

# RAMOTHERE MOILOA LOCAL MUNICIPALITY



2014/15

**DRAFT**

# ANNUAL REPORT

(Unaudited – August 2015)

All financial information will be updated in the Final Annual Report with the figures from the Audited Financial Statements on completion of the audit by the Auditor-General

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## ACRONYMS

CDW	Community Development Workers
CFO	Chief Financial Officer
CoGTA	Department of Cooperative Governance and Traditional Affairs
CWP	Community Works Programme
DoE	Department of Energy
DoRA	Division of Revenue Act
DCS	Director: Corporate Services
DCS	Director: Community Services
DTS	Director: Technical Services
DWA	Department of Water Affairs
EIA	Environmental Impact Assessment
EPWP	Expanded Public Works Programme
ESKOM	Electricity Supply Commission
EXCO	Executive Committee
FMG	Financial Management Grant
GIS	Geographical Information Systems
GRAP	Generally Recognised Accounting Practices
ICT	Information Communication and Technology
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
KPA	Key Performance Areas
KPI	Key Performance Indicators
LED	Local Economic Development
LGSETA	Local Government Sector Education and Training Authority
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MPRA	Municipal Property Rates Act
MSA	Municipal Systems Act
MSIG	Municipal Systems Improvement Grant
MTAS	Municipal Turnaround Strategy
MTREF	Medium Term Revenue and Expenditure Framework
NERSA	National Electricity Regulator of South Africa
NT	National Treasury
OHSA	Occupational Health and Safety Act
PGDS	Provincial Growth and Development Strategy
PMS	Performance Management System
PPP	Public Private Partnership
RMLM	Ramotshere Moiloa Local Municipality
SALGA	South African Local Government Association
SALGBC	South African Local Government Bargaining Council
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan



SDF	Spatial Development Framework
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprise

## CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

### COMPONENT A: MAYOR’S FOREWORD

#### MAYOR’S FOREWORD

I am pleased to present the Ramotshere Moiloa Local Municipality’s 2014/2015 Annual Report, covering the period 1<sup>st</sup> July 2014 to 30<sup>th</sup> June 2015. This Report tracks the Municipality’s operational performance in the context of the priorities reflected in its approved 2014/15 Integrated Development Plan and 2014/15 Service Delivery and Budget Implementation Plan.

This Annual Report presents to our communities our successes and challenges during the review year, in the context of the Municipality’s strategic objectives and in this, our fourth year of the implementation of our current five-year Integrated Development Plan (2011 – 2016).

Parallel to broadening and expediting service delivery to our communities, we sharpened our focus on community needs and concerns and their involvement in municipal planning and decision-making processes.

I am proud of the fact that the Municipality continues to prioritize the needs of the poor and the vulnerable, with the budget clearly biased towards our poor and disadvantaged communities. We are committed to redress and to the transformation of our previously disadvantaged and neglected areas. Like all South African cities, Ramotshere Moiloa Local Municipality faces the tripartite challenges of unemployment, poverty and inequality. In this regard, the institution continues to prioritize job creation and creating conditions conducive for investments. Over the review period, the Municipality created 198 job opportunities through the Expedited Public Works Programme and in terms of poverty eradication, the Municipality supports 8 920 qualifying households with free basic services (water and sanitation, electricity and refuse removal services).

The Municipality also actively assists emerging entrepreneurs (SMME’s) with start-up capital in setting up businesses to ensure their success and sustainability. In this regard 30 emerging entrepreneurship were supplied with goods to the value of R30 000-00 each as a start-up during the 2014/2015 financial year.

The Municipality has during the 2014/2015 financial year received grant funding from LGSETA and has subsequently enrolled 400 youth for training in different

fields including End-User Computing, Road Construction, Civil and Building Construction to assist them with gaining experience in the workplace.

War Veterans, Women and people with disabilities have also been prioritized and there are continuous support programmes in my office to ensure that their programmes are fully funded. This range from logistical support for all their activities

While significant challenges, primarily related to the eradication of housing and infrastructural backlogs still confront our municipality, I am pleased to report that we are making progress in the delivery of the objectives stated in our Integrated Development Plan. This was evident when our municipality when our municipality recorded a 100% MIG expenditure as early as February 2015 and being the number one performing in that category. This performance resulted in the municipality receiving an additional R30m allocation during the same financial year and quick win projects were identified some of which are currently ongoing and will be completed before the end of the year in 2015.

Oversight in Council processes is key in ensuring that the institution is transparent and accountable and in strengthening the trust of our communities in the institution as an effective service delivery arm of government. A spectrum of Committee structures exists to fulfill this oversight and monitoring function on behalf of Council, such as the fully functional multi-party Municipal Public Accounts Committee; the Audit Committee which also plays the role Performance Monitoring Committee.

I am proud to report that a total of 24 Councilors received training during the 2014/2015 financial year and some programmes will overlap into the 2015/2016 financial year.

It is not often sufficiently acknowledged that Ramotshere Moiloa Local Municipality has improved tremendously both the governance and administrative arm. This latter statement is confirmed by an improvement of the audit outcome from a Disclaimer to a qualified audit opinion during 2013/2014. We are optimistic that achieving an unqualified audit opinion during the 2014/2015 is possible because a lot of work was put up to clear all the findings as raised by AG during the 2013/2014 financial year.

The accomplishments reflected in this Annual Report are the result of the combined efforts of the political leadership, administrative management and all municipal officials, many of whom spend long hours and make many sacrifices to ensure that our residents and communities' service delivery needs are met.

ALFRED NNEELENG THALE  
MAYOR

## COMPONENT B: EXECUTIVE SUMMARY

### 1.1. MUNICIPAL MANAGER'S OVERVIEW

This is the second year in which the Annual Report of the Ramotshere Moiloa Local Municipality has been developed in line with the new directives regarding the format and content of National Treasury (NT Circular No. 63). It is submitted in compliance with various pieces of legislation, such as Section 46 of the Local Government: Municipal Systems Act No. 32 of 2000 and Sections 121 and 127(2) of the Local Government: Municipal Finance Management Act No. 56 of 2003.

The Municipality is continuously striving to improve its administrative and governance standards, pursuing national benchmarks for governance excellence. A cause for concern has been the high vacancy rate among the administrative leadership, which has previously caused instability and lack of direction among our municipal directorates. It is therefore pleasing to report that the administrative leadership of the institution has been stabilized through the filling of all Senior Management Positions including the establishment of an Internal Audit Unit during 2013. The process of filling all vacancies in the unit will be finalized before the end of the 1<sup>st</sup> Quarter of the 2015/2016 financial year.

We are grateful for the support received from National Treasury through the Financial Management Improvement Programme which saw the Deployment of an Advisor to the municipality who assisted a great deal with establishing systems, training of both Councilors and Officials and ensuring that all the targets as set out in the Support Programme were achieved.

Like most South African towns and cities, Ramotshere Moiloa Local Municipality has also experienced a spate of service delivery protests over the review period, mostly concerning water provision which falls within the competency of Ngaka Modiri Molema District Municipality, however we have always intervened where possible through the supply of water and diesel in most of the villages where water related challenges were experienced.

This are some of the challenges facing the municipality;

- (a) Lack of Water in the rural areas where the District is a Water Services Authority
- (b) Lack of funding for most of the IDP projects;
- (c) Electricity In-fills
- (d) Unemployment
- (e) High level of indigency
- (f) Poor quality of roads in the rural areas especially connector roads
- (e) On-going litigations as a result of the Valuation Roll Disputes and

Based on its stabilized and strengthened administration, effective teams and meaningful partnerships with citizens, local business and government, the



Municipality is set to address these challenges in an integrated and collective manner.

Finally, I would like to record my sincere appreciation for the support receive from the political leadership in Council. Administratively, I would like to thank my Executive Management Team and their staff for their hard work and efforts, without which the service delivery progress reported in this Annual Report would not have been possible. Collectively, we remain committed to efficient service delivery to the people and communities of Ramotshere Moiloa Local Municipality

MR CROSBY MAEMA  
MUNICIPAL MANAGER





## 1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### INTRODUCTION TO BACKGROUND DATA

The data provided herein is obtained from the Census 2011 report conducted by Statistics South Africa. RMLM strives to ensure the backlogs in the delivery of Basic Services like Water, Electricity and Housing are reduced on an annual basis.

**Table 1: Population Details**

Population Details									
Age	2012/13			2013/14			2014/15		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age: 0 - 4	7334	7107	14441	9482	8972	18454	9482	8972	18454
Age: 5 - 9	7801	7983	15784	8100	7824	15924	8100	7824	15924
Age: 10 - 19	16638	16812	33450	15192	14324	29516	15192	14324	29516
Age: 20 - 29	10647	12029	22676	12207	12235	24442	12207	12235	24442
Age: 30 - 39	7653	9083	16736	9051	9633	18684	9051	9633	18684
Age: 40 - 49	5885	6990	12875	6780	8276	15056	6780	8276	15056
Age: 50 - 59	4006	4855	8861	5782	6762	12544	5782	6762	12544
Age: 60 - 69	2746	3701	6447	3870	4879	8749	3870	4879	8749
Age: 70+	2197	3977	6174	2755	4588	7343	2755	4588	7343

*Source: Statistics SA (The Statistics for the 2013/14 F/Y remains the same as 2014/2015 F/Y)*

**Table 2: Socio-Economic Status**

Socio Economic Status						
Year	Housing Backlog as proportion of current demand	Unemployment Rate	Proportion of Households with no Income	Proportion of Population in Low-skilled Employment	HIV/AIDS Prevalence	Illiterate people older than 14 years
2012/13	19%	53.6%	26%	48%	15%	34.7%
2013/14	19%	36.2%	26%	52%	20%	20.7%
2014/15	23%	37%	28%	53%	19%	18%



**Figure 1: Socio-Economic Status**

Table 3: Natural Resources

Natural Resources	
Major Natural Resource	Relevance to Community
Chrome (Masebudule)	Mining-job creation
Slate(Gopane)	Mining-job creation
Flourspar(Jacobsdal)	Mining-job creation
Dam(Klein Marico, Riekerts Dam)	Fishing and water supply

### 1.3. SERVICE DELIVERY OVERVIEW

The Municipality is not a water service authority and thus provide water only in the urban areas such as Sandvlaagte, Ikageleng, Zeerust and Groot Marico. The rest of other areas are provided by the Ngaka Modiri Molema District Municipality.

Escom supplies electricity in all the rural areas including Welbedacht. Municipality only provides electricity in Zeerust and Ikageleng.

Table 4: Proportion of Households with access to minimum level of basic services

Proportion of Households with access to minimum level of Basic Services				
	2011/12	2012/13	2013/14	2014/15
Electricity service connections	70%	87%	90%	93%
Water - available within 200 m from dwelling	11%	64%	68%	70%
Sanitation - Households with at least VIP service	19%	22%	30%	48%
Waste collection - kerbside collection once a week	17%	20%	23%	24%

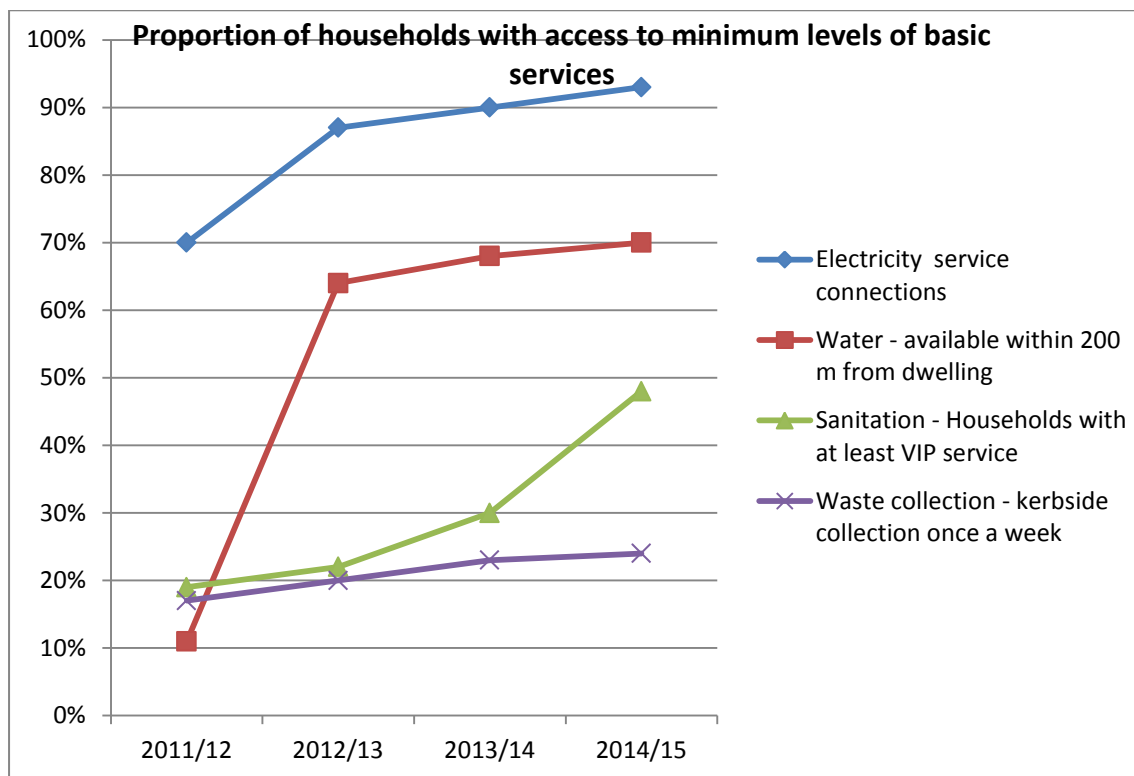


Figure 2: Proportion of Households with access to basic services

## COMMENT ON ACCESS TO BASIC SERVICES

Above is a diagram reflecting performance on Access to Basic Services from 2011 to 2015 financial years. Please refer to Chapter 3 – Service Delivery Performance for further information pertaining to shortfalls, reasons for deviation and support needed in terms of unblocking.

## 1.4 FINANCIAL HEALTH OVERVIEW

### FINANCIAL OVERVIEW

This overview sets out highlights of the municipality's financial performance in the past year. Full details appear in the annual financial statements.

The municipality has performed relatively well over the past year despite the prevailing market and economic conditions. There has been a monitoring by the municipality of the economic conditions over the finances of the municipality and despite lack of complete verification of its debtors, the municipality is aware of the existence of indigent communities within its jurisdiction and the impact it has on the revenue collection rate which in turn put pressure on the cash flows.

The municipality faced serious cash flows constraints during the year due to the following reasons:

1. Low collection rate due to valuation roll and other legal disputes and billing challenges
2. Excessive costs drivers – CPI used for tariff setting (services provided at a loss currently)
3. Withholding of equitable share allocation – 2012/13 - R13m by National Treasury due to non- spending on MIG
4. Further withholding of MIG allocation – R10m by National Treasury due to non- spending – 2013/14
5. Unspent grants not cash backed vs anticipated roll overs
6. Unauthorised expenditures incurred in terms of leave encashment, overtime, etc.

Over the past the year, total revenue increased by 30% to R281million. Service charges grew by 52% while growth of property rates is 30%. Total revenue was 101% more than the budgeted amount.

Total expenditure decreased by 13% to R207 million. Depreciation and amortisation increased by 232%. This is mainly due to the unbundling processes conducted during the 2013/14 financial year. Bulk purchases grew by 19%. Repairs and maintenance for the municipality were R4.3million for the year (2013: R5.8million). The municipality will continue to prioritise the repairs and maintenance because the preservation of assets is important for continued service delivery.

The municipality recorded a net operating surplus of R73 million (2013: deficit R58million) taking into account the impact of GRAP 17 depreciation.



Table 5: Financial Overview: 2014/2015

Financial Overview: Year 2014/2015			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	93 412 000	75 832 000	150 503 108
Taxes, Levies and tariffs	111 029 000	93 046 047	105 430 123
Other	50 901 810	34 005 496	25 412 895
Sub Total	<b>255 342 810</b>	<b>202 883 543</b>	<b>281 346 126</b>
Less: Expenditure	<b>255 342 810</b>	<b>202 883 543</b>	207 992 484
Net Total*	-	-	73 353 642
<i>* Note: surplus/(defecit)</i>			T 1.4.2

Table 6: Operating Ratios

Operating Ratios	
Detail	%
Employee Cost	45.34%
Repairs & Maintenance	17.47%
Finance Charges & Impairment	13.45%

#### COMMENT ON OPERATING RATIOS

The National Treasury considers as the norm 30% of operating expenditure to be the norm, however in the case of the municipality we have exceeded that mark and this is deemed to be above the required norm. This is perpetuated by the fact that the municipality provides services to the entire municipal area but only generates revenue from the four wards of which three of them are highly indigent. The municipality is basically sustained by revenue generated from the CBD (Zeerust Town). The repairs and maintenance expenditure is within the normal ratios recommended by National Treasury.

