

## Annual Report 2014/ 2015



*Delivering City.....*  
About this annual report

The Municipal Finance Management Act (MFMA) requires that Ekurhuleni Metropolitan Municipality and its municipal entities prepare an annual report for each financial year. Section 46(1) of the Municipal Systems Act (MSA) requires municipalities to prepare a performance report for each financial year, setting out the performance of the municipality and its external service providers. The report should measure current performance against targets and performance in the previous financial year and outline measures to improve performance in the year ahead. The annual performance report must form part of the annual financial report.

Based on these legislative requirements the Annual Report contains:

- Consolidated Financial Statements
- Annual Performance Report
- Auditor General's Audit Report
- Recommendations of the Audit Committee

## **Comment on the Annual Report Process**

The Ekurhuleni Metropolitan Municipality prepared the Annual Report in accordance with the requirements of relevant legislation. The information presented in the report is a product of established internal policies, procedures and controls related to the management of organisational performance which have been designed to provide reasonable assurance about the integrity, usefulness and reliability of the information reported. A consultative approach was taken in the development of this report to ensure that the information presented in the report is useful, credible and reliable. Various internal stakeholders including line function departments, entities and various governance structures of the municipality were consulted and have discussed the report.

Therefore, the information presented in the report fairly reflects the performance of the Ekurhuleni Metropolitan Municipality against objectives set for the financial year which ended on 30 June 2015.

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## 1. VISION AND MISSION STATEMENT

### Vision

The vision of the Ekurhuleni Metropolitan Municipality is to be the Smart, Creative and Developmental City.

### Mission

In order to achieve its vision, the City's mission statements are as follows:

- To provide sustainable and people-centred developmental services that are affordable, appropriate and of a high quality.
- Focusing on social, environmental and economic regeneration of our city and communities, as guided by the principles of Batho Pele and through the commitment of a motivated and dedicated team.

In order to achieve its objective the City formulated an inclusive and broad-based Growth and Development Strategy (GDS 2055), which is anchored on five strategic imperatives, namely:

**Re-Urbanise** – to achieve sustainable urban integration;

**Re-Industrialise** – to achieve job-creating economic growth;

**Re-Generate** – to achieve environmental well-being;

**Re-Mobilise** – to achieve social empowerment; and

**Re-Govern** – to achieve effective co-operative governance.

Effective implementation of these strategic imperatives should result in a future that can be defined in three inter-connected ways. These being:

**A Delivering City** – envisage enabling a route between 2012 and 2020, to a well-managed, resourced and financially sustainable city;

**A Capable City** – between 2020 and 2030, will be characterised by an inclusive industrial economy and meaningful reduction in unemployment and poverty; and

**A Sustainable City** – between 2030 and 2055 we shall have a clean, green and sustainable African manufacturing and logistics complex, in a liveable and dynamic City, highly integrated in the City region - Gauteng.

## 2. STATEMENT BY THE EXECUTIVE MAYOR

When we assumed office we did so on the back of priorities and commitments which directed us to:

- Build local economies to create more employment and sustainable livelihoods;
- Improve local public services and broaden access to them;
- Build united, non-racial and integrated safer communities;
- promote community participation in local government; and
- Build a more effective, accountable and clean local government that works closely with provincial and national government.

The City of Ekurhuleni has over the years adopted a new economic growth trajectory known as the airport economy and/or Aerotropolis as an over-arching special purpose vehicle to deliver a better life for the people and change the economic fortunes of Ekurhuleni.

We are confident that the Aerotropolis programme will strengthen the Metro's value proposition to investors and thus bring about much needed economic boom.

This programme itself integrates a range of other flagship interventions, such as the revitalization of the manufacturing sector, the regeneration of CBDs and townships and their respective local economies, the revitalization and harnessing of open spaces and precincts around lakes and wetlands, the building of connectivity of the City through an integrated rapid transit system, and the building of a smart city through investing in digital infrastructure for both municipal and citizen use.

## Service delivery highlights

Indeed we have come a long way in this democratic dispensation. Some of the key achievements for the City include:

- Together with the Gauteng Provincial Government we have built 90 000 houses since 1994;
- Obtained the Blue Drop Status of the purest drinking water in the country for the past three years in a row;
- Facilitated and approved public and private investments worth R75bn;
- Serviced nearly 120 000 stands;
- All Ekurhuleni citizens enjoy clean drinking water;
- Upgraded the call centre for R7 million and increased call takers from a mere 60 to 258;
- Rolled out disaster and emergency management service facilities in areas where these had not existed, including the construction of fire stations in Tembisa, Etwatwa, Daveyton and Tsakane, as well as disaster management satellite offices in Tsakane, Katlehong and Tembisa;
- Replenished our fleet of specialized emergency vehicles to cover previously under-serviced areas.
- Following the 2008 xenophobic violence, and in collaboration with the Gauteng Provincial Government and other stakeholders, we managed to use our expertise in handling tense and disastrous situations by successfully re-integrating many of the displaced persons; as well as providing basic humanitarian relief wherever it was needed;
- 2014 marked the 12th anniversary of our Ekurhuleni Metro Police Department, one of the respected forces of its kind in the country. In that period, working in collaboration with the SAPS, the EMPD has contributed to the arrest and conviction of many wanted and dangerous criminals, especially those involved in cash-in-transit heists,

ATM bombings, as well as in business and house robberies;

- We have built 98 clinics enabling us to provide primary health care services to just over six million people a year;
- Nine of our clinics now operate for twenty-four hours a day, seven days a week;
- In the 2013/14 financial year, the City managed to surpass the national rate for TB treatment and cure, which is 85%. We achieved a rate of 87%;
- The City's contribution to the national programme for the management of HIV and AIDS, has seen approximately 35 000 Ekurhuleni patients put on anti-retroviral therapy and treatment;
- Eleven health facilities within Ekurhuleni administer Medical Male Circumcision services. These are all hospitals within our jurisdiction, as well as the City run clinics;
- The Metro has built several ECD centres and numerous day-care centres for the elderly across the City. An old age home has also been constructed in Tembisa;
- Our efforts to create jobs through various internal processes have resulted in the following successes;
  - Expanded Public Works Programme – 12212
  - Community Works Programme – 6750
  - Graduate & Matriculant Placement – 1100
  - Private sector Investment Projects – 500
- Ekurhuleni has been chosen as the home for the R51 Billion Prasa/Gibela rolling stock project and the multi-billion rand Springs Inland Pot – both projects expected to create in the region of about 50 000 jobs between them.

However, that we still do not have a university located within our metro remains a mystery. Despite this we are in full support of plans by the Vaal University of Technology to relocate its Chloorkop operations to the former Vista University

Campus in Daveyton to establish a fully-fledged VUT Ekurhuleni Campus with the capacity for 5000 students instead of the current 1500 capacity.

Through the City's Community Bursary Scheme, 322 new bursaries have been granted to young people to pursue university, technical and FET studies in science and engineering, economics, transport planning, law, health, ICT, finance and emergency services, thus bringing the total number of EMM bursary holders to 523 since 2010. We have since reviewed the Community Bursary Policy to increase the number of tertiary bursaries to 500 per annum as well as to issue 1000 high school bursaries which shall be streamlined with the Work Readiness programme in order to develop the capabilities of our youth.

We are presently piloting a training programme by providing 51 ex-combatants with artisan training at Ekurhuleni East FET College in the following trades: electrical skills, furniture making, plumbing and ICT. It is our intention to upscale and consolidate this intervention towards creating a comprehensive training and job creation programme for ex-combatants.

As a place that is rich in wetlands, lakes and dams we have already identified and mapped 260 water bodies. These water bodies play a vital role in the national drainage system from the northern water system to the Indian and Atlantic Oceans, and as a consequence, we are required to keep this system ecologically sustainable. In addition, our programme for the beautification of these water bodies will help create an attractive, sustainable and aesthetically pleasing environment that contributes to the City being a preferred destination for recreation activities, aquatic sport, water economics and hospitality. This will create economic spinoffs and jobs for our people.

Our first major project in this area was the revamping of the Germiston Lake, which we officially re-opened towards the end of 2013. Already the facility has become the



home of the Iron Man 5150 Triathlon Africa Championship.

Our initiatives to re-govern Ekurhuleni are largely our backroom operations, without which our customer-facing activities would be limited in scope and success rate. All of what we seek to achieve requires state machinery with the capabilities and talent to deliver.

We are proud of the manner in which we have positioned Ekurhuleni as not only an employer of choice, but also as a nurturer and developer of the talent. In line with the commitment we made in 2013, the Institutional Review process is now nearing completion and Council commenced with the implementation thereof. All critical positions have been identified and are being filled.

After four consecutive unqualified audits, we finally became one of only two metros in South Africa to receive a Clean Audit in the 2013/2014 financial year. In addition, we have retained our credit rating, which rates us at the highest level of the metros in our country. We have every intention to retain and improve on this rating going forward.

Our innovative revenue collection system the e-Siyakhokha platform continues to benefit ratepayers in that they have convenient access to their bills, and equally convenient mechanisms to pay. For bulk users, the electronic metering system allows them to track their utilization throughout the month, thus allowing them to manage consumption according to their business requirements.

Equally important are measures to ensure accurate and complete ratepayer data and register across the Metro. As we improve the accuracy of our ratepayer data, we will also have a more accurate indigent register.

Key to the stability of the ICT network is to make sure that our fibre and wireless grid

is properly connected and maintained. It is also important that it is monitored on a 24/7 in a weekly basis in real time. The City is thus rolling out an ICT operations centre, as a custodian of the network.

The same network over the next two years will be the basis of the City being able to provide Wi-Fi services not only for the City's employees, but also for the households and businesses by 2016. This tangibly puts us on a path to becoming a smart city.

To modernize our institution, we are also undertaking a process of digitizing our data through the master data management project and reengineering our business processes, and automating some of the key interface between the citizens and the City.

## Conclusion

It is clear that we are on the right path and working together with the people of Ekurhuleni nothing will stop us. That is why as a City we shall forever prioritise public consultation processes such as the Annual Izimbizo, IDP and budget consultation and taking the caucus to the people because these platforms afford us an opportunity to account to our people while sourcing their views on issues of service delivery and other developmental matters.

We have also channelled R7 million rand towards upgrading our call centre because of our understanding of the importance of Customer Relations Management. While there may still be a long way to go before we get to our final destination, I have no doubt that with proper plans in place, a strategy, implementation plan, budget and well-oiled service delivery machinery we shall triumph.

Yours in Governance

Mondli Gungubele  
Executive Mayor

### 3. STATEMENT BY THE CITY MANAGER

The City of Ekurhuleni's Annual Report for the 2014/2015 municipal fiscal year reflects the performance achievements against targeted deliverables aimed at improving the quality of life of the residents and communities in the municipal area. The performance achievements are also indicative of progress made towards the attainment of strategic imperatives outlined in the Growth and Development Strategy (GDS) 2055.

The GDS 2055 commits the City to a clearly defined roadmap which outlines the areas of focus and the requisite interventions that must be undertaken to reach the desired developmental path. The GDS commits the City to achieve:

- Sustainable urban integration (Re-Urbanise);
- Job-creating economic growth (Re-Industrialise);
- Environmental well-being (Re-Generate);
- Social empowerment (Re-Mobilise); and
- Effective co-operative governance (Re-Govern).

In pursuit of these strategic imperatives, the City committed to a set of deliverables and made commendable progress over the 2014/2015 financial year. The highlights of the reported successes are captured comprehensively in the report. Amongst others, these include: the metering of 24,894 stands, connecting a total of 1,844 additional households with water and sanitation connections as well as electrification of 5,656 subsidised households.

As part of creating spaces that are well connected and networked, the City introduced five new bus routes to link the municipality with other metros in Gauteng and reduce the time spent on the road by Ekurhuleni residents.

A new library was constructed in Leondale during the 2014/2015 financial year. Investing in human capital is the City's strategic posture

and deliberate focus area. This is done through partnership agreements with Further Education and Training centres (FETs).

The City continued its commitment to supporting the indigent and poor households. This is evidenced by the creation of a Food Bank which benefitted an average of 1,570 individuals per month. This support increased the number of indigent households supported to over 90,000, accessing benefits to the value of over R2.5 billion.

In the 2014/2015 financial year the City continued its endeavours to reclaim the manufacturing competitive advantage and facilitated investment opportunities of R7.6 billion.

The financials are showing good signs of improvement. In the 2014/2015 financial year, the City managed to collect 92.6%, a 2.3% improvement from the last financial year. Despite the overall negative market sentiments towards South Africa, EMM managed to achieve a credit rating of A1.za. This rating falls within the upper limits and reflects the market confidence and strong liquidity.

During the 2014/2015 financial year, the City instituted a strong governance framework to improve processes and systems in order to make a significant impact on the achievement of corporate governance and also mitigate against identified risks. These include the Risk Management Policy and Framework, Fraud and Anti-Corruption Strategy and Corporate Governance Framework for Entities.

The City made significant contribution to the transformation, modernisation and re-industrialisation (TMR) strategic road map for building a seamlessly integrated, socially cohesive, economically inclusive Gauteng City Region. Ekurhuleni's economic growth strategy is driven by the industrial sector. The Re-Industrialise theme and the Radical Economic Transformation are supported by skills development, job creation and partnership building.



Regarding spatial transformation the implementation of catalytic projects the city has commenced rejuvenating blighted and neglected areas, continues to tenure for upward mobility in the formal and informal housing markets and catering for the needs of households requiring affordable accommodation in well located areas. This ensures efficient and affordable accessibility to places of work, shopping nodes and facilities within the City and the City Region.

Accelerate Social Transformation – during the period under review a number of initiatives were undertaken to name a few the Lungile Mitshali initiative where each ward in the city receives R1 million for projects of their choice. More than 3 000 jobs were created in energy efficiency; water and sanitation; wetlands rehabilitation and waste management, greening and landscaping. The Food for Waste Programme and the Healthy life-style programme impact communities in the City directly.

Transformation of State and Governance – to maintain the Clean Audit Status, the City aggressively implemented a programme to ensure fiscal discipline which included optimization of collections, decrease non-revenue water and energy, financial viability and sustainability. It further focused on funding model, improved liquidity, ratios and improved performance on capital expenditure against the budget for capital projects. In addition, the City focused on a clean and effective administration by enhancing internal audit and forensic audit processes as well as increased regulatory compliance.

Across the City, planning is guided by the requirements of the NDP. The City contributes to a number of national outcomes including Outcome 9, a responsive, accountable, effective and efficient developmental local government system. This is expressed through the aggressive implementing of interventions targeted to the promotion of fiscal discipline and a clean and effective administration. Detailed in the body of this report are interventions that support a

long and healthy life style for all, safety across all communities in the City and ensuring that the spatial transformation programme effectively contributes to sustainable human settlements and effective urban management.

## Looking Ahead:

While the City made great strides in meeting the performance targets set for the year under review, it is acknowledged that there are still significant opportunities to optimise the levels of performance towards the consolidation of the current term-of-office. In this regard, a turn-around plan that clearly outlines a set of concrete interventions and deliverables was developed. These deliverables include, amongst others:

- Electrify 10, 0000 subsidised developments,
- 8 informal settlements upgraded to formal townships,
- Maintain a revenue collection of 93% year-on-year,
- Fast-track the process of acquiring a suitable ERP system which will integrate current applications and provide integrated real-time view of core business processes,
- Develop a comprehensive programme on alternative energy sources, electricity network stability management programme, non-revenue water management programme and the flood mitigation framework, and
- Develop 10 precincts as part of coordinated urban renewal and township regeneration programme.

The City is looking forward to the forthcoming financial year (2015/2016) and is geared to accelerate the attainment of identified performance targets through the intensification of improving its delivery capability.

Thank you,  
Khaya Ngema

# GOVERNANCE, COMPLIANCE AND RISK MANAGEMENT

## 4. MANAGEMENT AND GOVERNANCE STRUCTURES

This report presents the annual performance of the City in its fourth year of the 5-year term of Council. EMM implements a system of governance that supports developmental local government. Central to this system, is transparency in all operations of the municipality. In order to give effect to productive collaborative governance and oversight there is a separation of executive and legislative functions of Council.

This separation is achieved through the delegation of legislative and executive functions of Council to the legislature and executive respectively. The City's governance model has two separate functions – the executive and the legislative. The legislative function is the political administration. It is made up of the councillors; elected and proportional representatives chosen every five years during the Local Government elections. In the year under review, there were no changes pertaining to the governance structure and the services delivery model. However, changes were made to the by-laws during this period.

The Council is led by the Council Speaker and convenes for monthly meetings to discuss how best to achieve the City's vision of a partnership that works. The Speaker is supported by the Chief Whip of Council whose responsibility it is to build relationships among the various political parties and to ensure a well-oiled governing party. The Council is the body that formulates policy and oversees its implementation. Its key role in its current structure is to focus on legislative, participatory and oversight roles. Council also ensures that debate and discussion takes place between the different political parties. The executive work of Council is co-ordinated by the Executive Mayor, who is elected by the Council to provide strategic direction for the Municipality. The Mayor is assisted by the Mayoral Committee, made up of ten councillors. The mayoral committee is

responsible for individual portfolios and reports directly to the Executive Mayor. During the year under review, 5 members of the Mayoral committee were replaced.

A municipal administration, headed by the City Manager and supported by an executive management team, ensures that the vision and mission of Council becomes reality. The City Manager is the Municipality's accounting officer. He is supported by the Chief Operating Officer, Group Chief Financial Officer and Heads of Departments who are responsible for the delivery of key public services to residents.

In the year under review there were no major changes in the key positions of the heads of departments. Each year, Council passes a budget and integrated development plans which are aligned to the GDS 2055. The City's service delivery structure is outlined in more detail in the section that follows.

### 4.1 Political governance - Legislature Arm

#### 4.1.1 Speaker of Council

The legislative arm of Council is headed by the Speaker of Council, who presides over Council meetings. The incumbent is Cllr. Patricia Khumalo. The Speaker is responsible for coordinating and managing the functioning and development of Section 79 committees and Councillor Affairs. In addition, the Speaker fulfils the role of building democracy; and managing community participation in local government, particularly through the ward committees, by ensuring they function effectively. The Speaker has to ensure public consultation, involvement and participation in the affairs of the Municipality.

#### 4.1.2 Chief Whip of Council

The Speaker is supported by the Chief Whip of Council, Cllr. Robert Mashego, whose role it is to maintain cohesion within the governing party and to build relationships with other political parties represented in Council. Other tasks include:

- Ensuring that each of the political parties are properly represented on the various committees;
- Maintaining sound relations between the various political parties; and
- Attending to disputes between political parties.

The Chief Whip is further responsible for enhancing the maintenance of sound relations and speedy resolution of disputes among various represented political parties.

#### 4.1.3 Section 79 Committees

The adoption of the Separation of Powers model in 2011 necessitated an establishment of Section 79 Committees, which are political structures envisaged in the Municipal Structures Act, and which monitor and evaluate the performance of the executive and the departments. Council's legislative functions are, therefore, exercised through these committees which are representative of all political parties in the Council. This system is supported through proper delegation of powers, thereby ensuring that the role-players are able to execute their respective mandates without fear or favour. During the period under review there were no structural changes of the model, however there were changes in the member of some of the committees as outlined below. There were 18 Section 79 Committees, with fifteen (15) Chairpersons having been designated by resolution of Council as full time. Section 79 Portfolio Committees perform an oversight role by monitoring the delivery and outputs of the Executive. These committees do not have any delegated decision-making powers. The current Chair of Chairpersons is Cllr. Nozipho Meisie Mabuza.

The Section 79 Committees are constituted by the following 10 Oversight Committees and eight Standing Committees:

##### Section 79 Oversight Committees:

- City Planning and Economic Development Committee;
- Community Safety Committee;
- Corporate Services and Legal Committee;
- Environmental Development Committee;
- Finance Committee;
- Health and Social Development Committee;
- Human Settlements Committee.
- Roads and Transport Committee;
- Sports, Heritage, Recreation, Arts; Culture Committee; and
- Water and Energy Committee.

#### 4.1.4 Secretary to Council

The Secretary to Council is the administrative head of the Legislature and reports functionally to the Speaker of Council and administratively to the City Manager. The Secretary to Council is responsible for leading and coordinating all functions relating to the Office of the Speaker, Office of the Chief Whip of Council, Office of the Chair of Chairpersons, Office of the Opposition and Office of Minority Parties.

#### 4.1.5 Councillors

EMM has a total of 202 Councillors, which include 101 elected Ward Councillors and 101 appointed Proportional Representative Councillors. Each of the 101 Ward Councillors chairs a Ward Committee as part of the Ward Participatory System that encourages participation at a community level. Ward Councillors, as representatives of wards, have a responsibility to make sure that the voices of the communities in their respective wards are heard in Council and its structures. They are also responsible for

creating a two-way link between these communities and Council; and thus have direct access to the Speaker of Council. Furthermore, Public Participation and Petition's Committee also serves as a conduit of community issues (in dealing particularly with petitions) in collaboration with other Section 79 Committees of Council.

#### 4.1.6 Political Decision Making

The highest decision making structure in the municipality is Council which is made up of 202 Councillors sitting in plenary. It is empowered by section 160(1) of the Constitution to make decisions concerning the exercise of its powers and the performance of its functions, and by section 59 of the Municipal Systems Act to delegate some of its powers to any of the municipality's political office bearers, political structures, Councillors or staff members in accordance with an approved system of delegations. In accordance with these provisions, Council adopted a Separation of Powers governance model wherein the legislative and executive powers and functions are separated by delegating the executive powers and functions to the Executive Mayor and the Mayoral Committee. The legislative powers and functions remain with Council which it exercises through section 79 committees. Section 79 committees, in the main, oversee and scrutinise the exercise of the delegated executive powers and functions, and hold the Executive Mayor and Mayoral Committee accountable for such exercise.

A distinction is drawn on how Council deals with delegated matters on which the Executive Mayor and Mayoral Committee have the authority to make decisions and implement, and non-delegated matters on which Council retains the powers to make the final decision. In this regard, Council adopted a process-flow which determines the process the Programming Committee will follow when these matters are tabled for referral either to Council or section 79 committees. In terms of the approved process-flow, non-delegated matters are generally referred to section 79

committees which must scrutinise prior to recommending a decision to be adopted by Council. Delegated matters on which decisions have been made and such decisions are reported to Council as the delegating authority in accordance with section 63 of the Municipal Systems Act, go straight to Council and may be referred to section 79 committees where Council is of the view that the matter needs deeper scrutiny than can be conducted in a Council meeting. This system has the effect of prolonging decision making by Council, but most importantly results in greater scrutiny and accountability in the exercise of Council's powers and functions.

Furthermore, in order to eliminate unnecessary debate in the Council meetings, the multi-party whippers meet prior to every Council meeting to thrash out those matters on which there is agreement and try as far as possible to come to an agreement on those matters where the disagreements are not on substantive policy issues. This assists in expediting decision-making and fosters deepened debate on those matters on which there are major policy differences.

Finally, once Council has resolved on matters as recommended by section 79 committees, each committee follows up with the portfolio department it oversees on the implementation of Council resolutions. Moreover, the Executive Mayor is required to, on a quarterly basis, report to Council progress on the implementation of all Council resolutions. This results in improved service delivery as it ensures that Council decisions are implemented and where there are difficulties these are reported to Council for its intervention.



## POLITICAL STRUCTURE : LEGISLATURE



FIGURE 1: POLITICAL STRUCTURE: LEGISLATURE

## 4.2 Political governance – Executive Arm

### 4.2.1 Executive Governance

The Executive is made up of the Executive Mayor, Cllr. Mondli Gungubele; assisted by a 10-member Mayoral Committee and the Leader of Executive Business. The Executive constitutes Council's policy and programme implementation arm. The Municipal Systems Act defines "executive authority" in relation to a municipality to mean the "municipality's executive authority envisaged in Section 156 of the Constitution" (read with Section 11 of this Act). Section 156 of the Constitution defines the executive role as the administration of local government matters and any other matters delegated to it by the national and provincial governments.

### 4.2.2 Mayoral Committee

Section 60 of the Municipal Structures Act provides for the establishment of a Mayoral Committee when a Municipal Council has more than nine members. The Executive Mayor appointed a Mayoral Committee from among elected Councillors. The City's Mayoral Committee performs those duties of the Executive Mayor's powers and functions as may be designated by the Municipal Council, exercising these powers and performing associated tasks in support of the Executive Mayor. The City's Mayoral Committee ensures that services are delivered effectively and improve efficiency, enhance credit controls and revenue, and strengthen administration of the municipality. Each year, the Committee must report on community involvement and ensure that due regard is given to views of the public during consultations.

### 4.2.3 Leader of Government Business

With the separation of the executive and legislative functions, a position - the Leader of

Executive Business – was created to liaise between the Legislature and the Executive. The Leader of Executive Business represents the Executive in Council and the position is occupied by a member of the Mayoral Committee, currently MMC Moses Makwakwa.

### 4.2.4 Cluster Approach

To coordinate operations, and to transcend operational boundaries, the City adopted a cluster configuration to the City departments. The adopted cluster approach ensures developmental continuity and seeks to influence integration of related functions and operations within the City.

## POLITICAL STRUCTURE : EXECUTIVE



**FIGURE 2: POLITICAL STRUCTURE: MAYORAL COMMITTEE**

## 4.3 Administrative Governance

### Executive Management Team

Mr Khaya Ngema is the City Manager appointed by Council in terms of Section 82 of the Municipal Structures Act, and is designated as the Accounting Officer and the Administrative Head of the City. The responsibilities of the City Manager include the management of financial affairs and service delivery in the municipality.



The City Manager, in discharging his duties in line with the principles of good governance and legislative requirements, has established administrative committees, which are as follows:

- The Strategic Management Committees (SMT/EXCO) are constituted as executive management committees of the EMM. The duties and responsibilities of the members are in addition to those as HODs. The deliberations of the SMT do not reduce individual and collective responsibilities of the City Manager and HODs with regard to their fiduciary or administrative duties and responsibilities, and they must continue to exercise due diligence and good judgment in accordance with their statutory and contractual obligations.

The following committees have been established as committees of the SMT:

- Bid Specification, Evaluation and Adjudication Committees are legislated committees in terms of Section 168 of the MFMA of Supply Chain Regulations. No Councillor serves on or in any manner participates in the Bid Committees or any other committee evaluating or approving tenders, quotations, contracts or other bids.
- ICT Steering Committee deals with IT governance and risk related issues.
- The Development Facilitation Committee's role is to develop extraordinary measures to facilitate and speed up the implementation of construction and development programmes and projects in relation to land and to lay down general principles governing land development. In addition, the committee must also hear and decide on development applications within the municipality's boundaries.
- Governance, Risk and Compliance Committee deals with issues related to governance, ethics, risk, compliance and assurance.
- IDP, Budget, Assets and Liabilities Committees deal with administration issues related to budget and IDP, and provide reports to the Executive Budget Committee.

**TABLE 1: DEPARTMENTS AND FOCUS AREAS**

Cluster	Department/ Entities	Focus areas
<p>Growth and development infrastructure</p> 	<p>Transport BBC ERWAT Water and Sanitation Energy Roads and Stormwater Human Settlement EDC</p>	<ul style="list-style-type: none"> <li>• Provision and security of water and energy</li> <li>• Sustainable human settlements</li> <li>• Transport planning and provisioning and non-motorized transport</li> <li>• Solid waste management and keeping the city clean.</li> <li>• Upgrading roads and storm water system.</li> <li>• Job Intensive economic growth</li> <li>• Small business, entrepreneurship and informal economy</li> <li>• City of the future</li> </ul>
<p>Social service</p> 	<p>Health and Social Development EMPD DEMS</p>	<ul style="list-style-type: none"> <li>• Community Safety</li> <li>• HIV/AIDS and non-communicable diseases</li> <li>• ECD, ABET and learning</li> <li>• Food Security and poverty Support</li> <li>• Social cohesion</li> </ul>
<p>Finance and Corporate services</p>	<p>Real Estate; Finance Human Resources; ICT Customer Relations Management Fleet; Risk Management Communication and Branding Management</p>	<ul style="list-style-type: none"> <li>• Good Corporate governance</li> <li>• Civil collaboration and participation</li> <li>• Assets Management</li> <li>• Financial sustainability</li> <li>• Continuous communication</li> </ul>

## 5. COOPERATE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Municipal Finance Management Act section 166 committee states that each municipality is obligated to establish an independent Audit Committee in terms of section 166 of the MFMA, as amended. The Audit Committee advises the municipal Council, political office

bearers, Accounting Officer and managerial staff on matters relating to:

- The Auditor-General and other external auditors;
- Systems of internal control (including internal financial control) and internal audit;
- Accounting policies;
- Performance management and effective governance;
- Compliance with MFMA and all applicable laws and regulations. information technology; and
- Any other issues referred to it by the municipality.



The committee is further required to review the annual financial statements (and the Auditor-General's audit report) in order to provide Council with an authoritative and credible view of the municipality's financial position, its efficiency and effectiveness as well as its overall level of compliance with applicable legislation. Such review also enables the committee to respond to Council on any issues raised by the Auditor-General in the audit report. The Audit Committee does not have executive responsibility, and acts primarily in an oversight capacity.

The Audit Committee does not perform any management functions or assume any management responsibilities. The membership, resources, responsibilities and authorities (composition, functions and operations) required by the Audit Committee to perform its role effectively are stipulated in the Audit Committee terms of reference, which are approved by Council. The committee is constituted in terms of the requirements of sound corporate governance practices, and operates within that framework.

## Intergovernmental Relations

Ekurhuleni intergovernmental relations are centred on interactions with the national, provincial, local government spheres of government together with the state owned entities as prescribed in the legislation.

It is through such structures that EMM advances its developmental duties as per the provisions of the Constitution of the Republic of South Africa. EMM participates in national and provincial development programmes so as

to structure and manage its planning, budgeting and implementation processes to align itself with the national provincial requirements. This is done while also giving priority to the provision of basic needs and advancing its development objectives. The Intergovernmental Relations (IGR) Unit which is located within the Office of the City Manager coordinates and facilitates the IGR functions of EMM. EMM has a functional internal Intergovernmental Relations Forum wherein various departments submit annual IGR agenda. The forum convenes monthly and departments are required to submit reports of their respective IGR activities.

**TABLE 2: IGR**

<b>NATIONAL</b>			
<b>DEPARTMENT</b>	<b>MEETING</b>	<b>PURPOSE</b>	<b>VALUE</b>
<b>ENVIRONMENT DEVELOPMENT</b>	<b>MITEC-Minister MEC's Technical Meeting</b>	Intergovernmental implementation forum-environmental issues	Sharing of expertise, experience and technical know-how
	<b>MINMEC and MINTECH:</b> (Intergovernmental forums comprising the DG and Minister of Environmental Affairs and all the MECs and DGs of the provinces Meeting held on a quarterly basis)	The forum considers items submitted from the Working Groups and makes key decisions relating to these items	Helps municipalities keep abreast of all environmental matters discussed by the Working Groups as well as progress on Outcome 10 of the MTSF
	<b>Working Group 1: Biodiversity And Conservation</b> (Meeting held on a quarterly basis. Municipalities are there by invitation and observatory capacity)	Discusses biodiversity/conservation related matters	Helps municipalities keep abreast of any biodiversity/conservation related matters
	<b>Working Group 2 : Air Quality</b> (Meeting held on a quarterly basis. Municipalities are there by invitation and observatory capacity)	Discusses air quality matters	Helps municipalities keep abreast of air quality matters
	<b>Working Group 3 : Planning And Coordination</b> (Meeting held on a quarterly basis. Municipalities are there by invitation and in observer capacity.)	Discusses environmental planning & coordination related matters	Helps municipalities keep abreast of environmental planning & coordination matters
	<b>Working Group 4 : Compliance And Enforcement</b>	Discusses environmental compliance and	Helps municipalities keep abreast of environmental compliance and enforcement matters

NATIONAL			
DEPARTMENT	MEETING	PURPOSE	VALUE
	(Meeting held on a quarterly basis. Municipalities are there by invitation and in observer capacity)	enforcement related matters	
	<b>Working Group 5 and 7 : Environmental Impact Management and Water Affairs</b> (Meeting held on a quarterly basis. Municipalities are there by invitation and observatory capacity)	Discuss environmental impact management and water related matters	Helps municipalities keep abreast of environmental impact management and water matters
	<b>Working Group 10: IGCCC Climate Change</b> (Meeting held on a quarterly basis. Municipalities are there by invitation and in observer capacity)	Discusses climate change related matters	Helps municipalities keep abreast of climate change matters
	<b>Working Group 11: Advisory Committee On Environmental Policy And Law Reform</b> (Meeting held on a quarterly basis. Municipalities are there by invitation and in observer capacity)	Discusses environmental legislative matters	Helps municipalities keep abreast of any changes in environmental legislative/policy matters

PROVINCIAL			
DEPARTMENT	MEETING	PURPOSE	VALUE
ENVIRONMENTAL	<b>MEC-MMC Intergovernmental Forum</b>	The province and the municipalities discuss matters of mutual interests	Helps in achieving Intergovernmental alignment
	<b>EIA forum meeting</b> (Meeting is held between EMM, GDARD and DWA. The meetings are chaired by ERM. The meetings are held the first Thursday of every month)	Discusses EIA-related application in the EMM area to see how to fast-track EMM EIA applications	Helps in facilitating service delivery

## 6. OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

In pursuit of promoting public accountability and broadening public participation, EMM demonstrated a strong commitment on community-centred participatory approaches in the management of the municipality. Extensive involvement of communities in municipal planning through established institutional arrangements demonstrated EMM's commitment to the promotion public accountability. In this regard, significant strides were made in engaging communities through the utilisation of various governance structures at both the Executive and Legislative components of Council. This ensured active participation of communities in the development of their areas and also ensured that the municipality is accountable to the public. Amongst others, the following included the initiatives undertaken to demonstrate the municipality's commitment to providing the community with information concerning issues of municipal governance, management and development:

### 6.1 IDP and Budget Engagements

- IDP review meetings were held in September 2014, April 2015 and budget meetings, during May 2015, as a means to consult communities and thus allowing them to prioritise their needs for consideration in the planning of the business of the municipality;
- These consultation sessions were held in all 20 community Customer Care Centres (CCCs) with Ward Committees from all wards participating and thus bringing municipal service provision deliberations closer to the people, as a way of broadening meaningful community participation.
- This led to significant benefits with regards to effective resource targeting based on realistic community needs;
- Both the Ekurhuleni Metropolitan Municipality's IDP and Budget process draft reviewed Integrated; Development Plan (IDP) for the period 2014-2019 and the draft Multiyear Budget 2014/2015 2016/2017 were open for comment by the public during the period of 31 March- 30 April 2014;
- The documents were open for discussion at all public libraries, and Customer Care Centres and were well-advertised to raise public awareness;
- The format of the IDP and Budget engagements has consistently remained unchanged resulting in marked improvements in respect of community participation and accountability. Remarkably, this has led to a better understanding of EMM processes with community members able to follow various stages of development and crucially enabled to oversee programmes and developmental initiatives implemented in their wards;
- The community engagements, amongst others, in the IDP and monitoring of Council projects have been invaluable in enabling critical information to flow to communities about the work of Council and the overall service delivery mechanism of EMM. The communities were provided an opportunity in these fora to submit and have their issues considered with a view to have them addressed.
- As part of the Ward Participatory System, EMM adopted the ward committee system where community members through their various and respective sectors - are elected to serve. Ward Committees play a pivotal role in encouraging participation of the communities in matters of governance

particularly in Council programmes and service delivery initiatives. Through the ward committee system community inputs, concerns and comments are processed for the attention and consideration of EMM departments.

- Monthly Ward Committee meetings were held and various issues were discussed, including issues that are understood to be critical and urgent, and issues that are long term including the IDP budget planning processes for example, road construction.
- The issues raised were then administratively collated, processed and referred to the departments through the offices of the Customer Relations Management
- These meetings served as the platform for interaction, engagement and sharing of information. Not only Ward Committees are meeting monthly, these meetings are effectively used as platforms for community participation as well as feedback loops for EMM to share information, communicate programmes and advance community development throughout Ekurhuleni.
- Members of the Ward Committees used their status to establish sub-committees to work with communities in the advancement of the sectors they serve.

## 6.2 Petitions

- In an attempt to respond adequately to the community concerns, the municipality introduced the Petitions Office to handle all the petitions received from community members within the City. Upon receipt, these petitions are forwarded to the departments concerned, which will address them and send their responses to the Petitions Office.
- There is also a Petitions Committee which is composed of Councillors and is chaired by a Councillor. Representatives from various relevant departments are also invited to attend these meetings. This

committee meets monthly to discuss and address all petitions received by the municipality. When it is deemed necessary, Hearing Meetings with respective petitioners are arranged.

- The Petitions Committee also conducts public hearings in certain wards when it is deemed necessary.
- Over the year under review, a total of 155 petitions were received, 21 were resolved and 84 are still outstanding. In the main, these petitions were mostly about service delivery related issues.

The above engagements assisted Council I that it:

- provided a crucial platform for public participation and accountability in the process encouraging meaningful engagements with the EMM's departmental initiatives
- provided an in-depth understanding of the service needs of the communities
- led to significant improvements in the prioritisation of the community needs in the planning processes of the municipality
- contributed significantly in the issue identification incorporated in the IDP and also influenced budget allocations for EMM programmes such that the community got to understand what it involves to plan and deliver on commitments made by the municipality as well as understand the administrative processes of the municipality
- provided a feedback loop between the municipality and the community
- facilitated mutual beneficial engagements between the municipality and the community
- promoted municipal service information dissemination and flow
- Served as means for early warnings and learning thus influencing improvements on operations required for efficiency gains.

## 7. COMMUNICATION, PARTICIPATION AND FORUMS

Public participation is the cornerstone of democracy and it is a strategic priority of EMM in its endeavour to achieve clean and inclusive governance. Ward Committees are the legitimate structure for enhanced communication and public participation with EMM and also serve to report annually on the involvement of communities, as well as organized formations, in the affairs of the municipality. As the face of the ward, the ward Councillor engages directly with the ward community using public meetings to encourage community participation and communicating various ward issues for the attention of municipal departments. Amongst the communication vehicles available, the Mayoral Imbizos, normally held on a quarterly basis, presents EMM with an opportunity to engage communities on the progress of the IDP/SDBIP implementation. Other vehicles for communication and participation include:

- The petitions management system
- Outreach programmes such as Taking Legislature to the People
- Sub-committees established by Ward Committees
- Project specific forums
- Supporting National and Provincial initiatives

### 7.1 Ward Committees

A total of 101 Ward Committees were established in 2012, and only 3 have been dysfunctional during by the end of 2014/15 financial year. During the period under review, monthly ward committee meetings were convened and served as the platform for interaction, engagement and sharing of information. A number of Ward Committees have established sub-committees. Administrative and logistical support for the functioning of Ward Committees has

improved. The stipend for the members of Ward Committees was increased from R350 to R1000 a month.

Ward Committees serve as a vehicle for community participation in municipal planning. These committees provide a platform to communicate and consult with communities on all development related issues. During this process, projects are identified to improve the lives of the people of Ekurhuleni. In addition, a Ward Councillor is provided with a platform to gather community needs to influence Council decisions and provide feedback on community issues and needs to Council, provincial and national governments.

During the 2014/15 financial year, a series of public meetings were held to address amongst others, the following issues:

- provided, informed and engaged the affected communities with related information pertaining to the implementation of projects such as the constructions of RDP houses, local clinics and a number of roads;
- assisted communities with crime related information in the form of specific criminal conducts prevalent in the areas and preventative measures that can be undertaken to curb crime;
- Discussed sewer blockages, pipe burst and storm water drainages, dealt with illegal dumping, malfunctioning of high mast lights, between the communities and the municipality and improved service provision. In particular, the engagements created an environment for interests groups and key stakeholders to engage and participate meaningfully in the business of the municipality.

The public meetings held, especially those of ward committees, assisted and proved to be effective in:

- Soliciting community needs and prioritising these needs in the Council



IDP, budget and various programmes and projects,

- Served as a platform for dissemination of Council information, such as progress on the implementation of projects and programmes to communities.
- Creating a platform for Ward Councillors to receive community grievances and provide the required assistance,
- Serving as a forum for deliberation on sectorial issues and providing clarity on how these could be resolved through various municipal interventions,
- Serving as a way of providing information to communities on various municipal activities, and enhancing development planning because community development needs are identified, discussed and prioritised through the service delivery processes of the municipality.

## 7.2 Petitions Process

The petitions process, which is an important public participation process for Council as it is used by communities to directly communicate with Council on pressing issues that seek an urgent attention of the municipality, was established and is functional. To this end, monthly PPP Committee meetings were convened to consider all petitions. In addition to the meetings, the Committee holds hearings and inspections to satisfy itself on the required interventions for the satisfaction of the communities. The statistics below represents the details about the petitions received:

- Of the 155 petitions received 21 were resolved. The outstanding petitions are receiving urgent attention
- Council conducted 11 hearings directly with the respective petitioners. In addition, 2 public hearings were held and 4 site inspections were conducted.

