

GREATER LETABA MUNICIPALITY



ANNUAL REPORT 2010/2011



TABLE OF CONTENTS

CHAPTER 1: INTRODUCTION AND OVERVIEW.....	6
1.1. Mayor's Foreword.....	6
1.2. Overview of the Municipality.....	7
1.3. A short description of the municipality.....	7
1.4. Social Analysis.....	8
1.4.1. Demographics.....	9
1.4.1.1. Population and Household Size.....	9
1.4.1.2. Age and Gender Profile.....	9
1.4.2. Education Levels.....	10
1.4.3. Income & Employment.....	11
1.5. Infrastructure Analysis.....	12
1.5.1. Multipurpose Community Centres.....	12
1.5.2. Water.....	12
1.5.2.1. Modjadjiskloof water network:.....	12
1.5.2.2. Ga-Kgapane water network:.....	12
1.5.2.3. Rural water supply schemes:.....	13
1.5.3. Sanitation.....	14
1.5.3.1. Access to sanitation services.....	14
1.5.4. Electricity.....	15
1.5.4.1. Access to electricity.....	15
1.5.5. Housing.....	16
1.5.5.1. Housing backlog.....	16
1.5.5.2. Types of dwelling.....	16
1.5.6. Disability.....	17
1.5.7. Elderly.....	17
1.5.8. Health facilities.....	18
1.5.8.1. Access to Health Care.....	19
1.5.9. Library facilities.....	19
1.5.10. Roads & Transport.....	19
1.5.11. Emergency Services / Safety and Security.....	20
1.5.12. Waste management.....	20
1.6. Executive Summary.....	21
1.6.1. Vision.....	21
1.6.2. Mission.....	21
1.6.3. The values of Greater Letaba Municipality.....	21

1.7.	<i>Other Municipal Context</i>	23
1.7.1.	<i>The Integrated Development Plan</i>	23
1.7.2.	<i>Governance and Organisational Structure</i>	24
1.7.3.	<i>Political Structure</i>	24
1.7.4.	<i>Municipal Committees</i>	25
1.7.5.	<i>Municipal Council</i>	25
1.7.6.	<i>Ward Committees</i>	25

CHAPTER 2: PERFORMANCE HIGHLIGHTS 28

2.1.	<i>Service Delivery Backlog as of June 2011</i>	28
2.2.	<i>Service Delivery Highlights</i>	29

CHAPTER 3: HUMAN RESOURCES AND OTHER ORGANISATIONAL ARRANGEMENTS 32

3.1.	<i>Introduction to the Municipal Workforce</i>	32
3.1.1.	<i>Greater Letaba Administrative Structure</i>	32
3.1.2.	<i>Municipality's Administration Structure and Staff Components</i>	32
3.1.2.1.	<i>The Municipal Managers Office</i>	33
3.1.2.2.	<i>Department of Corporate Services</i>	34
3.1.2.3.	<i>Community Services</i>	35
3.1.2.4.	<i>Budget and Treasury</i>	36
3.1.2.5.	<i>Infrastructure Development and Planning Department</i>	37
3.1.3.	<i>Training of the Employees</i>	38
3.1.4.	<i>Managing the Municipal Workforce</i>	40
3.1.5.	<i>Municipal Workforce Expenditure</i>	41
3.1.6.	<i>Accredited Pension Funds</i>	43
3.1.7.	<i>Service Level Agreements and Long Term Contracts</i>	43

**CHAPTER 4: AUDITED FINANCIAL STATEMENTS AND INFORMATION MANAGEMENT
46**

4.1.	<i>AUDITOR'S REPORT OF THE AUDITOR-GENERAL TO THE LIMPOPO PROVINCIAL LEGISLATURE AND THE COUNCIL ON GREATER LETABA MUNICIPALITY</i>	46
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CHAPTER 5: FUNCTIONAL SERVICE DELIVERY 57

5.1.	<i>Performance Management System</i>	57
5.2.	<i>Performance Management Tools</i>	58
5.3.	<i>Assessment of Section 57 Managers</i>	61

Tables

<i>Table 1: Population distribution in terms of Gender and Age Group</i>	9
<i>Table 2: Gender by head of households</i>	10
<i>Table 3: Levels of education in Greater Letaba and Mopani District</i>	10
<i>Table 4: Income per households</i>	11
<i>Table 5: Employment per sector</i>	11
<i>Table 6: Household access to water in Greater Letaba, 2001 and 2008</i>	14
<i>Table 7: Household access to sanitation</i>	15
<i>Table 8: Household Access to Energy, 2001 and 2008</i>	15
<i>Table 9: percentage distribution in terms of type of dwelling</i>	16
<i>Table 10: Gender and employment by disability</i>	17
<i>Table 11: Population distribution of Males and Females by age (over 65)</i>	17
<i>Table 12: Hospital (Ga-Kgapane) and Health Centre (Modjadjiskloof) facilities, 2008</i>	18
<i>Table 13: Clinic facilities in the Greater Letaba Municipality, 2008</i>	18
<i>Table 14: Police stations, 2007</i>	20
<i>Table 15: Percentage distribution of households by type of refuse disposal</i>	20
<i>Table 16: Municipal Committees</i>	25
<i>Table 17: Total Staff Compliment in the 2010/2011</i>	38
<i>Table 18: Employees Trained during the financial year 2010/2011</i>	39
<i>Table 19: Remuneration packages</i>	42
<i>Table 20: Balance Scorecard approach</i>	58

Figures

<i>Figure 1: Greater Letaba Municipality map</i>	8
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CHAPTER 1

INTRODUCTION AND OVERVIEW

Chapter 1: Introduction and Overview

1.1. Mayor's Foreword

Greater Letaba Local Municipality is perched on majestic topography. The vision of the municipality draws its existence from both agricultural spinoffs and eco-cultural tourism. The core business of the municipality centres on provision of sustainable services to the residents as well as striving for accountable, effective, efficient and economically viable municipality.

The municipality is a distinctive sphere of government geared for promotion of local economic development, poverty alleviation and gender equity in discharging its legislative obligations. It seeks to find solutions for the problems of the residents within the spirit of co-operative governance and intergovernmental relations.

The municipal council continues to use the resources of the municipality in the best interests of the local residents without any favour or prejudice. The local community is encouraged through numerous processes to be involved in the affairs of the municipality as enshrined in the Constitution of the Republic of SA, thus rendering the municipality to be more accountable and democratic.

The performance management systems of the municipality is commensurate with the priorities, objectives, indicators and targets as contained in the integrated development plan of the municipality. It is against this backdrop that this annual report indicates that the performance of the municipality for the financial year in question was a giant leap forward.

In Conclusion, a great deal of the achievements for the said year can be ascribed to the relentless commitment by the political component and the administrative arm of the municipality.

CLLR MODJADJI G.H
MAYOR

1.2. Overview of the Municipality

Greater Letaba Municipality is composed of the following hubs: Sekgopo, Sekgosese, Mokwakwaila, Ga-Kgapane and Modjadjiskloof where the main Office is situated. The Municipality's main economic focus for turning around the local economy is through tourism (baobab tree, Modjadji dynasty and elephant rides and Nature reserve), agriculture, forestry and agro-processing industries. In an attempt to improve the municipality's tourism capacity, the municipality entered into partnership with the Irish Development Agency to build Sekgopo Community B&B and Modjadji Nature Reserve Interpretation Centre. This development also made it possible for residents in Sekgopo to benefit from owning the B&B and being trained on different courses.

Community consultation as championed by the Speaker's Office, Cllr. N.N. Baloyi and Mayor's Office, Cllr. G.H. Modjadji is at the heart of good governance in the Municipality to enhance community participation and informed decision making. As a result, the 2010/2011 financial has seen Greater Letaba Municipality expanding its service delivery in terms of infrastructure development through paving of gravel roads to rural areas. This process did not stop the municipality from the issue of urban renewal as the municipality continued with its paving of Ga-Kgapane, Senwamokgope Township and Mokgoba village.

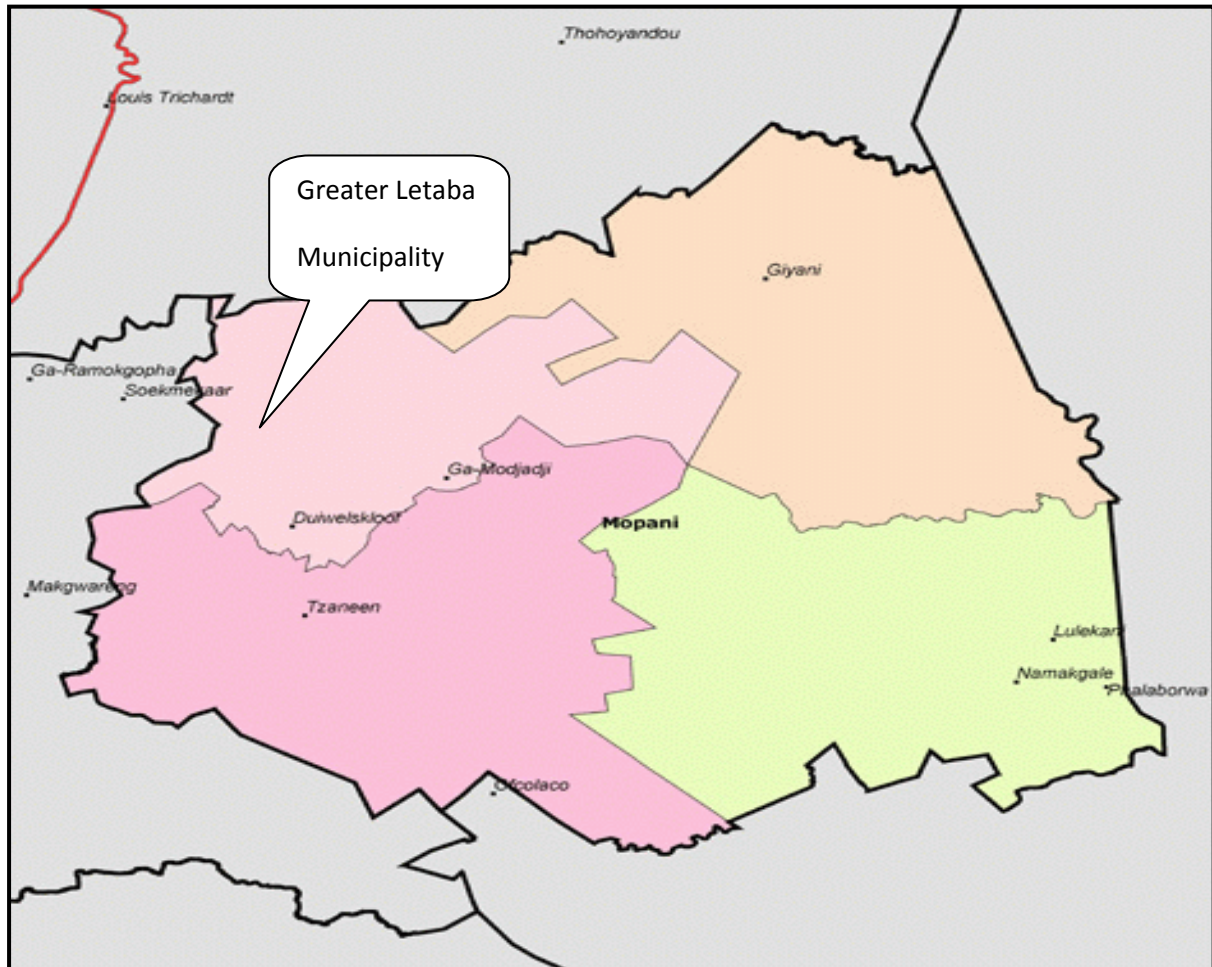
The Greater Letaba Municipality continued with its mandate to create jobs to its local community through EPWP projects as outlined in the report. During the IDP/Budget process our community has again given the municipality a mandate to continue to implement projects in line with Government priorities, hence the infrastructure development has again come out as the main priority of the municipality. With all these achievements, the municipality has appointed a communication officer to communicate all achievements to communities.

The Municipality's sewerage system is still managed through a suction tanker while the Mopani District Council is busy developing the water borne sewerage system. The sewerage development has also brought the challenge of rebuilding of streets. The streets have deteriorated to an extent that the municipality will have to seriously consider increasing the maintenance budget in the 2012/2013 financial year.

1.3. A short description of the municipality

Greater Letaba Municipality (GLM) is located in the north-eastern part of the Limpopo Province in the jurisdiction area of Mopani District Municipality. Greater Letaba Municipality shares borders with Greater Tzaneen Municipality in the south, Greater Giyani Municipality in the east, Molemole Municipality in the west and Makhado Municipality in the north as depicted in the map thereof:

Figure 1: Greater Letaba Municipality map



Greater Letaba Municipality area is one of the smaller municipal areas in terms of land area, and characterized by contrasts such as varied topography, population densities (low in the south, relatively dense in the north-east), prolific vegetates in the south (timber) and sparse in the north (bushveld). Although resources within the boundaries of the Municipality are scarce, the proximity of natural resources (dams, tourist's attractions, intensive economic activity, and nature reserves) to the borders of the municipality creates the opportunity for capitalization.

The "gates" to the municipal area are considered to be Sekgopo in the west and Modjadjiskloof in the south. The land area of Greater Letaba Municipality extends over approximately 1891km². The Greater Letaba Municipality incorporates the proclaimed towns of Modjadjiskloof, and Ga-Kgapane, situated in the extreme south of the municipal area, and Senwamokgope towards the north-west of the area of jurisdiction. There are also 129 rural villages within the municipal area.

1.4. Social Analysis

The socio-economic analysis will focus on the population size, age and gender profiles as well as the educational levels of the population. Information on the Socio-economic status of Greater Letaba Municipality was mainly gathered using Ward surveys and Community Survey 2007. Ward committee members, CDW's, Ward Councillors, sector departments, etc. Because of human factors, information gathered from the community may not be as satisfactory as desired but would give a practical

indication of the municipality's current reality. The majority of the municipal population are indigent and in some instance, farm workers.

1.4.1. Demographics

1.4.1.1. Population and Household Size

The population resident in the Greater Letaba Municipality area is estimated at 247 736. This calculates to 131 people per km². Approximately 59 539 households live in Greater Letaba with an average household size of 4.2 which is smaller than the district average of 4.4. The household size in Greater Letaba Municipality has grown from 4.1 in 2001 to 4.2 in 2008 with the district household being stagnant. This scenario however, does not mean that the population in the district has not increased but that there has been a parallel growth between the population and household sizes.

1.4.1.2. Age and Gender Profile

The population is very young with 36.4% of the people younger than 15 years in 2008. Although there has been a sharp decrease in the number of registered births in the municipal area, it has also come to light that non-registration of births is prevalent and that it is most unlikely that the birth rate has dropped. It would therefore be safe to assume that the youthful profile of the resident population has been maintained since the previous census. The youth are most severely affected by the priority issues (water, electricity, school, health facilities, etc.). The high unemployment rate and general lack of jobs will affect this segment of the population once they enter the employment market as job seekers.

From Table 1 it is evident that the gender distribution is not much different in the age group 0 - 14. However in the age group 15-34 the percentage females are notably more while in the age group 35-64 difference is significant. Male absenteeism (migrant employment), is evidently responsible for males being outnumbered by females.

Table 1: Population distribution in terms of Gender and Age Group

Age group	Gender	2001	2006	2008
0	Male	11659	12266	11799
	Female	12017	12642	13552
5 to 14	Male	32168	33842	33258
	Female	32761	34466	31581
15 to 34	Male	34696	36502	41995
	Female	41155	43297	45883
35 to 64	Male	16105	16943	18799
	Female	27667	29107	33202
Over 65	Male	3497	3679	3245
	Female	8398	8835	10799
Total	Male	98125	103233	112275
	Female	121998	128348	135461
Total	All	220123	231581	247736

Source: Census 2001 & 2007 Statssa Community Survey

Many households are headed by females (55.9%) because of male absenteeism, which may result in these households living in conditions of absolute poverty. This is higher than that of the district (49.7%). The majority of the households with no income are headed by women. These households are therefore more reliant on social grants and are more dependent on the delivery of free basic services. The table below gives an indication of the proportion of males and females in terms of head of households.