Table 7: Total Capital Expenditure: 2012/13 to 2014/15

Total Capital Expenditure: Year 2012/2013 to Year 2014/2015			
R'000			
Detail	Year 2012/2013	Year 2013/2014	Year 2014/2015
Original Budget	105 680 848	104 059 957	
Adjustment Budget	34 487 146	96 364 512	
Actual	36 187 206	72 343 888	
T 1.4.4			

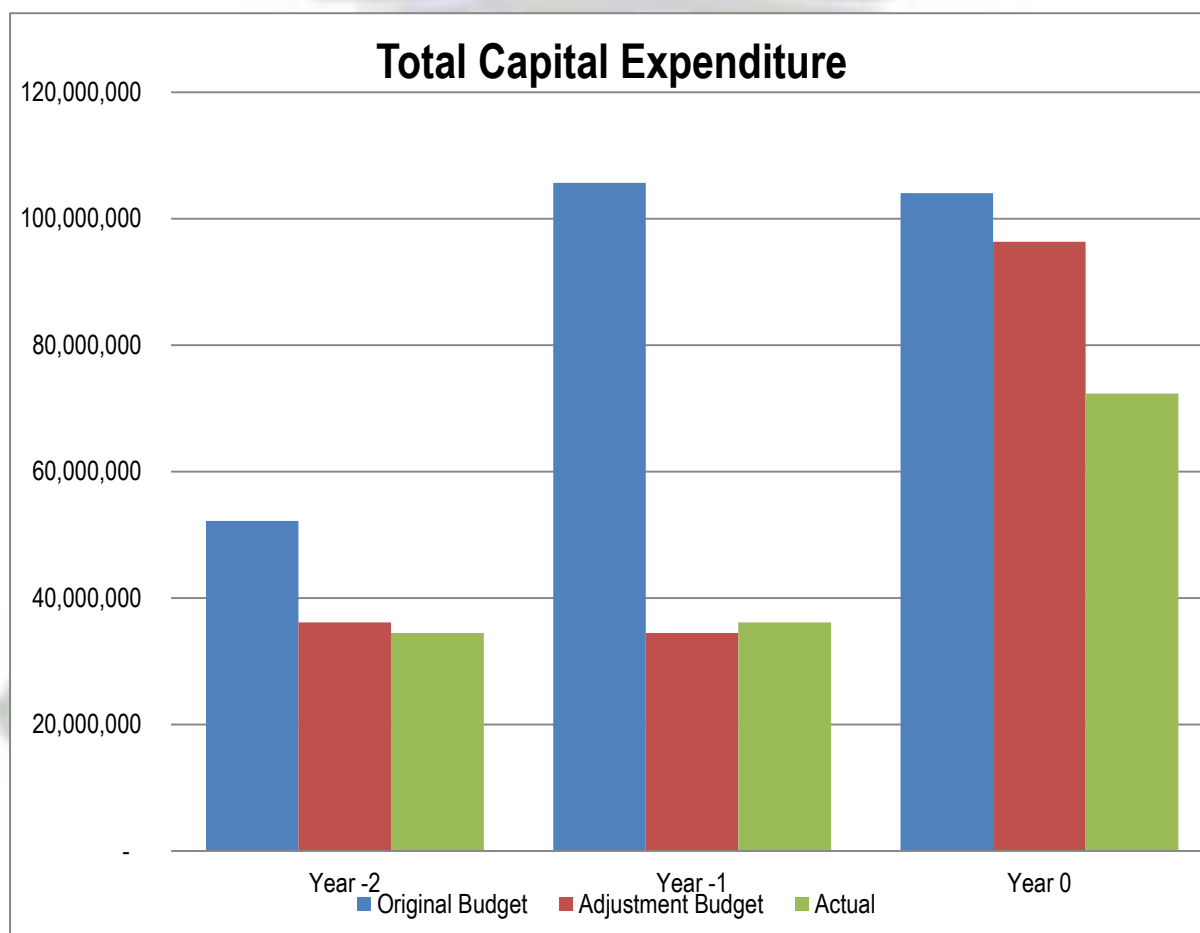


Figure 3: Total Capital Expenditure

### COMMENT ON CAPITAL EXPENDITURE

Capital spending of the 2014/15 financial year was only 34% of the approved budget. This was mainly due to delays in meetings of bid committees, however a strategy has been developed by management to ensure bid committees sit as per the planned calendar in order improve the performance of capital expenditure. Furthermore the following the audit opinion by the auditor general on our below par CAPEX performance, it has been included in the audit turnaround plan to improve the situation.

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### 1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

The Human Resources Function of the municipality consists of two units: Human Resources Management (Personnel; Job Evaluation; Employee Relations; Employment Equity; Skills; Organizational Development; Occupational Health and Safety; and HR Management Services), Information Communication and Technology, Skills Development and Labour Relations .

In order to acquire skills and the qualifications that will improve the quality of life of employees and the efficiency and effectiveness of the organization, the municipality, send employees on various work related training programmes.

All Section 57 posts were filled. Municipality continued with disciplinary and criminal processes against various members of staff. Due to the nature and complexity of the allegations these matters are still in the process of being finalised.

Critical and Funded posts have been prioritized, posts advertised during 2014/15 and the recruitment and selection process is underway.

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### 1.6. AUDITOR GENERAL REPORT

A summary of the material findings in the report of the Audit General will be included on receipt of the final audit report at the end of November 2015.



## 1.7. STATUTORY ANNUAL REPORT PROCESS

**Table 8: Statutory Annual Report Process**

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July 2015
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for 2014/15	
4	Submit draft 2014/15 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM (Not Applicable)	
6	Audit and Risk Committee considers draft Annual Report of municipality	August 2015
8	Mayor tables the 2014/15 Unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September – October 2015
12	Municipalities receive and start to address the Auditor General's comments	November 2015
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	December 2015
16	Council adopts Oversight report	
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	January 2016
19	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input	

## COMMENT ON THE ANNUAL REPORT PROCESS

The municipality has been able to meet the new deadlines as per MFMA Circular No. 63 issued by the National Treasury in September 2012. Substantial progress has been made to align the format and contents of the Annual Report with the guidelines issued by the National Treasury. A concerted effort has been made by the municipality to ensure adherence to the above timelines with the compilation of the unaudited 2014/15 Annual Report.



## CHAPTER 2 – GOVERNANCE

Governance in the municipality is made up of Political and Administrative Governance. The Political Structure is led by the Mayor and Speaker who are full time. The Council has the following Section 79 Committees in place;

- Executive Committee
- Five Portfolio Committees
- Municipal Public Accounts Committee
- Asset Management Committee
- Rules Committee
- Audit and Risk Committee

### COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

#### INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

Political and administrative governance at the municipality comprises of the elected councillors and administration.

#### 2.1 POLITICAL GOVERNANCE

##### INTRODUCTION TO POLITICAL GOVERNANCE

The municipality has established Section 79 Committees as required by the Municipal Structures Act. The municipality has also established an Internal Audit and Risk Committee, the Municipal Public Accounts Committee and the Asset Management Committee.

##### POLITICAL STRUCTURE



**CLLR. A. N. THALE**  
**MAYOR**



**CLLR. A.J. THWESHA  
SPEAKER**

**EXECUTIVE COMMITTEE MEMBERS**



**CLLR.A.N. THALE**



**CLLR.M.P. MOABI**



**CLLR.B.E. MONTWEDI**



**CLLR. P.P. MEDIRO**



**CLLR.S.C. RAMAINA**



**CLLR.C.DREYER**



**CLLR.L.T. MBANGI**



**CLLR. K.I. MANTHOKO**



**Cllr. W.B.M. MOKOTEDI**



**Cllr. B.SIKWA**



**Cllr. J.P. MAETLA**



**Cllr. S.H. NYANTO**



**Cllr. S. SENNA**

**Cllr. K.J. MALEKE**

**Cllr. K.Q. SESWANE**

**Cllr. M.P. PILANE**



**Cllr. O.K. MOGOTSI**

**Cllr. M.K. MOSIANE**

**Cllr. B. PINE**

**Cllr. R. SENNA**



**Cllr. B.S. MOKGOTHU**

**Cllr. M.P. MOTANG**

**Cllr. K.R. PHALE**

**Cllr. P. MOTHUSI**



**Cllr. M.E. GAE**

**Cllr. J.K. MOKGATLHE**

**Cllr. G.A. LAMOLA**

**Cllr. J. AMODS**



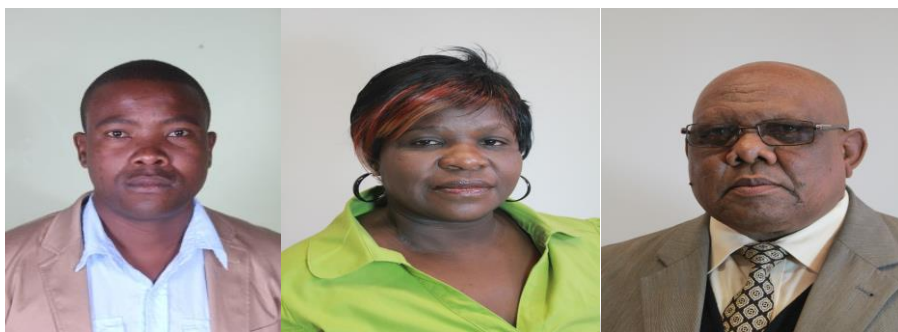
**Cllr. C.S. TSILE**

**Cllr. A.B. CASSANGA**

**Cllr. S.F. NGWEYE**

**Cllr. M.G. MEGALANE**





**Cllr. E.T. MATEBESI Cllr. N.T. MOROENG**

**Cllr. K.H. PULE**



**Cllr. S. MODIBETSANE Cllr. K.P. MOKOTONG Cllr. O.C. MOILOA**

**Table 9: Political Structure**

<b>MAYOR</b> Cllr AN Thale	<i>Function</i> Overall political responsibility for sound governance and service delivery
<b>SPEAKER</b> Cllr AJThwsha	<i>Public participation, ward committees and managing Council and Committee meetings</i>
<b>EXECUTIVE COMMITTEE</b> Cllr SC Ramaina Cllr T Mbangi Cllr KI Manthoko Cllr C Dreyer Cllr BE Montwedi Cllr MP Moabi Cllr PP Mediro	<i>Infrastructure</i> <i>Budget and Treasury Office</i> <i>Community Services</i> <i>Member</i> <i>Planning and Development</i> <i>Corporate Services</i> <i>Member</i>

**COUNCILLORS**

The municipality has 39 Councillors of which 20 are Ward Councillors and 19 are PR Councillors. A full list of Councillors can be found (including committee allocations and attendance at council meetings) in **Appendix A**. Further note that **Appendix B** sets out committees and committee purposes.



## POLITICAL DECISION-MAKING

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A total of 208 Council resolutions were taken of which 185 were executed. This amounts to a 79% completion rate. The reason for the low implementation rate is the fact that comments on the implementation of resolutions have not been received from the different departments yet.



## 2.2 ADMINISTRATIVE GOVERNANCE



**MUNICIPAL MANAGER  
MR. CROSBY MAEMA**

**CHIEF FINANCIAL OFFICER  
MRS. GALALETANG MOROANE**



**DIR COMMUNITY SERVICES  
MR. TIRO SELEKA**



**DIR: PLANNING AND DEVELOPMENT  
MRS. BELINDA SEABI**



**DIR.: TECHNICAL SERVICES  
MR. JABULANI MAKAUKAU**

**DIR.: CORPORATE SERVICES MR. TEBOGO MOTLHAMME**   **CHIEF AUDIT EXECUTIVE MRS. MPHO MATHYE**   **EXECUTIVE MANAGER: OFFICE OF MUNICIPAL MANAGER MR. THABO TIRO**

## INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

*Note: MFMA section 60 (b): The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.*

The Municipal Manager is the head of the municipal administration. Subject to the policy directions of the municipal council, the Municipal Manager is responsible and accountable for the formation and development of an economical, effective, efficient and accountable administration. The Municipal Manager must make sure the administration is equipped to implement the municipality's integrated development plan, that it operates in accordance with the municipality's performance management system, and that it is responsive to the needs of the local community.

The roles and responsibilities of the Municipal Manager are comprehensively set out in Section 55 of the Municipal Systems Act and responsibilities of the Municipal Manager as Accounting Officer is set out in Chapter 8 of the Municipal Finance Management Act, 56 of 2003.

The Municipal Manager's office has assumed direct responsibility for Communications and Corporate Strategy as well as the drafting, management and implementation of Council's Integrated Development Plan [IDP]. The Internal Audit unit is also located in the Municipal Manager's office and ensures compliance with municipal legislation.

In addition the five Business Units that mirror the committee portfolios also report to the Municipal Manager.

These Directorates, each headed by a Director, ensure that services are delivered to the people of the Municipality. They are:

- Technical services;
- Community services;
- Planning and Development;
- Internal Audit
- Budget and Treasury; and
- Corporate services.

The Municipal Manager and his team of Directors hold regular meetings to discuss key strategic service deliverables, and to offer guidance on achieving IDP goals. The administrative component is aligned with the five National Key Performance Areas; Financial Viability and management, Local economic Development, Basic service delivery and Infrastructure development, Good Governance and Public Participation Planning and Social Services.

TOP ADMINISTRATIVE STRUCTURE

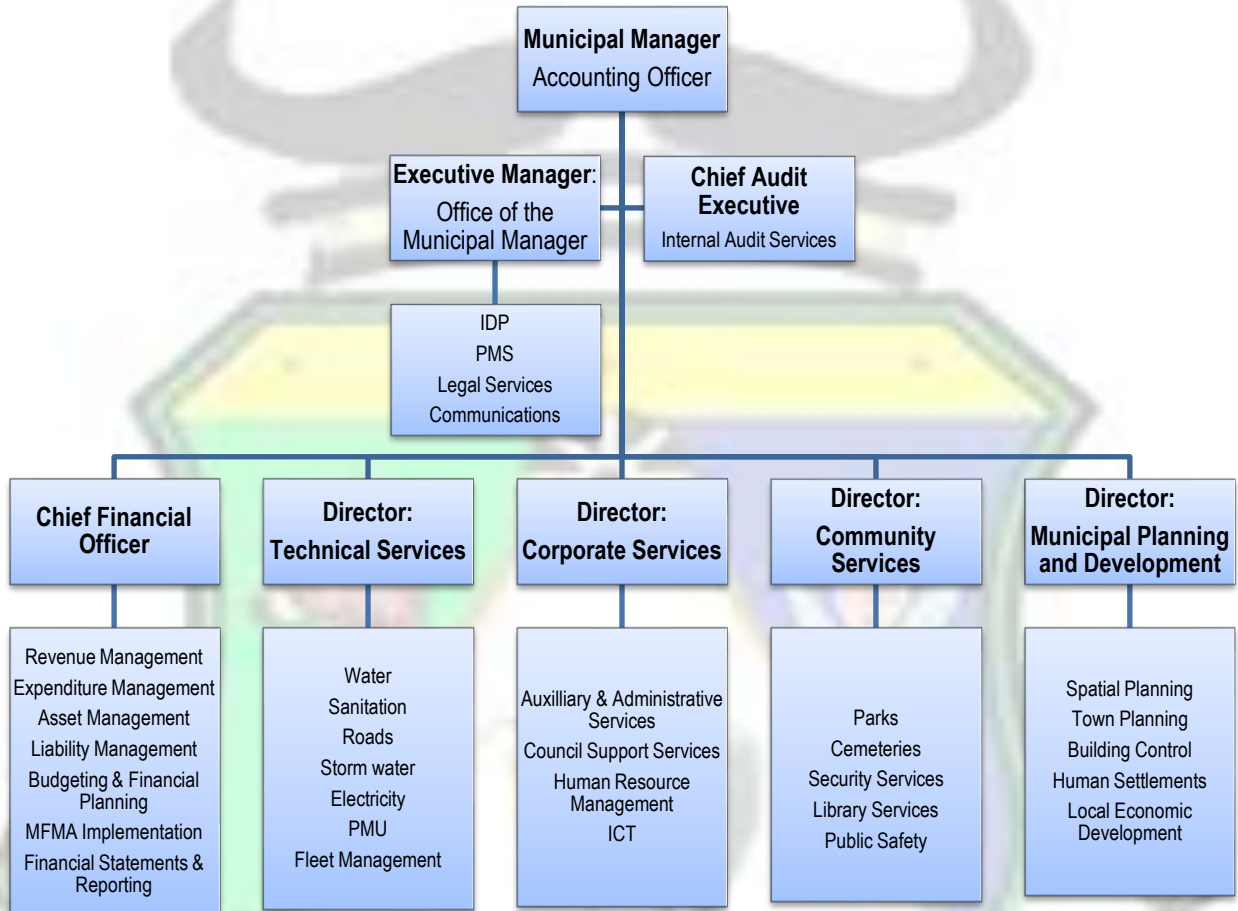


Figure 4: Top Administrative Structure



## COMPONENT B: INTERGOVERNMENTAL RELATIONS

### 2.3 INTERGOVERNMENTAL RELATIONS

#### INTRODUCTION TO COOPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

*Note: MSA section 3 requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisage in the Constitution section 41.*

Throughout this process, the municipality received full support from the Office of the MEC for Local Government and Traditional Affairs. Substantial support in the development of a financial recovery plan has also been obtained from National Treasury. The provincial Treasury has also assisted in terms of developing both the strategic and operational risk registers of the municipality.