## 8. IDP PARTICIPATION AND ALIGNMENT

IDP engagements with communities with regard to the planning and/or preparation phase for the IDP meetings involved an array of arrangements for the various meetings. The Legislature's role in the IDP has not changed since the introduction of the separation of powers model being adopted by Council.

As such, the Legislature's involvement in the IDP process entailed:

- Planning during preparatory meetings on the level of administrative and logistical support that would be provided
- Distribution of invitations to ward committee members to attend IDP sessions
- Prior to the commencement of IDP meetings, ward councillors conducted public meetings where they informed and invited ward communities to attend their respective IDP meetings.
- Administratively, the issues during the IDP sessions were captured for the attention of the departments, thereafter the issues collated, consolidated and forwarded to the relevant CRM office

**TABLE 3: IDP PARTICIPATION**

DATE	CCA	VENUES	NR of Wards
10 September 2014	Daveyton	Victor Ndazilwane Community Hall	4
10 September 2014	Kwathema	Kwa-Thema Hall	6
10 September 2014	Katlehong 1	Tsolo Hall, 483 Thulo Street, Tsolo – Katlehong	7
10 September 2014	Alberton	Brackenpark Hall, Brackenhurs	5
10 September 2014	Brakpan	Indoor Sports Centre	5
10 September 2014	Boksburg	Boksburg Civic Hall	4
10 September 2014	Tembisa 1	Council Chamber Tembisa 1 Civic Centre	6
10 September 2014	Nigel/Duduza	Duduza Church Hall	5
10 September 2014	Edenvale	Edenvale Community Centre	4
11 September 2014	Germiston	Dinwiddie Hall	8
11 September 2014	Benoni	Benoni Council Chambers	5
11 September 2014	Springs	Springs Supper Hall	3
11 September 2014	Tsakane	Tsakane Community Hall	5
11 September 2014	Thokoza	Phola Park Hall	5
11 September 2014	Vosloorus	Vosloorus Civic Centre	8
11 September 2014	Kempton Park	Council Chambers, Kempton Park Civic Centre	5
11 September 2014	Tembisa 2	Olifantsfontein Community Hall	7
11 September 2014	Katlehong 2	Palmridge Hall	6
11 September 2014	Etwatwa	Tshepo= Themba Multi-purpose Centre	5

## 9. RISK MANAGEMENT

Section 62(1) (c) (i) of the Municipal Finance Management Act compels the Accounting Officer to establish and maintain, among others, a system of managing the risks which the municipality is faced with. EMM has instituted a system of risk management for the municipality to provide some assurance that risks across all functions and levels that may have an impact on the achievement of the municipality's objectives are adequately and proactively anticipated and mitigated.

A Risk Committee was established as part of the institutional arrangements for the governance model adopted. The Risk Committee comprises of independent external members and it oversees the entire risk management system of the municipality. EMM's Audit Committee also supports the Risk Committee in its risk oversight role.

The Risk Management Policy is in place and has undergone revision during the financial year under review. The Risk Management Policy, together with the Risk Management Framework are the foundations upon which the entire system of risk management is governed and facilitated. In fulfilling the growth and service delivery imperatives encapsulated in the EMM's GDS and SDBIP, the risks that are strategic in nature were identified and mitigation thereof was monitored and reported throughout the year. The top 5 risks, as well as the mitigation measures, are depicted in the table below.






EMM is committed to integrity-based performance that protects and enhances its stakeholder value and reputation. It recognises the essential role that compliance with applicable regulatory requirements plays in the governance and sustainability of its business. The Compliance Policy has been developed and implemented during the financial year under review. It seeks to facilitate the detection and prevention of non-compliance to regulatory requirements and provides for processes and systems that facilitates the management of compliance risk

and enhances regulatory compliance assurance.

The environment is one of the 10 strategic risks identified in the current strategic risk profile of the institution. The following four specific environmental risks were identified:

- ERM01: High levels of non-compliance to environmental laws and regulations by EMM Departments;
- ERM02: High levels of external non-compliance to environmental laws and regulations;
- ERM03: Vulnerability to the impact of climate change; and
- ERM04: Increase in land, water and air pollution levels.

These risks can lead to further deterioration of the environment, loss of biodiversity, reputational damage, legal sanctions and the endangerment of life and property.

	Strategic Risk Category	Risk Mitigation Plan
1	<b>ICT</b>  <ul style="list-style-type: none"> <li>✓ Governance of ICT in the EMM</li> <li>✓ Availability of IT systems due to unstable network environment</li> <li>✓ Insufficient security on ICT infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>✓ ICT Stabilisation Programme</li> <li>✓ Digital City Project</li> </ul>
2	<b>People</b>  <ul style="list-style-type: none"> <li>✓ Failure to attract and retain critical skills.</li> <li>✓ Vacancies and over reliance on contractors</li> <li>✓ Low productivity and poor performance standards.</li> <li>✓ Aging personnel in critical service areas.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Institutional review</li> <li>✓ Review and implementation of revised HR Policies addressing areas such as skills retention, skills attraction, recruitment, and employment equity</li> </ul>
3	<b>Infrastructure Adequacy</b>  <ul style="list-style-type: none"> <li>✓ Failure to reduce and eradicate infrastructure backlog.</li> <li>✓ Accelerated ageing infrastructure.</li> <li>✓ Inadequate economic growth stimulation infrastructure.</li> <li>✓ Poor logistical infrastructure that leads to high cost of doing business</li> <li>✓ Increase and Continuing Urban Decay</li> </ul>	<ul style="list-style-type: none"> <li>✓ Implementation of the IRPTN Project</li> <li>✓ Conceptualization and implementation of the Aerotropolis</li> <li>✓ Infrastructure maintenance programmes</li> </ul>
4	<b>Revenue Completeness</b>  <ul style="list-style-type: none"> <li>✓ Increase in water losses,</li> <li>✓ Inaccurate billing.</li> <li>✓ Sustainability of EMM electricity Tariff structure</li> <li>✓ Failure to reduce the number of developed unmetered properties.</li> <li>✓ Electricity non-technical losses</li> <li>✓ Traffic licensing system service provider</li> </ul>	<ul style="list-style-type: none"> <li>✓ Revenue enhancement programme</li> </ul>
5	<b>Governance Risk</b>  <p>Inadequate fraud &amp; corruption prevention and response mechanisms to acts such as:</p> <ul style="list-style-type: none"> <li>✓ Fraud &amp; Corruption) Illegal connections</li> <li>✓ Theft of movable assets</li> <li>✓ Facilitation fees</li> <li>✓ Bribery</li> <li>✓ Fronting</li> <li>✓ Cover Quoting</li> <li>✓ Collusion</li> <li>✓ Financial statement fraud</li> </ul>	<ul style="list-style-type: none"> <li>✓ Implementation of the revised Supply Chain Management Policy</li> <li>✓ Revision of the Anti-Fraud &amp; Corruption Policy and processes of the EMM</li> <li>✓ Development and implementation of the Compliance Policy</li> </ul>

**GRAPH 1: STRATEGIC RISK CATEGORY**

## 10. FRAUD AND ANTI-CORRUPTION STRATEGY

EMM embarked on a fraud, corruption and ethics risk assessment, which was rolled out in various phases throughout the municipality. These phases included the review of the current EMM Anti-corruption and Fraud Policy and Strategy, conducting a full ethics/fraud risk assessment, the development of a fraud and corruption prevention plan, the development of the fraud and ethics risk register and awareness programmes.

The ethics and fraud assessment is essential in identifying areas where the municipality is susceptible to fraud, corruption and unethical practices as well as developing a fraud prevention plan and other mitigating programs. The objective of anti-corruption and ethics assessment is to eliminate fraud, corruption, theft and maladministration activities that may or could happen.

As part of this assignment, the anti-fraud and corruption policy and strategy was revised according to the regulatory framework. This policy sets out the position of EMM to fraud as well as reinforcing existing regulations aimed at preventing, reacting to, and reducing the impact of fraud, corruption, theft and maladministration where these dishonest acts subsist. The Anti-fraud and Corruption Strategy incorporates prevention, detection, investigation and resolution on fraud and corruption. The municipality also has a fraud prevention plan in place which guides operations.

The current policies are being applied and the fraud and corruption risks are managed within the provision of the Enterprise Risk Management Policy. A full ethics and fraud risk assessment has been completed together with mitigation strategies and controls. The fraud and corruption prevention strategy has been developed and has been based on the ethics and risk profile of the departments. The fraud prevention response

plan sets out clear procedures on how to address control deficiencies with clearly defined roles and responsibilities. Training and awareness campaigns will be launched to embed the culture of ethics in the organization and the fraud prevention plan will be rolled out in the next financial year.

All officials are responsible for reporting all incidents and allegations of maladministration; fraud and corruption to the Internal Audit department. Internal Audit is driving this process of investigating and finalizing a number of cases of fraud, corruption and maladministration. Cases of corruption or maladministration have been investigated and reports have been handed over to relevant departments to implement the recommendations emanating from investigations. Where it was recommended that charges be laid with the SAPS, Department Heads are advised to action.

EMM also encourages members of the public or providers of goods and/or services who suspect fraud and corruption to contact the relevant department or any other member of management to report such incident. Any fraud and corruption committed by an employee or any other person will be pursued by thorough investigation and to the full extent of the law, including:

- Taking disciplinary action within a reasonable period of time after the incident;
- Instituting civil action to recover losses;
- Initiating criminal prosecution by reporting the matter to the SAPS or any other relevant law enforcement agency; and
- Any other appropriate and legal remedy available.

The Ethics Office is currently being given priority and key positions together with the integrity management committee have been identified and established. Governance Risk and Compliance (GRC) officials within EMM have been identified as ethics champions who will be responsible for monitoring ethics and fraud within respective departments and reporting into the Risk and Audit Committees.

## 11. BY-LAWS

**TABLE 4: BY-LAWS**

<b>By-laws Introduced during Year 2013/2014</b>					
<b>Newly Developed</b>	<b>Revised</b>	<b>Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)</b>	<b>Dates of Public Participation</b>	<b>By-Laws Gazetted* (Yes/No)</b>	<b>Date of Publication</b>
	STANDING ORDERS BY-LAW	Council took an "In Principle" resolution per item A-RC (28-2014) of 26 March 2015. A legal Notice of intention was published in the News media and the Provincial Gazette on 22 April 2015.	The advertisement allowing for Public participation closed on the 22 May 2015	Not yet.	
ESTABLISHMENT OF THE OFFICE OF THE OMBUDSMAN WITHIN EKURHULENI METROPOLITAN MUNICIPALITY BY-LAW		Council took an "In Principle" resolution per item A-CORP (31/2015) on the 25 June 2015. The process of publishing a legal Notice of intention is in progress.	17 July 2015	In process	ESTABLISHMENT OF THE OFFICE OF THE OMBUDSMAN WITHIN EKURHULENI METROPOLITAN MUNICIPALITY BY-LAW

The Gauteng Rationalisation of Local Government Affairs Act requires Council to conduct a periodic review of its existing by-laws to determine their effectiveness and relevance. In accordance therewith and as part of their oversight responsibilities, Section 79 Oversight Committees included a target in their annual performance plans to review by-laws implemented and administered by the portfolio departments for which they are

responsible. During the year under review, sixteen erstwhile towns by-laws were reviewed by Section 79 Oversight Committees and departments required to repeal same and where necessary table replacement by-laws which will apply to the entire jurisdiction of Ekurhuleni Metropolitan Municipality. Furthermore, having implemented the Standing Orders by-law since the start of the term of Council and



having learnt valuable lessons, the Rules Committee initiated the review thereof. Council expressed its intention to amend the by-law and a proposed amended Standing Orders by-law was published for public comment in April 2015. No comments were received by the closing date for comments. Therefore, the Rules Committee, in its next meeting, will be finalising the draft by-law for tabling in Council, which will only happen in the next financial year.

## Nature of Public Participation Conducted:

Once Council takes an 'In Principle' resolution approving a draft By-law, the draft By-law is then advertised for public participation. The advertisement is placed in the Provincial Government Gazette; three (3) newspapers circulating in the Municipal area; all Municipal notice boards; at all EMM Libraries and, Customer Care Centre offices for a period of 30 (thirty) days for inspection by Ekurhuleni communities. The public participation process allows for an engagement with relevant stakeholders, allowing communities to inspect the draft By-law and render comments. Thereafter, the responsible municipality re-submits the draft By-law with all comments received to Council for final approval. The promulgation process of the Council approved By-law then follows."

## Enforcement:

The enforcement process commences once the by-laws are promulgated in the Provincial Gazette. In this process, by-law contraventions and road traffic infringements are presented to the presiding officer (usually chief or senior magistrate) at the Magistrates' Courts within the defined geographical jurisdiction.

An EMM prosecutor delegated with prosecutorial authority by the NPA or State Prosecutor will then launch the matters in Court. In complying with Council Resolution **A-CORP (117-2010) of 25 November 2010**, the EMM has established four Municipal Courts in order to create an internal mechanism for the enforcement of by-law contraventions and road traffic infringements.

These Courts were piloted and are now ready to enrol matters at the Court buildings of the Department of Justice where the Municipal Courts of the EMM have currently been allocated space at Kempton Park, Springs, Benoni and Palmridge.

Workshopping Councillors on the Water and Waste Water Services by-laws, which were revised and reviewed in 2014 and which were initially separate, i.e. Water by-laws and the Waste Water By-laws, was conducted in June 2015. After the review the by-laws were combined. A number of other policies and strategies were compiled and will be approved during the 2015/16 financial year. These include:

- WDM Strategy Plan
- Treated Effluent Reuse Policy
- Rain Water Harvesting Policy
- Treated Effluent Reuse Feasibility Study
- Rain Water Harvesting Feasibility Study
- EMM Water and Sanitation Design Guidelines

EMM is undertaking a project to "green" the bylaws. As part of the consultation process towards the final draft Green EMM bylaws, two rounds of consultation were held. The 1<sup>st</sup> round was held in June & July 2014 and the 2<sup>nd</sup> round was held in March - April 2015. Each round consisted of two internal and external stake holder workshops and 6 public participation meetings in the 6 EMM regions. It is foreseen that the project will be completed in April 2016.

## SERVICE DELIVERY (PERFORMANCE)

## 12. OVERVIEW

### 12.1 Financial Overview

The comparison between the budget and actual results as reflected in the Statement of Financial Performance in the Annual Financial Statements were as follows:

**TABLE 5: FINANCIAL OVERVIEW**

Financial Overview						
Details	2013/14			2014/15		
	Adjusted Budget	Actuals	Achievement	Adjusted Budget	Actuals	Achievement
	R'000	R'000	%	R'000	R'000	%
Operating Income	26,308,871	25,064,763	95.27%	28,082,973	27,396,635	97.56%
Operating Expenditure	25,334,205	23,208,349	91.61%	26,542,969	25,136,442	94.70%
Surplus / (Deficit)	974,666	1,856,414		1,540,004	2,260,193	

The percentage achievement for both income and expenditure in the 2014/15 financial year has improved from the previous financial year. This resulted in an **operating surplus of R2, 3 billion**. The following were the contributions:

- **Operating Income** increased in total with **8.8%** from R25.1 billion in 2013/14 to **R27.4 billion** in 2014/15.
- **Service charges** are the biggest income source amounting to **R16.4 billion** for the 2014/15 financial year. It is reflecting an increase of **10.1%** from the previous year
- **Electricity Income:** The electricity tariff increase for 2014/15 was 7.39%, whilst the actual income increased with 8.15%.
- **Waste Removal Income:** The tariff increase approved in 2014/15 was 8% for all services, which is similar to the increase in the Waste Removal Income of 7.9%.
- **Water Sales:** The tariff increase for 2013/14 was 8.1%. Revenue from the sales of water increased with 12% from

2013/14 to 2014/15, which is a big improvement in terms of efficiency.

- **Sanitation Sales:** The tariff increase for 2013/14 was 8.0%. Sanitation income increased from 2013/14 to 2014/15 with 12.6%, similar to the increase of the water income.
- **Assessment Rate Income** for the 2014/15 financial year amounts to **R3, 8 billion** or 7.0% from the previous year, whilst the tariff increased with 7.5%.
- **Transfers Recognised for Operational**, which is mainly government grant and subsidies is the second biggest source of income amounting to **R5.8 billion**. This amount also included capital grant income. It increased with 7.9% from the previous year.

The **Operating Expenditure** increased by **8.7%** from R23.1 billion in 2013/14 to **R25.1 billion** in 2014/15, as reflected in the Statement of Financial Performance in the Annual Financial Statements.

The actual expenditure spent is 94.65% of the budgeted expenditure, or a **deviation of 5.35%**.

The Employee Related Expenditure decreased with 0.8% despite an annual salary increase of 6.8%. The lower amount spent on salaries is a result of the increase in the number of vacancies.

The amount provided for Debt Impairment provided in 2014/15 is R2.0 billion. It is based on the calculation of doubtful debt in terms of Council's Debt Management policy. It reflects a significant increase from the previous year as a result of the increased amount of debt older than 180days.

The actual spending on Repair and Maintenance decreased marginally in 2014/15. The actual spending of R1.3 billion is 75% of the budgeted amount of R1.7 billion, or a deviation of 24% less than budgeted. The

biggest deviation of the services departments that reflected an under spending is Roads and Stormwater which only spent 51% of the budget. The Water Services spent 55% of the annual budget.

Bulk purchases increased with 7.73% from the previous year. This increase should be viewed in lieu of the Eskom increase of 8.02% and 8.1% in the price charged from Rand Water. The fact that the actual increase is less than the bulk tariff increases is an indication in the decrease of demand, especially in respect of the electricity service.

The **Capital Expenditure** for 2014/15 amounted to **R3.1 billion**. The Capital Expenditure in the previous year amounted to R2.6 billion. Capital expenditure therefore increased with is 17% more than the previous year. This represents a capital spending of 80.54% of the budgeted amount.

**TABLE 6: TOTAL CAPITAL EXPENDITURE**

<b>Total Capital Expenditure: Year 2012/2013 to Year 2014/2015</b>			
	<b>R'000</b>		
<b>Detail</b>	<b>Year 2012/2013</b>	<b>Year 2013/2014</b>	<b>Year 2014/2015</b>
Original Budget	2,650,708	2,980,933	3,790,366
Adjustment Budget	2,557,739	2,987,419	3,810,950
Actual	2,370,437	2,612,301	3,069,164
% Capital Spent based on <b>Original Budget</b>	89.4%	87.6%	81.0%
% Capital Spent based on <b>Adjustment Budget</b>	92.7%	87.4%	80.5%

The Total **Cash and Cash Equivalents** at the end of the financial year increased from R5,894,540,499 on 30 June 2014 to **R7,701,376,113** on 30 June 2015, which is an increase of R1,807,310,747 in the 2013/14 financial year.

The average **collection rate** for billed customers for the 2014/15 financial year is **92.63%**, which is below the target of 93%. Though the collection rate is below the target it is an improvement from the average collection rate of 90.14% in the 2013/14 financial year.

**TABLE 7: OPERATING RATIOS**

Operating Ratios		
Details	2013/2014	2014/2015
	%	%
Employee Cost	20.5%	19.4%
Repairs & Maintenance	8.6%	8.1%
Finance Charges	2.5%	2.2%
Depreciation and Impairment	8.5%	8.1%
Finance Charges & Impairment	11.0%	10.3%

The Employee Cost is 19.4% of the Total Expenditure and much less than the guideline of 30%. However, it should be stipulated that the guideline was determined in the years before the drastic increases in the electricity tariffs, which are affecting the general benchmark level. A new level of standard has not yet been determined.

Repair & Maintenance is 8.1% of the Total Expenditure. The guideline must be evaluated not only in comparison with the Total Expenditure, but more appropriately the Repair & Maintenance should be evaluated as a percentage of the Total Property, Plant and Equipment (PPE) as reflected in the Statement of Financial Position. The guideline set by National Treasury is 8% of PPE. Based on the actual Repair & Maintenance spent and the value of PPE as per statement, the percentage for 2013/14 is remaining similar to the previous year of 4.6%. Council has to increase the budget for Repair & Maintenance in future years to achieve the 8% target.

## *Financial Performance and Financial Summary*

### Statement of Financial Performance and Financial Summary

**TABLE 8: STATEMENT OF FINANCIAL PERFORMANCE AND FINANCIAL SUMMARY**

R' 000						
Description	2013/2014	Year 2014/2015			2014/2015 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
<b>Financial Performance</b>						
Property rates	3,534,321	4,134,710	4,134,710	4,067,819	-1.64%	-1.64%
Service charges	14,861,038	16,890,353	16,993,185	16,990,009	0.59%	-0.02%
Investment revenue	370,295	220,043	281,998	501,188	56.10%	43.73%
Transfers recognised - operational	3,823,804	2,683,115	2,812,966	2,643,422	-1.50%	-6.41%
Other own revenue	959,148	2,382,480	2,384,210	2,518,128	5.39%	5.32%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>23,548,607</b>	<b>26,310,701</b>	<b>26,607,068</b>	<b>26,720,567</b>	<b>1.53%</b>	<b>0.42%</b>
Employee costs	5,432,135	5,446,788	5,339,084	4,882,027	11.57%	-9.36%

R' 000						
Description	2013/2014	Year 2014/2015			2014/2015 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Remuneration of councillors	94,141	101,919	101,919	99,977	-1.94%	-1.94%
Depreciation & asset impairment	1,978,922	1,431,820	1,431,820	1,416,612	-1.07%	-1.07%
Finance charges	572,960	706,964	670,458	553,577	27.71%	-21.11%
Materials and bulk purchases	10,821,994	12,646,091	12,856,577	12,250,108	-3.23%	-4.95%
Transfers and grants	1,060,444	1,048,821	1,049,945	879,544	19.25%	-19.37%
Other expenditure	3,247,752	4,812,415	5,041,381	5,400,972	10.90%	6.66%
<b>Total Expenditure</b>	<b>23,208,349</b>	<b>26,194,817</b>	<b>26,491,184</b>	<b>25,482,818</b>	<b>-2.79%</b>	<b>-3.96%</b>
<b>Surplus/(Deficit)</b>	<b>340,258</b>	<b>115,883</b>	<b>115,884</b>	<b>1,237,749</b>	<b>90.64%</b>	<b>90.64%</b>
Transfers recognised - capital	1,516,157	2,003,181	2,043,763	1,647,087	21.62%	-24.08%
Contributions recognised - capital & contributed assets	-	(113,000)	(113,000)	(113,000)	0.00%	0.00%
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>1,856,415</b>	<b>2,006,064</b>	<b>2,046,647</b>	<b>2,771,836</b>	<b>27.63%</b>	<b>26.16%</b>
Share of surplus/ (deficit) of associate	-	-	-	-	0.00%	0.00%
<b>Surplus/(Deficit) for the year</b>	<b>1,856,415</b>	<b>2,006,064</b>	<b>2,046,647</b>	<b>2,771,836</b>	<b>27.63%</b>	<b>26.16%</b>
<b><u>Capital expenditure &amp; funds sources</u></b>						
<b>Capital expenditure</b>	<b>2,612,301</b>	<b>3,790,366</b>	<b>3,810,950</b>	<b>3,620,402</b>	<b>-4.69%</b>	<b>-5.26%</b>
Transfers recognised - capital	1,540,702	2,003,181	2,043,763	2,043,763	1.99%	0.00%
Public contributions & donations	-	-	-	-	0.00%	0.00%
Borrowing	838,118	1,234,110	1,246,032	1,081,543	14.11%	-15.21%
Internally generated funds	233,482	553,075	521,154	495,096	11.71%	-5.26%
<b>Total sources of capital funds</b>	<b>2,612,301</b>	<b>3,790,366</b>	<b>3,810,950</b>	<b>3,620,402</b>	<b>-4.69%</b>	<b>-5.26%</b>
<b><u>Financial position</u></b>						
Total current assets	11,258,186	7,712,353	7,732,351	13,712,878	43.76%	43.61%
Total non current assets	44,790,496	50,738,936	50,759,519	46,142,330	-9.96%	-10.01%
Total current liabilities	6,536,463	4,858,802	4,858,802	7,619,318	36.23%	36.23%
Total non current liabilities	7,851,057	8,878,151	8,878,151	8,292,723	-7.06%	-7.06%
Community wealth/Equity	41,661,162	44,714,335	44,754,917	43,943,166	-1.75%	-1.85%



R' 000						
Description	2013/2014	Year 2014/2015			2014/2015 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
<b><u>Cash flows</u></b>						
Net cash from (used) operating	3,910,406	3,615,986	3,656,568	4,555,355	20.62%	19.73%
Net cash from (used) investing	(2,568,554)	(3,949,177)	(3,969,761)	(3,284,829)	20.22%	-20.85%
Net cash from (used) financing	178,311	918,698	918,698	536,310	71.30%	-71.30%
<b>Cash/cash equivalents at the year end</b>	<b>5,894,540</b>	<b>4,341,321</b>	<b>4,361,320</b>	<b>7,701,376</b>	<b>43.63%</b>	<b>43.37%</b>
<b><u>Cash backing/surplus reconciliation</u></b>						
Cash and investments available	6,674,872	5,122,903	5,142,902	8,698,950	41.11%	40.88%
Application of cash and investments	3,694,823	3,403,254	3,401,973	4,408,602	22.80%	22.83%
<b>Balance - surplus (shortfall)</b>	<b>2,980,049</b>	<b>1,719,650</b>	<b>1,740,929</b>	<b>4,290,348</b>	<b>59.92%</b>	<b>59.42%</b>
<b><u>Asset management</u></b>						
Asset register summary (WDV)	44,063,556	49,879,657	49,900,241	46,624,069	-6.98%	-7.03%
Depreciation & asset impairment	1,978,922	1,431,820	1,431,820	1,629,161	12.11%	12.11%
Renewal of Existing Assets	1,183,988	1,646,797	1,523,240	1,263,430	30.34%	-20.56%
Repairs and Maintenance	1,336,283	2,355,214	2,479,574	2,719,615	13.40%	8.83%
<b><u>Free services</u></b>						
Cost of Free Basic Services provided	518,165	600,287	600,287	1,773,177	66.15%	66.15%
Revenue cost of free services provided	2,137,537	2,331,940	2,322,991	2,526,216	7.69%	8.04%
<b><u>Households below minimum service level</u></b>						
Water:	20	20	21	22	9.54%	3.29%
Sanitation/sewerage:	-	-	-	-	0.00%	0.00%
Energy:	-	-	-	27	0.00%	0.00%
Refuse:	182	182	181	187	3.09%	3.29%

## Financial Performance of Operational Services

**TABLE 9: FINANCIAL PERFORMANCE OF OPERATIONAL SERVICES**

Financial Performance of Operational Services						
Description	2013/2014	Year 2014/2015			2014/2015 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
<b>Operating Cost</b>						
Water & Sanitation Services	(1,212,080)	(1,249,715)	(1,122,598)	(1,646,711)	24.11%	31.83%
Energy	(669,686)	(1,161,941)	(887,454)	(722,740)	-60.77%	-22.79%
Waste Management Services	(406,452)	(230,885)	(114,095)	(258,085)	10.54%	55.79%
Human Settlements	252,683	77,631	83,853	208,592	62.78%	59.80%
<b>Component A: sub-total</b>	<b>(2,035,535)</b>	<b>(2,564,909)</b>	<b>(2,040,295)</b>	<b>(2,418,945)</b>	<b>-6.03%</b>	<b>15.65%</b>
Roads & Stormwater	752,413	1,195,964	1,183,777	987,672	-21.09%	-19.86%
Transport Services	(218,720)	(520,305)	(535,286)	(473,053)	-9.99%	-13.16%
<b>Component B: sub-total</b>	<b>533,693</b>	<b>675,659</b>	<b>648,491</b>	<b>514,619</b>	<b>-31.29%</b>	<b>-26.01%</b>
City Planning	126,325	157,386	171,370	153,561	-2.49%	-11.60%
Economic Development	37,500	75,947	134,303	86,339	12.04%	-55.55%
<b>Component C: sub-total</b>	<b>163,824</b>	<b>233,334</b>	<b>305,674</b>	<b>239,900</b>	<b>2.74%</b>	<b>-27.42%</b>
SRAC: Arts, Culture & Libraries	–	–	–	–	0.00%	0.00%
Environmental Resource Management	24,991	60,564	60,887	52,019	-16.43%	-17.05%
<b>Component D: sub-total</b>	<b>24,991</b>	<b>60,564</b>	<b>60,887</b>	<b>52,019</b>	<b>-16.43%</b>	<b>-17.05%</b>
Health & Social Development	497,725	615,876	625,944	564,407	-9.12%	-10.90%
<b>Component F: sub-total</b>	<b>497,725</b>	<b>615,876</b>	<b>625,944</b>	<b>564,407</b>	<b>-9.12%</b>	<b>-10.90%</b>
Ekurhuleni Metro Police Department	854,677	959,699	901,362	895,438	-7.18%	-0.66%
Fire & Ambulance Services	–	–	–	–	0.00%	0.00%
Disaster Management Services	475,574	510,250	549,938	576,649	11.51%	4.63%
<b>Component G: sub-total</b>	<b>1,330,250</b>	<b>1,469,948</b>	<b>1,451,300</b>	<b>1,472,087</b>	<b>0.15%</b>	<b>1.41%</b>

Financial Performance of Operational Services						
R '000						
Description	2013/2014	Year 2014/2015			2014/2015 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Sport and Recreation	559,679	583,842	595,821	579,806	-0.70%	-2.76%
<b>Component H: sub-total</b>	<b>559,679</b>	<b>583,842</b>	<b>595,821</b>	<b>579,806</b>	<b>-0.70%</b>	<b>-2.76%</b>
Executive and Council	627,653	775,424	609,160	311,482	148.95%	-95.57%
Financial Services	(5,245,085)	(5,146,607)	(5,616,245)	(5,439,025)	5.38%	-3.26%
Human Resource Management	139,901	147,023	141,278	120,323	-22.19%	-17.42%
Information and communication Technology	243,676	303,994	301,661	280,061	-8.55%	-7.71%
Risk Management	12,224	18,673	20,152	20,267	7.87%	0.57%
Real Estate	576,529	601,475	619,439	613,529	1.96%	-0.96%
Corporate and Legal	523,308	286,944	288,492	448,608	36.04%	35.69%
<b>Component I: sub-total</b>	<b>(3,121,793)</b>	<b>(3,013,074)</b>	<b>(3,636,063)</b>	<b>(3,644,755)</b>	<b>17.33%</b>	<b>0.24%</b>
Communication and Marketing	49,427	91,902	90,999	65,643	-40.00%	-38.63%
Internal Audit	42,051	48,715	53,707	46,498	-4.77%	-15.51%
Customer Relations Management	48,900	238,610	243,950	210,464	-13.37%	-15.91%
EPMO	11,634	15,140	15,140	16,442	7.92%	7.92%
Fleet Management	38,739	44,970	44,440	41,621	-8.05%	-6.77%
Institutional Strategy, M&E and Research	—	—	—	—	0.00%	0.00%
<b>Component J: sub-total</b>	<b>190,751</b>	<b>439,338</b>	<b>448,237</b>	<b>380,667</b>	<b>-15.41%</b>	<b>-17.75%</b>
<b>Total Expenditure</b>	<b>(1,856,414)</b>	<b>(1,499,422)</b>	<b>(1,540,004)</b>	<b>(2,260,193)</b>	<b>33.66%</b>	<b>31.86%</b>

*Contracted Services Expenditure: 2014/2015 - Details per Department*

**TABLE 10: CONTRACTED SERVICES EXPENDITURE: 2014/15 - DETAILS PER DEPARTMENT**

Contracted Services Expenditure: 2014/2015 - Details per Department				
				R' 000
Department	Original Budget	Adjustment Budget	Actual	Adjusted Budget variance
WASTE MANAGEMENT	253,014	246,813	195,616	21%
EKURHULENI METRO POLICE DEPARTMENT (EMPD)	181,210	192,818	170,882	11%
FINANCE	119,455	97,335	71,338	27%
ENERGY	164,551	163,935	135,026	18%
CORPORATE LEGAL	54,544	54,424	47,846	12%
WATER & SANITATION	41,835	42,224	32,587	23%
REAL ESTATE	45,138	44,049	41,433	6%
TRANSPORT	13,881	13,993	8,503	39%
HUMAN RESOURCES DEVELOPMENT & TRAINING	8,680	9,495	2,805	70%
SRAC - SPORT & RECREATION	4,550	4,863	4,536	7%
ROADS & STORMWATER	700	1,190	57	95%
HEALTH & SOCIAL DEVELOPMENT	3,107	2,847	1,498	47%
CUSTOMER RELATIONS MANAGEMENT	2,284	2,042	1,113	45%
LEGISLATURE	1,060	1,260	513	59%
CITY PLANNING	346	476	290	39%
DISASTER & EMERGENCY MANAGEMENT	540	343	343	0%
COMMUNICATION & BRANDING	145	145	122	16%
INTERNAL AUDIT	50	50	47	7%
STRATEGY & CORPORATE PLANNING	50	50	13	74%
<b>TOTAL</b>	<b>902,139</b>	<b>881,211</b>	<b>714,568</b>	<b>19%</b>

## Grants and Subsidies Paid

**TABLE 11: GRANT AND SUBSIDIES PAID**

Grants and Subsidies Paid			
Type of Grant	Year 2014/2015		
	Original Budget	Amended Budget	YTD Movement
Discretionary Grants Total	36,269,725	44,843,624	34,044,408
Grants - Indigents & other Total	1,012,551,482	1,004,762,410	850,499,899
Operational Expenditure Funded by Grants Total	369,783,866	506,180,495	345,104,850
<b>Grand Total</b>	<b>1,418,605,073</b>	<b>1,555,786,529</b>	<b>1,229,649,157</b>

## General Expenditure: 2014/2015 - Details per Department

**TABLE 12: GENERAL EXPENDITURE: 2014/2015 - DETAILS PER DEPARTMENT**

General Expenditure: 2014/2015 - Details per Department				
R' 000				
Department	Original Budget	Adjustment Budget	Actual	Adjusted Budget variance
EXECUTIVE OFFICE	18,010	25,178	24,350	3%
LEGISLATURE	30,828	36,355	35,538	2%
CITY MANAGER	10,785	11,092	6,377	43%
STRATEGY & CORPORATE PLANNING	5,425	4,702	2,324	51%
RISK MANAGEMENT	10,900	12,979	13,299	-2%
COO: DELIVERY COORDINATION	3,956	3,981	296	93%
ENTERPRISE PROJECT MAN. OFFICE (EPMO)	48,982	28,982	27,096	7%
COUNCIL GENERAL EXPENDITURE	88,395	61,219	31,438	49%
CUSTOMER RELATIONS MANAGEMENT	113,661	118,171	97,483	18%
ROADS & STORMWATER	23,221	22,101	13,105	41%
TRANSPORT	40,941	38,508	28,384	26%

General Expenditure: 2014/2015 - Details per Department				
				R' 000
Department	Original Budget	Adjustment Budget	Actual	Adjusted Budget variance
FLEET MANAGEMENT	5,646	5,436	4,526	17%
REAL ESTATE	40,955	39,570	34,697	12%
HEALTH & SOCIAL DEVELOPMENT	43,931	53,406	47,831	10%
DISASTER & EMERGENCY MANAGEMENT	34,740	36,698	35,014	5%
EKURHULENI METRO POLICE DEPARTMENT (EMPD)	83,649	76,111	52,162	31%
SRAC - SPORT & RECREATION	52,151	67,473	48,185	29%
HUMAN SETTLEMENTS	66,582	60,337	58,850	2%
FINANCE	244,279	242,449	188,362	22%
HUMAN RESOURCES DEVELOPMENT & TRAINING	52,650	49,794	28,935	42%
INFORMATION COMMUNICATION TECHNOLOGY	76,292	78,339	72,501	7%
CORPORATE LEGAL	8,339	9,363	6,944	26%
ECONOMIC DEVELOPMENT	69,076	90,473	55,125	39%
CITY PLANNING	25,143	25,182	21,865	13%
ENVIRONMENTAL RESOURCE MANAGEMENT	6,104	6,115	4,887	20%
COMMUNICATION & BRANDING	54,083	53,860	34,022	37%
INTERNAL AUDIT	13,956	14,058	7,013	50%
ENERGY	144,825	125,992	95,634	24%
WASTE MANAGEMENT	98,309	196,817	112,004	43%
WATER & SANITATION	48,188	44,708	32,124	28%
<b>TOTAL</b>	<b>1,564,001</b>	<b>1,639,448</b>	<b>1,220,371</b>	<b>26%</b>



## *Repair and Maintenance Expenditure: 2014/2015*

**TABLE 13: REPAIR AND MAINTENANCE EXPENDITURE: 2014/2015**

Repair and Maintenance Expenditure: 2014/2015				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	2,355,214	2,501,235	2,031,600	13.74%

## *Repair and Maintenance Expenditure: 2014/2015 - Details per Department*

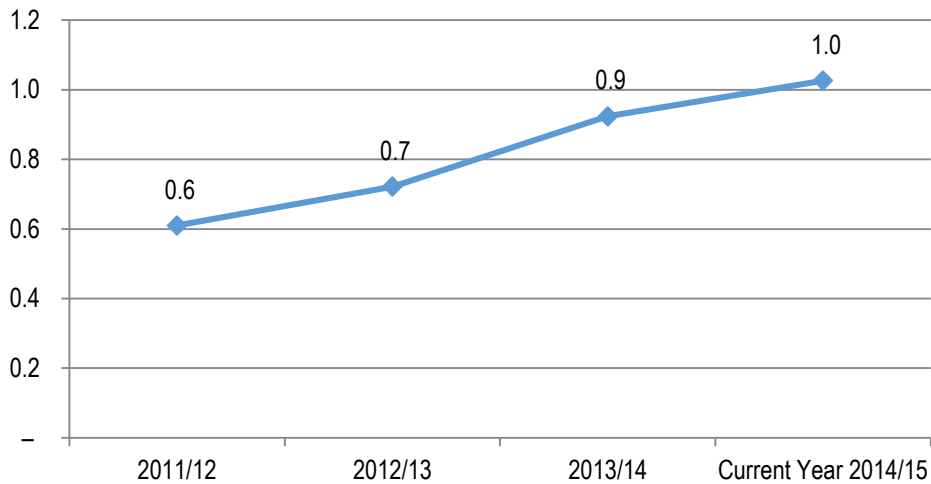
**TABLE 14: REPAIR AND MAINTENANCE EXPENDITURE: 2014/2015 - DETAILS PER DEPARTMENT**

Repair and Maintenance Expenditure: 2014/2015 - Details per Department				
R' 000				
Department	Original Budget	Adjustment Budget	Actual	Adjusted Budget variance
ENERGY	842,610	851,399	813,465	4%
ROADS & STORMWATER	492,534	488,807	317,666	35%
WATER & SANITATION	435,548	568,504	424,463	25%
REAL ESTATE	180,260	167,778	122,366	27%
WASTE MANAGEMENT	109,016	111,926	95,300	15%
INFORMATION COMMUNICATION TECHNOLOGY	72,953	70,906	57,555	19%
SRAC - SPORT & RECREATION	38,449	36,484	30,097	18%
DISASTER & EMERGENCY MANAGEMENT	29,484	32,699	30,808	6%
HUMAN SETTLEMENTS	30,955	39,207	35,969	8%
CITY PLANNING	22,971	22,956	22,575	2%
EKURHULENI METRO POLICE DEPARTMENT (EMPD)	24,710	27,035	24,762	8%
TRANSPORT	20,295	24,235	21,819	10%
FINANCE	21,383	21,394	4,705	78%

Repair and Maintenance Expenditure: 2014/2015 - Details per Department				
R' 000				
Department	Original Budget	Adjustment Budget	Actual	Adjusted Budget variance
CUSTOMER RELATIONS MANAGEMENT	6,096	6,037	3,585	41%
HEALTH & SOCIAL DEVELOPMENT	7,728	11,536	11,396	1%
ENVIRONMENTAL RESOURCE MANAGEMENT	8,118	7,603	3,543	53%
CORPORATE LEGAL	4,447	5,653	4,808	15%
ECONOMIC DEVELOPMENT	2,898	2,601	2,475	5%
FLEET MANAGEMENT	2,574	2,253	2,379	-6%
HUMAN RESOURCES DEVELOPMENT & TRAINING	1,293	1,321	1,291	2%
INTERNAL AUDIT	299	227	127	44%
EXECUTIVE OFFICE	182	187	130	31%
CITY MANAGER	100	100	61	39%
COMMUNICATION & BRANDING STRATEGY & CORPORATE PLANNING	241	261	204	22%
LEGISLATURE	31	33	21	36%
LEGISLATURE	30	72	21	71%
COO: DELIVERY COORDINATION	9	19	11	41%
COUNCIL GENERAL EXPENDITURE	–	–	–	0%
<b>TOTAL</b>	<b>2,355,214</b>	<b>2,501,235</b>	<b>2,031,600</b>	<b>19%</b>

*Financial Ratios and graphs*

## Liquidity Ratio

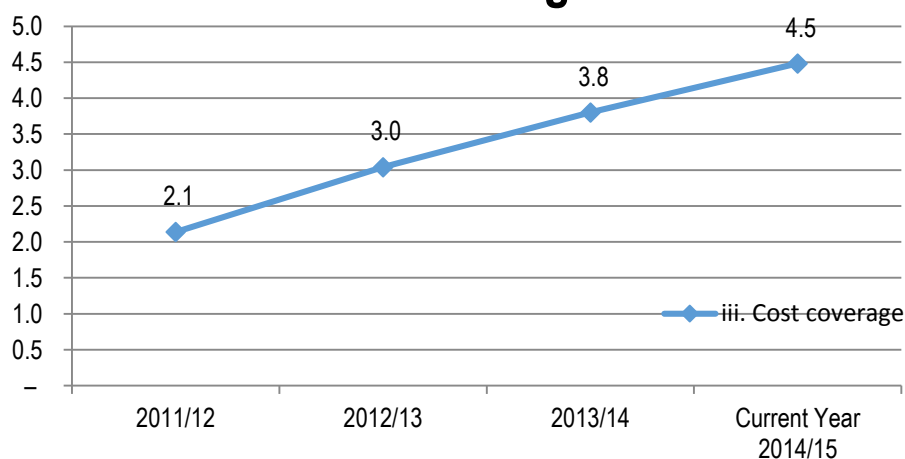


Liquidity Ratio – Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets (due within one year ) by the municipality's current liabilities. A higher ratio is better.