Table 2: Gender by head of households

	Greater Letaba	%	Mopani	%
Male	26256	44.1	133333	50.3
Female	33283	55.9	131956	49.7
Total	59539	100	265289	100

Source: Community Survey 2007, Statssa

1.4.2. Education Levels

The highest level of education attained by over 20 year olds provides a good picture of the skills of the labour force. From Table 3 it is clear that the overall level of education of the population of Greater Letaba improved from 2001 to 2008. The percentage of illiteracy is estimated at 28.5%, which shows a decline in the level of illiteracy by 17.3 percent. The progress thereof is satisfactory; the level of illiteracy is still worrying since it impacts on the employability of the population. It also indicates a need for Adult Basic education. Though Department of Education has since 2001, built a satisfactory number of schools in the municipal area, villages such as Mohokoni, Hlohlokwe and Taulome are without secondary schools while Modumane and Makaba remain entirely without a school. Survey has also revealed overcrowding and dilapidation of Schools in Mamaila and Malematja respectively.

Table 3: Levels of education in Greater Letaba and Mopani District

	GLM	%	Mopani	%
Grade 1/sub A (completed or in process)	7627	5.6	31711	5.4
Grade 7/standard 5	15877	11.7	64097	10.9
Grade 11/standard 9/form 4/NTC II	15919	11.8	68420	11.7
Attained grade 12; out of class but not completed grade 12	6419	4.7	30580	5.2
Grade 12/Std 10/NTC III (without university exemption)	10159	7.5	52920	9.0
Grade 12/Std 10 (with university exemption)	754	0.6	10195	1.7
Certificate with less than grade 12	1430	1.1	10497	1.8
Diploma with less than grade 12	1562	1.2	7780	1.3
Certificate with grade 12	952	0.7	6448	1.1
Diploma with grade 12	2777	2.1	13095	2.2
Bachelor's degree	1479	1.1	6879	1.1
BTech	78	0.1	999	0.2
Post graduate diploma	317	0.2	2431	0.4
Honour's degree	459	0.3	2043	0.3
Higher degree (masters/PhD)	-	-	1127	0.2
No schooling	38459	28.5	146863	25.1
Out of scope (children under 5 years of age)	28068	20.8	113316	19.4
Unspecified	2334	1.7	8115	1.4
Institutions	494	0.4	8476	1.5
Total	135165	100	585991	100

Source: Community Survey 2007, Statssa.

1.4.3. Income & Employment

In 2001, approximately 88.4% of households had an income of less than R1 600 per month. This was in tune with the UN Report which states that 64% of households in the Limpopo Province subsist "below the breadline" - i.e. household income of less than R1 200 per month. This has decreased to 80.8% in 2008. This however, does not necessarily mean that fewer jobs have been created since 2001 or that there has been a high rate of retrenchments. The figures clearly indicate that the rate of job creation has been relatively lower than the demand. This is usually a result of more people becoming economically active.

Almost 94.2% of households earned less than R3200 per month in 2001. This has reduced to 80.8% in 2008 showing an improvement in income per household. It is also worrying that about 2.3% (3200 households) of the households surveyed did not give responses. This is very detrimental to the accuracy of the data contained for the purpose of illustrating the actual situation in the municipality.

Table 4: Income per households

	GLM	%	MDM	%
No income	85530	60.8	368673	58.4
R 1 - R 400	11172	7.9	48950	7.8
R 401 - R 800	17061	12.1	55535	8.8
R 801 - R 1 600	13038	9.3	72786	11.5
R 1 601 - R 3 200	2894	2.1	22010	3.5
R 3201 - R 6 400	3129	2.2	19742	3.1
R 6 401 - R 12 800	3692	2.6	16347	2.6
R 12 801 - R 25 600	376	0.3	4811	0.8
R 25 601 - R 51 200	264	0.2	1367	0.2
R 51 201 - R 102 400	-	0	418	0.1
R 102 401 - R 204 800	-	0	63	0.0
R 204 801 or more	-	0	59	0.0
Response not given	3200	2.3	13288	2.1
Institutions	412	0.3	6870	1.1
Total	140768	100	630918	100

Community Survey 2007, Statssa

Table 5 presents the employed population of Greater Letaba according to the sector they are employed in compared to the total for the Mopani District. From this table it is clear that the sectors employing the majority of the labour force are community, social and personal services (5671) Agriculture (5339), Whole sale (4456) and manufacturing (3716).

Table 5: Employment per sector

	GLM	%	Mopani	%
Agriculture; hunting; forestry and fishing	5339	3.8	11243	
Mining and quarrying	130	0.1	5620	
Manufacturing	3716	2.6	17142	
Electricity; gas and water supply	28	0.0	1844	
Construction	1421	1.0	8401	
Wholesale and retail trade	4456	3.2	24426	
Transport; storage and communication	810	0.6	5189	

Financial; insurance; real estate and business services	2134	1.5	10512	
Community; social and personal services	5671	4.0	30701	
Other and not adequately defined	2886	2.1	18416	
Unspecified	7445	5.3	36175	
Not applicable/Institutions	106732	75.8	461251	
Total	140768	100	630918	

Community Survey 2007, Statssa

1.5. Infrastructure Analysis

1.5.1. Multipurpose Community Centres

There are two multipurpose centres at Mokwakwaila and Soetfontein. These multipurpose centres play a critical role in ensuring that information regarding government activities is made accessible to the community. Key elementary services by government and parastatals are provided to communities through the centres.

1.5.2. Water

The Greater Letaba Municipal area is serviced through 3 water schemes, namely the Politsi, Modjadji and the Middle Letaba Schemes. Water is sourced from the Modjadji Dam, situated approximately 29 km east of Modjadjiskloof and was constructed in the Molototsi River. More than 79 registered boreholes are in the municipal demarcated area but are maintained and administered by DWAF. Sekgopo and Sekgosese rely entirely on ground water, which in turn will now be included in the supply area of the Middle Letaba Regional Water Scheme. The challenge regarding the scheme is that the Middle Letaba Dam is not sufficient. Water quality in boreholes is found to be acceptable whereas boreholes in the eastern and south-western parts can be expected to dry up due to shredding water tables which is attributed to climate change.

1.5.2.1. Modjadjiskloof water network:

Water is obtained from the Politsi Bulk Supply Pipe, by means of three connections. Two of the connections on the bulk supply line, supply water to the lower part of Modjadjiskloof town and the Tiger Brands canning factory. Approximately 80% of Modjadjiskloof town is supplied with water via the reservoir in Panorama. The pump station as well as the switchgear is in a relatively bad state and only one pump and motor are functioning. Maintenance and operation of the booster pump station, rising main and the Panorama reservoir are the responsibility of the municipality. All the house connections and large users within Modjadjiskloof town are metered and a payment structure for services has been established. However, rehabilitation of the Modjadjiskloof dam needs to be prioritised as it is currently silted. This led to a reduction of the capacity of the water supply as well as closure of the purification plant.

1.5.2.2. Ga-Kgapane water network:

There are two connections to the Politsi Bulk Water Supply Scheme, which are utilised for water supply to the Ga-Kgapane area which is divided into two distribution zones. A large number of the existing stands in Ga-Kgapane are metered, but most of the large users don't have metered connections, or have faulty or damaged metres. These problems, when coupled with illegal connections and dilapidated infrastructure constitute a worrying situation. DBSA in partnership with

GLM is in the process of implementing the Turnaround Strategy Water project to enhance the level of water delivery in the township.

1.5.2.3. Rural water supply schemes:

There are four rural water supply schemes (WSS) of which parts are situated within the Greater Letaba Municipal area, namely:

- *Upper Modjadji Rural Water Scheme;*
- *Worcester / Polaseng / Mothobeki Rural Water Scheme;*
- *Lower Molototsi Rural Water Scheme; and*
- *The Middle Letaba Regional Water Scheme.*

The first three water schemes are basically sub schemes, which together form the Modjadji water Scheme. The Modjadji water scheme is under upgrading process to a capacity of 9,0 MI per day.

- ***Middle Letaba water supply scheme***

Although a relatively small portion of this water supply scheme is situated within the Greater Letaba Municipal boundaries, it involves approximately twenty villages.

- ***Upper Modjadji rural water supply system:***

This Water Supply Scheme (WSS) is situated in the former Bolobedu area, approximately 20km northeast of Modjadjiskloof. The villages served or to be served by this project, have little or no water supply systems. Available systems vary from boreholes equipped with hand pumps to boreholes with diesel motors and pumps that pump to small reservoirs with a few stand pipes of which few are not operational.

- ***Worcester / Polaseng / Mothobeki rural water supply scheme***

This WSS is situated in the former Central Bolobedu area, approximately 45 km northeast of Modjadjiskloof. Approximately nine villages in the Greater Letaba Municipal area benefit, or will benefit, from this scheme. Water extraction from streams is not reliable and more often of bad quality. As a result, people have to walk excessive distances to collect water. The system will eventually be connected to the bulk supply scheme from Modjadji Dam.

- ***Lower Molototsi rural water supply scheme***

The project is situated in the former Eastern Bolobedu area, approximately 80 km northeast of Modjadjiskloof and will incorporate approximately nine villages that are situated in the Greater Letaba Municipal area. The villages served, or to be served, by this project, have little or no water supply systems. which varies from boreholes equipped with hand pumps to boreholes with diesel motors and pumps that pump to small reservoirs with a few stand pipes, of which many are not operational.

The survey (ward based) indicates that about 48 percent of the earth dams available in the municipality are either partially or are completely silted. This calls for immediate cleaning of earth dams.

According to Table 6 approximately 60% of households in Greater Letaba had access to RDP standard water supply (Community Survey 2007, Statssa). This could indicate the progress made on water provision since the previous census. It is worrying that approximately 8.5% households still rely on springs, rain-water tanks, stagnant water or dams, rivers and water vendors as primary sources of water. However, there has been a satisfactory improvement between 2001 and 2008. Households using piped water inside the dwelling have increased by 3015 while yard connections have increased by 2206. Households with access to piped water outside the yard (including sources in the form of boreholes) have increased by 17 375. These figures clearly indicate satisfactory development as far as access to water is concerned.

However, public participation process also brought to light crucial issues relating to water. The most common factor being the availability of reservoirs which are practically dysfunctional. Areas such as Moshakga and Maraka have already built dams with water not reaching intended recipients. The suspected main causes of the lack of sufficient water in these areas are illegal connections, too many car washes, insufficient water at the source, blockages, damaged pipes and dysfunctional pumps. Ga-Kgapane and Sekgosesa Townships also remain overly challenged by water shortage.

Table 6: Household access to water in Greater Letaba, 2001 and 2008

	2001		2008	
	Households	%	Household	%
Piped water inside dwelling	2805	5.2	5820	9.8
Piped water inside yard	14863	27.7	17069	28.7
Piped from access point outside the yard	16367	54.6	32443	54.5
Borehole	571	1.1	1870	3.1
Spring	1509	2.8	714	1.2
Rain-water tank	60	0.1	-	-
Dam/pool/stagnant water	542	1.0	306	0.5
River/stream	2346	4.4	832	1.4
Water vendor	112	0.2	368	0.6
Other	1615	3.0	118	0.2
Grand Total	53732	100	59539	100

Source: Community Survey 2007, Statssa

1.5.3. Sanitation

Mopani District Municipality is in the process of developing a sewer system which would discharge its effluent in Ga-Kgapane sewer treatment works. The project which entails the construction of reticulation network, sewer outfall, pump station, rising main between Modjadjiskloof and Ga-Kgapane and the upgrading of Ga-Kgapane sewer treatment plant to 2,4 Ml/day is 57% complete. In the meantime, septic tanks and honey suckers are used to rid sewer discharge in Modjadjiskloof. The existing oxidation pond to accommodate the sucked sewage is not sufficient. The average volume of the sewage sucked from the septic tanks amounts to 72kl/day.

Mokgoba village has a sewer reticulation network which is currently dysfunctional and therefore requires urgent attention. The upgrading and expansion of the existing Ga-Kgapane sewer treatment works will benefit Ga-Kgapane, Mokgoba and Modjadjiskloof residents. The Senwamokgope sewer capacity is very limited as it contains about 2km length of outfall and oxidation ponds which do not meet the environmental requirements. The sewer system needs urgent attention.

1.5.3.1. Access to sanitation services

Access to sanitation in the municipal area is presented in Table 7. The information is based on both 2001 census and 2007 Community Survey. Though backlogs are still prevalent, there has been a notable progress since 2001. In 2001, 84.9% of households were below RDP standards while in 2008 the figures have dropped to 75.4% showing an improvement of 9.5%. Taking into consideration demographic processes which may impact on the backlog, it can be concluded that the progress in this instance is acceptable.

Table 7: Household access to sanitation

	GLM	%	Mopani	%
Flush toilet (connected to sewerage system)	5299	8.9	42745	16.1
Flush toilet (with septic tank)	1686	2.8	5989	2.3
Dry toilet facility	188	0.3	7692	2.9
Pit toilet with ventilation (VIP)	7488	12.6	28521	10.8
Pit toilet without ventilation	33752	56.7	119934	45.2
Chemical toilet	-	-	554	0.2
Bucket toilet system	60	0.1	124	0.0
None	11067	18.6	59730	22.5
Total	59539	100	265289	100

Source: Community Survey 2007, Stassa

1.5.4. Electricity

Currently the Greater Letaba Municipality has an old license to distribute electricity in Modjadjiskloof. The electrical network in Modjadjiskloof consists of the following:

- *11.5 km of bare overhead medium voltage lines connected to five 33kV/11kV substation transformers. These transformers are connected to Eskom grid power and have an installed capacity of 3.8MVA.*
- *The low voltage network consists of approximately 18 km of bare overhead conductors and 6 km of underground cables. Connected to the low voltage lines and cables are 24 transformers/miniature substations transforming MkV to 400V. The maximum installed capacity of these transformers is 4.8MVA.*
- *The customer base consists of 451 domestic, 4 agricultural, 4 manufacturing and 80 commercial users.*
- *The current winter maximum demand is in the order of 2.5MVA and approximately 12.3 Mwh of energy is purchased from Eskom annually.*

Sixty eight percent (68%) of the electricity system in Modjadjiskloof has already been revamped. These include mostly main lines. The remainder i.e. reticulation lines are still to be revamped. ESKOM distributes electricity to the rest of the municipal area. Last year, the electricity backlog was estimated at 26000 connections i.e. 48.4%. Numerically, the backlog has reduced to 11726 i.e. 19.7%. This indicates that the municipality has electrified at least 12402 households since 2001 to date. Therefore the municipality has done exceptionally well in increasing access to electricity for households. The majority of the remainder of the villages are new extensions and therefore require only extensions from existing networks. While current progress on electrification of Modjadji Valley and additional 21 villages is notable, the Sekgopo area still remains with a huge backlog.

1.5.4.1. Access to electricity

According to the 2001 Census only 65.9% of the households in Greater Letaba utilise electricity for lighting while 33.3% used either paraffin or candles. The number of households with access to electricity has increased by 14.4%. This indicates a relative decrease in the backlog to only 19.7%. The situation is therefore acceptable as far energy supply is concerned.

