, Safer City and Integrated Social Development	Operations	Reduce the number of registered indigents who consume in excess of the allocated basic water consumption (12kl) The WMD's were replaced by water restrictions in Q3 & Q4	45% for Q1 & 2 and 891 for Q3 & Q4	New Indicator	Q1 & Q2 = 22.39% Q3 & Q4 = 1366	5 000	
Promote Governance and Active Citizenry	Finance	Financial Compliance in terms s87 (11) of the MFMA annually	100%	100%	100%	760	
Promote Governance and Active Citizenry	Finance	SCM Compliance in terms of Regulation 12	100%	100%	100%	760	

Strategic Objective	Department Division	Key Performance Area	Not Revised/Revised 2016/17 Target	Baseline	2016/17 Performance	Actual	Budget 2016/17 R`000	FY
		and 36 of the SCM regulations						
Promote Governance and Active Citizenry	Risk	100% of Mitigation Strategies monitored against Approved Risk Register	100%	New KPI	100%		800	
Promote Governance and Active Citizenry	Marketing	Branding	100%	New KPI	Cancelled		0	
Promote Governance and Active Citizenry	Marketing	Stakeholder meetings per ward to discuss community concerns (currently MAWIGA have 10 wards)	40	31	54		600	
Improve Financial Sustainability	Finance	Achieve Revenue collections of 75% Annually	75%	75%	45%		222 728	
Continued organizational Development, Transformation and Innovation	Human Resource	Implement the Reviewed Approved Organizational structure	100%	New KPI	Cancelled		0	
Promote Governance and Active Citizenry	Company Secretary	Compliance with Section 33, Section 16 of Companies Act 71 of 2008 and Board governance documents.	1	New KPI	100%		700	

4 Organisational development performance management

INTRODUCTION

Group Human Capital Management provides a range of corporate support functions at strategic and operational levels. The core functions of the department are managing and overseeing the establishment, stabilisation, consolidation and sustainability of the departmental initiatives in the City of Tshwane. The department consists of five divisions and a Management and Administration Support Section. The following Divisions provide support functions:

- Human Resource Management
- Tshwane Leadership and Management Academy
- Organisational Efficiency Improvement
- Corporate Logistical Services
- Corporate Employee Relations Management
- Management and Administration Support

This chapter of the report pronounces the progress on the organisational development initiatives of the City for the 2016/17 financial year. Amongst others, it reports on the Municipality's employment statistics and training initiatives; and it declares the benefits provided to senior management and the Council.

A Introduction to municipal personnel

INTRODUCTION

City of Tshwane abides by legislation that guides the appointment, management and termination of staff. The Group Human Capital Management department has been tasked with providing leadership, guidance and direction to the human resource practices of the Municipality and its entities. The department is headed by a Group Head.

1 Employee totals, turnover and vacancies

The vacancy rate reported is that of permanent employees only, and it thus excludes councillors, temporary workers and students. The number and turnover of vacancies are impacted by the availability of funding. The vacancy rate is further influenced by the outstanding micro-organisational structure of the City.

The following table explains the categorisation of occupational levels that are referred to in this chapter.

Table 45: Explanatory table – categorisation of occupational levels

Occupational levels	2013/14	2014/15	2015/16	2016/17
Top management	(F1 – F3)	Contract CM, DCM, SED (F1 – F3)	(F1 – F3)	All-inclusive package
Senior management	(E1 – E3)	Contract SED (F3) Contract ED (E3) (E1 – E2)	(E1 – E3)	(E1 – E3)
Professionally qualified	(D1 – D2/3/E1)	(D1 – D2/3/E1)	(D1 – D2/3/E1)	(D1 – D2/3/E1)
Skilled technical	(C1 – C3/D1)	(C1 – C3/D1)	(C1 – C3/D1)	(C1 – C3/D1)
Semi-skilled	(B1 – B3/C1/2/3/D1)	(B1 – B3/C1/2/3/D1)	(B1 – B3/C1/2/3/D1)	(B1 – B3/C1/2/3/D1)
Unskilled	(A1 – A3/B1/2)	(A1 – A3/B1/2)	(A1 – A3/B1/2)	(A1 – A3/B1/2)

The following table provides statistics on the employees per occupational level as at the end of the 2016/17 financial year.

Table 46: Total number of employees (including disabled) per occupational level as at 30 June 2017

Occupational levels	Male				Female				Foreign nationals		TOTALS
	A	C	I	W	A	C	I	W	Male	Female	
Top management	8	0	1	0	5	0	0	2	0	0	16
Senior management	359	15	14	135	256	11	9	80	0	0	879
Professionally qualified	378	10	4	275	310	8	5	102	0	0	1092
Skilled technical	2153	53	24	824	1882	62	22	407	0	0	5427
Semi-skilled	3053	63	13	273	2108	67	20	309	0	1	5907
Unskilled	4780	46	2	46	1105	7	0	5	0	0	5991
Total permanent	10731	187	58	1552	5666	155	56	905	0	0	19312
Non-permanent employees	53	5	1	3	40	6	0	1	0	0	109
GRAND TOTAL	10784	192	59	1555	5706	161	56	906	0	1	19421

Vacancy rate

City's vacancy rate expanded as compared to the previous financial year

The City filled 193 posts in the 2016/17 financial year. Due to severe budget constraints, the vacancy rate increased from 45% to 46% compared to the previous financial year. However, the vacancy rate can be reduced through the current re-structuring of the City of Tshwane's organisational structure. The changing priorities of the City will be taken into account and instead of filling all posts the structure will be streamlined with a proposed reduction of 10% of posts.

The following table provides

Table 47: Positions filled vs those advertised

Positions advertised /filled	Q1	Q2	Q3	Q4	Total	Remarks
Positions advertised	4	31	121	173	329	A majority of the positions were advertised in June 2017. A deficit on the salary account resulted in some of the positions only being filled in the 2017/18 financial year
Positions filled	4	31	11	80	126	
Average days (weekends included therefore average on allowed 90 days)	141	34	73	23	19	
Total days to fill all positions	564	1 053	803	23	2 443	

The following table presents the number of posts filled per department. There has generally been an increase in the number of posts filled in many departments, compared to the 2015/16 financial year. The city filled several key senior management positions in the administration.

Table 48: Number of posts filled

Department/function (the names of departments are as per the structure prior to November 2016)	2015/16		2016/17	
	Number of posts	Number of posts filled	Number of posts	Number of posts filled
Office of the City Manager	120	56	120	52
Office of the Executive Mayor	52	182	52	173
Office of the Speaker	267	194	267	187
Office of the Chief Whip	74	34	74	32
Office of the Deputy City Manager: Infrastructure and Programme Management	31	12	31	11
Water and Sanitation (Utility Services)	1906	365	1906	598
Energy and Electricity (Utility Services)	2203	319	2203	985
Roads and Transport	1573	567	1573	649
Housing and Human Settlement	131	68	131	69
Integrated Rapid Public Transport Network	160	60	160	57
Office of the Deputy City Manager: Strategy Development and Implementation	51	6	51	5
City Planning and Development	591	392	591	381
Economic Development	139	68	139	64
City Strategies and Performance Management	60	24	60	22

Department/function (the names of departments are as per the structure prior to November 2016)	2015/16		2016/17	
	Number of posts	Number of posts filled	Number of posts	Number of posts filled
Communication, Marketing and Events	173	81	173	80
Research and Innovation	-	-	-	-
Customer Relations Management	1	229	1	224
Group Property Management	1	37	1	34
Office of the Deputy City Manager: Operations	19	5	19	5
Sport and Recreational Services	91	107	91	128
Environmental Management	734	542	734	845
Health and Social Development	742	147	742	530
Group Audit and Risk	189	129	189	122
Group Financial Services	1473	957	1473	918
Metro Police Services	4409	4212	4409	4153
Corporate and Shared Services	1090	537	1090	502
Group Legal Services	268	133	268	126
Group ICT	272	95	272	92
Emergency Services	1649	1132	1649	1098
Office of the Deputy City Manager: Service Delivery and Coordination	1106	3276	1106	334
Community and Business Safety	24	5	24	4
Regional Operational Centre	1	-	1	1028
Region 1	1616	1037	1616	1102
Region 2	977	496	977	498
Region 3	3482	2207	3482	2053
Region 4	1250	642	1250	679
Region 5	696	245	696	232
Region 6	2210	1221	2210	1114
Region 7	894	257	894	235
TOTAL	30 725	20 076	30 725	19 421

The following table provides a percentage breakdown of employees in permanent positions, in comparison with those in the economically active population.

Table 49: Permanent positions

Economically active population%						City of Tshwane %					
Male			Female			Male			Female		
AM	African male	44,8%	AF	African female	35,2%	AM	African male	55,57%	AF	African female	29,34%
CM	Coloured male	1,7%	CF	Coloured female	1,3%	CM	Coloured male	0,97%	CF	Coloured female	0,8%
IM	Indian male	1,8%	IF	Indian female	1,1%	IM	Indian male	0,3%	IF	Indian female	0,29%
WM	White male	7,9%	WF	White female	6,3%	WM	White male	8,04%	WF	White female	4,69%
	TOTAL	56,2%		TOTAL	43,9		TOTAL	64,87%		TOTAL	35,12%

2 Section 56 employees, disability and employment equity

Section 56 employees

Section 56 employees include those that are contractually bound for five years and report directly to the City Manager. As indicated above, the Municipality has 62 senior management employees, excluding those employed by the municipal entities.

Employees with disabilities

The City is committed to providing fair opportunities to people with disabilities. Although we are not satisfied with our current levels, we continue to strive to ensure that departments consider people with disabilities in their recruitment processes. The provision of internship opportunities is also expanded to provide learning and experiential opportunities for students with disabilities.

Of the 879 officials in senior management positions, 18 (2.0%) have a recognised disability. A total of 217 of the employees of the City are recognised as having a disability (1.12% of the total number of employees). Of the 217 employees with disabilities, 66 are female (30, 41%) and 151 are from the historically disadvantaged group.

Table 50: Total number of employees with disabilities on the different occupational levels

Occupational levels	Male				Female				Foreign nationals		TOTALS
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	5	0	0	8	3	0	0	2	0	0	18
Professionally qualified	2	0	0	16	6	1	0	1	0	0	26
Skilled technical	24	1	0	27	7	0	1	8	0	0	68
Semi-skilled	17	1	0	15	8	3	0	16	0	0	60
Unskilled	33	2	0	0	9	0	0	1	0	0	45
Total permanent	81	4	0	66	33	4	1	28	0	0	217
Non-permanent employees	5	0	0	1	14	0	0	0	0	0	20
GRAND TOTAL	86	4	4	67	47	4	1	28	0	0	237

Employment equity

The City recruits staff against an internally approved employment equity plan which must be considered by the Department of Labour. The high-level objectives of the City of Tshwane Employment Equity Strategy (2012-2017) are to –

- achieve equity in the workplace;
- demonstrate the City's intention to create a working environment that is conducive to the recruitment, development and retention of a diversified workforce;
- identify opportunities to appoint people with disabilities and women in senior positions; and
- mainstream development programmes for women, youths and people with disabilities.

The strategy has identified the following forums for its implementation:

- Employment equity
- Disability
- Top and senior management

The following objectives have been identified and listed in the Employment Equity Plan 2012–2017:

1. To ensure equal representation at top management level
2. To address over-representation of –
 - white males and white females at senior management, professionally qualified and skilled technical levels; and
 - black males at semi-skilled and unskilled levels
3. To address under-representation at all levels, of –
 - coloured males, Indian males and white males; and
 - African females, coloured females and Indian females

4. To appoint and retain people with disabilities
5. To address inequities in salaries
6. To run training programmes and initiatives to eliminate the existing barriers to affirmative action
7. To assess all HR-related policies annually

The following table reflects the numeric targets, including people with disabilities, at 30 June 2017.

Table 51: Employment equity targets

Occupational levels	Male				Female						Total
	A	C	I	W	A	C	I	W	Male	Female	
EAP	44.80%	1.70%	1.80%	7.90%	35.20%	1.30%	1.10%	6.30%			100.00%
Top management	19	0	1	0	9	0	0	1	0	0	30
Percentage	63.33%	0.00%	3.33%	0.00%	30.00%	0.00%	0.00%	3.33%	0.00%	0.00%	100.00%
Gap	18.53%	-1.70%	1.53%	-7.90%	-5.20%	-1.30%	-1.10%	-2.97%	0.00%	0.00%	
Senior management	500	70	30	155	390	48	20	92	1		1306
Percentage	38.28%	5.36%	2.30%	11.87%	29.86%	3.68%	1.53%	7.04%	0.08%	0.00%	100.00%
Gap	-6.52%	3.66%	0.50%	3.97%	-5.34%	2.38%	0.43%	0.74%	0.08%	0.00%	
Professionally qualified	685	70	38	316	539	65	20	129	0	0	1862
Percentage	36.79%	3.76%	2.04%	16.97%	28.95%	3.49%	1.07%	6.93%	0.00%	0.00%	100.00%
Gap	-8.01%	2.06%	0.24%	9.07%	-6.25%	2.19%	-0.03%	0.63%	0.00%	0.00%	
Skilled technical	1663	100	48	738	1365	94	100	420	0	0	4528
Percentage	36.73%	2.21%	1.06%	16.30%	30.15%	2.08%	2.21%	9.28%	0.00%	0.00%	100.00%
Gap	-8.07%	0.51%	-0.74%	8.40%	-5.05%	0.78%	1.11%	2.98%	0.00%	0.00%	
Semi-skilled	3109	230	48	538	2027	150	45	458	0	0	6605
Percentage	47.07%	3.48%	0.73%	8.15%	30.69%	2.27%	0.68%	6.93%	0.00%	0.00%	100.00%
Gap	2.27%	1.78%	-1.07%	0.25%	-4.51%	0.97%	-0.42%	0.63%	0.00%	0.00%	
Unskilled	5800	70	19	95	1300	15	12	25	0	0	7336
Percentage	79.06%	0.95%	0.26%	1.29%	17.72%	0.20%	0.16%	0.34%	0.00%	0.00%	100.00%

Occupational levels	Male				Female						Total
	A	C	I	W	A	C	I	W	Male	Female	
Gap	34.26%	-0.75%	-1.54%	-6.61%	-17.48%	-1.10%	-0.94%	-5.96%	0.00%	0.00%	
Total permanent	11776	540	184	1842	5630	372	197	1125	1	0	21667
Non-permanent employees	3336	19	9	87	7700	26	8	62	2	0	11249
GRAND TOTAL	15112	559	193	1929	13330	398	205	1187	3	0	32916

The following section considers information related to the management of the municipal workforce.

B Managing the municipal workforce

INTRODUCTION

In this section, the following elements are dealt with:

- Capacitating the municipal workforce
- Suspensions uplifted
- Disclosures of senior managers and councillors

1 Injuries, sick leave and suspensions

The City of Tshwane has improved in respect of compliance with the administration of occupational health and safety. A total of 856 injuries on duty were reported. This could be attributed to the more accurate recording of incidents since the incidents of the whole organisation are now captured in a singular reporting system. Employees are also better informed of their responsibility to report sustained injuries.

Injuries

Over the past few years, OHS administrative compliance has improved. The Municipality is evaluated against a set of OHS performance indicators that are reviewed annually to ensure improved performance.

The following table indicates the number of injuries that were recorded in line with the Occupational Health and Safety Act.