Data used from MBRR SA8

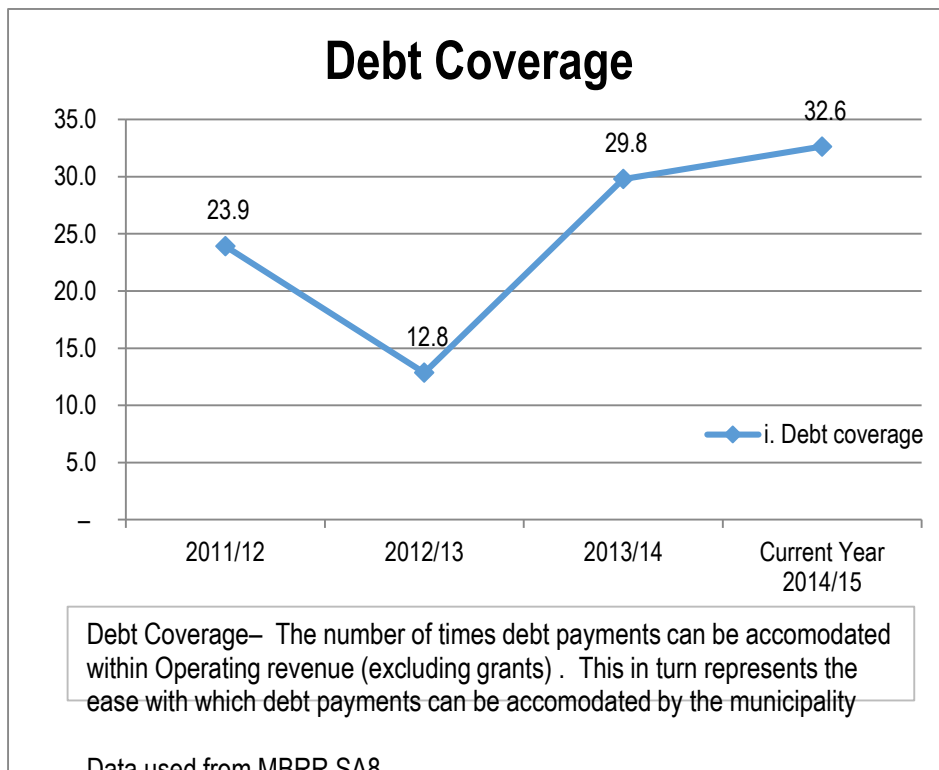
**GRAPH 2: LIQUIDITY RATIO**

## Cost Coverage

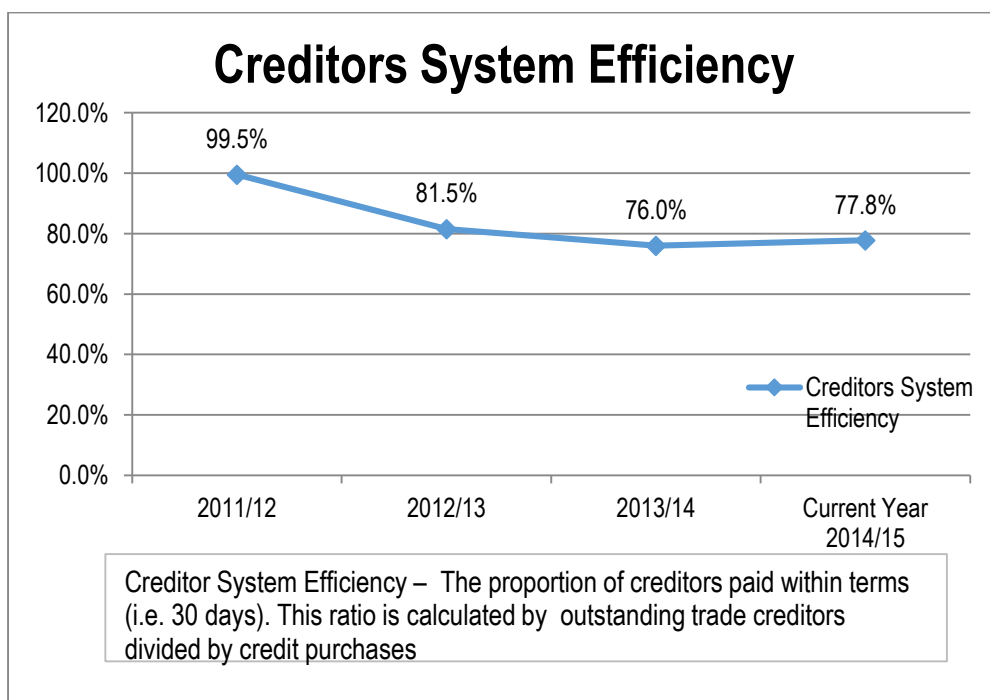


Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

**GRAPH 3: COST COVERAGE**

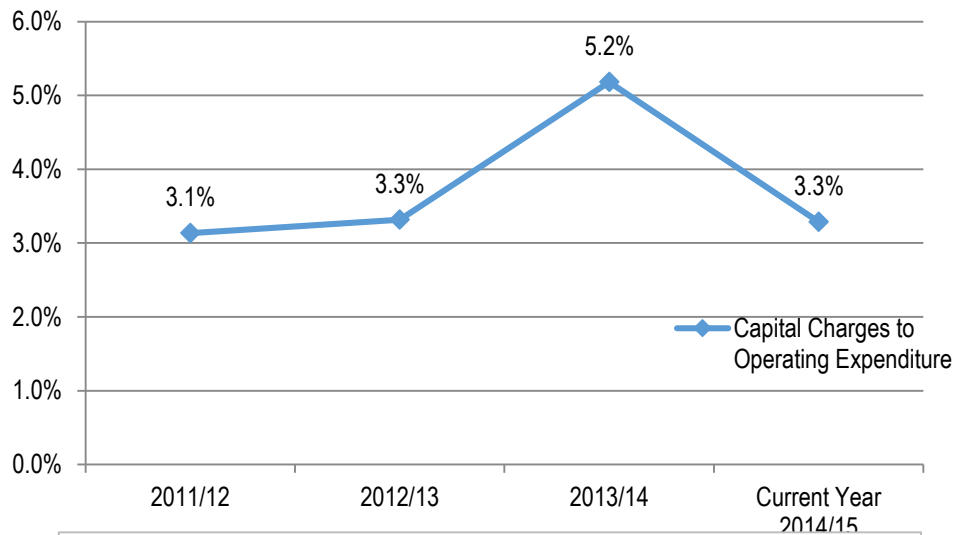


**GRAPH 4: DEBT COVERAGE**



**GRAPH 5: CREDITOR SYSTEM EFFICIENCY**

## Capital Charges to Operating Expenditure

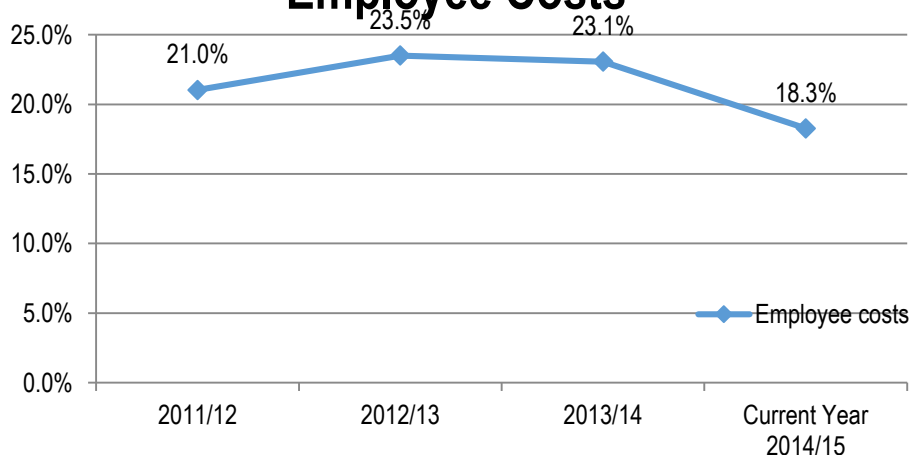


Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR SA8

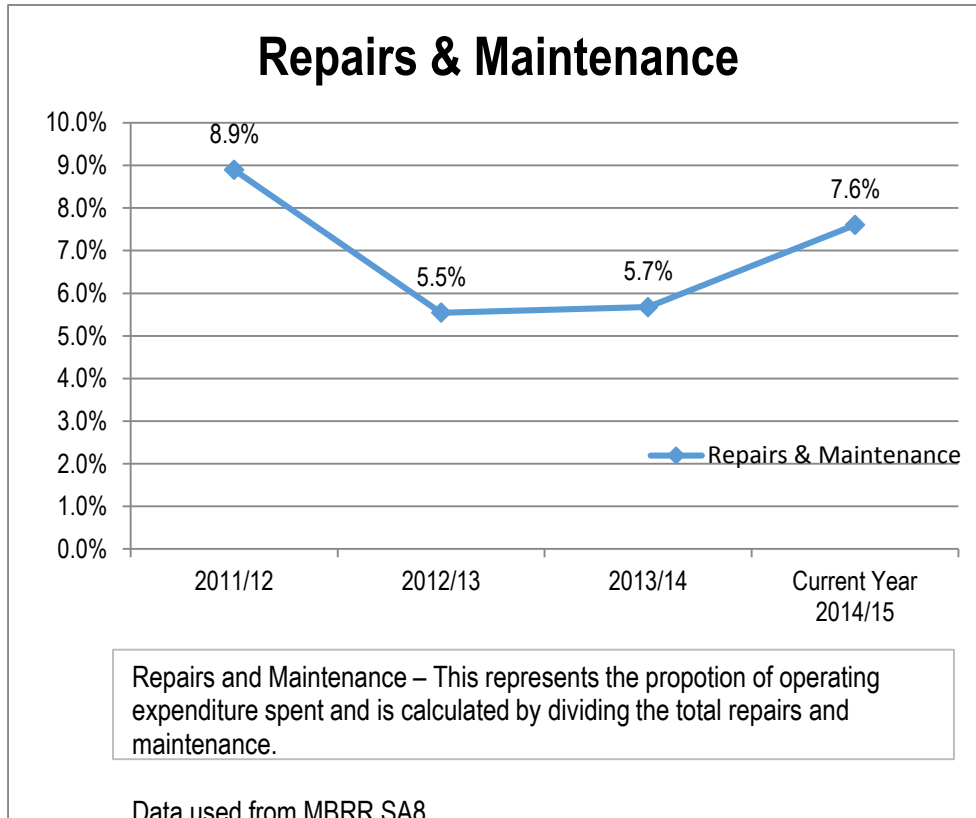
**GRAPH 6: CAPITAL CHARGES TO OPERATING EXPENDITURE**

## Employee Costs



Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

**GRAPH 7: EMPLOYEE COSTS**



**GRAPH 8: REPAIRS & MAINTENANCE**

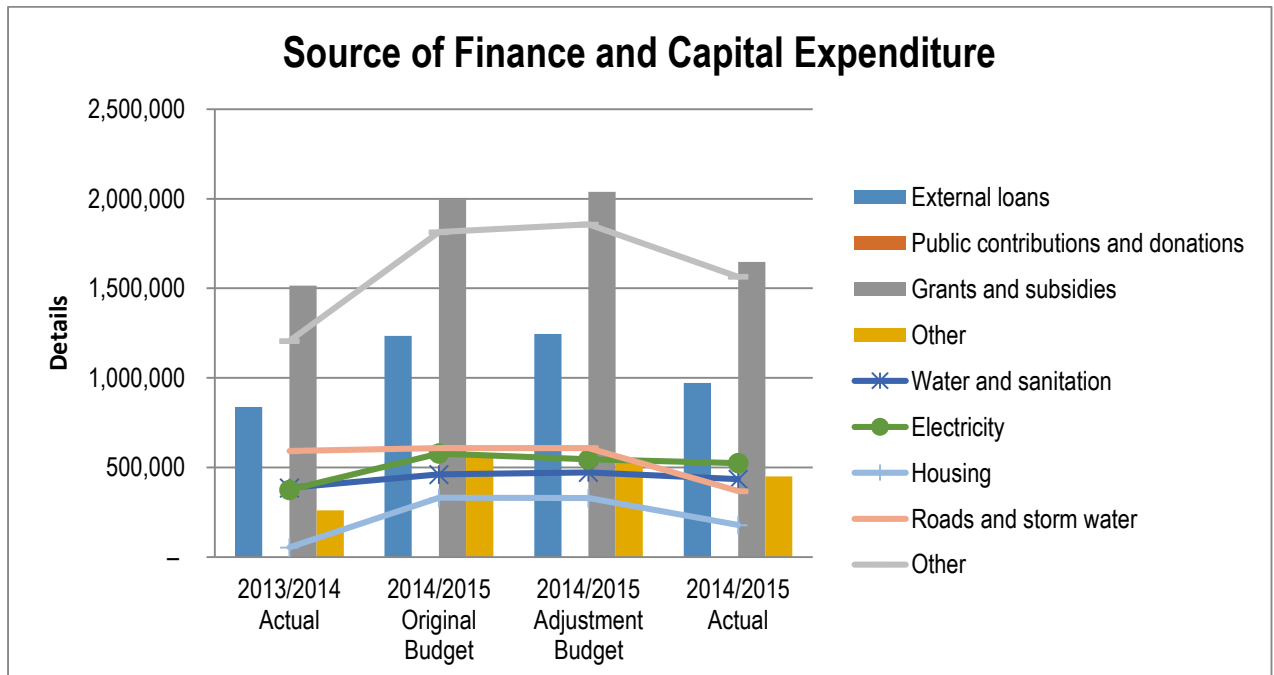
## Spending Against Capital Budget

**TABLE 15: CAPITAL EXPENDITURE - FUNDING SOURCES: YEAR 2013/2014 TO YEAR 2014/2015**

Capital Expenditure - Funding Sources: Year 2013/2014 to Year 2014/2015							
R' 000							
Details		Year 2013/2014	Year 2014/2015				
		2013/2014 Actual	2014/2015 Original Budget	2014/2015 Adjustment Budget	2014/2015 Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans	838,118	1,234,110	1,246,032	971,607	0.97%	-21.27%
	Public contributions and donations					0.00%	0.00%
	Grants and subsidies	1,514,442	1,997,681	2,039,263	1,647,442	2.08%	-17.53%
	Other	259,741	558,575	525,654	450,115	-5.89%	-19.42%



Capital Expenditure - Funding Sources: Year 2013/2014 to Year 2014/2015							
R' 000							
Details		Year 2013/2014	Year 2014/2015				
		2013/2014 Actual	2014/2015 Original Budget	2014/2015 Adjustment Budget	2014/2015 Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
<b>Total</b>		<b>2,612,301</b>	<b>3,790,366</b>	<b>3,810,950</b>	<b>3,069,164</b>	<b>-2.85%</b>	<b>-58.22%</b>
<i>Percentage of finance</i>							
	External loans	32.1%	32.6%	32.7%	31.7%	-33.9%	36.5%
	Public contributions and donations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Grants and subsidies	58.0%	52.7%	53.5%	53.7%	-73.1%	30.1%
	Other	9.9%	14.7%	13.8%	14.7%	207.1%	33.4%
<b>Capital expenditure</b>							
	Water and sanitation	385,834	460,517	472,126	434,030	2.52%	-5.75%
	Electricity	375,222	578,150	544,650	524,288	-5.79%	-9.32%
	Housing	53,584	329,992	328,749	178,604	-0.38%	-45.88%
	Roads and storm water	591,511	608,100	608,100	367,728	0.00%	-39.53%
	Other	1,206,149	1,813,606	1,857,324	1,564,514	2.41%	-13.73%
<b>Total</b>		<b>2,612,301</b>	<b>3,790,366</b>	<b>3,810,950</b>	<b>3,069,164</b>	<b>-1.24%</b>	<b>114.21%</b>
<i>Percentage of expenditure</i>							
	Water and sanitation	14.8%	12.1%	12.4%	14.1%	-203.3%	5.0%
	Electricity	14.4%	15.3%	14.3%	17.1%	467.4%	8.2%
	Housing	2.1%	8.7%	8.6%	5.8%	30.4%	40.2%
	Roads and storm water	22.6%	16.0%	16.0%	12.0%	0.0%	34.6%
	Other	46.2%	47.8%	48.7%	51.0%	-194.4%	12.0%



**GRAPH 9: SOURCE OF FINANCE AND CAPITAL EXPENDITURE**

## Capital Expenditure of 5 largest projects\*

**TABLE 16: CAPITAL EXPENDITURE OF 5 LARGEST PROJECTS**

Capital Expenditure of 5 largest projects*				R' 000	
Name of Project	Current: Year 2014/2015			Variance: Current Year 2014/2015	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Corporate Electrification	100,000	120,000	117,451	0%	0%
Densification of Council Buildings	56,000	40,000	18,443	67%	29%
Roads East (AS and When)	26,000	76,921	57,327	-120%	-196%
Integrated Rapid Public Transport Network(IRPTN)	441,401	501,625	452,121	0%	0%
Water Loss Eradication Programme	150,000	189,970	180,987	-21%	-27%
* Projects with the highest capital expenditure in Year 0					
<b>Name of Project - A</b>	<b>Corporate Electrification</b>				
Objective of Project	The Electrification Program of EMM aims to provide electricity connections to subsidized households within EMM.				
Delays	The Electrification Program is highly dependent on the community participation and ownership of the project. This can result in delays where the community is divided on certain project related matters. The program also utilises a lot of specialised equipment and materials that can be delayed in the manufacturing process.				
Future Challenges	The Electrification Program is highly dependent on the community participation and ownership of the project. This can result in delays where the community is divided on certain project related matters. The program also utilises a lot of specialised equipment and materials that can be delayed in the manufacturing process.				
Anticipated citizen benefits	7647 Households were provided with electricity in the areas of Mayfield Ext 6/7/8/9/11, Palm Ridge, and Kwa-Thema Ext 3/5. Electrification Projects were also initiated in the areas of Esselen Park Ext 3, Chief Albert Luthuli Ext 6, and John Dube where contractors went on site to start with physical construction.				
<b>Name of Project - B</b>	<b>Densification of Council Buildings</b>				

Capital Expenditure of 5 largest projects*				R' 000	
Name of Project	Current: Year 2014/2015			Variance: Current Year 2014/2015	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Objective of Project	Through densifying Council owned buildings additional space is created to accommodate growth of departments and staff presently housed in rental premises				
Delays	Delays are experienced in departments not forthcoming with information on staff structures				
Future Challenges	Uncertainty about staff numbers and adequate funding				
Anticipated citizen benefits	Improved working environment for staff leads to better service delivery				
<b>Name of Project - C</b>	<b>Roads East (AS and When)</b>				
Objective of Project	The objective was to reconstruct and rejuvenate severely damaged road due to various reasons which affected the condition of the roads. The most common problems were caused by rutting, Cracks, underground water and deformation. The main objective was to give the community a better and safer road to travel on.				
Delays	Delays were encountered due to late appointment of (As and When Contractors)				
Future Challenges	Consultant appointments still outstanding, to be finalised end August				
Anticipated citizen benefits	The residents will benefit from the reconstructed road as this project will create job opportunities and provide better mobility for the surrounding communities. It will improve Safety on the affected roads				
<b>Name of Project - D</b>	<b>Integrated Rapid Public Transport Network(IRPTN)</b>				
Objective of Project	The CoE's IRPTN has four main strategic objectives: 1. the provision of a metro-wide accessible public transport system; 2. the provision of an affordable and sustainable public transport system; 3. the integration of modes of public transport and Non – Motorised Transport (NMT), including rail, bus, and taxi; 4. the transformation of existing bus and taxi operators in Ekurhuleni in being able to participate in the development of and operation of the new vehicle operating company/ies.				
Delays	This is a multi year project. In 2013/14 delays were encountered with the finalisation of designs to accommodate Universal Access requirements, the award of Trunk Route bid and disruptions on construction sites due to dissatisfied job seekers.				

Capital Expenditure of 5 largest projects*				R' 000	
Name of Project	Current: Year 2014/2015			Variance: Current Year 2014/2015	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Future Challenges	The successful launch of the project is dependent on various processes and infrastructural projects. Challenges include the availability of adequate funds, obtaining Environmental authorization for certain components, Land acquisitions, successful industry (operator) participation etc				
Anticipated citizen benefits	See Objectives				
<b>Name of Project - E</b>	<b>Water Loss Eradication Programme</b>				
Objective of Project	The Project's broad objectives are to implement a "Leak Repair, Water Conservation and Metering of Unmetered Stands" - Project in Tsakane/Langaville/Geluksdal, utilizing labour-intensive construction methods in line with EPWP principles, so as to maximize the creation of much needed job opportunities in the targeted area.				
Delays	<ul style="list-style-type: none"> <li>• Long delays were experienced during the tender adjudication process, due to unforeseen issues experienced during the finalization of the adjudication report.</li> <li>• Some delays were experienced during the roll-out, mostly due to work stoppages by the Community. Most of the work stoppages related to the recruitment of local labour. There is a crying need within the Community for Job opportunities, but the Project could not meet all the needs for job opportunities.</li> </ul>				
Future Challenges	<ul style="list-style-type: none"> <li>• Distribution of new job opportunities on an equal opportunity basis for all job seekers.</li> <li>• Adjudication of the "War on Leaks" Phase 2 Tender, based on the issues experienced during the award of the Phase 1 Tender.</li> <li>• Securing sufficient funding for the award of Phase 2.</li> <li>• Registering all metered stands on the EMM Billing System, reading meters on a monthly basis, and sending out Bills on a monthly basis, including the application of credit control.</li> </ul>				
Anticipated citizen benefits	<ul style="list-style-type: none"> <li>• Improved level of Water &amp; Sanitation Service delivery in the area.</li> <li>• Fixing of all leaks free of charge to the consumer on the properties in the Project Area.</li> <li>• Better understanding by the Community of the EMM Water Conservation &amp; Demand Management Programme, via the "War on Leaks" Public Education &amp; Awareness Campaign.</li> </ul>				

## Urban Settlement Development Grant (MIG)\* Expenditure Year 2014/2015 on Service backlogs

**TABLE 17: URBAN SETTLEMENT DEVELOPMENT GRANT (MIG)\* EXPENDITURE YEAR 2014/2015 ON SERVICE BACKLOGS**

Urban Settlement Development Grant (MIG)* Expenditure Year 2014/2015 on Service backlogs						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjust- ments Budget	
<b>Infrastructure - Road transport</b>						The provision of basic municipal infrastructure for poor households, micro enterprises and social institutions in the following areas
<i>Roads, Pavements &amp; Bridges</i>	493,651	496,851	335,277	32%	33%	
<i>Storm water</i>						
<b>Infrastructure - Electricity</b>						<ul style="list-style-type: none"> <li>• Access to basic water and infrastructure</li> <li>• Incremental improvements in security of tenure</li> <li>• Access to social services and economic opportunities</li> <li>• Improved rates of employment through skills development in the delivery of infrastructure</li> <li>• Bridging the bankability gap for infrastructure provisions within mixed income and mixed use developments</li> </ul>
<i>Generation</i>						
<i>Transmission &amp; Reticulation</i>	320,650	260,650	252,694	21%	3%	
<i>Street Lighting</i>	12,100	12,100	11,476	5%	5%	
<b>Infrastructure - Water</b>						
<i>Dams &amp; Reservoirs</i>						
<i>Water purification</i>						
<i>Reticulation</i>	97,600	245,363	238,570	-144%	3%	



Urban Settlement Development Grant (MIG)\* Expenditure Year 2014/2015 on Service backlogs

R' 000

Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjust- ments Budget	
<b>Infrastructure - Sanitation</b>						Improving performance in integrated human settlements development outcomes Incentivising performance improvements in capital financing, asset management and development outcomes in the medium term
<i>Reticulation</i>	77,017	68,982	57,553	25%	17%	
<i>Sewerage purification</i>						
<b>Infrastructure - Other</b>						
<i>Waste Management</i>	25,000	4,600	3,785	85%	18%	
<i>Transportation</i>	93,000	46,500	22,399	76%	52%	
<i>Gas</i>						
<b>Other Specify:</b>						
<i>Establishment of Parks &amp; Gardens</i>	21,100	29,546	24,117	-14%	18%	
<i>Clinics</i>	56,950	56,750	54,925	4%	3%	
<i>Housing</i>	153,800	282,906	133,775			
<i>Libraries</i>	12,300	10,300	2,665	78%	74%	
<i>Museums &amp; Art Galleries</i>	23,500	21,083	19,548	17%	7%	
<i>Recreational Facilities</i>	–	1,093	1,093		0%	

**Urban Settlement Development Grant (MIG)\* Expenditure Year 2014/2015 on Service backlogs**

**R' 000**

Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjust- ments Budget	
<i>Other Land and Buildings</i>	113,400	60,076	47,323	58%	21%	
<i>Other:Economic Infrastructure,Sports Facilities,ICT Infrastructure</i>	69,912	67,912	69,776	0%	-3%	
<i>Erwat</i>	50,000	50,000	50,000	0%	0%	
<i>Chemical Toilets</i>	184,551	184,551	162,263	12%	12%	
<i>Human Settlement</i>	31,566	31,566	5,394			
<i>Human Settlement</i>	54,300	54,300	5,989	89%	89%	
<b>Total</b>	<b>1,890,398</b>	<b>1,985,130</b>	<b>1,498,623</b>	<b>21%</b>	<b>25%</b>	

## Cash Flow Management and Investments

**TABLE 18: CASH FLOW OUTCOMES**

<b>Cash Flow Outcomes</b>				
<b>R'000</b>				
<b>Description</b>	<b>2013/2014</b>	<b>Current: 2014/2015</b>		
	<b>Audited Outcome</b>	<b>Original Budget</b>	<b>Adjusted Budget</b>	<b>Actual</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Ratepayers and other	16,903,809	21,272,093	21,376,654	3,728,133
Government - operating	—	—	—	14,281,853
Government - capital	—	—	—	335,254
Interest	3,825,396	2,683,115	2,812,966	3,904,523
Dividends	1,629,069	2,003,181	2,043,763	2,038,103
<b>Payments</b>				
Suppliers and employees	—	—	—	—
Finance charges	—	—	—	—
Transfers and Grants	(17,546,823)	(21,026,331)	(21,358,081)	(18,671,535)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>3,182,382</b>	<b>2,928,877</b>	<b>2,831,539</b>	<b>3,578,228</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Receipts</b>				
Proceeds on disposal of PPE	—	—	—	—
Decrease (Increase) in non-current debtors	—	—	—	—
Decrease (increase) other non-current receivables	—	—	—	—
Decrease (increase) in non-current investments	—	—	—	1,578
<b>Payments</b>				
Capital assets	46,654	(158,811)	(158,811)	(217,242)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>46,654</b>	<b>(158,811)</b>	<b>(158,811)</b>	<b>(215,665)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Receipts</b>				
Short term loans	—	—	—	—

Cash Flow Outcomes				
Description	2013/2014	Current: 2014/2015		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
Borrowing long term/refinancing	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–
<b>Payments</b>				
Repayment of borrowing	22,731	40,784	40,784	70,490
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>22,731</b>	<b>40,784</b>	<b>40,784</b>	<b>70,490</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>3,251,767</b>	<b>2,810,850</b>	<b>2,713,512</b>	<b>3,433,053</b>
Cash/cash equivalents at the year begin:	–	–	–	–
Cash/cash equivalents at the year end:	<b>1,520,163</b>	<b>585,507</b>	<b>605,505</b>	<b>1,806,836</b>

### *Actual Borrowings: 2012/2013 to 2014/2015*

**TABLE 19: ACTUAL BORROWINGS: 2012/2013 TO 2014/2015**

Actual Borrowings: 2012/2013 to 2014/2015			
Instrument	R' 000		
	2012/2013	2013/2014	2014/2015
<b>Municipality</b>			
Long-Term Loans (annuity/reducing balance)	856,157,045	1,309,490,378	1,163,596,673
Long-Term Loans (non-annuity)	432,620,000	32,600,000	-
Local registered stock	-	-	
Instalment Credit	-	-	
Financial Leases	-	-	
PPP liabilities	-	-	
Finance Granted By Cap Equipment Supplier	-	-	
Marketable Bonds	3,215,000,000	3,946,666,666	4,591,000,000
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
<b>Municipality Total</b>	<b>4,503,777,045</b>	<b>5,288,757,044</b>	<b>5,754,596,673</b>

## *Municipal and Entity Investments*

**TABLE 20: MUNICIPAL AND ENTITY INVESTMENTS**

<b>Municipal and Entity Investments</b>			
	<b>R' 000</b>		
<b>Investment* type</b>	<b>2012/2013</b>	<b>2013/2014</b>	<b>2014/2015</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
<b><u>Municipality</u></b>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	447,779,588	161,156,558	80,617,874
Deposits - Public Investment Commissioners	-		
Deposits - Corporation for Public Deposits	4,000,000	4,000,000	4,000,000
Bankers Acceptance Certificates	-		
Negotiable Certificates of Deposit - Banks	-		
Guaranteed Endowment Policies (sinking)	-		
Repurchase Agreements - Banks	-		
Municipal Bonds	375,206,055	615,175,110	912,956,096
Other			
<b>Municipality sub-total</b>	<b>826,985,643</b>	<b>780,331,668</b>	<b>997,573,970</b>
<b>Consolidated total:</b>	<b>826,985,643</b>	<b>780,331,668</b>	<b>997,573,970</b>

## 12.2 Performance Overview

This section presents an overview of the progress when measured against the 2014/15 IDP/SDBIP objectives. The reported performance against the objectives is in support of a Delivering City trajectory of the Growth and Development Strategy 2055 (GDS).

Ekurhuleni Metropolitan Municipality developed its long term Growth and

Development Strategy 2055. The GDS identifies and outlines three trajectories:

- **2012 – 2020: Delivering City**, A coherent, tightly managed, enabled and resourced EMM institution will rise to the challenge of delivering services that are nationally competitive, consistent, financially sustainable, efficient and modern.
- **2020 – 2030: Capable City** Ekurhuleni will adapt to the needs of the energy transition and facilitate a thriving and inclusive industrial economy and meaningful reduction of unemployment and poverty through excellent inter-governmental cooperation, providing competitive package of services and investment options, an integrated, efficient and regionally well connected spatial a well-oiled network of collaborative partnerships with civil society and communities in the City. The overview is based on the Growth Development Strategy 2055
- **2030 – 2055: Sustainable City**; Ekurhuleni will be at the leading edge of urban sustainability innovation and will support a clean, green and sustainable African manufacturing complex and a city development network that together have reduced poverty and unemployment to below 10%. It will be a place where the poor, old, young and disabled are able to access the opportunities of a global society and move freely about the City in order to make their contribution to the City and enjoy its amenities.

These trajectories lie at the heart of a High Level Strategic Framework for the City to manage its transition through the five strategic themes of “Re-urbanise”, “Re-industrialise”, “Re-generate”, “Re-mobilise” and “Re-govern”. Each of these interlocking themes forms the point of departure for a basket of lead programmes.



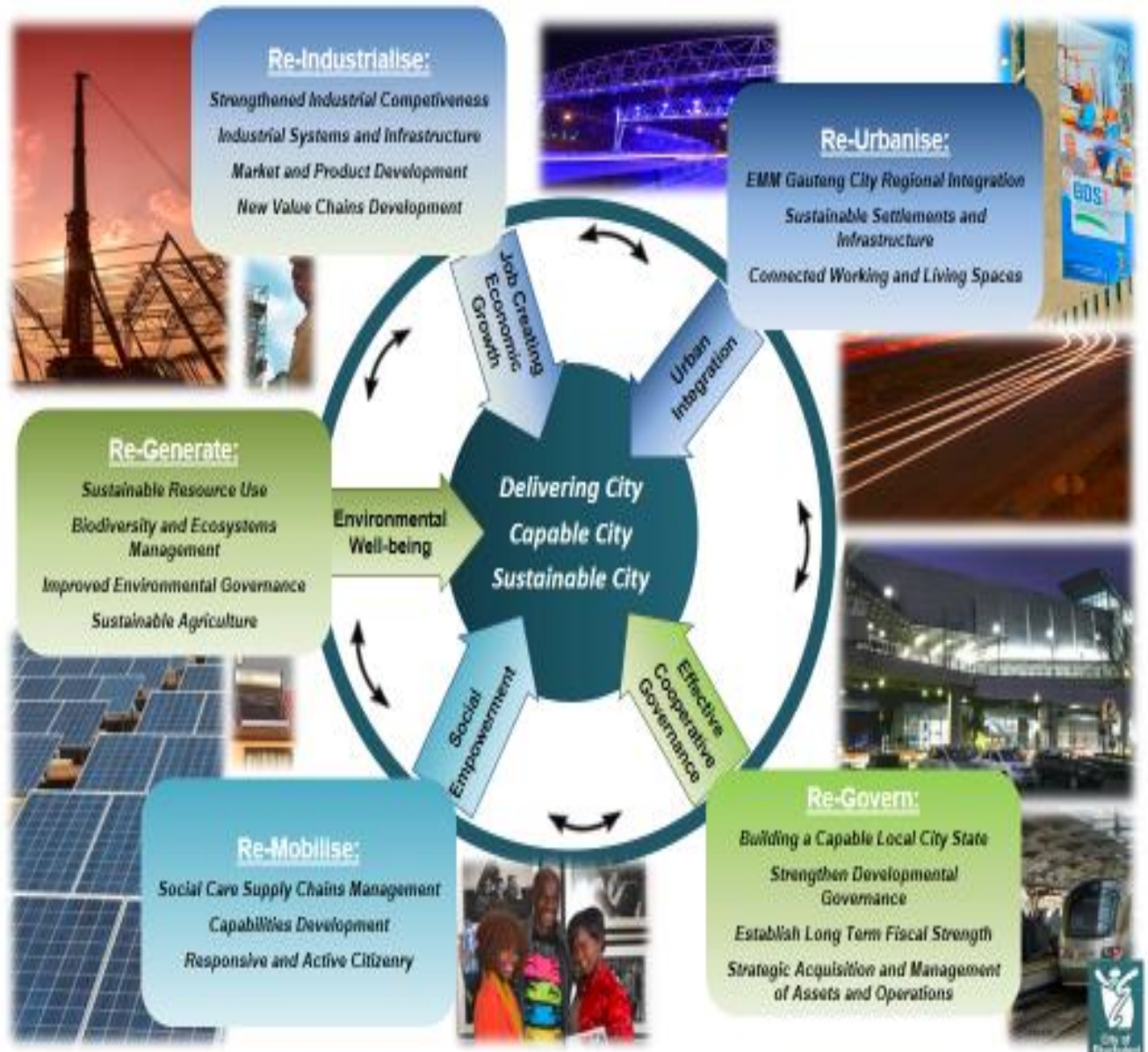


FIGURE 3: GDS 2055

## 13. RE-INDUSTRIALISE

The Re-industrialise theme aims at driving a process of on-going re-industrialisation of Ekurhuleni by developing new markets, green economy products, processes, urban systems and technologies through innovation, integrating and extending value chains and modernising, integrating and aligning air, road and rail logistics.

Some major economic achievements of re-industrialising:

- A total of 73,508 business tourists visited Ekurhuleni in the period under review
- The municipality hosted 9 mega events that were organized to increase tourism;
- A total of 30,572 job opportunities were created in the period under review;
- R-value of investments committed - R7.6 billion;
- Intensified the participation of enterprises in the EMM's business incubation programme. In this regard, a total of 257 enterprises participated.
- The Thokoza Traders Hub is operating within the Thokoza Khumalo Street Node.
- The Food Bank Programme was introduced in September 2014 and is benefiting an average of 1 570 individuals per month.
- A total of 120 industrial companies undertook the productivity improvement programme.
- A total of 1 434 unemployed youth were placed with various companies for Work Readiness Experiential Learning Programme.

### 13.1 Programme 1: City Planning

#### Overview

City Planning is central in developing and promoting an integrated City committed to addressing spatial injustices and guides spatial development towards a sustainable, vibrant and developmental (African

Aerotropolis) City. The radical spatial transformation in EMM rests on the following key drivers:

- Permanent Urban Boundary
- Development of Ekurhuleni Aerotropolis' core areas in and around the airport
- Investment Corridors
- Nodal Linkages
- Unlocking Large Scale Commercial Agriculture
- Densification
- Transit Oriented Development (TOD)
- Improved regional connectivity (PWV 15, 17 and 3)
- Optimisation of rail infrastructure

In order to realise the radical spatial transformation through the drivers presented above, the focus was on the following priorities:

- Increased efficiency with respect to development applications in line with EMM strategies.
- Development of the Municipal Spatial Development Framework (MSDF), Regional Spatial Development Frameworks (RSDFs), Consolidated Town Planning Scheme and municipal by-laws.
- In this regard:
  - Region A's RSDF which is pivotal in leveraging investments and developments in the City's Aerotropolis core area was developed.
  - The municipality embarked on the formulation of wall-to-wall Regional SDF's to improve efficiency in dealing with land development applications
  - The development of precinct plans and urban design to improve the image of the City. This process entailed identifying key areas of the City that need urban regeneration and other areas that attract prompt direct investment as the City consolidates around the Aerotropolis. This is in line with both the Eastern Corridor

**TABLE 21: APPLICATIONS FOR LAND USE DEVELOPMENT**

Applications for Land Use Development						
Detail	Formalization of Townships		Rezoning		Built Environment	
	2013/14	2014/2015	2013/14	2014/2015	2012/13	2014/2015
Planning application received	34		223		11149	11,075
Determination made in year of receipt	3		31		6478	9.109
Determination made in following year	TBD		TBD		TBD	
Applications withdrawn	0		5		0	0
Applications outstanding at year end	303		473		4671	1,966

*Continuous provision of accurate, reliable and relevant GIS information and services.*

GIS data plays a major role in informing stakeholders, especially investors regarding the location of infrastructure investments. The municipality developed and implemented an online mapping service which is accessible on the internet, i.e. <http://gis.ekurhuleni.gov.za>. This service enables clients to access spatial data at any given location without having to call or visit municipal premises thus improving efficiencies.

The municipality embarked on creating a land parcel database which assists in the identification of geo-hazardous land. It further ensures the promotion of safety of the land that is vulnerable to illegal invasions.

*Enhance enforcement and compliance with built environment law.*

Law enforcement is critical in ensuring that spatial order across the City is maintained and that developments are not in contravention of town planning regulations, building policies and municipal by-laws. EMM improved its law enforcement capacity in the form of Building Inspectors as well as through conducting awareness campaigns in communities and holding law enforcement blitzes. These efforts assisted in reducing the number of town planning and building contraventions in the year under review.

Through the City Planning Department, EMM is also responsible for the facilitation of Strategic Urban Developments (SUD). An SUD is a large scale urban development that is of a metropolitan-wide strategic nature and is of critical importance in building the City of Ekurhuleni as envisaged in the GDS, IDP, MSDF and CIF. SUDs are initiated and led by the private sector or a State Owned Enterprise and straddles two or more townships. The following SUDs were facilitated during 2014/15 financial year:

- M&T Development (Route 21);



- Riverfields, Prasa-Gibela Tambo Springs Inland Port; and
- Badenhorst Estate.