Table 8: Household Access to Energy, 2001 and 2008

2001			2008	
	Households	%	Households	%
Electricity	35411	65.9	47813	80.3
Gas	50	0.1	122	0.2
Paraffin	3303	6.1	1121	1.9
Candles	14541	27.1	10299	17.3
Solar	78	0.1	-	-
Other	349	0.6	184	0.3
Total	53731	100	59539	100

Source: Census 2001 & Statssa Community Survey, 2008

1.5.5. Housing

1.5.5.1. Housing backlog

The Department of Local Government and Housing indicates a backlog of 4696 on the beneficiary list. This is based on the applications submitted by the municipality to Department. As such the indicated backlog is extremely lower than the actual backlog. Of this backlog, DLG&H could only address 2.1% (i.e. an allocation of 100 houses). With this progress, the municipality will not be able to ensure that all beneficiaries are allocated houses by 2014. 5187 RDP houses have been built since 2001.

In late 2009/2010 the municipality has conducted an audit to determine how many of these units have been completed. There are other factors that come into play as far as housing is concerned. These include, the challenge of unavailability of land to develop integrated settlements in areas such as Modjadjiskloof, Land claims posing a limitation on housing development. Rural housing however, may be an immediate solution to the challenge of housing as well as increment in unused infrastructure in the municipal area. This include among others, in-situ upgrading or constructing.

1.5.5.2. Types of dwelling

Table 9 indicates that approximately 84.8% of the households live in brick-houses showing satisfactory conditions of living. The table also shows that 4% of the households are in informal settlement. This calls for immediate spatial reconstruction and formalisation where possible. Huts and other traditional dwellings are also prevalent i.e. 6.5%. This indicates that numerous households still live in dwellings which are below RDP standards. The figures below do not necessarily mean housing backlogs as indicated by the municipality through ward based surveys have been exaggerated, as a larger percentage of the individuals in need of RDP houses still reside with parents or immediate relatives, hence the increase in household sizes.

Table 9: percentage distribution in terms of type of dwelling

	Greater Letaba	%	Mopani	%
House or brick structure on a separate stand or yard	50523	84.8	218974	82.5
Traditional dwelling/hut/structure made of traditional materials	3857	6.5	28271	10.7
Flat in block of flats	59	0.1	205	0.1
Town/cluster/semi-detached house (simplex: duplex: triplex)	55	0.1	1147	0.4
House/flat/room in back yard	459	0.8	1561	0.6

Informal dwelling/shack in back yard	250	0.4	2398	0.9
Informal dwelling/shack NOT in back yard e.g. in an informal/squatter settlement	2439	4.1	5534	2.1
Room/flatlet not in back yard but on a shared property	460	0.8	1428	0.5
Caravan or tent	-	-	-	-
Private ship/boat	-	-	87	0.0
Workers hostel(room/bed)	1378	2.3	5209	2.0
Other	60	0.1	474	0.8
Total	59539	100	265289	100

Source: Community Survey 2007, Statssa

1.5.6. Disability

Approximately 5.3% of Greater Letaba's population are disabled. 8.8% of disabled individuals are employed, 52.6% are not economically active while 36.4% are not applicable (institutions). Therefore Greater Letaba has a backlog of only 2.2% in terms of employment for the disabled.

Table 10: Gender and employment by disability

	Sight	Hearing	Commu- nication	Physical	Intelle- ctual	Emotional	Multiple disabilities	Grand Total
Male								
Employed	145	142	18	308	64	72	90	839
Unemployed	82	68	-	-	-	28	-	177
Not economically active	965	629	150	640	451	851	-	3687
N/A Institutions	705	-	126	855	311	65	66	2127
Female								
Employed	62	59	-	66	130	-	-	317
Unemployed	127	-	-	-	-	-	-	127
Not economically active	570	796	130	812	65	809	66	3247
N/A Institutions	1015	438	135	575	-	123	141	2666
Grand Total	3670	2132	559	3255	1020	1947	362	13186

Source: Community Survey 2007, Statssa

1.5.7. Elderly

Statssa describes an elderly person as an individual of over 65 years of age irrespective of gender. Based on this notion, about 5.7% of the entire population in Greater Letaba are elderly. Female elderly individuals have grown gradually since 2001 through 2006 to 2008. However, there has been a notable decrease in Male elderly between 2006 and 2008. This mirrors the scenario at the age group 35 to 64. The underlying factors causing the decline therefore need to be investigated.

Table 11: Population distribution of Males and Females by age (over 65)

Category	Gender	2001	2006	2008
Over 65	Male	3497	3679	3245
	Female	8398	8835	10799
	Total	11895	12514	14044

Source: Community Survey 2007, Statssa

1.5.8. Health facilities

Information gathered from the Department of Health & Social Development is that there is 1 hospital, 1 health centre and 20 clinics within the Greater Letaba Municipal area. Table 9 presents the capabilities of the hospital and health centre while capabilities of the clinics are presented in Table 10.

Table 12: Hospital (Ga-Kgapane) and Health Centre (Modjadiskloof) facilities, 2008

		Ga-Kgapane	Modjadiskloof/ Total
Beds		281	17
Wards		7	9
Theatre		1	2
Doctors	Seasonal	5	5
	Full time	6	
Nurses	Qualified	370	19
	Student	51	

Source: Department of Health & Welfare

Table 13: Clinic facilities in the Greater Letaba Municipality, 2008

Facility	Location	Beds		Nurses	Doctors
		Delivery	Post Natal		
Kgapane	Kgapane	2	2	8	Visiting weekly
Medingen	Medingen	2	3	9	Visiting weekly
Sekgopo	Sekgopo	2	3	9	Visiting weekly
Duiwelskloof	Modjadiskloof	0	0	8	Visiting weekly
Shotong	Shotong	2	3	14	Visiting weekly
Modjadji	Sekhwiting	2	2	Borrowed staff	Visiting weekly
Bolobedu	Bolobedu	2	3	8	Visiting weekly
Matswi	Matswi	2	3	8	Visiting weekly
Senobela	Senobela	2	3	9	Visiting weekly
Seapole	Seapole	2	2	6	Visiting weekly
Charlie Rengas	Charlie Rengaan	2	2	7	Visiting weekly
Mamanyoha	Mamanyoha	2	2	7	Visiting weekly
Lebaka	Lebaka	2	2	8	Visiting weekly
Maphalle	Maphalle	2	3	12	Visiting weekly
Raphehlelo	Raphehlelo	2	3	9	Visiting weekly
Mamaila	Mamaila	2	3	8	Visiting weekly
Middlewater	Middlewater	2	2	8	Visiting weekly
Pheeha	Pheeha	2	2	8	Visiting weekly
Rotterdam	Rotterdam	2	3	8	Visiting weekly
Bellevue	Bellevue	2	3	8	
Total	20	38	49	161	

Source: Dept Health, 2008

1.5.8.1. Access to Health Care

Statssa indicates that, within the Greater Letaba Municipal area, 42% of communities reside within 20 km of a hospital, 4% of communities reside within 10 km of a Health Centre and 91% of communities live within 5 km of a clinic. With the exception of the very low Health Centre statistic, Greater Letaba compares favourably with the other local municipalities in the Mopani District. The distance norm to rate accessibility does not take into consideration other restrictive factors, such as bad state of roads, and therefore health facilities are in all probability less accessible to communities than reflected by the Department of Health criteria.

Many of the residents of the municipal area make use of health facilities in adjacent areas, such as the Tzaneen Private Hospital, the Van Velden Hospital at Tzaneen, Nkhensani and the Pietersburg Private Hospital, for a variety of reasons. The area is well served by clinics although primary health care is relatively not sufficiently accessible to people in the villages, as there is only one mobile clinic in use which operates from the Ga-Kgapane Hospital. General problems encountered by the health services are the following:

- *Staff shortages*
- *Equipment shortages*
- *Out of order vehicles, and*
- *Strikes.*

Other challenges and needs in respect of health facilities however may be outlined as follows:

- *Insufficient mobile and visiting points*
- *A need for a health centre in Sekgopo, Senwamokgope and Mokwakwaila*
- *Acquiring a suitable site for the construction of a more capacitated clinic in Modjadjiskloof*
- *A need for EMS at Sekgopo, Sekgosese and Mokwakwaila.*

1.5.9. Library facilities

Libraries contribute significantly to the education of the Greater Letaba population. The Modjadjiskloof library and Soetfontein have been completed recently. There is a need for libraries in the following areas:

- *Mokwakwaila*
- *Soetfontein*
- *Sekgopo*
- *Ga-Kgapane*

1.5.10. Roads & Transport

Provincial link roads within the municipal area are generally in good condition. The street network in Modjadjiskloof is almost completely tarred and in an acceptable condition, the exceptions being two or three instances where flood damage have not been repaired. Access roads to villages and internal street within villages are problematic as a result of damage by floods. However, the municipality has developed a special programme (Grading Programme) to effectively deal with the issue. The majority of villages have inaccessible street networks, caused mainly by squatting in areas not suitable for residential development. In some instances, inaccessibility may be a result of roads being damaged

by floods. The municipality has indicated roads and streets (including bridges) to be a priority issue. Public participation has revealed that almost all villages are challenged by unavailability and/or ineffective low level bridges at rivulets, streams or non-perennial rivers leading to schools and cemeteries. As such, measures should be taken to try and address this challenge.

A large percentage of the municipality's road infrastructure is old, rapidly deteriorating and in some cases, past its functional life. As a result, major rehabilitation is required to surface roads in the urban areas where road infrastructure has had little or no maintenance for the past few years. However, the annual increase in the maintenance budget has not kept pace with the escalation rates associated with this activity.

1.5.11. Emergency Services / Safety and Security

Emergency services were faced with a number of critical shortcomings such as shortage of funds, shortage of trained personnel, inadequate control centre and empathy on the part of role players (disregard for procedures, laws, regulations by public). There were also concerns around capacity in the event of major environmental accidents or natural disasters. Emergency services have been improved by the development of a Fire Station in Modjadjiskloof, which will also be supplemented by a Disaster Management Centre at Tzaneen which has been erected by MDM.

The police stations in Greater Letaba Municipality are presented in Table 14. Attempts to access crime statistics for the municipal areas have so far been unsuccessful.

Table 14: Police stations, 2007

Facility	Location	No. of police officers	Administrative personnel	Vehicles
Duiwelskloof Police Station	Modjadjiskloof	62	10	19
Bolobedu	Ga-Kgapane	117	15	39
Sekgosese	Senwamokgope	40	5	13
Satellite Stations	Mokwakwaila	9	0	1
Satellite Stations	Bellevue	4	0	0
Satellite Stations	Sekgopo	Members operating during the day and each relief send to members from CSC	0	1

Source: Dpt. Safety and Security, 2008

1.5.12. Waste management

The table below gives a clear picture on the extent of refuse removal/disposal in the municipality. The table below shows that the municipality still has a backlog of 88.6% in terms of direct household refuse removal. This is usually because the municipality only collects refuse in households in proclaimed areas. The backlog however, has reduced by 4.5 percent since 2001 census.

Table 15: Percentage distribution of households by type of refuse disposal

	Census 2001	CS 2007
--	-------------	---------

Removed by Authority:		
At least once a week	6.3	9.1
Less often	0.6	3.0
Communal Refuse dump	1.1	3.7
Own refuse dump	66.7	60.2
No rubbish disposal	25.3	23.9
Other	-	0.1
Total	100	100

Source: Community Survey 2007, StatsSA

1.6. Executive Summary

1.6.1. Vision

Greater Letaba Municipality's vision is "To be an outstanding agro-processing and eco-cultural tourism hub while providing sustainable and affordable services to all"

1.6.2. Mission

To ensure an effective, efficient and economically viable municipality through:

- *Provision of accountable, transparent, consultative and co-operative governance*
- *Improving the quality of life through economic development and poverty alleviation*
- *Provision of sustainable services*
- *Ensuring a safe and healthy environment*

1.6.3. The values of Greater Letaba Municipality

Values	Description
Consultation	Very good consultation mechanisms in place. Community involvement is promoted and their needs addressed
Transparency and openness	Goes hand in hand with consultation. Openness and communication through open meetings, financial disclosure, budgetary process and auditing
Courtesy	Council and Administration strive to conduct themselves in a civil, polite, decent, respectful manner and to always be thoughtful, kind and considerate toward each other and the community.

Values	Description
Access	To always be open and accessible to the community
Information	Together with accessible, to always supply the community with correct and understandable information
Accountable	Council and Administration strive to be accountable for their actions and decisions made.
Service Standards	Services to the community have to be rendered according to acceptable standards. The municipality needs to develop and implement service standards
Value for money	If the municipality wants to increase its revenue base, it should ensure that the community receives value for money when paying for services. The community will not be prepared to pay for poor services. Also the municipality must ensure that services are rendered in an effective, efficient and economical way to ensure optimal use of resources

Greater Letaba municipality derives its existence from the objects of local government as entailed in the section 152(1) of the Constitution of the Republic of South Africa:

- (a) to provide democratic and accountable government for local communities;
- (b) to ensure the provision of services to communities in a sustainable manner;
- (c) to promote social and economic development;
- (d) to promote a safe and healthy environment; and
- (e) encouraging involvement of communities and community organizations in the
- (f) matters of local government.

In the process of delivering services to the community, the municipality follows the five years strategic Agenda as adopted by national government, namely;

- *Municipal Transformation and Organisational Development*
- *Basic Service Delivery and Infrastructural Development*
- *Local Economic Development*
- *Financial Viability and Management*
- *Good Governance and Public Participation*

In addition to the Five Years Strategic Agenda, the municipality operates within the framework of the following municipal strategic priorities:

- (a) speeding up growth and transforming the economy to create decent work and sustainable livelihoods;

- (b) massive program to build economic and social infrastructure;
- (c) comprehensive rural development strategy linked to land and agrarian reform and food security;
- (d) strengthening the skills and human resource base;
- (e) improve the health profile of all our people;
- (f) intensify the fight against crime and corruption; and
- (g) build cohesive, caring and sustainable communities;

In its vision statement, the municipality asserts to be an outstanding agro-processing and eco-cultural tourism hub while providing sustainable and affordable services to all. Greater Letaba municipality provide core services geared to uplifting the social and economic standards of the communities by actualizing the following mission and values.

While the revenue base of the municipality has never improved since 1994, financial management of the municipal budget has improved tremendously that the municipality competes and leads other municipalities in the district and provincially. The Municipal Manager can confirm with no fear of contradictions that the finances of the municipality are in good hands. The present separation of duties has ensured that there should be no one official who can manipulate the financial system and commit fraud or steal money. With the appointment of KWCRS, the Municipality in collaboration with Mopani District and the DBSA has implemented a Turn Around Strategy to improve payment of services in the former black townships especially in Ga-Kgapane.

The financial year 2010/2011 was a year that Greater Letaba Municipality Council, personnel and its entire community will remember. It will be remembered as a year that after many years of struggling with adverse, disclaimer, qualifications opinions since its inception in 2000, step by step the municipality has achieved an unqualified audit opinion from Auditor General. The recent policies that have been adopted by council and finance working culture that had inculcated by management have at last paid and public funds are secured.

1.7. Other Municipal Context

The dawn of democracy which was ushered by the establishment of municipal council as dictated by chapter 7 of the Constitution of Republic of South Africa, came with its own challenges that affected the new council, staff and residents of Greater Letaba Municipality, however the main of the new council was to ensure a smooth transformation with minimum circumstances hampering service delivery to its residents.

1.7.1. The Integrated Development Plan

In compliance with Section 34 of the Municipal systems Act (Act No.32 of 2000) read in conjunction with Chapter 2 of the Local Government: Municipal Planning and Performance Management Regulations, No.R.796/2001, the Greater Letaba Municipality has developed an Integrated Development Plan which is revised annually, accompanied by organisational review and Performance Management System review.

The Integrated Development Plan is the municipality's strategic planning document which guides and informs all planning and development within the municipality and a tool that enables the municipality to work towards achieving development goals as outlined in the constitution. The IDP informs and is

integrally linked and co-ordinated with the municipality's budgeting and performance management process.