Whilst the Municipal Infrastructure Grant (MIG) was the primary source of funding for capital projects related to infrastructure development and basic services, the following basic services are delivered to the community using mechanisms of intergovernmental relations with National/ Provincial Departments and/ or parastatals:

- **Water and Sanitation**- Department of Water Affairs and Sedibeng Water;
- **Housing** - Department of Human Settlements;
- **Electricity** - Department of Minerals & Energy and Eskom

All information related to grants received is disclosed as required in the Annual Financial Statements.

#### NATIONAL INTERGOVERNMENTAL STRUCTURE

The municipality remains a member of the South African Cities Network (SACN). Unfortunately, due to the financial constraints of the municipality, there was a minimal level of participation in the various knowledge-sharing forums.

## PROVINCIAL INTERGOVERNMENTAL STRUCTURE

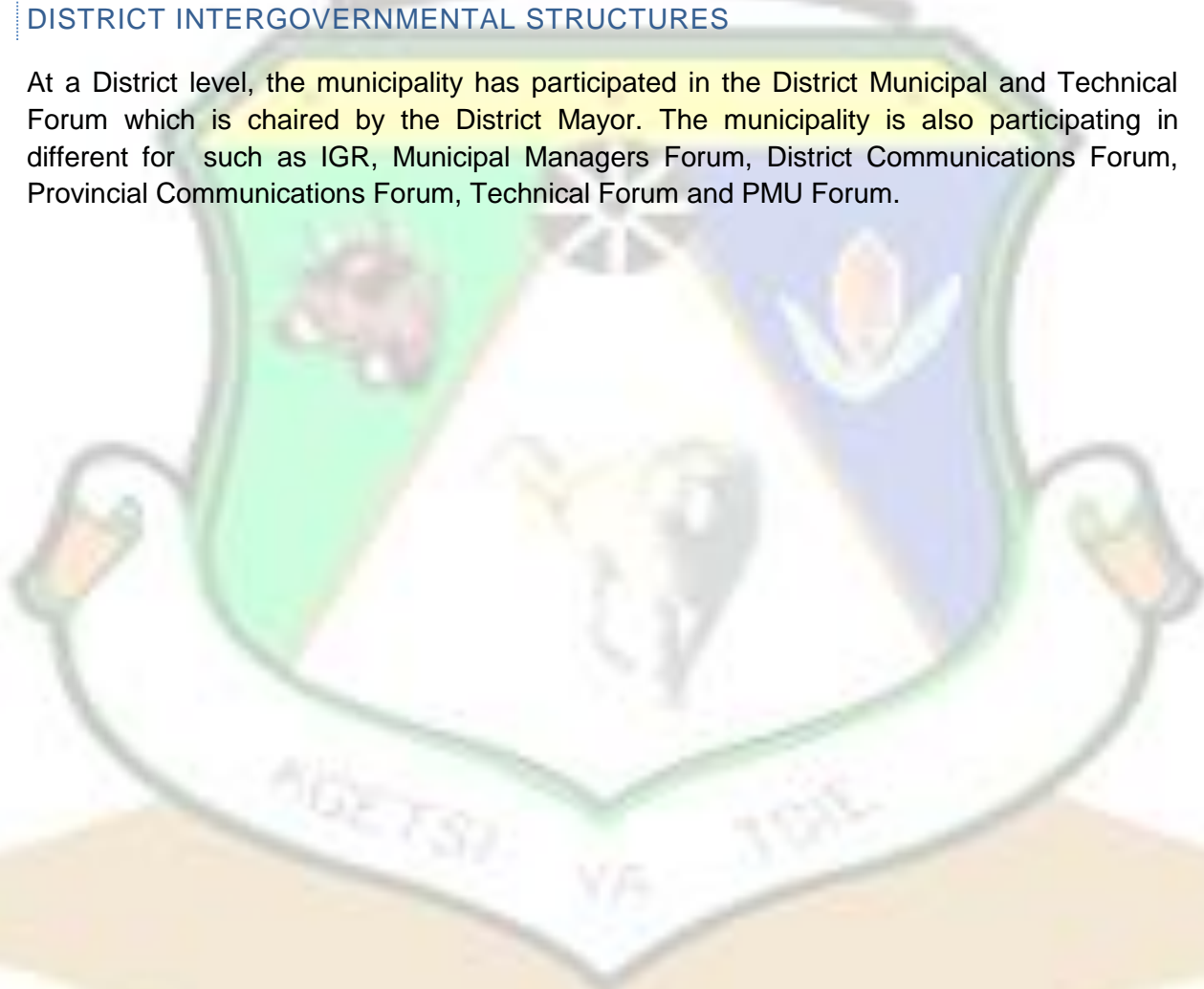
The municipality has received support for the implementation of Organizational Performance Management from the Provincial Department of Local Government and Human Settlement. The Municipal Manager participates in the Premier's Coordinating Council (PCC), Provincial PMS Forum Provincial Municipal Managers Forum and Technical forum.

## RELATIONSHIPS WITH MUNICIPAL ENTITIES

The municipality does not have entities.

## DISTRICT INTERGOVERNMENTAL STRUCTURES

At a District level, the municipality has participated in the District Municipal and Technical Forum which is chaired by the District Mayor. The municipality is also participating in different forums such as IGR, Municipal Managers Forum, District Communications Forum, Provincial Communications Forum, Technical Forum and PMU Forum.



## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

### OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

During the 2014/15 financial year, the municipality had 20 functional ward committees which serve as a conduit between the municipality and the committee. In addition, a draft public participation policy and guideline was developed.

In addition to ward committees, the Service Delivery and Budget Implementation Plan (SDBIP) is made public and is made available at the Local Libraries. This contains projected financial and service delivery Indicators and deliverables. Members of the public are also invited to participate in the Oversight process related to the Annual Report.

In the promotion of public accountability and participation members of the public are invited to attend all meetings of the Council and its committees.

Another mechanism of public participation is conducted through Mayoral Budget and Integrated Development Plan (IDP) Steering Forum. These are held prior to developing the draft budget in order to provide feedback to the community the implementation of projects in the current financial year and to illicit the needs of the community in order to provide input for the new financial year. A second imbizo is held once the draft budget has been developed in order to inform the public of key elements in the proposed budget and illicit responses thereto.

Section 2.4 below provides an outline of further mechanisms which the municipality utilizes as a mean of public participation.

### 2.4 PUBLIC MEETINGS

#### COMMUNICATION, PARTICIPATION AND FORUMS

The Municipality has implemented the Communication Strategy during the course of 2014/15 financial year and the Public Participation Policy has been adopted by the Council.

The policy categorized the stakeholders as follows:

- **Internal Stakeholders**
- **Public Sector Stakeholders:**
  - Provincial and National Departments, District, Local Municipalities, Councilors, Executive and Portfolio Committees, Ward Committees, Parastatals e.g. Eskom, Telkom, Traditional Leaders
  - Public Sector Forums
  - Police Forums, IDP Forums, Local Implementation Forums

- **External Stakeholders**
  - Business and Labour Stakeholders
  - Organized Business (Chamber Of Business and Industry) and Labour Formations, Service Providers
- **Civil Society Organizations:**
  - NGOs, CBOs, Faith Based Organisations, Youth Organisations; Lobby Groups - (Environmental Groups), Unorganized Groupings – (the poor and other Vulnerable Groups), Sports Organizations, Civic or Resident Associations, Citizens etc.
  - The IDP Representative Forum becomes a very central forum to finalize the prioritization process, it is also envisaged that the Budget and PMS stakeholders engagement structures as reflected in the IDP Guides, must be the same or integrated structures.

Every year around the end of August, the municipality finalises a Process Plan which is approved by Full Council, once approved a public notice is posted on various newspapers inviting members of public as well as various stakeholders to make submissions with regards to developmental priority needs

The municipality has a structured program of public participation. This program is articulated in the Process Plan and forms the basis for citizenry engagement framework.

The public participation is an on-going engagement process, and the following are forms of citizenry participation that are utilized by the Municipality to ensure the citizen and stakeholders voice are accommodated in the planning, execution and review of the IDP,

- Budget processes
- Ward Committee Monthly Meetings
- Stakeholders Quarterly Meeting (Reporting on SDBIP and IDP)
- Monthly Community Meetings by Councilors
- Project Based Meetings
- Sector Plan Based Engagements
- Executive committee – Council Chambers
- Full Council Meeting – Council Chambers
- Integrated Development Planning Meetings:
- Izimbizo: Public Meetings for Budget, IDP etc
- Municipal Property Rates Act (MPRA)
- Complaints Register: Customer Care and Batho Pele Engagements
- Attendance to invitations by Interest groups
- Partnerships and MOUs

Some of the above various forms of public participation engagements are conducted throughout the year specifically at an operational level and then some of them are organized on a fortnightly, monthly, and quarterly and annually as reflected in our Process Plan.



## WARD COMMITTEES

Section 74 of the Municipal Structures Act, and regulation 5 of the Government Gazette No. 27699 Ward Committee, state that Ward Committees may have powers and functions delegated to them (which are essentially advisory in nature) in terms of S59 of the Municipal Systems Act, these are:

1. To serve as an official specialised participatory structure in the municipality.
2. To create formal unbiased communication channels as well as a co-operative partnership between the community and the Council.
3. Advise and make recommendations to the Ward Councillor on matters of policy affecting the Ward.
4. Assisting the Ward Councillors in identifying the challenges and needs of residents.
5. Dissemination of information in the Ward concerning municipal affairs such as the budget, integrated development planning, performance management systems, service delivery options and municipal properties.
6. Receive queries and complaints from residents concerning municipal service delivery, communication with Council and provide feedback to the community on Council's response.
7. Ensure constructive and harmonious interaction between the municipality and community through the use and co-ordination of ward residents meetings and other community development forums, and
8. Interact with other organizations and forums on matters affecting the ward.

A ward committee may also make recommendations on any matter affecting its ward to the ward councillor or through the ward councillor to the local council.

## PUBLIC MEETINGS

Table 10: Public Meetings

Public Meetings						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Mayoral Imbizos	13-28 Nov.2014	15	19	3002	Partially	Refer to the minutes and attendance register of the said meeting.
Community Meetings	Monthly (July 2014 - June 2015)	39	13	4035(various wards)	Yes	Refer to the minutes and attendance register of the said meeting.
Ward Committee Members	Monthly (July 2014 - June 2015)	20	15	634	Partially	Refer to the minutes and attendance register of the said meeting.

## COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD

The municipality and communities alike benefited from the meetings mentioned above as through the consultative processes, brainstorming occurred and ward committees imparted their advice to the Councillor who in turn did so to council. Council then took these recommendations forward by using certain aspects in terms of the Municipal Turnaround Strategy. Communities are beginning to see their requests being dealt with in a systematic manner with council having taken a decision to open a fully functional Speakers office to take complaints from community members where there are issues of service delivery.

## 2.5 IDP PARTICIPATION AND ALIGNMENT

Table 11: IDP Participation and Alignment

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

\* Section 26 of Municipal Systems Act 2000

## COMPONENT D: CORPORATE GOVERNANCE

### OVERVIEW OF CORPORATE GOVERNANCE

Corporate Governance at the Municipality entails Risk Management, Anti-Corruption and Fraud and Supply Chain Management which is unpacked below:

#### 2.6 RISK MANAGEMENT

*Note: MFMA section 62 (i) (c) requires a municipality to have and maintain an effective, efficient and transparent system of risk management.*

The Accounting Officer and Council are required by the Municipal Finance Management Act, Act 53 of 2003 to establish and maintain appropriate risk management systems. Risk Management Practices requires the Accounting Officer and Council to manage the strategic and operational risks of the municipality. The risk management system must provide for mitigating strategies and control activities against the risks within the municipality from unacceptable likelihood and impact.

The Municipality has established the Risk Management Unit and it is based in the Office of the Municipal Manager, reports to the Executive Manager who in turn reports to the Municipal Manager.

The implementation of Risk Management assists the municipality to achieve, among others, the following outcomes needed to underpin and enhance performance:

- More sustainable and reliable delivery of service.
- Informed decisions underpinned by appropriate investigation and analysis.
- Innovation.
- Reduce waste.
- Prevention of fraud and corruption.
- Better value for money through more efficient use of resources.
- Better outputs and outcomes through improved project and programme management.

#### **Risk Governance**

The Risk Management Policy, Strategy and Fraud Prevention Plan is in place and has been approved by Council

Risk Management Committee representing all departments has been identified. A Risk Management Committee has been formed and is guided by a Risk Management

Committee Charter which has been approved Council. The Risk Management Committee is chaired by an internal person.

Risk registers have been developed during risk assessment workshops. North West Provincial Treasury and National Treasury Resident Advisor plays an advisory role in matters relating to Risk Management. The roll out of Risk Management E learning programme was done to the Risk Committee Members





## 2.7 ANTI-CORRUPTION AND FRAUD

The Municipality has got an approved Anti-Fraud and Corruption Policy. The policy serves as a protection to the municipality against any acts of fraud, corruption and theft. It is mainly aimed at creating a proactive corruption free and intolerant culture within the municipality.

The implementation of this policy is intended to reduce the losses that the municipality may incur due to the occurrence of fraud, corruption and theft. It also commits the municipality to detect, investigate and prosecute individuals who are allegedly involved in acts of fraud, corruption and theft within the municipality.

The policy which has been approved to address some of the following matters:

Fraud, corruption, theft and maladministration.

Bribery

Embezzlement

Extortion

Abuse of power

Abuse of privileged information

Actions constituting fraud, corruption and theft.

Responsibility to conduct investigations

Reporting procedures and resolution of reported incidents

Protected disclosure

Application of prevention controls and detection mechanisms

Conflict of interest.

## 2.8 SUPPLY CHAIN MANAGEMENT

*Note: MFMA section 110 - 119; SCM Regulations 2005; and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.*

The Municipality's Supply Chain Management Unit is a support function for all business units within the council to ensure provision of efficient, transparent, fair, equitable and cost effective procurement services hence assisting them to implement their service delivery priorities.

It operates under the direct supervision of the Chief Financial Officer or an official to whom this duty has been delegated in terms of section 82 of the Act and its core functions are:

Demand Management;

- Acquisition Management;
- Logistics Management;
- Disposal Management;

## PERFORMANCE OF SUPPLY CHAIN MANAGEMENT

In terms of the MFMA SCM regulations, the SCM policy of the municipality must provide for a system of demand, acquisition, logistics, disposal, risk and performance management, and the current policy has been aligned to provide for that.

- **Demand management**

The preferential policy objectives were identified at a global level hence during the 2014/15 financial year a procurement plan was established and the procurement preferential preference points were set on how these objectives will be met for each contract for the new financial year was developed.

- **Acquisition Management**

Thresholds as per section 12 of the SCM regulations has been set and complied with throughout the year. A procurement plan has been developed which will guide all the procurement processes during the year.

It was also noted that the following provisions of the SCM regulations were not fully complied with during the financial year, this will however be rectified in the new financial period; Regulations 42, 44 and 38 (i).

- **Logistics management**

An effective system of logistics management has been established. The continuous interrogation of inventories and improvements on systems and processes has yielded positive results in that there is a progressive reduction of stock holdings. Although purchases are slightly higher than last year, there is ongoing liaising with end user sector departments on inventory holdings and have been able to utilize slow moving stock to good advantage.

There is a marked improvement on utilizing cable stock that has been held for a long period, which had a positive impact on purchases and has contributed to the reduction in purchases as per the graph below.

- **Disposal management**

An effective system of disposal management has been established and detailed processes developed to ensure compliance with section 40 of the SCM regulations.