**TABLE 22: CITY PLANNING POLICY OBJECTIVES TAKEN FROM IDP**

City Planning Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 2	Year 3
		Target	Actual	Target		Actual	Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
Service Objective: Invest in on grid infrastructure									
Increased efficiency with respect to the application process	% of development applications complying with town planning policies and legislation	92%	92%	92%	91.75%	100.00%	92%	93%	94%
Increased rehabilitation of land affected by geotechnical hazards	% of land affected by geotechnical hazards rehabilitated	80%	68%	80%	80%	80%	80%	80%	80%
Increased investment of the municipal capital budget in geographic priority areas	% of municipal capital budget invested in geographic priority areas	60%	0%	60%	60%	0%	60%	60%	60%

These projects have progressed to various stages of implementation. In addition to the facilitation of SUDs, the newly established Investment Centre processed among others the following key investments:

- Lords View Industrial Park;
- Teraco Data Centre;
- Gauteng IDZ Jewellery Precinct; and
- Springs Mall.

**TABLE 23: EMPLOYEES: CITY PLANNING SERVICES**

<b>Employees: City Planning Services</b>					
<b>Job Level (based on new T-scales)</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Employees (based on old X-scales)</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	520	514	440	74	14%
4 - 6	232	248	204	44	18%
7 - 9	169	155	132	23	15%
10 - 12	153	155	121	34	22%
13 - 15	35	36	30	6	17%
16 - 18	15	15	11	4	27%
Section 57	6	6	5	1	17%
<b>Total</b>	<b>1130</b>	<b>1129</b>	<b>943</b>	<b>186</b>	<b>16%</b>

**TABLE 24: FINANCIAL PERFORMANCE: CITY PLANNING SERVICES**

<b>Financial Performance: City Planning Services</b>					
<b>R'000</b>					
<b>Details</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Budget</b>
<b>Total Operational Revenue</b>	33,412	80,802	82,576	81,543	1%
<b>Expenditure:</b>					
Employees	128,888	148,279	155,824	140,941	-5%
Repairs and Maintenance	12,220	22,971	22,956	22,575	-2%
Other	18,628	66,939	75,165	71,589	6%
<b>Total Operational Expenditure</b>	159,736	238,189	253,946	235,105	-1%
<b>Net Operational Expenditure</b>	<b>126,325</b>	<b>157,386</b>	<b>171,370</b>	<b>153,561</b>	<b>-2%</b>



**TABLE 25: CAPITAL EXPENDITURE YEAR 2014/2015: CITY PLANNING SERVICES**

Capital Expenditure Year 2014/2015: City Planning Services					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	4,150	4,150	2,578	-61%	
ICT Equipment	2,100	2,100	2,122	1%	
Office Furniture	200	200	103	-94%	
Other Equipment	150	100	—	0%	
Specialised Vehicles	1,200	1,200	—	0%	
Specialized Equipment	300	300	251	-20%	
Vehicles(MORE THAN 2 SEATS)	200	251	102	-96%	

## 13.2 Program 2: Economic Development

In order to advance the desired growth and development of the economy of the Ekurhuleni region, the municipality invested in the development of policies, strategies and programmes that position the City as a preferred destination for trade, investment and tourism. It further prioritised the investment in infrastructure development and integration of other economic zones in the mainstream of the economic activity i.e. revitalisation of the township economies. Various partnership agreements and collaboration efforts entered into with various national and provincial organisations resulted in job creation, skills development, poverty alleviation initiatives and enhancement of industrial competitiveness.

In the main, the focus areas included:

- arresting the flight of strategic investments by facilitating reduction in the cost of doing business within Ekurhuleni
- facilitated SMME and co-operatives development;
- Investment Promotion, Facilitation & Retention;

- EPWP and CWP development and EMM's Job Creation programmes.

A total of 30,572 job opportunities were created in the period under review. Below are the programmes that were implemented to facilitate job creation within Ekurhuleni during 2014/15 financial year:

### *Coordination of Expanded Public Works Programme (EPWP)*

- Reasonable progress has been made towards the approval of the EPWP policy
- EPWP Vukuphile Learnership Programme: the Vukuphile phase two programme is at the exit phase. The municipality allocated capital projects valued at R48, 071,554 to the 20 learner contractors as exit projects. Preparations for Vukuphile phase three are underway.
- Unemployed Graduates Youth Work Readiness Placement Programme: a total of 1434 unemployed youth were placed in various companies for Work Readiness Experiential Learning Programme

### *Tourism Development and Marketing*

Leveraging on the tourism potential that Ekurhuleni has, the municipality instituted efforts to increase visitation by business

tourists in order to impact positively on the economy of the region. In this regard, a total of 73,508 business tourists visited Ekurhuleni. This was achieved through hosting a number of mega events such as the Ekurhuleni Manufacturing Indaba.

### *Community Agriculture*

The municipality provides support to the agricultural cooperatives operating within the EMM agricultural hub. There are currently twelve agricultural co-operatives within EMM agricultural hubs/ farms and these include four active farms and three inactive farms.

In support of these agricultural cooperatives, the municipality focused on the following:

- Provision of agricultural inputs such as seeds, fertilizers, animal feeds and etc.
- Incubation of agricultural corporative at EMM's farms.
- Grant in aid - eight cooperatives within council owned farms were selected and assisted to apply for grant.
- Resuscitation of agricultural program at Wattville, Slovo Park and AgriPark.

### *Township Enterprise Hubs*

The City introduced the Industrial Parks and Business Parks Development Programme and retained the Street Trading Facility Development Programme which continued to provide decent trading facilities to hawkers. This programme was also revised through the inclusion of Traders Markets Development and Micro Retail facilities. EMM built such infrastructure to accommodate small businesses in the townships as an initiative to support the Township Enterprise Development Project which provides the new venture creation or established enterprise development support required to catalyse, support and mentor the supplier SMMEs. This is to advance the realization of sustainability of enterprises, job creation and catalysing secondary economic activity.

The City utilized unused Council owned land to build street trading facilities and refurbished old township buildings for adaptive reuse. This process involves adapting old structures for the purposes other than those initially intended; providing an opportunity to change the primary function of the structure, while retaining some of the existing architectural details that make the building unique and reflective of the historic nature of the township and making use of stagnant or redundant EMM owned structures.

Furthermore, EMM adopted a Shared Industrial Production Facility (SIPF) concept. This is a well-structured, infrastructure facility equipped with state of the art machinery and equipment to be used by SMME's. The SIPF facility has dual purpose, firstly as a production facility as well as training facility when it's not booked.

The City further adopted the provincial programme on Township Enterprise Hubs (Qoqabolova) as one of the measures that would ensure that those traditionally without access to economic opportunities are able to engage in income generating activities. It is also aimed at building on existing support programmes through a well-coordinated bottom-up approach to township economic development interventions targeted to provide employment opportunities in the townships.

EMM embarked on a programme to develop township hubs in support of the envisaged township economies development strategy. The hub is a centre where small businesses are supported to engage in a fruitful economic activity. It provides access to trading space, incubation facilities, shared industry production facilities, light manufacturing workshop, business networks platforms and mentorship or handholding sessions.

### *The Revitalization of the Manufacturing Sector*

The City is developing an Industrial Policy, Strategy & Programme being developed is in progress with the situation analysis done and the strategic policy framework being outlined.

and development objectives as set out in the GDS.

By end of June 2015, R7.6 billion worth of investment and development applications were successfully facilitated. The mega projects facilitated through the centre include the Tambo Springs Inland Port, Jewellery Manufacturing Precinct, Plumbago Logistics Warehouse and the Blue Crane Eco Mall.

The City has invested in the following hubs:

- **Tembisa Business Park:** this is a modern facility built in 870 Thami Mnyele Street in Mqantsa section in Tembisa. This facility has 36 units suitable for both office use and trade. Some of the initiatives provided by the municipality such as Chemical Incubation and Fabrication Laboratory will take place at this facility.
- **Thokoza Traders Market:** the Thokoza Traders Market is built next to Phola Park. It is the facility built to provide decent trading infrastructure to the informal traders. There are 21 small business outlets that have been built at this facility. One is even suitable for letting to established retailers such as Pick n Pay, Checkers etc.
- **Duduza Resource Centre:** the Duduza Resource Centre next to the new CCA and police station is currently being refurbished for conversion into a hub. The centre is currently being utilized mainly for social and recreation in its current form.

The facility is being refurbished to give it a modern look, to re-arrange the parking facility and to plug in economic activity and business support.

- **Daveyton Barcelona Traders Market:** This facility is in Barcelona. Following the completion of geo-technical assessment, architectural design and plans, construction work started.
- These achievements have laid a solid foundation the realisation of the growth

**TABLE 26: ECONOMIC ACTIVITY BY SECTOR**

<b>Economic Activity by Sector</b>				
	<b>R billion</b>			
<b>Sector</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
1. Agriculture	0.69	0.71	0.73	0.84
2. Mining	5.35	5.72	5.77	5.72
3. Manufacturing	48.19	50.32	54.63	59.06
4. Electricity	6.53	8.04	8.70	9.29
5. Construction	7.93	8.83	8.61	9.47
6. Trade	29.90	31.78	32.94	35.48
7. Transport	22.69	25.48	27.51	28.99
8. Finance	40.80	42.21	46.36	50.61
9. Finance	39.16	41.71	45.59	49.04
<b>Total Industries</b>	<b>201.24</b>	<b>214.80</b>	<b>230.83</b>	<b>248.50</b>

**TABLE 27: ECONOMIC ACTIVITY BY SECTOR**

<b>Economic Activity by Sector</b>				
	<b>R billion</b>			
<b>Sector</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
1. Agriculture	0.69	0.71	0.73	0.84
2. Mining	5.35	5.72	5.77	5.72
3. Manufacturing	48.19	50.32	54.63	59.06
4. Electricity	6.53	8.04	8.70	9.29
5. Construction	7.93	8.83	8.61	9.47
6. Trade	29.90	31.78	32.94	35.48
7. Transport	22.69	25.48	27.51	28.99
8. Finance	40.80	42.21	46.36	50.61
9. Finance	39.16	41.71	45.59	49.04
<b>Total Industries</b>	<b>201.24</b>	<b>214.80</b>	<b>230.83</b>	<b>248.50</b>

**TABLE 28: LOCAL ECONOMIC DEVELOPMENT POLICY OBJECTIVES TAKEN FROM IDP**

Service Objective: Increase investment in economic and social skills									
Service Objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	Year 3
		Target	Actual	*Previous Year	*Current Year	Actual	*Current Year	*Following Year	
Increased implementation of sector cluster programmes in line with the IPAP	Number of strategic land parcels identified for Industrial and Manufacturing sector	2	3	2	2	3	2	2	2
Increased sustainability of enterprises developed	Number of enterprises participating in the EMM's business incubation program	900	2186	900	100	257	100	100	100
Increased number of Job opportunities created	Number of job opportunities created	25000	50894	25000	20000	30572	25000	25000	25000
Increased visitation by tourists to Ekurhuleni	Number of business tourists visiting Ekurhuleni.	1000	3551	1000	32612	73508	1000	1000	1000
Increased public investment and large scale private investments through the proposals submitted	R-value of investments committed	R6bn	R9,3bn	R6bn	R6.5bn	R7.6 billion	R6bn	R6bn	R6bn

**TABLE 29: EMPLOYEES: ECONOMIC DEVELOPMENT SERVICES**

Employees: Economic Development Services					
Job Level (based on new T-scales)	2012/2013	2013/2014			
	Employees (based on old X- scales)	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	15	15	12	3	20%
4 - 6	22	23	18	5	22%
7 - 9	8	4	4	0	0%
10 - 12	24	27	17	10	37%
13 - 15	7	11	7	4	36%
16 - 18	2	4	4	0	0%
Section 57	8	8	8	0	0%
Total	86	92	70	22	24%

**TABLE 30: FINANCIAL PERFORMANCE: ECONOMIC DEVELOPMENT SERVICES**

Financial Performance: Economic Development Services					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	65,273	63,150	63,150	54,654	-16%
Expenditure:					
Employees	38,254	47,753	86,336	72,195	34%
Repairs and Maintenance	1,661	,898	2,601	2,475	-17%
Other	62,858	88,446	108,517	68,506	-29%
<b>Total Operational Expenditure</b>	102,772	139,097	197,453	143,176	3%
<b>Net Operational Expenditure</b>	37,500	75,947	134,303	88,522	14%

**TABLE 31: CAPITAL EXPENDITURE YEAR 2014/2015: ECONOMIC DEVELOPMENT SERVICES**

Capital Expenditure Year 2014/2015: Economic Development Services					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	59,300	57,500	57,962	-2%	
Community Agric Projects	6,000	6,000	6,000	0%	
Ekurhuleni Industrial Park	2,000	–	–	0%	
Fabrication Laboratory	5,000	5,000	5,000	0%	
ICT Equipment	800	1,536	969	17%	
Office Furniture	100	316	121	17%	
Other Equipment	250	245	237	-6%	
Refurbishment of Fresh Produce Market	13,000	13,000	12,969	0%	
Specialized Equipment	1,950	686	349	-458%	
Tourism Route Infrastructure	1,000	1,200	780	-28%	
Township Economies Development	10,000	4,000	2,529	-295%	
Township enterprise Hubs	8,200	8,200	8,679	6%	
Township Industrial Parks	6,000	12,000	14,345	58%	
Trading Stalls	5,000	5,000	5,697	12%	
Vehicles(2 SEATS OR LESS)	–	317	287	100%	



## 14. RE-URBANISE

The strategic intent of the Re-urbanise theme is to enable a process of re-urbanisation of well-connected and networked spaces to ensure a compact and sustainable City. This include rejuvenating blighted and neglected areas, managing and channelling growth, facilitating upward mobility in the formal and informal housing markets, catering for the needs of households requiring affordable accommodation in well located areas, and providing efficient and affordable accessibility to places of work, shopping nodes and facilities within the City and the Gauteng City Region.

- A total of 16,679 unmetered stands were equipped with water meters.
- Provided water connections to a total of 1,844 additional households
- Maintained the Blue Drop status above 95% for three consecutive years. This is indicative of the municipality's positive efforts in promoting the quality of drinking water within the region.
- Provided sanitation connections to a total of 1,844 additional households

In its effort to contribute to the reduction of crime and increase access to energy, the municipality installed:

- 7,243 PV solar lighting units in several informal settlements
- 82 high mast lights
- 1,508 street lights
- Furthermore, a total of 5,656 subsidized households were electrified.



In pursuit of providing an efficient transport system, the municipality invested in the development of transport infrastructure and championed the establishment of new bus routes. This is aimed at promoting greater mobility of the people and also promoting economic development by supporting the movement of goods from areas of production to areas where they are consumed thus facilitating trade. The concrete milestones achieved include:



- 4 new bus routes established connecting Ekurhuleni with other Metros in Gauteng.
- 
- In the development of Public Transport Infrastructure, 11.9 kms of pedestrian walkways were constructed. A total of 12 additional lay-bys for loading and off-loading passengers were constructed. A total of 3.85 kms of the phase 1 IRPTN BRT routes were constructed

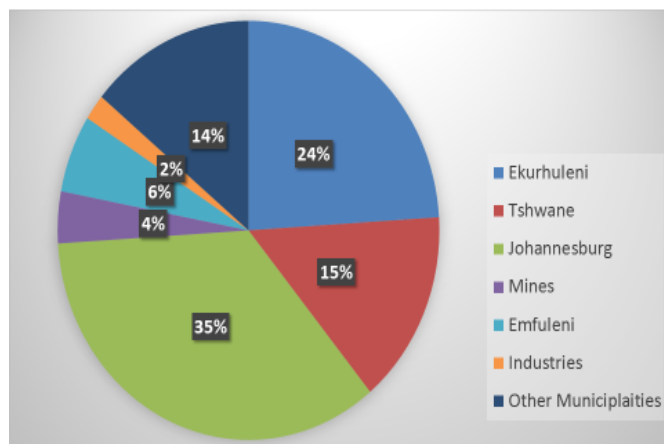
## 14.1 Program 3: Water Provision

Ekurhuleni Metropolitan Municipality is both a designated Water Service Authority and Water Service Provider in accordance with Chapter III, clause 20 of the Water Services Act 108 of 1997. However, at this stage the municipality is not managing and accounting separately for these two functions. Processes to separate the two functions are currently underway.

As a Water Services Authority, the municipality has a duty to provide water and sanitation services to all consumers or potential consumers in the Ekurhuleni area of jurisdiction. This duty is subject to:

- availability of water resources
- equitable allocation and payment of services by consumers
- water conservation
- land situation
- debt management actions and
- economics of providing the service

## VAAL RIVER SYSTEM ALLOCATIONS



### Source of Water

Ekurhuleni Metro Municipality obtains its bulk water supply directly or indirectly from Rand Water through agreements. Rand Water gets its water from the Vaal River System through a water use licence granted by the Department of Water and Sanitation (DWS). According to Rand Water and DWS, Ekurhuleni took about 24% of the Vaal River System yield.

It is also important to note that some of the water is supplied to the municipal areas through Joburg Water and in-turn the municipality also supplies some of the Johannesburg Metropolitan areas. The arrangement is driven by the cost benefit considerations which make it uneconomical to invest in infrastructure that duplicates the nearby Johannesburg or Ekurhuleni supply network. The municipality has 162 Rand Water connections, 6 Johannesburg to Ekurhuleni connections and 10 Ekurhuleni to Johannesburg connections. Rand Water also has 156 direct connections with some of the consumers including the OR Tambo Airport. A process of taking-over the consumers is still underway.

As at 30 June 2015, the municipality was managing the following water and sanitation assets:

### Water Infrastructure

- Number of Reservoirs (940MI): 74
- Water Network :10,070km
- Water Pump Stations :86
- Pressure Reducing Valves :182
- Flow Controlling Valves :15
- Towers :32
- Ground Reservoirs :74

- Rand Water Connections :186

### Sewer Infrastructure

- Sewer pump stations :152
- Gravity mains :9,108km
- Rising mains :102km
- Manholes :178,581
- Wastewater Treatment Plants :17

### Service Delivery

The municipality continued to express its commitment to the provision of quality services to its residents. Although some challenges were experienced leading to the non-achievement of other targeted deliverables, the municipality made significant strides in the provision of services.

A total of 150 water service points were installed for informal settlement dwellers within a 200-metre radius. Furthermore, a total of 438 sanitation service toilets were provided. The increased number of portable toilets and water service points provided were due to increased demand of the service. A total of 50 grey water facilities were installed in various informal settlements. The municipality provided 1 844 formal

households with water and sanitation services.

In an effort to improve efficiencies in the provision of water and sanitation services, the municipality focused on metering unmetered properties and stands, replacing other meters and instituting other mechanisms aimed at reducing non-revenue water. In this regard, a total of 16,679 unmetered stands were metered. This assisted in the determination of water balance and has also made a significant contribution to the reduction of non-revenue water from 37.8% in June 2014 to 36.1% by June 2015.

During the year under review, metering was extended to 23 informal settlements that were remaining. The interim report from the National Department of Water and Sanitation indicates that the municipality retained its Blue Drop Status although the final score has not been given. The quality of water which weighs significantly for the Blue Drop Status accreditation was consistently kept above 95% with microbiological 99.7% and chemical 100%.

Through the capital and operating budget dedicated to the water and sanitation services, a total of 54 140 person days' employment opportunities in various wards were created. The breakdown of employment by gender and age is as follows:

- Youth : 534 people;
- Adult Male : 238 people;
- Adult Female : 153 people.

### **Water and Sanitation Strategy Approach**

In support of sustainable supply of water and sanitation services, achieved the following:

- During the 2014/15 financial year, the municipality focused on providing services to the households in the informal settlements to reduce the water and sanitation backlog, connecting formal households to a reliability service and improving the response times.

- The approved sanitation service level is one toilet per ten households.
- This servicing ratio was achieved in all informal settlements with the provision of an additional 438 potable chemical toilets.
- Residents of Sophia town informal settlement who had once rejected chemical toilets in 2011/12 requested the chemical toilets through a memorandum. A total of 9 toilets were provided bringing the servicing ratio to one toilet to 7 households
- As part of the efforts to improve the service level, the proposed "Basic Minimum Sanitation Guidelines" was drafted and is still under review. The Guidelines propose a minimum service level of one toilet per five households as per the 2009 Housing Code: Emergency Services Part III.
- A total of 150 water service points were provided in various informal settlements thus reducing the walking distance to a water service point to less than 200m
- Increase in the service level standard from a water tap within 200m to one water service point for 25 households. A total of 1 952 formal properties were connected with water and sanitation services
- To expedite the response times to service break down alerts and reduce water losses. The percentage of water service breakdown jobs attended to in 48 hours increased from 84% in 2013/14 to 86% in 2014/15.
- The percentage of sewer overflow jobs completed within 48 hours was maintained at 91% as achieved in 2013/14. EMM conducted education and awareness campaigns in Tembisa, Etwatwa and Nigel aimed at educating the consumers on how to report bursts, water leaks and sewage overflows. The communities were also educated on how to conduct minor leak repairs on their properties and avoid sewage overflows
- During the period 12 September to 15th October 2014, the municipality experienced a massive water interruption that affected about 25v000 households in Ekurhuleni. The incident strengthened the

infrastructure stability value chain seamless relationship that exists between Rand Water and the municipality but exposed the communication weaknesses. The incident triggered the need for an integrated risk management system between Rand Water and its customers.

- A total of four additional water tankers were purchased to manage the no- water situations within the municipality
- During the period under review the municipality provided a reliable supply of about 222.2 million kl billed consumption

and 11.3 million kl free basic water to the residents

- Microbiological Health Compliance – regarding the quality of water, the municipality retained its compliance at 99%
- Chemical Health Compliance - Chemical water quality refers to the nature and concentration of dissolved substances such as salts, metals and organic chemicals. SANS 241 requires an annual compliance of 95%.

**TABLE 32: CHEMICAL HEALTH AND MICROBIOLOGICAL COMPLIANCE**

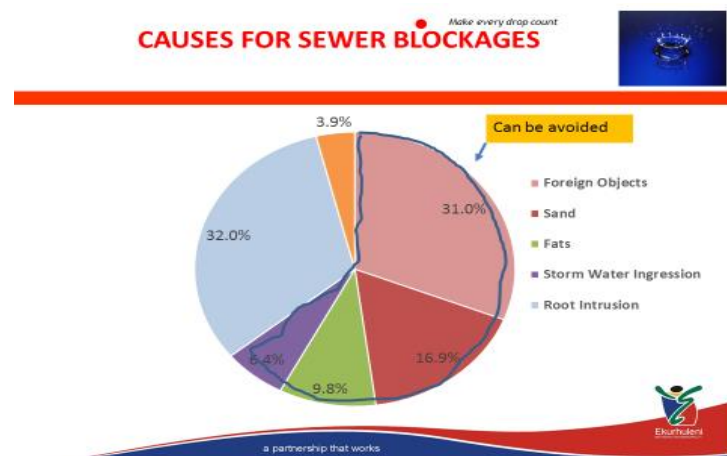
Graph	Compliance period	Chemical Health	Microbiological Health
A	2014/06/01-2015/05/31	100%	99.65%
B	2015/05/01-2015/05/31	100%	99.73%
E	2014/07/01-2015/05/31	100%	99.71%

As indicated above, generally the quality of water supplied is of high quality.

- Financial Sustainability - With regards to the reduction of the non-revenue, the municipality implemented projects that focused on effective metering. In the year under review, the municipality focused on metering unmetered properties and replacing meter. In this regard a total of 16,679 unmetered stands were metered.
- In addition to metering, the municipality embarked on a water loss reduction

initiative, which included pipe replacement, leak repairs to indigent properties and an education campaign which significantly reduced the Non-Revenue Water from from 37.8% (2013/14) to 36.1% (2014/15)

- Infrastructure Stability and Availability - The backlog on the replacement, upgrading and extension of the water and sewer infrastructure stands at about R7.3 billion. During the year under review, 27kms of water and sewer pipes were replaced.





## Sewer Blockages



- Sound Governance - In its efforts to institutionalize risk management as a standard management practice, EMM developed and approved a Risk Management Framework.
- The high risks identified which are associated with the water and sanitation business of the municipality include the following:
  - Deterioration of Quality of Water
  - Water Shortage/Adequacy of water resources
  - Loss of water revenue
  - Infrastructure deterioration
  - Weak operational resilience
- The municipality is implementing measures that will eliminate, mitigate or defer the identified risks.

- Security of Water Supply (Adequacy of Water Resources) - The total water demand as at 30 June 2015 was 999MI/day against an allocation of 908MI/day from Randwater or the Vaal System. EMM is currently exploring options to reduce the water demand.
- A draft policy of the rainwater harvesting was developed.

Operational Optimization - During the year under review, EMM embarked on a number of education awareness campaigns which sought to ensure optimum use of sewers and water. These included door to door campaigns, school education programmes, competitions that creates awareness on water demand and conservation, Water Week Celebration, Awareness Campaigns at Taxi Ranks and EMM Customer Care Centres



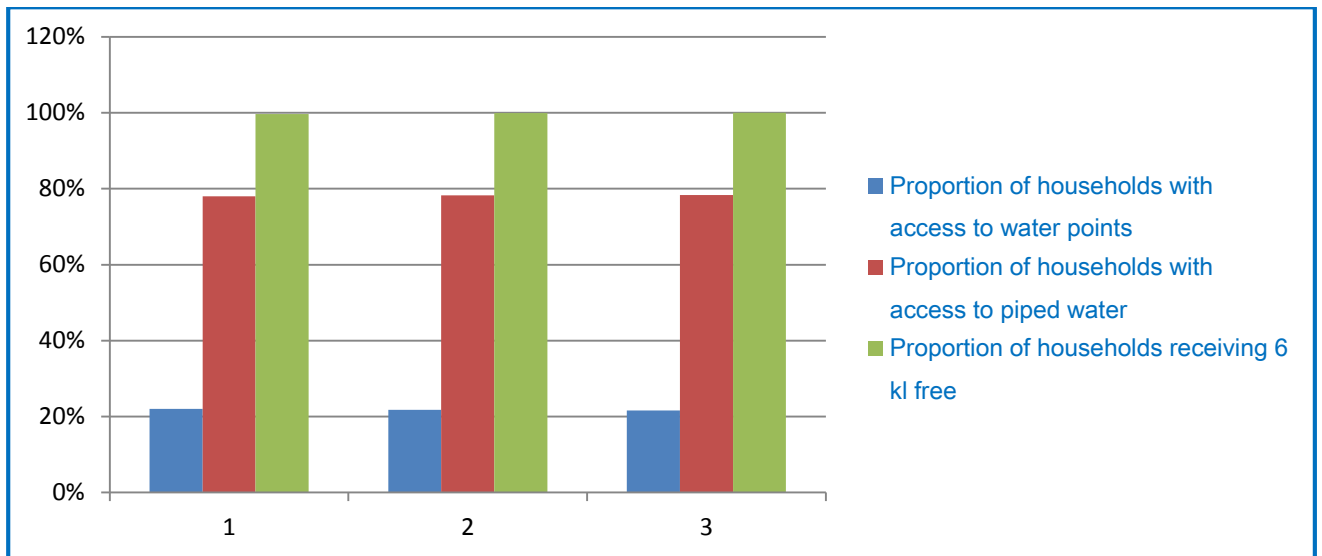
**TABLE 33: WATER SERVICE DELIVERY LEVELS**

<u>WATER SERVICE DELIVERY LEVELS</u>				
Description	2011/12	2012/13	2013/14	Households 2014/15
	Actual No.	Actual No.	Actual No.	Actual No.
<b><u>Water: (above min level)</u></b>				
Piped water inside dwelling	884937	892764	895385	897,337
Piped water inside yard (but not in dwelling)	N/A	N/A	N/A	N/A
Using public tap (within 200m from dwelling )	119217	119217	119217	119217
Other water supply (within 200m)	N/A	N/A	N/A	N/A
<i>Minimum Service Level and Above sub-total</i>	1004154	1011981	1014602	1,016,554
<i>Minimum Service Level and Above Percentage</i>	99%	99%	99%	100%
<b><u>Water: (below min level)</u></b>				
Using public tap (more than 200m from dwelling)				
Other water supply (more than 200m from dwelling)	11311	3484	863	0
No water supply				
<i>Below Minimum Service Level sub-total</i>	11311	3484	863	0
<i>Below Minimum Service Level Percentage</i>	1%	0%	0%	0%
<b>Total number of households*</b>	<b>1015465</b>	<b>1015465</b>	<b>1015465</b>	<b>1,016,554</b>
* - To include informal settlements				

**TABLE 34: HOUSEHOLDS - WATER SERVICE DELIVERY LEVELS BELOW THE MINIMUM**

<u>Households - Water Service Delivery Levels below the minimum</u>						
Description	2011/12	2012/13	2013/14	Households 2014/15		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
<b>Formal Settlements</b>						
Total households	786,257	794,084	796,705	797,843	797,843	798,657
Households below minimum service level	-	-	-	-	-	-
Proportion of households below minimum service level	0%	0%	0%	0%	0%	0%
<b>Informal Settlements</b>						
Total households	220,759	220,759	220,759	220,759	220,759	220,759
Households below minimum service level	11,311	3,484	863	0	0	0
Proportion of households below minimum service level	5%	2%	0%	0%	0%	0%
T 3.1.4						





**GRAPH 10: ACCESS TO WATER**

T 3.1.5

\* Means access to 25 liters of potable water per day supplied within 200m of a household and with a minimum flow of 10 liters per minute

# 6,000 liters of potable water supplied per formal connection per month.

**TABLE 35: WATER SERVICE POLICY OBJECTIVES TAKEN FROM IDP**

Water Service Policy Objectives Taken From IDP									
Service Objectives  <i>Service Indicators</i> (i)	Outline Service Targets (ii)	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective : Invest in on-grid long term infrastructure									
Households without minimum water supply	Additional Households provided with minimum water supply during the year (Number of households (HHs) without supply at year end)	18211	4243	18211	1138	1844	1138	2470	15392
Improve water conservation	Reduce unaccountable water levels compared to the baseline of Year -1 (xxx kilolitres (KLs) unaccounted for during the yr)	30.0%	39.7%	30.0%	37.60%	37.60%	36.0%	34%	32%
Increased number of WCM metered households	Number of unmetered stands provided with meters	12251	7293	12251	10000	24894	50,000	60,000	60,000
Maintain Blue drop status on drinking water quality management	Blue Drop score (min 95%)	>95%	>95%	>95%	>95%	>95%	>95%	>95%	>95%

**TABLE 36: EMPLOYEES: WATER & SANITATION SERVICES**

<b>Employees: Water &amp; Sanitation Services</b>					
<b>Job Level (based on new T- scales)</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Employees (based on old X- scales)</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0-3	520	514	440	74	14%
4-6	232	248	204	44	18%
7-9	169	155	132	23	15%
10-12	153	155	121	34	22%
13-15	35	36	30	6	17%
16-18	15	15	11	4	27%
Section 57	6	6	5	1	17%
<b>Total</b>	<b>1130</b>	<b>1129</b>	<b>943</b>	<b>186</b>	<b>16%</b>

**TABLE 37: FINANCIAL PERFORMANCE: WATER & SANITATION SERVICES**

<b>Financial performance: Water &amp; Sanitation Services</b>					
<b>R'000</b>					
<b>Details</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Budget</b>
<b>Total Operational Revenue</b>	5,101,235	5,323,092	5,536,018	5,759,072	8%
<b>Expenditure:</b>					
Employees	40,141	50,913	54,384	46,005	-11%
Repairs and Maintenance	442,703	435,548	568,504	424,463	-3%
Other	3,406,312	3,586,916	3,790,532	3,641,893	2%
<b>Total Operational Expenditure</b>	3,889,156	4,073,377	4,413,419	4,112,360	1%
<b>Net Operational Expenditure</b>	<b>(1,212,080)</b>	<b>(1,249,715)</b>	<b>(1,122,598)</b>	<b>(1,646,711)</b>	<b>24%</b>

**TABLE 38: CAPITAL EXPENDITURE YEAR 2014/2015: WATER & SANITATION SERVICES**

Capital Expenditure Year 2014/2015: Water & Sanitation Services					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	460,517	472,126	434,030	-6%	
Alberton: Install new OF Huntersfield	2,000	300	–	0%	
Brakpan: Replace outfall sewer Casseldale	–	382	382	100%	
Buiding New and Upgrade Depot Buildings	6,000	5,500	5,500	-9%	
Construct new r&p;pumpst: Dalpark X13	2,000	300	298	-572%	
Edenvale: Illiondale Outfall sewer	10,000	200	123	-8019%	
Emergency Equipment at Depots	1,000	1,030	293	-241%	
Etwatwa Ext 35 Essential Services	500	900	103	-386%	
External Infrastructure Development Glen Gory	45,600	–	–	0%	
Germiston: Elimination of Klippoortjie s pump s	500	5,500	3,514	86%	
Germiston: Elsburg outfall sewer (H385) (P 2&3) C/F	3,500	500	8	-43994%	
Germiston: Upgrade and replace Dekema outfall sewer	–	9,051	2,968	100%	
Human Settlements Essential Services	65,500	74,115	74,254	12%	
ICT Equipment	800	1,123	772	-4%	
Langaville: Upgrade water and sewer network	500	500	426	-17%	
Lillianon Outfall sewer (H281) count	2,000	–	–	0%	
Madelakufa Essential services	2,000	–	–	0%	
Moderfontein 76 IR Ptn 7 E/tial SVC C F	3,000	900	592	-407%	
Nigel: Upgrade/Eliminate Rockville pumpst	4,500	1,628	1,135	-296%	
Office Equipment	500	397	102	-389%	
Office Furniture	350	310	897	61%	
Palm Ridge Phases 5 & 6 Bulk & Essential Services	40,817	39,084	39,084	-4%	
Pomona: Bulk supply Albertina Sisulu Corridor	25,500	24,069	24,069	-6%	
Pomona: New Eastern OF sewer	34,200	23,931	18,610	-84%	
Pre-implementation Planning - various projects	2,500	300	299	-735%	

**Capital Expenditure Year 2014/2015:  
Water & Sanitation Services**

**R' 000**

Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Replace and repair O/S Dawn Park	3,000	3,000	156	-1823%	
Reservoir Construction	4,600	5,700	5,142	11%	
South Eastern Outfall Sewer - Springs	500	500	500	0%	
Specialised vehicles	3,350	3,350	2,970	-13%	
Specialized Equipment	500	1,820	1,456	66%	
Springs: Modder East Outfall Sewer	5,000	500	–	0%	
Tembisa: New water pressure tower	4,000	–	–	0%	
Tsakane: Provide water Tsakane x 6 and 10	–	476	74	100%	
Upgrade Outfall Sewers in Vosloorus C/F	1,500	300	–	0%	
Upgrade Sewer Networks	5,700	8,700	8,244	31%	
Upgrade Water Network C/F Etwatwa X19	1,000	12	12	-7982%	
Upgrade Water Networks	15,000	48,660	45,638	67%	
Vehicles(MORE THAN 2 SEATS)	2,100	11,300	9,836	79%	
Water and Sanitation: Emergency services to informal settlements	9,000	5,819	3,585	-151%	
Water and Sewer Retic. Welgedacht	2,000	2,000	2,000	0%	
Water Loss Eradication Programme	150,000	75,069	68,725	-118%	
Water Loss Eradication Programme	–	114,901	112,261	100%	

## 14.2 Programme 4: Waste Water (Sanitation) Provision

EMM residents enjoy 88.5% sanitation service coverage and 100% water service provision. In alignment with the National Policy and Emergency Housing Service Guidelines, the municipality met the minimum level of service for sanitation. This included the provision of a basic sanitation infrastructure facility necessary to provide a

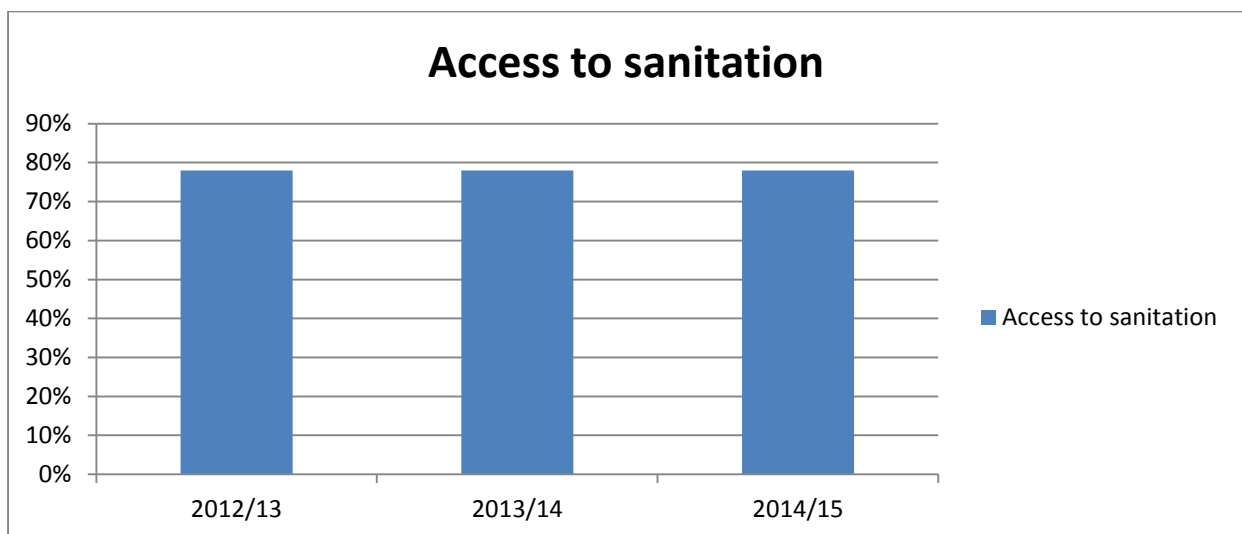
sanitation service which is safe, reliable, private, protected from the weather, ventilated, keeps smells to the minimum, is easy to keep clean, minimises the risk of the spread of sanitation-related diseases by facilitating the appropriate control of disease-carrying flies and pests, and enables safe and appropriate treatment and/or removal of human waste and wastewater in an environmentally sound manner.

**TABLE 39: SANITATION SERVICE DELIVERY LEVELS**

Sanitation Service Delivery Levels				
*Households				
Description	2011/12	2012/13	2013/14	2014/2015
	Outcome	Outcome	Outcome	Actual
	No.	No.	No.	No.
<i>Sanitation/sewerage: (above minimum level)</i>				
Flush toilet (connected to sewerage)	890,040	897,867	904,798	906,750
Flush toilet (with septic tank)	N/A	N/A	N/A	N/A
Chemical toilet	8,749	8,749	8,749	9,187
Pit toilet (ventilated)	72,394	72,394	72,394	71,956
Other toilet provisions (above min.service level)	N/A	N/A	N/A	N/A
<i>Minimum Service Level and Above sub-total</i>	971,183	979,010	985,941	987,893
<i>Minimum Service Level and Above Percentage</i>	96.48%	97.26%	97.53%	96.54%
<i>Sanitation/sewerage: (below minimum level)</i>				
Bucket toilet	23,594	15,767	13,146	23,594
Other toilet provisions (below min.service level)	N/A	N/A	N/A	N/A
No toilet provisions	11,806	11,806	11,806	11,806
<i>Below Minimum Service Level sub-total</i>	35,400	27,573	24,952	35,400
<i>Below Minimum Service Level Percentage</i>	3.52%	2.74%	2.47%	3.46%
<b>Total households</b>	<b>1,006,583</b>	<b>1,006,583</b>	<b>1,010,893</b>	<b>1,023,293</b>
<i>*Total number of households including informal settlements</i>				

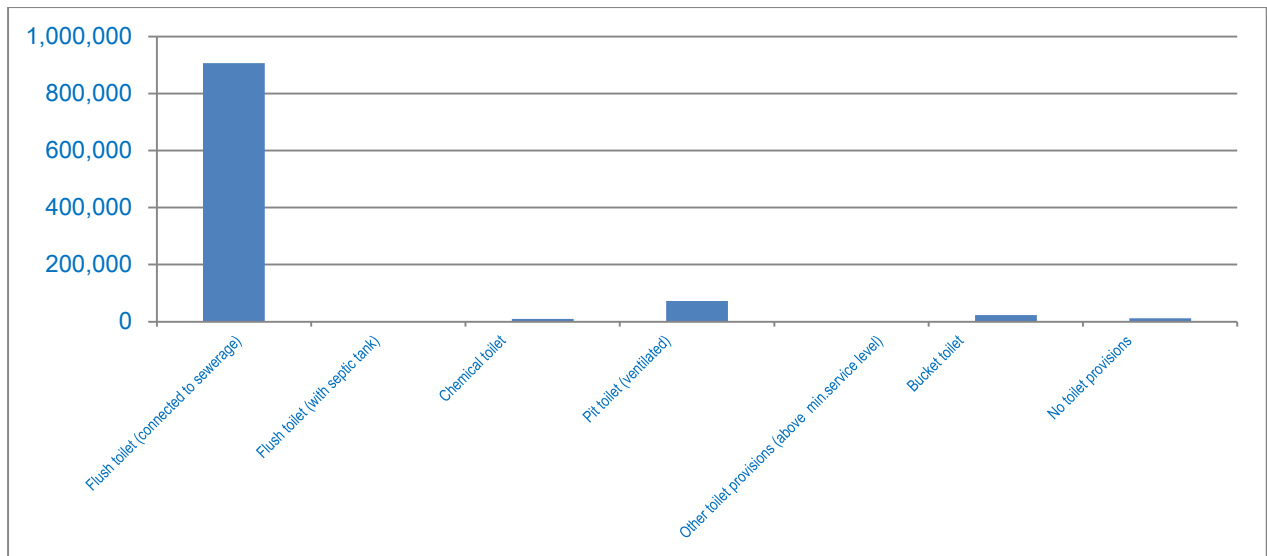
**TABLE 40: HOUSEHOLDS - SANITATION SERVICE DELIVERY LEVELS BELOW THE MINIMUM**

Households - Sanitation Service Delivery Levels below the minimum						
Description	2011/12	2012/13	2013/14	2014/2015		
	Actual	Actual		Original Budget	Adjusted Budget	Actual
	No.	No.		No.	No.	No.
<b>Formal Settlements</b>						
Total households	794,084	796,705	796,705	797,843	797,843	798,657
Households below minimum service level	0	0	0			
Proportion of households below minimum service level	0%	0%	0%	0%	0%	0%
<b>Informal Settlements</b>						
Total households	220,759	220,759	220,759	220,759	220,759	220,759
Households below minimum service level	2,500	2,500	2,500	2,500	2,500	2,500
Proportion of households below minimum service level	1%	1%	1%	1%	1%	0.2%



**GRAPH 11: ACCESS TO SANITATION**





**GRAPH 12: SANITATION/SEWERAGE (ABOVE MINIMUM LEVEL)**

**TABLE 41: WASTE WATER (SANITATION) SERVICE POLICY OBJECTIVES TAKEN FROM IDP**

Waste Water (Sanitation) Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
<div>Service Indicators</div>		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective: Invest in on-grid long term infrastructure									
Provision of toilets within standard	Additional Households (HHs) provided with minimum sanitation during the year (Number of HHs remaining without minimum sanitation at year end)	18211	4243	1138	7872	1844	2470	15392	

The statistics of the employees, financial performance and capital expenditure of the Sanitation Services is included in the statistics of the Water and Sanitation Services.