The Municipality's long-term vision details the development priorities and cross cutting issues which contribute towards achieving the vision, strategies, programmes and projects; which are linked to a detailed budget and are all contained in the IDP. The Municipality has developed its objectives, strategies, projects and programmes in terms of IDP themes. There are:

- *Provision of Infrastructure and Services*
- *Creation of liveable towns and rural areas.*
- *Local Economic Development*
- *Community empowerment & redistribution.*

The Greater Letaba Municipality's IDP community consultation processes were extensive during the 2010/2011 financial year. This was used as a comprehensive feedback gathering session where approximately 9 budget consultations were held across the municipality which was attended by approximately 650 people. In order for the Municipality to promote developmental local government spirit, one of the first steps taken by the municipality in response to the enormous challenge presented by the IDP 2006 was a series of strategic planning sessions by senior management, primarily intended to identify actions needed to transform the municipality into a developmental organization, as opposed to merely a one-dimensional "deliverer of services".

1.7.2. Governance and Organisational Structure

Section 151 (3) of the constitution of the Republic of South Africa stipulates that, "A municipality has the right to govern, on its own initiative, the local government affairs of its community, subject to provincial legislation, as provided for in the Constitution." The Constitution further specifies in section 155 (2) that, "National Legislation must define different types of municipalities that may be established within each category" Amongst other objects of Local Government outlined in Section 152 (1) of the Constitution, the municipality needs to strive within its financial and administrative capacity, to achieve the following:

- *to provide democratic and accountable government for local communities;*
and
- *to encourage the involvement of communities and community organizations in the matters of local government.*

1.7.3. Political Structure

In realizing the ideals referred to here above, Greater Letaba Municipality was established as a category B municipality in terms of Section 12 of the Municipal Structure's Act No. 117 of 1998. It was established as a municipality with a collective executive system combined with a Ward participatory system as per provision of Section 9 (b) of the Municipal Structures Act.

The Municipality has elected a Mayor Councillor Modjadji GH on the 11th May 2009 after the position has been vacated by the former Mayor Councillor Matlou LJ who is now the Executive Mayor of Mopani District Municipality. An executive committee was also elected on the 31st May 2009 after vacation of two positions by two EXCO members (Sedibeng WD and Mohale MC who is now a member of parliament). The council had a speaker – Councillor Baloyi NN, Chief Whip – Councillors Mampeule PJ, 10 Traditional Leaders and Councillors totalling to 52 out of the 52 councillors, the African National Congress had 26 ward councillors, 21 Proportional Representative (PR) councillors

with Democratic Alliance having 2 and African Christian Democratic Party, Ximoko Party and UCDP having 1 PR councillors each.

The executive committee which is the principal committee of council is chaired by the Mayor and they receive reports from other committees of the council which are forwarded to council with recommendations if they cannot dispose the matter in terms of delegated powers. The Chief Whip plays his whippy role in party caucus. The 10 Traditional Leaders participate in council in line with the provisions of Section 81 of the Municipal Structure's Act.

1.7.4. Municipal Committees

Section 160 (c) of the constitution stipulates that, "a municipal council may elect an executive committee and other committees, subject to national legislation." Section 79 and 80 of the Municipal Structures Act No. 32 of 2000 gave effect, to this provision by establishing the following committees which are chaired by chairpersons who are members of the Executive Committee;

Table 16: Municipal Committees

Committee	Chairperson
Governance and Administration	Councillor Masutha MJ
Finance	Councillor Makhananisa MD
Municipal Infrastructure	Councillor Mogale DI
Economic Development	Councillor Machethe SF
Land Management, Property and Housing	Councillor Ramoshaba NG
Community Services	Moroatshehla MF
Social Services	Masela MP
Sports, Arts and Culture	Moshobane SH
Public Safety	Nakana EM

All committees are constituted by all councillors representing different political parties, officials and traditional leaders. Section 80 committees are established as and when required as outlined in the Act. The committees operate under the auspices of council and are delegated certain powers and duties to execute.

1.7.5. Municipal Council

Council is a structure that is vested with executive and legislative authority. Council is chaired by the Speaker who must among other functions ensure that council meetings are conducted in line with council rules and orders and that they meet quarterly.

1.7.6. Ward Committees

The municipal council has established 26 functional Ward committees in line with Section 73 of the Municipal Structures Act. The term of office corresponds with the term stipulated in section 24 of the Local Government Laws Amendment Act No. 19 of 2008. The committees are chaired by ward councillors and have powers and functions to make recommendations on any matter affecting their ward to all structures of council through the ward councillors as specified in Section 74 of the Act. Ward committees give effect to public participation as outlined in chapter 4 of the Municipal Systems Act by assisting Ward councillors in mobilizing, organizing consultative meetings and activities,

disseminating information and encouraging participation from residents in the ward. Ward committees have a budget to cater for their out of pocket expenditure.

CHAPTER 2

PERFORMANCE HIGHLIGHTS

Chapter 2: Performance Highlights

In terms of the National Treasury guideline on compilation of annual report, Chapter 2 should provide a brief narrative of all the services provided by the municipality and the performance highlights for the year. The chapter should comment on the progress in eliminating backlogs in service delivery for the key services for the key functions of water, electricity, sanitation, refuse removal and roads. In Greater Letaba municipality this functions are located in the Infrastructure Development and Planning and Community Services directorates.

2.1. Service Delivery Backlog as of June 2011.

Service	Households	Access	% Access	Backlog	% Backlog
Water	59539	34825	58%	24714	42%
Sanitation		34630	58%	24909	42%
Electricity		56310	95%	3229	5%
Housing		54843	92%	4696	8%
Roads		4694	7%	54845	93%
Waste		4080	7%	55459	93%

2.2. Service Delivery Highlights.

Greater Letaba municipality has its own challenges in terms of service delivery issues. The table below reflects the service delivery backlog:

Planned Interventions	Progress Made	Key Challenges	Interventions
Water	The municipality delivers water to communities by using water tankers in case of emergencies. Provision is made for Free Basic Water Services for consumers who pay rates and taxes in the municipality.	Inconsistent availability of water	Delivery through available water tankers to affected areas. MDM has upgraded the Modjadji Water Purification plant but cannot meet the expected water demand due to illegal connections on the main line
	The municipality delivers water to villages by using water tankers where there is a serious shortage. Residents at rural areas receive free water which is above the free basic water amount	Increasing number of breakdowns at villages opposed to available water tankers. Shortage of water at Middle Letaba Dam. Unavailability of bulk water affects the statistics adversely. Middle Letaba dam lacks water	Delivery through available water tankers. MDM has appointed service providers on a 3-year term contract to deal with broken boreholes. MDM has appointed service providers on a 3-year term contract to deal with broken boreholes. MDM has implemented some water projects through the Reticulation in GLM and Sekgosese Groundwater Development programmes.
Sanitation	Around 58% of the households have access to sanitation. The municipality is always interacting with the district to ensure that backlogs are addressed.	n/a	n/a
Unaccounted for water	Billing has increased from 61% to 77% after	Illegal pipe connections result with unaccounted water. Aged infrastructure waste water due to	It is required that recommendations by KWCRS who were appointed by MDM in 2009/10 financial year for turnaround

Planned Interventions	Progress Made	Key Challenges	Interventions
		frequent bursts.	strategy to resolve water loss be implemented.
Electricity	95% of the households have access to electricity. 2419 units (93%) completed. There are four (4) villages energized by M & M Nefas which await Eskom. The villages are Buqa, Shamfana, Abel and Sedibeng.	M & M Nefas was slow in concluding the remaining 4 villages in the 21 villages programme.	Eskom replaced the underperforming contractor at Sekgopo to fast track progress. Monthly energy forums are held to resolve the challenges. Contractors to fast track progress in complying with all Eskom requirements. The contractor has committed to complete the outstanding items
Indigents	Identification and verification of indigent beneficiaries was done. A list of beneficiaries was submitted to Eskom for areas which are outside the municipal license area	Areas which do not have electricity deprive the indigent people to benefit.	Monthly energy forums assist in resolving the challenges
Roads	The municipality has invested a lot of money in roads infrastructure e.g. paving of streets. The municipality was awarded the best infrastructure project in the whole province.	Lack of internal capacity to develop a credible infrastructure strategy.	MDM resolved in the IGR to develop the strategy which will incorporate all the LMs
	Maintenance and Rehabilitation of roads and storm water drainage is done.	One grader was available for most parts of the first to the third quarter	MDM has purchased 5 graders which assist local municipalities

CHAPTER 3

HUMAN RESOURCES AND OTHER ORGANISATIONAL MANAGEMENT

Chapter 3: Human Resources and Other Organisational Arrangements

3.1. Introduction to the Municipal Workforce

3.1.1. Greater Letaba Administrative Structure

Section 160 1 (d) of the constitution stipulates that, "A Municipal Council may employ personnel that are necessary for the effective performance of its function." To give effect to this provision, council has appointed a Municipal Manager who is the head of administration and also the accounting officer for the municipality as outlined in Section 82 of the Municipal Structures Act.

Council further appointed Managers who directly account to the Municipal Manager in consultation with the Municipal Manager in line with the provision of Section 56 of the Municipal System's Act No. 32 of 2000. All Directors were appointed in December 2008 except the Director for Community Services. The contracts of the Municipal Manager, Chief Financial Officer, Corporate Services Director and Infrastructure Development and Planning Director expire on 02 June 2010.

The administrative structure of the municipality has been reviewed and adopted by council on the 31st May 2011 as required by Section 66 of the Municipal System Act. Greater Letaba have four directorates or departments namely, Corporate Services, Community Services, Budget and Treasury office and Infrastructure Development and Planning. Each department and the office of the Municipal Manager have specific functions that they perform to give effect to Council's mandate as enshrined in Section 152 of the Constitution of the Republic of South Africa.

The municipality has an Integrated Development Plan that informed the Budget and Service Delivery and Budget Implementation Plan. All Directors and the Municipal Manager have duly signed employment contracts and performance agreements in the financial year 2010/2011. The management team's mission is to oversee, coordinate and manage the transformation and strategic agenda of the municipality as well as facilitation of the transformation process by providing strategic advice and of support for the Mayor, Speaker, Council committee, EXCO and Municipal Council.

The municipal head quarter is located at Modjadjiskloof in Botha Street. To ensure accessibility of Services to the public, there are three sub-offices which are located at Ga-Kgapane, Mokwakwaila and Senwamokgope.

3.1.2. Municipality's Administration Structure and Staff Components

The Greater Letaba Municipality administration has been organized into four main directorates. The management team's mission is to oversee, coordinate and manage the transformation and strategic agenda of the municipality as well as facilitate the transformation process by providing strategic advice and project support to the Mayor, Speaker and Municipal Manager thereby ensuring that there is political and administrative unity. Each of the directorates including the Municipal Manager's office, contain a set of operational divisions. Service plans are developed by each directorate to ensure quality and effective service delivery.

The following individuals were members of the municipality top management:

POSITION	NAME
Municipal Manager	Mr. Mutshinyali IP
Chief Financial Officer	Mr. Mankabidi ME
Director – Corporate Services	Mrs Mashaba TG
Director – Infrastructure, Economic Development & Planning	Mr. Molokomme C.W
Director - Community Services	Mr Nkuna HA

3.1.2.1. The Municipal Managers Office

The overall purpose of the office is to provide strategic administrative support to the council. The Municipal Manager's Office renders the following functions:

- *Manage risk and internal audit.*
- *Manage communication and events.*
- *Manage disaster services.*
- *Manage infrastructure development and planning.*
- *Manage community services and social development.*
- *Manage corporate services.*
- *Manage budget and treasury.*

All the functions mentioned here above are rendered by the four directorates reflected in the staff establishment, namely, Corporate Services, Budget and Treasury office, Infrastructure Development and Planning and Community Services. The two remaining functions are rendered under the auspices of the Municipal Manager's office.

a. Communication and Events Management

The division's purpose is to provide communication and event management while its function is to manage communication and events. The division had a post of a communication and event management officer which remained vacant throughout the financial year. The function was shared by the personal assistants of the Mayor and the Municipal Manager. They were able to implement the plan of the division despite the fact that the function was an added responsibility to both of them.

b. Internal Audit and Risk Management

The divisions provide internal audit and risk management services.

The functions rendered by the division are internal audit and risk management. Each function was supposed to be performed by one employee. Both functions were provided by SABAT, a company outsourced by the municipality.

The entire staff compliment in the Municipal Manager's office was supposed to be 17 inclusive of the Mayor's office.

Out of 17 positions, 13 were filled and 4 were vacant.

c. Performance Management

The division focuses on the performances management of the municipality in terms of achieving its strategic objectives, programmes and targets as set in the municipality's IDP and SDBIP. The section monitors and evaluates individual performance of the section 57 managers.

d. Youth, Gender and Disability

This a special programme office focusing on coordinating issues around gender, women, disability, youth and HIV/AIDS programmes.

3.1.2.2. Department of Corporate Services

The Department has a director's post which is filled. The post of Assistant Director Performance Management has been filled. The main purpose of the directorate is to provide corporate services. The department provides the following functions:

a. Human Resource and Information Technology

- Manage human resource and Information Technology services

In terms of the approved staff establishment the Human Resource and Information Technology divisions had 3 positions. The position of chief admin officer HR became vacant during the course of the financial year. The position of admin officer was filled.

b. Human Resource Training And Development

Manage human resource training and development.

- The division had one position which was occupied. The function was rendered except that most of the plans were implemented towards the end of the financial year because of slow progress in procuring services. The annual training report and Workplace Skills Plan were submitted on time.

c. Secretariat and Administration

Manage secretariat and administrative services.

- The secretariat and administrative services division had 6 positions. Four positions out of six were filled. The position of the messenger was also filled. The post of customer care was vacant.
- The council and committee functions were fully provided hence their glaring functionality and timelines were fully adhered to. The function that had suffered is customer care as the responsibility was added to the personal assistant of the Municipal Manager

d. Legal and Labour Relations

Manage legal and labour relations services

- Two posts were approved and all filled. Legal and labour services were effectively provided and timelines were adhered to.
- The total numbers of posts in the directorates were 17.

A total of 11 posts were filled while 6 posts remained vacant.

3.1.2.3. Community Services

Waste Management Parks and Cemeteries			
Position	No. of Personnel as per Organisational Structure	No. Appointed	No. Vacant
Director	1	1	0
Secretary	1	1	0
Ass. Director (Waste Management, Parks and Cemeteries)	1	1	0
Environmental Officer	1	0	1
Subtotal	4	3	1
Refuse Removal			
Refuse Compactor Drivers	2	1 Appointed 1 Acting	1
General Workers	8	4	4
Subtotal	10	6	5
Refuse Tractor Drivers			
Tractor Drivers	3	2 Acting	3
General Workers	6	3	3
Subtotal	9	5	6
Parks			
Foreman Lawn Mower Operator	4	0	4
General Workers (Stadiums)	3	0	3
Subtotal	7	0	7
Solid Waste			
Foreman Solid Waste	1	0	1
General Workers	8	0	8
Subtotal	9	0	9
Street Cleaning			
Foreman Street Cleaning	1	0	1
General Workers (Modjadjiskloof)	9	9	0
General Workers (Ga- Kgapane)	6	0	6
Subtotal	16	9	7
Side Walks & Open Spaces			
Foreman Side Walks & Open Spaces	1	0	1
Gardner	3	0	3
General Workers	15	15	0
General Workers (Stadiums)	4	0	4
Subtotal	23	15	8
Cemeteries			
Foreman Gravedigger	1	0	1
General Workers	5	0	5
Driver	1	1	0
Subtotal	7	1	6
Traffic Safety and Licensing Services			
Assistant Director	1	1	0

Chief Traffic Officers	1	1	0
Chief Licensing Officer (Management Rep)	1	0	1
Traffic Officers	5	3	2
EDL Officers	4	0	4
Examiner Learners	1	1	0
Road Maker	1	1	0
General Workers Road Makers	2	2	0
Subtotal	16	9	7
Grand Total	101	48	56

Community Services directorate managed to perform its functions to wards achievement of strategic objectives. Challenges were experienced in the library function where anticipated income cannot be collected due to high membership affiliation fee. Waste management and Parks are some of the functions that are suffering due to enormous staff shortages. 15 general workers were appointed which were allocated to parks, solid waste and roads. The extension of waste management function to the villages remains a challenge due to staff shortage and equipment. This is coupled with lack of landfill site as it requires huge financial support.