- **Risk Management**

The contracts are being monitored on monthly basis, though there is a human capital challenge as there is only one monitoring officer. Also measures are now being put in place to ensure identification, consideration and avoidance of potential risks in the supply chain management system in accordance with section 41 of the SCM regulations. The supply chain management operational risk register was established and is in place.

- **Performance Management**

The Municipality has adopted the SCM Policy that ensures compliance and monitoring of compliance with the SCM regulations and processes has been developed and implemented. The policy enforces the accountability to all individuals involved in SCM and to ensure that SCM processes are independently monitored to ensure that the SCM Policy is followed and desired objectives are achieved.

- **Training of SCM Practitioners and Bid Committees**

SCM Management, SCM practitioners and Bid Committee members were trained during 2014/15 as per SCM Regulation 8 in accordance with Treasury guidelines on supply chain training to meet the competency level required for supply chain practitioners. Further training is being provided over a period of two years that consist of 20 modules.

## 2.9 BY-LAWS

*Note: MSA 2000 s11 (3) (m) provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation..*

The following By-Laws were approved by council and were awaiting to be gazzeted:

1. By-Laws relating to accommodation establishment.
2. Cemeteries, Crematoria and funeral parlours By-Law
3. By-laws relating to derelict and unsightly buildings.
4. By-law s relating to disposal of contaminated and infectious waste.
5. By-laws relating to keeping of animals.
6. By-Laws relating to keeping of dogs
7. By-Laws relating to Parking meters
8. By-Laws relating to Public Amenities
9. By-Laws relating to Rules of Order
10. Property rates By-Laws
11. Tariff By-Laws
12. By-Laws relating to Child Care Services



## 2.10 WEBSITES

Table 12: Municipal Website

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	4 May 2014
All current budget-related policies	Yes	4 May 2014
The previous annual report (2013/14)	Yes	4 May 2014
The annual report (2013/14) published/to be published	Yes	4 May 2014
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2013/14) and resulting scorecards	Yes	4 May 2014
All service delivery agreements (2013/14)	Yes	4 May 2014
All long-term borrowing contracts (2013/14)	No	
All supply chain management contracts above a prescribed value (give value) for 2013/14	Yes	4 May 2014
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2012/13	No	
Contracts agreed in 2013/2014 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	Yes	4 May 2014
Public-private partnership agreements referred to in section 120 made in 2013/14	No	
All quarterly reports tabled in the council in terms of section 52 (d) during 2013/14	Yes	4 May 2014
<i>Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.</i>		

## COMMENT ON MUNICIPAL WEBSITE CONTENT AND ACCESS

The Municipal Website, [www.ramotshere.gov.za](http://www.ramotshere.gov.za) is currently operational and seeks to publish all compliance related document and also acts as a communication tool between communities and the municipality.



## 2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The municipality is currently conducting a satisfaction survey by means of suggestion boxes/complaints register amongst others to ensure optimal satisfaction in terms of services offered to local communities. The suggestion box is located at the Municipal offices for public inputs and or comments.

Below is the satisfaction survey undertaken for the current financial year.

**Table 13: Satisfaction Surveys Undertaken**

Satisfaction Surveys Undertaken during: 2013/14 and 2014/15				
Subject matter of survey	Survey method	Survey date	No. of people included in survey	Survey results indicating satisfaction or better (%)*
<b>Overall satisfaction with:</b>				
(a) Municipality	Complaints Register/suggestion box	On-going		
(b) Municipal Service Delivery	Complaints Register/suggestion box	On-going		
(c) Mayor	Mayoral Imbizos		3600	
<b>Satisfaction with:</b>				
(a) Refuse Collection	Complaints Register/suggestion box	On-going		
(b) Road Maintenance	Complaints Register/suggestion box	On-going		
(c) Electricity Supply	Complaints Register/suggestion box	On-going		
(d) Water Supply	Complaints Register/suggestion box	On-going		
(e) Information supplied by municipality to the public	Newsletters / Mayoral Imbizos		3600	
(f) Opportunities for consultation on municipal affairs	Mayoral Imbizos		3600	

\* The percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory

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

### COMPONENT A: BASIC SERVICES

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

#### 3.1 WATER PROVISION

##### INTRODUCTION TO WATER PROVISION

The District Municipality performed the functions and exercise the powers referred to in Section 84(1) (b) of the Municipal Structures Act (117 of 1998) which provides for the provision of potable water supply and sanitation systems. In terms of Section 11 of the Water Services Act (108 of 1997), every Water Services Authority has a duty to ensure the adequate sustainable access to water and sanitation to all consumers within the area of jurisdiction.

The RMLM only provides water services into the following areas: Zeerust and Groot Marico. The municipality has acquired an abstraction permit from Department of Water Affairs in this regard. The municipality serves as a Water Service Provider, thus signed Service Level Agreement with NMMDM.

The rural parts of the municipality are serviced by NMMDM (WSA) in conjunction with Sedibeng Water (WSP).

The response rate to water and sanitation interruptions were achieved at 75% and 88% respectively. Various factors contributing to this poor performance include the rapid deterioration of infrastructure and inadequate, human resource constraints, theft of water meters and age of fleet.

It should further be noted that sewage flows have also increased at the Zeerust Waste Water Treatment works to a dry weather flow of approximately 5 ML/day. There is no waste water treatment works at Groot Marico and to exacerbate the situation that seven hundred additional housing with waterborne has just been commissioned. The water system has already reached its maximum operating capacity.

Figure 5: Water (above min. level)

Table 14: Water Service Delivery Levels

Water Service Delivery Levels				
Description	2011/12	2012/13	2013/14	2014/15
	Actual No.	Actual No.	Actual No.	Actual No.
<b>Water: (above min level)</b>				
Piped water inside dwelling	3397	26632	26692	27308
Piped water inside yard (but not in dwelling)	10592	26632	26692	27308
Using public tap (within 200m from dwelling )	8291	26632	26692	28423
Other water supply (within 200m)	0	3641	0	
<i>Minimum Service Level and Above sub-total</i>				
<i>Minimum Service Level and Above Percentage</i>	1	1	1	0
<b>Water: (below min level)</b>				
Using public tap (more than 200m from dwelling)				
Other water supply (more than 200m from dwelling)	851	926	926	1002
No water supply				
<i>Below Minimum Service Level sub-total</i>	851	926	926	1002
<i>Below Minimum Service Level Percentage</i>	0	0	1	
<b>Total number of households*</b>	<b>23131</b>	<b>84463</b>	<b>926</b>	<b>85043</b>
* - To include informal settlements				

Table 15: Access to Water

Access to Water			
	Proportion of households with access to water points*	Proportion of households with access to piped water	Proportion of households receiving 6 kl free#
2012/13	26632	26632	26632
2013/14	48000	27124	27124
2014/15	49000	28530	31904

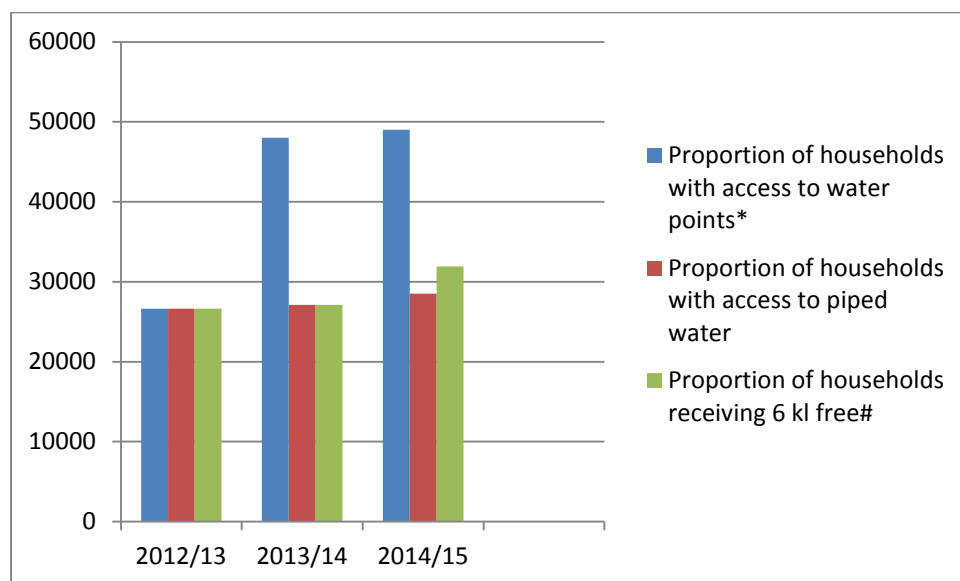


Figure 6: Access to Water

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

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

#### POLICY OBJECTIVES TAKEN FROM IDP AND SDBIP

Performance information is included in the 2014/15 Annual Performance Report, which is included as Volume II to the Consolidated Annual Report of the municipality.

Table 16: Employees: Water Services

Employees: Water Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	1	100%
4 - 6	1	1	1	1	100%
7 - 9	3	3	3	3	100%
10 - 12	0	0	0	0	100%
13 - 15	12	12	12	12	100%
16 - 18	0	0	0	0	100%
19 - 20	0	0	0	0	100%
Total	17	17	17	17	100%



Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.  
 \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

Table 17: Financial Performance 2014/15: Water Services

Financial Performance Year 2014/2015: Water Services						R'000
Details	Year 2014/2015	Year 2014/2015				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	13 625 000	24 978 805	10,824,917	7869600		
Expenditure:						
Employees	339 354	3 000 434	3888553	5881798		
Repairs and Maintenance	37 500	288 238	382047	165668		
Other	155 238	1 709 556	3160446	1611543		
<b>Total Operational Expenditure</b>	532 092	4 998 228	7237407	7852646		
<b>Net Operational Expenditure</b>	-13 092 908	-19 980 577	3587508	16953		

Table 18: Capital Expenditure 2014/15: Water Services

Capital Expenditure 2014/15: Water Services						R' 000
Capital Projects	2014/15					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	2536 000			0%		
Refurbishment of Rietpoort pump station	2536 000			0%		

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).*

## 3.2 WASTE WATER (SANITATION) PROVISION

### INTRODUCTION TO SANITATION PROVISION

NMMDM is responsible for the provision of sanitation in the municipal area. All Waste Water Treatment Plants are managed by District Municipality. The RMLM is responsible for maintenance of sewer reticulation systems in Zeerust, Welbedacht and Groot Marico.

Table 19: Sanitation Service Delivery Levels

Sanitation Service Delivery Levels				
Description	*Households			
	2011/12	2012/13	2013/14	2014/15
	Outcome No.	Outcome No.	Outcome No.	Actual No.
<b><u>Sanitation/sewerage: (above minimum level)</u></b>				
Flush toilet (connected to sewerage)	0	9080	9140	
Flush toilet (with septic tank)	1040	1719	1957	
Chemical toilet	324	212	0	
Pit toilet (ventilated)	15335	24077	24077	
Other toilet provisions (above min.service level)	0	24791	24791	
<i>Minimum Service Level and Above sub-total</i>				
<i>Minimum Service Level and Above Percentage</i>	1	1	1	1
<b><u>Sanitation/sewerage: (below minimum level)</u></b>				
Bucket toilet	330	93	93	
Other toilet provisions (below min.service level)	0	621	621	
No toilet provisions	2716	2329	2329	
<i>Below Minimum Service Level sub-total</i>	3046	3043	3043	
<i>Below Minimum Service Level Percentage</i>	0	0	0	
<b>Total households</b>	<b>19745</b>	<b>62922</b>	<b>63008</b>	
<b>*Total number of households including informal settlements</b>				

Table 20: Households – Sanitation Service Delivery Levels below the Minimum

Households - Sanitation Service Delivery Levels below the minimum						
Description	2011/12	2012/13	2013/14	2014/15		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
<b>Formal Settlements</b>						
Total households	9520	9520	100000			
Households below minimum service level	0	0	0			
Proportion of households below minimum service level	0	0	0			

Table 21: Access to Sanitation

Access to Sanitation	
	Proportion of households with access to sanitation
2012/13	13620
2013/14	13680
2014/15	13700

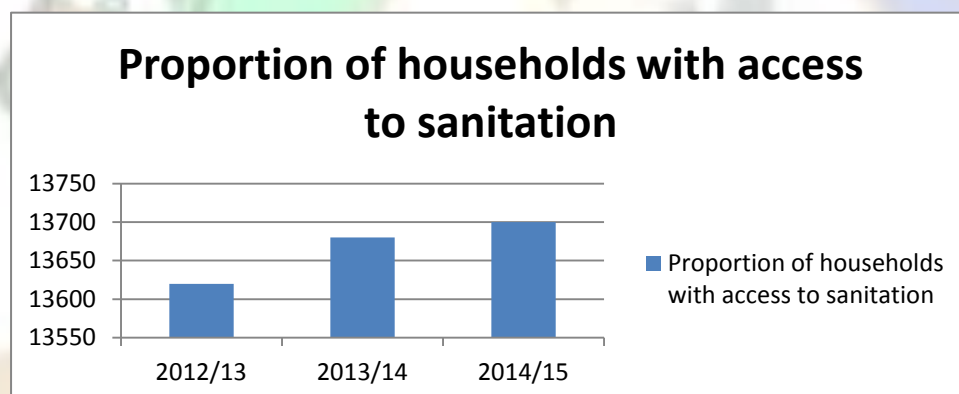


Figure 7: Access to Sanitation

## POLICY OBJECTIVES TAKEN FROM IDP AND SDBIP

Performance information is included in the 2014/15 Annual Performance Report, which is included as Volume II to the Consolidated Annual Report of the municipality.





Table 22: Employees: Sanitation Services

Employees: Sanitation Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	1	0%
4 - 6	1	1	1	0	0%
7 - 9	6	6	6	0	25%
10 - 12	2	2	2	0	53%
13 - 15	17	17	17	0	40%
16 - 18	0	0	0	0	48%
19 - 20	0	0	0	0	40%
<b>Total</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>1</b>	<b>41%</b>

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

Table 23: Financial Performance 2014/15: Sanitation Services

Financial Performance Year 2014/2015: Sanitation Services						R'000
Details	Year 2013/2014	Year 2014/2015				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	4 044 251		2575912	2320542		
Expenditure:						
Employees	9 587 643		8780727	10066901		
Repairs and Maintenance	39 946		191390	64000		
Other	301 184		2550544	52015		
<b>Total Operational Expenditure</b>	<b>9 928 773</b>		<b>11522660</b>	<b>10182915</b>		
<b>Net Operational Expenditure</b>	<b>5 884 522</b>		<b>(8946748)</b>	<b>(7862374)</b>		

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*

T 3.2.8

### 3.3 ELECTRICITY

#### INTRODUCTION TO ELECTRICITY

The Municipal Electricity Unit is licensed by the National Electricity Regulator of South Africa (NERSA) to supply electricity to 20% of the total customers in the Municipality's area of jurisdiction and the remainder which is comprised of the rural areas is supplied by Eskom. The Electricity Unit operates under the Electricity Regulator Act of (2006).

The Electricity Unit generates approximately 35% of the total revenue of the Municipality, 20% of the income for the Electricity Unit comes from our large customers (industrial and commercial) and 15% from our residential customers.

The municipality purchases electricity in bulk on the Mega flex tariff from Eskom. We have two Eskom in-comer points (Zeerust Munc Substation) and eight feeders for our customers. We have a notified maximum demand of 9.3 MVA, Eskom is currently upgrading Zeerust Munc from 9.3 MVA to 20 MVA and the upgrade is 85% expected to be completed before the end of 2015/2016 financial year.

Our area of supply is experiencing continuous outages due to the numerous faults on the existing ageing 11kV overhead lines infrastructure.

#### CHALLENGES

- The backlogs on the repairs, maintenance, refurbishment and replacement of electricity infrastructure.
- High demand for electrification in informal settlements and rural areas.
- Protection of revenue from theft and tampering.
- High electrical losses due to ageing infrastructure.
- The revenue losses are mainly due to technical losses, illegal connections, unbilled metered consumers, unmetered authorized consumers and tampering with meters.
- Upgrading of street lights.
- The theft of cables and vandalism of electricity infrastructure is a major challenge to the municipality.