## 14.3 Program 5: Energy

Ekurhuleni Metropolitan Municipality supplies electricity to just over 3 million residents in its geographic area. The City's strategic objectives relating to electricity supply are captured in the Growth and Development Strategy 2055 (GDS 2055) and the detailed Energy Master Plan. Overall, the municipality aims to distribute electricity in an efficient, effective, equitable and sustainable manner by applying appropriate standards through the optimal use of resources that is guided by the Batho Pele principles taking into consideration the environment and developmental needs as well as services backlog of the communities.

For the year under review, the seamless provision of electricity was hampered by crippling interruptions in electricity supply due to rotational load shedding implemented by ESKOM. Load shedding started in October 2014 and the municipality complied, without fail, with ESKOM's request to assist with load shedding when the national grid was under pressure. Due to the negative impact of load shedding on the economy, the municipality deliberately shifted load shedding from industry/business to other areas of the municipality.

Although load shedding is expected to have an impact on municipal revenue (as no consumption happens during load shedding and also because of residents shifting to alternative energy sources), the impact on EMM is currently minimal but it remains an issue the municipality must carefully manage in the context of its financial sustainability.

The municipality identified the following strategic priorities in relation to electricity/energy for the 14/15 financial year:

- Electrification and lighting;
- Improved network availability;
- Reduction of energy losses; and
- The use of renewable energy.

The achievements with respect to the abovementioned deliverables are as follows:

### ***Electrification and lighting:***

- The municipality offers a higher level of electricity service. According to the latest census, 82% of households within EMM have access to electricity. This includes EMM customers supplied by ESKOM.
- Backlog - Effectively 18% make up the backlog that is comprised largely of new township developments in the formal and informal settlements. The larger portion of the backlog is in respect of households in informal settlements.
- The current policy on informal settlements is that these households cannot not be electrified owing to the nature and location of these structures which renders it unsafe and expensive to electrify.
- Solar Lighting - the municipality has installed photovoltaic solar lights in some of the households in informal settlements. Photovoltaic solar lights are portable solar units that provide energy for four LED globes and a cell phone charger. The municipality is continuing with this programme of installing photovoltaic solar lights in the other households situated in informal settlements.
- The municipality installed ten solar high mast lights in a targeted informal settlement (Marikana) in the period under review. These high mast lights were however stolen within the year and the municipality is currently investigating a new design to prevent such vandalism and theft.
- In terms of providing assistance to poor communities, as identified via the indigent register the City complies with the NERSA guidelines on the implementation of an electricity tariff that assist these vulnerable customers to manage high costs of energy. The inclining block tariff increases in cost in defined steps, with the first 100 units given free of charge (known as free basic electricity). The next 500 units come at a rate where virtually no mark-up is made on the purchase price

from the EMM bulk supplier, that is, a heavily subsidized rate.

### ***Improved network availability and performance:***

The continued sustainability of the network is a priority of the City. This instils confidence in investors by way of providing a reliable continuous supply of electricity at tariffs that are cost reflective. The municipality has over the years continued to increase its investments in refurbishing, replacing or upgrading critical parts of its network in accordance with its master plan and the long term strategy.

The capital and refurbishment budgets have been increased over the years and this investment has resulted in an enhanced quality of service to customers. The following was achieved in the year under review:

- Two substations (Kaalfontein and Technical College) were upgraded as part of the drive to ensure uninterrupted electricity supply. The Technical College substation supports the Urban Renewal programme in Germiston and Kaalfontein supports the electrification projects like Esselen Park.
- Ekurhuleni municipality has continued its good performance on network availability. The industry norm for network availability is 0.8% on average. The municipality achieved an average of 0.28%, improving on the industry target. The biggest challenge facing the municipality in the area of electricity network is scarcity of technical skills (engineers and technicians). The municipality has not been successful in attracting and retaining these skills and as a result resorts to the utilization of contractors in electrification, meter management, and repairs and maintenance. In order to minimize this effect, the department is, providing training. The department has successfully trained 5 individuals in the.

### ***Reduction in energy losses:***

- Energy losses in a municipality can only be reduced to acceptable levels by means of a very effective revenue value chain. Meter (revenue) management is a key component in the management of energy losses. In Ekurhuleni metering for large customers is done by means of an automated meter read system, resulting in a successful meter read upload figure approaching 99%.
- The smaller customers are metered by either credit or prepayment meters. Credit meters for these customers are being phased out and replaced with prepayment meters, ensuring that the City is able to improve not only its metering service but also revenue.
- The online prepayment vending system recently surpassed the 250 000 mark, with all meters online. Convenience of prepayment token purchases is key, and in this regard EMM provides numerous channels to assist customers. City “own consumption” is also being measured, whilst demand management and energy efficiency measure, assist in continuously lowering existing consumption levels. This includes streetlight consumption, where older technology lights are being replaced with more efficient units and lighting in municipal buildings which has been retrofitted with more energy efficient technologies.
- Despite these customer and electricity consumption management initiatives, unaccounted for electricity still stands at about 11.05%. This 11.05% overall kilowatt-hour units lost in distribution also require careful management.
- Several programmes are being implemented to deal with losses, ranging from consistently executing audits on all meters, issuing of reinstatement fees, back billing of lost units and numerous others.

- Capital investments are made on a continuous basis to ensure that existing grids are more robust against interference.
- Other interventions are also implemented, at targeted intervals, to enable the City to deal with illegal connections to the grid. Although resistance to these removal operations is on the increase, the City has remained steadfast in dealing with this scourge. This removal of illegal connections is done in conjunction with the South African Police Services, Ekurhuleni Metro Police and external service providers.
- In the context of the current electricity shortages, the municipality has recognized the need to explore various alternative sources of energy which are available and viable. As part of this programme, the municipality has installed 7,243 photovoltaic solar lights in Informal Settlements. In addition, the municipality has invested in a “waste to energy” project. This project, was implemented at Simmer & Jack Landfill Site. This project has a total installed capacity of 1MW.
- Furthermore, the municipality has also established a photovoltaic solar farm at the O R Tambo Precinct in Wattville with an installed capacity of 200kW.

### ***Use of renewable energy:***

**TABLE 42: ELECTRICITY SERVICE DELIVERY LEVELS**

<b>Electricity Service Delivery Levels</b>				
<b>Households</b>				
<b>Description</b>	<b>Year -3</b>	<b>Year -2</b>	<b>Year -1</b>	<b>Year 0</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>
<i>Energy: (above minimum level)</i>				
Electricity (at least min.service level)	185000	157115	155000	
Electricity - prepaid (min.service level)	206539	243710	255825	
<i>Minimum Service Level and Above sub-total</i>	391539	400825	410825	
<i>Minimum Service Level and Above Percentage</i>				
<i>Energy: (below minimum level)</i>				
Electricity (< min.service level)	0	0	0	
Electricity - prepaid (< min. service level)	0	0	0	
Other energy sources		0	0	
<i>Below Minimum Service Level sub-total</i>	0	0	0	
<i>Below Minimum Service Level Percentage</i>	0.0%	0.0%		
Total number of households		0	0	

**TABLE 43: ELECTRICITY POLICY OBJECTIVES TAKEN FROM IDP**

Electricity Policy Objectives Taken From IDP									
Service Objectives  <div>Service Indicators (i)</div>	Outline Service Targets  (ii)	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective: Invest in on-grid long term infrastructure									
Provision of minimum supply of electricity	Additional households (HHs) provided with minimum supply during the year (Number of HHs below minimum supply level)	8000	916	916	5000	5656	5000	5000	5000
Increased provision of public lighting (street lights and high mast lights)	Number of solar high mast lights installed	12	10	10	80	82	80	80	80
	No of PV Solar Lighting Units installed in Informal Settlements	7000	14266	14266	7000	7243	7000	7000	7000
Improved energy balance by reduction of non-technical losses	% reduction of unaccounted for electricity	10.00%	12.00%	12.00%	11.25%	11.00%	10.75%	10.50%	10.25%
Reduced electricity downtime	% kWh lost through downtime	0,8%	0,8%	0,8%	0,8%	0.28%	0,8%	0,8%	0,8%

### Overall Performance of Services:

EMM made significant progress in the provision of electricity services in the year under review. This is evidenced by the fact that all planned targets were achieved. This includes the target set for capital expenditure. The following key targets set were achieved:

**TABLE 44: OVERALL ELECTRICITY SERVICE PERFORMANCE**

OVERALL ELECTRICITY SERVICE PERFORMANCE		
Description of targets	Annual target	Actual achieved
Installation of photovoltaic solar lights	7000	7243
Electrification of subsidized households	5000	5656
Installation of high mast lights	80	82
Installation of street lights	1000	1503
Percentage downtime of network availability	0.8%	0.28% (% downtime of network is better than the industry norm because of the reliability (owing to investment over the years) and staff efficiency in reinstating the network.)
Percentage reduction of unaccounted for electricity	11.25%	11.05% (a lower percentage indicates success in the reduction of energy losses)

Accessibility to electricity is one of the priorities of the municipality. A budget of R161million was allocated for such expenditure. The municipality electrified 5656 houses and installed 1503 street lights which include bulk supplies. This has contributed in the reduction of the backlog.

A reliable supply of electricity is key to investor confidence. To this end, major upgrades were made to the Kaalfontein, Tech College, and Ester Park, Edenvale Industries, Finaalspan Dawn Park and Eden Park West substations. The Technical College substation supports the Urban Renewal programme in Germiston and Kaalfontein supports the electrification projects like Esselen Park.

The municipality suffers electricity losses due to theft, tampering and illegal connections yearly. The area of Langaville was identified as one of the “hot spots”. At the end of 2009, the municipality had a payment level of about R50 000 per month. In June 2015, after capital interventions, this has changed to

R1.2 million per month and highly sustainable. The network in the area was resituated and protective structures were installed.

Currently there are 119 informal settlements with approximately 164,000 informal households within the EMM. These households have not been electrified. The nature of these structures renders it unsafe and expensive to electrify. However, the municipality has, for the year under review, installed 7243 portable photovoltaic solar lights in households in informal settlements. In the next five years the municipality plans to install 10000 portable photovoltaic solar lights per annum in households in informal settlements.

Four of the largest projects undertaken were:

- Electrification R161 million;
- Substations R160 million;
- Network restitution R20m; and
- Renewable energy projects R20m.



**TABLE 45: EMPLOYEES: ENERGY**

Employees: Energy					
Job Level (based on new T-scales)	2013/2014	2014/2015			
	Employees (based on old X-scales)	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	567	556	452	104	19%
4 - 6	129	127	108	19	15%
7 - 9	114	103	75	28	27%
10 - 12	331	337	285	52	15%
13 - 15	47	42	36	6	14%
16 - 18	16	15	11	4	27%
Section 57	8	8	7	1	13%
Total	1212	1188	960	214	18%

**TABLE 46: FINANCIAL PERFORMANCE: ENERGY**

Financial Performance: Energy					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	11,282,985	12,506,942	12,456,376	12,287,605	-2%
Expenditure:					
Employees	114,227	167,627	153,298	131,906	-27%
Repairs and Maintenance	745,835	842,610	851,399	813,465	-4%
Other	9,753,237	10,334,764	10,564,225	10,619,494	3%
Total Operational Expenditure	10,613,300	11,345,001	11,568,922	11,564,865	2%
Net Operational Expenditure	(669,686)	(1,161,941)	(887,454)	(722,740)	-61%

**TABLE 47: CAPITAL EXPENDITURE YEAR 2014/2015: ENERGY SERVICES**

Capital Expenditure Year 2014/2015: Energy Services					
					R' 000
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	578,150	544,650	524,288	-10%	
Alberton Lighting	850	850	440	-93%	
Alberton Network enhancement	4,000	4,000	4,023	1%	
Alberton Revenue enhancement	1,650	1,650	1,650	0%	
Benoni Lighting	850	850	848	0%	
Benoni Network enhancement	4,000	4,000	3,911	-2%	
Benoni Revenue enhancement	1,650	1,650	295	-459%	
Boksburg Lighting	850	850	850	0%	
Boksburg Network enhancement	4,000	4,000	3,903	-2%	
Boksburg Revenue enhancement	1,650	1,650	1,649	0%	
Brakpan Lighting	850	850	850	0%	
Brakpan Network enhancement	4,000	4,000	3,809	-5%	
Brakpan Revenue enhancement	1,650	1,650	1,646	0%	
Corporate Electrification	100,000	120,000	117,451	15%	
Corporate Electrification INEP	61,000	61,000	60,925	0%	
Corporate Energy Efficiency	10,000	17,500	16,997	41%	
Corporate ICT equipment	1,600	2,200	1,289	-24%	
Corporate Lighting	6,000	8,000	8,050	25%	
Corporate Network enhancement	3,000	13,000	11,151	73%	
Corporate Office furniture	1,400	800	274	-410%	

**Capital Expenditure Year 2014/2015:  
Energy Services**

**R' 000**

Capital Projects	2014/2015				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Corporate other equipment	150	150	72	-110%	
Corporate Revenue enhancement	25,000	45,000	41,885	40%	
Corporate Specialized equipment	3,000	3,000	2,496	-20%	
Corporate Substations	160,000	80,000	78,589	-104%	
Corporate vehicles(MORE THAN 2 SEATS)	15,000	30,000	28,747	48%	
Daveyton Lighting	1,250	1,250	1,226	-2%	
Daveyton Network enhancement	4,000	4,000	3,636	-10%	
Duduza Lighting	1,250	1,250	1,250	0%	
Edenvale Lighting	850	850	778	-9%	
Edenvale Network enhancement	4,000	4,000	3,897	-3%	
Edenvale Revenue enhancement	1,650	1,650	1,650	0%	
Etwatwa Lighting	1,250	1,250	1,250	0%	
External Infrastructure Development Glen Gory	41,000	–	–	0%	
Germiston Lighting	850	850	850	0%	
Germiston Network enhancement	10,800	10,800	10,613	-2%	
Germiston Revenue enhancement	1,650	1,650	1,650	0%	
Katlehong Lighting	1,250	1,250	1,167	-7%	
Kempton Park Lighting	850	850	788	-8%	
Kempton Park Network enhancement	10,000	10,000	9,978	0%	
Kempton Park Revenue enhancement	1,650	1,650	1,650	0%	
Kwa-Thema Lighting	1,250	1,250	1,209	-3%	

**Capital Expenditure Year 2014/2015:  
Energy Services**

**R' 000**

Capital Projects	2014/2015				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Kwa-Thema Network enhancement	3,000	3,000	2,490	-20%	
Kwa-Thema Revenue enhancement	1,650	1,650	1,640	-1%	
Kwa-Thema Revenue enhancement	–	–	–	0%	
Langaville Electricity Network Restitution	20,000	20,000	19,745	-1%	
Nigel Lighting	850	850	862	1%	
Nigel Network enhancement	3,000	3,000	3,000	0%	
Nigel Revenue enhancement	1,650	1,650	1,650	0%	
Renewable Energy Projects	20,000	33,000	32,992	39%	
Springs Lighting	850	850	171	-397%	
Springs Network enhancement	4,000	4,000	4,040	1%	
Springs Revenue enhancement	1,650	1,650	1,650	0%	
Tembisa 2 Lighting	1,250	1,250	1,231	-2%	
Tembisa 2 Network enhancement	3,000	3,000	2,069	-45%	
Tembisa 2 Revenue enhancement	1,650	1,650	1,586	-4%	
Tembisa Lighting	1,250	1,250	1,250	0%	
Tembisa Network enhancement	3,000	3,000	2,795	-7%	
Tembisa Revenue enhancement	1,650	1,650	1,648	0%	
Thokoza Lighting	1,250	1,250	878	-42%	
Thokoza Network enhancement	4,000	4,000	4,000	0%	
Thokoza Revenue enhancement	1,650	1,650	1,373	-20%	
Tsakane Lighting	1,250	1,250	1,165	-7%	
Tsakane Network enhancement	3,000	3,000	1,836	-63%	
Vosloorus Lighting	1,250	1,250	1,250	0%	
Vosloorus Network enhancement	800	800	800	0%	

Capital Expenditure Year 2014/2015: Energy Services					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Vosloorus Revenue enhancement	800	800	772	-4%	

## 14.4 Program 6: Human Settlement

The role of the EMM regarding Human Settlements can be defined as the Planning, Development and Management of sustainable human settlements. To achieve this, EMM forms partnerships with communities, other government departments both national and provincial, private sector non-governmental organisations, organised groups, funding agencies, housing agencies and any other organisations. Creating sustainable settlements also requires economic and environmental interventions hence new partnerships in these fields are being formed, particularly within urban renewal programmes and by prioritising greening interventions in various housing programmes.

On the 4th of March 2011, the EMM was awarded level one and two accreditation by the National Minister of Human Settlements and the Gauteng MEC for Local Government and Housing. Level one and two accreditation means that EMM is officially delegated the powers to perform housing functions that were previously performed by the Gauteng Department of Local Government and Housing. The delegated functions include:

- Beneficiary management, including the processing and approval of beneficiary

housing subsidy applications at the municipal level

- Subsidy budget planning and allocation
- Full programme management and administration of housing programmes at the local level.

### **Service Performance**

To date, the following was achieved in respect of the national mandate:

- EMM provides essential services like water, sanitation, refuse removal, and lighting to the 119 informal settlements.
- The social housing programme is implemented through the Ekurhuleni Development Company (EDC), a municipal social housing entity.

### **Challenges in the Human Settlements Delivery Process Experienced:**

- Housing and services backlog consisting:
  - 119 informal settlements.
  - 152 000 families in informal settlements & waiting list.
  - 217 000 housing (top structure) backlog
- Securing suitable land for housing development due to:
  - Dolomite & Wetlands
  - Suitable land is located in the outskirts far from socio-economic facilities
  - Privately owned land expensive to acquire

- Population growth and In-migration lead to densification and growth of settlements.
- Land invasion has negative impact on upgrading of the Informal Settlements Programme as vacant land is invaded thus there is no decrease in the backlog.

### ***The Strategic Framework***

In response to the challenges outlined herein, EMM has committed to:

- Develop base design for facilities, design guidelines and terms of reference;
- Design citizen programmes;
- Ensure urban management models are in place;
- Develop integrated project construction plans;

- Fast track planning approvals for construction of social complexes
- Get people moving with an objective of delivering 4000 housing opportunities within 800 meters of BRT stations (Phase 1)
- Develop great town centres by bringing transport close to people, by implementing the following actions:
  - Identifying all settlements located on the periphery that are outside the proposed BRT catchment area.
  - Developing joint integration implementation plans with Department of Transport to connect peripheral settlements to BRT route.

**TABLE 48: PERCENTAGE OF HOUSEHOLDS WITH ACCESS TO BASIC HOUSING**

Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
year-3	726641	582336	80.1%
year-2	707391	563086	79.6%
year-1	691793	547488	79.1%
year-0	684305	540305	79.0%

**TABLE 49: HOUSING SERVICE POLICY OBJECTIVES TAKEN FROM IDP**

Housing Service Policy Objectives Taken From IDP									
Service Objectives  <i>Service Indicators</i> (i)	Outline Service Targets  (ii)	Year 0		Year 1			Year 2	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective: Invest in on-grid long term infrastructure									
Provision for housing for all households	Additional houses provided during the year (Houses required at year end)	1100	12	12	1100	348	4000	5500	7000
Increased number of Urban redevelopment plans	Number of formally approved urban redevelopment plans	3	3	3	3	3	3	3	3
Increasing access to well located land for housing development	Number of ha identified	175	175	175	95	9.53	75	100	125
Management of informal settlements	Number of informal settlements managed in terms of the provision of basic services	119	119	119	119	119	119	119	119

**TABLE 50: EMPLOYEES: HUMAN SETTLEMENTS**

Employees: Human Settlements					
Job Level (based on new T-scales)	2013/2014	2014/2015			
	Employees (based on old X-scales)	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	109	109	87	22	20%
4 - 6	20	20	15	5	25%
7 - 9	11	11	8	3	27%
10 - 12	88	88	73	15	17%
13 - 15	14	12	8	4	33%
16 - 18	13	14	11	3	21%
Section 57	9	9	7	2	22%
Total	264	263	209	54	21%

**TABLE 51: FINANCIAL PERFORMANCE: HUMAN SETTLEMENTS**

Financial Performance: Human Settlements					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	118,183	415,752	550,612	278,344	-49%
Expenditure:					
Employees	65,650	84,143	82,114	72,705	-16%
Repairs and Maintenance	22,142	30,955	39,207	35,969	14%
Other	283,075	378,285	508,144	378,261	0%
<b>Total Operational Expenditure</b>	370,866	493,383	629,465	486,935	-1%
<b>Net Operational Expenditure</b>	<b>252,683</b>	<b>77,631</b>	<b>78,853</b>	<b>208,592</b>	<b>63%</b>



**TABLE 52: CAPITAL EXPENDITURE YEAR 2014/2015: HUMAN SETTLEMENT SERVICES**

<b>Capital Expenditure Year 2014/2015: Human Settlements Services</b>					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	329,992	328,749	178,604	-85%	
Acquisition of Land for New Human Settlements	7,000	16,200	9	-82253%	
Acquisition of Land for New Human Settlements	–	32,028	32,028	100%	
Acquisition of Portion 402 of the Farm Driefontein 85 IR	–	77,002	69,722	100%	
Acquisition of Portion 402 of the Farm Driefontein 85 IR	–	–	–	0%	
Delville Social Housing Project-Buildings	–	11,745	–	0%	
Delville Social Housing Project-Buildings	15,000	–	–	0%	
Delville Social Housing Project-Services and Amenities	9,150	–	–	0%	
Clayville Ext 45	–	10,509	7,847	100%	
Germiston Fire Station Social Housing Project-Buildings	–	16,745	–	0%	
Germiston Fire Station Social Housing Project-Buildings	20,000	–	–	0%	
Germiston Fire Station Social Housing Project-Services and Amenities	13,150	–	–	0%	
Germiston Urban Renewal (Civic Precinct)	32,000	–	–	0%	
Germiston Urban Renewal (Cultural Precinct)	10,000	–	–	0%	
Germiston Urban Renewal (Fire Station)	10,000	–	–	0%	
Human Settlements, Pre Planning Fees	–	40,000	21,513	100%	
Human Settlements, Pre Planning Fees	40,000	4,826	4,657	-759%	

**Capital Expenditure Year 2014/2015:  
Human Settlements Services**

**R' 000**

Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
ICT Equipment	300	459	443	32%	
Katorus Urban Renewal Project	2,500	2,500	2,480	-1%	
Leeupoort Development (Bulk Infrastructure)	80,000	76,000	–	0%	
Office Furniture	180	108	107	-68%	
Refurbishment of Rental Property	37,212	37,212	37,228	0%	
Tembisa Urban Renewal Framework Projects	50,000	–	–	0%	
Tembisa Urban Renewal Framework Projects	–	176	176	100%	
Vehicles(2 SEATS OR LESS)	500	413	413	-21%	
Wattville-Actonville Urban Renewal Project	3,000	2,824	1,981	-51%	

## 14.5 Program 7: Roads Infrastructure and Stormwater

The National Infrastructure Plan and the National Development Plan together with the road strategy of EMM provided a clear mandate for the business of roads and stormwater infrastructure over the year under review. In fulfilling the mandate of developing and maintaining the roads and stormwater infrastructure, EMM focused on the construction, upgrade and maintenance of the road and storm water infrastructure network. The municipality is responsible for the management of 8 024 km of paved roads and approximately 1 200 km of gravel road network. The reduction of the infrastructure

backlog on gravel roads in accordance with the road strategy has been the main priority.

In the year under review, the operational focus was on the following:

- Upgrading of gravel residential roads to paved roads focusing on previously disadvantaged townships
- The maintenance of tarred and gravel roads including those that are in the informal settlements
- The rehabilitation and resurfacing of paved roads to prevent deterioration of existing infrastructure
- The construction of major roads to reduce congestion and facilitate economic development

Although there were serious challenges that impeded the performance against targets set to be achieved, the municipality made commendable strides. The effect of the challenges experienced was felt on the reduction of the backlog on the gravel roads. The backlog of approximately 1200 km on the upgrading of gravel to paved roads and an estimated 1400 km of gravel roads in informal

areas remains. Given the challenges of limited financial resources and the cost of constructing the desired infrastructure, eradication of the stated backlogs will take between 15 to 20 years. This excludes the development of new human settlements that will also require the roads and storm-water infrastructure.

**TABLE 53: GRAVEL ROAD INFRASTRUCTURE**

<b>Gravel Road Infrastructure</b>			
<b>Kilometres</b>			
	<b>Total gravel roads</b>	<b>Gravel roads upgraded to tar</b>	<b>Gravel roads graded/maintained</b>
2011/12	980	57	127
2012/13	980	105	217
2013/14	980	93	108
2014/15	1200	25	343
			<i>T 3.7.2</i>

**TABLE 54: TARRED ROAD INFRASTRUCTURE**

<b>Tarred Road Infrastructure</b>				
	<b>Total tarred roads</b>	<b>New tar roads</b>	<b>Existing tar roads re-sheeted</b>	<b>Tar roads maintained</b>
2011/12	7,686	57	175	N/a
2012/13	7,906	105	217	217
2013/14	7,999	93	119	119
2014/15	8,024	25	554	554

**TABLE 55: TAR ROAD INFRASTRUCTURE**

	<b>Tar Road Infrastructure</b>				
	<b>Gravel - Tar</b>	<b>Maintained</b>	<b>New</b>	<b>Re-worked</b>	<b>Maintained</b>
2011/12	129000	7627	8823	0	198686
2012/13	393342	20608	0	97877	98847
2013/14	404951	3054	0	112664	185817
2014/15	173255	28281	173255	0	34280

**TABLE 56: EMPLOYEES: ROADS AND STORMWATER SERVICES**

<b>Employees: Roads and Stormwater Services</b>					
<b>Job Level (based on new T-scales)</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Employees (based on old X-scales)</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	556	553	495	58	10%
4 - 6	212	202	154	48	24%
7 - 9	84	84	64	20	24%
10 - 12	84	84	66	18	21%
13 - 15	44	44	36	8	18%
16 - 18	9	9	7	2	22%
Section 57	7	7	5	2	29%
<b>Total</b>	<b>996</b>	<b>983</b>	<b>827</b>	<b>156</b>	<b>16%</b>

**TABLE 57: FINANCIAL PERFORMANCE: ROADS AND STORMWATER SERVICES**

<b>Financial Performance: Roads and Stormwater Services</b>					
<b>R'000</b>					
<b>Details</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Budget</b>
<b>Total Operational Revenue</b>	549,702	298,050	301,383	202,032	-48%
<b>Expenditure:</b>					
Employees	40,101	58,702	54,204	46,558	-26%
Repairs and Maintenance	401,989	492,534	488,807	317,666	-55%
Other	860,025	942,778	942,149	825,479	-14%
<b>Total Operational Expenditure</b>	<b>1,302,115</b>	<b>1,494,014</b>	<b>1,485,160</b>	<b>1,189,704</b>	<b>-26%</b>
<b>Net Operational Expenditure</b>	<b>752,413</b>	<b>1,195,964</b>	<b>1,183,777</b>	<b>987,672</b>	<b>-21%</b>

**TABLE 58: CAPITAL EXPENDITURE YEAR 2014/2015: ROADS AND STORMWATER SERVICES**

<b>Capital Expenditure Year 2014/2015: Roads and Stormwater Services</b>					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	608,100	608,100	367,728	-65%	
Aerotropolis: Rhodesfield road network	9,000	6,000	4,243	-112%	
Atlasville Spruit flood management	6,000	6,000	3,361	-79%	
Bedfordview Stormwater Protection	4,000	4,000	3,989	0%	
Bedfordview, Geometric Rd Improvement (Including Edenvale)	2,500	2,500	2,479	-1%	
Benoni, Const of S W Outfall Rynfild	500	500	—	0%	
Bergvrierv Drive: Reconstruction & widening	6,000	6,000	1,327	-352%	
Constr. Of Small Holding Roads(Eastern Region)	2,000	2,000	108	-1744%	
Construct Daveyton CBD/N12 Interchange	8,000	—	—	0%	
Construction of K86	6,500			0%	
Contribution Township Development	1,000			0%	
De-silting Elsburg dam		100		0%	
Doubling Barry Marais Rd	1,500			0%	
Eastleigh Spruit Channel	10,000	10,000	1,364	-633%	
Elandsfontein, SW Implementation (North)	500	1,500	1,500	67%	
Esangweni Pedestrian facilities/bridge	500	—	—	0%	
Etwatwa Stormwater	3,000	3,000	1,913	-57%	
Extension of Albertina Sisulu Expressway	4,000	—	—	0%	
External Infrastructure Development Glen Gory	18,300	—	—	0%	
Geometric Road Improvements (North)	10,000	10,000	2,567	-290%	

**Capital Expenditure Year 2014/2015:  
Roads and Stormwater Services**

**R' 000**

Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Gladiator Stormwater System Implement	500	–	–	0%	
Harmelia / Buurendal SW Systems	1,500	1,500	298	-403%	
ICT Equipment	1,000	870	581	-72%	
Implement Traffic Signals: East	1,000	1,000	–	0%	
Install SW in Palm Ridge	2,500	2,500	1,085	-130%	
Isandovale, Erosion Protection Impl (North)	2,500	2,500	–	0%	
K136 & Rd 1894 Link Road	3,000	13,000	7,777	61%	
Kaal Spruit rehabilitation	4,000	–	–	0%	
Katlehong & Thokoza, Lining of Canal between Katlehong and Thokoza	1,550	–	–	0%	
Katlehong Implementation of Stormwater Masterplan	11,000	11,000	5,115	-115%	
Kraft Barbara Road Intersection Upgrade	1,000	1,000	–	0%	
Minor Extensions to Stormwater Germiston	600	600	539	-11%	
Minor Road Improvements: East	500	500	274	-83%	
Minor Works for Roads and SW: South	650	560	290	-124%	
Silt & Rubbish Trap: Boksburg Lake	–	90	81	100%	
Monument Road	2,500	–	–	0%	
N3, Const pedes brid btw Map & Voslo	–	559	569	100%	
Office Furniture	300	425	147	-104%	
Other Equipment	100	105	83	-20%	
Paving & Sidewalks: East	3,000	4,600	2,846	-5%	
Pedestrian Bridges: Greater Tembisa streams	2,000	2,000	1,899	-5%	

**Capital Expenditure Year 2014/2015:  
Roads and Stormwater Services**

**R' 000**

Capital Projects	2014/2015				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Pedestrian Management East	2,000	2,000	–	0%	
Pedestrian Management Impl. (North)	8,000	8,000	1,987	-303%	
Pedestrian Management: South	5,100	5,100	5,100	0%	
Phola Park Roads and SW	2,500	3,200	2,710	8%	
Pomona Roads	9,000	9,000	8,124	-11%	
Pomona Stormwater System	2,000	2,000	1,130	-77%	
Pretoria Road Upgrading	7,000	7,000	1,797	-290%	
Quinine Rd Stormwater System	4,000	1,800	1,800	-122%	
Ravenswood Rd Construction (Future)	200	200	–	0%	
Rehabilitate Dam Spillways	3,000	–	–	0%	
Rehabilitate Roads in Eastern Region	39,000	6,079	6,079	-542%	
Rehabilitation of Roads (North)	42,000	5,000	1,310	-3106%	
Rehabilitation of roads: South	42,000	5,000	3,821	-999%	
Replacement of Railway Sidings (Nigel)	–	9,000	9,000	100%	
Replacement of Traffic Signals with LED Heads: East	500	500	279	-79%	
Roads East (AS and When)	26,000	76,921	57,327	55%	
Roads on Dolomite	10,000	11,400	8,189	-22%	
Roads: Low Cost Housing: East	41,000	53,300	49,840	18%	
Roads: Low Cost Housing: North	12,000	12,000	6,802	-76%	
Roads: Low Cost Housing: South	25,000	25,000	23,614	-6%	
Rondebult/Buhlepark Roads & SW	3,700	3,700	3,700	0%	
Sandpan Areas Stormwater Outfall	500	500	–	0%	



**Capital Expenditure Year 2014/2015:  
Roads and Stormwater Services**

**R' 000**

Capital Projects	2014/2015				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Specialised Equipment	1,800	1,800	156	-1056%	
Stormwater (AS and When) East	20,000	20,000	4,505	-344%	
Stormwater improvements (Minor) (North)	3,500	4,900	1,282	-173%	
Stormwater Upgrades (South)	5,000	5,000	1,350	-270%	
Stormwater Upgrades: North	21,000	21,000	10,973	-91%	
Stormwater Upgrading Thintwa	2,500	–	–	0%	
SW in Vosloorus	2,300	2,900	2,505	8%	
Swartsspruit Rehabilitation: Kempton Park	5,000	5,000	3,928	-27%	
Tembisa Depot Upgrading	8,000	3,000	1,816	-341%	
Tembisa Natural Watercourses upgrading	2,000	–	–	0%	
Tertiary Rds South Dept Construction	4,000	–	–	0%	
Tertiary Roads (South)	16,000	27,000	19,580	18%	
Tertiary Roads in Katlehong	6,000	41,991	11,309	47%	
Tertiary Roads in Thokoza-Phase 3	3,500	3,500	2,261	-55%	
Tertiary Roads in Vosloorus-Phase 3	3,600	17,600	8,175	56%	
Tertiary Roads: North	30,000	56,000	25,064	-20%	
Tokoza Implementation of Stormwater Masterplan	8,000	5,900	1,513	-429%	
Township Develop:Ext Services (North)	3,000	3,000	200	-1401%	
Township Develop:Ext Services ex Contributions	1,500	1,500	1,500	0%	
Traffic Calming (North)	800	1,000	320	-150%	
Traffic Calming in the Eastern Region	2,000	2,000	–	0%	
Traffic Calming South	1,100	1,100	330	-233%	

**Capital Expenditure Year 2014/2015:  
Roads and Stormwater Services**

**R' 000**

Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Traffic Signal Upgrades: East	2,000	2,000	1,828	-9%	
Traffic Signal Upgrades: South	5,500	5,500	4,880	-13%	
Traffic Signals Upgrading (North)	3,000	4,000	3,950	24%	
Trichardts Rd from North Rand to Impala Park	3,000			0%	
Tunney Rds: Brollo & Brickfields rds	3,000	—	—	0%	
Upgrade Joe Mzamane Road Kwa- Thema	4,000	100	90	-4360%	
Upgrade of First Road: Putfontein	3,000	1,600	40	-7400%	
Upgrading of Agric Holding Roads (North)	3,000	6,000	5,670	47%	
Upgrading of Michelle street		4,600		0%	
Vehicles (MORE THAN 2 SEATS)	11,000	18,000	17,458	37%	
Witfield SW System	3,000	1,000		0%	

**TABLE 59: ROAD SERVICE POLICY OBJECTIVES TAKEN FROM IDP**

Road Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 2	Year 3
		Target	Actual	Target		Actual	Target		
<i>Service Indicators</i>		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
<b>Service Objective: Invest in on-grid long term infrastructure</b>									
<b>Improved condition of roads</b>	KM of roads paved/surfaced	50km	84	84	190	21.016	88	88	88
<b>Improved management of key assets</b>	KM of road network maintained	10	374	374	835	905	1193	1193	1193

## Storm Water System

EMM is responsible for the construction, upgrade and maintenance of a road and stormwater infrastructural network. In addition, the metro supports the strategic projects defined in the National Infrastructure Plan and the objectives of the National Development Plan. In this context it is EMM's responsibilities to provide stormwater systems to reduce the potential of flooding and damage to property and to ensure continuous maintenance of existing stormwater systems.

The total network of pipes and channels is estimated at approximately 3,800 km metro wide.

- A total of 18 systems were added to the existing network, with total length of 6.35km
- The maintenance of the existing storm water systems was also achieved. Of the planned target
- Of 3552 systems for the maintenance of storm water, the municipality achieved a target of 5979; systems maintained.

**TABLE 60: COST OF CONSTRUCTION/MAINTENANCE**

<b>Cost of Construction/Maintenance</b>			
	<b>Stormwater Measures R'000</b>		
	<b>New</b>	<b>Upgraded</b>	<b>Maintained</b>
2011/12	39,415	22,132	12,817
2012/13	98,685	36,890	24,611
2013/14	76,151	22,648	10,160
2014/15	29,024	29,024	19,076

**TABLE 61: STORMWATER POLICY OBJECTIVES TAKEN FROM IDP**

Stormwater Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
<div>Service Indicators</div>		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)		(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
Service Objective : Invest in on grid infrastructure									
Flooding and damage to infrastructure risks reduced	Number of systems added to the existing stormwater network	25	27.52	27.52	45	18	25	25	25
Improved management of key assets	No of stormwater systems Maintained	150	136	136	45	5979	25	25	25

## 14.6 Program 8: Transport Provision

The municipality's investment in the public transport systems positively impacts on improving efficiencies resulting in greater mobility and economic development by supporting the movement of goods from areas of production to areas where they are consumed thus facilitating trade. EMM strives to provide an effective transport system (supported by a strong infrastructure) which enables the bridging of geographic distances by providing transport that is affordable, reliable and safe. Promoting diversified transport alternatives is also a central focus of the municipality and is demonstrated by the construction of alternative transport infrastructure in the form of non- motorized transport infrastructure.