The organogram depicts 101 posts in the directorate. Out of 101 posts, only 48 are occupied. A total of 53 posts are vacant. There are 3 positions which were occupied on an acting capacity.

3.1.2.4. Budget and Treasury

Position	No. of Personnel as per Organisational Structure	No. Appointed	No. Vacant
Chief Financial Officer	1	1	0
Chief Accountant (Assistant Director)	1	1	0
Secretary	1	1	0
Chief Admin Officer (SCM)	1	1	0
Procurement Officer	1	1	0
Accountant Revenue	1	1	0
Billing Officer	1	0	1
Billing Clerks	2	2	0
Credit Control Officer	1	1	0
Debtors Clerk	1	1	0
Cashiers	3	3	0
Accountant Expenditure	1	1	0
Senior clerk expenditure	1	0	1
Creditors clerk	1	1	0
Senior clerk salaries	1	1	0
Accountant Budget Control and Financial Reporting	1	1	0
Chief Admin Officer Asset Management	1	1	0
Indigent Support Clerk	1	1	0
Stores Clerk	1	1	0
General Worker Stores	1	1	0
Fleet and Asset Management Clerk	1	0	0
Grand Total	24	21	3

The department was able to perform all the function utilising the staff reflected here above, however the services of interns were utilised. The directorate has a staff complement of 19. Only 5 positions were vacant, which were complimented by the interns.

3.1.2.5. Infrastructure Development and Planning Department

Position	No. of Personnel as per Organisational Structure	No. Appointed	No. Vacant
Directors: Infrastructure Development and Planning	2	2	0
Secretary	2	2	0
Assistant Director: Infrastructure Development Services	1	0	1
Chief Superintendent: Road Storm water and Signage	1	0	1
Superintendent Road Storm water	1	1	0
General Workers Road Storm water	8	8	0
Tipper Truck Driver	2	2	1
General Workers: Tipper Truck	2	2	1
TLB Operators	2	2	0
Grader Operator	4	4	0
Grader Operator Assistant	4	3	1
Infrastructure Development Services Assistant Director	1	1	0
Electrical Chief Superintendent	1	1	0
Electricians	2	2	0
Electrical Meter Inspector	1	0	1
General Workers Electrical	6	4	2
Urban and Regional Planning Assistant Director	1	1	0
Chief Admin Officer Land Use	1	1	0
Admin Clerk Land Use	1	0	1
Building Inspector	1	0	1
Technical Land Survey	1	0	1
PMU Assistant Director	1	0	1
Technician Civil Engineering	1	0	1
Data Capturer	1	1	0
Development Planning Assistant Director	1	0	1
LED and Tourism Officer	1	1	0
Water Supply and Sanitation Chief Superintendent	1	0	1
Water Supply and Sanitation Superintendent	1	1	0
Water Pump Operator	1	0	1
Suction Tank Driver	2	0	2
General Workers Suction Tank	2	2	0
Water Tank Driver	2	2	0
General Workers Water Tank	2	2	0
Plumbers	2	0	2
General Workers Plumbing	4	4	0
Builder	1	0	1

General Workers Building	4	4	0
Mechanic	1	0	1
General Workers Mechanic	2	2	0
TOTAL	75	55	20

The Department had few challenges in terms of implementing its functions due to shortage of key personnel. However they managed to perform well hence the municipality was recognised with the best Infrastructure Project Award in the province. The staff establishment depicts that the total posts in the directorate are 75. Out of 75 posts, only 55 are filled. There are 20 vacant positions.

Table 17: Total Staff Compliment in the 2010/2011

Directorate	No. Of Personnel as per Organisational Structure	No. Appointed	No. Vacant
Municipal Manager	17	13	4
Corporate Services	17	11	6
Budget and Treasury	24	19	5
Infrastructure Development and Planning	75	55	20
Community Services	101	48	56
Total	275	189	86

The total staff component in the financial year 2010/2011 was 189 with 86 positions vacant out 275 in the municipality organogram. The entire staff compliment in the Municipal Manager's office was supposed to be 17 inclusive of the Mayor's office. Out of 17 positions, 13 were filled and 4 were vacant. The total number of posts in Corporate Services directorates was 17. A total of 11 posts were filled while 6 posts remained vacant. The Infrastructure Development and Planning Department had challenges in terms of implementing its functions due to shortage of key personnel. This resulted in deterioration of infrastructure within the municipality. The Budget and Treasury department was able to perform all the function utilising the staff reflected here above, however the achievement was due to the utilisation of the services of interns. Community services manage to implement its functions, however challenges were experienced in terms of staff shortages.

3.1.3. Training of the Employees

During the financial 2010/2011 Greater Letaba Municipality managed to train some of the employees in different training fields. The training included amongst others the following staff categories:

- Municipal Manager and Directors
- Professionals and Legislators,
- Senior officials and managers
- Clerks and
- Labourers

Table 18: Employees Trained during the financial year 2010/2011

TRAINING INTERVENTIONS	TOTAL NO. OF EMPLOYEES TO BE TRAINED	ACTUAL NO. OF EMPLOYEES TRAINED	MALE	FEMALE	YOUTH	ACTUAL EXPENDITURE TO DATE	COMMENTS	FUNDER
SEBATA SYSTEMS	15	15	10	5		R 29 813.85	Completed	SEBATA
Local Government FIN certificate	6	6	2	4	1	N/A	In progress	NATIONAL TREASURY
CPMD	3	3	1	2	2	N/A	Completed	WITS UNIVERSITY
MFMP	3	3	1	2	3	N/A	In progress	NATIONAL TREASURY
Supervisor Skills	12	10	8	2		R46 200. 00	Completed	VUTIVI CONSULTING
IDP programme	25	24	17	7	2	R109 850. 00	Completed	DBSA
Traffic fines capturing	3	3	1	2	1	R3 500. 00	Completed	TRUVELO
Policy making	10	10	7	3	2	R68 400. 00	In progress	MAFUNISA CONSULTING



3.1.4. Managing the Municipal Workforce

In Managing a Municipal Workforce effectively, it is important that Employee Policies and procedures are in place and reviewed and that the necessary employee contracts are in place. For Greater Letaba Municipality, a total number of 16 policies were reviewed.

a) Reviewed and Approved Policies

- *Council Committee, Rules of order and Probity Policy*
- *Ward Committees Policy*
- *HIV Policy*
- *Smoking Policy*
- *Capacity Building Policy (Skills Development Policy)*
- *Staff Provisioning Policy (Staff Recruitment Policy)*
- *Transport Control*
- *Motor Vehicle Scheme Policy (Travelling and Subsistence)*
- *Sexual Harassment Policy*
- *Granting of Bursaries to Members of Public Policy*
- *Mayoral Discretionary Fund Policy*
- *Contract of Service Policy*
- *Labour Relations Policy*
- *Conditions of Service Policy*
- *Communication Policy*
- *Language Policy*
- *Promotion of Access to Information Policy*
- *Anti-Fraud and Corruption Policy*
- *Disaster Management Policy*
- *Public Participation Policy*
- *Career Management and Retention Policy*
- *Employees Assistance Program Policy*
- *Record Management Policy*
- *Protective and Uniform Policy*
- *Occupational Health and Safety Policy*
- *Notebook/ Laptop Policy*
- *Back up Policy*
- *Internet Acceptable use Policy*
- *IT password Policy*
- *Email Acceptable Use Policy*
- *Hardware and Software Policy*
- *IT Security Policy*
- *Cell Phones Allowance Policy*



3.1.5. Municipal Workforce Expenditure

Personnel expenditure was R33 191 985 (10.56%) of total expenditure for 2010/2011 R108 016 526 and R27 207 301 and R22 498 226.00 for the financial years 2009/2010 and 2008/2009, respectively. The increases of 21,98% and 16.27% during the financial year 2010/2011 was due to an annual increase and benchmarking of salaries. The increase of 16.27% during 2009/2010 financial year was generally due to annual increases and appointment of new personnel).

Disclosure regarding the remuneration packages for the Executive Mayor and Section 57 Managers were as follows:



Table 19: Remuneration packages

Description	Mayor	Full-Time Councillor - Speaker	Full-Time Councillor / Chief whip	Executive Councillors	Councillors	Municipal Manager	Chief Financial Officer	Other Senior Managers
Salaries & Wages	372 960	298 368	279 720	153 847	111 886	741 507	587 208	581 959
Normal								
Overtime								
Contributions R'000								
Pensions								
Medical Aid								
Other	124 320	99 456	93 240	51 281	37 296			
Allowances								
Travel & Motor Car	15 984	15 984	15 984	9 972	9 972			
Housing Benefits & Allowance								
Other Benefits & Allowance								
TOTAL	481 696	388 236	364 884	201 747	149 176	741 507	527 300	527 300



3.1.6. Accredited Pension Funds

Greater Letaba Municipality has accredited pension funds where councillors and employees contribute. The pension funds provide for death and retirement benefits to both councillors and employees. The following are the pension funds accredited by the municipality:

- *Municipal Councillors Pension Fund.*
- *Municipal Gratuity Funds; and*
- *National Fund for Municipal Workers.*

Other benefits that are enjoyed by councillors and employees include medical aid. During the financial year, the following medical aids were accredited by the municipality.

- *SAMWUMED*
- *HOSMED*
- *LA HEALTH*

The municipality has four directorates which account to the Municipal Manager as the head of administration as stipulated in Section 55 of the Municipal Systems Act, no 32 of 2000.

3.1.7. Service Level Agreements and Long Term Contracts

Long Term Contracts

- *Photocopier services – Xerox*
- *Security services – Jackcliff Security*
- *Internal Auditing Services - FAB&T Incorporated*
- *Lease of Land for network Arena – MTN*
- *Insurance Services – Alexander Forbes*
- *Meter Reading – KWRCS*

Service Level Agreements

- *Supply of Electricity - Eskom*
- *Supply and delivery of office equipment's – Mmaborotho Trading*
- *Training of young professionals – DBSA*
- *Fixed assets verification and asset register – JANI System Solution*
- *Paving of Parking at Library – Washi Business Enterprise*
- *Erection of Toilets at Mokwakwaila taxi rank – Lekgope Trading*
- *Erection of Thatch umbrella at library – Mapitso trading*
- *Erection of guardroom and toilet at old dumping site - Elohim Raphar Trading*
- *Provision and erection of gate at Modjadjiskloof waterfall*
- *Recabling – XON*
- *Buidling of Relief houses- CBF Express*
- *Land Audit- Jaques Du Toit and Associates*
- *Upgrading of Manningburg bridge and stormwater channels - CBF Express*



- *Financial Management System – SEBATA Financial Management*
- *Funding and Implementation of electrification programme – Department of Energy*
- *Management and Development of Queen Modjadji Lodge and Modjadjiskloof Resort – Limpopo Tourism and Parks*
- *Establishment and Management of Libraries*

CHAPTER 4

ADUITED FINANCIAL STATEMENTS AND INFORMATION



Chapter 4: Audited Financial Statements and Information Management

The financial statements of Greater Letaba Municipality were prepared in house and submitted on 31 August 2009 to the Auditor General and Provincial Treasury Limpopo as per requirements of Section 126 (1)(a) of the Municipal Finance Management Act. The Financial Statements were prepared in terms of IMFO as indicated in the AC Policies. Copy of the Audited financial statements is attached to this annual report for further perusal (Annexure A). There were some material amendments done on the Financial Statements which were submitted to the office of the Auditor General for the finalization of the Audit on or before 30 November 2010.

4.1. AUDITOR'S REPORT OF THE AUDITOR-GENERAL TO THE LIMPOPO PROVINCIAL LEGISLATURE AND THE COUNCIL ON GREATER LETABA MUNICIPALITY

4.1.1. REPORT ON THE FINANCIAL STATEMENTS

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Greater Letaba Municipality, which comprise the statement of financial position as at 30 June 2011, and the statement of financial performance, statement of changes in net assets and statement of cash flows for the year then ended a summary of significant accounting policies and other explanatory information, and the accounting officer's report, as set out on pages ... to ...

Accounting officer's responsibility for the financial statements

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

Auditor-General's responsibility



3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and, section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and section 126(3) of MFMA, my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and General Notice 1111 of 2010 issued in Government Gazette 33872 of 15 December 2010. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse audit opinion.

Basis for an adverse opinion

Investments

7. Included in current investments of R7 029 615 as disclosed in note 9 to the financial statements, is a non-current investment amounting to R6 957 958. Had this investment been recognised as a non-current investment, current investments would have been stated at R71 657 and non-current investments would have increased by R6 957 958.

Unauthorised, irregular and fruitless and wasteful expenditure

8. Section 62(1) (d) of the MFMA requires the accounting officer to take all reasonable steps to ensure that unauthorised, irregular and fruitless and wasteful expenditure is prevented. The municipality procured goods and services amounting to R13 789 568 in contravention of the supply chain management requirements. The amount was not disclosed as irregular expenditure in the notes to the financial statements, resulting in irregular expenditure being understated by R13 789 568.
9. The municipality procured a mayoral chain amounting to R195 000, that was not budgeted for in the annual budget approved by council. The amount was not disclosed as unauthorised expenditure in the notes to the financial statements, resulting in unauthorised expenditure being understated by R195 000.
10. The municipality incurred fruitless and wasteful expenditure amounting to R15 849 due to interest arising from late payment of supplier invoices and overpayment of home owner's allowances to employees. The amount was not included in fruitless and wasteful expenditure,



disclosed in note 38 to the financial statements, resulting in fruitless and wasteful expenditure being understated by R15 849.

Property, Plant and Equipment

11. I was unable to verify the existence and completeness of infrastructure assets stated at R112 808 597 in the financial statements due to inadequate descriptions and locations of the assets. Infrastructure assets had multiple asset numbers.
12. Depreciation and amortisation stated at R11 923 577 as disclosed in note 24 to the financial statements does not agree to the amount of R13 243 382 as per the assets register. Consequently depreciation and amortisation is understated by R1 319 804 and accumulated surplus is overstated by the same amount.
13. Additions to property, plant and equipment stated at R25 902 188, as disclosed in note 7 to the financial statements, does not agree to the balance of R35 598 800 as per the general ledger. Consequently property, plant and equipment is overstated by R9 696 612.
14. Standards of *Generally Recognised Accounting Practice, GRAP 3, Accounting policies, changes in accounting estimates and errors* requires that material prior period errors be corrected retrospectively in the first set of financial statements authorised for issue after their discovery by restating the comparative amounts for the prior periods presented in which the error occurred. During the year, the municipality revised the useful lives of assets that were fully depreciated and excess accumulated depreciation amounting to R1 319 804 was written back to accumulated depreciation as per note 7 to the financial statement. Had the adjustments per GRAP 3 been applied, prior period accumulated depreciation would have decreased by R1 319 804 and accumulated surplus would have increased by the same amount.
15. Standards of *Generally Recognised Accounting Practice, GRAP 3, Accounting policies, changes in accounting estimates and errors* requires that material prior period errors be corrected retrospectively in the first set of financial statements authorised for issue after their discovery by restating the comparative amounts for the prior periods presented in which the error occurred. Assets amounting to R2 410 016 were omitted from the asset register of prior years and were recognised for the first time during the current year. These assets were all recognised as current year additions in the assets register with an acquisition date of 30 June 2011. Consequently current year additions are overstated by R2 410 016, and property, plant and equipment comparative figure is understated by the same amount. I was unable to determine the impact of this error on prior year accumulated depreciation and accumulated surplus due to lack of information in the assets register to allow for the re-computation of prior year accumulated depreciation. Prior year accumulated depreciation and accumulated surplus are misstated by an unknown amount.