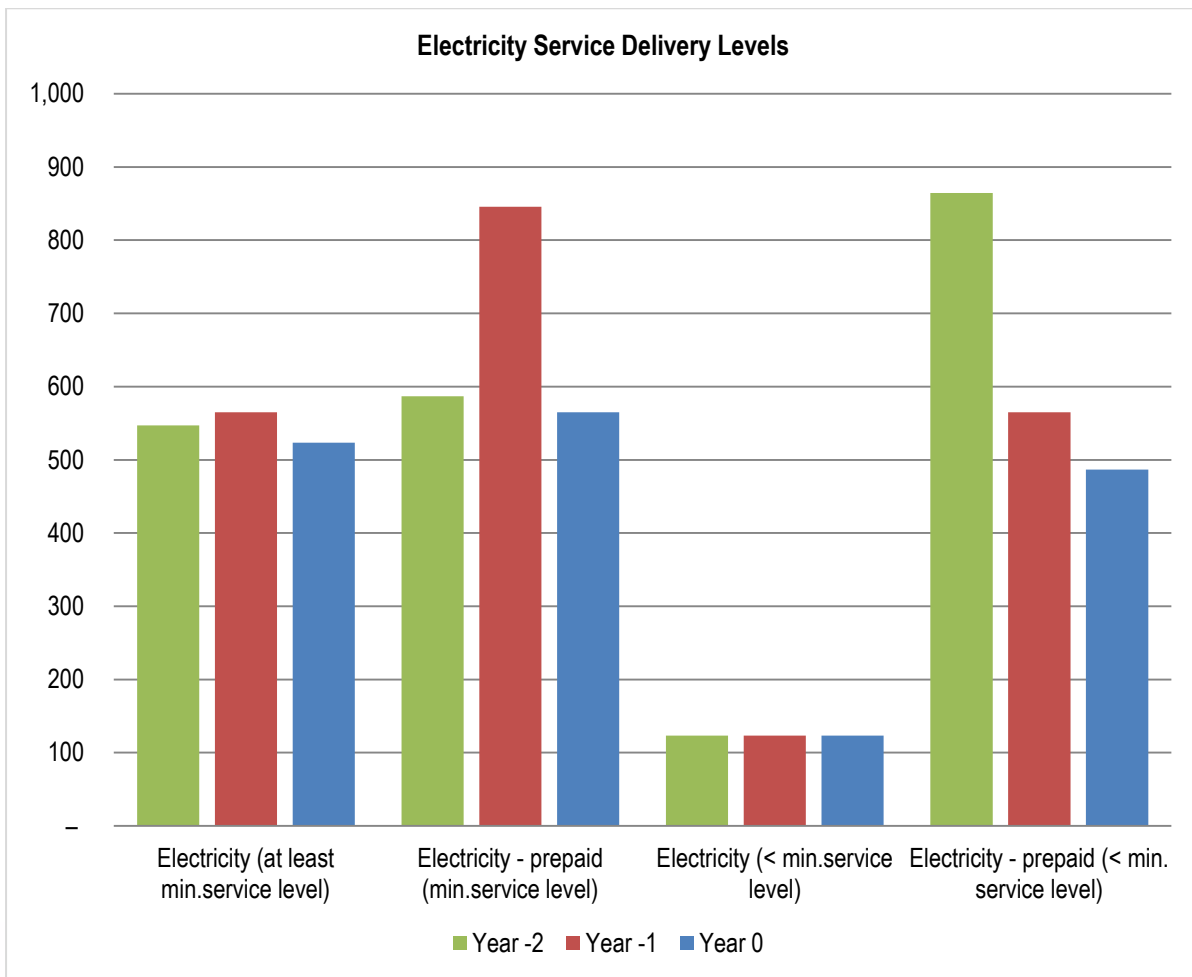


Figure 8: Electricity Service Delivery Levels

Table 24: Electricity Service Delivery Levels

Electricity Service Delivery Levels				
Description	Households			
	2010/11	2011/12	2012/13	2013/14
	Actual No.	Actual No.	Actual No.	Actual No.
<b>Energy: (above minimum level)</b>				
Electricity (at least min.service level)	7980	8230	8920	9040
Electricity - prepaid (min.service level)	0	0	0	0
<i>Minimum Service Level and Above sub-total</i>	15660	15980	8920	9040
<i>Minimum Service Level and Above Percentage</i>	0	0	0	0
<b>Energy: (below minimum level)</b>				
Electricity (<min.service level)	22356	23658	33381	34201
Electricity - prepaid (< min. service level)		0	0	0
Other energy sources				100
<i>Below Minimum Service Level sub-total</i>	22356	23658	33381	34301
<i>Below Minimum Service Level Percentage</i>	1	1	1	1
<b>Total number of households</b>	38016	39638	42301	43341

Table 25: Households - Electricity Service Delivery Levels below Minimum

Households - Electricity Service Delivery Levels below the minimum						
Description	Households					
	2011/12	2012/13	2013/14	2014/15		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
<b>Formal Settlements</b>						
Total households (Zeerust area)	300	600	120	29 385	29 385	
Households below minimum service level	0	0	0			
Proportion of households below minimum service level	0	0	0			
<b>Informal Settlements</b>						
Total households (Eskom area of supply-rural areas)	260	764	700			
Households ts below minimum service level	0	0	0			
Proportion of households ts below minimum service level	0	0	0			

## POLICY OBJECTIVES TAKEN FROM IDP AND SDBIP

Performance information is included in the 2014/15 Annual Performance Report, which is included as Volume II to the Consolidated Annual Report of the municipality.



Table 26: Electricity Services

Employees: Electricity Services					
Job Level	2014/15	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	0	2	2	7	350%
7 - 9	4	4	4	0	0%
10 - 12	1	1	1	0	0%
13 - 15	7	8	8	12	150%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
<b>Total</b>	<b>13</b>	<b>16</b>	<b>16</b>	<b>19</b>	<b>119%</b>

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

Table 27: Financial Performance: 2014/15 Electricity Services

Financial Performance 2014/15: Electricity Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	48 908		51 481 707	30 801 856	
Expenditure:					
Employees	3 081		29 643 51	3 951 343	
Repairs and Maintenance	872		1 578 196	1 066 659	
Other	37 407		40 393 483	37 049 263	
<b>Total Operational Expenditure</b>	<b>41 359</b>		<b>45 006 030</b>	<b>42 067 264</b>	
<b>Net Operational Expenditure</b>	<b>-7 548</b>		<b>6 475 676</b>	<b>(9 947 469)</b>	

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*

Table 28: Capital Expenditure 2014/15: Electricity Services

Capital Expenditure Year 2014/15: Electricity Services					
					R' 000
Capital Projects	2014/15				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	30,844		9,780	-215%	
<b>Project A: Highmast lights</b>	4,394	-	1,008	-336%	4,394
<b>Project B: Electricity Network</b>	23,000	-	8,772		23,000
<b>Project C: Street lights</b>	1,500	-			1,500
<b>Project D: Electricity Network</b>	1,000	-		0%	1,000
<b>Project E: Electricity Reticulation</b>	950			0%	950
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

## 3.4 WASTE MANAGEMENT

### INTRODUCTION TO WASTE MANAGEMENT

The waste service delivery of the Municipality is co-ordinated from Zeerust. A regular waste removal service is provided to all households and businesses within the major towns of the Municipal area, except to the households in rural areas.

The percentage of households with access to regular (once a week) refuse removal in Ramotshere Moiloa is currently 19%. The majority of the population in rural areas either bury or burn their waste. There are also no private waste contractors active within the municipal area. The Municipality provides a weekly (1 day per week) waste collection service to all the households in Zeerust, Lehurutshe and Groot Marico.

The businesses, hospitals and schools in the RMM receive a waste collection service up to five times a week depending on the collection requirements. Industries are serviced once per week. Street cleaning (litter picking, sweeping, and cleaning of ablution facilities) is done in all the Major towns of the Municipality. The Ramotshere Moiloa Municipality utilises a black refuse bag system for all the households in the municipal area. Businesses utilise a black refuse bag system and 3m<sup>3</sup> bins. Residents and businesses have to buy their own black bags. The 3m<sup>3</sup> bins are supplied by the municipality and then the businesses pay the Municipality off over time. The Municipality accepts any number of bags or bins per household or business, so there is no specific limit. The bags and bins are placed on the curb outside the house or business and collected from there.

The Municipality has a set of by-laws pertaining to cleansing services. The landfill sites in the Municipal area do not have weighbridges and therefore the quantities of waste disposed of are not exactly known. The daily tonnages of waste generated were obtained by applying per capita waste generation rates to the figures for the population served. These rates vary with the socio-economic standing of the population, from 0.2 kg per capita per day in the poor areas, to 1 kg per capita per day in the affluent areas.

The Municipality is experiencing shortages of labour for waste collection, environmental cleaners; as well as for the proper management of the waste disposal facilities.

The Municipality has a few vehicles that are old and are due for replacement. The landfill site at **Zeerust** is permitted by the Department of Water Affairs and Forestry on 9 January 1996 as a Class G:S:B- waste disposal site in terms of Section 20 of the Environment Conservation Act (Act 73 of 1989). The site is located approximately 2.7 kilometres south east of the town. The expected lifetime of the site is approximately 3 years and the municipality is in the process of closing the site and finding another site for the waste disposal services in Zeerust. The municipality uses a cell method to dispose of the waste. There is a separation of garden refuse and general waste at the site and there is a

designated area for the burning of spoilt foodstuffs from the local supermarkets. Waste is properly compacted and regularly covered. Illegal scavenging is taking place at the landfill and the scavengers tend to burn the waste. Scavenging activities should be formalised to prevent interference with the daily operations. The site is fenced but requires maintenance. Access to the site is controlled but the problem is during the evenings. There are two site personnel employed on the site that help with the management of the site. The site should be operated with a view to closure and a new replacement site should be identified. The vehicles which conditions are indicated as “poor” are in need of replacement in the near future. The Municipality is responsible for the maintenance of their own vehicles.

The landfill site at **Lehurutshe** is permitted by the Department of Environmental Affairs and Tourism in terms of Section 20(1) of the Environment Conservation Amendment Act (Act 50 of 2003). The site is located approximately 6.4 kilometres south-east of the centre of the town, Lehurutshe. The landfill site is operated following a cell method of operation and landfilling of a quarry. The site is approximately 3 Ha in size.

The expected lifetime of the site is approximately 20 years. Waste is covered regularly even though the municipality does not have permanent equipment on site. The Komatsu Bulldozer from Zeerust is from time to time used to compact and cover waste at the Lehurutshe site.

The landfill site at **Groot Marico** is permitted by the Department of Environmental Affairs and Tourism in terms of Section 20(1) of the Environment Conservation Amendment Act (Act 50 of 2003). The site is located approximately 3 kilometres south-east of the town, Groot Marico. The landfill site is approximately 2 Ha in size. The expected lifetime of the current disposal area is approximately 20 years. The waste is disposed of by using a trench method. Waste is not properly compacted but is covered when needed.

Medical waste from the medical health facilities is taken away by a Medical Waste Company for incineration. The Municipality is not experiencing problems with the disposal of medical waste at their landfills. Waste generation growth estimates should take the economic growth, population wealth as well as the population growth rate into consideration as a zero increase in population size, but a fast growing economy will result in a waste generation growth and vice versa. The estimated waste generation models will give a prediction until the year 2014. Growth rates used were applied using Per Capita Waste Generation Figures as defined in the Minimum Requirements Documents. These growth rates do not take any recycling activities into account and is likely to be an overestimate of the waste generation figures.



Table 29: Solid Waste Service Delivery Levels

Solid Waste Service Delivery Levels				
Description	Households			
	2011/12	2012/13	2013/14	2014/15
	Actual No.	Actual No.	Actual No.	Actual No.
<b>Solid Waste Removal: (Minimum level)</b>				
Removed at least once a week	2,895	2,685	2,846	2,235
<i>Minimum Service Level and Above sub-total</i>	2,895	2,685	2,846	2,235
<i>Minimum Service Level and Above percentage</i>	50.9%	47.1%	51.5%	44.8%
<b>Solid Waste Removal: (Below minimum level)</b>				
Removed less frequently than once a week	655	547	565	523
Using communal refuse dump	865	846	487	865
Using own refuse dump	655	547	565	523
Other rubbish disposal	502	952	938	720
No rubbish disposal	112	123	124	124
<i>Below Minimum Service Level sub-total</i>	2,790	3,015	2,678	2,755
<i>Below Minimum Service Level percentage</i>	49.1%	52.9%	48.5%	55.2%
<b>Total number of households</b>	<b>5,685</b>	<b>5,699</b>	<b>5,523</b>	<b>4,991</b>

Table 30: Households - Solid Waste Service Delivery Levels below the Minimum

Households - Solid Waste Service Delivery Levels below the minimum						
Description	Households					
	2011/12	2012/13	2013/14	2014/15		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
<b>Formal Settlements</b>						
Total households	8960	9200	9214	-	--	9370
Households below minimum service level	2500	1740	1250	-	--	
Proportion of households below minimum service level	3%	0%	0%	-	--	
<b>Informal Settlements</b>						
Total households	2000	2	-	-	--	
Households ts below minimum service level	1	1	-	-	--	
Proportion of households ts below minimum service level	-	-	-	-	--	

## POLICY OBJECTIVES TAKEN FROM IDP AND SDBIP

Performance information is included in the 2014/15 Annual Performance Report, which is included as Volume II to the Consolidated Annual Report of the municipality.

Table 31: Employees: Solid Waste Management Services

Employees: Solid Waste Management Services					
Job Level	2012/12	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	2	2	2	0	0
10 - 12	3	5	3	2	0
13 - 15	39	39	39	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
<b>Total</b>	<b>44</b>	<b>46</b>	<b>44</b>	<b>2</b>	<b>0</b>

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.  
 \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

Table 32: Financial Performance 2013/14: Solid Waste Management Services

Financial Performance Year 2013/2014: Solid Waste Management Services						R'000
Details	Year -1	Year 0				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	7 553 445	5 175 637	9,434,421	11,225,781		
Expenditure:						
Employees	-	-	1,908,530	2,838,561		
Repairs and Maintenance	-	-	319,479	135,580		
Other	4 456 766	2 424 363	2,934,734	307,806		
<b>Total Operational Expenditure</b>	<b>4 456 766</b>	<b>2 424 363</b>	<b>5,162,742</b>	<b>3,281,947</b>		
<b>Net Operational Expenditure</b>	<b>-3 096 679</b>	<b>-2 751 274</b>	<b>4,271,679</b>	<b>7,943,834</b>		

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.4.7

Table 33: Capital Expenditure 2013/14: Waste Management Services

Capital Expenditure 2014/15: Waste Management Services					
					R' 000
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
NONE					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

#### COMMENT ON WASTE MANAGEMENT SERVICES PERFORMANCE OVERALL

The municipality is through support from the Department of Environmental Services had obtained permits/licenses for the Groot Marico and Lehurutshe Landfill Sites.

## 3.5 HOUSING

### INTRODUCTION TO HOUSING

The provision of adequate Housing is a National priority and is legislated through the Constitution and the Housing Act. The delivery thereof is the responsibility of all three spheres of government, National, Provincial and local government.

Our Housing strategy is to provide housing in line with the deliverables of Outcome 8, which is to develop spatial plans to ensure new housing developments are in line with national policy on integrated human settlements and to accelerate the delivery of housing. Various targets have been set to comply with Outcome 8.

The backlogs in housing can be summarised as approximately 20594 households living in informal structures, structures built of traditional material (mainly rural) or informal structures in a backyard.. The municipality has a Housing Sector Plan.

We are currently in discussion with the Provincial Department of Human Settlements (PDOHS) to implement the housing needs register (HNR). This will assist in providing accurate data on the housing demand, The municipality has also identified various land parcels on which new housing developments can be implemented. These projects have been packaged for submission to the PDOHS. Further discussions are underway with the PDOHS&PS.

**Housing Sector Plan:** The Housing Sector Plan for the Municipality has been developed and adopted by Council. The municipality is also prioritized by the National Department of Human Settlements (NDOHS) for all housing programme. Regular information sessions are held with various Communities to explain housing processes and home ownership awareness. Partnerships are also being initiated with social housing institutions to deliver rental housing.

Table 34: Percentage of Households with Access to Basic Housing

Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
2010/11	24130	20433	84.7%
2011/12	31988	26019	81.3%
2012/13	40740	32872	80.7%
2013/14	40740	32872	80.7%



## POLICY OBJECTIVES TAKEN FROM IDP AND SDBIP

Performance information is included in the 2014/15 Annual Performance Report, which is included as Volume II to the Consolidated Annual Report of the municipality.

**Table 35: Employees: Housing Services**

Employees: Housing Services					
Job Level	2012/13	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
<b>Total</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0%</b>

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

**Table 36: Financial Performance: 2014/15: Housing Services**

Financial Performance 2014/15: Housing Services					
					R'000
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>COMPETENCY OF HUMAN SETTLEMENTS</b>				
Expenditure:					
Employees	0	0	0	0	0%
Repairs and Maintenance	0	0	0	0	0%
Other	0	0	0	0	0%
<b>Total Operational Expenditure</b>	0	0	0	0	0%
<b>Net Operational Expenditure</b>	0	0	0	0	0%

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*

Table 37: Capital Expenditure 2014/15: Housing Services

Capital Expenditure 2014/15: Housing Services					
					R' 000
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
<b>HOUSING PROJECTS PROVIDED BY HUMAN SETTLEMENTS</b>					
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

### COMMENT ON HOUSING SERVICES PERFORMANCE OVERALL

As a Municipality, we are pleased to have contributed significantly to MDG of particular relevance is goal 7 target 11 which aims to achieve a significant improvement in the lives of 100 million shack dwellers by 2014. The target for eradication of informal settlements is part of the contribution of South Africa towards achieving this target as indicated in these goals hence Outcome 08 output 1 (upgrading of 400 000 households in well located informal settlements with access to basic services and secure tenure.