In the financial year under review, the top three service delivery objectives included:

- the establishment of new bus routes within and outside of Ekurhuleni
- the building of Public Transport Infrastructure
- The roll-out of the IRPTN project

In its efforts to expand the bus service to the East of the Ekurhuleni region, a total of 13 new buses were bought. The Brakpan Bus Services continued to offer bus services in other areas within the Metro. In the provision of licensing services, the municipality performed exceptionally well in the year under review collecting a total revenue of R12, 9 million. A free licensing program for learners drawn from previously disadvantaged areas was implemented, capacitating learners with learner licenses. In order to promote good corporate governance in the provision of licensing services, and as part of implementing the fraud and corruption strategy, a total of 9 centres were fitted with computerized learner testing services thereby reducing the interface with examiners

**TABLE 62: MUNICIPAL BUS SERVICE DATA**

<b>.Municipal Bus Service Data</b>					
	<b>Details</b>	<b>2013/14</b>	<b>2014/15</b>		<b>2015/16</b>
		<b>Actual No.</b>	<b>Estimate No.</b>	<b>Actual No.</b>	<b>Estimate No.</b>
1	Passenger journeys	45577	45029	59175	71010
2	Seats available for all journeys	2983148	2947350	3846375	4376275
3	Average Unused Bus Capacity for all journeys	13.0%	13.0%	12%	14%
4	Size of bus fleet at year end	92	92	92	120
5	Average number of Buses off the road at any one time	23.0%	20.0%	15%	15%
6	Proportion of the fleet off road at any one time	25.0%	22.0%	16%	13%
7	No. of Bus journeys scheduled	45577	45029	59175	71010
8	No. of journeys cancelled	3418	2251	2700	2600
9	Proportion of journeys cancelled	7.0%	5.0%	5%	4%

**TABLE 63: BRAKPAN BUS COMPANY DATA**

<b>Brakpan Bus Company Data</b>					
	<b>Details</b>	<b>2013/14</b>	<b>2014/15</b>		<b>2015/16</b>
		<b>Actual No.</b>	<b>Estimate No.</b>	<b>Actual No.</b>	<b>Estimate No.</b>
1	Passenger journeys	42	55	42	47
2	Seats available for all journeys	1,350,159	1,586,240	1,283,058	1,425,620
3	Average Unused Bus Capacity for all journeys	5%	5%	3,3%	3%
4	Size of bus fleet at year end	36	40	33	40
5	Average number of Buses off the road at any one time	6%	4%	2,6%	2%
6	Proportion of the fleet off road at any one time	15%	10%	17,5%	10%
7	No. of Bus journeys scheduled	32 464	32 096	30 549	35 306
8	No. of journeys cancelled	263	1 343	1 547	<500
9	Proportion of journeys cancelled	1%	5%	5,1%	4%

### **Service Performance**

In the year under review, transport provision focused on three critical areas:

- Construction of IRPTN;
- Taxi ranks; and
- Licencing centres

The capital projects targeted for the year under review included:

- the Integrated Rapid Transport Network Project (IRPTN) funded by a grant

- the Construction of Licensing Hubs in Thembisa and Katlehong
- the Germiston Intermodal Facility and
- The Public Transport facilities

The progress presented below indicates that the municipality is on track towards achieving its 5 year targets on these projects as set in the IDP:

- Three public transport facilities have already been completed with two scheduled for completion by mid-2015/16
- the IPRTN construction is underway



**TABLE 64: TRANSPORT SERVICE POLICY OBJECTIVES TAKEN FROM IDP**

Transport Service Policy Objectives Taken From IDP									
Service Objectives  <i>Service Indicators</i> (i)	Outline Service Targets  (ii)	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective: Long term on grid infrastructure									
Increased provision of an integrated transport system that includes all modes of transport and non-motorized infrastructure.	Number of Public Transport Facilities planned and designed	1	0	0	2	0	1	3	0
	Number of new bus routes established between Ekurhuleni, Tshwane and Johannesburg.	1	3	3	2	4	2	2	2
Decentralization of Licensing Services to Townships	Number of Licensing Hubs in previously disadvantaged areas constructed	0	0	0	1	0	1	1	1

**TABLE 65: EMPLOYEES: TRANSPORT SERVICES**

<b>Employees: Transport Services</b>					
<b>Job Level (based on new T- scales)</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Employees (based on old X- scales)</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	39	39	30	9	23%
4 - 6	427	421	373	48	11%
7 - 9	158	158	139	19	12%
10 - 12	84	80	72	8	10%
13 - 15	28	28	23	5	18%
16 - 18	4	4	3	1	25%
Section 57	10	9	8	1	11%
<b>Total</b>	<b>750</b>	<b>739</b>	<b>648</b>	<b>91</b>	<b>12%</b>

**TABLE 66: FINANCIAL PERFORMANCE: TRANSPORT SERVICES**

<b>Financial Performance: Transport Services</b>					
<b>R'000</b>					
<b>Details</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Budget</b>
<b>Total Operational Revenue</b>	503,349	846,854	850,578	764,452	-11%
<b>Expenditure:</b>					
Employees	209,594	229,501	226,625	224,257	-2%
Repairs and Maintenance	17,218	20,295	24,235	21,819	7%
Other	57,817	76,753	64,432	45,323	-69%
<b>Total Operational Expenditure</b>	284,629	326,549	315,292	291,399	-12%
<b>Net Operational Expenditure</b>	(218,720)	(520,305)	(535,286)	(473,053)	-10%

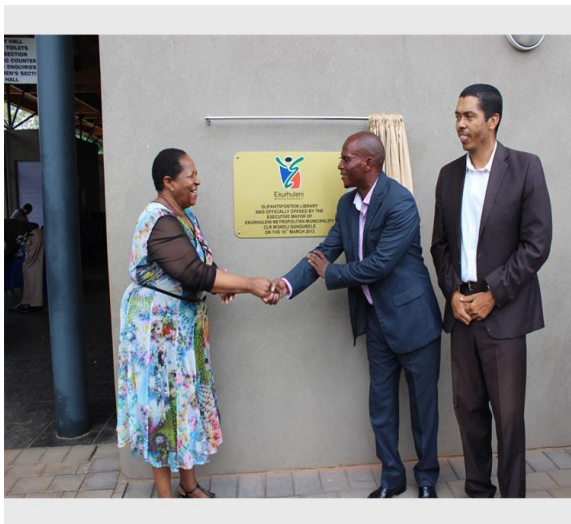
**TABLE 67: CAPITAL EXPENDITURE YEAR 2014/2015: TRANSPORT SERVICES**

Capital Expenditure Year 2014/2015: Transport Services					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	607,093	617,231	523,291	<b>-16%</b>	
Bluegumview Taxi Rank	18,000	10,000	210	-8478%	15,000
Construction of Intermodal facilities: Upgrading Germiston Station Taxi Rank	30,000	–	–	0%	–
Construction of MVRA/DLTC Tembisa	2,000	2,000	600	-233%	33,500
Establish MVRA/DLTC Katlehong	21,800	15,000	–	0%	700
ICT Equipment	800	800	524	-53%	1,200
ICT Equipment (LIC)	600	600	596	-1%	
Integrated Rapid Public Transport Network(IRPTN)	230,000	290,224	289,531	21%	239,543
Integrated Rapid Public Transport Network(IRPTN)	211,401	211,401	162,590	-30%	15,000
New Vosloorus Hospital Taxi Rank	15,000	18,000	14,568	-3%	500
Office Furniture	500	585	524	5%	2,004
Office Furniture (Licensing)	552	511	399	-38%	1,200
Other Equipment (LIC)	600	600	516	-16%	15,000
Palm Ridge Taxi Rank	15,000	8,326	7,132	-110%	15,000
Phuthaditjaba Taxi Rank (Tokoza)	15,000	10,000	315	-4667%	14,500
Ramaphosa Taxi Rank		174	174	100%	2,880
Refurbish All Metro Licensing Premises	1,440	2,377	2,397	40%	8,200
Refurbishment of Public Transport Facilities	–	2,277	1,342	100%	11,900
Replace Municipal buses	40,000	40,000	39,839	0%	2,400
Security Cameras	700	700	114	-514%	3,600
Security Cameras			240	100%	30,000
Specialized Equipment (Licensing)	1,800	1,800	–	0%	800
Vehicles (Licensing)(MORE THAN 2 SEATS)	1,200	1,156	1,141	-5%	125
Vehicles(MORE THAN 2 SEATS)	700	700	538	-30%	2,400

## 15. RE-MOBILISE

The Re-mobilise theme aims to build a healthy, active and engaged citizenry that is capable of working in partnership to develop the inter-generational capacity.

- Operationalisation of two libraries providing information services to the communities of Langaville and Olifantsfontein.
- The new Leondale library, funded by the Gauteng Provincial Department of Sport, Arts, Culture and Recreation, was upgraded from a single room facility to a newly built modern library with study halls, a section for children and computer facilities. The construction of three Arts, Culture and Heritage facilities namely Chris Hani Memorial, Indaba Tree and Duduza Reconciliation Park, was completed during the year under review.



- EMM has trained 302 ECD practitioners on SETA accredited NQF Level 4 ECD training through the Mathew Goniwe School of Leadership and Governance. An additional 1408 ECD practitioners were trained on other various ECD non- accredited courses.
- 6 806 older persons participated in the healthy lifestyle programmes such as Vuka Move for Health Campaign and Golden Games.

### 15.1 Programme 9: Sport, Recreation, Arts and Culture

In its efforts to promote social cohesion, cognitive development, support sporting development, heritage preservation, developing and promoting access to recreational facilities and unearthing and harnessing artistic talent in the Ekurhuleni region, the municipality made significant strides. In the year under review, the municipality achieved the following milestones:

#### *Kiddies Olympic*

It is a recreation programme aimed at 4-6 years old targeting all Early Childhood



Development's Centres in Ekurhuleni. It encourages the pre-school children to participate in recreation programmes and it develops their cognitive and motor skills, and exposes pre-school children to various recreational sport activities. A total of 3200 children participated at both areas Kiddies Olympic Games and the annual Ekurhuleni Kiddies Olympic.

### ***Learn to Swim Programme***

The programme is targeting primary school children, its objective is to minimize incidence of drowning. It ensures that children are water safe and are able to swim. In the 2014/15 financial year, more officials were taught the instructor course by Swimming South Africa. Amongst the schools that participated in the programme, six schools catering for children with special needs also participated.

The Learn to Swim and Water Safety programme is a joint venture between, Swimming South Africa, Eastern Gauteng Aquatics Federation, Gauteng Department of Education, Provincial Department of Sport, Arts, Culture and Recreation and two EMM departments, SRAC and Disaster and Emergency Management Services Department. Through this programme, EMM managed to secure the provision of a portable swimming pool for Chief Luthuli Primary School. The outcome of this was the establishment of three swimming clubs:

- Thokoza Swimming club;
- Daveyton swimming Club; and
- Reiger Park Swimming Club.

Swimmers from these clubs are currently participating in regional and provincial swimming galas.

### ***Water Sport Development Programme***

The programme focused on three sporting codes namely rowing, canoeing and sailing with a maximum of forty five learners per code. Learners between the ages of 8 to 13 years were targeted. The first phase of the programme focused at bringing in learners

never got not involved in the programme before. In total, 45 learners across the three codes from 17 schools participated in the programme across the metro.

### ***Promotion of Water Sport through the Hosting of Events***

EMM Flagship project on the Beautification of Lakes and Dams, is aimed at maximising the City's use of lakes and dams, especially hosting water sports events. During the year under review, a number of water sporting activities were implemented. These included rowing, canoe racing, sailing, regattas and interschool regattas.

Water Sport events which are part of the Beautification of Lakes and Dams Flagship project impacted positively on the economy of Ekurhuleni. The utilization of Lakes and Dams increased and it also promoted tourism in Ekurhuleni. Extensive media coverage was generated to the value of R449 878.94 (News clip figures) – this excludes the TV production which was screened on Super sport nine times.

The Triathlon Championship attracted more than 2 000 ultra-athletes from more than 15 countries. The Triathlon Championship serves as a qualifier for the international Iron Man Series held annually in the United States of America.

### ***Shuttle Time Badminton Development***

In promoting badminton as a school sport, the Badminton World Federation launched the Shuttle Time Schools Development Programme. Badminton South Africa adopted the programme and SASCOC endorsed it. The City of Ekurhuleni became the first Metro to partner in the programme. The programme targets primary school children.

### ***Ekurhuleni Sport Awards***

The fourth annual Ekurhuleni Sport awards, dedicated to recognising sporting excellence in the region, were held at the Alberton Civic

Centre. A total of 11 awards were given across a various categories.

### ***Promoting Healthy Lifestyle***

EMM organised the annual Spirit Games. These games support recreational activities to promote healthy and active lifestyles focusing on persons with physical disabilities in Ekurhuleni.



EMM Sport and Recreation unit in collaboration with the Soul City Sports Club hosted the Ekurhuleni World Aids Day Half Marathon and 10 km Road Race. The objectives of the race are to encourage community participation in sport and to create awareness in the fight against HIV/AIDS through promoting healthy life style through sport. During the 2014/15 financial year, a total of 646 persons participated in the half marathon and 731 persons participated in the 10km race.

### ***Aerobics Programme***

An aerobics programme was initiated as a contribution to encourage healthy lifestyles in the community. Over a hundred fitness fanatics came out in numbers for a three hour continuous aerobics session. Free professional aerobics marathon sessions are held every Saturday morning, in community parks. They are open for all Ekurhuleni citizens to join in the fun of keeping fit and maintaining healthy lifestyles.



### ***Golden Games***

These games are about promoting cultural and sports competitions amongst older citizens. They are held annually and are targeting the promotion of health and wellness in older citizens.

### ***EMM Sport Council and Sub-Regional Sport Council***

The EMM Sport Council and Sub-Regional Sport Council designated the newly opened Tsakane stadium as the permanent home for EMM Sports Council.



**TABLE 68: SPORT AND RECREATION POLICY OBJECTIVES TAKEN FROM IDP**

Sport and Recreation Policy Objectives Taken From IDP									
Service Objectives  <div>Service Indicators (i)</div>	Outline Service Targets  (ii)	Year 0		Year 1			Year 2	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective 3 Increase support to primary and secondary education									
Increased participation of learners in SRAC School programmes	48. Number of SRAC school programs implemented	0	0	0	16	20	16	16	16



**TABLE 69: EMPLOYEES: SPORT, RECREATION, ARTS & CULTURE**

<b>Employees: Sport, Recreation, Arts &amp; Culture</b>					
<b>Job Level (based on new T- scales)</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Employees (based on old X- scales)</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	449	509	449	60	12%
4 - 6	481	719	619	100	14%
7 - 9	57	118	106	12	10%
10 - 12	85	151	137	14	9%
13 - 15	13	27	24	3	11%
16 - 18	1	6	2	4	67%
Section 57	6	9	9	0	0%
<b>Total</b>	<b>1092</b>	<b>1539</b>	<b>1346</b>	<b>193</b>	<b>13%</b>

**TABLE 70: FINANCIAL PERFORMANCE: SRAC - SPORT AND RECREATION**

<b>Financial Performance: SRAC - Sport and Recreation</b>					
<b>R'000</b>					
<b>Details</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Budget</b>
<b>Total Operational Revenue</b>	139,229	53,161	50,426	34,514	-54%
<b>Expenditure:</b>					
Employees	352,838	401,966	396,972	378,267	-6%
Repairs and Maintenance	30,375	38,480	36,517	30,118	-28%
Other	315,695	196,557	212,758	205,936	5%
<b>Total Operational Expenditure</b>	698,908	637,003	646,247	614,321	-4%
<b>Net Operational Expenditure</b>	<b>559,679</b>	<b>583,842</b>	<b>595,821</b>	<b>579,806</b>	<b>-1%</b>

## Libraries, Museums; Galleries and Community facilities

The municipality aims to build a socially cohesive, healthy active and engaged citizenry capable of working in partnership to

develop the intergenerational capacity needed for the opportunities that the future presents. To ensure these services are delivered to the citizens of Ekurhuleni, EMM focused at the following thematic areas:

- Sports and Recreation
- Healthy Lifestyles
- Social cohesion

- Health
- Comprehensive Youth Programme

During the year under review, the municipality implemented the following programmes and made the progress present below:

- Increased participation of pre-school children in accredited Early Childhood Development (ECD) programmes. The programme focused on growth, stimulation, cognitive and motor development of children
- Provided accredited ECD training to 302 ECD practitioners.

In its contribution to the improvement of the standard of education and broaden the learners' horizons, learners in the region of Ekurhuleni School were given access to and participated in the following programmes:

### ***Debates and Essay Competition***

During Oliver Reginald Tambo Month Celebration, a debate and essay writing competition was held and 564 learners from the City of Ekurhuleni participated.

### ***Library Services***

In partnership with various schools in the Ekurhuleni region, EMM Library and Information Services' unit provided the following services: reading awareness programmes, holiday programmes, Strongest Link, programme for deaf children and Poetry Slam.

### ***Photography for Beginners' Project***

A Student Excursion and Film Workshop on photography and film expo was held with learners in the Ekurhuleni region given an opportunity to participate.

### ***Ekurhuleni Carnival***

In its efforts to promote social cohesion, EMM held an Ekurhuleni Carnival at Langaville Secondary School in Tsakane and the event

ended on a high note at Bulithando Park in Kwa-Thema. The event attracted a total of 3985 people.

### ***Public Arts***

In collaboration with the Department of Arts and Culture and the locally based organisation called Forgotten Angle Theatre, EMM staged an art performance programme called My Body My Space.

The municipality offered accredited capacity building programmes that imparted skills to learners for possible future work opportunities. These included the Writer's Workshop, Film Makers, Photography and Craft courses.

In pursuit of advancing human capital development, the following programmes were implemented:

- International Development and Study Opportunities: in partnership with United State Embassy, the municipality held two information sessions, where study and lifelong learning opportunities in the United States were presented.
- WI-FI Rollout: a total of 28 EMM Libraries are connected to WI FI allowing the Ekurhuleni library user's free access to WIFI accessed through their own devices.
- E-library Catalogue: this project enabled users to access 667 000 titles and 1 900 000 items from EMM libraries via the web. This gave users access to the library collection after office hours thereby making the libraries more accessible.

### ***Heritage Preservation and Promotion***

#### **• Declaration of Heritage Sites**

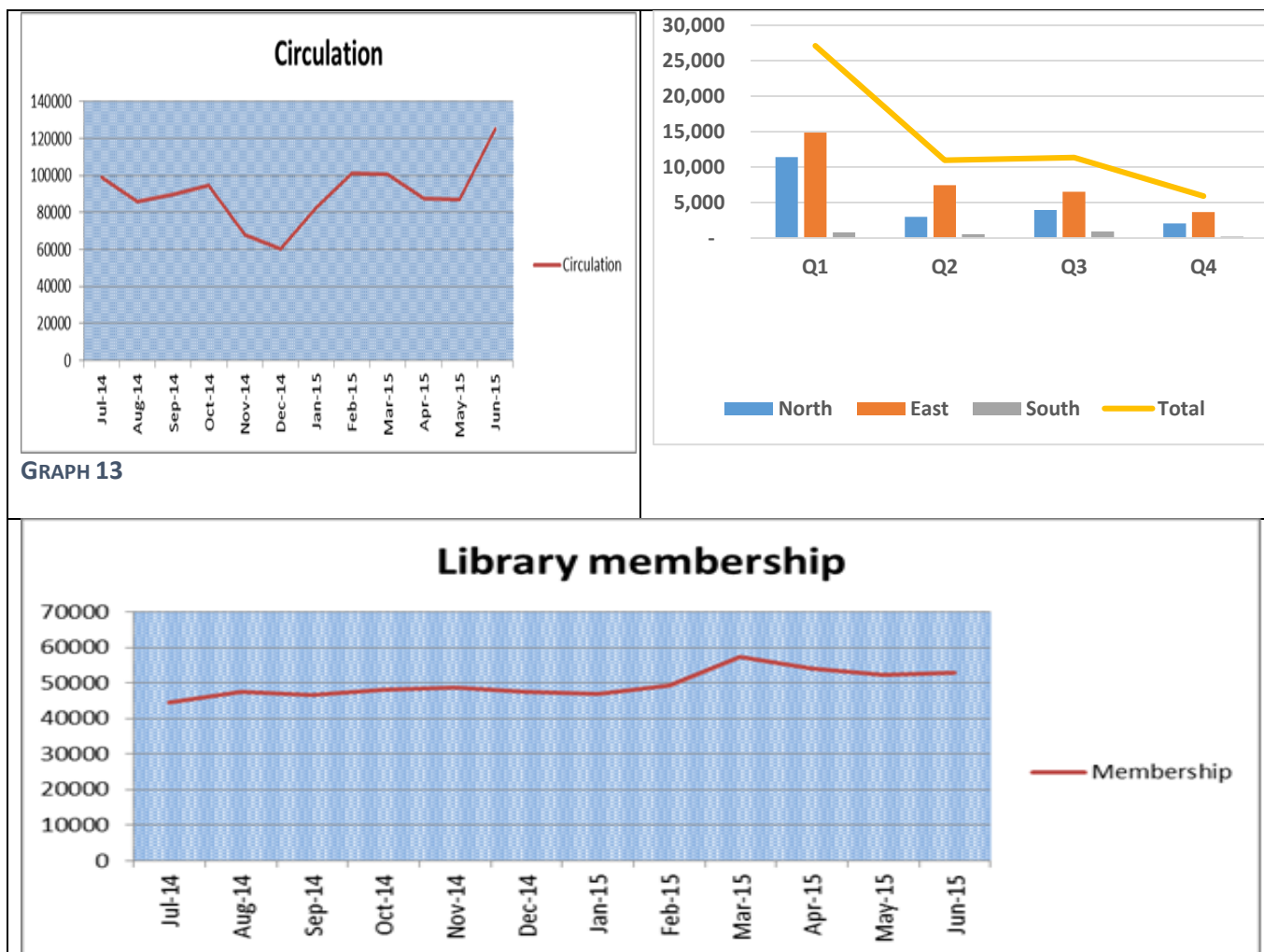
The municipality declared two heritage sites as Provincial Heritage Sites, namely Sam Ntuli and Mam' Bertha Nonkumbi Gxowa Graves.

#### **• Local Film Industry Stimulation**

The newly established Ekurhuleni Creatives Council (ECC) and National Film and Video Foundation (NFVF) entered into a partnership. The aim is to create a platform to address the challenges faced by many amateur filmmakers. Furthermore, the partnership served to empower amateur film makers with necessary skills. The partnership hosted the first film festival, which showcased the three-part film workshop held at various art centres in Ekurhuleni, including the Rhoo Hlatshwayo Art Centre in Daveyton. The production culminated in a film festival in Wattville.

### *Theatre Productions*

The Springs Theatre staged three (3) in-house productions. The majority of productions staged ranged from jazz concerts to opera. In addition, the municipality also supported the local theatre and music organizations through the provision of venues and capacity building sessions, one of which was the first Kuamba Women's Theatre Festival that was hosted at the Moses Molelekwa Arts Centre in Thembisa.



**TABLE 71: LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER POLICY OBJECTIVES TAKEN FROM IDP**

Libraries; Archives; Museums; Galleries; Community Facilities; Other Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
Service Indicators (i)		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective: Increase support to primary and secondary education									
Increased access to SRAC facilities in line with approved minimum norms and standards.	Number of new and upgraded libraries provided	3	3	3	2	2	2	2	2
	Number of new functional Arts, Culture and Heritage facilities	6	0	0	3	3	3	3	3

## Service Performance

The municipality's annual priorities were implemented to ensure an increased access to services in all communities. In order to achieve this, the focus was on the construction and refurbishment of libraries, arts and cultural heritage sites and the redesign of the new Germiston Theatre as it forms part of the Cities Urban Regeneration Programme. Over the 2014/15 financial year, the priorities of the largest capital projects were implemented as follows:

- Operationalisation of two libraries providing the much needed information services to the communities of Langaville and Olifantsfontein.
- The new Leondale library, funded by the Gauteng Provincial Department of Sport, Arts, Culture and Recreation, was upgraded from a one room facility housed in a Club House to a newly build modern library facility with study halls, children section, computer facilities and has more space conducive to learning, its construction is complete.
- Competition of the construction of three Arts, Culture and Heritage facilities (monument and memorial sites), namely Chris Hani Memorial, Indaba Tree and Duduza Reconciliation Park
- The two new libraries at Tsakane and Brakpan libraries are still under construction.
- Construction is under way for the Germiston theatre.

**TABLE 72: EMPLOYEES: SPORT, RECREATION, ARTS & CULTURE**

Employees: Sport, Recreation, Arts & Culture					
Job Level (based on new T- scales)	2013/2014	2014/2015			
	Employees (based on old X- scales)	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	449	509	449	60	12%
4 - 6	481	719	619	100	14%
7 - 9	57	118	106	12	10%
10 - 12	85	151	137	14	9%
13 - 15	13	27	24	3	11%
16 - 18	1	6	2	4	67%
Section 57	6	9	9	0	0%
<b>Total</b>	<b>1092</b>	<b>1539</b>	<b>1346</b>	<b>193</b>	<b>13%</b>

**TABLE 73: FINANCIAL PERFORMANCE: SRAC - SPORT AND RECREATION**

Financial Performance: SRAC - Sport and Recreation					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	139,229	53,161	50,426	34,514	-54%
Expenditure:					
Employees	352,838	401,966	396,972	378,267	-6%
Repairs and Maintenance	30,375	38,480	36,517	30,118	-28%
Other	315,695	196,557	212,758	205,936	5%
<b>Total Operational Expenditure</b>	698,908	637,003	646,247	614,321	-4%
<b>Net Operational Expenditure</b>	<b>559,679</b>	<b>583,842</b>	<b>595,821</b>	<b>579,806</b>	<b>-1%</b>

**TABLE 74: CAPITAL EXPENDITURE YEAR 2014/2015: SPORT, RECREATION, ARTS AND CULTURE**

Capital Expenditure Year 2014/2015: Sport, Recreation, Arts and Culture					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	122,250	118,226	90,312	-35%	
Chris Hani Memorial		2,734	2,734	100%	
Chris Hani Memorial		1,283	1,255	100%	
Construction & Development of Duduza Reconciliation Park	8,500	10,324	10,324	18%	
Construction of a new swimming pool in Eden Park	4,000	2,590	2,165	-85%	
Construction of New Library: Tsakane	10,300	8,300	2,665	-286%	
Construction: Ablution facilities	1,500	1,500	1,480	-1%	
Construction: New Library: Brakpan	12,850	13,041	3,092	-316%	
Fencing: Sport & Recreational Facilities	2,500	1,500	1,500	-67%	
Furniture: Community and Sport centres	300	300	41	-624%	
Germiston Theatre	20,000	18,000	16,493	-21%	
ICT Equipment	1,500	1,500	989	-52%	
Libraries Furniture	3,000	2,300	1,249	-140%	
Libraries ICT Equipment	500	500	263	-90%	

Capital Expenditure Year 2014/2015: Sport, Recreation, Arts and Culture					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Libraries ICT Equipment(SRAC GRANT)	1,000	1,000	–	0%	
Libraries Specialised Equipment(SRAC GRANT)	700	–	–	0%	
Library Books			13	100%	
Library Books			355	100%	
Office Furniture	300	700	364	18%	
OR Tambo Precinct Narrative Centre	2,000	2,000	2,000	0%	
Rehabilitation of Katlehong Swimming Pool	–	378	378	100%	
Rehabilitation of Libraries	3,000	971	971	-209%	
Rehabilitation of Sport Facilities	7,000	6,695	6,565	-7%	
Rehabilitation of Swimming Pools	11,000	11,000	10,458	-5%	
Rehabilitation of Thami Mnyele Cultural Park	2,800	1,800	1,800	-56%	
Rehabilitation of the Boksburg stadium	–	715	715	100%	
Resurfacing of Hard Courts	2,000	2,600	2,600	23%	
Specialized Equipment	1,500	1,990	957	-57%	
Specialized Vehicles	3,500	4,478	4,478	22%	
Toilets and guardhouses at various libraries	3,000	3,000	334	-799%	
Upgrade Tembisa Library	2,000	2,000		0%	
Upgrade: Art Centres	1,000	1,395	1,338	25%	
Upgrade: Construction of Memorial Sites	3,500	1,800	1,800	-94%	
Vehicles(2 SEATS OR LESS)	8,761	7,783	7,035	-25%	
Vehicles(MORE THAN 2 SEATS)	4,239	4,049	3,902	-9%	

## 15.2 Program 10: Health and Social Development

Ekurhuleni Metropolitan Municipality has made good strides in delivering health services to its community despite challenges that required concerted efforts to sustain earlier gains made and improve the municipality's health and social outcomes

that are largely linked to preventable health problems.

These include improvement of infrastructure through planned capital projects to support the objective of increasing access to quality Primary Health Care, Early Childhood Development. It is also aimed at improving access to HIV and AIDS and Tuberculosis prevention, management, treatment and care services; child health; medical male circumcision; Prevention of Mother to Child



Transmission of HIV (PMTCT); modernization of health services (e-health); development and retention of critical skills within the health and social sector; and prevention and reduction of health risks associated with the environmental hazards.

The municipality delivers a comprehensive package of Primary Health Care (PHC) services through the District Health Services platform. This service provision is based on the prevailing health and social needs as key strategic drivers in the municipality. These services, take into account the obligations promulgated by the Constitution and other laws on the National, Provincial and Local Governments with regard to health services.

The service delivery priorities for the 2014/2015 financial year included: the reduction of HIV infection in the general population to a level below 23%; reduction of HIV transmission from Mother-To-Child to a level below 2.15%; and decrease the burden of disease in Tuberculosis (TB) through improving TB Case Holding and TB treatment outcomes by implementing defaulter management systems aiming at keeping the defaulter rate to a level below the national

target of 5%, thus increasing the life expectancy of citizens in Ekurhuleni.

A 15% HIV prevalence of clients seen through HIV Counselling and Testing (HCT) programme in the municipality's health facilities was achieved. This was due to robust implementation of HIV and AIDS interventions in terms of the awareness campaigns and HCT coverage. The municipality managed to reduce the HIV transmission rate from Mother-To-Child to 1.45% which is less the national target of 2.6%. This was achieved due to improved implementation of the Prevention on Mother-to-Child Transmission (PMTCT) of HIV Programme interventions.

A tuberculosis (TB) defaulter rate of 4.4% was attained against a national target of 5% through improved monitoring and evaluation systems that entails quarterly programme reviews for identification of gaps and implementation of intervention plans; consistent monthly support and supervisory visits for progress on implementation. This reduction of patients defaulting on TB treatment resulted to an improved TB cure rate of 87.21%. The fore, the municipality met the national target of 85% regarding the patients cured of TB.

**TABLE 75: SERVICE DATA FOR CLINICS**

Service Data for Clinics					
	Details	2013/14	2014/15		2015/16
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Average number of Patient visits on an average day	25280	25500	25759	25700
2	Total Medical Staff available on an average day	24	25	32.5	25
3	Average Patient waiting time	1h5m	1h5m	1h16m	2h0m
4	Number of HIV/AIDS tests undertaken in the year	486063	450000	614691	600000
5	Number of tests in 4 above that proved positive	74367	135000	84808	100000
6	Number of children that are immunized at under 1 year of age	58158	60000	58256	60000
7	Child immunization above compared with the child population under 1 year of age	107.10%	95.00%	113.6%	95.00%

**Child Care; Aged Care; Social Programmes**

EMM has prioritised the following interventions in its efforts to provide care and support to children and the elderly:



## **Provision of Youth Behaviour Change Programmes**

The objective of these programmes is to influence positive and socially acceptable behaviour. During the period under review, a total of 8 482 youth aged 15 - 35 years were reached with behaviour change programmes. This was achieved through the municipality's prioritized funding for intensified intervention

programmes on prevention of substance abuse mainly the illicit drug known as "nyaope" that is prevalent in townships and informal settlements.

The municipality implemented Youth Friendly services as one of the social care capital projects. Behaviour change programmes were implemented through four (4) Youth Friendly Units (Chill Rooms) in Tsakane Simunye clinic, Palmridge clinic, Vosloorus Poly clinic and Pennyville clinic.

**TABLE 76: CHILD CARE; AGED CARE; SOCIAL PROGRAMMES POLICY OBJECTIVES TAKEN FROM IDP**

Child Care; Aged Care; Social Programmes Policy Objectives Taken From IDP									
Service Objectives   <div>Service Indicators</div>  (i)	Outline Service Targets   (ii)	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
		(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective : Integrate social care policy and family development									
Increased capacity in Early Childhood Development service delivery.	Number of ECD practitioners trained in accredited ECD training programme	420	1 998	1 998	150	302	100	100	100
Increased registration of new indigents.	Number of newly registered indigent households	14000	24297	24297	15000	11,505	16000	17000	18000

**TABLE 77: FINANCIAL PERFORMANCE: HEALTH AND SOCIAL DEVELOPMENT**

Financial Performance: Health and Social Development					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	189,492	183,064	183,529	181,917	-1%
Expenditure:					
Employees	559,148	649,360	647,059	602,574	-8%
Repairs and Maintenance	9,527	7,728	11,536	11,396	32%
Other	118,542	141,851	150,879	132,354	-7%
<b>Total Operational Expenditure</b>	687,217	798,940	809,474	746,324	-7%
<b>Net Operational Expenditure</b>	<b>497,725</b>	<b>615,876</b>	<b>625,944</b>	<b>564,407</b>	<b>-9%</b>

**TABLE 78: EMPLOYEES: HEALTH AND SOCIAL DEVELOPMENT**

Employees: Health and Social Development					
Job Level (based on new T- scales)	2013/2014	2014/2015			
	Employees (based on old X- scales)	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	204	199	193	6	3%
4 - 6	279	274	261	13	5%
7 - 9	245	238	227	11	5%
10 - 12	700	706	625	81	11%
13 - 15	197	182	158	24	13%
16 - 18	10	28	16	12	43%
Section 57	9	8	8	0	0%
<b>Total</b>	<b>1644</b>	<b>1635</b>	<b>1488</b>	<b>147</b>	<b>9%</b>

**TABLE 79: CAPITAL EXPENDITURE YEAR 2014/2015: HEALTH & SOCIAL DEVELOPMENT SERVICES**

Capital Expenditure Year 2014/2015: Health & Social Development Services					
					R' 000
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	96,600	96,600	91,990	-5%	
Air Conditioners Health Facilities	600	175	175	-243%	
Birch-Acres Clinic	150	–	–	0%	
Bonaero Park Clinic	2,000	275	275	-628%	
BUHLE PARK Clinic	100	50	–	0%	
Building - Youth Friendly Services	2,000	2,000	1,535	-30%	
Bulk Medicine Store: Conversion of Existing Structure	1,500	1,740	1,546	3%	
Carports & Garages Health Facilities	1,500	1,500	1,352	-11%	
DAVEYTON EAST CLINIC	–	–	–	0%	
Early Childhood Development Centre	2,000	400	160	-1149%	
Ext & Upgrade Edenvale Clinic	–	–	–	0%	
EXT & UPGRADE KEMPTON PARK CLINIC	1,000	909	351	-185%	
Ext & Upgrade Motsamai Clinic	11,500	13,470	13,470	15%	
EXT& UPGRADE TSWELOPELE CLINIC( ADD LEVEL 2)	3,000	6,867	6,646	55%	
Extension & Upgrade BARCELONA CLINIC	100	–	–	0%	
Extension & Upgrade Esangweni Clinic	7,000	2,397	1,377	-408%	
Extension & upgrade Selope Thema Clinic	7,000	3,325	2,176	-222%	
GENERATORS AT HEALTH FACILITIES	5,000	5,000	5,000	0%	
Guard House Ablution Health Facilities	1,000	1,000	1,000	0%	
ICT Equipment	3,000	3,000	2,926	-3%	

Capital Expenditure Year 2014/2015: Health & Social Development Services					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Improve Access Disabled Health Facilities	300	176	176	-70%	
Infra-Specialized Equipment	200	170	170	-18%	
MEDICAL WASTE STORAGE FACILITIES	1,000	1,000	1,079	7%	
New TSIETSI Clinic Phomolong South	2,000	1,967	1,962	-2%	
NEW CLINIC CHIEF A LUTHULI EXTENSION WARD 24 LEVEL 2	1,000	100	59	-1596%	
New Crystal Park Clinic	1,500	1,997	1,991	25%	
New Dukatole Clinic	7,000	5,500	5,500	-27%	
New Khumalo Clinic	2,000	1,997	2,699	26%	
New Tamaho Clinic	100	–	–	0%	
New Tswelopele Winnie Mandela Clinic	150	–	–	0%	
Office Furniture ( Health Department)	2,000	2,739	2,452	18%	
Other Equipment	1,800	1,807	1,215	-48%	
PALM RIDGE Clinic	4,000	7,652	7,652	48%	
Security Upgrade Facilities	1,500	1,876	1,944	23%	
Signage at Health Facilities	500	529	529	5%	
Specialised vehicles(MORE THAN 2 SEATS)	3,500	3,430	3,430	-2%	
Specialized Equipment	1,800	2,020	1,750	-3%	
Training Unit for Nurses	3,000	5,850	5,850	49%	
Vehicles NEW(MORE THAN 2 SEATS)	1,000	364	364	-175%	
Vehicles REPLACEMENT(MORE THAN 2 SEATS)	1,800	1,892	1,794	0%	
VILLA LIZA Clinic	12,000	13,425	13,384	10%	

**TABLE 80: CLINICS POLICY OBJECTIVES TAKEN FROM IDP**

Clinics Policy Objectives Taken From IDP									
Service Objectives  <i>Service Indicators</i>  (i)	Outline Service Targets  (ii)	Year 0		Year 1			Year 2	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective xxx									
Reduced vertical transmission of HIV from Mother to Child	% of babies tested HIV-positive (PCR) at six (6) weeks	2.6%	2%	2%	<2.15%	<2.15% (1.45%)	2%	2%	2%
Improved Tuberculosis Treatment Outcomes	% of New Smear Positive (+) Tuberculosis Patients Cured	85.0%	81.7%	81.7%	>85%	>85% (87, 21%)	>85%	>85%	>85%
Increased access to Antiretroviral Therapy initiations	Number of eligible patients initiated on Antiretroviral Therapy	35000	39127	39127	36 500	41545	37000	38000	39000

## **Health Inspections, Food and Abattoir Licencing and Inspections**

As part of improving the provision environmental health care, the municipality provides municipal health services ensuring that all occurrences of communicable diseases that are notified are investigated and controlled, ensuring food safety for human consumption, ensuring that Ekurhuleni water is free from bacteriological and chemical contamination. This also serves to reduce air and noise pollution and reduce illegal dumping and health care waste mismanagement which might be detrimental to human health.

The key service delivery priorities for health inspection included food safety compliance; funeral undertakers' compliance and rodent control. Inspections were carried out in formal and informal food premises; funeral undertakers and residential premises.

Interventions undertaken during inspections included environmental health and hygiene education and compliance requirements in terms of relevant by-laws and legislation to ensure compliance thereof. Education and awareness campaigns on rodent control were held with communities in the informal settlements with the aim of empowering the community to take necessary steps in the prevention and control of rodents. Annual targets for the key priorities were reached.

The municipality achieved eighty four per cent (84%) of inspected premises that were rodent-free after intervention. This was achieved as a result of the intensification of rodent control inspections that were extended to all Ekurhuleni areas including the least infested areas. In addition more bating was conducted as a result of additional 410 field workers appointed during the 2014/15 financial year.

**TABLE 81: HEALTH INSPECTION AND ETC. POLICY OBJECTIVES TAKEN FROM IDP**

Health Inspection and Etc. Policy Objectives Taken From IDP									
Service Objectives  <div>Service Indicators</div> (i)	Outline Service Targets  (ii)	Year 0		Year 1			Year 2	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective: Integrate service delivery and citizen responsibility									
Increased rate of rodent infestation-free settlements	% of inspected premises that are rodent-free after intervention.	40%	23%	23%	73%	84%	45%	50%	55%



## SAFETY AND SECURITY

The programme of promoting safety and security is organised under the following key interventions:

- Crime prevention;
- By-law enforcement; and
- Traffic law enforcement.

### *Crime*

Crime patterns in Ekurhuleni mirror those of similar sized municipalities. The trio crimes (business robbery; house robbery/burglary; vehicle hijacking) are very high as well as contact crimes such as common assault, aggravated assault, rape, domestic violence and robbery.

Contact crimes are more prevalent in the informal settlements and in formal settlements, while business and house robberies occur predominantly in the more affluent suburbs. The common crimes in experienced by communities at the periphery of the urban areas include robbery, which is sometimes accompanied by violence.

### *By-law Compliance*

This in part is due to lack of education on by-laws as many citizens, especially those in poor communities, have no knowledge of most by-laws governing the EMM. There is a lack of adequate systems (registration of informal traders and granting of licenses for trade) and services on the part of the EMM. Illegal liquor trading and illegal businesses need attention from an enforcement point of view as well as street trading, advertising and illegal electricity connections.

### *Traffic Law Enforcement*

Most fatalities occur during the public holidays. Most fatal accidents involve vehicles in transit through Ekurhuleni. Other serious traffic transgressions most common in Ekurhuleni involve drunken driving; seat belt violations; unlicensed drivers; red traffic light and intersection violations; overloading and public transport violations.

## 15.3 Program 11: Police

Crime has occupied centre stage on the public agenda. High levels of crime, especially serious and violent crime, result in people especially vulnerable groups such as women, children, older persons and people with disabilities, living in fear and feeling unsafe. It also impacts negatively on the country's economic development. It undermines the wellbeing of people in the country and hinders people's ability to realize their full potential.