Defined benefit plans

16. The South African Statement of *Generally Accepted Accounting Practice, IAS 19, Employee Benefits* requires that current service costs, interest costs and actuarial gains and losses on defined benefit plans be recognised in profit and loss. Current service costs, interest costs and actuarial gains and losses amounting to R1 239 867 as per actuarial reports, prepared by an independent actuary were not included in profit and loss for the year. Consequently, employee related costs are understated by R1 239 867 and accumulated surplus in overstated by the same amount.

Accumulated surplus



17. Accumulated surplus balance as per the statement of changes in net assets of R222 248 977, does not agree to the balance as per general ledger of R204 181 679. The entity did not reconcile the difference of R18 067 298 between the financial statements and the underlying accounting records. Consequently accumulated surplus is overstated by R18 067 298.

Accounts receivables

18. I was unable verify the valuation of accounts receivables stated at R7 576 061 in the financial statements due to the following:
- The accounts receivables balance of R45 051 009 as disclosed in note 3 to the financial statements does not agree to the schedule used for the computation of the provision for doubtful debts by R16 232 746. Receivables as per the schedule amount to R61 961 165.
 - The current year provision for doubtful debts balance of R37 474 945 as per note 3 to the financial statements differ to the amount on the supporting schedule by R16 095 887. Provision for doubtful debts as per the schedule amount to R53 570 805.
 - The prior year provision for doubtful debts balance of R32 900 639 as per note 3 to the financial statements differ to the amount on the current year supporting schedule by R9 837 553. Prior year provision for doubtful debts as per the schedule amount to R42 738 192.
 - Increase in provision for doubtful debts of R4 960 466 as per the statement of financial performance, differ to the amount of R10 832 613, as per note 3 and the schedule used for the computation of the provision for doubtful debts. Consequently increase in provision for doubtful debts in the statement of financial performance is understated by R5 872 147 and accumulated surplus is overstated by the same amount.
 - The South African Statement of *Generally Accepted Accounting Practice, IAS 39, Financial instruments: recognition and measurement* requires an entity to assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets are impaired. The provision for doubtful debts include debts owed by government departments, public entities and municipalities amounting to R4 014 512. The municipality did not assess whether there was objective evidence that receivables are impaired. The municipality provided for impairment on all debtors who did not pay their debts in the last 12 months. The municipality did not take into account different categories of debtors.
19. I was unable to satisfy myself as to the existence, valuation and completeness of other consumer debtors stated at R15 066 559 in note 3 to the financial statements. The municipality could not provide sufficient appropriate audit evidence to support this balance the municipality's records did not permit for the application of alternative audit procedures.

4.1. Contingent liabilities

20. Standards of *Generally Recognised Accounting Practice, GRAP 1, Presentation of financial statements* requires comparative information to be disclosed in respect of the previous period for all amounts reported in the financial statements. The contingent liabilities disclosure note 38 to the financial statements does not have comparative figures in respect of contingent liabilities for



the 2009/10 financial accounting period amounting to R4 420 308.

Trade and other payables

21. Standards of Generally Recognised Accounting Practice, GRAP 19, *Provisions, contingent liabilities and contingent assets* requires that a provision be made where the municipality has a present obligation and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation. The municipality did not make a provision for the payment of service bonuses amounting to R911 311. The municipality has a practice of paying service bonuses each year. Consequently trade and other payables are understated by R911 311.

22. The district municipality is a water authority in terms of section 84(1)(b) and 84(1)(d) of the Municipals Structures Act, 1998 (Act No.117 of 1998). The municipality has appointed local municipalities falling within its jurisdiction as service providers in terms of Section 78 of the Municipal Systems Act, 2000 (Act No 32 of 2000). Included in trade and other payables on note 10 to the financial statements, is an amount of R6 258 304 in respect of current year's increase in provision for doubtful debts, in respect of water and sanitation which is a function of the district municipality. The municipality could not provide sufficient appropriate audit evidence to support this balance the municipality's records did not permit for the application of alternative audit procedures.

Revenue

23. Included in other revenue as per note 21 to the financial statements, is an amount of R1 744 786 in respect of revenue from government grants and subsidies. Consequently, government grants and subsidies revenue in the financial statements is understated by R1 744 786. and other revenue is overstated by the same amount.

Value Added Tax (VAT)

24. Value Added Tax (VAT) receivable balance of R2 220 100 as disclosed in note 5 to the financial statements, does not agree to my workings of R 3 881 305. The municipality did not reconcile the difference of R1 661 202 between the financial statements and my workings. Consequently, the VAT receivable balance is understated by R1 661 202.

Opinion

25. In my opinion, because of the significance of the matters described in the Basis for adverse of opinion paragraphs, these financial statements do not present fairly the financial position of the Greater Letaba Municipality as at 30 June 2011 and its financial performance and cash flows for the year then ended, in accordance with South African Standards of Generally Recognised



Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA).

Emphasis of matter

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

Significant uncertainties

27. With reference to note 36 to the financial statements, the municipality is a defendant in lawsuits amounting to R692 699. The outcome of these lawsuits cannot be presently determined, and no provision for any liability that may result has been made in the financial statements.

Material losses

28. The municipality suffered a significant loss of 6 640 003 units of electricity with a value of R3 684 265 during the year under review.

Additional matters

Unaudited supplementary schedules

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

30. In accordance with the PAA and in terms of *General notice 1111 of 2010*, issued in *Government Gazette 33872 of 15 December 2010*, I include below my findings on the annual performance report as set out on pages XX to XX and material non-compliance with laws and regulations applicable to the municipality.

Predetermined objectives

Usefulness of information



31. The reported performance information was deficient in respect of the following criteria:
- Consistency: The reported objectives, indicators and targets are not consistent with the approved integrated development plan.
 - Relevance: There is no clear and logical link between the objectives, outcomes, outputs, indicators and performance targets.
 - Measurability: The indicators are not well defined, and targets are not specific, measurable, and time bound.

32. The following audit findings relate to the above criteria:

- For the selected programmes, 44% of the planned and reported targets were not measurable in identifying the required performance.
- Reported performance against predetermined targets is not consistent with the approved integrated development plan (IDP) and service delivery budget implementation plan (SDBIP).
- For the selected programmes, 34% of the planned and reported targets were not specific in clearly identifying the nature and the required level of performance.
- For the selected programmes, 37% of the planned and reported targets were not verifiable.

Compliance with laws and regulations

Procurement and contract management

33. Awards were made to providers based on criteria that differed from those stipulated in the original bid documents and were not stipulated in the original bid documents as per the requirements of SCM regulation 21(b) and/or 28(1).
34. Awards were made to providers who are persons in service of other state institutions or whose directors are persons in service of other state institutions in contravention of the requirements of SCM regulations 44. Furthermore the provider failed to declare that he or she is in the service of the state as required by SCM regulation 13(c).
35. Awards were made to suppliers based on preference points that were not allocated and calculated in accordance with the requirements of the Preferential Procurement Policy Framework Act and its regulations.
36. Awards were made to suppliers that did not score the highest points in the evaluation process as per the requirements of section 2(1)(f) of Preferential Procurement Policy Framework Act.
37. Construction contracts were awarded to contractors that did not qualify for the contract in accordance with the prescripts of the Construction Industry Development Board.
38. Sufficient appropriate audit evidence could not be obtained that invitations for competitive bidding were advertised for a required minimum period of days as per the requirements of SCM regulation 22(1) & 22(2).

Expenditure Management

39. The accounting officer did not take reasonable steps to prevent unauthorised, irregular and



fruitless and wasteful expenditure, as required by section 62(1) (d) of the Municipal Finance Management Act.

Audit committees

40. The audit committee did not function as required by section 166 of the Municipal Finance Management Act, in that:
 - The audit committee did not review the annual financial statements;
 - The audit committee did not meet at least four times a year.

41. Another committee functioning as the performance audit committee did not perform the following as required by Municipal Planning and Performance Management Regulation 14:
 - meet at least twice during the financial year
 - review the quarterly reports of the internal auditors on their audits of the performance measurements of the municipality
 - review the municipality's performance management system and make recommendations in this regard to the council of the municipality
 - submit an auditor's report to the council regarding the performance management system at least twice during the financial year.

Internal audit

42. Internal audit did not report to the audit committee on matters relating to compliance with the Municipal Finance Management Act, the Division of Revenue Act and other applicable legislation as required by section 165(2)(b) of the Municipal Finance Management Act.
43. The internal audit unit did not function as required by section 165(2) of the Municipal Finance Management Act, in that Internal audit did not advise the accounting officer and report to the audit committee on matters relating to internal audit, internal controls, accounting procedures and practices and loss control.
44. The municipality did not develop and implement mechanisms, systems and processes for auditing the results of performance measurement as part of its internal audit processes as required by section 45(1)(a) of the Municipal Systems Act and Municipal Planning and Performance Management Regulation 14.



Asset management

45. The accounting officer did not take all reasonable steps to ensure that the municipality had and maintained a management, accounting and information system which accounts for the assets of the municipality as required by section 63(2)(a) of the Municipal Finance Management Act.

Annual financial statement and annual report

46. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the Municipal Finance Management Act. Material misstatements identified by the auditors were not corrected, which resulted in the financial statements receiving an adverse audit opinion.
47. The annual performance report did not contain a comparison of the performance of the municipality and of each external service provider with development priorities, objectives and performance indicators set out in its integrated development plan as required by section 46 of the Municipal Systems Act.

INTERNAL CONTROL

48. In accordance with the PAA and in terms of General notice 1111 of 2010, issued in *Government Gazette 33872 of 15 December 2010*, I considered internal control relevant to my audit, but not for the purpose of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the significant deficiencies that resulted in the basis for adverse opinion, the findings on the annual performance report and the findings on compliance with laws and regulations included in this report.

Leadership

49. The management of the municipality did not monitor the effectiveness of the audit committee. The Accounting officer did not review the supply chain management processes of the municipality which led to the municipality incurring irregular expenditure.
50. The accounting officer did not in all instances exercise oversight responsibility over financial reporting.

Financial and performance management

51. The reported objectives, indicators and targets are not consistent with the approved annual performance plan. Performance reports are not reviewed.
52. The CFO did not ensure that amounts disclosed in the financial statements agree to supporting schedules and documents. Accounting standards were incorrectly applied.



53. The work performed by consultants on the assets register and the calculation for the provision of doubtful debts was not reviewed by the CFO.

Governance

54. The audit committee did not review the municipality's financial statements prior to issue to the Auditor – General for auditing. Additionally, the audit committee did not provide oversight over the effectiveness of the internal control environment, including financial and performance reporting and compliance with laws and regulations.
55. The municipality's internal audit did not develop and implement mechanisms, systems and processes for auditing the results of performance measurement as part of its internal audit processes

Auditor-General.

Polokwane

30 November 2011



**AUDITOR - GENERAL
SOUTH AFRICA**

Auditing to build public confidence

CHAPTER 5

FUNCTIONAL SERVICE DELIVERY



Chapter 5: Functional Service Delivery

A short description of Municipal services provided and the performance highlights are provided as per department.

5.1. Performance Management System

This chapter outlines briefly how Greater Letaba Municipality managed its performance. Performance Management is a powerful tool that can be used to measure the performance of an organisation. It involves setting of desired strategic objectives, outcomes, indicators and targets, alignment of programmes, projects and processes directly to its individual components such section 57 managers as stipulated in the performance regulations of 2006.

In terms of Chapters 5 and 6 of the Municipal Systems Act, 2000 (Act No. 32 of 2000), local government is required to:

- *Develop a performance management system;*
- *Set targets, monitor and review performance, based on indicators linked to the Integrated Development Plan (IDP);*
- *Publish an annual report on performance for the councillors, staff, the public and other spheres of government;*
- *Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government;*
- *Conduct an internal audit on performance before tabling the report;*
- *Have the annual performance report audited by the Auditor-General; and*
- *Involve the community in setting indicators and targets and reviewing municipal performance.*

Greater Letaba Municipality's performance management system aims at ensuring that all the departments within the municipality are working coherently to achieve optimum desired results. This is done by planning, reviewing, implementing monitoring, measuring and reporting on its activities.

The development of Greater Letaba's Performance management Framework was guided by different pieces of legislations which include amongst others the following:



- *Constitution of the Republic of South Africa, Chapter 7 of Act 108 (1996)*
- *White Paper on Local Government 1998*
- *Municipal Systems Act, 2000 (Act No. 32 of 2000)*
- *Municipal Finance Management Act, (Act No. 56 2003)*
- *Regulation 393 of 2009: Local Government Municipal Finance Management Act Municipal Budget and Reporting Regulation*
- *Municipal Performance Regulations for Municipal Managers and Managers directly accountable to the Municipal Manager (2006)*
- *Municipal Planning and Performance Management Regulations (2001)*
- *Batho Pele Principles*
- *Municipal Structures Act 1998 (ACT no 117 of 1998)*

The Greater Letaba Municipality has adopted a balance scorecard methodology which is a strategic performance management tool. The balance scorecard is used to keep track of the execution of activities by staff within their control and monitor the consequences arising from these actions. The balance scorecard creates a clear link of activities across all levels of municipality. The main objective of the balanced scorecard is to achieve synergy across the Municipality, maximise internal business processes efficiencies, and to maximise efficient allocation of financial and human resources. By using the balance scorecard Greater Letaba managed to come up with strategic objectives that were transformed into a strategic map which emphasises the municipality's main strategic intent.

Table 20: Balance Scorecard approach

Community Perspective	<i>The municipality checks if it is achieving the needs of the community</i>
Financial Perspective	<i>The municipality checks if it is delivering services in an economic, efficient and effective manner</i>
Internal Processes Perspective	<i>The municipality checks if its business processes are assisting in achieving its desired goals</i>
Learning and Growth Perspective	<i>The municipality checks if it has good skills and knowledge to achieve the needs of the community</i>

Organisational performance and employee performance are related to each other and this starts from the planning phase. At an organisational level the Service Delivery and Budget Implementation Plan (SDBIP) was developed for the purpose of monitoring the overall organisational performance. The Performance Agreement of section 57 managers were derived directly from the SDBIP. The SDBIP yields a set of indicators and targets which become an undertaking of the municipality to the community.

5.2. Performance Management Tools

This section outlines the performance management tools that Greater Letaba Municipality used to assess its performance.

5.2.1. Integrated Development Plan



Greater Letaba has developed an Integrated Development Plan which was adopted by council. The performance management system is designed to monitor and evaluate the progress made in the implementation of a municipality's IDP objectives, taking into account the timeframe of projects and budget. The IDP is the strategic document of the municipality that gives direction in terms of service delivery objectives. Performance objectives, indicators, outcomes and targets are derived from the IDP.

5.2.2. Performance Management Policy Framework

Greater Letaba Municipality has developed and adopted a Performance Management Framework that serves as a guiding document in the implementation of performance management system within the institution.

5.2.3. Service Delivery Implementation Plan

In terms of the Municipal Finance Management Act, Act No. 56 (2003) the municipality must develop the SDBIP taking into consideration the Integrated Development Plan and the Budget of the municipality. Greater Letaba developed the SDBIP which was approved by the Mayor. The SDBIP yields specific indicators and targets which are derived from the IDP. The SDBIP is a link between integrated development plan, performance management system and the budget. The SDBIP serves as one contract between administration, Council and community. It outlines the Council's objectives and outcomes to be undertaken by Council. Through the SDBIP Council commit itself to the community in terms of services to be rendered, while Administration commit to council in terms of services they will render to the community.