We facilitated three projects for the Financial Year 2013/2014 of which two of the three were in line with outcome 08 output 1 Informal Settlement Upgrade. We are pleased to report an achievement of 88% success rate by eradicating two major Informal Settlements namely Kruisrivier and Groot Marico.

### 3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

#### INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

During the 2010/11 financial year, the Provincial Intervention Team reviewed the Indigent Policy to address identified risks. This resulted in a change in the basis of the policy. The policy approved for the 2011/12 financial year provided indigent support on the basis of consumptions and was therefore not application driven. The benefits were granted on the following basis:

Although the policy remained consumption driven in the 2013/2014 financial year, for financial reporting purposes, the rebates were identified separately in order to fully reflect the value of the free basic benefit. The total in the table below is based on the fact that Council has a consolidated bill and the number of households would therefore overlap from one service to the other.

Table 38: Cost of Free Basic Services Delivered: 2013/14

Financial Performance 2014/15: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2013/14	2014/15			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	998,329	2596735	2,596,735	1,004,956	
Waste Water (Sanitation)		2500000	2,500,000		
Electricity	2,760	2075634	2,075,634	1,506,333	
Waste Management (Solid Waste)		2387104	23,87,104		
Total					

#### COMMENT ON FREE BASIC SERVICES PERFORMANCE OVERALL

## COMPONENT B: TRANSPORT

The infrastructure has exceeded more than one lifespan across board which results in excessive potholes as a result of damaged / over utilised layer works. The rehabilitation of the streets is a challenge due to financial constraints and only emergency closing and management of potholes is possible with the current maintenance funding.

The upgrading of rural gravel roads is impractical due to lack or insufficient equipment and thus the maintenance done is blading or grading as and when needed and not continues due to insufficient of equipment.

### 3.7 ROADS

#### INTRODUCTION TO ROADS

For the year under review the municipality implemented MIG allocations awarded to the municipality for upgrading of streets from gravel to tar or paving.

The implementation of storm water is not possible due to the costs as per MIG standards , thus the roads also serves as the storm water channels. See municipal overview for detailed information.

Table 39: Gravel Road Infrastructure

Gravel Road Infrastructure				
	Kilometers			
	Total gravel roads	Gravel roads Re-Graveled	Gravel roads upgraded to tar/paving	Gravel roads graded/maintained
2012/13	4000km	-	0	45km
2013/14	4000km	1.4km	8,6km	45km
2014/15	4000km	2.6 km	9.0km	36.64km

Table 40: Tarred Road Infrastructure

Tarred Road Infrastructure					
	Kilometers				
	Total tarred roads	New tar/Paved roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained/m <sup>2</sup>
2012/13	9km	-	-	-	30
2013/14	632km	8.6km	-	-	4300m <sup>2</sup>
2014/15	640.6km	9.0km	-	-	6143.33 m <sup>2</sup>



Table 41: Cost of Construction/Maintenance

Cost of Construction/Maintenance							R' 000
	Gravel			Tar			
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained	
2012/13	-	-	-	7986	-	-	
2013/14	-	-	-	41 796	-	1 800	
2014/15	-	-	-				

#### POLICY OBJECTIVES TAKEN FROM IDP AND SDBIP

Performance information is included in the 2014/15 Annual Performance Report, which is included as Volume II to the Consolidated Annual Report of the municipality.



Table 42: Employees: Road Services

Employees: Road Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	1	0	1	0%
4 - 6	1	1	1	2	0%
7 - 9	4	4	4	0	0%
10 - 12	6	6	6	0	0%
13 - 15	0	0	0	9	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
<b>Total</b>	<b>11</b>	<b>12</b>	<b>11</b>	<b>12</b>	<b>100%</b>

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

Table 43: Financial Performance: 2014/15 Road Services

Financial Performance 2013/2014: Road Services					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	0	51,129,550	-	5,818,105	-779%
Expenditure:					
Employees	0	14,804,800	-	12,796,261	-16%
Repairs and Maintenance	0	2,480,000	-	1,138,221	-118%
Other	0	4,108,840	-	1,463,432	-181%
<b>Total Operational Expenditure</b>	0	21,393,640	-	15,397,914	-39%
<b>Net Operational Expenditure</b>	0	-29,735,910	-	9,579,809	410%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

Table 44: Capital Expenditure 2014/15 Road Services

Capital Expenditure 2014/15: Road Services					
					R' 000
Capital Projects	Year 0(14/15)				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A(Sanflagte)	10 000000	0	5 886726	-70%	0
Project B(Welbedaght)	6 300000	0	5 766148	-9%	0
Project C (Swartkopfontein)	7000000	0	5 073538	-38%	0
Project D(Bosugakobo)	6 500000	0	3 664754	-77%	0
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					

#### COMMENT ON ROADS SERVICES PERFORMANCE OVERALL

The municipality managed to implement the entire allocation of MIG for roads during the 2014/2015 financial year including the roll over from the 2013/2014 financial year. All potholes have been patched during the financial year.

### 3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

The municipality does not have public bus transport.

The vehicle licensing is rendered under Public Safety Unit. There is only one Vehicle Testing Station within the municipality.

Table 45: Employees: Transport Services

The municipality does not have transport services

Table 46: Financial Performance 2014/15: Mechanical Workshop

Financial Performance Year 2014/15: Mechanical Workshop					
					R'000
Details	2013/14	2014/15			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
<b>Total Operational Revenue</b>	3 326 830	5 748 022	5 748 022		
Expenditure:		-			
Employees	1 860 365	-	1 864 771		
Repairs and Maintenance	2 126 389	-	4 663 734		
Other	1 633 529	5 748 022	2 998 449		
<b>Total Operational Expenditure</b>	5 620 283	5 748 022	9 526 954		
<b>Net Operational Expenditure</b>	<b>-2 293 453</b>	-	<b>-3 778 932</b>		



Table 47: Capital Expenditure 2014/15: Mechanical Workshop

Capital Expenditure 2014/15: Mechanical Workshop					
					R' 000
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
<b>capital projects during the 2014/2015 financial year was unspent</b>					
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

### COMMENT ON MECHANICAL WORKSHOP SERVICES PERFORMANCE OVERALL

All the municipal vehicles are roadworthy/in good working conditions. A firewall was constructed around the municipal workshop.

### 3.9 WASTE WATER (STORM WATER DRAINAGE)

#### INTRODUCTION TO STORMWATER DRAINAGE

For the year under review the municipality implemented MIG allocations awarded to the municipality for upgrading of streets from gravel to tar or paving.

The implementation of storm water is not possible due to the costs as per MIG standards , thus the roads also serves as the storm water channels.

Table 48: Storm water Infrastructure

Storm water Infrastructure				Kilometers
	Total Storm water measures	New storm water measures	Storm water measures upgraded	Storm water measures maintained
2012/13	54	8,9	9,0	45
2013/14	-	8,1	20,0km	20km
2014/15	-	-	-	5000m2

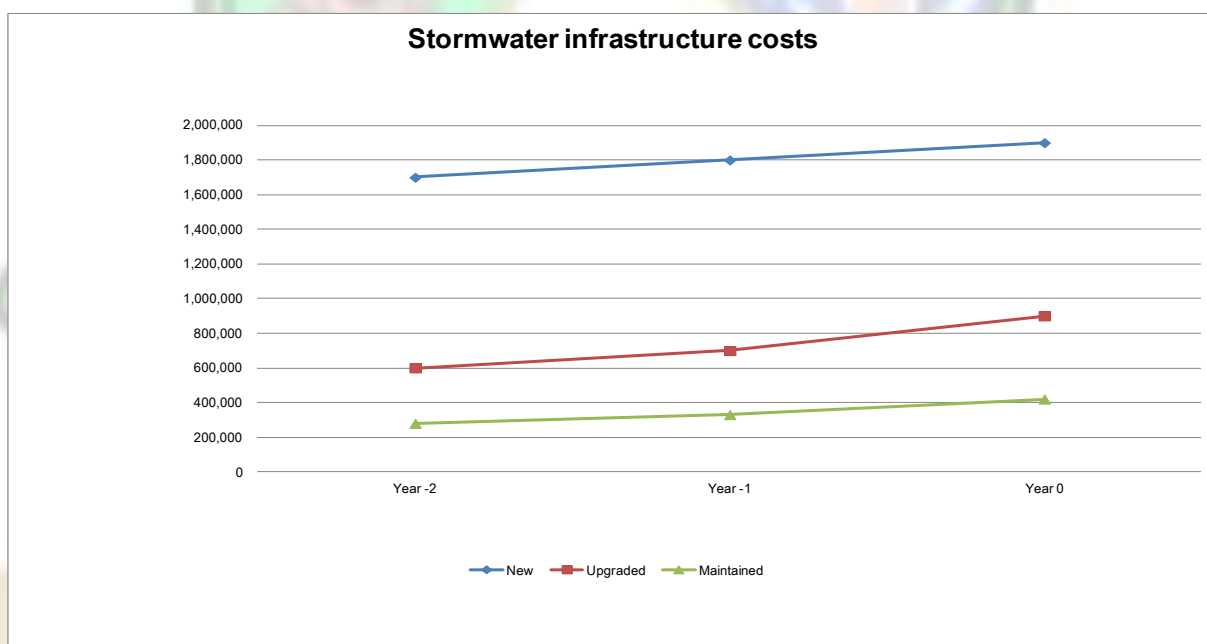


Figure 9: Storm Water Infrastructure Costs

## POLICY OBJECTIVES TAKEN FROM IDP AND SDBIP

Performance information is included in the 2014/15 Annual Performance Report, which is included as Volume II to the Consolidated Annual Report of the municipality.

**Table 49: Employees: Storm Water Services**

Employees: Storm water Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	1	1	1	0	0%
7 - 9	0	0	0	0	0%
10 - 12	5	8	8	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
<b>Total</b>	<b>6</b>	<b>9</b>	<b>9</b>	<b>0</b>	<b>0%</b>

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days*

Table 50: Capital Expenditure 2014/15: Storm Water Services

Capital Expenditure 2014/15: Storm Water Services					
					R' 000
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
<b>NO PROJECTS DURING 2014/2015 FINANCIAL YEAR</b>					
Project A					
Project B					
Project C					
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

### COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL

The majority of storm water drainage system in the Zeerust Town were cleaned and maintained. 8.6km's of new storm water measures were created alongside the newly constructed roads.



## COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

### INTRODUCTION TO PLANNING AND DEVELOPMENT

The objective of Town Planning is to be able to work hand in hand with the communities in their attempts to achieve service delivery and make their lives successful within their environment. Town planning deals with areas that need intervention by making sure that areas change for the betterment of people who are staying within those areas.

The challenges which the Unit is faced with are:

- Illegal Occupation of Municipal Land
- Building without approved Building Plans
- Encroached on Municipal Land

AMONGST OTHERS TOWN PLANNING IS AN INCREASE OF UNAUTHORIZED LAND USE AS A RESULT OF RIGID LEGISLATION IN TERMS OF ENFORCING UNAUTHORISED LAND USE AND A SHORTAGE OF HUMAN CAPACITY TO ENFORCE UNAUTHORISED LAND USES.

### 3.10 PLANNING

#### INTRODUCTION TO PLANNING

The strategy of town planning for 2012/13 was to be more pro-active in development by working hand-to hand with developers who want to invest in the municipality.

Table 51: Applications for Land Use Development

Applications for Land Use Development						
Detail	Formalization of Townships		Rezoning		Built Environment	
	2009/ 10	2010 /11	2011/ 12	2012 /13	2013/ 14	2014/2015
Planning application received	11	34	117	88	155	146
Determination made in year of receipt	18	28	102	76	155	146
Determination made in following year	0	0	3	12	0	0
Applications withdrawn	0	0	0	0	0	0
Applications outstanding at year end	3	6	12	12	0	0

## POLICY OBJECTIVES TAKEN FROM IDP AND SDBIP

Performance information is included in the 2014/15 Annual Performance Report, which is included as Volume II to the Consolidated Annual Report of the municipality.

**Table 52: Employees: Planning Services**

<b>Employees: Planning Services</b>					
<b>Job Level</b>	<b>2013/14</b>	<b>2014/15</b>			
	<b>Employee</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies</b>	<b>Vacancies</b>
	<b>es</b>			<b>(fulltime</b>	<b>(as a % of</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>equivalentents)</b>	<b>total posts)</b>
				<b>No.</b>	<b>%</b>
0 - 3	1	1	1	0	0%
4 - 6	0	0	0	0	0%
7 - 9	5	5	5	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
<b>Total</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>0%</b>

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalentents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

Table 53: Financial Performance 2014/15: Planning Services

Financial Performance Year 2014/2015: Planning Services					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	14 070 667	7 461 551	6 507 797	69 732 470	89%
Expenditure:					
Employees	-	-	4 430 192	17 522 038	100%
Repairs and Maintenance	-	-		4 537 085	100%
Other	14 982 939	7 461 551	1 286 972	7 364 421	-1%
<b>Total Operational Expenditure</b>	14 982 939	7 461 551	5 717 164	29 423 544	75%
<b>Net Operational Expenditure</b>	912 272	-	-790 633	-40 308 925	100%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
<i>T 3.10.5</i>					

Table 54: Capital Expenditure 2014/15: Planning Services

Capital Expenditure 2014/15: Planning Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	35,000	-	113,143		



Project A	35,000	113,143		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>				

## COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL

The municipality has allocated land in terms of SDF for the extension of Industrial or commercial areas. Developers had been given opportunities to come up with business plans on how to expand our economic hub, which is Zeerust. There is less progress in this regard.

### 3.11 LOCAL ECONOMIC DEVELOPMENT

#### INTRODUCTION TO LOCAL ECONOMIC DEVELOPMENT

The municipality in aligning to the 2014 national growth and development millennium goals in halving the unemployment rate concluded an agreement with Morris International to establish a chicken abattoir project.

**Table 55: Economic Activity by Sector**

<b>Economic Activity by Sector</b>			
	<b>R '000</b>		
<b>Sector</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
Agric, forestry and fishing		6000	2700
Mining and quarrying		0	0
Manufacturing		60000	180000

Wholesale and retail trade	0	0	0
Finance, property, etc.	0	0	0
Govt, community and social services	0	0	0
Infrastructure services	0	0	0
<b>Total</b>		<b>66000</b>	<b>182700</b>

**Table 56: Economic Employment by Sector**

<b>Economic Employment by Sector</b>			
<b>Sector</b>	<b>Jobs</b>		
	<b>2011/12 No.</b>	<b>2012/13 No.</b>	<b>2013/14 No.</b>
Agric, forestry and fishing	-	90	105
Mining and quarrying	-	-	-
Manufacturing		60	73
Wholesale and retail trade	-	-	21
Finance, property, etc.	-	-	
Govt, community and social services	1,444	800	2,582
Infrastructure services	120	134	355
<b>Total</b>	<b>1,564</b>	<b>1,084</b>	

## COMMENT ON LOCAL JOB OPPORTUNITIES

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The economic downturn has seriously affected the creation of new jobs in the municipality. Marginal gains have been made in the manufacturing and finance/property sectors, with the most significant increase in jobs coming from the Government/community services sector. Local businesses are not expanding.

The municipality will also be putting two strategically located sites along the N4 on the market for development, and coupled with the various shopping malls developments proposed in the Zeerust area, we expect a significant number of jobs to be created.