Table 52: Injuries 2016/17

Activity	Total employees or incidents 2013/14	Total employees or incidents 2014/15	Total employees or incidents 2015/16	Total employees or incidents 2016/17	Challenges
Medical surveillance, including biological monitoring	7 497 employees	7 790 employees	8 579 employees	10 879 employees	Non-compliance of employees attending the clinic for annual medical evaluations
Initial and exit medical examinations	2 441 employees	364 employees	232 employees	179 employees	Lack of communication between the department, HR and the clinic concerning employees who have joined the City working in high-risk departments and those who have resigned
Evaluation of medically incapacitated employees	86 employees	65 employees	61 employees	57 employees	None
Development of occupational risk profiles	0 profiles	273 profiles	180 profiles	173 profiles	Some positions not indicated on the structure
Immunisation against Hepatitis B	0 immunisations	0 immunisations	0 immunisations	0 immunisations	Discontinued
General medical services provided	9 731 clinic visits	8 383 clinic visits	7 328 clinic visits	6 943 clinic visits	None
Specialised and general health and safety training provided to employees	1 895 employees	1 082 employees	2 758 employees	1 358 employees	Only one OHS Training Officer appointed to give OHS training for all City of Tshwane employees
Legal compliance audits	204 audits	250 audits	218 audits	197 audits	One OHS compliance officer resigned. This created a number of constraints for completing the planned OHS audit according to the schedule, and the macro-structural changes affected the audit plan for the financial year.
Inspections of workplaces	58 inspections	80 inspections	69 inspections	128 inspections	Heads of department to attend to recommendations made after inspections

Activity	Total employees or incidents 2013/14	Total employees or incidents 2014/15	Total employees or incidents 2015/16	Total employees or incidents 2016/17	Challenges
Medical surveillance, including biological monitoring	7 497 employees	7 790 employees	8 579 employees	10 879 employees	Non-compliance of employees attending the clinic for annual medical evaluations
Accidents recorded, investigated and legally required documentation produced	930 incidents	856 incidents	769 incidents 54% of the reported incidents have been fully investigated	759 incidents 64% of the reported incidents have been fully investigated	Personnel shortage SAP EHS system challenges which hamper the management of injury-on-duty cases. 707 incidents have been reported. Outstanding IODs: 261 cases
Tenders and quotes evaluated in terms of health and safety requirements	19 meetings on quotes and tenders attended	0	0	0	OHSCM no longer invited to attend the tender meetings
Section 24 incidents investigated	48 incidents	45 incidents	34 incidents	34 incidents	Personnel shortage hampers the timeous investigation of incidents. Departments fail to implement incident reduction plans.
Health and Safety Committee meetings attended as co-opted members	511 meetings	498 meetings	317 meetings	311 meetings	Lack of OHS compliance officers
Occupational hygiene surveys performed	0	0	0	0	Section not staffed or funded
Assessment of stressors done	0	0	0	0	Section not staffed or funded

Sick leave

Table 53: Total sick leave recorded 2016/17

Description	2015/16		2016/17		Comments
	Total sick leave days	Proportion of sick leave without medical certificate %	Total sick leave days	Proportion of sick leave without medical certificate	
Sick leave with medical certificate	120, 836	82,56	110, 811	82.35	None
Sick leave without medical certificate	25, 522	17,44	23, 751	17.65	None
Total number of days sick leave	146, 358	-	134, 562	-	None

Suspensions uplifted

In the 2016/17 financial year, only 3 suspensions were uplifted or escalated further in terms of disciplinary proceedings as a result of intimidation, gross negligence and dishonesty by some officials. The following table provides information on the suspensions uplifted during the 2016/17 financial year.

Table 54: Suspensions uplifted

Department	Job Title	Date suspended	Date Uplifted	Nature of misconduct	Reason for upliftment
Service Delivery Coordination and Transformation Management	Senior License Officer	14-Dec-16	1-Mar-17	Fraud	Expiry of 3 months suspension period
Service Delivery Coordination and Transformation Management	License Officer	14-Dec-16	1-Mar-17	Fraud	Expiry of 3 months suspension period
Service Delivery Coordination and Transformation Management	License Officer	14-Dec-16	1-Mar-17	Fraud	Expiry of 3 months suspension period
Service Delivery Coordination and Transformation Management	License Officer	14-Dec-16	1-Mar-17	Fraud	Expiry of 3 months suspension period
Service Delivery Coordination and Transformation Management	License Officer	14-Dec-16	1-Mar-17	Fraud	Expiry of 3 months suspension period
Service Delivery Coordination and Transformation Management	License Officer	14-Dec-16	1-Mar-17	Fraud	Expiry of 3 months suspension period

Department	Job Title	Date suspended	Date Uplifted	Nature of misconduct	Reason for upliftment
					suspension period
Service Delivery Coordination and Transformation Management	License Officer	14-Dec-16	1-Mar-17	Fraud	Expiry of 3 months suspension period
Service Delivery Coordination and Transformation Management	Senior License Officer	14-Dec-16	1-Mar-17	Fraud	Expiry of 3 months suspension period
Service Delivery Coordination and Transformation Management	Senior License Officer	14-Dec-16	1-Mar-16	Fraud	Expiry of 3 months suspension period
Service Delivery Coordination and Transformation Management	License Officer	14-Dec-16	1-Mar-17	Fraud	Expiry of 3 months suspension period
Transport	Engineering Consultant	1-Jul-16	24-Jan-17	Gross Negligence	Dismissal
Group Finance	Accountant	20-Sep-16	31-Jan-17	Dishonesty	Resigned
Parks and Horticulture	Horticulture Driver	10-Feb-17	2-Mar-17	Dishonesty	Prosecution declined
Parks and Horticulture	Horticulture Driver	10-Feb-17	2-Mar-17	Dishonesty	Prosecution declined
Parks and Horticulture	Horticulture Driver	10-Feb-17	2-Mar-17	Dishonesty	Prosecution declined
Group Financial Services	Buyer	28-Nov-16	28-Mar-17	Dishonesty	Case Withdrawn
Group Financial Services	Buyer	23-Nov-16	28-Mar-17	Dishonesty	Expiry of 3 months suspension period
Group Financial Services	Admin Officer	23-Nov-16	28-Mar-17	Dishonesty	Expiry of 3 months suspension period
Group Financial Services	Admin Officer	23-Nov-16	28-Mar-17	Dishonesty	Expiry of 3 months suspension period
Group Financial Services	Buyer	23-Nov-16	28-Mar-17	Dishonesty	Expiry of 3 months suspension period
Group Financial Services	Buyer	23-Nov-16	28-Mar-17	Dishonesty	Expiry of 3 months suspension period
Group Financial Services	Buyer	23-Nov-16	28-Mar-17	Dishonesty	Expiry of 3 months

Department	Job Title	Date suspended	Date Uplifted	Nature of misconduct	Reason for upliftment
					suspension period
Group Financial Services	Buyer	23-Nov-16	28-Mar-17	Dishonesty	Expiry of 3 months suspension period
Group Financial Services	Chief Store Keeper	23-Nov-16	28-Mar-17	Dishonesty	Expiry of 3 months suspension period
Group Financial Services	Buyer	23-Nov-16	28-Mar-17	Dishonesty	Expiry of 3 months suspension period
Group Financial Services	Buyer	23-Nov-16	28-Mar-17	Dishonesty	Expiry of 3 months suspension period
Group Financial Services	Buyer	28-Nov-16	28-Mar-17	Dishonesty	Expiry of 3 months suspension period
Group Financial Services	Buyer	28-Nov-16	28-Mar-17	Dishonesty	Expiry of 3 months suspension period
Group Financial Services	Buyer	28-Nov-16	28-Mar-17	Dishonesty	Expiry of 3 months suspension period
Corporate and Shared Services	Admin Officer	25-Aug-16	5-Apr-17	Fraud	Not Guilty
Corporate and Shared Services	Buyer	25-Aug-16	5-May-17	Fraud	Expiry of 3 months suspension period
Service Delivery Coordination and Transformation Management	General Worker	25-Oct-16	5-May-17	Assult and Intimidation	Expiry of 3 months suspension period
Service Delivery Coordination and Transformation Management	General Worker	27-Oct-16	5-May-17	Harassment & Intimidation	Expiry of 3 months suspension period
Emergency Management Services	Executive Director	24-Jan-17	6-May-17	Intimidation	Contract ended
Emergency Management Services	Executive Director	24-Jan-17	6-May-17	Intimidation	Contract ended
Service Delivery Coordination and Transformation Management	Senior License Officer(5)	14-Dec-16	25-Oct-17	Fraud	Resigned
Service Delivery Coordination and Transformation Management	License Officer(5)	14-Dec-16	6-Dec-17	Fraud	Dismissal

2 Capacitating the municipal workforce

The capacitation of the municipal workforce is an essential element of service delivery, innovation and improving efficiencies. Capacitation of the workforce is done in several ways, including –

- training;
- skills development; and
- Internships.

In the effort to develop competency, the Tshwane Leadership and Management Academy (TLMA) plays a major role in the provision of relevant, effective training and learning programmes that meet the city of Tshwane’s service and sustainability requirements. All the training that TLMA provided, was based on the requirements to address the priorities determined in accordance with the Workplace Skills Plan.

The following table presents statistics on the number of Tshwane employees who received training during the 2016/17 financial year. The total number of City of Tshwane employees trained in the 2016/17 financial year is 10 169.

Table 55: Total employees trained

Management level	Gender	Employees in post as at 30 June year 2017	Number of skilled employees required and actual employees as at 30 June 2017			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
			Actual: End 2016/17	Actual: End 2016/17	Actual: End 2016/17	Actual: End 2016/17
1. Legislators	Female	74		3	21	24
	Male	138			18	18
2. Managers	Female	624	2	66	219	287
	Male	758	6	86	196	288
3. Professionals	Female	1 113	5	52	355	412
	Male	965	5	37	226	268
4. Technicians and associate professionals	Female	550	4	14	79	97
	Male	832	7	10	123	140
5. Service and sales workers	Female	1 958	11	128	2 601	2 740
	Male	3 085	11	160	4 086	4 257
6. Plant and machine operators and assemblers	Female	122	2	2	27	31
	Male	1 316	10	16	92	118
7. Clerical support workers	Female	1 844	19	59	549	627
	Male	1 015	16	21	241	278
8. Elementary occupations	Female	1 195	16	14	96	126
	Male	5 196	75	53	330	458

Management level	Gender	Employees in post as at 30 June year 2017	Number of skilled employees required and actual employees as at 30 June 2017				
			Learnerships	Skills programmes and other short courses	Other forms of training	Total	
		Number	Actual: 2016/17	End 2017	Actual: 2016/17	End 2017	Actual: 2016/17
9. Adult training education	Female	70	-	70	-	70	
	Male	131	-	131	-	131	
Grand total		20 785	189	721	9 259	10 370	

3 Disclosures

To ensure good governance, officials (especially senior management) and councillors are required to make financial disclosures in order to prevent fraud, unauthorised work outside the City, and conflict of interest when participating in specific committees.

This section of the report discloses to the public the remuneration of the City Manager and those who report directly to him, as well as councillors, for the 2016/17 financial year.

The following table presents the annual remuneration of the City Manager and those who report directly to him.

Table 56: Remuneration of Municipal Manager and direct reports

Name	Entry Date	Entry date	Annual Remuneration
Moeketsi Emmanuel Mosola	City Manager	01/03/2017	R2, 468, 750
Jafta Elijah Mhlongo	Acting Chief Audit Executive	01/03/2017	R1, 226, 769
Marietha Aucamp	Chief of Staff	01/11/2016	R1, 219, 663
Nomasonto Cynthia Ndlovu	Acting Group Head: Communication and Marketing	01/03/2017	R1, 943, 986
Anisha Dharumrajh	Acting Group Head: City Strategy and Organisational Performance	01/03/2017	R1, 633, 133
Mayur Maganlal	Acting Governance and Support Officer	01/03/2017	R1, 825, 339
Umar Banda	Acting Chief Financial Officer	01/07/2016	R1, 450, 000
Jienie Christina Malan	Acting Chief of Police	01/05/2017	R1, 398, 762
Joan Kathlen de Beer	Chief of Emergency Services	01/07/2012	R1, 957, 629
Navaneethan Pillay	Acting Chief Operations Officer	01/03/2017	R1, 637, 217

The following table provides the disclosures on the remuneration package of councillors.

Table 57: Disclosures concerning councillors

Pay Number	Name	Entry Date	Annual Remuneration
25778	Perpetua Lucy Lekgema	10/08/2016	R458,706.00
25859	Gerhardus Cornelius Pretorius	10/08/2016	R458,706.00
25956	Maria Gertruida Aucamp	10/08/2016	R913,086.00
25973	Clive John Napier	10/08/2016	R913,086.00
26279	Lucas Johannes Welmans	10/08/2016	R458,706.00
26686	Dikeledi Dorah Ditabo	10/08/2016	R458,706.00
26783	Percy Ben Zitha	10/08/2016	R458,706.00
26970	Karen Meyer	10/08/2016	R913,086.00
26996	Daniel Gabriel Wannenburg	10/08/2016	R458,706.00
27063	Peter Edward Millar	10/08/2016	R458,706.00
27232	Elmarie Linde	10/08/2016	R913,086.00
27445	Johan Jansen	10/08/2016	R458,706.00
27500	Barend William Chapman	10/08/2016	R458,706.00
27534	Catharina Dorothea Prinsloo	10/08/2016	R913,086.00
104866	Lucas Mabunda	10/08/2016	R458,706.00
135395	Albertus Martinus Van Niekerk	10/08/2016	R458,706.00
504562	Mapiti David Matsena	10/08/2016	R458,706.00
10001845	Makopo Arow Makola	10/08/2016	R458,706.00
10002951	Pieter Daniel Uys	10/08/2016	R913,086.00
10002954	Mahomed Essop	10/08/2016	R458,706.00
10002958	Audrey Winifred Morakane Ketlhoilwe Mosu	10/08/2016	R458,706.00
10002968	Dikeledi Johanna Lehobye	10/08/2016	R458,706.00
10002972	Manakedi Elisa Mlotshwa	10/08/2016	R458,706.00
10002974	Lesiba Johannes Lekgoathi	10/08/2016	R458,706.00
10002975	Frederik Wilhelmus Van Wyk	10/08/2016	R458,706.00
10002976	Dolly Caroline Ledwaba	10/08/2016	R458,706.00
10002977	John Willem Barendrecht	10/08/2016	R458,706.00
10002979	Annruth Kisoonduth	10/08/2016	R940,680.00
10003014	Casper Nicolaas MC Donald	10/08/2016	R458,706.00
10005807	Chris Francois Bekker	10/08/2016	R458,706.00
10005942	Alphina Anna Ndlovana	10/08/2016	R458,706.00
10006404	Kitinki Cecil Mazwi	10/08/2016	R458,706.00
10006430	Mokgadi Maria Rallele	10/08/2016	R458,706.00
10008375	Mighty Harold Matjene	10/08/2016	R458,706.00

Pay Number	Name	Entry Date	Annual Remuneration
10011111	Marnette Sutherland	10/08/2016	R458,706.00
10011376	Crezane Bosch	10/08.2016	R458,706.00
10011611	Simon Motsaneng	10/08/2016	R458,706.00
10011612	Elsabe Louw	10/08/2016	R458,706.00
10012087	Rasello Terence Mashego	10/08/2016	R458,706.00
10012887	Aaron Mokgale Maluleka	10/08/2016	R458,706.00
10014223	Sephiwe Phillip Montlha	10/08/2016	R458,706.00
10014229	Machuene Joyce Boshomane	10/08/2016	R458,706.00
10014230	Andries Lebitsi Dinale	10/08/2016	R458,706.00
10014245	Nathaniel Rabasotho Masupha	10/08/2016	R458,706.00
10014259	Jonathan Kleinbooi Baloyi	10/08/2016	R458,706.00
10015747	Poppy Letty Maseko	10/08/2016	R458,706.00
10015752	Jane Tebogo Makgatho	10/08/2016	R458,706.00
10015758	Daniel Laki Mojela	10/08/2016	R458,706.00
10015762	Victor Phitisi Mabelane	10/08/2016	R458,706.00
10015767	Joel Malebogo Sindane	10/08/2016	R458,706.00
10015770	Absalom Setumo Boroto	10/08/2016	R458,706.00
10015771	Johannes Jacobus Coetzee	10/08/2016	R913,086.00
10015774	Juanita Du Plooy	10/08/2016	R458,706.00
10015775	Masindi Gertrude Rebecca Morudu	10/08/2016	R458,706.00
10015782	Swartland Jabulane Mabona	10/08/2016	R458,706.00
10015785	Roelof Petrus Fourie	10/08/2016	R458,706.00
10015788	Dorcas Mathe	10/08/2016	R458,706.00
10015789	Theresa-Eulanda Mabusela	10/08/2016	R458,706.00
10015791	Barend Hendrik Josephes Erasmus	10/08/2016	R458,706.00
10015796	Nomvula Lesiah Matenjwa	10/08/2016	R458,706.00
10015798	Elsie Shibe Tshabalala	10/08/2016	R458,706.00
10015799	Phumzile Brian Hlatshwayo	10/08/2016	R458,706.00
10015800	Magdeline Pretty Sebotsane	10/08/2016	R458,706.00
10015804	Refiloe Johannah Kekana	10/08/2016	R458,706.00
10015808	Nozipho Paulina Tyobeka-Makeke	10/08/2016	R458,706.00
10015809	Marika Elizabeth Kruger Muller	10/08/2016	R458,706.00
10015810	Joyce Mangalane Ngobeni	10/08/2016	R458,706.00
10015811	Tsung Wei Lee	1/.08/2016	R458,706.00
10015815	Isak Jacobus Pietersen	10/08/2016	R458,706.00
10015819	Esther Ntombifuthi Nhlapo	10/08/2016	R458,706.00