To ensure that all people are and feel safe, the following interventions which are aligned to the GDS were undertaken:

- Enforcement of by-laws
- Enforcement of traffic laws

The outcomes were:

- Reduced accidents, fatalities and injuries;
- Heightened awareness of road traffic safety issues;
- Inculcated good road user behaviour and voluntary compliance to by-laws and traffic laws;
- Reduced offence rates on all key safety indices
- Reduced road accident trauma and costs; and
- Restored confidence and respect for the road traffic management fraternity.

**TABLE 82: EMPD SERVICE DATA**

	Details	2013/14	2014/2015	
		Actual No.	Estimate No.	Actual No.
1	Number of road traffic accidents during the year	341	Not more than 240	416
2	Number of by-law infringements attended	567	1000	5586
3	Number of police officers in the field on an average day	1940	2000	1450
4	Number of police officers on duty on an average day	1940	2000	1450

**TABLE 83: EMPD POLICE POLICY OBJECTIVES TAKEN FROM IDP**

EMPD Police Policy Objectives Taken From IDP									
Service Objectives  <div>Service Indicators</div> (i)	Outline Service Targets  (ii)	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective Integrate service delivery and citizen responsibility									
Reduction in road accidents	Number of road accidents over the target for the previous year	245	341	341	341	210	341	341	341
Increased EMPD By-Law enforcement	Number of by – law violations recorded.	1020	3 361	3 361	3000	5297	3000	3000	3000
Increased arrest of criminals	Number of criminals arrested	1100	2 612	2 612	1400	1941	1500	1600	1700
Improved competency of police officers (academy)	Number of police officers who successfully completed specialized training programmes	200	150	150	500	140	500	500	500

**TABLE 84: EMPLOYEES: EKURHULENI METRO POLICE DEPARTMENT**

<b>Employees: Ekurhuleni Metro Police Department</b>					
<b>Job Level (based on new T-scales)</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Employees (based on old X-scales)</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
Chief Police Officer & Deputy					
Other Police Officers					
0 - 3	21	23	21	2	9%
4 - 6	458	578	426	152	26%
7 - 9	1072	1228	1174	54	4%
10 - 12	182	210	167	43	20%
13 - 15	34	63	49	14	22%
16 - 18	8	12	8	4	33%
Section 57	2	6	3	3	50%
<b>Total</b>	<b>1777</b>	<b>2120</b>	<b>1848</b>	<b>272</b>	<b>13%</b>

**TABLE 85: FINANCIAL PERFORMANCE: EKURHULENI METRO POLICE DEPARTMENT**

<b>Financial Performance: Ekurhuleni Metro Police Department</b>					
<b>R'000</b>					
<b>Details</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Budget</b>
<b>Total Operational Revenue</b>	18,158	98,756	109,672	70,948	-39%
Expenditure:					
Employees	651,342	768,003	714,187	717,717	-7%
Repairs and Maintenance	27,670	24,710	27,035	24,762	0%
Other	193,823	265,741	269,812	223,908	-19%
<b>Total Operational Expenditure</b>	<b>872,835</b>	<b>1,058,454</b>	<b>1,011,034</b>	<b>966,386</b>	<b>-10%</b>
<b>Net Operational Expenditure</b>	<b>854,677</b>	<b>959,699</b>	<b>901,362</b>	<b>895,438</b>	<b>-7%</b>

**TABLE 86: CAPITAL EXPENDITURE YEAR 2014/2015: EMPD SERVICES**

Capital Expenditure Year 2014/2015: EMPD Services					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	130,330	144,946	132,261	1%	
Const Kempton Park Precinct	700	390	–	0%	
Const Precinct Stations Tokoza	12,500	8,942	8,942	-40%	
Const Precinct Stations Tokoza	–	1,631	1,631	100%	
Const Precinct Stations Zonkezizwe	–	9,285	9,285	100%	
Const Tembisa Precinct	500	368	–	0%	
Establishment of Equestrian Unit	–	330	–	0%	
ICT Equipment (EMPD)	1,000	1,192	1,059	6%	
Installation and upgrading of Security Systems in EMM	6,000	5,870	5,870	-2%	
Office Furniture (EMPD)	500	500	452	-11%	
Other Equipment (EMPD)	590	590	497	-19%	
Refurbishment All EMPD facilities	2,040	3,040	2,618	22%	
Refurbishment Boksburg Pound office	–	1,000	–	0%	
Refurbishment Brakpan Pound office	1,000	1,000	1,000	0%	
Refurbishment Logistics section	2,000	3,000	88	-2161%	
Refurbishment of EMPD Headquarters	3,000	3,000	2,921	-3%	
Refurbishment Tembisa regional office	2,000	2,000	225	-788%	
Specialized Equipment (EMPD)	4,000	6,760	6,677	40%	
Specialized Vehicles (2 SEATS OR LESS)	1,500	3,500	3,156	52%	
Training Academy Kwa-Thema	3,000	3,000	1,381	-117%	
Vehicles (EMPD)(MORE THAN 2 SEATS)	90,000	89,548	86,458	-4%	

## 15.4 Program 12: Disaster and Emergency Management Services

Disaster Management is legislated in the Disaster Management Act, 57 of 2002. The function is performed in compliance with the stated Act and ensures that the Disaster Management Plan of the Municipality is updated and included in the Integrated Development Plan (IDP) in terms of Section 26(g) of the Local Government: Municipal Systems Act. The main purpose of disaster management is the identification of disaster risks for the City, the mitigation and prevention of disaster risks occurring and; the preparedness and planning of responses to disasters.

### *Fire Services*

The Ekurhuleni Emergency Services renders the full scope of firefighting, rescue, hazardous materials response and ambulance services as mandated in Fire Brigade Services Act (Act. No. 99 of 1987). In terms of the provision of ambulance services; the City provides this integral emergency service on an agency agreement with the Gauteng Provincial Government.

### *Emergency Response Services*

The municipality provides emergency response services from 28 fire stations. The response times within the set targets remained similar at 9%, however a change was noted when an inclusion of call taking and dispatching times was made. The response reflected 12 minutes compared to 9 minutes 37 seconds in the previous year.

Public Education to lower fire risks in high risk area –

Approximately 600 community members from various informal settlements were deployed as CERT (Community Emergency Response Team members) in order to have immediate intervention in case of a fire or similar incident, until the Fire Brigade services arrived on scene to further mitigate the incident. The deployment took place at areas which poses a high risk to loss of life and property due to fires.

By law enforcement and fire safety compliance inspections to lower incidents and losses during incidents:

3000 by law enforcement inspections were conducted, of which 1500 were compliance inspections at premises and the other 1500 were dangerous goods vehicle permit inspections. There was a decrease in call outs of 8.2% over the previous year.

### *Improved Response times –*

During the year, under review the newly built Zonkiszwe Fire Station has been operationalised whilst as part of the continual expansion of emergency service; new fire stations for Duduza and Kwa Thema are under construction.

A major Expanded Public Works Programme (EPWP) project with 200 members was initiated to locate, mark, clean and maintain the street fire hydrants throughout Ekurhuleni therefore enabling better and more effective firefighting efforts. 600 CERT members from the various informal settlement communities have been deployed in the communities, to undertake continuous awareness and education activities in their respective areas of risk. Apart from the CERT activities, an additional 240 Public Education (PIER) sessions targeting communities and profile groups at risk were conducted. Support given to communities living in poverty.

**TABLE 87: FIRE SERVICE POLICY OBJECTIVES TAKEN FROM IDP**

Fire Service Policy Objectives Taken From IDP									
Service Objectives  <i>Service Indicators</i> (i)	Outline Service Targets  (ii)	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective: Integrate service delivery and citizen responsibility									
Increased access to Disaster and Emergency Management Services	Number of functional Disaster & Emergency Management facilities	1	1	1	1	1	1	0	0
Reduced fire incidents in informal settlements against baseline	Reduction of Fire incidents reported in informal settlements	300	230	230	45	52	40	35	30
Increased efficiency of response to Fire Incidents.	% compliance with the prescribed South African National Standard 10090 (speed of response)	82%	82%	82%	82%	86%	83%	84%	85%

## *Ambulance Services*

According to the Constitution of South Africa, Ambulance Services are a provincial competency. In Ekurhuleni, Ambulance Services are rendered on an agency basis for Gauteng Provincial Government, as integral part of the Fire Services, in terms of the Fire Brigade Services Act, 99 of 1987, within the obligations of the Memorandum of Agreement between Gauteng Provincial Government (GPG) and Ekurhuleni Metropolitan Municipality (EMM). The memorandum of Agreement is renewed on a yearly basis and was updated for the 2014/15 financial year.

The top three (3) service delivery priorities for render ambulance services are:

- Response times
- Complying with the provincial norms and standards for staff and ambulance vehicles
- Adequately qualified staff

Impact on the top 3 service delivery priorities is recorded as follows:

### **Response times**

Ekurhuleni complied with 67% to the target of reaching patients within 15 minutes. The Metro procured 48 ambulances and nine (9) primary medical response vehicles which were complemented by an appointment of additional 170 fulltime staff and 400 reservists..

**Complying with the provincial norms and standards** - Ekurhuleni managed 57% of the set norms and standards regarding number of ambulance operational availability compared to 66% the previous year. This is due to the high average kilometre readings per ambulance and an increase in maintenance downtime as a result of mechanical wear and tear. The inadequate staff numbers is determined by the agency fee from GPG to EMM which only allows for a 33% staffing level based on the cost to company for ambulance staff.

**Adequately qualified staff** - All staff members have the required minimum medical qualifications and are registered with the Health Professions Council of South Africa in the appropriate categories as emergency medical care technician.

In order to ensure that emergency medical technicians remain abreast of updated medical protocols; continuous medical education also receives a high priority and is conducted as in-house service by our Training Academy.

The number of paramedics' staff has declined due to staff turn-over and natural attrition such as retirement. The ability to replace paramedics has been a notable challenge due to provincial training capacity being limited and because of the duration of the training. Although it is the responsibility of the GPG to train the ambulance staff, EMM has formed a relationship with the South African National Defence Force (SANDF) to train additional staff on the Intermediate Life Support level.



**TABLE 88: AMBULANCE SERVICE DATA**

Ambulance Service Data					
	Details	2012	2013		2014
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of patients taken to medical facilities during the year	112,826	113,296	161,629	170,000
2	Average time from emergency call to arrival at the patient - in urban areas	15 minutes	15 minutes	13 minutes	15 minutes
3	Average time from emergency call to arrival at the patient - in rural areas	n/a	n/a	n/a	n/a
4	Average time from emergency call to the transportation of patient to a medical facility - in urban areas	90 minutes	90 minutes	90 minutes	90 minutes
5	Average time from emergency call to the transportation of patient to a medical facility - in rural areas	n/a	n/a	n/a	n/a
6	No. ambulance	60 amb	60amb	61 amb	60amb
7	No. paramedics	240 paramedics	240 paramedics	293 paramedics	293 paramedics

**TABLE 89: AMBULANCES POLICY OBJECTIVES TAKEN FROM IDP**

Ambulances Policy Objectives Taken From IDP									
Service Objectives  <i>Service Indicators</i> (i)	Outline Service Targets  (ii)	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective: Integrate service delivery and citizen responsibility									
Increased implementation of Ambulance Service Norms and Standards.	54. Number of Operational Ambulances on 24/7	50	66	66	60	58	60	60	60
	55. % reduction of Emergency Medical calls not serviced.	0	0	0	1%	1.16%	1%	1%	1%

**TABLE 90: EMPLOYEES: DISASTER & EMERGENCY MANAGEMENT**

<b>Employees: Disaster &amp; Emergency Management</b>					
<b>Job Level (based on new T- scales)</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Employees (based on old X- scales)</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	3	6	4	2	33%
4 - 6	19	128	113	15	12%
7 - 9	513	1113	1032	81	7%
10 - 12	179	222	178	44	20%
13 - 15	828	46	37	9	20%
16 - 18	85	11	9	2	18%
Section 57	7	8	8	0	0%
<b>Total</b>	<b>1634</b>	<b>1534</b>	<b>1381</b>	<b>153</b>	<b>10%</b>

**TABLE 91: FINANCIAL PERFORMANCE: DISASTER MANAGEMENT AND SUPPORT SERVICES**

<b>Financial Performance: Disaster Management and Support Services</b>					
<b>R'000</b>					
<b>Details</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Budget</b>
<b>Total Operational Revenue</b>	167,218	200,701	197,137	185,596	-8%
<b>Expenditure:</b>					
Employees	526,367	609,330	640,478	641,085	5%
Repairs and Maintenance	27,338	29,484	32,699	30,808	4%
Other	89,086	72,136	73,897	90,353	20%
<b>Total Operational Expenditure</b>	642,791	710,950	747,074	762,245	7%
<b>Net Operational Expenditure</b>	<b>475,574</b>	<b>510,250</b>	<b>549,938</b>	<b>576,649</b>	<b>12%</b>

**TABLE 92: CAPITAL EXPENDITURE YEAR 2014/2015: DISASTER & EMERGENCY MANAGEMENT SERVICES**

<b>Capital Expenditure Year 2014/2015: Disaster &amp; Emergency Management Services</b>					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	104,620	105,120	90,875	-15%	
3 x Mobile be SAFE Units	2,800	16	–	0%	5,200
Const Fire Station/House Albertina Sisulu Corridor	1,000	1,000	1,000	0%	1,636
Const Fire Station/House Duduza	5,600	18,691	15,078	63%	2,158
Const Fire Station/House Germiston Central	20,000	15,081	7,746	-158%	1,061
Const Fire Station/House Kwa-Thema	11,300	11,300	10,595	-7%	8,420
Const Fire Station/House Thokoza	13,000	500	500	-2500%	
Const Fire Station/House Zonkezizwe	–	763	507	100%	
Emergency Vehicle Navigation and Dispatching System	1,000	–	–	0%	
Establish Radio Technical Workshop	1,000	1,290	1,289	22%	
Furnished BeSAFE Centre	800	1,150	–	0%	
Furnished BeSAFE Centre	–	–	982	100%	
ICT Equipment (DMC)	300	350	350	14%	
ICT Equipment (EMS)	600	1,600	1,041	42%	
ICT Equipment (Support Services)	100	99	99	-1%	
Office Furniture (EMS)	800	800	800	0%	
Office Furniture Support Services)	300	300	294	-2%	
Office Furniture: (DMC)	35	35	35	0%	
Other Equipment (DMC)	200	86	28	-607%	
Other Equipment (EMS)	1,400	1,965	804	-74%	336
Other Equipment Support Services)	8	8	8	-1%	800

<b>Capital Expenditure Year 2014/2015:</b> <b>Disaster &amp; Emergency Management Services</b>					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Refurb of All Metro Fire Stations/House	2,000	6,558	6,484	69%	–
Refurbishment Community Safety HQ	200	428	428	53%	1,800
Replacement of Breathing Apparatus Sets	5,000	4,935	4,935	-1%	1,050
Specialized Equipment (DMC)	222	281	67	-230%	180
Specialized Equipment (ES)	2,000	2,319	2,260	11%	900
Specialized Vehicles (ES)	24,555	24,375	24,375	-1%	200
Two way Radio Communication Equipment	2,500	2,468	2,468	-1%	400
Upgrade all Repeater Sites Phase 1	300	300	300	0%	600
Upgrading of Alberton Fire Station	600	862	691	13%	3,560
Upgrading of Benoni Central Fire Station	600	760	760	21%	18
Upgrading of Commercial Fire Station	600	630	630	5%	6,000
Upgrading of Edenvale Fire Station	600	770	770	22%	2,950
Upgrading of Kemptonpark Fire Station	600	1,052	801	25%	4,760
Upgrading of Primrose Fire Station	600	526	563	-7%	5,210
Vehicles (DMC)(MORE THAN 2 SEATS)	2,000	1,777	2,144	7%	2,022
Vehicles (ES)(2 SEATS OR LESS)	1,000	969	995	-1%	5,800
Vehicles (ES)(MORE THAN 2 SEATS)	1,000	1,075	1,049	5%	78,555

## 16. RE-GENERATE

The theme's intent is to mainstream biodiversity and ecosystem goods and services so that their full value is recognised, and that their sustainable use is rewarded.

- A total of 128 atmospheric emissions licences for industries with listed activities were processed
- Air quality monitoring data was received from 10 stations.
- EMM conducted Landfill Audits through independent external environmental auditors for compliance.
- Distributed a total of 21,492, 240l bins to manage waste
- A total of 16,2% reclaimed waste was recycled, thus contributing significantly through a better environment.

### 16.1 Program 13: Waste Management

Ekurhuleni Metropolitan Municipality is responsible for waste storage, collection, transport and disposal. These are regulated municipal services in terms of the Constitution of the Republic of South Africa as well as the National Environmental Management Act, 1998(Act 107 of 1998). In the year under review, the municipality reviewed the policy framework that directs the business of Waste Management. This review included the following:

- Finalizing the drafting of the Integrated Waste Management Plan 2015;
- Review of the Waste Management Services Structure – Institutional Review (pending finalisation).

EMM has made remarkable inroads towards delivering better services to the communities. Some of the achievements and challenges are discussed below.

#### *Waste Management Services Operations*

In ensuring that communities of Ekurhuleni receive a guaranteed and reliable waste containerization service, EMM has successfully converted the existing storage infrastructure to a 240l bin system. During the year under review, the 240l bins were distributed in the following areas:

- Kwa-Thema;
- Tsakane;
- Boksburg;
- Brakpan;
- Daveyton & Etwatwa

New township developments will receive 240l bins upon application.

#### *Waste Treatment and Disposal*

Amongst other service delivery commitments with respect to governance, included the focus of landfills. Landfill Airspace was procured from a service provider at FG Landfill site in Olifantsfontein. The result of this was that the vehicles servicing Tembisa, Kempton Park and the surrounding areas reduced their travelling distances to the landfill sites thus increasing efficiencies in the waste removal services as well as minimizing gas emissions from the vehicles servicing the area. It is EMM's plan to continue with building an integrated waste management disposal facility to cater for the Northern Service Delivery Area.

The absence of municipal owned waste disposal facilities in the Northern Service Delivery Area remains a challenge. This is exacerbated by the imminent closure of Simmer and Jack Waste Disposal facility in the Southern Service Delivery area.

#### *Service Delivery Priorities in Waste Disposal*

Waste Management Services manages and operates landfill gas extraction and utilisation projects at four landfill sites. The Clean Development Mechanism (CDM) project is based on four landfills - Rooikraal, Simmer & Jack, Weltevreden and Rietfontein with the

exception of the 5<sup>th</sup> Waste Disposal Site, Platkop which accepts asbestos waste. This makes Platkop unsuitable for gas extraction. To date 1MW power is produced into the grid since September 2014. The total emission reductions for all four sites amounted to 181 569 compared to 100 327 tons of CO<sub>2</sub> which is lower than what was achieved in 2013/14 financial year. This is 55% increase in landfill gas harvesting, resulting CO<sub>2</sub> which is attributed to commissioning of additional gas wells.

A total of 913,734 formal households received once a week waste collection. Some of the informal households are currently serviced through Expanded Public Works programme with the purpose of forming local co-operatives. The

implementation of local cleaning has created and maintained the much needed jobs at 173, while improving the cleanliness and hygiene of the areas. Illegal dumping remains a challenge for the municipality though more than 100 spots were cleared in the last financial year through 300 Expanded Public Works Programme.

For effective and reliable waste collection, an effective fleet is required. Although the municipality embarked on a fleet recapitalization in the past 3 years, challenges still exist. These include:

- Service delivery backlogs;
- High overtime bill;
- Low morale amongst the staff

**TABLE 93: SOLID WASTE SERVICE DELIVERY LEVELS**

<b>Solid Waste Service Delivery Levels</b>				
<b>Description</b>	<b>2013/14</b>	<b>Dec-13</b>	<b>2014</b>	<b>Households</b>
	<b>Actual No.</b>	<b>Actual No.</b>	<b>Actual No.</b>	<b>2015 Actual No.</b>
<b><u>Solid Waste Removal: (Minimum level)</u></b>				
Removed at least once a week	850000	950000	998880	999959.00
<i>Minimum Service Level and Above sub-total</i>				
<i>Minimum Service Level and Above percentage</i>	83%	93%	95%	99%
<b><u>Solid Waste Removal: (Below minimum level)</u></b>				
Removed less frequently than once a week	64000	64000	64000	9000.00
Using communal refuse dump				0.00
Using own refuse dump				0.00
Other rubbish disposal				0.00
No rubbish disposal				0.00
<i>Below Minimum Service Level sub-total</i>				0.00
<i>Below Minimum Service Level percentage</i>				0.00
<b>Total number of households</b>	<b>914000</b>	<b>1014000</b>	<b>1014000</b>	<b>1008959.00</b>

In EMM all households receive equitable services which are provided once a week. Most of the houses receiving collection services on a less than weekly collection basis are in informal settlements. This is as a result of accessibility challenges. In order to combat the issue raised above a co-operative model has been implemented in some informal settlements, yielding positive results.

**TABLE 94: HOUSEHOLDS - SOLID WASTE SERVICE DELIVERY LEVELS BELOW THE MINIMUM**

Households - Solid Waste Service Delivery Levels below the minimum						
Description	1-Dec-11	2012/13	2013/14	2014/15		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
<b>Formal Settlements</b>						
Total households	850	850	998 880			999959
Households below minimum service level	1	–	–			–
Proportion of households below minimum service level	0%	0%	0%			0%
<b>Informal Settlements</b>						
Total households	64 000	64 000	64 000			64 000
Households below minimum service level	64 000	64 000	64 000			64 000
Proportion of households below minimum service level	100%	100%	100%			100%



**TABLE 95; WASTE MANAGEMENT SERVICE POLICY OBJECTIVES TAKEN FROM IDP**

Waste Management Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
<div>Service Indicators</div>		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)		(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
Service Objective: Develop, implement and enforce by-laws of carbon reduction									
Increased compliance of landfill sites	Number of landfill sites compliant with permit conditions	5	5	5	5	0	5	5	5
Increased compliance to the national and provincial Waste management norms and standards	Number of 240l bins rolled out	70000	74090	74090	44000	21492	70000	70000	70000
Increased provision of waste management services in line with the Waste management norms and standards	Number of households in in formal areas with weekly kerb-side waste removal services	706668	723448	723448	706668	913,734	706668	706668	706668
	Number of additional households (RDP) with access to refuse removal	55575	57583	57583	55575	86,225	55575	55575	55575

Waste Management Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
<div>Service Indicators</div>		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)		(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
Proportion of waste that is recycled	Volumes of waste recycled as a percentage of total volume of waste disposed of at landfill sites.	3%	23.6%	23.6%	3%	16.2%	1%	1%	1%
Increased provision of waste management services to informal settlements	Number of informal settlements with access to refuse removal	119	119	119	119	119	119	119	119

**TABLE 96: EMPLOYEES: WASTE MANAGEMENT SERVICES**

Employees: Waste Management Services					
Job Level (based on new T-scales)	2013/2014	2014/2015			
	Employees (based on old X-scales)	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1258	1251	1103	148	12%
4 - 6	264	265	217	48	18%
7 - 9	14	12	10	2	17%
10 - 12	52	53	44	9	17%
13 - 15	14	14	10	4	29%
16 - 18	5	5	3	2	40%
Section 57	5	6	6	0	0%
Total	1612	1606	1393	213	13%

**TABLE 97: FINANCIAL PERFORMANCE: WASTE MANAGEMENT SERVICES**

Financial Performance: Waste Management Services					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1,542,104	1,631,184	1,651,848	1,619,128	-1%
Expenditure:					
Employees	330,003	347,203	359,253	366,005	5%
Repairs and Maintenance	90,545	109,016	111,926	95,300	-14%
Other	715,104	944,080	1,066,575	899,738	-5%
Total Operational Expenditure	1,135,652	1,400,299	1,537,753	1,361,043	-3%
Net Operational Expenditure	(406,452)	(230,885)	(114,095)	(258,085)	11%

**TABLE 98: CAPITAL EXPENDITURE YEAR 2014/2015: WASTE MANAGEMENT SERVICES**

<b>Capital Expenditure Year 2014/2015: Waste Management Services</b>					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	126,917	101,295	75,719	-68%	
Cell development - Platkop	10,000	4,000	3,244	-208%	
Cell Development - Rietfontein	–	9,659	9,477	100%	
Develop Simmer & Jack Waste site	15,000	600	541	-2674%	
Development of the public offloading facilities/recycling	18,000	16,503	6,821	-164%	
Facilities, Upgrade and construction of facilities	15,000	3,586	2,226	-574%	
ICT Equipment	800	1,000	987	19%	
Installation Gas Flares & Wells	2,000	2,000	991	-102%	
Office Furniture	300	392	389	23%	
Other Equipment	300	355	335	10%	
Rehabilitation of the closed Brakpan landfill site	5,000	–	–	0%	
Specialised Equipment	11,799	10,758	9,562	-23%	
Specialised Vehicles (less than 2 seats)	34,723	34,873	28,187	-23%	
Specialised Vehicles (More than 2 seats)	1,995	2,526	2,282	13%	
Storwater and Leachate Management System at Weitevreden Landfill Site	–	5,080	931	100%	
Supply of Bulk Containers	4,500	4,513	4,415	-2%	
Supply of recycling bins	4,500	4,500	4,497	0%	
Upgrading of public offloading areas/recycling facilities	3,000	950	835	0%	

## 16.2 Program 14: Environmental Resource Management

Environmental management and protection entails the development of a set of tools, systems and procedures to influence human activities that might negatively impact the natural environment.

The approach to environmental protection focuses on the following key areas:

### **Environmental Strategic Planning**

It is aimed at aligning and focussing the metropolitan departments, plans and actions in an environmentally conscious way. This is accomplished through development and implementation of policies, by-laws, environmental management plans, departmental agreements and spatial planning.

### **Legislative Compliance**

The focus is on guiding the city in terms of environmental legislation, thus ensuring that the constitutional rights to a clean and safe environment for all citizens are met. A priority area for legislative compliance is enforcement of laws within the municipality.

### **Environmental Protection and Resilience**

Combines the strategic units above and directs tangible environmental turnkey

*TABLE 95: NATURAL RESOURCES*

projects within the city. These focus on integrated pollution control of air, noise and water; climate change mitigation and adaptation; wetlands management, natural areas and biodiversity management and community engagements with the objective of raising and promoting environmental awareness.

For the municipality, the maintenance of the symbiotic relationship that exists between the natural and built environment is paramount in achieving the long term vision of the city and the milestones as laid out in EMM's Integrated Development Plan.

EMM Policy makes environmental issues and environmental sustainability an essential part of all decision-making processes, the development of strategies and programmes, the development and planning of land use and the management of resources. Specifically, this policy is used to:

- spearhead sustainable development and planning;
- improve the governance function of the municipality;
- create environmental awareness;
- enhance a safe and healthy environment; and
- direct sustainability and responsible decision making

Natural Resources	
Major Natural Resource	Relevance to Community
Hydrological systems which include wetlands, dams, lakes and river systems together with associated grasslands biomes are the major natural resources of the city. EMM is renowned for the wealth that it has in wetlands, lakes and dams. A study that was undertaken in 2007 revealed that there were 206 of these water bodies within EMM. Natural resources from the wetlands are central to the livelihoods of people and natural biodiversity. Wetlands are a cradle of biological diversity and they support high concentrations of birds, mammals, reptiles, amphibians, fish and invertebrate species. They are also an important source of fish and plant genetic material. It was revealed that dams and lakes are under threat from quite a number of factors including but not limited to sewage spillages, alien plant infestation, illegal dumping, littering, and industrial discharge, roads, housing developments and mining activities. In the financial year 2014-2015 the dams and lakes programme will focus on the development of a comprehensive master plan which will identify potential economic, sporting, recreational, and commercial, eco-tourism and environmental benefits. Whilst the development of the master plan is underway the programme will continue with the completion of the Germiston Lake upgrade and commence with the upgrading of Murray Park. These are the two of the prioritized lakes which have been attended to in the 13/14 financial year.	The beautification of lakes and dams aims to improve the image, look and feel of the City and make it more aesthetically pleasing. This has the potential to position some of the lakes and dams as prime real estate and this will increase investor interest in the City. The enhancement of the lakes and dams will also contribute to the increase in the utilization and potential revenue generation. The Greening and Rehabilitation of the EMM Water-Bodies Flagship Project is part of the broader plan to respond to such issues and is also aimed at improving the quality of life and stimulate socio-economic development.

## Pollution

EMM is a highly industrialised metro as well as a transport and logistics hub and therefore the monitoring of ambient air quality is of paramount importance. A key commitment by EMM is to ensure a clean healthy environment for the residents of the city. In terms of environmental protection this means a city with high air and water quality where national air quality standards are complied with. In terms of this, EMM's efforts have targeted the following key areas:

- Issuing of atmospheric emission licences to listed industries and conducting inspections to ensure environmental legislative compliance
- Rehabilitation and cleaning of wetlands
- Promotion of environmental education and awareness

Ambient air quality and the reduction of Green House Gas (GHG) emissions within the city are of primary importance for EMM. The two largest contributing sectors to poor

air quality are the manufacturing and transportation sectors. All applications for atmospheric emission licences received in 2014/2015 were processed. Emissions from industries regulated through licenced conditions are controlled leading to an improved air quality in the city.

EMM is an integral part of the Environmental Management Inspectorate, a national network of environmental regulators that are tasked with monitoring compliance with environmental legislation and taking enforcement action against non-compliant persons and entities. EMM uses a variety of enforcement tools such as administrative notices and criminal prosecutions to ensure that environmental offenders are made to account for their actions and that any negative environmental impact by them is rectified. The impact of industrial inspections in EMM was limited by a lack of designated Environmental Management Inspectors (EMI's). This inefficiency will be addressed once EMIs have been appointed.

Key concerns around the wetlands within the metro are alien plant invasive species, odour management and general aesthetics. Priorities were therefore hyacinth removal, reed spraying, bio-remediation and general clean-up actions. Lakes around Benoni have been cleaned from hyacinth and the impact is visible to all residents and visitors. Engagement with established community environmental forums continued with the aim of encouraging the community to get involved in environmental programmes and projects that promote greening and cleanliness of the environment. Through these engagements EMM won an award for the Cleanest Municipality in Gauteng.

Annually the department commemorates important days of environmental importance. In the year under review 6 of the days celebrated were namely: Arbour Day, World Clean-up Day, Wetlands Day, National Water Week, International Biodiversity Day and World Environment Day. These days are celebrated to raise awareness on environmental issues and to promote better ways for individual communities and learners to interact with the environment.

- A portion of the Rietfontein and Tsongweni wetlands were rehabilitated
- A total of 101 environment forums were established where the environmental agenda was advanced
- Interaction with established community environment forums continued and more people became aware of environmental issues.

### *Bio-Diversity and Landscape*

Most of the work on Bio-diversity within EMM during the 2014/15 financial year concentrated on the development and approval of plans and strategies as indicated below. However the Wetlands capex projects, though mainly aimed at pollution control do have significant biodiversity improvement and rehabilitation impacts as well. These

therefore are reported under both the Pollution Control and Biodiversity sections.

### **Development of Plans and Strategies**

The priority biodiversity sensitive areas have been identified through a number of planning initiatives and environmental studies. The Environmental Management Framework (EMF) and Ekurhuleni Bio-diversity and Open Space Strategy (EBOSS) were used to develop a Bio-regional Plan for the metropolitan area, and Gauteng City Region. The required Process and Consultation Report was approved by SANBI in October 2014, subject to certain conditions. The notice for public participation was placed by the MEC of GDARD on 31st March 2015 for a period of 30 days – no additional comments were received and the final Gazette notice should appear in July 2015.

### **Rehabilitation of Wetlands:**

Ekurhuleni is renowned for the number of man-made and natural water bodies and systems within its vast region. The pans, rivers, dams, wetlands and lakes within the city are landmarks of the geographic location and must be maintained as a functioning ecosystem as much of the biodiversity is interconnected to these areas. The rationale is to ensure that the ecosystems goods and services that are currently enjoyed i.e. water purification, storm water attenuation, aquatic vegetation, bird life and recreation are not hampered by the effects and negative impacts of development or human population growth. During the 2014/15 financial year portions of the Natalspruit, Rietfontein and Tsongweni wetlands were rehabilitated. The widespread erosion has been curbed so that the wetlands are able to function naturally and provide goods and services to the nearby communities. The biodiversity, natural water quality cleansing and flood control have been enhanced in this way. In the next few years, the natural wetlands soil and vegetation will establish themselves and improve the current wetlands functioning.



#### Conservation of land:

The municipality continues to ensure that the environment is protected from unsustainable land development practices by commenting on and setting conditions for all land development applications in EMM. A number of strategic environmental best-practice tools have been developed to assess the ecological sensitivity of land in Ekurhuleni. These tools include the Bioregional Plan,

Environmental Policy, EBOSS and Grand Open Space Plan.

#### Awareness Raising

An awareness campaign on Biodiversity was done in schools and for the first time the municipality celebrated the International Biodiversity Day to educate and raise awareness on issues related to biodiversity and to showcase the diverse natural resources that the City is preserving.



**TABLE 99: BIO-DIVERSITY; LANDSCAPE AND OTHER POLICY OBJECTIVES TAKEN FROM IDP**

Bio-Diversity; Landscape and Other Policy Objectives Taken From IDP									
Service Objectives  <i>Service Indicators</i> (i)	Outline Service Targets  (ii)	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective: Conserving existing ecosystem and biodiversity									
Increased management of designated Conservation Areas.	Number of conservation areas managed	1	1	1	1	1	1	1	1
Increased compliance with environmental legislation	Number of EMM departments with an improved Environmental Compliance Index Score	0%	0%	0%	6	12	6	6	6
	Number of listed activity industries with an improved Environmental Compliance Index Score (External)	0%	0%	0%	6	0	6	6	6
Increased provision of leisure facilities	Number of leisure facilities managed	5	4	4	5	13	5	5	5

**TABLE 100: EMPLOYEES: ENVIRONMENTAL RESOURCE MANAGEMENT**

Employees: Environmental Resource Management					
Job Level (based on new T-scales)	2013/2014	2014/2015			
	Employees (based on old X-scales)	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	614	0	0	0	0%
4 - 6	1372	8	4	4	50%
7 - 9	119	1	1	0	0%
10 - 12	66	12	8	4	33%
13 - 15	13	2	1	1	50%
16 - 18	6	2	2	0	0%
Section 57	6	6	5	1	17%
<b>Total</b>	<b>2196</b>	<b>31</b>	<b>21</b>	<b>10</b>	<b>32%</b>

**TABLE 101: FINANCIAL PERFORMANCE: ENVIRONMENTAL RESOURCE MANAGEMENT**

Financial Performance: Environmental Resource Management					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	312	4,000	2,062	261	-1431%
Expenditure:					
Employees	15,319	23,371	21,698	16,666	-40%
Repairs and Maintenance	3,026	8,118	7,603	3,543	-129%
Other	6,958	33,076	33,648	32,071	-3%
<b>Total Operational Expenditure</b>	<b>25,303</b>	<b>64,564</b>	<b>62,949</b>	<b>52,280</b>	<b>-23%</b>
<b>Net Operational Expenditure</b>	<b>24,991</b>	<b>60,564</b>	<b>60,887</b>	<b>52,019</b>	<b>-16%</b>

**TABLE 102: ENVIRONMENTAL RESOURCE MANAGEMENT; LANDSCAPE AND OTHER POLICY OBJECTIVES TAKEN FROM IDP**

Environmental Resource Management; Landscape and Other Policy Objectives Taken From IDP					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	11,248	11,328	9,596	-17%	
Ambient Air Quality Monitoring Stations	4,000	4,400	3,652	-10%	12,000
Development and Upgrading Community Environmental Education Centers: Leeupan	–	850	704	100%	850
Development and Upgrading Community Environmental Education Centers: Siluma View	500	500	480	-4%	500
Furniture	200	200	32	-525%	600
ICT Equipment	75	75	67	-12%	200
ICT Equipment	150	150	149	-1%	450
ICT Equipment	200	170	105	-91%	600
Office Furniture	120	120	91	-31%	360
Office Furniture	75	75	–	0%	175
Other Equipment	50	50	49	-2%	150
Other Equipment	150	17	8	-1874%	400
Payneville Ext 3 rehabilitation	2,000	1,110	1,107	-81%	1,110
Rehabilitation of the Natalspruit Catchment	1,300	1,300	1,136	-14%	5,300
Rehabilitation: Degraded Wetlands/ Catchment	1,428	1,028	996	-43%	4,928
Specialized Equipment	300	463	414	28%	1,300
Vehicles	700	820	606	-15%	3,200

## 16.3 Program 15: Parks and Cemeteries

EMM strives to improve the environment by developing, upgrading and maintaining a sustainable urban environment which includes the removal of declared alien invasive plant species.

There are 63 cemeteries of which 21 are active, whilst 42 are inactive. Currently there is only one crematorium at Benoni CCA. In order to improve the status of cemeteries, projects are planned relating to gardens, berms and buildings. Various interactions with stakeholders take place in order to improve service delivery at cemeteries. The top 3 service delivery priorities for the year under review were: the provision of sufficient in-earth burial spaces, the promotion of alternative burial methods and urban landscaping and beautification. In addition, the following:

- 100 % provision of burials and cremation services.
- Development of new burial space, additional walls of remembrances
- An electronic booking system (SmartMun Management Software) was procured, improving efficiency in bookings, record keeping and reporting at cemeteries. Currently 8 cemeteries are managed via the system. The system vastly improved document integrity at cemeteries and aids in preventing corruption. In an effort to sensitize communities on the available alternative burial methods, a number of additional interventions were implemented.
- The Indigent Support Policy has assisted community members, living in poverty, to have a burial at minimal cost. Cemetery tariffs had a 0% increase for the last two years. Indigent residents made use of a 98% subsidized service area

**TABLE 103: CEMETERIES AND CREMATORIUMS POLICY OBJECTIVES TAKEN FROM IDP**

Cemeteries and Crematoriums Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
Service Indicators									
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective: Invest in on-grid infrastructure									
Improved utilization of burial space	Retained burial capacity and lifespan of cemeteries in years	11	11	11	11	11(60)	11	11	11



The theme intent of Re-govern is to enhance the leadership and adaptive capacity, resilience, responsiveness and financial sustainability of Ekurhuleni as an institution, together with its stakeholders, so as to enable management of future challenges, whilst dealing with a legacy of inequality and fragmentation

## 16.4 Program 16: Information and Communication Technology (Ict) Services

ICT is the strategic enabler for effective administration and service delivery. It assists in changing the way in which the municipality provides services to the citizens through the introduction of enabling technology. Improvements to be noted are:

### *Internal Efficiencies*

Automation of manual processes, thus reducing the amount of time required to execute each process. This leads to service delivery efficiencies.

### *External Service Provision*

Potential to provide Information and Communication Technology (ICT) services directly to citizens and businesses which will stimulate and enable economic growth.

The Flagship Project - ICT Digital City vision is evolving by supporting administration and service delivery and leveraging on the investments already made. It also provides EMM with a competitive advantage by integrating ICT operations into the wider City eco-system.

### *Digital City: Free Wi-Fi services*

This initiative involves the provisioning of free Wi-Fi connection to the public

### *Unified Command Centre (UCC) Enablement*

- This initiative involves a one stop shop that ensures all service queries from the public are centrally managed and responded to with the effectiveness and efficiency they deserve.

### *ERP Systems Development*

This an internal support system that will assist the City in ensuring resources within the municipality are effectively managed and information to respond to public queries and service requests, is readily available. The ERP is a planning system that incorporates and integrates the following processes within the municipality

- Human resources
- Financial management information
- Asset Management information.

Therefore, ensuring linkage and planning information is integrated and available for efficient and effective decision making

### *Major achievements for the year under review include:*

#### **Digital City: Free Wi-Fi services-**

EMM citizens now have access to 104 Wi-Fi hotspots. The implementation of the Wi-Fi hotspots will continue during subsequent financial years with the associated benefits

#### **Unified Command Centre (UCC) enablement:**

A service provider was appointed to assist in developing the UCC roadmap and ensure all requirements are addressed. The first phase of the project, which included a temporary UCC solution in Bedfordview, was implemented. As a result, queries from the public are already centrally managed within this UCC, with response times, including communication to the citizen, now visibly improved. Service performances are logged

and monitored. The public is kept informed of the status of their respective queries, ensuring that the response timelines set in the service standard are met.

The second phase of the project, which includes the incorporation of all services within the UCC, is currently in process and will be finalised by 2018.

*Enterprise Resource Management  
(ERP) System Development:*

A detailed project plan, inclusive of timelines, was developed and certain phases as adopted from the ERP plan implemented. These include:

- Standard Charter of Accountant (SCOA) Implementation, and
- Upgrading of the current financial system (Venus to Solar). A componentised ERP strategy was recommended and is currently following the approval process.