### Jobs Created during 2014/15 by LED Initiatives (Excluding EPWP projects)

Table 57: LED Projects by Ward

WARD NO	Projects Assisted	Goods Awarded
WARD 01	MATHITHINYANE INTERNET CAFE	<ul style="list-style-type: none"> <li>➤ 1X LEXMARK 4 IN 1 COULOR PRINTER</li> <li>➤ 1X LENOVO THINK CENTER DESKTOP</li> <li>➤ 1X BINDER</li> <li>➤ 1X LAMINATOR</li> <li>➤ 1X WINDOWS 8 HOME AND BUSINESS</li> </ul>
WARD 02	KAGISANO WELDING PROJECT	<ul style="list-style-type: none"> <li>➤ WELDING EQUIPMENT</li> </ul>
WARD 03	RAGOGANG PROJECT	<ul style="list-style-type: none"> <li>➤ GARDENING EQUIPMENT AND SEEDS</li> </ul>
WARD 04	YO O DITHETSENYANA	<ul style="list-style-type: none"> <li>➤ GARDENING EQUIPMENT AND SEEDS</li> </ul>
WARD 05	FORWARD SEWING & MANUFACTURING	<ul style="list-style-type: none"> <li>➤ 107CM 3 CATS MATERIAL</li> <li>➤ 50X 20CM ZIPS</li> <li>➤ 50X 55CM ZIPS</li> <li>➤ 50X CONE THREADS</li> <li>➤ 1X FLAT BED SINGER INDUSTRIAL MACHINE</li> <li>➤ 1X 4 THREAD SINGER INDUSTRIAL OVERLOCKER</li> </ul>

		<ul style="list-style-type: none"> <li>➤ MACHINE</li> <li>➤ 1X DOMESTIC SINGER MACHINE</li> <li>➤ 1X 1M RULER</li> <li>➤ 1X L SQUARE RULER</li> <li>➤ 1X VARY FORM CURVE RULER</li> <li>➤ TRANSPORT</li> </ul>
WARD 06	DIAGOROGA PROJECT	<ul style="list-style-type: none"> <li>➤ 1X BOARD ROOM TABLE</li> <li>➤ 10X HOLA CHAIRS</li> <li>➤ 1X OFFICE DESK WITH 3 DRAWERS</li> <li>➤ 2X STEEL FILING CABINET</li> <li>➤ 1X HP LAPTOP</li> <li>➤ 1X LEXMAR 4 IN 1 PRINTER</li> <li>➤ 1X BAR FRIDGE</li> <li>➤ 1X 3 SEATER COUCH</li> </ul>
WARD 07	BOIKAGO ATCHAAR PROJECT	<ul style="list-style-type: none"> <li>➤ INGREDIENTS FOR MAKING ATCHAAR</li> </ul>
WARD 08	BAHURUTSHE TSHWARAGANANG PROJECT	<ul style="list-style-type: none"> <li>➤ 3X INDUSTRIAL SINGER MACHINE</li> <li>➤ 1X INDUSTRIAL SINGER OVERLOCKER MACHINE</li> <li>➤ 20X PLASTIC CHAIRS</li> <li>➤ 2X STEEL TABLES</li> </ul>
WARD 09	ITIRELENG VEGETABLE PROJECT	VEGETABLE AND GARDENING TOOLS AND EQUIPMENT
WARD 10	TIRISANO SEWING PROJECT	<ul style="list-style-type: none"> <li>➤ 10 X TRADITIONAL DANCE TROUSERS</li> <li>➤ 1X DUAL MICRO PHONE</li> <li>➤ 1X MIX PRO</li> <li>➤ 1X POWER PLAY</li> <li>➤ 1X MU MIXER</li> <li>➤ 1X BERINGER MIXER</li> <li>➤ 2X TOPS</li> </ul>
WARD 11	JVS PRODUCTION	<ul style="list-style-type: none"> <li>➤ 1X KNITTING SINGER MACHINE</li> <li>➤ 1X INDUSTRIAL SINGER SEWING MACHINE</li> <li>➤ 2X SCISSORS</li> <li>➤ 2X MEASURING TAPES</li> <li>➤ 3 CATS MATERIALS</li> <li>➤ 1X IRONING BOARD</li> <li>➤ 1X PHILLIPS IRON</li> <li>➤ T SHIRT MATERIAL</li> </ul>
WARD 12	ATLEGANG UPHOLSTRIES	<ul style="list-style-type: none"> <li>➤ UPHOLSTERY GOODS</li> </ul>
WARD 13	MAJAKATHATA VEGETABLE PROJECT	<ul style="list-style-type: none"> <li>➤ 3X WHEEL BARROWS</li> <li>➤ 6X FORKS</li> <li>➤ 6X SPADES</li> <li>➤ 6X HOSEPIPES</li> <li>➤ 4X SINGLE DRAAD</li> <li>➤ 12X MESH DRAAD</li> <li>➤ 1X 5000L JOJO TANK</li> <li>➤ 1X PAIR OF GATES</li> <li>➤ 6X PIKS &amp; HANDLES</li> </ul>



		➤ 6X HARK
WARD 14	MADUTLE EVERGREEN PROJECT	➤ GARDENING TOOLS AND SEEDS`
WARD 15	Rea Phutha Waste Management and Recycling	➤ RECYCLING GOODS
WARD 16	IKAGELENG WASTE MANAGEMENT	➤ PPE SUPPLY AND SITE EQUIPMENT ➤ SITE ESTABLISHMENT ➤ ZOZO(OFFICE AND CHAIRS) ➤ JOJO AND INSTALLATION ➤ FENCING ➤ SITE
WARD 17	TIRISANO GOAT PROJECT	
WARD 18	THUSANANG BOTLHOKI PROJECT	GARDENING AND VEGETABLE EQUIPMENT AND SEEDS
WARD 19	ITSOSENG VEGETABLE PROJECT	➤ GARDENING EQUIPMENT AND SEEDS, AND FENCING EQUIPMENT.
WARD 20	DIPHETLHO BRICK MAKING PROJECT	➤ 297X CEMENTS ➤ 5X WHEEL BARROWS ➤ 5X SKOP GRAAF ➤ 5X SPIT LASHER GRAAF ➤ TRANSPORT

Table 58: Jobs Created during 2014/15 by LED initiatives

<b>Jobs Created during 2013/14 by LED Initiatives (Excluding EPWP and CWP projects)</b>				
<b>Total Jobs created / Top 3 initiatives</b>	<b>Jobs created</b>	<b>Jobs lost/displaced by other initiatives</b>	<b>Net total jobs created in year</b>	<b>Method of validating jobs created/lost</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	
Total (all initiatives)				
2011/12	180	0	0	LED Start-up files
2012/13	406	0	0	Housing Projects files
2014/15	1588	0	0	Start up, EPWP, CWP and Brick Making Machine
PMU (2014/15)				
GrootMarico,Dinokana,				Housing Projects ( 320

KhunotswanaKruisrivier Housing project (2014/15)				jobs)
Start-up fund (2014/15)				Start-up Assistance (176)employment opportunities created
Vredekoppe and Brickmaking machine (2014/15)				(30) employment opportunities created

Table 59: Job Creation through EPWP Projects

Job creation through EPWP* projects		
Details	EPWP Projects No.	Jobs created through EPWP projects No.
2011/12	7	979
2012/13	7	1 067
2013/14	7	1 665

## POLICY OBJECTIVES TAKEN FROM IDP AND SDBIP

Performance information is included in the 2013/14 Annual Performance Report, which is included as Volume II to the Consolidated Annual Report of the municipality.

Table 60: Employees: LED Services

Employees: Local Economic Development Services					
Job Level	2012/13	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime)	Vacancies (as a % of
	3				

	No.	No.	No.	equivalents) No.	total posts) %
0 - 3	0	1	1	0	0%
4 - 6	1	1	1	0	0%
7 - 9	2	3	3	0	0%
10 - 12	0	0	1	0	0%
13 - 15	0	20	8	12	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
<b>Total</b>	<b>3</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>100%</b>

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days

Table 61: Financial Performance 2014/15: LED Services

<b>Financial Performance 2013/14: Local Economic Development Services</b>					
<b>R'000</b>					
<b>Details</b>	<b>2013/14</b>	<b>2014/15</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Budget</b>
<b>Total Operational Revenue</b>		12,935,201	-	14,070,667	8%
Expenditure:					
Employees		1,784,636	-	1,675,235	-7%
Repairs and Maintenance		500,000	-	448,533	-11%
Other		4,583,500	-	7,859,171	42%

<b>Total Operational Expenditure</b>		6,868,136	-	9,982,939	31%
<b>Net Operational Expenditure</b>		6,067,065	-	4,087,728	-48%

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*





Table 62: Capital Expenditure 2014/15: LED Services

Capital Expenditure 2013/14: Economic Development Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	322,000				
Project A	R1M		R631 682.94 Start Up		
Project B	R1M		R Brickmaking		
Project C	R300000.00		R164000.00 (Vredekoppie)		
Project D					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					

### COMMENT ON THE PERFORMANCE OF LED SERVICES OVERALL

The Municipal Council has adopted the Spatial Development Framework ( SDF) .

#### SMME IMBIZO

The Municipality successfully hosted the Annual SMME's Imbizo. A substantial number of SMME attended the session.

#### INTERIM BUSINESS FORUM

The Department managed to establish an Interim Business Forum during this session

#### FUNDING OF SMME'S

The Municipality funded twenty two (22) SMME's with the Municipal Start Up Assistance during the 2014/15 Financial Year. The Unit managed to register fifty five (55) Cooperatives.

### **BRICKMAKING MACHINE**

The Brickmaking Machine was commissioned during May 2014. The Brickmaking Supervisor has successfully completed all the Compliance Courses as outlined by South African Bureau of Standards (SABS). A total of two thousand (2000) Bricks is produced a day.

### **COMMUNITY WORKS PROGRAMME**

The Department appointed a Site Manager and a Site Administrator during the 2014/15 Financial Year for the Community Works Programme (CWP).

The Community Works Programme has employed a total number of one thousand one hundred (1100) workers. After they were appointed they were then allocated to different wards in the Municipality.

### **THE CHICKEN ABATTOIR**

During the 2012/2013 the Department of Economic Development appointed the CSIR to conduct a feasibility study for the establishment of a Chicken Abattoir Project. Further funding was given to CSIR to finalize the Feasibility Study.

To date the following activities are finalized.

- Heritage Impact Assessment
- Ecological Impact Assessment
- Operational Environment Management Programme
- Land Survey
- Socio Economic Impact Assessment
- Full design of water treatment facility.
- Geotechnical Studies

As soon as all compliance issues relating to the project are finalised the project will commence.

## 3.5 3.5 HOUSING

### INTRODUCTION TO HOUSING

In terms of Section 9(1)(f) of the National Housing Act (107 of 1997), “Every municipality must, as part of the municipalities process of integrated development planning (IDP), take all reasonable and necessary steps within the framework of national and provincial housing legislation and policy to initiate, plan, coordinate, facilitate, promote and enable appropriate housing development in its area of jurisdiction”

In compliance with this Act, the municipality has a Human Settlement Sector Plan (HSSP), a five year strategic plan of how the municipality intends to address our housing needs/backlog. This plan entails our broad housing needs which can be condensed to a figure of approximately 19000 households living in informal structures, structures built of traditional material (mainly rural) or informal structures in a backyard, the housing strategy and delivery targets. Policy guides that this plan should be reviewed annually, in compliance with that Council has reviewed and adopted the plan on

In furthering Outcome 08 objectives, output 3 which talks of mobilisation of well located public land for low income and affordable housing, the municipality identified various land parcels, particularly state owned land in town (Zeerust) that will be acquired through the assistance of Housing Development Agency (HDA) on which new housing developments can be implemented.

The municipality in collaboration with Community Development Workers and the Department of Human Settlements conducts regular information sessions with various Communities with regard to Housing Consumer Education.

**Table 63: Percentage of Households with Access to Basic Housing**

<b>Percentage of households with access to basic housing</b>			
<b>Year end</b>	<b>Total households (including in formal and informal settlements)</b>	<b>Households in formal settlements</b>	<b>Percentage of HHs in formal settlements</b>
2010/11	24130	20433	84.7%
2011/12	31988	26019	81.3%
2012/13	40740	32872	80.7%
2013/14	40740	32872	80.7%
2014/15	40740	32872	80.7%

## POLICY OBJECTIVES TAKEN FROM IDP AND SDBIP

Performance information is included in the 2014/15 Annual Performance Report, which is included as Volume II to the Consolidated Annual Report of the municipality.

**Table 64: Employees: Housing Services**

<b>Employees: Housing Services</b>					
<b>Job Level</b>	<b>2013/2014</b>	<b>2014/15</b>			
	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	1	1	1	0	0%
4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	1	1	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
<b>Total</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0%</b>

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

**Table 65: Financial Performance: 2014/15: Housing Services**

<b>Financial Performance 2013/14: Housing Services</b>			<b>R'000</b>
<b>Details</b>	<b>2013/14</b>	<b>2014/2015</b>	
	<b>4</b>		



	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	<b>COMPETENCY OF HUMAN SETTLEMENTS</b>				
Expenditure:					
Employees	0	0	0	0	0%
Repairs and Maintenance	0	0	0	0	0%
Other	0	0	0	0	0%
<b>Total Operational Expenditure</b>	0	0	0	0	0%
<b>Net Operational Expenditure</b>	0	0	0	0	0%

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*

Table 66: Capital Expenditure 2014/15: Housing Services

<b>Capital Expenditure 2014/15: Housing Services</b>						<b>R' 000</b>
<b>Capital Projects</b>	<b>2014/15</b>					
	<b>Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance from original budget</b>	<b>Total Project Value</b>	
Total All	-	-	-	-	-	
<b>HOUSING PROJECTS PROVIDED BY HUMAN SETTLEMENTS 2014/2015</b>						
Project A	Khunotswane	300 units	Project E	Mantsie	07 Units	
Project B	Kruisrivier	250 units	Project F	Welbedacht	02 Units	
Project C	Dinokana	200 units				
Project D	Groot Marico	117 units				

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).*

## COMMENT ON HOUSING SERVICES PERFORMANCE OVERALL

As a Municipality a large part of our area is rural and since we hold a view that South Africans in rural areas should enjoy the same benefits as those in urban areas regarding human rights and basic dignity guaranteed by the Constitution, we facilitated five (5) rural projects for the Financial Year 2014/2015. All lot of preliminary planning processes went into these projects to ensure that they succeed. We are pleased to report that all of these projects are implemented and living conditions of our people in rural areas are improved.



## COMPONENT D: COMMUNITY AND SOCIAL SERVICES

This component includes: libraries community halls, cemeteries and other social programmes.

### INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

The municipality is responsible for Libraries, Community Halls, Cemeteries and other Social Programmes.

### INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

This component includes: library services, waste management, environmental services, public safety, cemeteries, parks, security services, sports and recreation and other social programmes.

#### 3.12 LIBRARY SERVICES

The Municipality library and information services are preserving the past and securing the future through providing free access and guidance to information, which fulfil the intellectual, educational, social and recreational needs of the people in order to improve their quality of life. Our Community libraries intent is to act as development agents providing dynamic library and information services to all the people of Ramotshere Moiloa Local Municipality in their quest for lifelong learning, literacy, cultural expression, recreation and economic development. The Municipality consist of four Library namely: Lehurutshe, Groot Marico, Supingstad and Zeerust.

Libraries at Ramotshere Moiloa Local Municipality are managed and controlled under various pieces of legislation such as constitution of the Republic of South Africa and South African public library and information services bill( Draft).

The municipality rendered these services in partnership with the Department of Culture, Arts and Traditional Affairs (CATA). There was a signed Service Level Agreement for same.

There are library forums that the municipality participated on such as Provincial ICT Stakeholder and District Library forum.

The following services are rendered amongst others:

- Annual Health Literacy Programme
- Theme – based monthly programmes
- Toy library services
- Initiates book and reading programmes

### Service Statistics for Libraries

ITEM	GROOT MARICO	SUPINGSTAD	ZEERUST	TOTAL
Total membership	261	862	4449	
Circulation of books	580	26		
Reference books				
Internet services (usage)				

## SERVICE STATISTICS FOR LIBRARIES AND COMMUNITY FACILITIES

Table 67: Employees: Libraries and Community Facilities

Employees: Libraries and Community Facilities					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%



4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	1	3	1	2	67%
13 - 15	7	7	7	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
<b>Total</b>	<b>8</b>	<b>10</b>	<b>8</b>	<b>2</b>	<b>20%</b>

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

**Table 68: Financial Performance 2013/14: Libraries and Community Facilities Awaiting information from DCFO**

<b>Financial Performance Year 2013/2014: Libraries</b>					
<b>R'000</b>					
<b>Details</b>	<b>Year 2012/2013</b>	<b>Year 2013/2014</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Budget</b>
<b>Total Operational Revenue</b>	683 282	7 683 008	943 922	838 935	0
<b>Expenditure:</b>					0
<b>Employees</b>	-	-	528 218	432 557	0

Repairs and Maintenance	-	-	-	-	0
Other	743 508	7 683 008	147 000	113 159	0
<b>Total Operational Expenditure</b>	743 508	7 683 008	675 218	545 716	0
<b>Net Operational Expenditure</b>	60 226	-	-268 704	-293 219	0
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					<i>T 3.12.5</i>

Table 69: Capital Expenditure 2013/14: Libraries and Community Facilities

<b>Capital Expenditure 2013/14: Libraries and Community Facilities</b>					
<b>R' 000</b>					
<b>Capital Projects</b>	<b>2013/14</b>				
	<b>Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance from original budget</b>	<b>Total Project Value</b>
Total All	-	-	-	-	-
<b>NO CAPITAL EXPENDITURE</b>		-	-	-	-
Project A	-	-	-	-	-
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).*

## COMMENT ON THE PERFORMANCE OF LIBRARIES AND COMMUNITY FACILITIES

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The municipality hosted library holiday and outreach programmes throughout the municipality, i.e. Groot Marico, Zeerust, Lehurutshe and Supingstad. The learners were also assisted with reference books and internet services. Due to the financial constraints of the municipality there were no capital projects for the libraries..