Pay Number	Name	Entry Date	Annual Remuneration
10015823	Catharina Elizabeth Strydom	10/08/2016	R458,706.00
10015824	Fikile Emily Nkosi	10/08/2016	R458,706.00
10015825	Peter Sutton	10/08/2016	R913,086.00
10015827	Alfred Khala Phahlane	10/08/2016	R458,706.00
10015828	Reyaan Uys	10/08/2016	R458,706.00
10015830	Hilda Weber	10/08/2016	R458,706.00
10015834	Jabulani Paulus Rammushi	10/08/2016	R458,706.00
10015836	Mamosa Betty Ringane	10/08/2016	R458,706.00
10015840	Mmina-Tau Seabelo Marishane	10/08/2016	458,706.00
10015841	Wildri Dennis Peach	10/08/2016	R913,086.00
10015842	Maupe George Matjila	10/08/2016	R458,706.00
10015844	Cilliers Brink	10/08/2016	R940,680.00
10015860	Molatelo Samuel Mashola	10/08/2016	R458,706.00
10015862	Lema Godfrey Motau	10/08/2016	R458,706.00
10015863	Joel Kgomotso Masilela	10/08/2016	R458,706.00
10015867	Darryl Moss	10/08/2016	R940,680.00
10015868	Solly Tshepiso Msimanga	10/08/2016	R1,242,409.00
10015875	Hendrik Jacobus Nortje	10/08/2016	R458,706.00
10015877	Shane Maas	10/08/2016	R458,706.00
10015884	Nontsikelelo Lucia Mokhotho	10/08/2016	R940,680.00
10015887	Siobhan Muller	10/08/2016	R458,706.00
10015888	Rachel Katlego Mathebe	10/08/2016	R1,003,393.00
10015903	Daddy Cedrick Tsela	10/08/2016	R458,706.00
10015958	Oscar Masarona Mathafa	10/08/2016	R458,706.00
10018345	Tshepo Floyd Kgatle	10/08/2016	R458,706.00
10018484	Lindelani Godfrey Mulaudzi	10/08/2016	R458,706.00
10018501	Nomsa Grace Jackson Ndlovu	10/08/2016	R458,706.00
10018506	Phillip Andries Nel	10/08/2016	R458,706.00
10018787	Masello Magdeline Mahwayi	10/08/2016	R458,706.00
10018880	Melithina Nombulelo Meme	10/08/2016	R458,706.00
10018966	Tshepo Braude Motaung	10/08/2016	R458,706.00
10018998	Jan Tsele Mahlangu	10/08/2016	R458,706.00
10019029	Sekokobale Fortune Mampuru	10/08/2016	R458,706.00
10019314	Marble Malebo Rasegoete	10/08/2016	R458,706.00
10021474	Esther Dinah Mutumane	10/08/2016	R458,706.00
10021475	Nkoata Ananias Mokgalotsi	10/08/2016	R458,706.00

Pay Number	Name	Entry Date	Annual Remuneration
10021746	Sipho Emmanuel Maselane	10/08/2016	R458,706.00
10021756	Issac Majuba Aphane	10/08/2016	R458,706.00
10022465	Christiaan Mauritz Van Den Heever	10/08/2016	R940,680.00
10023675	Charles Sannyboy Masemola	10/08/2016	R458,706.00
10023821	Lourens Abraham Erasmus	10/08/2016	R913,086.00
10025661	Polo Francinah Molaba	10/08/2016	R458,706.00
10027230	Brenda Thembi Siphutuma	10/08/2016	R458,706.00
10027963	Virginia Masango	10/08/2016	R458,706.00
10028211	Minky Magdeline Seipati Matshiyane	10/08/2016	R458,706.00
10028401	Gert Petrus Visser	10/08/2016	R458,706.00
10030302	Solomon Lesiba Sedibeng	10/08/2016	R458,706.00
10030304	Zwelibanzi Charles Khumalo	10/08/2016	R913,086.00
10032463	Michael Stephen Shackleton	10/08/2016	R458,706.00
10033412	Elma Johanna Nel	10/08/2016	R458,706.00
10034029	Michael Mkhari	10/08/2016	R940,680.00
10034030	Yolanda Duvenage	10/08/2016	R458,706.00
10034031	Isak Petrus Du Plooy	10/08/2016	R940,680.00
10034395	Mare-Lise Fourie	10/08/2016	R940,680.00
10034437	Frans Johannes Smith	10/08/2016	R458,706.00
10035085	Maatane Rosina Maake	10/08/2016	R458,706.00
10035784	TebogoMishack Rangako	10/08/2016	R458,706.00
10036656	Ramokone Rebone Maleka	10/08/2016	R458,706.00
10037304	Selata Nkwane	10/08/2016	R913,086.00
10037308	Andrian Christopher Roos	10/08/2016	R458,706.00
10038385	Aletta Susanna Breytenbach	10/08/2016	R458,706.00
10038389	Tshepo Kgobane	10/08/2016	R458,706.00
10038390	Cindy Billson	10/08/2016	R458,706.00
10038391	Nkele Molapo	10/08/2016	R913,086.00
10038392	Enos Papiki Chiloane	10/08/2016	R458,706.00
10038393	Ernst Adriaan Lodewikus Botha	10/08/2016	R458,706.00
10038394	Isaac Sello Mphaga	10/08/2016	R458,706.00
10038395	Carlo Robert Elgin De Bruin	10/08/2016	R458,706.00
10038396	Solomon Ndlanya Qebelu	10/08/2016	R458,706.00
10038397	Sabelo Owen Dhlamini	10/08/2016	R458,706.00
10038398	Shaun Wilkinson	10/08/2016	R458,706.00
10038399	David James Farquharson	10/08/2016	R458,706.00

Pay Number	Name	Entry Date	Annual Remuneration
10038400	Jabulani William Masilela	10/08/2016	R458,706.00
10038401	Katlego Godwill Makgaleng	10/08/2016	R458,706.00
10038403	Leanne Jennifer De Jager	10/08/2016	R458,706.00
10038404	Mthobeli Celiphile	10/08/2016	R458,706.00
10038405	William Thabo Ntlatleng	10/08/2016	R458,706.00
10038406	Seodi Florence Dhlamini	10/08/2016	R458,706.00
10038407	Floyd Makete Thema	10/08/2016	R458,706.00
10038409	Magwaile Oliver Mabogwana	10/08/2016	R458,706.00
10038410	Stephen Rasemate Chauke	10/08/2016	R458,706.00
10038411	Jordan Luke Griffiths	10/08/2016	R458,706.00
10038412	Wayne Peter Helfrich	10/08/2016	R458,706.00
10038413	Samuel Sello Maimane	10/08/2016	R458,706.00
10038414	Madimetja Alfred Makhafula	10/08/2016	R913,086.00
10038415	Leopold Roland Middelberg	10/08/2016	R458,706.00
10038416	Richard Baleseng Moheta	10/08/2016	R458,706.00
10038417	Malehwi Margaret Moyana	10/08/2016	R458,706.00
10038418	Vusi Isaac Masemola	10/08/2016	R458,706.00
10038419	Lefagahlele Arnold Matjie	10/08/2016	R458,706.00
10038421	Pieter Willem Van Heerden	10/08/2016	R458,706.00
10038422	Sipho Benedict Tshabane	10/08/2016	R458,706.00
10038423	Kingsley's Hope Wakelin	10/08/2016	R458,706.00
10038424	John Lesetja Lekgothoane	10/08/2016	R458,706.00
10038426	Randall Mervyn Williams	10/08/2016	R940,680.00
10038427	Thabisile Constance Vilakazi	10/08/2016	R913,086.00
10038428	Thabiso Thabiso Mohlamme	10/08/2016	R458,706.00
10038429	Shadi Doris Maja	10/08/2016	R458,706.00
10038430	Werner Mostert	10/08/2016	R458,706.00
10038431	Phare Phillemon Maboja	10/08/2016	R458,706.00
10038432	Motheo Mtimkulu	10/08/2016	R458,706.00
10038433	James Zokwenzwani Ndlovu	10/08/2016	R458,706.00
10038434	Khutso Mafole	10/08/2016	R458,706.00
10038435	Lesego Ellis Makhubela	10/08/2016	R458,706.00
10038436	Dikeledi Selowa	10/08/2016	R913,086.00
10038437	Hendrietta Nthawa Mathebula	10/08/2016	R458,706.00
10038438	Maria Nengi Skhosana	10/08/2016	R458,706.00
10038439	Sheila Lynn Senkubuge	10/08/2016	R940,680.00

Pay Number	Name	Entry Date	Annual Remuneration
10038440	Komaseroto Benjamin Disoloane	10/08/2016	R458,706.00
10038441	Dumisani Sibusiso Thwala	10/08/2016	R458,706.00
10038442	Abel Matshidiso Tau	10/08/2016	R458,706.00
10038443	Brenda Phukuile	10/08/2016	R458,706.00
10038444	Thania Kelebogile Letlonkoane	10/08/2016	R458,706.00
10038446	Jacqueline Uys	10/08/2016	R458,706.00
10038447	Dimakatso Innocentia Kgwedi	10/08/2016	R458,706.00
10038448	Mosima Maria Mabitsela	10/08/2016	R458,706.00
10038449	Anna Thabi Masemola	10/08/2016	R458,706.00
10038451	Johan Gerhard Van Buuren	10/08/2016	R458,706.00
10038452	Sipho Thabiso Maila	10/08/2016	R458,706.00
10038454	Jack Nicell Mokhare	10/08/2016	R458,706.00
10038455	Thabang Keabetswe Magodiolo	10/08/2016	R458,706.00
10038456	Moleboheng Abigail Masoleng	10/08/2016	R458,706.00
10038457	Ntebuheng Precious Mnguni	10/08/2016	R458,706.00
10038458	Morwangwato Alfred Mantjane	10/08/2016	R458,706.00
10038459	Eunice Dineo Moloji	10/08/2016	R458,706.00
10038460	Jan Japane Baloyi	10/08/2016	R458,706.00
10038461	Matome Adam Mashapa	10/08/2016	R458,706.00
10038462	Obakeng Samuel Ramabodu	10/08/2016	R458,706.00
10038463	Nkhumeleni Emmanuel Machaba	10/08/2016	R458,706.00
10038464	Tshilidzi Tuwani	10/08/2016	R458,706.00
10038465	Lindiwe Masilela	10/08/2016	R458,706.00
10038466	Phineas Noko Manaka	10/08/2016	R458,706.00
10038467	Christopher Anru Meyer	10/08/2016	R458,706.00
10038468	Christiaan Frederik Pienaar	10/08/2016	R458,706.00
10038469	Michael Ivor Strange	10/08/2016	R458,706.00
10038471	Lediga Samuel Matlala	10/08/2016	R458,706.00
10038472	Benjamin William Lawrence	10/08/2016	R458,706.00
10038479	Thomas Mandla Nkomo	10/08/2016	R940,680.00
10038484	Tlhabajane William Mabena	10/08/2016	R458,706.00
10038593	Kenneth Nkosi	06/10/2016	R458,706.00
10038859	Obed Tshepo Moreriane	11/11/2016	R458,706.00

5 Financial performance

The purpose of this section of the report is to outline the financial performance of the City of Tshwane in the 2016/17 financial year. The financial results presented in this chapter of the report were audited by the auditor-general. The detailed annual financial statements are a separate volume to the report.

1 Introduction

The South African economy expanded an annualized 2.0 percent on quarter in the three months to September of 2017, easing from an upwardly revised 2.8 percent expansion in the previous quarter but beating market expectations of a 1.5 percent rise. The South African economy has entered a technical recession and real gross domestic product (GDP) decreased at an annualised rate of 0.7% in the first quarter of 2017,

The economic climate in which South Africa currently finds itself has seen the shrinking of national, provincial and local budgets and has had significant implications for the equitable share received by municipalities. Understanding these challenges required the municipality to work smart with the limited resources at our disposal and focus our attention on prioritising certain actions and services.

The 2016/17 financial year also marks the start of a new political leadership and therefore the first task at hand was the approval of an adjustments budget where we had to better align the resources at our disposal to ensure better service delivery to the community for the remainder of the 2016/17 financial year.

The 2016/17 Medium-term Revenue and Expenditure Framework (MTREF) is, as in the past, shaped by the ever-changing global and local macroeconomic environment that the City finds itself in while responding to the priorities encapsulated in our long term vision. The prudent management of public finances, which represent our shared wealth, is central to the City's operations.

In his budget speech on 24 February 2016, the minister of Finance highlighted the following:-

- Growth in the South African economy is currently expected to be only 0.9% in 2016, after 1.3% in 2015, but to improve gradually over the medium term to 1.7% in 2017, reaching 2.4% in 2018. This reflects both depressed global conditions and the impact of the drought.
- There is an urgent need to restore confidence in fiscal sustainability, if not deteriorating conditions can create a cycle of lower growth, declining incomes, rising inflation, currency depreciation, rising interest rates and falling investment and consumption.
- Local government faces tough fiscal choices; growth in transfers will slow while the cost of providing the services increases.
- Municipalities are urged to improve own revenue collection, increasing efficiency and obtain greater value for money.

The following parameters directly informed the 2016/17 budget:

- Slowing down of expenditure and building reserves
- Collection levels will be targeted at 96%
- The levels of borrowing will be maintained at R1 billion to fund capital infrastructure
- Creation of cash surpluses over the MTREF
- Departments should critically review their current activities and do more with less

The long-term financial strategy will ensure that the City is financially sustainable and will respond to the City's Growth and Development Strategy policies, priorities and infrastructure needs.

2 Accounting framework for 2016/17

During 2016/17 no considerable changes to the accounting framework had to be implemented. The following new accounting standards became effective from 1 July 2016, namely:

Table 58: new accounting standards effective from 1 July 2016

GRAP standard	Description	Impact
Directive 11	Changes in measurement bases following the initial adoption of Standards of GRAP	Not applicable as the municipality applied the cost method since implementation of GRAP
GRAP 16 (as amended 2015)	Investment property	Resulted in more disclosure
GRAP 17 (as amended 2015)	Property, plant and equipment	Resulted in more disclosure

The following standards have been approved by the Accounting Standards Board, but the Minister of Finance has not yet determined an effective date, however municipalities can use it to disclose information on the financial statements:

Table 59: new accounting standards not yet effective

GRAP standard	Description
GRAP 18	Segment reporting
GRAP 20	Related parties
GRAP 32	Service Concession arrangements: Grantor
GRAP 108	Statutory Receivables
GRAP 34	Separate Financial Statements
GRAP 35	Consolidated Financial Statements
GRAP 36	Investments in Associates and Joint Ventures
GRAP 37	Joint Arrangements
GRAP 38	Disclosure of Interest in Other entities
GRAP 108	Statutory receivables
GRAP 109	Accounting by principals and agents
GRAP 110	Living and non-living resources

GRAP 12 (amended 2016)	Inventories
GRAP 16 (amended 2016)	Investment property
GRAP 17 (amended 2016)	Property, plant and equipment
GRAP 18 (amended 2016)	Segment reporting
GRAP 27 (amended 2016)	Agriculture
GRAP 21 (amended 2016)	Impairment of non-cash generating assets
GRAP 26 (amended 2016)	Impairment of cash generating assets
GRAP 31 (amended 2016)	Intangible assets
GRAP 103 (amended 2016)	Heritage assets
GRAP 106 (amended 2016)	Transfer of functions between entities no under common control
GRAP 110 (amended 2016)	Living and non-living resources
IGRAP 17	Service concession arrangement where a grantor controls a significant residual interest in an asset
IGRAP 18	Interpretation of the Standard of GRAP on recognition and derecognition of land

The impact and effect that the implementation of these new and/or revised accounting standards have on the financial statements are discussed in detail in the notes to the financial statements, but in most instances the implementation of these standards will lead to enhanced disclosures.