**Ekurhuleni**  
METROPOLITAN MUNICIPALITY

**TABLE 104: ICT SERVICES POLICY OBJECTIVES TAKEN FROM IDP**

ICT Services Policy Objectives Taken From IDP									
Service Objectives  <div>Service Indicators (i)</div>	Outline Service Targets  (ii)	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective Modernize and capacitate the institution									
Increased availability of customer facing applications	% availability of enabled customer facing applications	95%	95%	95%	96%	100%	97%	98%	98%
Increased broadband (fibre) coverage within the metro	Number of Wi-Fi hotspots deployed	22	22	22	75	104	100	100	100
Increased responsiveness to the prioritized ICT solutions	Number of solutions signed off by line managers	0	0	0	100	26	100	100	100



### *Acquisition of Electronic Document Management System:*

The original plan of extending the professional services until the finalisation of the institutional review processes, did not materialise. A new professional service contract is being evaluated, whilst using a SITA contract to temporarily address specialised skill shortages within the ICT Department. Key activities have been fast-tracked to ensure that the project progress is aligned with the baseline plan. Implementation continues.

### *DCS: Broadband Fibre:*

A reliable Wi-Fi service was deployed and tested

### *Digital City Services / Services Integrator:*

Implementation of the Video Conferencing facility commenced in the third quarter and will continue in the new financial year. A service integrator was appointed and an associated project was initiated. This includes upgrading and replacement of the current aging network infrastructure and also services required to maintain the infrastructure

### **Enterprise Architecture/ Business process management including Document and Records Management:**

Work is progressing according to schedule. Key activities including implementation of the 7 departmental document management systems required, and modelling of the 7 identified business processes, have been fast-tracked. This will ensure that the project progress is aligned with the baseline plan. The documents management system was implemented and is currently tested by identified stakeholders..

### *Business Process Modelling:*

Seven critical processes were identified and are currently being designed. These processes will be used as part of the scope for an ISO 9001: Quality certification.

### *Data Architecture Strategy:*

Data architecture is composed of models, policies, rules or standards that govern which data is collected, and how it is stored, arranged, integrated, and put to use in data systems and in organizations. These models, policies, rules and standards have been defined during the last financial year. Implementation will commence in the 2015/16 financial year

### **Security for ICT Infrastructure**

Ensuring that the ICT services are properly secured and comply with South African legal and regulatory requirements, the following security related projects were undertaken

### **Microsoft Platform Upgrade**

The following Microsoft implementations have been completed:

- Implementation of Lync (desktop collaboration solution);
- Upgrading of Microsoft platform (active directory);
- Upgrading of the email platform (Microsoft Exchange)

### **Database Security**

The contract is currently in the evaluation process.

### **Network Security Programme**

Security architecture specifications have been drafted, and approval by the Architecture Committee is in progress. The technical specifications for the "Security Incident and Event Management, Vulnerability Assessment, and Data Audit and Protection tool" have been drafted and are currently following the approval process

**TABLE 105: EMPLOYEES: INFORMATION AND COMMUNICATION TECHNOLOGY SERVICES**

<b>Employees: Information and Communication Technology Services</b>					
<b>Job Level (based on new T- scales)</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Employees (based on old X- scales)</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	1	1	1	0	0%
4 - 6	56	56	38	18	32%
7 - 9	73	77	60	17	22%
10 - 12	35	27	22	5	19%
13 - 15	20	22	17	5	23%
16 - 18	2	2	1	1	50%
Section 57	8	8	7	1	13%
<b>Total</b>	<b>195</b>	<b>193</b>	<b>146</b>	<b>47</b>	<b>24%</b>

**TABLE 106: FINANCIAL PERFORMANCE: INFORMATION AND COMMUNICATION TECHNOLOGY SERVICES**

<b>Financial Performance: Information and Communication Technology Services</b>					
<b>R'000</b>					
<b>Details</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Budget</b>
<b>Total Operational Revenue</b>	–	–	–	–	0%
<b>Expenditure:</b>					
Employees	87,301	97,191	94,858	93,910	-3%
Repairs and Maintenance	48,985	72,953	70,906	57,555	-27%
Other	107,390	133,850	135,897	128,596	-4%
<b>Total Operational Expenditure</b>	<b>243,676</b>	<b>303,994</b>	<b>301,661</b>	<b>280,061</b>	<b>-9%</b>
<b>Net Operational Expenditure</b>	<b>243,676</b>	<b>303,994</b>	<b>301,661</b>	<b>280,061</b>	<b>-9%</b>

**TABLE 107: CAPITAL EXPENDITURE YEAR 2014/2015: ICT SERVICES**

Capital Expenditure Year 2014/2015: ICT Services					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	176,938	220,438	236,784	25%	
Acquisition of Electronic document Management system	4,070	4,070	7,039	42%	
DCS: Broadband Fibre	48,000	48,000	47,822	0%	
Digital City Services / Services Intergrator	30,000	30,000	30,000	0%	
Enterprise Architecture/ Business process management including Document and Records Management	12,100	12,100	18,769	36%	
ERP Phase 1	–	10,000	17,069	100%	
ICT Equipment	1,440	1,440	1,275	-13%	
Migration to Next Generation Network	30,000	30,000	30,000	0%	
Office Furniture	468	468	454	-3%	
Security for ICT Infrastructure	10,000	30,000	30,000	67%	
Unified Command Centre	–	13,500	13,500	100%	
Upgrade of Data Centers and Disaster Recovery centre	4,950	4,950	4,950	0%	
Upgrading aged server equipment	35,910	35,910	35,907	0%	

## 16.5 Program 17: Corporate Legal

The establishment of the Oversight Committee in the Office of the Executive Mayor and Legislature (OCMOL), as one of the Section 79 committees, is indicative of focused oversight in the two politically significant offices in the EMM, namely, the Office of the Executive Mayor and the

Legislature, headed by the Speaker of Council. The Committee executes its oversight role with an understanding that the role of these offices is to ensure good governance and oversee institutional performance, as opposed to viewing the role as that of direct service delivery.

### *Legislature*

Legislature as an institution was established in 2011. The past four years saw the institution deepening its position as the tribune of the people through a mission statement to become “a representative and proactive (institution) that drives the creation of a smart, creative and developmental city through transparency, responsiveness and accountability to the residents of Ekurhuleni”. The strategic objectives of the institution are as follows:

- Conduct oversight and scrutiny of the Executive and Administration to assist in the attainment of the city’s strategic agenda;
- Employ effective community participation mechanisms to ensure involvement of Ekurhuleni residents in the business of the municipality;
- Make by-laws to ensure optimal service delivery for the residents of Ekurhuleni;
- Entrench multi-party democracy in the business of Council; and
- Ensure that legislature is technologically driven.

The institution’s performance during the period under review was guided by a need to consolidate the gains of effective oversight, accountability and participatory governance. In particular, the institution sought to deepen the efficacy of Council decision-making, functionality of Section 79 committees, as well as ward committees. The adoption by Council of a resolution-tracking mechanism seeks to enhance the efficacy of Council decision-making processes for effective service delivery. Similarly, the Section 79 committee’s over-performance on focused intervention studies (FISs) and oversight visits demonstrates legislature’s commitment to verify performance reported by the departments in their quarterly and annual reports tabled in Council. The continued functionality of ward committees, as well as increased involvement of oversight committee chairpersons in IDP processes, also contributed in ensuring that community

needs are taken into account in making Council decisions.

The Legislature’s service information is in line with its key activities identified above, mainly pertaining to the number of Council meetings convened, functionality of Section 79 Committees, as well as the activities of Ward Committees. During the period under review, 13 Council meetings were convened as per the Council-approved calendar. In addition, 18 Section 79 Committees (eight Standing and 10 Oversight) convened once a month – except during the time when Council was on recess – and special meetings were convened where necessary to dispense with Council-referred matters. To this end, reports on key budget cycle activities were scrutinised and oversight reports submitted to Council, including IDP and MTREF (11), quarterly SDBIP reports (44), as well as Annual Report (12) and FISs/oversight visits (36) reports. The 101 ward committees also continued to function during the 2014/15 financial year, convening as scheduled and addressing a wide range of service delivery and sectorial issues.

### **Piloting the establishment of Municipal Courts**

The Magisterial Districts pilot the establishment of Municipal Courts which cater for the enforcement of by-laws and road traffic infringements within Ekurhuleni, as proclaimed by the Department of Justice (DoJ) on the 1st December 2014. The EMM identified four Municipal Courts at Palm Ridge, Benoni, Kempton Park and Springs, as pilot areas in line with the new magisterial demarcations as at 1 December 2014. These Courts were piloted until 30 June 2015 and are now operational with effect from the beginning of the 2015/16 financial year. One of the Senior Legal Advisors has been delegated with full prosecutorial powers to engage with all the EMM Departments in order to establish cases that are ready to be enrolled

The DoJ has been assisting with Court premises as the EMM only has its own Court buildings in Kempton Park and in the other three (3) areas the EMM is accommodated in

the same buildings as the Magistrates Courts for accessibility...

The enforcement of municipal matters continues in the Magistrates Courts that have geographical jurisdiction where arrangements have been made to have a Magistrate available to preside over Municipal matters. Where the EMM Prosecutor has received delegation from the NPA to prosecute, the Prosecutor / State Prosecutor launches the matter in Court on the EMM's behalf. As at 01 June 2015, the Courts at Benoni, Kempton Park and Palm Ridge were ready to receive municipal matters as of the 15 June 2015, however, matters where the investigations have been completed and legislation provides for effective enforcement through sufficient penalty provisions shall proceed to be enrolled.

### **Establishment of the Municipal Ombudsman Office**

The Policy framework towards establishing this office was approved by Council on 26th March 2015. Government is constitutionally enjoined to be responsive to the resident's needs and delivering service of a particular standard. The Ombudsman will create systems that will inculcate accountability of Government in meeting these levels.

### **Capacitation EMM on Regulatory Compliance**

Three inter-departmental training workshops on legislative drafting facilitated by the Justice College of the Department of Justice & Constitutional Development to capacitate staff on legal drafting techniques (legislative drafting); legal compliance (PAIA, SCM support, cessions and responses to Chapter 9 Institutions, including the Public Protector issues) and on Municipal Court operations (by-law enforcement) were attended by EMM Compliance and Governance representatives.

*Achievements reported for the 2014/2015 financial year included:*

- Implementation of the approved contract management framework and Standard Operating Procedures to ensure that EMM Contracts undergo legal review;
- Framework and draft by-law for the establishment of the Municipal Ombudsman Office, an independent mediator between the EMM Administration and the Ekurhuleni residents;
- A draft step-by-step Case Management framework to determine principles underpinning early resolution / settlement / appeal / review of legal cases to ensure a reduction in overall legal costs;
- Coordinated the piloting of the establishment of four Municipal Courts for an efficient focused enforcement of by-law contraventions and traffic infringements.
- Office of the Municipal Ombudsman - the draft Policy towards establishing the Office has been submitted in the system of Committees for consideration, and the draft by-law will immediately follow, thus allowing the public to participate in the process. An inter-departmental compliance course was held to engage on the by-laws that needed enforcement from respective departments.

## **16.6 Program 18: Risk**

### **Management Services**

The priorities and performance relating to risk management in the municipality is as follows:  
Risk areas

- A regular review of risk profiles at municipal, entity and department levels was undertaken. The main rationale for reviewing risk profiles is to keep to date with the changing risky environment the municipality. And entities operate within. During these reviews the level of risk exposure, implementation of mitigation actions, and adequacy of controls were reviewed and

regular progress reports were provided to the relevant oversight structures, such as the Audit and Risk Committees. The Municipality conducted an independent assessment of the level of risk management maturity. The outcome of the assessment shows that the municipality is situated between a “defined and managed” state. The municipality has developed an action plan to address the challenges raised in the maturity report and aims to move towards an optimal maturity level

### *Governance and Compliance Management*

The municipality approved the compliance policy in 2014/2015 which seeks to communicate the stance of the municipality in managing compliance. The compliance policy defines roles and responsibilities of key stakeholders who are involved in managing compliance in the institution. The focus in 2014/15 was to conduct compliance risks assessments on high risk legislation and determine mitigation actions to manage these risks.

Compliance Maturity Assessments were undertaken which confirmed the current status of compliance at level 2 i.e. a fragmented status. An action plan has been developed to address aspects of the assessment which will enable the municipality to reach a level status by the end of the 2015/2016 financial year.

Governance Maturity Assessments were conducted on the municipal entities and the outcomes ranged from basic to established. As part of shareholder support in the next financial year, the municipality seeks to address the identified weaknesses and challenges as per the assessment.

### *Risk Financing*

The Risk Financing Strategy was developed and presented to the Audit and Risk Committees. The Strategy seeks to define a framework for assessing risk financing choices as well as recommend the most optimal risk financing mechanisms for the municipality.

[illegible]

The Executive and Council Policy Objectives Taken From IDP									
Service Objectives  <i>Service Indicators</i> (i)	Outline Service Targets  (ii)	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective: Modernize and capacitate the institution									
A functional Legislature	% of referred items resolved by Council	100%	100%	100%	100%	100%	100%	100%	100%
	74. Number of functional Section 79 Committees	5	5	5	18	18	18	18	18
	75. Number of functional ward committees	101	101	101	101	98	101	101	101



**TABLE 109: EMPLOYEES: CORPORATE LEGAL SERVICES**

Employees: Corporate Legal Services					
Job Level (based on new T-scales)	2013/2014	2014/2015			
	Employees (based on old X-scales)	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	74	72	56	16	22%
4 - 6	145	132	108	24	18%
7 - 9	26	22	22	0	0%
10 - 12	107	95	73	22	23%
13 - 15	49	48	38	10	21%
16 - 18	9	8	7	1	13%
Section 57	5	5	4	1	20%
Total	415	382	308	74	19%

**TABLE 110: EMPLOYEES: FACILITIES MANAGEMENT & REAL ESTATE**

Employees: Facilities Management & Real Estate					
Job Level (based on new T-scales)	2013/2014	2014/2015			
	Employees (based on old X-scales)	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	94	690	579	111	16%
4 - 6	113	1455	1252	203	14%
7 - 9	20	121	97	24	20%
10 - 12	127	125	107	18	14%
13 - 15	11	18	16	2	11%
16 - 18	6	4	4	0	0%
Section 57	8	9	8	1	11%
Total	379	2422	2063	359	15%

**TABLE 111: EMPLOYEES: RISK MANAGEMENT**

Employees: Risk Management					
Job Level (based on new T-scales)	2013/2014	2014/2015			
	Employees (based on old X-scales)	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					0%
4 - 6					0%
7 - 9					0%
10 - 12					0%
13 - 15					0%
16 - 18					0%
Section 57	5	5	3	2	40%
Total	5	5	3	2	40%

**TABLE 112: FINANCIAL PERFORMANCE: CORPORATE LEGAL SERVICES**

Financial Performance: Corporate Legal Services					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	6,869	3,735	3,735	4,397	15%
Expenditure:					
Employees	143,064	153,015	152,453	141,058	-8%
Repairs and Maintenance	5,380	4,447	5,653	4,808	7%
Other	381,733	133,216	134,120	307,139	57%
<b>Total Operational Expenditure</b>	530,177	290,678	292,227	453,005	36%
<b>Net Operational Expenditure</b>	<b>523,308</b>	<b>286,944</b>	<b>288,492</b>	<b>448,608</b>	<b>36%</b>

**TABLE 113: FINANCIAL PERFORMANCE: RISK MANAGEMENT**

<b>Financial Performance: Risk Management</b>					
<b>R'000</b>					
<b>Details</b>	<b>2013/2014</b>	<b>2014/2015</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Budget</b>
<b>Total Operational Revenue</b>	–	–	–	–	0%
<b>Expenditure:</b>					
Employees	5,085	7,773	7,173	6,968	-12%
Repairs and Maintenance	–	–	–	–	0%
Other	7,139	10,900	12,979	13,299	18%
<b>Total Operational Expenditure</b>	12,224	18,673	20,152	20,267	8%
<b>Net Operational Expenditure</b>	<b>12,224</b>	<b>18,673</b>	<b>20,152</b>	<b>20,267</b>	<b>8%</b>

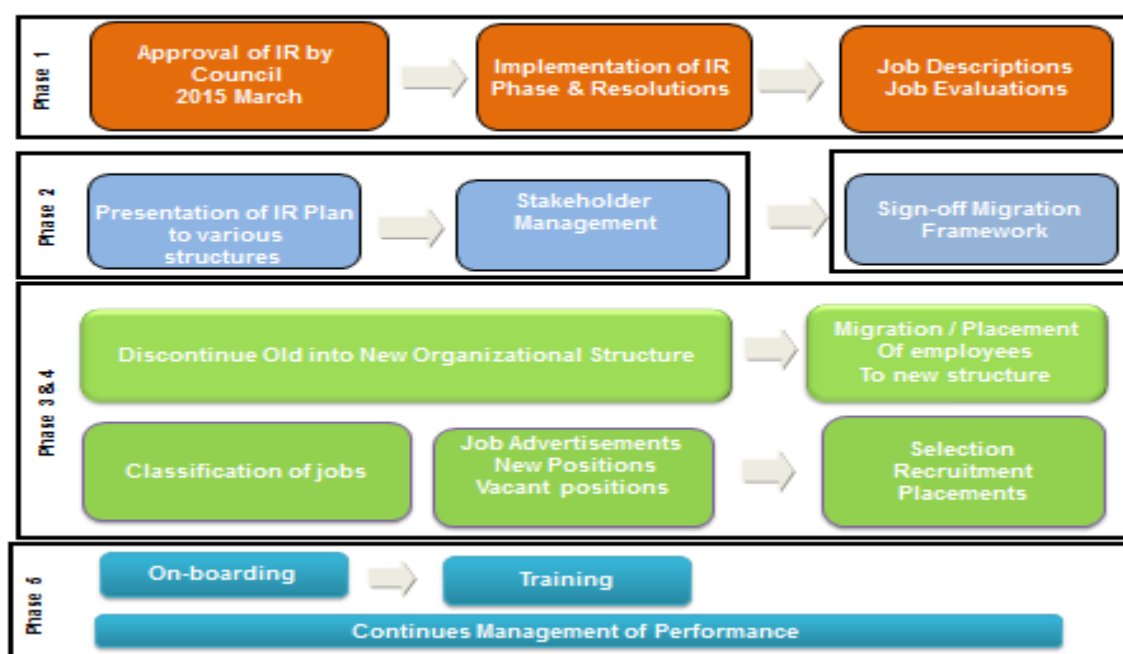
## 16.7 Program 19: Organisational Development Performance

Human Resource is a strategic partner and an enabler in capacitating and facilitating continuous organisational renewal and performance. In order to make this possible, training interventions were implemented to enhance and capacitate the EMM employees and improve their competencies.

During the 2014/15 financial year, EMM made significant strides in building a strong, adequately capacitated, responsive and effective organization capable of achieving its developmental goals.

One of the major flagship projects of the City, the institutional review, the primary objective of which is to refine the City's business model. The structure provides solutions aimed at addressing structural and capacity shortcomings, re-engineering and streamline fragmented business processes and transform the current culture into a high performance and customer-centric culture was approved by Council in 26 March 2015.

The Institutional Review is not only about approval of the organizational structure, it also entails other critical business processes which are implemented in phases as depicted below in the following diagram.



**GRAPH 14; CRITICAL BUSINESS PROCEESES**

The following were achieved in the 2014/15 financial year:

- 1 079 position across EMM were filled
- A total of 135 employees were placed in various Learnership Programmes
- A total of 456 employees received training on scarce and critical skills areas.
- The Sabbatical Leave Policy was approved
- The Scarce Skills Allowance Policy was approved
- The Recruitment and Selection Policy (revision) was approved

- The Roll-over of fixed term employment contract policy was approved
- The Employment Equity Plan was approved

Other related interventions included:

- A total of 12 723 employees were reached through employee wellbeing services.
- A 24-hour Employee Wellness Programme was launched which aimed at combating the adverse effects of trauma experienced and work-related stress by the operations employees in Ekurhuleni Metropolitan Police Department (EMPD) and Disaster and Emergency

Management Services (DEMS), due to the nature of the work that these employees perform. The employees are often exposed to traumatic experiences, which place them at a high risk for the development of post-traumatic stress disorder (PTSD).

The following challenges were also experienced:

- Delays in finalizing performance assessment which resulted in delays payment of a performance incentive bonus for the 2013/14 financial year.
- Three employees collapsed whilst working and were declared dead on the scene.

**TABLE 114: EMPLOYEE TOTAL, TURNOVER AND VACANCIES**

Description	Employees				
	2013/2014	2014/2015			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Water & Sanitation Services	1,130	1,129	943	186	16.47%
Energy	1,212	1,188	974	214	18.01%
Waste Management Services	1,612	1,606	1,393	213	13.26%
Human Settlements	264	263	209	54	20.53%
Roads and Storm Water Services	996	983	827	156	15.87%
Transport Services	750	739	648	91	12.31%
City Planning Services	329	339	286	53	15.63%
Economic Development Services	86	92	70	22	23.91%
SRAC: Arts, Culture and Libraries	-	-	-	-	0.00%
Environmental Resource Management	2,196	31	21	10	32.26%
Health and Social Development	1,644	1,635	1,488	147	8.99%
Ekurhuleni Metro Police Department	1,777	2,120	1,848	301	14.20%
Fire and Ambulance Services	-	-	-	-	0.00%

Employees					
Description	2013/2014	2014/2015			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Disaster Management and Support Services	1,634	1,534	1,381	153	9.97%
Sport, Recreation, Arts & Culture	1,092	1,539	1,346	193	12.54%
Executive and Council	262	204	149	55	26.96%
Financial Services	1,237	1,228	1,006	222	18.08%
Human Resource Management	265	260	207	53	20.38%
Information and Communication Technology	195	193	146	47	24.35%
Corporate Legal	415	382	308	74	19.37%
Risk management	5	5	3	2	40.00%
Facilities Management & Real Estate	379	2,422	2,063	359	14.82%
Communication and Brand Management	59	58	43	15	25.86%
Internal Audit	59	59	50	9	15.25%
Customer Relations Management	111	367	355	12	3.27%
Enterprise Project Managemet Office	5	5	5	-	0.00%
Fleet Management	267	267	186	81	30.34%
Strategy & Corporate Planning	23	26	14	12	46.15%
<b>Totals</b>	<b>18,004</b>	<b>18,674</b>	<b>15,969</b>	<b>2,734</b>	<b>14.64%</b>

**TABLE 115: VACANCY RATE**

Vacancy Rate: Year 0			
	*Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0%
CFO	1	0	0%
Other S57 Managers(excl Fin Post )	179	38	19.28%

Vacancy Rate: Year 0			
	*Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Other S57 Managers(Fin Post )	10	1	10%
Police Officers	1575	121	7.68%
Fire Fighters	732	42	5.74%
Senior management: Levels 13-15(exc Finance Post )	598	105	17.55%
Senior management: Levels 13-15( Finance Post )	32	8	25%
Highly skilled supervision: Levels 9-12 ( Finance Post)	254	49	19.29%
Highly skilled supervision: Levels 9-12 (incl Finance Post)	3812	498	13.06%
	<b>7194</b>	<b>862</b>	<b>11.98%</b>

**TABLE 116: TURNOVER RATE**

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
Year – 2	15871	601	3.80%
Year – 1	15863	928	5.90%
Year 0	16265	1161	7%

## Managing the Municipal Workforce

**TABLE 117: HR POLICIES AND PLANS**

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
1	Employee study bursary Policy (Revision)	N/A	100%	Referred back to HR for further refinement
2	Relocation Assistance Policy (New)	N/A	100%	Referred to the Oversight Committee
3	Sabbatical Leave Policy (New)	N/A	100%	Approved on 26 March 2015
4	Scarce Skills Allowance Policy (New)	N/A	100%	Approved on 26 March 2015
5	Recruitment & Selection Policy (Revision)	N/A	100%	Approved on 26 March 2015
6	Roll over of fixed term Employment contract	N/A	100%	Approved on 26 March 2015
7	Overtime Policy	N/A	100%	Served in the Mayoral Committee
8	Employees Recognition Scheme (New)	N/A	100%	Served in the Mayoral Committee
9	Employee Exchange Programme Policy	N/A	100%	Served in the Mayoral Committee
10	Learning and Development Policy	N/A	100%	Served in the Mayoral Committee
11	Substance Abuse Policy (new)	N/A	100%	Served in the Mayoral Committee
13	Employee Assistance Program (new)	N/A	100%	Served in the Mayoral Committee
18	Other:			



## *Injuries, Sickness and Suspensions*

The majority of injuries reported were physical, affecting employees' body parts such as hands, arms, feet, and eyes.

Programmes to educate employees on occupational health risks were implemented to prevent injuries.

Medical surveillance programmes were conducted to eliminate the risks of exposing employees who are not fit to perform certain tasks to injuries, thus avoiding IOD claims.

Sick leave records, including the number of sick leave days taken annually are maintained. The injuries are monitored by the

Employee Well-being Division's Occupational Health Nurses, who form part of the incapacity committees. Employees are also referred to external Medical Practitioners for assessments in order to obtain medical opinion and recommend appropriate actions.

Absenteeism and Incapacity Management Guidelines were developed and piloted. Roll-out of training for managers and supervisors on guidelines and processes was implemented. Management of absenteeism, sick leave and incapacity workshops were implemented to educate employees on their responsibilities with regards to sick leave utilisation to encourage responsible use of leave.

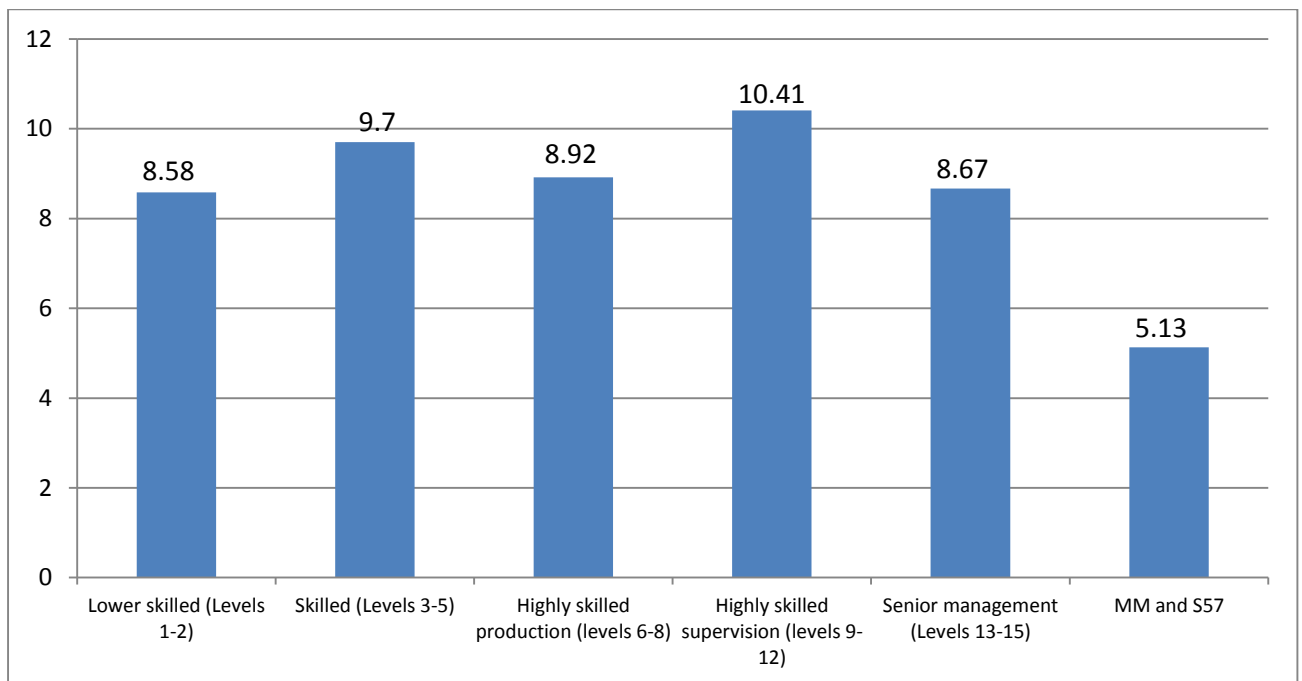
**TABLE 118: NUMBER AND COST OF INJURIES ON DUTY**

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken Days	Employees using injury leave No.	Proportion employees using sick leave %	Average Injury Leave per employee Days	Total Estimated Cost R'000
Required basic medical attention only	4232	158	46%	26.78	2,944,314.14
Temporary total disablement					
Fatal					
<b>Total</b>	<b>4232</b>	<b>158</b>	<b>46%</b>	<b>26.78</b>	<b>2,944,314.14</b>
<i>T 4.3.1</i>					

**TABLE 119: NUMBER OF DAYS AND COST OF SICK LEAVE (EXCLUDING INJURIES ON DUTY)**

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave Days	Proportion of sick leave without medical certification %	Employees using sick leave No.	Total employees in post* No.	*Average sick leave per Employees Days	Estimated cost R' 000
Lower skilled (Levels 1-2)	15315	8.18%	1286	1784	8.58	5,366,237.96
Skilled (Levels 3-5)	55199	10.24%	4370	5692	9.70	25,611,528.16

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave  Days	Proportion of sick leave without medical certification n %	Employees using sick leave  No.	Total employees in post*  No.	*Average sick leave per Employees  Days	Estimated cost  R' 000
Highly skilled production (levels 6-8)	38336	16.11%	3480	4300	8.92	25,581,971.80
Highly skilled supervision (levels 9-12)	38337	13.35%	3499	3683	10.41	38,001,920.72
Senior management (Levels 13-15)	5618	15.09%	543	648	8.67	9,380,508.49
MM and S57	1206	11.19%	131	235	5.13	4,824,000.00
Learnerships	2427	18.91%	599	2480	0.98	72,506.17
<b>Total</b>	<b>156439</b>	<b>13.30%</b>	<b>13908</b>	<b>18822</b>	<b>7.48</b>	<b>108,838,673.30</b>



**GRAPH 15: AVERAGE NUMBER OF DAYS SICK LEAVE (EXCLUDING IOD)**

**TABLE 120; NUMBER AND PERIOD OF SUSPENSIONS**

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
HOD: Corp. Plan	bringing the council into disrepute	15/10/2013	Matter finalized. Employee dismissed	9/5/2014
Exec Manager: Waste	Tender Irregularities	31/10/2010	Matter finalized	20.01.2015
Manager: Waste	Tender Irregularities	31/10/2010	Matter provisionally withdrawn	11.02.2015
Manager: Waste	Tender Irregularities	31/10/2010	Matter provisionally withdrawn	11.02.2015
HOD: Roads	irregular expenditure	May-14	Matter provisionally withdrawn	14-Oct
Director: roads	Tender Irregularities	May-14	Matter provisionally withdrawn	14-Oct
Exec. Manager: roads	Tender Irregularities	May-14	Matter provisionally withdrawn	14-Oct
Exec. Manager: roads	Tender Irregularities	May-14	Matter provisionally withdrawn	14-Oct
Manager: roads	Tender Irregularities	May-14	Matter provisionally withdrawn	14-Oct
Manager: roads	Tender Irregularities	May-14	Matter provisionally withdrawn	14-Oct
Cahier -finance	fraud and corruption	Apr-14	Contract ended June 2014	1-Jun
Cashier -finance	fraud and corruption	Apr-14	Case dismissed - condonation denied	29-Sep-14
Operations officer - Facilities Management & Real Estate	Theft	11.06.2014	Employee resigned	Jan-15
Manager - Roads & Stormwater	Issuing of irregular, improper and unauthorised instructions. Unauthorised usage of capital expenditure budget.	05.06.2014	Matter provisionally Withdrawn	14-Oct
Snr Manager - Roads & Stormwater	Issuing of irregular, improper and unauthorised instructions	30.04.2014	Matter provisionally Withdrawn	14-Oct
Divisional Head - Roads and Stormwater	Issuing of irregular,	30.04.2014	Matter provisionally Withdrawn	14-Oct

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
	improper and unauthorised instructions.			
HOD - Roads and Stormwater	Issuing of irregular improper and unauthorised instructions under A-IS (RW)03-2012	05.06.2014	Matter provisionally Withdrawn	14-Oct
Constable - EMPD	Bribery	24.12.2014	matter finalized	15-Mar
Constable - EMPD	Bribery	24.12.2014	matter finalized	15-Mar
Constable - EMPD	Bribery	24.12.2014	matter finalized	15-Mar
HR Officer - HRM&D	Fraud and corruption	11.05.2015	Still under investigation	Not finalised
Cashier -finance	Theft	19.06.2015	Ongoing investigation	Not finalized
Constable - EMPD	Bribery	24.12.2014	matter finalized	15-Mar
Constable - EMPD	Bribery	24.12.2014	matter finalized	15-Mar
Constable - EMPD	Bribery	24.12.2014	matter finalized	15-Mar
HR Officer - HRM&D	Fraud and corruption	11.05.2015	Still under investigation	Not finalised

**TABLE 121: SKILLS MATRIX (MUST BE UPDATED WITH NEW YEAR INFORMATION)**

Skills Matrix														
Management level	Gender	Employees in post as at 30 June Year 0	Number of skilled employees required and actual as at 30 June 2015											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual: 30 June 2013	Actual: 30 June 2014	Target	Actual: 30 June 2013	Actual: 30 June 2014	Target	Actual: 30 June 2013	Actual: 30 June 2014	Target	Actual: 30 June 2013	Actual: 30 June 2014	Target
MM and S57	Female	61					126	90		8	11	0	134	101
	Male	150					502	150	4	2	12	4	504	162
Councillors, senior officials and managers	Female	49	3	4	0	3	249	120	32	20	40	38	273	160
	Male	88	0	2	0	0	431	183	11	15	30	11	448	213
Technicians and associate professionals*	Female	4213	118	20	52	118	213	139	99	117	120	335	350	311
	Male	6988	23	12	705	23	260	367	103	95	120	149	367	1192
Professionals	Female	30	19	5	20	19	959	586	15	22	30	53	986	636
	Male	31	2	2	20	2	805	337	20	13	25	24	820	382
Others	Female	336						220	195	247	300	195	247	520
	Male	516						230	205	193	250	205	193	480
Sub total	Female	6382	140	29	72	140	1547	1155	341	414	751	621	1990	1728
	Male	9676	25	16	725	25	1998	1267	343	319	437	393	2332	2429
Total		16058	165	45	797	165	3545	2422	684	733	938	1014	4322	4157

**TABLE 122: FINANCIAL COMPETENCY DEVELOPMENT: PROGRESS REPORT\***

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
Accounting Officer	1	3	4	4		0
Chief Financial Officer	1	3	4	4		1
Any other Senior Officials	431	18	449	0		119
Supply Chain Management Officials	0	0	0	0		0
Heads of Supply Chain Management	1	0	1	1	1	1
Supply Chain Senior Managers	1	0	1	0	0	0
<b>TOTAL</b>	<b>454</b>	<b>48</b>	<b>502</b>	<b>52</b>	<b>52</b>	<b>127</b>

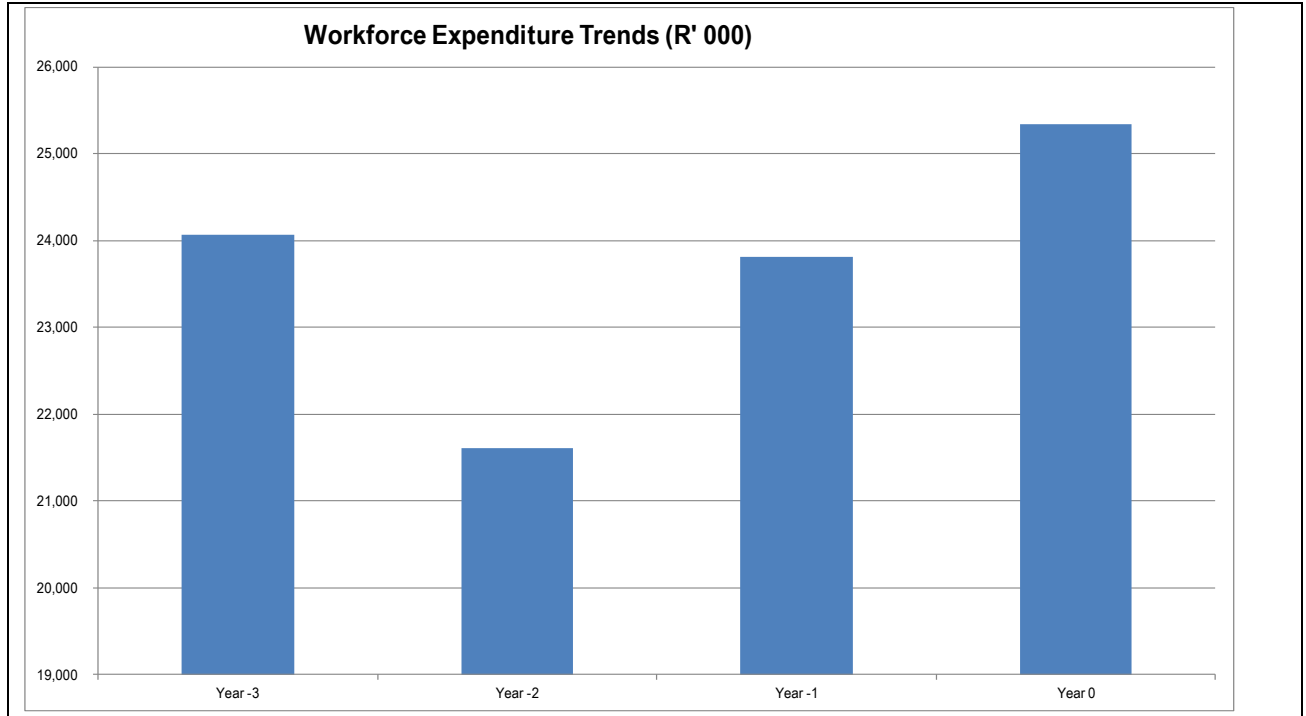
**TABLE 123: ORIGINAL BUDGET AND ACTUAL EXPENDITURE ON SKILLS DEVELOPMENT YEAR 20132014 (MUST BE UPDATED)**

Original Budget and Actual Expenditure on skills development Year 20132014 R'000										
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 20132014							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female	7			801904	368928	3577	47759.50	805481	737856
	Male	16			3192835	1319256	8176	9850.50	3201011	2638512
Legislators, senior officials and managers	Female	303	148000	51699	1581636	654372	154833	210355.60	1736469	1360443
	Male	513	74000	25850	2738299	1132668	262143	153861.00	3074442	2291186
Professionals	Female	548	185000	64624	6097428	2520252	280028	116870.60	6562456	5105128
	Male	223	74000	25850	5118144	2115540	113953	119209.45	5306097	4256930
Technicians and associate professionals	Female	435	740500	258497	1352520	559764	222285	617202.20	2315305	1378025
	Male	1184	444500	155098	1651849	683280	605024	46886.85	2701373	1521658
Clerks	Female	2006	740500	258497	3240875	1340280	1025066	1409673.57	5006441	2939057
	Male	1384	370500	129249	1722061	712337	707224	1002719.22	2799785	1553923
Service and sales workers	Female	1219	740500	258497	2224637	919800	622909	811281.90	3588046	2098097
	Male	2457	629500	219723	1341434	554508	1255527	929073.18	3226461	1328739
Plant and machine operators and assemblers	Female	435	37000	12925	240202	99864	222285	563079.10	499487	212653
	Male	1184	148000	51699	1740538	720072	605024	440883.05	2493562	1491843
	Female	1477	444500	155098	831467	344268	754747	248042.25	2030714	843634

Original Budget and Actual Expenditure on skills development Year 20132014 R'000										
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 20132014							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
Elementary occupations	Male	2661	222500	77549	3063495	1266696	1359771	224940.85	1276455	2610941
	Female	6389	3036000		16370669	6807528	3084407	4024265	22544399	13615056
Sub total	Male	9682	963000		20568656	8504357	4615577.18	3349424	22802731	17008714
Total	16058	4999000	1744856	1744856	36939325	15311885	7700000	7373689	45347130	32368626



GRAPH 7: WORKFORCE EXPENDITURE



**Table 124: Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded**

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	22
	Male	11
Skilled (Levels 3-5)	Female	11
	Male	21
Highly skilled production (Levels 6-8)	Female	48
	Male	78
Highly skilled supervision (Levels9-12)	Female	34
	Male	53
Senior management (Levels13-16)	Female	11
	Male	14
MM and S 57	Female	0
	Male	0
Total		303

**TABLE 125: EMPLOYEES WHO'S SALARY LEVELS EXCEED THE GRADE DETERMINED BY JOB EVALUATION**

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Highly Skilled production	2704	Not supplied	Not supplied	Contractual to Incumbent
Highly Skilled supervision	2132	Not supplied	Not supplied	Contractual to Incumbent
Lower Skilled	1129	Not supplied	Not supplied	Contractual to Incumbent
Senior Management	299	Not supplied	Not supplied	Contractual to Incumbent
Skilled	4251	Not supplied	Not supplied	Contractual to Incumbent