5.2.4. Performance Agreements and Performance Plans

The Local Government Municipal Performance Regulations for Municipal Managers and managers directly accountable to Municipal Managers (R805, 2006) indicate that Section 57 managers must be appointed in terms of a written employment contract and a separate performance agreement. Regulations R805 regulate employment contracts, performance agreements including performance plans and job descriptions of Municipal Managers and managers directly accountable to Municipal Managers. Greater Letaba Municipality developed performance agreement that were all signed.

The purposes of a performance management agreement are to:

- Specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality.
- Specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement.
- Specify and plan for competency gaps as set out in a personal development plan (PDP), which forms an annexure to the performance agreement (a PDP for addressing developmental gaps which have been identified during the previous financial year and must form part of the annual revised performance agreement).
- Monitor and measure performance against set targeted outputs.



- Use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job.
- In the event of outstanding performance, to appropriately reward the employee depending on the availability of resources.
- Give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

5.2.5. Performance Calculators

The 2001 Regulations Chapter 13 indicates that:

- (1) A municipality must, after consultation with the local community, develop and implement mechanisms, systems and processes for the monitoring, measurement and review of performance in respect of the key performance indicators and performance targets set by it
- (2) The mechanisms, systems and processes for monitoring in terms of sub regulation (1) must:
 - a) provide for reporting to the municipal council at least twice a year;
 - b) be designed in a manner that enables the municipality to detect early indications of under-performance; and
 - c) provide for corrective measures where under-performance has been identified.

Greater Letaba municipality has developed performance calculators that are used to monitor the performance of the institution and managers employed in terms of section 56. Monitoring is the key stage when implementing performance management system.

5.2.6. Reports

The Greater Letaba Municipality continuously produce reports giving feedback regarding the performance of the institution and the departments. The reports mainly focus on the priorities of the organisation, performance objectives, indicators, targets, measurements and analysis. The reports includes amongst others the following:

- **Monthly / Quarterly IDP and SDBIP reporting**

In terms of Section 1 of the MFMA, Act 56 of 2003 a municipality must develop a SDBIP with detailed projections for each month of the revenue to be collected, by source, as well as the operational and capital expenditure, by vote. The SDBIP must be reported on a quarterly basis. Greater Letaba did compiled monthly, quarterly IDP and SDBIP reports.

- **Mid-year budget and report**

The accounting officer is required to prepare and submit a midyear performance report, which must be submitted to the Mayor, Provincial and National Treasury (Section 72 of the MFMA). Greater Letaba manage to develop a Mid-Year Budget and Report

- **Performance report**

Section 46 of the Municipal Systems Act requires a municipality to prepare a performance report for each financial year. The reports must cover the following:



- *Performance of the municipality and of each external service provided during that financial year;*
- *Comparison of the performances referred to in the above paragraph with targets set for and performances in the previous financial year; and*
- *Steps and Interventions to be taken to improve on the performance*

Greater Letaba managed to compile performance reports that reflected how the municipality performed institutionally and departmentally.

- **Annual report**

Section 121 requires the municipality to prepare an annual report for each financial year. Greater Letaba has managed to compile an annual report.

- **Oversight report**

Section 129 requires the council of a municipality to consider the municipality's annual report. It further indicates that within two months from the date of tabling of the annual report, council must adopt an oversight report containing the council's comments. An oversight report for the municipality was compiled.

5.3. Assessment of Section 57 Managers

The 2006 regulations on Municipal Manager and Managers directly reporting to the Municipal Manager are very clear on how the assessment of section 57 managers should unfold. It identified four assessments per annum, namely:

Quarter	Panel formation
First Quarter (July to September) – Informal Assessment	No need to constitute a panel of assessors
Second Quarter (October to December) – Formal Assessment	<p>Panel can be constituted as follows:</p> <p>Assessment of Municipal Manager</p> <ul style="list-style-type: none"> • Mayor • Municipal Manager or Mayor from another municipality • EXCO Member • Ward Committee Member • Chairperson of Performance Audit Committee <p>Assessment of Directors</p> <ul style="list-style-type: none"> • Municipal Manager from another municipality • EXCO Member



	<ul style="list-style-type: none"> • Municipal Manager • Chairperson of Performance Audit Committee
Third Quarter (January to March) - Informal Assessment	No need to constitute a panel of assessors
Fourth Quarter (April to June) - Formal Assessment	<p>Panel can be constituted as follows:</p> <p>Assessment of Municipal Manager</p> <ul style="list-style-type: none"> • Mayor • Municipal Manager or Mayor from another municipality • EXCO Member • Ward Committee Member • Chairperson of Performance Audit Committee <p>Assessment of Directors</p> <ul style="list-style-type: none"> • Municipal Manager from another municipality • EXCO Member • Municipal Manager <p>Chairperson of Performance Audit Committee</p>



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
MUNICIPAL TRANSFORMATION INDICATOR								
Improved Community Wellbeing	To ensure that all indigent groups are registered in the indigent register	% indigent registered (# of indigent applied /# of indigent registered)	100% (All applicants were approved as indigent by ESKOM).	All applicants were approved as indigent by ESKOM.	n/a	n/a	Operational	Operational
Spatial planning and rural development	To ensure that IDP and Budget are done within the legislated framework	Draft IDP and Budget adopted by Council by 31 March	Adopted by Council by 31 March 2010	Draft IDP and Budget was adopted by Council by 31 March 2011	There were changes in terms of the process plan due to elections. The period of the process plan had to be shortened to accommodate elections	The process plan was compressed and all activities were done as re-scheduled.	Operational	Operational



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Spatial planning and rural development	To ensure that IDP and Budget are done within the legislated framework	Final IDP and budget adopted by 31 May	Adopted by 31 May	Final IDP and budget adopted by 27th of April 2011	There were changes in terms of the process plan due to elections. The period of the process plan had to be shortened to accommodate elections	The process plan was compressed and all activities were done as re-scheduled.	Operational	Operational
Spatial planning and rural development	To review drive and monitor implementation of the IDP.	% achievement of milestones on IDP/Budget/PMS process plan	100% (All IDP milestone were achieved in terms of the process plan)	All IDP milestone were achieved in terms of the process plan	There were changes in terms of the process plan due to elections. The period of the process plan had to be shortened to accommodate elections	The process plan was compressed and all activities were done as re-scheduled.	Operational	Operational



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Good governance and organisational excellence	To ensure that the SDBIP is done within the legislated framework	SDBIP approved by Mayor 28 days after adoption of budget	Approved by Mayor 28 days after adoption of budget	The SDBIP was approved by the Mayor within 28 days after adoption of budget	Changes to the process plan affected the period for completing the SDBIP. The SDBIP was completed in time.	All SDBIP activities were done in terms of the new process plan.	Operational	Operational
Good governance and organisational excellence	To ensure implementation of the performance management system in the organisation	# Quarterly performance reports submitted to Council	4 reports were compiled	All (4) quarterly reports were developed.	Submission to council has been delayed due to establishment of portfolio committees. (the report need to be submitted to portfolio committees before it is taken to council).	Speeding up the Portfolio committees establishment	Operational	Operational



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Good governance and organisational excellence	To ensure implementation of the performance management system in the organisation	% S57 staff with signed performance agreements	100% (All section 57 Managers signed performance agreement)	All section 57 Managers signed performance agreements (100% (5/5)) at the beginning of the first quarter in the financial year 2010/2011	n/a	n/a	Operational	Operational
Good governance and organisational excellence	To ensure implementation of the performance management system in the organisation	# formal assessment (S57)	2 informal assessments were done and 2 formal assessments were done	The informal assessment for the first quarter was done. Formal assessment for the second quarter was done and a panel was composed as per the regulations. The third quarter informal assessment was done. The formal assessment for the fourth quarter will be done before the end of the first quarter 2011/2012	Expiring of term of the audit committee, ward committee and EXCO members.	A member was written to seek approval to use the same committee for consistency purposes.	Operational	Operational



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
				financial year				
Improved Human Resource	To ensure effective implementation of the WSP	% employees trained as per the WSP	100%	The target to be trained was 11. We managed to train 35 through intervention of DBSA, WITS and SALGA. They augmented our budget hence we trained more people.	n/a	n/a	Operational	Operational
Improved Human Resource	To ensure a health and safe working environment	# of wellness campaign conducted per quarter	3	The municipality conducted a workshop on 1 (one) Employee wellness and 1 (one) HIV Testing (08 March 2011)	n/a	n/a	Operational	Operational



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
BASIC SERVICE DELIVERY KEY PERFORMNACE INDICATORS								
Service Delivery	To ensure all households have access to energy supply and infrastructure	Number of households with access to basic electricity at Mokgoba and Modjadjiskloof	n/a	All the households at Mokgoba and Modjadjiskloof have been provided with access to electricity.	n/a	n/a	Operational	Operational
Service Delivery	To ensure appropriate government funds are utilised to provide services to indigent households.	% applications for indigent support verified (# applications received / # applications checked as %)	100%	All received applications were verified	n/a	n/a	Operational	Operational
BASIC SERVICE DELIVERY PROJECTS								
Service Delivery	To do the layout and fencing of cemeteries at Ga-Kgapane	Cemetery layout and fencing at Ga-Kgapane	n/a	The municipality had long wanted to finalise the issue of the cemetery, however challenges in relation to land availability	Land availability	Negotiation for land	1 500 000.00	0



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
				delayed the project. The political leadership of the municipality have resolved the matter as of late. The land has been purchased and other supply chain processes are underway				
Service Delivery	To pave the parking area	Paving at parking area	n/a	A service provider was appointed at the beginning and it failed to deliver as expected. Another one is being appointed. By the time of generating the report the process was in adjudication.	The service provider failed to deliver as expected.	Appointment of another service provider.	50 000.00	0



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	To construct libraries at Sekgopo	Library constructed at Sekgopo	n/a	The municipality would have completed the project, but this could not happen due challenges in SCM.	SCM processes	Effective implementation of supply chain processes	580 000.00	0
Service Delivery	To construct a facility for testing of motor vehicle	Facility for testing of motor vehicles road worthy certificates	n/a	Taken out during budget adjustment	Budget constraints	Taken out during budget adjustment	1 500 000.00	Taken out during budget adjustment
Service Delivery	To construct the waiting facility for applicant	Waiting facility for applicants	n/a	The project is completed	n/a	n/a	150 000.00	150 000.00
Service Delivery	To upgrade the K53 testing station to a required standard	Upgraded K53 testing station at main gates	n/a	The project is completed	n/a	n/a	90 000.00	90 000.00
Service Delivery	To upgrade security lights at K53 testing station	Upgraded security lights at K53 testing station	n/a	Taken out during budget adjustment	Taken out during budget adjustment	Taken out during budget adjustment	78 000.00	Taken out during budget adjustment



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	To purchase mobile radios to the value of 36000	Mobile radios	n/a	Not yet purchased as a result of delays in supply chain processes.	SCM Processes	Roll over to the 2011/2012 financial year.	36 000.00	0
Service Delivery	To purchase mobile Sirens, blow lights and PA system to the value of 120000	Sirens, blow lights and PA system	n/a	The siren blow could not be purchased since the cars come fitted with everything.	n/a	n/a	120 000.00	0
Service Delivery	To upgrade security system at K53 testing station	Upgrading of security system of K53 testing station	n/a	Taken out during budget adjustment	Budget constraints	Taken out during budget adjustment	80 000.00	Taken out during budget adjustment
Service Delivery	To purchase file cabinets to the value of 150000	Filing cabinets	n/a	Taken out during budget adjustment	Budget constraints	Taken out during budget adjustment	150 000.00	Taken out during budget adjustment
Service Delivery	To purchase pigeon hole cabinet to the value of 14000	Pigeon hole cabinets	n/a	Taken out during budget adjustment	Budget constraints	Taken out during budget adjustment	14 000.00	Taken out during budget adjustment



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	To purchase an air condition to the value of 15000	Air conditioners at K53 examiners offices	n/a	Taken out during budget adjustment	Budget constraints	Taken out during budget adjustment	15 000.00	Taken out during budget adjustment
Service Delivery	To purchase shelves to the value of 150000	Shelving for drivers licenses	n/a	Taken out during budget adjustment	Budget constraints	Taken out during budget adjustment	150 000.00	Taken out during budget adjustment
Service Delivery	To purchase furniture to the value of 30000	Furniture for filling drivers licenses facilities	n/a	Taken out during budget adjustment	Budget constraints	Taken out during budget adjustment	30 000.00	Taken out during budget adjustment
Service Delivery	To purchase vehicles for traffic and licensing	Vehicles	n/a	The vehicles were purchased	n/a	n/a	833 275.00	578 438.00
Service Delivery	To constructs municipal offices	Municipal Offices / Chamber Phase II	n/a	The work is in progress	Rain delayed the completion of the project.	n/a	3 100 000.00	652 015.00
Service Delivery	To purchase air conditioners for the municipal offices to the value of 255000	Air conditioners	n/a	Work is in progress	SCM Processes	Roll over to the 2011/2012 financial year.	50 000.00	27 375.00



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	To fence the civic centre	Fencing of civic centre	n/a	Taken out during budget adjustment	Completion of the municipal building	Taken out during budget adjustment	150 000.00	Taken out during budget adjustment
Service Delivery	To purchase a recording machine at a value of 25000	Recording Machine	n/a	Purchased	n/a	n/a	25 000.00	25 000.00
Service Delivery	To purchase a lamination machine at a value of 10000	Laminating Machine	n/a	Purchased	n/a	n/a	10 000.00	10 000.00
Service Delivery	To purchase a collaborator at a value of 50000	Collaborator	n/a	Taken out during budget adjustment	Completion of the municipal building	Taken out during budget adjustment	500 000.00	Taken out during budget adjustment
Service Delivery	To purchase office furniture at a value of 80000	Office Furniture	n/a	Taken out during budget adjustment	Completion of the municipal building	Taken out during budget adjustment	800 000.00	Taken out during budget adjustment
Service Delivery	To renovate the office at Ga-Kgapane	Renovation of Ga-Kgapane Office	n/a	Completed	n/a	n/a	300 000.00	300 000.00



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	To construct a community hall at Senwamokgope	New Community Hall at Senwamokgope	n/a	Work is in progress	Land availability delayed the project to start	Roll over to the 2011/2012 financial year.	4,036,893	231 102.00
Service Delivery	To repair a community hall at Ramaroka	Repair of Community Hall Ramaroka	n/a	Completed	n/a	n/a	150 000.00	150 000.00
Service Delivery	To construct a community hall at Modjadjiskloof	New Community Halls at Modjadjiskloof	n/a	Taken out during budget adjustment	Taken out during budget adjustment	Taken out during budget adjustment	1 000 000.00	Taken out during budget adjustment
Service Delivery	To construct a community hall at Rotterdam	New Community Halls at Rotterdam	n/a	Service provider is appointed.	Land availability	negotiation for land by the municipality leadership	580 000.00	0
Service Delivery	To construct an abattoir at Senwamokgope	Senwamokgope Abattoir	n/a	Service provider is appointed.	Land availability	negotiation for land by the municipality leadership	385 000.00	0
Service Delivery	To construct a taxi rank at Maphalle	Maphalle Taxi rank	n/a	Contractors appointed and designs submitted	SCM Processes	Roll over to the 2011/2012 financial year.	250 000.00	0



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	To construct a taxi rank at Sekgosese	Sekgosese Taxi rank	n/a	Contractors appointed and designs submitted	SCM Processes	Roll over to the 2011/2012 financial year.	250 000.00	0
Service Delivery	To construct a taxi rank at Sekgopo	Sekgopo Taxi Rank	n/a	Contractors appointed and designs submitted	SCM Processes	Roll over to the 2011/2012 financial year.	250 000.00	0
Service Delivery	To construct a market stalls at Maphalle	Market stalls at Maphalle	n/a	Contractors appointed and designs submitted	SCM Processes	Roll over to the 2011/2012 financial year.	200,000	0
Service Delivery	To construct a market stalls at Sekgosese	Market stalls at Sekgosese	n/a	Taken out during budget adjustment	Budget constraints	Taken out during budget adjustment	100,000	Taken out during budget adjustment
Service Delivery	To constructs an access street at caravan park	Access streets - caravan park	n/a	Completed	n/a	n/a	500 000.00	0
Service Delivery	To construct a swimming pool	Swimming Pool	n/a	Contractors appointed and designs submitted	SCM Processes	Roll over to the 2011/2012 financial year.	300 000.00	0