3 Review of operating results

The 2016/17 budget of the City of Tshwane was approved by Council on 31 May 2016 for implementation and the Adjustment Budget was approved by Council on 28 February 2017.

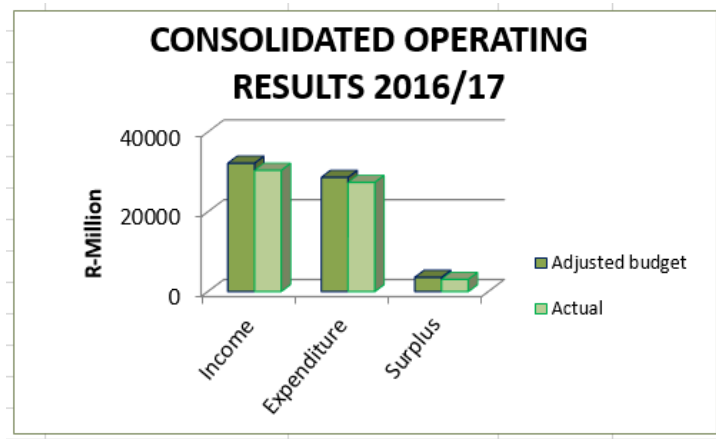
Maintaining financial viability of the City of Tshwane is critical to the achievement of service delivery and economic objectives. This is directly impacted by the City's ability to generate sufficient revenues and to ensure sufficient collection of revenues generated. This aspect is however hampered by consumer's ability to pay for their services due to the prevalence of unemployment and poverty within the municipality's boundaries.

In terms of the MFMA, a credible and funded budget must be tabled on realistic estimates of revenue that are consistent with budgetary resources and collection history. The goal of strengthening the link between the government's priorities and spending plans is to enhance service delivery that aims to improve the quality of life for all.

3.1 General

Details of the 2016/17 operating results and the classification of revenue and expenditure are included in the Statement of Financial Performance. Below is a graphical presentation of the operating results:

Figure 39: Consolidated operating results 2016/17



The overall operating results for the financial year ending 30 June 2017 are as follows:

Table 60: Overall operating results for financial year ending 30 June 2017

Description	Adjusted Budget 2017 Municipality R'000	Adjusted Budget 2017 Group R'000	Actual 2017 Municipality R'000	Actual 2017 Group R'000	Variance Actual/ Adjustment Budget Municipality %	Actual 2016 Restated Municipality R'000	Actual 2016 Restated Group R'000
Opening Accumulated surplus	-	-	19 360 262	19 406 024		18 267 198	18 311 185
Operating revenue	31 596 414	32 181 926	30 567 533	30 401 070	3.26	28 005 446	27 958 969
Reconciling Movement	31 596 414	32 181 926	49 927 795	49 807 094		46 272 644	46 270 154
Operating expenditure	28 049 788	28 627 627	27 552 831	27 361 309	1.77	26 908 794	26 860 542
Sundry transfers *	-	-	(26 206)	(26 206)		3 588	3 588
Closing Accumulated surplus	3 546 626	3 554 299	22 401 170	22 471 991		19 360 262	19 406 024
Reconciling Movement	31 596 414	32 181 926	49 927 795	49 807 094		46 272 644	46 270 154

* Sundry transfers consist of transfers from the reserves such as the Self Insurance reserve and COID reserve.

For the Municipality, the revenue represents 96.74% of the total adjustment budget. For the group, the revenue represents 94.47% of the total adjustments budget.

Service charges (99.0%) and assessment rates (101.1%) are on target while the other revenue line items are between 60.0% and 295.0% of the budget, for example: rental of facilities and equipment (95%), licences and

permits (97%). Capital grant revenue ended on 96% of the budget. Operational grant revenue ended on 97% of the budget. Fines ended on 60% of the budget.

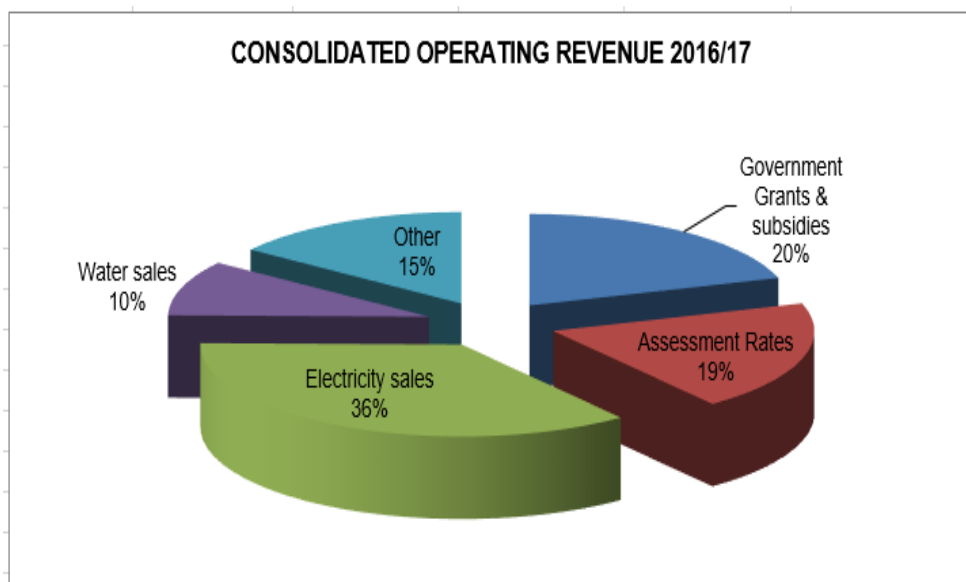
The total expenditure of the Municipality compared to the adjustment budget represents 106.43% which is an over expenditure of 6.43%. The actual net expenditure of the group compared to the adjustments budget represents 104.0%.

Contracted services ended on 104.0% of the budget and the contribution to bad debt provision ended on 98% of the budget. Collection cost ended on 99.0% and depreciation and impairment expense ended on 104% of the budgeted expenditure whereas transfers and grants ended on 148% of the budgeted amount, contributing to the overall over expenditure.

3.2 Operating Revenue

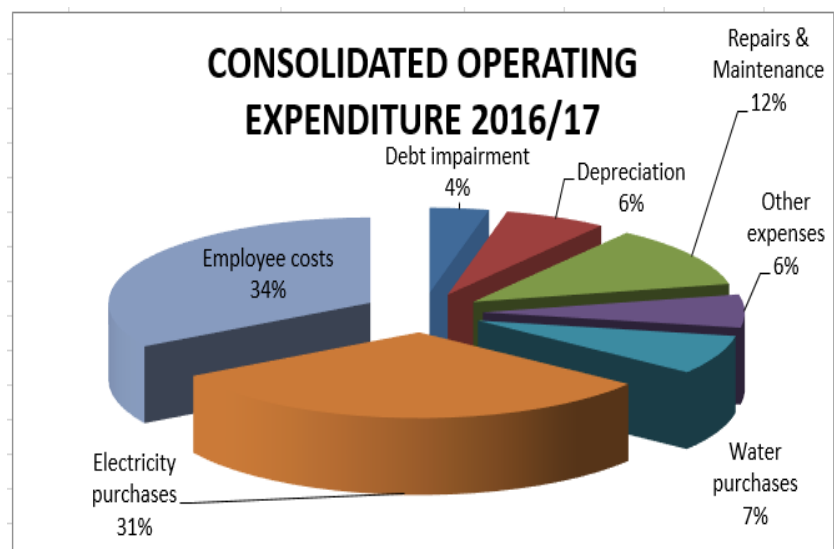
The following graph indicates a breakdown of the largest categories of revenue.

Figure 40: Consolidated operating revenue 2016/17



3.3 Operating expenditure

The graph below indicates the breakdown per main expenditure group.



3.4 Remuneration

The actual expenditure on remuneration expressed as a percentage of the total expenditure for the municipality shows an increase from 27.91% in 2015/16 to 29.09% in 2016/17. This increase of 1.18% is due to the fact that the remuneration increased with 6.71% compared to an increase in the total expenditure of only 2.39%. For the Group the remuneration as a percentage of total expenditure increased from 28.45% to 29.79% since 2015/16.

Table 61: Remuneration

Description	2016/17		2015/16 Restated	
	Group R'000	Municipality R'000	Group R'000	Municipality R'000
Total operating expenditure	27 361 309	27 552 831	26 860 542	26 908 794
Total operating revenue	30 401 071	30 567 533	27 958 969	28 005 447
Employee remuneration	8 153 155	8 013 830	7 642 448	7 510 252
Ratio: % of total expenditure	29.79%	29.09%	28.45%	27.91%
Ratio: % of total revenue	26.81%	26.21%	27.33%	26.82%
% Growth in remuneration	6.68%	6.71%	14.79%	14.82%

3.5 Government grants and subsidies

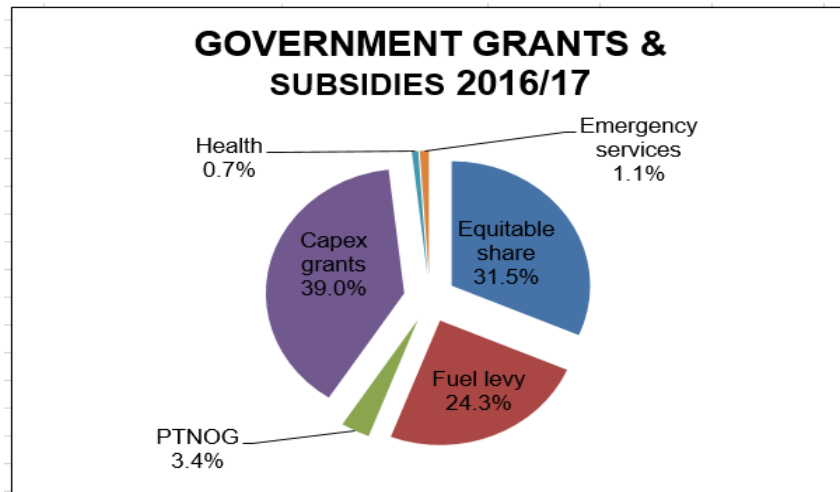
The following table and graph shows the amounts received in terms of grants, contributions and subsidies from the National and the Gauteng Provincial spheres of Government, which amounts have been included in the total revenue figure (refer to note 27 of the consolidated annual financial statements for detail of each grant):

Table 62: Government grants and subsidies

Description	2016/17		2015/16 Restated	
	Group R'000	Municipality R'000	Group R'000	Municipality R'000
Equitable share	1 864 839	1 864 839	1 654 389	1 654 389
Primary health care subsidy	44 325	44 325	42 085	42 085
Emergency management subsidy	62 850	62 850	59 687	59 687
Equitable share fuel levy	1 440 100	1 440 100	1 395 849	1 395 849
Municipal Human Settlement Capacity grant	0	0	28 215	28 215
PTNOG	200 266	200 266	160 259	160 259
Human Settlement Development: Top structures	72 555	72 555	86 404	86 404
Other operational grants #	128 210	128 210	89 938	89 938
Capital grants and donations	2 310 452	2 310 452	2 452 489	2 452 489
	6 123 597	6 123 597	5 969 315	5 969 315

Other operational grants include for example: Finance Management grant, Municipal disaster recovery grant, Broadbanc (wi-fi) grant, Expanded Public Works programme, etc

Figure 41: Government grants and subsidies 2016/17



4 Financial ratios, norms and interpretation

Local government uses different financial ratios and norms to assess their performance and to set benchmarks for improvement to be measured over time when compared to other entities. Financial ratios and norms are further used to assess and compare the financial health and performance of local government. Various categories of ratios and norms exist and cover various aspects of local government's finances, such as financial position, financial performance and cash flow.

The following categories will be used for the purposes of analysing and interpreting the financial statements:

Financial Position

The ratios used here is a measurement of the management of assets, debtors, liquidity, liability and sustainability.

Financial Performance

The ratios used here is a measurement of efficiency, revenue and expenditure management, as well as the management of material losses i.e. distribution losses.

Cash flow

The ratios used here is a measurement of the efficient management of cash and debt.

4.1 Financial position

Table 63: Financial position ratios

Measure	Financial ratio and norm	Norm/ Benchmark	GROUP	GROUP	MUNICIPALITY	MUNICIPALITY
			2017	2016 Restated	2017	2016 Restated
Asset Management	Capital expenditure to total expenditure (%)	10% - 20 %	11.63	14.77	11.57	14.75
	Impairment of PPE (including investment property and intangible assets) (%)	0%	0.01	0.00	0.01	0.00
	Repairs and maintenance as % of PPE and investment property (%)	8%	3.05	4.42	3.05	4.41
	Borrowing to assets (PPE) (%)	< 50 %	32.41	32.03	32.45	32.05
Debtor Management	Collection rate (%)	95%	90.42	93.06	90.99	93.69
	Bad debts written off as % of bad debt provision (%)	100%	4.64	6.49	5.96	7.87
	Net debtor days (days)	30 days	79	66	77	66
	Growth in total gross debtors (%)	Management interpretation	20.49	11.45	20.15	8.94
	Growth in total net debtors (%)	Management interpretation	29.56	20.63	28.81	16.52
	Growth in total net consumer debtors (%)	Management interpretation	28.09	42.47	31.98	37.71
	Net debtors to total annual operating revenue	Management interpretation	24.59	20.87	23.24	20.32
Liquidity Management	Cash/Cost coverage ratio (excluding unspent conditional grants) (months)	1 - 3 months	1.02	0.60	0.99	0.59
	Current ratio	Between 1.5 : 1 and 2 : 1	0.85	0.69	0.84	0.68
	Acid test ratio	1 : 1	0.78	0.63	0.77	0.62
	Solvability ratio	2 : 1	1.88	1.83	1.89	1.84
	Inventory turnover	Between 2 and 3	1.82	2.49	1.82	2.49
	Liquidity ratio	> 0.2	0.21	0.13	0.21	0.13
Liability management	Capital cost (interest paid + redemption) as % of total operating revenue	6 % - 8 %	11.85	11.62	11.76	11.80
	Capital cost as % of total operating expenditure	6 % - 8 %	10.50	9.51	10.43	9.66
	Debt (total borrowing) to Total operating revenue (including grants)	45%	38.90	39.66	38.71	39.59
	% Debt coverage (debt service repayment to operating revenue less grants)	1.15 to 1.35 times	33.34	35.33	33.55	35.42
	Gearing ratio* (Total long-term debt to total revenue less grants)	25% - 50%	52.75	53.48	52.44	53.36
	Financing to capital expenditure	Management interpretation	0.25	0.27	0.25	0.27
Sustainability	Level of cash backed reserves (net assets - accumulated surplus) (%)	100%	807.69	410.55	782.37	401.71

4.2 Financial performance

Table 64: Financial performance ratios

Measure	Financial ratio and norm	Norm/ Benchmark	GROUP	GROUP	MUNICIPALITY	MUNICIPALITY
			2017	2016 Restated	2017	2016 Restated
Efficiency	Net operating surplus margin	Equal to or greater than 0%	9.87	3.93	9.86	3.92
	Net surplus/(deficit) electricity	Between 0% and 15 %	17.10	11.67	17.10	11.67
	Net surplus/(deficit) water and sanitation	Equal to or greater than 0%	33.38	31.13	31.61	31.13
Distribution losses	Electricity distribution losses (%) – municipality	Between 7 % and 10%	20.58	19.28	20.58	19.28
	Water distribution losses (%) - municipality	Between 15 % and 30 %	23.66	23.53	23.66	23.53
Revenue Management	Growth in number of active consumer accounts	No norm proposed by NT	3.28	-5.52	3.28	-5.52
	Revenue growth (%)	Rate of CPI	8.82	8.95	9.15	9.13
	Revenue growth (%) - excluding capital grants	Rate of CPI	10.23	10.41	10.58	10.61
	Growth in grants	Rate of CPI	2.58	5.80	2.59	5.80
	Growth in service charges	Rate of CPI	10.63	9.53	11.27	9.62
Expenditure Management	Creditors payment period (trade creditors) (days)	30 days	57	58	51	57
	Irregular, Fruitless & Wasteful and Unauthorised expenditure to total operating expenditure	0%	6.76	9.84	6.72	9.69
	Remuneration as % of total operating expenditure	Between 25 % and 40%	29.73	28.45	29.09	27.91
	Contracted services as % of total operating expenditure	Between 2% and 5 %	10.55	12.08	10.09	11.82
	Operating expenditure growth (%)	Rate of CPI	1.86	7.80	2.39	10.44
	Capital expenditure growth (%)	Rate of CPI	-19.67	-3.56	-19.67	-3.56
	Repairs and maintenance to annual operating revenue	Budget policy	4.38	6.52	4.34	6.48
Grant dependency	Own funded capital expenditure (internally generated funds + borrowing) to Total Capital expenditure (%)	No norm proposed by NT	24.49	34.30	24.49	34.30
	Own funded capital expenditure (internally generated funds) to Total Capital expenditure (%)	No norm proposed by NT	0.91	4.19	0.91	4.19
	Own source revenue to Total operating revenue (including agency revenue) (%)	No norm proposed by NT	79.08	77.66	79.18	77.70

4.3 Cash flow

Table 65: Cash flow ratios

Measure	Financial ratio and norm	Norm/ Benchmark	GROUP	GROUP	MUNICIPALITY	MUNICIPALITY
			2017	2016 Restated	2017	2016 Restated
Efficiency	Cashbook balance (plus short-term loans) to total operating revenue # (%)	Management policy	8.93	5.39	8.64	5.27
	Cash to interest coverage	1 : 1	3.27	3.57	3.23	3.58
	Debt to cash ratio	1 : 1	2.93	2.89	2.97	2.88
	Debt to equity (%)	1 : 1 or 100%	97.04	101.73	95.91	101.30
	Interest Cost coverage	2	-0.34	0.08	-0.30	0.07
	Number of days total cash held (cash and investments)	>45 days	138	107	136	104
	Number of days total cash held (operating cash)(less encumbered investments, loans & grants)	>45 days	1	-1	0	-1
	Cash and cash equivalents		R456 778 833	R93 910 194	R398 775 497	R74 581 166

5 Analysis of financial position as at 30 June 2017

Group

Type	June 2017 R'000	June 2016 Restated R'000	Variance (R) R'000	Variance (%)
Current assets	8 934 083	6 451 566	2 482 517	38.48
Non-current assets	39 599 684	36 783 629	2 816 055	7.66
Total Assets	48 533 767	43 235 195	5 298 572	12.26
Current liabilities	10 528 788	9 355 395	1 173 393	12.54
Non-current liabilities	15 302 185	14 216 768	1 085 417	7.63
Total liabilities	25 830 973	23 572 163	2 258 810	9.58
Net Assets	22 702 794	19 663 032	3 039 762	15.46

Municipality

Type	June 2017 R'000	June 2016 Restated R'000	Variance (R) R'000	Variance (%)
Current assets	8 570 573	6 307 930	2 262 643	35.87
Non-current assets	39 540 932	36 746 914	2 794 018	7.60
Total Assets	48 111 505	43 054 844	5 056 661	11.74
Current liabilities	10 178 381	9 222 604	955 777	10.36
Non-current liabilities	15 301 152	14 214 969	1 086 183	7.64
Total liabilities	25 479 533	23 437 573	2 041 960	8.71
Net Assets	22 631 973	19 617 271	3 014 702	15.37

Current assets increased as a result of a considerable increase in cash and cash equivalents (due to the sinking fund investments), other receivables and consumer debtors. Current liabilities increased mostly due to an increase in lease liabilities, payables and VAT. Non-current liabilities increased due to an increase in long-term

loans, post employee benefit obligation and rehabilitation provisions as well as the accounting for service concession arrangements.

6 Receivables

Details regarding the receivables are provided in Note 20 (Long-term receivables), Note 22 (Consumer receivables) and Note 23 (Other Receivables) of the Notes to the Consolidated Annual Financial Statements.

6.1 Long-term receivables (note 20)

The long-term receivables show a slight increase of R4.032 million (2.08%). This increase can mainly be ascribed to an increase in the arrangement consumer debtors (increase of R2.177 million) and an increase in sale of land (R1.662 million increase).

6.2 Other receivables (note 23)

The Other receivables (receivables other than consumer receivables – see note 23 for detail) for the Municipality in total increased with an amount of R368.464 million (20.75%). This is mainly the result of an increase in miscellaneous other debtors of R126.095 million and an increase in AARTO fine debtor due to IGRAP1 requirements (R138.008 million). Public contribution debtor decreased with R28.904 million since 2016. For the Group the Other receivables increased with an amount of R539.588 million since 2016. For the group the largest increase lies with miscellaneous other debtors (R297.361 million) which relate to debtors of Sandspruit.

6.3 Consumer receivables (note 22)

For the Municipality the gross consumer receivables increased in total with an amount of R1 618.439 million (18.83%). For the Group the gross consumer receivables increased with an amount of R1 771.049 million.

The increase in debt per customer classification is made up as follows:

Table 66: Increase in debt per customer classification

Customer classification	Group			Municipality		
	2016/17		2015/16 Restated	2016/17		2015/16 Restated
	Total R-million	Increase/ (Decrease) R-million	Total R-million	Total R-million	Increase/ (Decrease) R-million	Total R-million
Households	7 110 828	1 641 780	5 469 048	6 259 077	1 484 395	4 774 682
Industrial/Commercial	2 553 638	538 657	2 014 981	2 544 257	547 349	1 996 908
National and Provincial government	1 001 585	(448 745)	1 450 330	977 403	(452 662)	1 430 065
Other	434 943	39 357	395 586	434 943	39 357	395 586
Total	11 100 994	1 771 049	9 329 945	10 215 680	1 618 439	8 597 241

The increase/ (decrease) in consumer debt per ageing analysis is as follows:

Table 67: Consumer debt per ageing analysis

Age analysis group	Group			Municipality		
	2016/17		2015/16 Restated	2016/17		2015/16 Restated
	Total R-million	Increase/ (Decrease) R-million	Total R-million	Total R-million	Increase/ (Decrease) R-million	Total R-million
Current (0-30 days)	1 785 124	(429 588)	2 214 712	1 772 858	(424 995)	2 197 853
31 – 60 days	366 246	147 523	218 723	347 142	142 043	205 099
61 – 90 days	390 538	210 507	180 031	373 138	212 876	160 262
91 – 120 days	281 825	46 892	234 933	264 698	45 528	219 170
121 – 150 days	208 257	81 689	126 568	192 583	81 812	110 771
151 – 180 days	268 790	51 167	217 623	253 237	50 780	202 456
181 – 365 days	2 040 098	444 627	1 595 471	1 260 350	300 605	959 745
365 + days	5 760 116	1 218 232	4 541 885	5 751 676	1 209 790	4 541 885
Total	11 100 994	1 771 049	9 329 945	10 215 680	1 618 439	8 597 241

The following is an indication of the effectiveness of credit control and the ability to convert debtors into cash:

Table 68: Credit control effectiveness

Description	Group		Municipality	
	2016/17	2015/16 Restated	2016/17	2015/16 Restated
	R'000	R'000	R'000	R'000
Debits levied : Consumer receivables	22 069 702	19 949 350	22 307 067	20 047 596
Balance on 1 July	9 329 946	8 347 678	8 597 241	7 760 025
Balance on 30 June	11 100 994	9 329 946	10 215 680	8 597 241
Average balance	10 215 469	8 838 812	9 406 460	8 178 633
Days in the financial year	365	366	365	366
Turnover: Number of days	169	162	154	149
Turnover: Number of times (levies/average balance)	2.16	2.26	2.37	2.45

A collection rate calculated on the total levies for a period compared to the total payments received during the same period is used to measure revenue recovery. The actions taken in terms of the credit control policy were not fully effective, since an average collection rate on current billing regressed to 90.42% (2016 = 93.06%) in 2017.

7 Capital expenditure and financing (Municipality only)

The Municipality's original approved Capital Expenditure Budget for 2016/17 amounted to R4 465 208 687 which was amended by means of an adjustments budget approved by Council on 23 February 2017 to R4 524 586 409 in total, which resulted in an increase of R59 377 722, which is mainly attributed to additional allocations, transfers from the operating budget and external funding rollover.

The table below reflects the net increase / decrease in the various funding sources:

Table 69: Increase/decrease in funding sources

Funding source description	Original Budget Municipality 2016/17	Adjusted Budget Municipality 2016/17	Increase/ (Decrease)
	R	R	R
Council Funding	980 000 000	980 000 000	-
Public Transport Infrastructure and Systems Grant (PTIS)	750 000 000	750 000 000	-
Neighbourhood Development Partnership Grant (NDPG)	48 500 000	48 500 000	-
Urban Settlements Development Grant (USDG)	1 493 153 980	1 493 153 980	-
Integrated National Electrification Programme (INEP)	40 000 000	40 000 000	-
Capital replacement reserve	5 000 000	18 500 000	13 500 000
Other contributions	200 000	200 000	-
Community Library Services	5 283 600	6 978 229	1 694 629
Borrowings	1 000 000 000	1 000 000 000	-
Public contributions and donations	100 000 000	100 000 000	-
Social Infrastructure Grant	21 000 000	41 000 000	20 000 000
Gautrans Grant	12 071 107	0	(12 071 107)
LG Seta discretionary grant	10 000 000	10 000 000	-
Integrated City Development grant	-	36 254 200	36 254 200
TOTAL	4 465 208 687	4 524 586 409	59 377 722

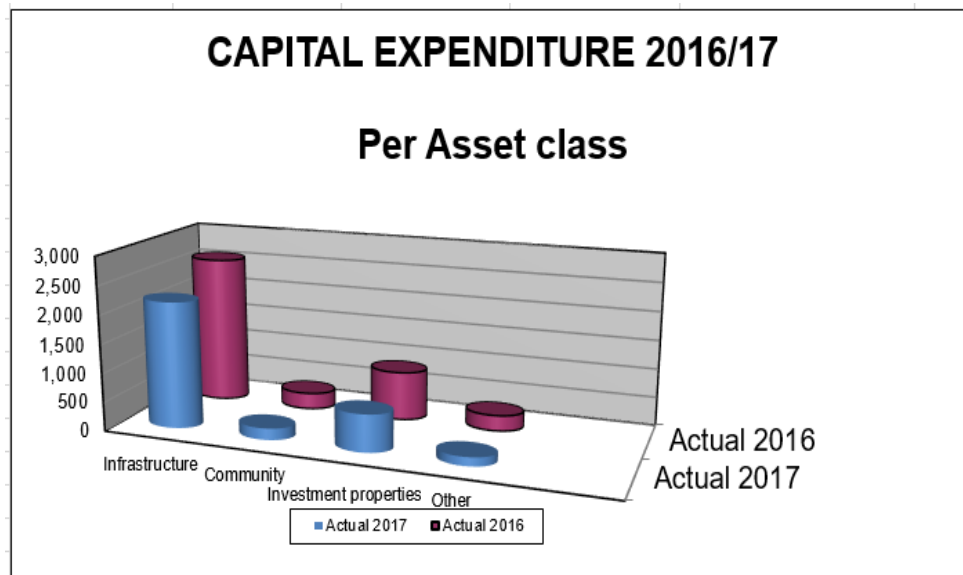
Actual expenditure incurred during the period 1 July 2016 to 30 June 2017 as indicated in the table below amounts to R3 187 892 169 or 70.0% measured against the adjusted budget..

Table 70: Actual capital expenditure

Actual Capital expenditure according to asset class – Municipality			
Type of Asset	Actual 2017	Actual 2016	Actual 2015
	R	R	R
Infrastructure	2 191 257 883	2 574 971 805	2 664 184 514
Community	198 987 271	281 078 062	346 202 454
Investment properties	646 030 019	843 227 703	873 235 026
Other assets	130 221 776	139 409 324	231 175 592
Specialised vehicles		-	119 997
Intangibles	21 395 220	129 907 293	-
TOTAL	3 187 892 169	3 968 594 186	4 114 917 583

The graph below shows the distribution of the property, plant and equipment according to the type.

Figure 42: Capital expenditure per asset class



The above-mentioned assets were financed from the following sources as reflected below:

Table 71: Actual capital expenditure per sources of finance-municipality

Actual Capital expenditure per Sources of Finance – Municipality			
Sources of Finance	Actual 2017	Actual 2016	Actual 2015
	R	R	R
External loans	751 761 635	1 194 839 429	1 387 942 005
Surplus cash	28 918 857	166 417 952	104 463 984
Public contributions / donations	93 627 125	155 126 697	57 530 022
National Government transfers and grants	2 262 376 514	2 405 478 294	2 551 806 060
Provincial Government transfers and grants	51 208 039	46 731 814	8 721 122
Other transfers and grants	-	-	4 454 390
TOTAL	3 187 892 169	3 968 594 186	4 114 917 583

When comparing the actual expenditure to the budgeted expenditure, the financing source of capital projects plays an important role. The funding from own sources which are primarily Reserves and External Financing Fund (external loans taken up); can largely influence the following aspects:

- Depreciation
- The raising of loans
- The cash flow of the Municipality

8 Creditors

Creditors as at financial year end mainly related to the following categories:

Table 72: Creditors as at financial year end

Type	Group		Municipality	
	2016/17 R'000	2015/16 Restated R'000	2016/17 R'000	2015/16 Restated R'000
Trade creditors	3 566 902	4 077 359	3 247 563	3 972 694
Payment received in advance	561 838	645 361	561 838	645 361
Accrued leave pay	804 718	673 669	793 294	664 472
Debtors with credit balances	948 718	854 830	948 718	854 830
Retention	431 634	432 030	431 634	432 030
13 th Cheque accrual	213 091	218 950	211 056	216 346
Other creditors	740 633	668 884	737 721	658 197
Total	7 267 534	7 571 083	6 931 824	7 443 930

9 Long term debt

For the Municipality the long-term debt (external loans and lease liabilities) increased from R11.086 billion to R11.833 billion (R746.7 million increase) during the period under review. This is as a result of the draw downs on long-term loans of R1.0 billion counteracted by the repayment of loans of R552.105 million. Leases increased from R144.053 million to R442.888 million. For the Group the long-term debt increased from R11.088 billion to R11.835 billion (R747.0 million increase).

10 Accumulated surplus

For the Municipality the period under review was closed with an accounting accumulated surplus of R22.401 billion compared to R19.360 billion at the end of 2016. This increase of R3.041 billion is the result of the surplus from operations (i.e. the difference between the total revenue and the total expenditure) for the year.

For the Group the period under review closed with an accounting accumulated surplus of R22.472 billion compared to R19.406 billion of 2016.

11 Credit rating (Municipality only)

Moody's Investor Services (Pty) Ltd

Moody's recent decision to place fifteen South African sub-sovereigns on review on 28 November 2017, as a result of the potential weakening of the South African government's credit profile, did not affect the City's current credit rating. The City's current credit rating remained unchanged, since the long term and short term national scale ratings used by Moody's to rate South African Regional and Local Governments (RLGs) were not affected.

However, Moody's placed the City's Outlook under review, which means that the rating outlook changes from Negative to Under Review. As a result of that, the National Scale Ratings table of the City is now as follows:

Table 73: National Scale Ratings

Rating Type	Long Term	Short Term	Category	Rating Outlook	Rating Action
Issuer	A1.za	P-1.za	Investment Grade	Under Review	Affirmation

The A1.za represents above-average creditworthiness relative to other domestic issuers, whereas the rating of P-1.za represents the strongest ability to repay short term senior unsecured debt obligations relative to other domestic issuers.

12 Municipal entities

In the 2016/17 financial year the City of Tshwane had three (3) active and viable municipal entities functioning in compliance with the Municipal Finance Management Act and the Local Government Systems Act, namely:

1. Sandspruit Works Association
 - Housing Company Tshwane
 - Tshwane Economic Development Agency(TEDA)

Consistent with the previous financial years separate and consolidated financial statements were compiled for the City of Tshwane and its operational municipal entities, as mentioned above for submission to the Office of the Auditor-General on 31 August 2017 for auditing. The municipal entities produced good audit opinions and these are summarised in chapter 6 of the report.