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	To install a laundry at caravan park	Laundry at caravan park	n/a	Completed	n/a	n/a	80 000.00	74 865.00
Service Delivery	To construct stadium at Ga-Kgapane	Stadium at Ga-Kgapane	n/a	A memorandum was approved to engage service providers which were appointed by MDM at the stadium. A letter of appointment was sent to the Consulting Engineers to submit cost breakdown.	SCM Processes	n/a	1 000 000.00	0



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	To construct stadium at Senwamokgope	Stadium at Senwamokgope	n/a	Contractor has been appointed. Draft tender document was submitted to GLM, the document was forwarded to DPW to check EPWP compliance. There was procurement delays in 2010	SCM Processes	n/a	1 000 000.00	0
Service Delivery	To construct stadium at Mokuwakwaila	Stadium at Mokuwakwaila	n/a	Awaits appointment of Consulting Engineers. Advertisements were done and bid documents were submitted to the municipality.	SCM Processes	n/a	1 000 000.00	0



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	To construct a sports complex at Lebaka	Sports complex at Lebaka	n/a	The consultants were appointed and tender evaluation for the contractor was done and the adjudication committee declined the evaluation recommendation. A memorandum was submitted to MM to clarify matters of concern.	SCM Processes	n/a	1 000 000.00	0



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	To construct a sports complex at Sekgopo	Sports complex at Sekgopo	n/a	Consultant was appointed. Tender was advertised for contractors, tender documents were submitted to the municipality. The documents await procurement processes. There procurement processes for Engineers were also delayed.	SCM Processes	n/a	1 000 000.00	0



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	To construct a sports complex at Shaamiriri	Sports complex at Shaamiriri	n/a	The consultants were appointed and tender evaluation for the contractor was done and the adjudication committee declined the evaluation recommendation. A memorandum was submitted to MM to clarify matters of concern.	SCM Processes	n/a	1 000 000.00	0
Service Delivery	To purchase brush cutters to the value of 81000	Brush cutters	n/a	Completed	n/a	n/a	81 000.00	71 291.00
Service Delivery	To purchase a lawn mower to the value of 6000	Lawn mower	n/a	Completed	n/a	n/a	6 000.00	6 000.00
Service Delivery	To purchase a fire extinguishers	Fire Extinguishers	n/a	Completed	n/a	n/a	135 000.00	4 500.00



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	To purchase a safety equipment's to the value of 8700	Safety equipment	n/a	Completed	n/a	n/a	8 700.00	8 700.00
Service Delivery	To construct parks at Ga-Kgapane	Parks at Ga-Kgapane	n/a	Taken out during budget adjustment	Budget constraints	Taken out during budget adjustment	250,000	Taken out during budget adjustment
Service Delivery	To construct parks at Modjadjiskloof	Parks at Modjadjiskloof	n/a	Taken out during budget adjustment	Budget constraints	Taken out during budget adjustment	250,000	Taken out during budget adjustment
Service Delivery	To construct parks at Senwamokgope	Parks at Senwamokgope	n/a	Taken out during budget adjustment	Budget constraints	Taken out during budget adjustment	150,000	Taken out during budget adjustment
Service Delivery	To purchase a tipper truck to the value of 400000	Tipper truck	n/a	Completed	n/a	n/a	576 000.00	576 000.00



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	To purchase HSL 850-7 at 580000	HSL 850-7	n/a	Specifications developed and submitted on time after consulting Tiger Brand. All the processes for supply chain have been completed. Waiting for delivery.	n/a	n/a	800 000.00	800 000.00
Service Delivery	To purchase trolley bins to the value 311698	Trolley bins	n/a	Completed	n/a	n/a	311 698.00	311 698.00
Service Delivery	To purchase a bomag to the value of 205 000	Bomag	n/a	Completed	n/a	n/a	205 000.00	205 000.00
Service Delivery	To construct thatched umbrellas to the value of 40000	Thatched umbrellas	n/a	Completed	n/a	n/a	55 000.00	55 000.00
Service Delivery	To construct concrete chairs to the value of 200000	Concrete chairs	n/a	Completed	n/a	n/a	20 000.00	20 000.00



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	To construct concrete tables to the value of 10000	Concrete tables	n/a	Completed	n/a	n/a	10 000.00	10 000.00
Service Delivery	To procure rotating tables to the value of 12000	Rotating tables	n/a	Completed	n/a	n/a	12 000.00	12 000.00
Service Delivery	To procure learners computer desks to the value of 7500	Learners computer desks	n/a	Taken out during budget adjustment	Budget constraints	Taken out during budget adjustment	7 500.00	Taken out during budget adjustment
Service Delivery	To procure a CD/DVD storage cabinet to the value of 18000	CD/DVD storage cabinet	n/a	Completed	n/a	n/a	18 000.00	18 000.00
Service Delivery	To procure steel cabinets to the value of 10200	Steel cabinets	n/a	Completed	n/a	n/a	10 200.00	9 793.00
Service Delivery	To install street lights at Modjadjiskloof -	Modjadjiskloof - Mokgoba Villaget 2,5km	n/a	The project is completed	Dispute - The contractor is not willing to continue	Legal Section has intervened	500 000.00	0



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
	Mokgoba Village				with the project because his request to increase the rates was not considered. A memorandum recommending termination of contract was submitted to MM.			
Service Delivery	To install street lights at Rapitsi	Rapitsi street lights	n/a	Completed	Awaiting ESKOM to energize.	Application was submitted to ESKOM for energizing.	500 000.00	500 000.00
Service Delivery	To install Apollo lights at Sekgosesa College	Sekgosesa College Apollo Lights	n/a	Complete	Awaiting ESKOM to energize. ESKOM has appointed a contractor for energizing. ESKOM is busy investigating because their system records that the work was done	Application was submitted to ESKOM for energizing.	274 278.00	274 278.00



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	To install Apollo lights at Bodupe	Bodupe Apollo Lights	n/a	Complete and functional long before end of FY	n/a	n/a	274 278.00	274 278.00
Service Delivery	To install Apollo lights at Phaphadi	Phaphadi Apollo Lights	n/a	Complete and functional long before end of FY	n/a	n/a	274 278.00	274 278.00
Service Delivery	To install Apollo lights at Lebaka	Lebaka Apollo Lights	n/a	Complete and functional long before end of FY	n/a	n/a	274 278.00	274 278.00
Service Delivery	To install highmast lights at Sekgopo	Sekgopo High mast	n/a	Installation has been completed.	Awaiting ESKOM to energize.	Application was submitted to ESKOM for energizing.	1 400 000.00	1 400 000.00
Service Delivery	To install new 500 Kva for Mini Sub for Ring feed	New 500 KVA for Mini Sub for Ring feed	n/a	Completed as part of maintenance programme due to unforeseen damages	n/a	n/a	700 000.00	181 350.00



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	To install transformers to the value of 600000	Transformers	n/a	Completed as part of maintenance programme due to unforeseen damages	n/a	n/a	600 000.00	346 937.00
Service Delivery	To ensure Ner Compliance	Ner Compliance	n/a	Awaits appointment of Electrical Engineers. Advertisements were done and bid documents were submitted to the municipality.	n/a	n/a	2 000 000.00	571 950.00
Service Delivery	To procure walky talkies to the value of 7400	Walky Talkies	n/a	Completed	n/a	n/a	7 400.00	5 498.00
Service Delivery	Purchase of New tractor	New tractor	n/a	Completed	n/a	n/a	416 100.00	365 000.00
Service Delivery	Purchase of Sewer unblocking rodder machine	Sewer unblocking rodder machine	n/a	Completed	n/a	n/a	48 325.00	42 390.00



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	Construction of a Guard room and toilet	Guard room and toilet	n/a	Completed	n/a	n/a	87 098.00	87 098.00
Service Delivery	Construction of Taxi Rank toilets	Mokwakwaila Taxi Rank toilets	n/a	Completed	n/a	n/a	188 000.00	164 912.00
Service Delivery	Construction of Bridge	Ga-Kgapane Bridge Manninburg & Ext 7	n/a	Completed	n/a	n/a	11 449 688.00	11 449 688.00
Service Delivery	To upgrade streets	Upgrading of streets - Malemetja 2km	n/a	Contractor Appointed and site handover - multi year project. Draft tender document was submitted to GLM and was forwarded to DPW for EPWP compliance. Special meeting was held with service provider to fast track processes. The contractor has been appointed	Delays in scm processes	n/a	1 260 000.00	0



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Service Delivery	To fix the grader	Fixing of grader	n/a	Completed	n/a	n/a	500 000.00	500 000.00
Service Delivery	Construction of Modjadji Valley Phase II	Modjadji Valley Phase II	n/a	Contractor Appointed and site handover - multi year project	n/a	n/a	5 500 000.00	0
Service Delivery	Upgrading of streets at Modjadjiskloof	Modjadjiskloof streets	n/a	Contractor Appointed and site handover - multi year project	n/a	n/a	8 000 000.00	0
Service Delivery	Upgrading of streets at Ga-Kgapane	Street Upgraded at Ga-Kgapane	n/a	Contractor Appointed and site handover - multi year project	n/a	n/a	2 016 000.00	0
Service Delivery	Upgrading of streets at Senwamokgope	Street Upgraded at Senwamokgope	n/a	Contractor Appointed and site handover - multi year project	n/a	n/a	1 512 000.00	0



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
LOCAL ECONOMIC DEVELOPMENT INDICATORS								
Grow the economy for sustainable livelihoods	To alleviate poverty through tourism initiatives	% Functionality of LED and Tourism Forum	100%	Terms of reference were obtained from Mopani District Municipality. Identified stakeholders and invited them for meeting on 07 April 2011. Invitations were issued for a meeting to be held on 07 July 2011 to finalise terms of reference	n/a	n/a	Operational	Operational



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
LOCAL ECONOMIC DEVELOPMENT PROJECTS								
Grow the economy for sustainable livelihoods	To create an environment for job creation, economic growth and networking opportunities	Youth empowerment project	n/a	Work in progress	The project was delayed because of re-advertisement to recruit beneficiaries and slow procurement processes to build shelter and purchase brick making machine.	Speed the process	Operational	Operational
Grow the economy for sustainable livelihoods	To care for the blind	Garden for the blind	n/a	Tender was advertised and documents were submitted	Appointment of the service provider	Effective implementation of SCM process	100 000.00	0
Grow the economy for sustainable livelihoods	To construct a gate for waterfalls	Gate for waterfalls	n/a	Completed	n/a	n/a	48 500.00	48 500.00



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
MUNICIPAL FINANCIAL VIABILITY INDICATORS								
Become financially viable	To ensure that financial information is supplied to relevant authorities within timeframe	Financial information supplied to relevant office by 31 May	Information was submitted by 31 May 2010	The information was submitted in time. The draft SDBIP has already been submitted to the Mayor and Local Government.	n/a	n/a	Operational	Operational
Become financially viable	To effectively manage the financial affairs of the municipality	% capital budget spent as approved by Council	100%	R47 578 765 was budgeted, R35 545 837 spent (74.71%)	n/a	n/a	Operational	Operational
Become financially viable	To effectively manage the financial affairs of the municipality	% MIG expenditure	100%	Budgeted was 1944000 and R2 183 000 was received (112.29%)	n/a	n/a	Operational	Operational



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Become financially viable	To effectively manage the financial affairs of the municipality	% MSIG expenditure	100%	100 % spent on the MSIG based on the year to date collections. 4 422 000 budgeted and 4 422 000 received and spent.	n/a	n/a	Operational	Operational
MUNICIPAL FINANCIAL VIABILITY PTOJECTS								
Become financially viable	To register the indigents.	Indigent Register	Updated Indigent Register	Register is being updated as and when applications are received and approved.	n/a	n/a	Operational	Operational
Become financially viable	To enhance revenue	Revenue Enhancement Strategies	n/a	Draft strategy in place	SCM processes	n/a	Operational	Operational
Become financially viable	To upgrade household information	Data cleansing (TAS)	n/a	Data evaluation, questionnaire, classification, valuation roll checked, tariff and services charges is done, Returned mail	The service provider had to wait for billing which is dine once every month	n/a	Operational	Operational



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
				has been checked, Busy reviewing the credit control and debt collection policy, write off policy, indigent policy and rate and tariff policy.				
Become financially viable	To implement the Credit Control and Debt Management Policies	Credit Control and Debt Management Collection (TAS)	n/a	Cut-offs are now being implemented at Modjadjiskloof.	Disapproval of the appointment of a debt collector. No water restrictions at Ga-Kgapane to enforce the policy. No dedicated electrician to implement cut-offs	Appointment of a dedicated person.	Operational	Operational
Become financially viable	To unbundle the infrastructure assets	Unbundling of Infrastructure Assets	n/a	The project will only commence this financial year.	n/a	n/a	Operational	Operational



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
GOOD GOVERNANCE KEY PERFORMANCE INDICATORS								
Good governance and organisational excellence	To establish a good relationship with traditional leaders	# traditional leaders taking part in council	10	All the traditional leaders participate	n/a	n/a	Operational	Operational
Good governance and organisational excellence	To promote accountability	% AG queries raised in last financial year addressed at the end of the quarter of the current financial year	100%	Most of the queries were addressed except for IT issues where there is a need for capacity.	Capacity	Capacitating the unit.	Operational	Operational
GOOD GOVERNANCE PROJECTS								
Effective Management through information	To purchase a DVD	Purchase of DVD for Mayor's Office	n/a	Completed	n/a	n/a	2 000.00	2 000.00
Effective Management through information	To purchase a satellite dish	Purchase of Satellite dish for Mayor's office	n/a	Completed	n/a	n/a	600.00	600.00



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Effective Management through information	To network the sub-office and library to main office	Networking sub-offices and library to main office Connectivity and cabling	n/a	Work In Progress 99% complete.	Telkom to the router to link with sub-offices.	n/a	1 457 577.00	878 617.00
Effective Management through information	To purchase computers to the value of 300000	Computers	n/a	Completed	n/a	n/a	300 000.00	300 000.00
Effective Management through information	To purchase a projector to the value of 18000	Projector	n/a	Taken out during budget adjustment	Budget constraints	Taken out during budget adjustment	200 000.00	Taken out during budget adjustment
Effective Management through information	To purchase network printers to the value of 200000	Network printers	n/a	Completed	n/a	n/a	200 000.00	200 000.00
Effective Management through information	To purchase colour printers to the value of 100000	Colour Printer	n/a	Completed	n/a	n/a	100 000.00	100 000.00



Strategic Objective	Measurable Objectives	Programme Indicator	Baseline / Status (2009/2010)	Progress to date	Challenges	Intervention	Budget	Expenditure
Effective Management through information	To purchase digital camera to the value of 22000	Digital camera	n/a	Taken out during budget adjustment	Budget constraints	Taken out during budget adjustment	22 000.00	Taken out during budget adjustment
Effective Management through information	To purchase digital camera to the value of 22000	Photocopier	n/a	Taken out during budget adjustment	Budget constraints	Taken out during budget adjustment	148 000.00	Taken out during budget adjustment
Effective Management through information	To purchase software to the value of 500000	Software	n/a	Completed	n/a	n/a	500 000.00	500 000.00
Effective Management through information	To purchase laptop to the value of 90000	Laptop	n/a	Completed	n/a	n/a	90 000.00	8 584.00



ANNEXURE A:AUDITED FINANCIAL STATEMENTS



ANNEXURE B: AUDIT OUTCOMES