12.1 Disestablishment of Sandspruit Works Association:

In terms of a council resolution dated 27 October 2016 it was decided that the municipal entity Sandspruit Works Association will be disestablished and all its operations unwound. Subsequent, to this council resolution, a process plan and time frames were developed to ensure that the disestablishment of Sandspruit Works Association includes all the information relevant to:

- the takeover and actual disestablishment are promptly done and conform to the requirements for audit purposes
- transfer of functions from Sandspruit Works Association to the City: and
- terminate Sandspruit Works Association as a corporate entity.

The resolution taken on 27 October 2016 was taken without an indication of the financial and other obligations associated with Sandspruit Works Association. It was thus important that these obligations must be comprehensively and correctly determined and captured in the disestablishment process in order to ensure that the City is fully aware of the extent of the obligations it will incur as a result of the disestablishment of this municipal entity. Furthermore, Sandspruit Works Association was taken over as an on-going concern; implying that its operations will continue under the corporate structures of the City.

Therefore, in a subsequent council resolution dated 25 April 2017 it was resolved that Sandspruit Works Association will continue to operate until 30 June 2017 where after all functions will be taken over by City of Tshwane on 1 July 2017. In this resolution, the major due dates for activities in terms of the disestablishment plan can be summarised as follows:

- The information gathering phase must be finalised by end of February 2017
- The approval of the Transfer Agreement must be done by April 2017
- The transfer of personnel and assets will take place on 30 June 2017
- From 1 July 2017 to 31 August 2017 the Annual Financial Statements and Annual Performance Report of Sandspruit Works Association (for the period ending 30 June 2017) will be drafted for audit purposes
- The audit phase will commence from 1 September 2017 up to its completion during November 2017.
- The Annual Report of Sandspruit Works Association will be compiled after the finalization of the audit process.
- The administrative termination of Sandspruit' s existence will be concluded once the steps mentioned above have been finalised; and

- The consultation phase entails informing all communities involved, clients, and employees of Sandspruit Works Association and service providers on the disestablishment.

The municipality has appointed a liquidator from Malatji Geldenhuys attorneys to oversee the disestablishment process of Sandspruit. Furthermore, D Diale and Y Pillay have been appointed as independent non-executive board members effective from 1 July 2017.

13 Cash flow management vs ratios

The cash flow situation of the Municipality on 30 June 2017, reflects that cash and cash equivalents increased by R98.873 million from R1 162.011 million to R2 110.884 million since 2016. This is largely due to the increased cash flow from operating activities. Financing activities decreased with 57.86% and investing activities decreased with 11.06% compared to the increase in operating activities of 5.82%. The deterioration in the overall debtor collection rates also contributed negatively to the overall net cash position of the City. For the Group the cash flow statement reflected an overall increase of cash and cash equivalents of R984.576 million from R1 184.740 million to R2 169.316 million since 2016.

In the medium term, the City plans to use grant funding and borrowings more to fund capital expenditure and use less of its own cash reserves to ensure that the cash flow position is strengthened and to also ensure that its liabilities and reserves are adequately cash-backed.

14 Financial sustainability

The current ratio and cost coverage ratios indicates that the City is still under severe pressure from a liquidity point of view. These ratios to be considered normal, represent a shortfall of approximately R8 billion in current assets of which R4 billion should be in the form of unencumbered cash and cash equivalents. The non-achievement of the 95% debtor collection rate also impacts on the available cash flow. Based on these, the City committed to drafting a financial turnaround plan during the compilation of the 2017/18 MTREF budget process. The development of such a strategy and plan is in the stages of finalisation and is expected to serve in Council in the meeting of January 2018 with the Annual Report for incorporation into the 2017/18 adjustment budget process and the 2018/19 MTREF.

Tshwane's Long-Term Vision captures the aspirations of Tshwane's residents, but most importantly, captures Tshwane as the Capital City of South Africa, whose citizens enjoy a high quality of life, have access to social, economic and enhanced political freedoms, and are partners in the development of the African Capital City of excellence. Tshwane's Vision is about the future Capital City that will be livable, resilient and inclusive. It is also about ensuring that the future Capital City's financial sustainability remains stable and robust through:

1. Sustainable alternative revenue streams
2. Improved operational efficiencies
3. Improved and secured long-term liquidity status; and an
4. Improved credit rating

The focus of the 2016/17 financial year was to ensure that the City is financially viable and sustainable. This required reviewing the current spending levels within prudent financial limits, necessitating re-alignment and addressing basic service delivery. The IDP remains the implementation framework for service delivery interventions, good governance and a mobilisation platform for partnership with the private sector and social partners and communities.

Due to the inherently limited revenue base (municipal rates, user charges and grants/subsidies), we have to be pro-active with respect to the minimization of costs and the maximization of efficiencies to meet daily and ever-increasing service delivery imperatives. Our objective is therefore the creation of a prudent and sound medium to long-term financial framework that is resilient to future shocks, and ensures sustainability of services through investment in infrastructure and the associated requisite adequate maintenance.

The City of Tshwane presents the financial position of the City and financial performance and cash flows for the year as required by the South African Standards of Generally Recognised Accounting Practice and the Municipal Finance Management Act 56 of 2003. The management and leadership of the City played a significant role to fulfil this mandate and responsibility, thereby also managing limited resources and economic condition challenges while focusing on effective service delivery.

15 Audited Annual Financial Statements

The detailed annual financial statements are a separate volume to this report. This section provides a summary thereof.

15.1 Statement of financial position

City of Tshwane Metropolitan Municipality

Consolidated Annual Financial Statements for the year ended Group 30 June 2017

Statement of Financial Position as at Group 30 June 2017

	Note(s)	Group		Municipality	
		2017	2016 Restated*	2017	2016 Restated*
Assets					
Current assets					
Inventories	21	602,350,308	578,917,890	688,804,587	573,789,834
Current portion of long-term receivables	20	91,005,218	95,249,478	91,005,218	95,249,478
Current tax receivable	62	858,149	1,178,843	-	-
Operating lease asset	63	-	49,216	-	-
Consumer receivables	22	4,830,010,267	3,499,800,849	4,807,185,982	3,490,852,213
VAT receivable	12	4,363,938	4,955,043	-	-
Other receivables	23	1,348,170,057	1,088,878,900	1,072,822,852	988,027,284
Investments	19	1,712,538,970	1,090,829,978	1,712,108,629	1,087,430,081
Cash and cash equivalents	24	458,778,833	93,910,194	398,775,497	74,581,198
		<u>8,934,082,828</u>	<u>8,451,568,189</u>	<u>8,570,572,843</u>	<u>6,307,830,016</u>
Non-current assets					
Investment property	14	773,100,457	772,808,589	773,100,457	772,808,589
Property, plant and equipment	13	34,119,270,330	31,869,400,278	34,060,715,891	31,832,950,382
Leased assets	17	624,964,335	240,088,387	624,964,335	240,088,387
Intangible assets	15	388,739,849	408,178,322	388,541,873	407,912,544
Heritage assets	18	3,648,494,482	3,629,880,497	3,648,494,482	3,629,880,497
Investments	19	710,520	710,520	710,520	710,520
Long-term receivables	20	25,881,498	18,825,840	25,881,498	18,825,840
Interest rate swap asset	74	18,743,157	43,038,952	18,743,157	43,038,952
		<u>39,599,884,406</u>	<u>38,783,829,343</u>	<u>39,540,932,191</u>	<u>38,748,913,851</u>
Total assets		<u>48,533,967,234</u>	<u>43,235,397,532</u>	<u>48,111,505,034</u>	<u>43,056,743,867</u>
Liabilities					
Current liabilities					
Loans and bonds	4	728,912,199	622,427,283	728,598,801	622,111,886
Lease liabilities	5	154,158,589	110,418,332	154,158,589	110,418,332
Deferred operating lease liability	63	25,248	397,231	-	-
Payables from exchange transactions	10	7,287,534,060	7,571,083,489	6,931,823,875	7,443,929,858
VAT payable	12	1,803,308,583	540,881,892	1,592,960,075	539,903,025
Consumer deposits	9	411,348,192	379,915,838	407,338,928	375,949,547
Unspent grants and receipts	11	305,859,398	130,291,177	305,859,398	130,291,177
Service concession arrangements	64	57,845,018	-	57,845,018	-
		<u>10,528,788,285</u>	<u>9,385,394,842</u>	<u>10,178,389,609</u>	<u>9,222,663,822</u>
Non-current liabilities					
Loans and bonds	4	10,882,892,847	10,321,798,390	10,881,349,741	10,319,939,892
Lease liabilities	5	288,729,897	33,634,395	288,729,897	33,634,395
Deferred operating lease liability	63	(523,847)	(135,978)	-	-
Employee benefit obligation	44	2,254,239,317	2,235,478,888	2,254,239,317	2,235,478,888
Deferred tax	61	14,045	68,455	-	-
Provisions	8	988,935,938	808,551,849	988,935,938	808,541,911
Interest rate swap liability	74	142,995,983	147,119,727	142,995,983	147,119,727
Service concession arrangements	64	984,900,753	872,258,650	984,900,753	872,258,650
		<u>15,302,185,131</u>	<u>14,218,788,358</u>	<u>15,301,151,827</u>	<u>14,214,989,243</u>
Total liabilities		<u>25,830,973,396</u>	<u>23,604,183,200</u>	<u>25,479,541,436</u>	<u>23,437,653,065</u>
Net assets		<u>22,702,993,838</u>	<u>19,631,214,332</u>	<u>22,631,963,597</u>	<u>19,619,090,802</u>
Net assets					
Accumulated surplus	43	<u>22,702,993,838</u>	<u>19,631,214,332</u>	<u>22,631,963,597</u>	<u>19,619,090,802</u>

* See Note 47

15.2 Statement of financial performance

City of Tshwane Metropolitan Municipality

Consolidated Annual Financial Statements for the year ended Group 30 June 2017

Statement of Financial Performance

	Note(s)	Group		Municipality	
		2017	2016 Restated*	2017	2016 Restated*
Revenue					
Revenue from exchange transactions					
Service charges	28	18,157,118,038	14,588,799,049	18,304,208,602	14,888,840,050
Rental of facilities and equipment		134,140,535	135,940,854	128,882,904	131,980,491
Interest received - outstanding consumer debtors		818,102,868	405,972,874	553,458,804	381,021,044
Licences and permits		48,288,189	48,743,171	48,288,189	48,743,171
Other income	28	878,301,144	738,214,051	878,087,235	738,178,759
Interest received - external investments	34	105,993,848	57,274,371	105,227,294	55,999,525
Gain on disposal of assets and liabilities		-	62,341,022	-	62,488,328
Gain on foreign exchange		281,718	-	281,718	-
Total revenue from exchange transactions		17,941,203,816	16,038,282,392	18,107,385,724	16,688,233,198
Revenue from non-exchange transactions					
Taxation revenue					
Property rates	25	5,912,583,707	5,360,554,342	5,912,890,893	5,360,754,623
Transfer revenue					
Government grants, subsidies, awards and donations	27	6,123,598,479	5,980,315,203	6,123,598,479	5,980,038,348
Public contributions and donations		241,815,483	278,873,503	241,815,483	278,873,503
Fines, penalties and forfeits		181,871,289	313,548,835	181,871,289	313,548,835
Sponsorship revenue		-	304,737	-	-
Total revenue from non-exchange transactions		12,459,868,918	11,920,886,520	12,460,144,104	11,920,213,309
Total revenue		30,401,072,734	27,959,168,912	30,567,532,828	28,608,446,477
Expenditure					
Employee-related cost	29	(8,035,152,135)	(7,530,004,384)	(7,895,827,022)	(7,387,808,887)
Remuneration of councillors	31	(118,003,200)	(112,443,327)	(118,003,200)	(112,443,327)
Depreciation and amortisation	32	(1,543,503,778)	(1,417,138,078)	(1,539,044,022)	(1,415,429,799)
Impairment loss/reversal of impairments	65	(2,728,850)	(362,787)	(2,728,850)	(362,787)
Finance costs	33	(1,338,038,957)	(1,137,988,487)	(1,335,185,811)	(1,138,968,021)
Debt impairment	35	(880,758,964)	(445,780,413)	(742,783,781)	(283,312,650)
Collection costs		(99,100,524)	(171,500,757)	(98,993,624)	(171,241,549)
Bulk purchases	36	(9,401,923,357)	(8,728,503,199)	(9,582,375,815)	(8,808,848,638)
Contracted services	66	(2,833,377,551)	(3,248,038,860)	(2,779,424,758)	(3,180,711,538)
Transfers and subsidies	37	-	-	(382,142,678)	(347,060,780)
Loss on disposal of assets and liabilities		(68,232,870)	-	(68,538,177)	-
Loss on foreign exchange		-	(1,878,208)	-	(1,878,208)
Fair value adjustments	68	(18,855,341)	(145,368,351)	(18,855,341)	(145,368,351)
General expenses	38	(3,015,879,098)	(3,923,749,774)	(2,990,951,131)	(3,887,562,528)
Total expenditure		(27,380,550,723)	(28,886,523,563)	(27,562,830,888)	(28,908,793,897)
Surplus before taxation		3,040,520,911	1,098,448,349	3,014,701,940	1,098,652,580
Taxation	62	758,508	17,944	-	-
Surplus for the year		3,039,761,803	1,098,427,405	3,014,701,940	1,098,652,580

The National Treasury classification of expenditure is disclosed in Note 72.

15.3 Cash flow statement

City of Tshwane Metropolitan Municipality

Consolidated Annual Financial Statements for the year ended Group 30 June 2017

Cash Flow Statement

		Group		Municipality	
		2017	2018 Restated*	2017	2018 Restated*
Cash flows from operating activities					
Receipts					
Cash receipts from other revenue sources		2,684,511,745	2,284,101,000	2,783,830,583	2,351,780,320
Cash receipts from rate payers and service charges		20,208,852,984	18,967,083,124	20,888,628,738	19,210,379,729
Grants		8,359,514,784	5,930,802,718	8,359,514,784	5,930,802,718
Interest income		105,903,848	57,274,371	105,227,204	55,900,525
		<u>20,428,873,341</u>	<u>27,219,281,301</u>	<u>20,917,001,377</u>	<u>27,548,971,290</u>
Payments					
Cash paid to employees		(8,153,155,335)	(7,842,447,891)	(8,013,830,223)	(7,510,252,194)
Cash paid to suppliers		(15,563,212,323)	(14,372,840,255)	(15,872,580,312)	(14,478,957,444)
Finance costs		(1,338,038,957)	(1,137,988,487)	(1,335,165,811)	(1,138,969,021)
Transfers and grants		-	-	(382,142,878)	(347,080,780)
Taxes on surpluses		(758,508)	(17,944)	-	-
		<u>(25,053,183,123)</u>	<u>(23,153,074,357)</u>	<u>(25,603,698,822)</u>	<u>(23,473,237,319)</u>
Net cash flows from operating activities	30	<u>4,375,610,218</u>	<u>4,066,186,944</u>	<u>4,313,302,555</u>	<u>4,075,733,980</u>
Cash flows from investing activities					
Purchase of property, plant and equipment	13	(3,603,487,520)	(4,382,260,583)	(3,578,400,788)	(4,384,812,083)
Retirement of leased assets	17	1,880,303	-	1,880,304	-
Proceeds from sale of assets	13&14	3,803,785	318,880,885	2,708,858	318,880,889
Purchase of investment property	14	(4,254,597)	(11,008,758)	(4,254,597)	(11,008,758)
Proceeds from sale of investment property	14	-	12,595,585	-	12,595,585
Purchase of other intangible assets	15	(22,310,382)	(48,325,440)	(22,310,352)	(48,285,824)
Purchase of heritage assets	16	(18,813,085)	(22,340,208)	(18,813,085)	(22,340,208)
Provision for/(repayment in) long-term receivables		(2,591,304)	45,472,108	(2,591,304)	45,472,108
Net cash flows from investing activities		<u>(3,645,773,789)</u>	<u>(4,087,184,499)</u>	<u>(3,819,584,132)</u>	<u>(4,089,877,099)</u>
Cash flows from financing activities					
Proceeds from loans and bonds		1,000,000,000	1,200,000,000	1,000,000,000	1,200,000,000
Repayment of loans and bonds	4	(552,420,827)	(518,231,182)	(552,105,035)	(517,915,830)
Finance lease (repayments)/receipts	5	(102,740,180)	(78,540,533)	(102,740,180)	(78,540,533)
Net cash flows from financing activities		<u>254,839,184</u>	<u>605,219,305</u>	<u>255,154,776</u>	<u>605,534,628</u>
Net increase/(decrease) in cash and cash equivalents		984,575,633	584,221,750	948,873,199	511,591,509
Cash and cash equivalents at the beginning of the year		1,184,740,170	600,518,420	1,162,011,227	550,410,718
Cash and cash equivalents at the end of the year	24	<u>2,169,315,803</u>	<u>1,184,740,170</u>	<u>2,110,884,426</u>	<u>1,162,011,227</u>

15.4 Statement of changes in net assets

City of Tshwane Metropolitan Municipality

Consolidated Annual Financial Statements for the year ended Group 30 June 2017

Statement of Changes in Net Assets

	Accumulated surplus	Total net assets
Group		
Opening balance as previously reported	18,411,058,368	18,411,058,368
Adjustments		
Prior year adjustments (refer to Note 43 and 47)	153,548,550	153,548,550
Balance at 1 July 2015 as restated*	18,564,604,927	18,564,604,927
Changes in net assets		
Surplus for the year	1,008,427,405	1,008,427,405
Total changes	1,008,427,405	1,008,427,405
Opening balance as previously reported	18,873,232,809	18,873,232,809
Adjustments		
Prior year adjustments (refer to Note 43 and 47)	780,790,524	780,790,524
Restated* Balance at 1 July 2016 as restated*	19,663,032,333	19,663,032,333
Changes in net assets		
Surplus for the year	3,030,761,503	3,030,761,503
Total changes	3,030,761,503	3,030,761,503
Balance at Group 30 June 2017	22,702,793,836	22,702,793,836
Note(s)	43	
Municipality		
Opening balance as previously reported	18,367,636,330	18,367,636,330
Adjustments		
Prior year adjustments (refer to Note 43 and 47)	152,781,602	152,781,602
Balance at 1 July 2015 as restated*	18,520,418,222	18,520,418,222
Changes in net assets		
Surplus for the year	1,006,652,560	1,006,652,560
Total changes	1,006,652,560	1,006,652,560
Opening balance as previously reported	18,831,557,121	18,831,557,121
Adjustments		
Prior year adjustments (refer to Note 43 and 47)	765,713,684	765,713,684
Restated* Balance at 1 July 2016 as restated*	19,617,270,805	19,617,270,805
Changes in net assets		
Surplus for the year	3,014,701,940	3,014,701,940
Total changes	3,014,701,940	3,014,701,940
Balance at Group 30 June 2017	22,631,972,745	22,631,972,745
Note(s)	43	

6 Reports of the auditor-general

A Treatment of matters raised by the auditor-general in previous and current financial years

1 2015/16 financial year

The City of Tshwane received an unqualified audit opinion for the 2015/16 financial year. The outcome on the AOPO was also unqualified. There was, however, an emphasis of matter paragraph as well as material findings on compliance with specific matters in key legislation. Measures were put in place during the 2016-2017 financial year to address the findings, and their root causes. Key measures included the monitoring of action plans through the Management Letter Action Plan committee, through quarterly performance reporting, continuous engagements with departments through capacity building and verification interventions, and internal audit of action plans.

2 2016/17 Financial year

The City of Tshwane received an unqualified audit opinion for the 2016/17 financial year. There were however material findings for three indicators on the audit of predetermined objectives, findings related to the compliance with legislation on the annual financial statements, and internal control deficiencies identified.

The municipal manager, together with the chief financial officer and other senior management will put in place measures to address the recommendations of the auditor-general.

The audit opinions of the municipal entities are summarised below:

Table 74: Audit opinions of the municipal entities

Municipal entity	Audit opinion	Audit of Predetermined Objectives	Compliance with laws and Regulations
Housing Company Tshwane	Unqualified Emphasis of Matter: <ul style="list-style-type: none"> Restatement of corresponding figures Material impairments 	No Material findings	Material Findings: <ul style="list-style-type: none"> Annual financial statements Expenditure management Procurement and contract management
Sandspruit Works Association	Unqualified Emphasis of Matter: <ul style="list-style-type: none"> Restatement of corresponding figures Material losses Material impairments Transfer of functions 	Material Findings on reliability of selected strategic objectives	Material Findings: <ul style="list-style-type: none"> Annual financial statements Consequence management Revenue management Expenditure management Procurement and contract management

Municipal entity	Audit opinion	Audit of Predetermined Objectives	Compliance with laws and Regulations
Tshwane Economic Development Agency	Unqualified No emphasis of matter	No Material Findings	No Material Findings

B Report of the auditor-general to the Gauteng Provincial Legislature and the council on the City of Tshwane Metropolitan Municipality

Report on the audit of the consolidated and separate financial statements

Opinion

- 1 I have audited the consolidated and separate financial statements of the City of Tshwane Metropolitan Municipality and its subsidiaries (the group) set out on pages 202 to 205, which comprise the consolidated and separate statement of financial position as at 30 June 2017, the consolidated and separate statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.
- 2 In my opinion, the financial statements present fairly, in all material respects, the financial position of the group as at 30 June 2017, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practices (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act, 2016 (Act No. 3 of 2016) (DoRA).

Basis for opinion

- 3 I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
- 4 I am independent of the group in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) together with the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
- 5 I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

- 6 Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole and in forming an opinion thereon and, I do not provide a separate opinion or conclusion on these matters.

Key audit matter	How the matter was addressed in the audit
Significant difficulties encountered in obtaining information requested for audit purpose	
The engagement letter signed with the accounting officer agreed to provide requested documents within five working days. The group	To monitor the submission of documents in response to the request for information, a tracking mechanism was set up between the

Key audit matter	How the matter was addressed in the audit
Significant difficulties encountered in obtaining information requested for audit purpose	
<p>was unable to provide in some cases the requested documents within the agreed time. These significant difficulties adversely affected the allocated time for audit execution and the evaluation of audit evidence. Accordingly, the significant difficulties in providing requested information and the impact thereof, are considered the key audit matter.</p>	<p>group and senior members of the audit team. Where information was not provided in time, concerns were escalated to the leadership at various platforms as follows:</p> <ul style="list-style-type: none"> • Regular audit steering committee meetings were held to assess the significant difficulties encountered in obtaining information not provided. The impact on the financial statements was assessed and reported accordingly. • Escalation of significant difficulties encountered in obtaining information to the accounting officer and those charged with governance during status of records review. • Submitting progress reports to the accounting officer on a regular basis. <p>I am satisfied that all material outstanding information has been provided and sufficient time was available to assess and report where applicable.</p>

Emphasis of matters

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

Restatement of corresponding figures

8 As disclosed in note 47 to the consolidated and separate financial statements, the corresponding figures for 30 June 2016 have been restated as a result of errors in the consolidated and separate financial statements of the group at, and for the year ended 30 June 2017.

Material uncertainties

9 With reference to note 55 to the consolidated and separate financial statements, the group is the defendant in various lawsuits. The outcome of these matters cannot presently be determined and/or reliably measured; therefore, no provision for any liabilities that may result has been made in the consolidated and separate financial statements.

10 As disclosed in note 22 to the consolidated and separate financial statements, consumer receivables were significantly impaired as the recoverability of these amounts is doubtful. The allowance for impairment of consumer receivables amount to R6,4 billion (2015-16: R5,7 billion) which represents 58% (2015-16: 62%) of consumer debtors. The contribution to provision for debt impairment was R488,8 million (2015-16: R379,4 million).

Material impairment

11 As disclosed in note 60 to the consolidated and separate financial statements, material electricity losses of R1,6 billion (2015-16: R1,3 billion) was incurred which represents 20,58% (2015-16: 19,28%) of total electricity purchased. Technical losses amounted to R536,7 million (2015-16: R489,2 million) and were due to losses incurred during the distribution of electricity from the source

to the final consumer. Non-technical losses amounted to R1 billion (2015-16: R858,2 million) and were due to administrative and technical errors, negligence, theft of electricity, tampering with meters and connections which form part of illegal consumption and faulty meters.

Unauthorised expenditure

- 12 As disclosed in note 48 to the consolidated and separate financial statements, unauthorised expenditure of R620 million (2015-16: R1,7 billion) was incurred, due to over-expenditure by ten strategic units.

Financial sustainability

- 13 As disclosed in note 69 to the consolidated and separate financial statements, the municipality's current liabilities exceeded current assets as at 30 June 2017 and the liquidity ratios were below the norm due to the non-achievement of the debtor collection target rate.

Other matters

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

Unaudited disclosure notes

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

Responsibilities of the accounting officer for the consolidated and separate financial statements

- 16 The accounting officer is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the SA Standards of GRAP, the requirements of the MFMA and the DoRA, and for such internal control as the accounting officer determines is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.
- 17 In preparing the consolidated and separate financial statements, the accounting officer is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless there is an intention either to liquidate the group or to cease operations, or there is no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the consolidated and separate financial statements

- 18 My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence

the economic decisions of users taken on the basis of these consolidated and separate financial statements.

- 19 A further description of my responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to the auditor’s report.

Report on the audit of the annual performance report

Introduction and scope

20. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected outcomes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
21. My procedures address the reported performance information, which must be based on the approved performance planning documents of the group. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
22. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected outcomes presented in the annual performance report of the group for the year ended 30 June 2017:

Outcomes	Pages in the annual performance report
Outcome 1 – A resilient and resource-efficient city	137-146
Outcome 2 – A growing economy that is inclusive, diversified and competitive	137-146
Outcome 3 – Quality infrastructure development that supports liveable communities	137-146
Outcome 5 – An African capital city that promotes excellence and innovative governance solutions	137-146
Outcome 6 – South Africa’s capital city with active citizens who are engaging, aware of their rights and who present themselves as partners in tackling societal challenges	137-146

23. I performed procedures to determine whether the reported performance information was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed

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

24. The material findings in respect of the usefulness and reliability of the selected outcomes are as follows:

Outcome 1 – A resilient and resource-efficient city

Number of service stands provided with sewer reticulation

- 25 I was unable to obtain sufficient appropriate audit evidence for the reported achievement of target number of service stands provided with sewer reticulation. This was due to the evidence provided did not agree to reported achievements. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievement of 2 929.

Outcome 2 – A growing economy that is inclusive, diversified and competitive

Number of new work opportunities facilitated by the City

- 26 I was unable to obtain sufficient appropriate audit evidence for the reported achievement of the target. This was due to limitations placed on the scope of my work. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine if adjustments are required to the reported achievement of 17 183.

AND

- 27 I did not identify any material findings on the usefulness and reliability of the reported performance information for the following outcomes:

- Outcome 3 – quality infrastructure development that supports liveable communities
- Outcome 5 – an African capital city that promotes excellence and innovative governance solutions
- Outcome 6 – South Africa’s capital city with active citizens who are engaging, aware of their rights and who present themselves as partners in tackling societal challenges

Other matters

- 28 I draw attention to the matters below.

Achievement of planned targets

- 29 Refer to the annual performance report on pages 137 to 146 for information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 25 and 26 of this report.

Adjustment of material misstatements

- 30 I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of the following outcomes:
- Outcome 1 - a resilient and resource-efficient city
 - Outcome 2 - a growing economy that is inclusive, diversified and competitive

- Outcome 5 - an African capital city that promotes excellence and innovative governance solutions.
- 31 As management subsequently only corrected some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

- 32 In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the group with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
- 33 The material findings on compliance with specific matters in key legislations are as follows:

Annual financial statements

- 34 The consolidated and separate 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, expenditure and disclosure items identified by the auditors in the submitted consolidated and separate financial statement were subsequently corrected and/or the supporting records were provided subsequently, resulting in the consolidated and separate financial statements receiving an unqualified audit opinion.

Revenue management

- 35 An effective system of internal control for consumer receivables and revenue was not in place, due to the high number of estimates on accounts for services rendered and impairment principles applied for consumer receivables, as required by section 64(2)(f) of the MFMA.

Asset management

- 36 An effective system of internal control for assets including an adequate asset register was not in place, as there was no asset management plan and adequate controls to account for new and completed assets, as required by section 63(2)(c) of the MFMA.

Expenditure management

- 37 Money owed by the group was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
- 38 Effective steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The value of R1,2 billion, as disclosed in note 50, is not complete as management was still in the process of quantifying the full extent of the irregular expenditure. The majority of the disclosed irregular expenditure was caused by non-compliance with the requirements of the supply chain management (SCM) policy.

Procurement and contract management

- 39 Sufficient appropriate audit evidence could not be obtained that some contracts were awarded in accordance with the legislative requirements as not all contracts were submitted for auditing. A similar limitation was also reported in the previous year.

- 40 Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM regulation 36(1). Similar non-compliance was also reported in the previous year.

Consequence management

- 41 Some of the irregular expenditure incurred by the group was not investigated to determine if any person was liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Other information

- 42 The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the consolidated and separate financial statements, the auditor's report and those selected outcomes presented in the annual performance report that have been specifically reported on in the auditor's report.
- 43 My opinion on the consolidated and separate financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
- 44 In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements and the selected outcomes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
- 45 If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

- 46 I considered internal control relevant to my audit of the consolidated and separate financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.

Leadership

- 47 The accounting officer and senior management did not adequately perform oversight responsibility over financial and annual performance reporting resulting in material adjustments required on the consolidated and separate financial statements, annual performance reports and non-compliance with the MFMA and SCM regulations.
- 48 The group developed a plan to address audit findings, but adherence to the plan on key items such as procurement, contract management and asset management were not monitored adequately by the appropriate level of management, resulting in a number of repeat findings on assets and non-compliance with the MFMA and SCM regulations. The group failed to properly analyse the control weaknesses and implement appropriate follow-up actions that addressed the root causes.

Financial and performance management

- 49 Effective financial and internal control disciplines were not implemented to ensure fairly presented consolidated and separate financial statements. The preparation and review processes were ineffective which resulted in material adjustments to the consolidated and separate financial statements and findings on the annual performance report.

Other reports

- 50 I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the group's consolidated and separate financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the consolidated and separate financial statements or my findings on the reported performance information or compliance with legislation.

Investigations

- 51 Two hundred and twenty seven (227) cases were investigated of which one hundred and thirty three (133) investigations were completed and ninety four (94) were in progress into alleged financial irregularities, financial misconduct and fraud were completed during the year under review. Various measures were recommended, including taking action against the identified officials, and these were in process of being implemented. The recommendations were at various stages of implementation.

Auditor-General

Pretoria

31 December 2017



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

APPENDICES

A Capital Projects Expenditure

The table below sets out the expenditure on capital projects for the financial year 2016/17 as per the adjusted MTREF and SDBIP.

Table 75: Capital Expenditure

Department	Project Name	Original Budget 2016/17	Adjusted Budget 2016/17	Current Budget 2016/17	Cumulative Capex Actual
Utility Services: Energy & Electricity	Upgrading/Strengthening of Existing Network Schemes	4 000 000	4 000 000	4 000 000	3 469 141
Utility Services: Energy & Electricity	Payments to Townships for Reticulated Towns	3 500 000	3 500 000	3 500 000	3 393 197
Utility Services: Water & Sanitation	Township Water Services Dev: Tshwane Contributions	5 000 000	5 000 000	5 000 000	5 000 000
Utility Services: Water & Sanitation	Lengthening of Network and Supply Pipelines	1 000 000	1 000 000	1 000 000	999 966
Utility Services: Water & Sanitation	Replacement of Worn Out Network Pipes	15 000 000	15 000 000	15 000 000	14 716 124
Utility Services: Water & Sanitation	Replacement of Worn Out Network Pipes	1 000 000	1 000 000	1 000 000	999 797
Health	New clinic in Doornpoort	-	661 714	661 714	622 173
Roads & Transport	Contributions: Services for Township Development	6 437 061	6 967 621	6 967 621	6 967 621
Utility Services: Energy & Electricity	Electricity for All	142 664 750	142 664 750	142 664 750	140 758 720
Utility Services: Energy & Electricity	Electricity for All	40 000 000	40 000 000	40 000 000	39 332 235
Shared Services: Group Information & Communication Technology	Upgrade of IT Networks	30 000 000	10 000 000	10 000 000	4 788 349
Shared Services: Group Information & Communication Technology	One Integrated Transaction Processing System	25 000 000	25 000 000	25 000 000	24 576 760

Department	Project Name	Original Budget 2016/17	Adjusted Budget 2016/17	Current Budget 2016/17	Cumulative Capex Actual
Roads & Transport	Rehabilitation of Stormwater Systems & Sidewalks	-	5 525 100	5 525 100	-
Shared Services: Group Information & Communication Technology	Computer Equipment Deployment - End user computer hardware equipment	15 500 000	15 500 000	15 500 000	14 667 083
Environment & Agriculture Management	Upgrading and Extension of Facilities	5 500 000	5 500 000	5 500 000	5 498 480
Utility Services: Energy & Electricity	Communication Upgrade: Optical Fibre Net		8 000 000	8 000 000	7 299 934
Utility Services: Energy & Electricity	Communication Upgrade: Optical Fibre Net	5 000 000	5 000 000	5 000 000	4 891 007
Shared Services: Group Information & Communication Technology	Implementation of Storage Area Network	15 000 000	10 000 000	10 000 000	10 000 000
Utility Services: Water & Sanitation	Replacement, Upgrade, Construct Wwtw Facilities	33 000 000	650 000	650 000	645 378
Utility Services: Water & Sanitation	Replacement, Upgrade, Construct Wwtw Facilities	22 000 000	11 817 700	11 817 700	11 029 929
Utility Services: Energy & Electricity	Strengthening of 11kv Cable Network	10 000 000	10 000 000	10 000 000	9 813 363
Utility Services: Energy & Electricity	Strengthening of 11kv Overhead Network	10 000 000	10 000 000	10 000 000	9 272 473
Utility Services: Energy & Electricity	Substations	4 000 000	4 000 000	4 000 000	3 858 295
Utility Services: Energy & Electricity	Tshwane Public Lighting Programme	45 000 000	45 000 000	45 000 000	43 390 234
Utility Services: Energy & Electricity	Tshwane Public Lighting Programme	15 000 000	15 000 000	15 000 000	13 240 790
Roads & Transport	Mabopane Station Modal Interchange	54 097 344	29 097 344	29 097 344	29 096 483
Housing & Human Settlement	Project Linked Housing - Water Provision	128 909 831	132 451 551	132 451 551	127 795 777
Housing & Human Settlement	Sewerage - Low Cost Housing	153 437 500	146 437 500	146 437 500	153 541 709
Housing & Human Settlement	Roads and Stormwater - Low Cost Housing - Project Linked Housing	193 739 207	197 127 207	197 127 207	234 735 109
Housing & Human Settlement	Roads and Stormwater - Low Cost Housing - Project Linked Housing		32 000 000	32 000 000	29 335 608
Housing & Human Settlement	Project Linked Housing - Acquisition of Land	31 358 713	31 428 993	31 428 993	30 970 000

Department	Project Name	Original Budget 2016/17	Adjusted Budget 2016/17	Current Budget 2016/17	Cumulative Capex Actual
Utility Services: Water & Sanitation	Refurbishing of Water Networks and Backlog Eradication	213 000 000	286 563 410	286 563 410	274 625 018
Utility Services: Water & Sanitation	Refurbishing of Water Networks and Backlog Eradication	10 000 000	45 100 000	45 100 000	40 981 741
Utility Services: Water & Sanitation	Refurbishing of Water Networks and Backlog Eradication	-	11 182 300	11 182 300	10 484 030
Roads & Transport	Block W - Stormwater Drainage	805 376	805 376	805 376	804 105
Utility Services: Water & Sanitation	Replacement and Upgrading: Redundant Bulk Pipeline Infrastructure	5 500 000	15 525 674	15 525 674	13 700 110
Utility Services: Water & Sanitation	Replacement of Sewers	5 000 000	-	-	-
Community & Social Development Services: Sports and Recreation	Olievenhoutbosch Multi-Purpose Sport	15 000 000	14 225 367	14 225 367	13 930 607
Community & Social Development Services: Sports and Recreation	Solomon Mahlangu Freedom Square - Cultural Centre	-	1 589 837	1 589 837	1 589 815
Community Safety: Emergency Services	Renovation & Upgrading of Facilities	6 000 000	6 000 000	6 000 000	5 903 080
Utility Services: Water & Sanitation	Reduction Water Losses: Water Networks	5 000 000	9 000 000	9 000 000	8 999 998
Environment & Agriculture Management	Atmospheric Pollution Monitoring Network	3 000 000	3 000 000	3 000 000	2 715 079
Housing & Human Settlement	Redevelopment of Hostels: Saulsville (Phase 3b and 4a)	10 000 000	10 000 000	10 000 000	9 928 560
Housing & Human Settlement	Redevelopment of Hostels: Mamelodi	10 000 000	10 000 000	10 000 000	9 928 560
Roads & Transport	Doubling of Simon Vermooten	2 257 296	1 567 296	1 567 296	1 559 477
Utility Services: Energy & Electricity	Pre-paid Electricity Meters	-	17 000 000	17 000 000	16 994 148
Utility Services: Energy & Electricity	Pre-paid Electricity Meters	-	36 995 429	36 995 429	11 898 813
Roads & Transport	Internal Roads: Northern Areas	48 749 601	48 749 601	48 749 601	47 939 977
Roads & Transport	Internal Roads: Northern Areas	12 915 683	42 915 683	42 915 683	41 908 548
Roads & Transport	Separation Airside/Landside movements	5 000 000	7 000 000	7 000 000	6 976 202
Utility Services: Energy & Electricity	Replacement of Obsolete and Non Functional Protection Equipment	4 000 000	4 000 000	4 000 000	3 518 754
Environment & Agriculture Management	240 Litre Containers	16 000 000	16 000 000	16 000 000	15 991 370

Department	Project Name	Original Budget 2016/17	Adjusted Budget 2016/17	Current Budget 2016/17	Cumulative Capex Actual
Utility Services: Water & Sanitation	Establishment of Water Distribution Depots	2 000 000	4 000 000	4 000 000	-
Roads & Transport	Flooding Backlogs: Sosh & Winterveldt Area	220 488 284	239 488 284	239 433 284	238 966 370
Roads & Transport	Flooding Backlogs: Sosh & Winterveldt Area	114 652 615	76 096 955	76 096 955	26 483 285
Roads & Transport	Flooding Backlogs: Mabopane Area	1 100 000	1 100 000	1 100 000	1 088 044
Roads & Transport	Flooding Backlogs: Mamelodi, Eersterust & Pta Eastern Area	-	-	55 000	55 000
Community & Social Development Services: Sports and Recreation	Lotus Gardens Multi-Purpose Sport Facility	8 000 000	8 000 000	8 000 000	7 516 991
Health	Upgrading of Clinic Dispensaries	11 341 343	11 341 343	11 341 343	5 566 696
Utility Services: Energy & Electricity	New Bulk Electricity Infrastructure	26 000 000	26 000 000	26 000 000	26 000 000
Utility Services: Energy & Electricity	New Bulk Electricity Infrastructure	140 000 000	133 100 000	133 100 000	127 256 117
Group Financial Services	Buildings and Equipment (security at the stores)	20 000 000	20 000 000	20 000 000	14 657 809
Group Financial Services	Buildings and Equipment (security at the stores)	10 000 000	10 000 000	10 000 000	7 542 417
City Manager	Insurance Replacements (CTMM Contribution)	5 000 000	5 000 000	5 000 000	2 195 315
City Manager	Insurance Replacements	5 000 000	5 000 000	5 000 000	3 661 002
Utility Services: Energy & Electricity	New Connections	22 000 000	22 000 000	22 000 000	20 614 149
Environment & Agriculture Management	Development and Upgrading of Existing Cemeteries	650 000	-	-	-
Community Safety: Metro Police Services	Purchasing of Policing Equipment	30 000 000	30 000 000	30 000 000	29 997 108
Roads & Transport	Flooding backlog: Network 5A, Matenteng	285 000	285 000	285 000	243 706
City Manager	Implementation of Tsosoloso Programme	48 500 000	48 500 000	48 500 000	48 002 376
Utility Services: Water & Sanitation	Reservoir Extensions	66 000 000	26 128 897	26 128 897	25 729 714
Shared Services: Group Information & Communication Technology	E-Initiatives supporting the Smart City	20 000 000	20 000 000	20 000 000	19 345 728
Community Safety: Emergency Services	Disaster Risk Management Tools and Equipment	5 000 000	5 000 000	5 000 000	4 992 237

Department	Project Name	Original Budget 2016/17	Adjusted Budget 2016/17	Current Budget 2016/17	Cumulative Capex Actual
Roads & Transport	CBD and Surrounding Areas (BRT) - (Transport Infrastructure)	747 742 704	748 432 704	748 432 704	683 217 475
Community & Social Development Services: Social Development	Multipurpose Development Centres	7 700 000	7 700 000	7 700 000	2 678 362
Health	Upgrade and extension of Zithobeni Clinic	3 158 657	3 158 657	3 158 657	2 812 956
Health	Replacement of Rayton Clinic	7 700 000	7 038 286	7 038 286	5 029 661
Group Property	Replacement/Modernization of all the Lifts within various Council Buildings	5 000 000	2 000 000	2 000 000	-
Community & Social Development Services: Sports and Recreation	Capital Funded from Operating	5 283 600	6 978 229	6 978 229	5 709 772
Environment & Agriculture Management	Development of the Klip-Kruisfontein cemetery	400 000	400 000	400 000	400 000
Environment & Agriculture Management	Development of Tshwane North Cemetery	1 250 000	1 250 000	1 250 000	1 174 195
Utility Services: Energy & Electricity	Replacement of Obsolete Protection and Testing Instruments	1 500 000	1 500 000	1 500 000	1 085 294
Environment & Agriculture Management	Upgrading of the market trading system	5 500 000	5 500 000	5 500 000	5 344 521
Community & Social Development Services: Sports and Recreation	Upgrading of Zithobeni Sport Stadium	-	1 491 516	1 491 516	950 493
Roads & Transport	Maintenance and replacement of all runway and taxiway lights, Papi lights, apron lights, security and lighting system	2 500 000	2 500 000	2 500 000	2 496 702
Roads & Transport	Main terminal Building, carousel and other mechanical baggage handling equipment maintenance	2 000 000	-	-	-
Roads & Transport	Upgrading of Road from gravel to tar in Ekangala Ward 11 & 12	150 000	150 000	150 000	147 789
Utility Services: Water & Sanitation	Water Conservation and Demand Management (Installation of water meters Steve	-	17 000 000	17 000 000	13 649 431
Community & Social Development Services: Sports and Recreation	Greening Sportfields	20 000 000	11 086 363	11 086 363	11 080 796
Roads & Transport	Improvement of dirt road leading to Clover hill club	-	2 500 000	2 500 000	-

Department	Project Name	Original Budget 2016/17	Adjusted Budget 2016/17	Current Budget 2016/17	Cumulative Capex Actual
Community & Social Development Services: Social Development	Social Development centre in Hammanskraal	7 000 000	14 000 000	14 000 000	13 999 861
Shared Services: Group Information & Communication Technology	Disaster Recovery System Storage	20 000 000	-	-	-
Shared Services: Corporate & Shared Services	Tshwane Leadership and Management Academy	10 000 000	10 000 000	10 000 000	4 298 406
Community & Social Development Services: Social Development	Social Development centre in Winterveldt	7 000 000	14 000 000	14 000 000	14 000 000
Community & Social Development Services: Social Development	Social Development centre in Mabopane	7 000 000	13 000 000	13 000 000	13 000 000
Roads & Transport	Upgrading of Garsfontein road	12 071 107	-	-	-
Group Property	City Hall Renovations	20 000 000	20 000 000	20 000 000	-
Group Financial Services	BPC and SCOA	30 000 000	30 000 000	30 000 000	-
Environment & Agriculture Management	Refurbishment of Landfill sites	5 000 000	5 000 000	5 000 000	4 830 976
Shared Services: Group Information & Communication Technology	Credit Control Solution	20 000 000	8 286 712	8 286 712	8 286 712
Utility Services: Water & Sanitation	RE - AGA - Tshwane	191 450 000	77 886 590	77 886 590	65 406 313
Economic Development & Spatial Planning: Economic Development	Tshwane Packaging Facility	4 000 000	4 000 000	4 000 000	4 000 000
Economic Development & Spatial Planning: Economic Development	Business Process Outsourcing Park in Hammanskraal	50 000 000	50 000 000	50 000 000	43 537 898
Group Financial Services	Automation of Supply Chain	30 000 000	30 000 000	30 000 000	12 908 508
Shared Services: Group Information & Communication Technology	Smart Connect	200 000	200 000	200 000	200 000

Department	Project Name	Original Budget 2016/17	Adjusted Budget 2016/17	Current Budget 2016/17	Cumulative Capex Actual
Environment & Agriculture Management	Extension of Ga-Rankuwa Cemetary	1 200 000	1 200 000	1 200 000	1 199 729
Economic Development & Spatial Planning: Economic Development	Brick Making Facility	4 000 000	4 000 000	4 000 000	-
Economic Development & Spatial Planning: Economic Development	Informal Trade Market (Inner City)	7 400 000	7 400 000	7 400 000	-
Group Financial Services	Corporate Capital Movables	5 000 000	18 500 000	18 500 000	8 404 731
Roads & Transport	Construct improved security accesses to restricted maintenance areas with CCTV system and upgraded control room to meet CAA compliance requirements	6 500 000	6 500 000	6 500 000	5 827 558
Roads & Transport	Elevator/escalator for main terminal building	2 000 000	2 000 000	2 000 000	1 999 539
Roads & Transport	Fire sprinklers and smoke detectors in the main terminal building required to meet legislative compliance requirements	1 500 000	1 500 000	1 500 000	1 489 880
Housing & Human Settlement	Townlands Marabastad	10 258 750	10 258 750	10 258 750	8 998 904
Roads & Transport	Provision, upgrade and replacement of security fences/gates, fence lighting, alarm and related systems/equipment	2 000 000	2 000 000	2 000 000	1 998 657
Shared Services: Group Information & Communication Technology	IT infrastructure -Tshwane House	29 000 000	85 713 288	85 713 288	78 166 711
Utility Services: Energy & Electricity	AMVI Infrastructure (Smart Meter Project)	950 000 000	950 000 000	950 000 000	-
Regional Operations and Coordination	Jojo Tanks - Re Aga Tshwane	-	3 000 000	3 000 000	2 832 193
Roads & Transport	Spoorview - Re Aga Tshwane	-	1 000 000	1 000 000	963 848
Economic Development & Spatial Planning: City Planning & Development	Inner City Regeneration	-	36 254 200	36 254 200	-
Environment & Agriculture Management	Upgrade infrastructure Nature Reserves	-	650 000	650 000	642 254
Utility Services: Energy & Electricity	Substation Peripheral Equipment Programme	6 000 000	6 000 000	6 000 000	5 901 072

Department	Project Name	Original Budget 2016/17	Adjusted Budget 2016/17	Current Budget 2016/17	Cumulative Capex Actual
Community & Social Development Services: Sports and Recreation	New Ga-Rankuwa Library	10 000 000	18 670 351	18 670 351	9 936 346
Community & Social Development Services: Sports and Recreation	Redevelopment of Caledonian	50 000 000	21 000 000	21 000 000	5 407 877
Community & Social Development Services: Sports and Recreation	Upgrade Refilwe Stadium	10 000 000	745 615	745 615	446 862
Roads & Transport	Rainbow Junction and Rehabilitation of the Apies River	3 354 265	3 354 265	3 354 265	3 354 265
Community & Social Development Services: Sports and Recreation	Cullinan Library Park	-	2 190 951	2 190 951	1 819 936
Total		4 465 208 687	4 524 586 409	4 524 586 409	3 194 634 275