### 3.13 CEMETERIES AND CREMATORIA

#### INTRODUCTION TO CEMETERIES AND CREMATORIA

The unit endeavours to provide a service for the burial and/or cremation of every resident and ratepayer living within the Ramotshere Municipal area by continuing to seek best practices in the industry and to also provide a pauperburial service for indigent residents of the municipality.

The identification of new cemeteries is vital because of the lack of burial space in the existing cemeteries. There are four cemeteries in the urban areas such as Zeerust, Groot Marico, Ikageleng and Lehurutshe. The municipality has been assisting in establishing new cemeteries in rural areas. There were 11 cemeteries established and fenced. The challenge with rural cemeteries is that the traditional leaders do not want to subscribe to issues of EIAs prior to establishment.

Table 70: Employees: Cemeteries and Crematoria

Employees: Cemeteries and Crematoria					
Job Level	2012/13	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	1	1	1	0	0%
10 - 12	1	1	1	0	0%
13 - 15	8	8	8	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
<b>Total</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>0</b>	<b>0%</b>

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*



Table 71: Financial Performance 2013/14: Cemeteries and Crematoria

Financial Performance Year 2013/2014: Cemeteries and Crematoriums						R'000
Details	Year 2012/2013	Year 2013/2014				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	1 604 839	2 113 026	972 807	4 081 924	0	
Expenditure:					0	
Employees	-	-	734 046	6 797 022	0	
Repairs and Maintenance	-	-	-	607 145	0	
Other	583 581	2 113 026	75 000	3 406 108	0	
<b>Total Operational Expenditure</b>	583 581	2 113 026	809 046	10 810 275	0	
<b>Net Operational Expenditure</b>	-1 021 258	-	-163 761	6 728 351	0	
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>						T 3.13.5

Table 72: Capital Expenditure 2013/14: Cemeteries and Crematoria

Capital Expenditure 2014/15 Cemeteries and Crematoria						R' 000
Capital Projects	2014/15					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All						
No Capital Expenditure						
<b>Project A-Fencing of Rural Cemeteries</b>	R 395 000	--	R 167 000	R228 000		
Project B						
Project C						
Project D						
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>						

## COMMENT ON THE PERFORMANCE OF CEMETERIES& CREMATORIA OVERALL

The Municipality has during the financial year funded projects for the fencing and cleaning of rural graveyards through the EPWP programme. The identification of a new Cemeteries in Ikageleng and Groot Marico is vital because the current cemeteries are almost 90% full.

## COMPONENT G: SECURITY AND SAFETY

### INTRODUCTION TO SECURITY AND SAFETY

The municipality is responsible for Public Safety such as Vehicle Testing Station and Licensing, Traffic Control, Driving License Testing Station and Security Services

### 3.20 PUBLIC SAFETY

#### INTRODUCTION TO PUBLIC SAFETY

The department of Public Safety helps ensure a safe environment and improve the quality of life through effective Traffic policing combined with efficient use of security officers. Traffic services include:

1. Control and regulate all forms of Traffic, promote education and training on the road and traffic safety
2. Attend scenes of motor vehicle collisions and assist with traffic control, removal of injured persons and removal of vehicles so that traffic may flow freely again.
3. Eliminate points of congestion, obstruction, hindrance, interference or danger to vehicles and pedestrian

Table 73: Public Safety Data

Public Safety Data					
	Details	2012/13	2013/14		2014/15
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of road traffic accidents during the year	NW DEPARTMENT OF PUBLIC SAFETY			
2	Number of by-law infringements attended				
3	Number of traffic officers in the field on an average day	13	13	13	13
4	Number of traffic officers on duty on an average day	13	13	13	13

Table 74: Employees: Public Safety

Employees: Public Safety					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
Chief Traffic Officer & Deputy	1	1	1	0	
0 - 3	2	2	2	0	0%
4 - 6	1	1	1	0	0%
7 - 9	19	19	19	0	0%
10 - 12	5	7	5	2	29%
13 - 15	1	1	1	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
<b>Total</b>	<b>28</b>	<b>30</b>	<b>28</b>	<b>2</b>	<b>7%</b>

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

Table 75: Financial Performance 2013/14: Public Safety

Financial Performance 2014/15: Public Safety					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>			10,334,303	<b>5,486,128</b>	
Expenditure:					
Traffic Officers					
Other employees			5,155,341	8,125,478	
Repairs and Maintenance			30,000		
Other			6,943,962	2,030,108	
<b>Total Operational Expenditure</b>			<b>12,129,303</b>	<b>10,155,586</b>	
<b>Net Operational Expenditure</b>			<b>1,795,000</b>	<b>4,669,458</b>	

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*

## COMMENT ON THE PERFORMANCE PUBLIC SAFETY OVERALL

The municipality has appointed a service provider to deal with various issues related to traffic. Summonses are dealt with by the chief traffic officer in relation to our courts.

### 3.21 FIRE

#### INTRODUCTION TO FIRE SERVICES

Fire Services is a competency of the NMMDM.

### 3.22 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL AND CONTROL OF PUBLIC NUISANCES

#### INTRODUCTION TO DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL AND CONTROL OF PUBLIC NUISANCES

Disaster Management is the Competency of NMMDM. Ramotshere Moiloa Local Municipality only coordinates Local Disaster Management Consultative Forum.

Animal Licensing and control, control of public nuisances is the responsibility of RMLM. However, there is a challenge with regard to law enforcement with regard to enforcing Bylaws. There is no dedicated unit that deals with law enforcement. There is a little progress in this regard.



## COMPONENT H: SPORT AND RECREATION

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

### INTRODUCTION TO SPORT AND RECREATION

Sport and Recreation entails the maintenance, development and management of all municipal sports facilities. It also includes the promotion and development of sports and recreation.

### 3.23 SPORT AND RECREATION

Table 76: Employees: Sport and Recreation

Employees: Sport and Recreation					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	1	1	1	0	0%
7 - 9	1	1	1	0	0%
10 - 12	2	4	2	2	0%
13 - 15	14	28	14	14	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	18	34	18	16	0%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.  
\*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

Table 77: Financial Performance 2013/14: Sport and Recreation

Financial Performance 2014/15: Sport and Recreation					
R'000					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	1 491 143	2 800 574	4 164 534	1 169 791	0%
Expenditure:	-	-	-	-	0%
Employees	-	-	3 701 094	1 588 453	0%
Repairs and Maintenance	-	-	50 000	12 879	0%
Other	1 337 613	2 800 574	209 440	911 274	0%
<b>Total Operational Expenditure</b>	<b>1 337 613</b>	<b>2 800 574</b>	<b>3 960 534</b>	<b>2 512 606</b>	0%
<b>Net Operational Expenditure</b>	153 530	-	204 000	-1 342 816	0%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					

Table 78: Capital Expenditure 2013/14: Sport and Recreation

Capital Expenditure 2014/15: Sport and Recreation					
R' 000					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0			0%	
Project A-Henryville Park			R 198 000	0%	
Project B-Kloof Street Park			R 60 000	0%	
Project C-Ikageleng Park	R 500 000		R 170 000	0%	
Project D	0			0%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

## COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL

The municipality established two community parks viz. Henryville and Kloof Street Park. Phase one of those parks were completed.

## COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

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

### 3.24 EXECUTIVE AND COUNCIL

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

#### INTRODUCTION TO EXECUTIVE AND COUNCIL

The Council support includes all administrative support that is provided to the offices of the Mayor, Speaker and Municipal Manager. This includes, inter alia, meetings of Council and its .The Council Support:. The main purpose for the existence of this sub-unit is to give administrative support, primarily to Council and its committees and to ensure smoothness of Council's decision-making process.

The sub-unit commits itself to providing efficient printing service to Council & business units; quality minutes and efficient record keeping of all minutes of Council and its committees.

This sub-unit ensures that Council agendas are delivered on time to councillors on time.

#### SERVICE STATISTICS FOR EXECUTIVE AND COUNCIL

Table 79: Service Statistics - Executive and Council

ITEM	NUMBER
TOTAL NUMBER OF COUNCILLORS	39
TOTAL NUMBER OF EXECUTIVE COMMITTEE MEMBERS	8
TOTAL NUMBER OF WARDS	20
TOTAL NUMBER OF WARD COMMITTEE MEETINGS	240
COUNCIL MEETINGS	8
EXECUTIVE COMMITTEE MEETINGS	8
COMMUNITY SERVICES PORTFOLIO MEETINGS	8
TECHNICAL SERVICES PORTFOLIO COMMITTEE MEETINGS	8
LED PORTFOLIO COMMITTEE MEETINGS	8
FINANCE PORTFOLIO COMMITTEE MEETINGS	8
CORPORATE SERVICES PORTFOLIO COMMITTEE MEETINGS	8

## MPAC/OVERSIGHT COMMITTEE MEETINGS

8

Table 80: Employees: Executive and Council

<b>Employees: Executive and Council</b>					
<b>Job Level</b>	<b>2013/14</b>	<b>2014/15</b>			
	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	2	2	2	0	0%
4 - 6	0	0	0	0	0%
7 - 9	6	6	6	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
<b>Total</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>0</b>	<b>0%</b>

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

Table 81: Financial Performance 2013/14: Executive and Council

<b>Financial Performance 2013/14: Executive and Council</b>					
<b>R'000</b>					
<b>Details</b>	<b>2012/13</b>	<b>2013/14</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Budget</b>
<b>Total Operational Revenue</b>	4 871 713	25 370 402	21 840 263	23 384 193	
Expenditure:			-	-	
Employees			15 905 364	14 606 166	
Repairs and Maintenance				30 490	
Other	23 116 743	25 370 408	11 646 539	9 713 622	
<b>Total Operational Expenditure</b>	<b>23 116 743</b>	<b>25 370 408</b>	<b>27 551 903</b>	<b>24 350 278</b>	<b>-4%</b>
<b>Net Operational Expenditure</b>	<b>18 245 030</b>	<b>6</b>	<b>-5 711 640</b>	<b>-966 085</b>	<b>100%</b>



*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*

Table 82: Capital Expenditure 2013/14: Executive and Council

Capital Expenditure 2013/14: Executive and Council					
R' 000					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	7,496,515	-	6,833,700		
Project A:Buildings	5,989,915		1,357,673		280
Project B:Minor Plant	-		4,776		150
Project C: Motor Vehicles	-		556,838		320
Project D: Office Equipment	850,800		96,926		
Project E: Furniture and Fittings	655,800		377,790		
Project F: Computer Equipment	-		3,688,373		
Project G:Plant and Equipment	-		751,325		
Project H: Transport Facilities	-		573,622		
Project I:Machine and Equipment	750,000		89,757		
Project J:Machine and Equipment	30,000		149		
Project H					
Project J					90
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

## COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL

The Portfolio Committees held meetings on a regular basis which were submitted to Council through the Executive Committee. The municipality was also able to meet the legislative deadlines in the development and submission of the Annual Performance Report for 2012/13, Annual Report 2012/13, Oversight Report 2012/13 and also the Section 72 Mid-Year Budget & Performance review.

### 3.25 FINANCIAL SERVICES

#### INTRODUCTION TO BUDGET AND TREASURY OFFICE

The Municipality has established Budget and Treasury Office in line with section 80 of the MFMA, which comprises of the Chief Financial Officer and Official allocated to the financial Office.

National Key Performance Area for this Department is Municipal Financial Viability and Management. The Department is responsible for performing the following functions:

- Budgeting
- Accounting
- Analysis
- Cash Management
- Debt Management
- Financial Management and
- Supply Chain Management

The following units/Sections have been established to ensure that the Department effectively performs its functions as required:

- Revenue and Debtors Management Unit
- Financial Planning Budget and Reporting Unit
- Expenditure Management Unit
- Supply Chain Management Unit
- Asset and Liability Management Unit

**Table 83: Employees: BUDGET AND TREASURY OFFICE**

<b>Employees: Budget and Treasury office</b>					
<b>Job Level</b>	<b>2013/14</b>	<b>2014/15</b>			
	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents )</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	6	6	6	0	
4 - 6		15			
7 - 9					
10 - 12					
13 - 15					
16 - 18					
19 - 20					
<b>Total</b>					

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

## REVENUE AND DEBTORS MANAGEMENT UNIT

### INTRODUCTION TO REVENUE AND DEBTORS MANAGEMENT UNIT

The Unit comprises of four Sub-Units namely:

- (a) Billing and Collections
- (b) Credit Control and Indigence

(c) Rates and Taxes

(d) Debtors Reconciliations

The unit is responsible for ensuring that all monies in terms of rates, tariffs, taxes, grants and subsidies are collected and properly accounted for. Furthermore the unit is responsible for ensuring that the indigent households benefit in line with the set policies and by-laws.

Table 84: Debt Recovery

Debt Recovery							
R' 000							
Details of the types of account raised and recovered	2012/13		2013/14			2014/15	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
Property Rates	18,407,624			24,828,607		20,800,489	
Basic Electricity						28,107,659	
Consumption Electricity	36,524,443			24,755,810		17,771,314	
Basic Water							
Consumption Water	12,687,043			10,203,468		7,873,100	
Sanitation	1,842,678			2,392,672		1,999,528	
Refuse	2,383,479			6,457,896		5,853,061	

*B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.*



National Key Performance Area for this business unit is a financial viability management. Programmes pertaining to the sections are as follows:

- **Budget** -budget management ,Reporting , Annual Financial Statement
- **Expenditure**-Trade and Sundry Payments, Payment of all invoices within 30 days, management of general insurance fund, remuneration management
- **Revenue and Income** -Credit Control and billing, policies
- **Supply Chain**-Supply chain management

Table 85: Employees: Financial Services

Employees: Financial Services					
Job Level	2012/13	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	3	3	3	0	0%
4 - 6	9	10	9	1	10%
7 - 9	11	16	11	5	31%
10 - 12	1	1	1	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
<b>Total</b>	<b>24</b>	<b>30</b>	<b>24</b>	<b>6</b>	<b>20%</b>

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.  
\*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

Table 86: Financial Performance 2013/14: Financial Services

Table 87: Capital Expenditure 2013/14: Financial Services

Capital Expenditure 2013/14: Budget and Treasury Office					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
No Capital Expenditure					

Project A	0				
Project B	0				
Project C	0				
Project D	0				
<p><i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.)</i></p>					



### 3.26 HUMAN RESOURCE SERVICES

#### INTRODUCTION TO HUMAN RESOURCE SERVICES

Human Resources Management encompasses Personnel, Job Evaluation, Employee Relations and occupational Safety. Human Resources Management is responsible for recruitment, selection, placement, remuneration of staff, employee benefits wellness. The Municipality's Human Resources function is aimed at ensuring enhanced service delivery with efficient institutional arrangements by increasing levels of employee morale.

Table 88: Employees: Human Resources

<b>Employees: Human Resource Services</b>					
<b>Job Level</b>	<b>2013/14</b>	<b>2014/15</b>			
	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
0 - 3	5	6	6	0	0%
4 - 6	2	2	1	1	50%
7 - 9	4	3	2	1	33%
10 - 12	7	10	10	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
<b>Total</b>	<b>18</b>	<b>21</b>	<b>19</b>	<b>2</b>	<b>96%</b>

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

Table 89: Financial Performance 2013/14: Human Resources

<b>Financial Performance 2013/14: Human Resource Services</b>			<b>R'000</b>
<b>Details</b>	<b>2012/13</b>	<b>2013/14</b>	

	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	8 424 041	3 791 000	5 154 804	4 081 924	7%
Expenditure:					
Employees	-	-	1 981 807	6 796 766	100%
Repairs and Maintenance	-	-	1 000 000	607 146	100%
Other	9 788 580	14 444 399	4 574 112	3 224 559	-348%
<b>Total Operational Expenditure</b>	<b>9 788 580</b>	<b>14 444 399</b>	<b>7 555 919</b>	<b>10 628 471</b>	<b>-36%</b>
<b>Net Operational Expenditure</b>	<b>1 364 539</b>	<b>10 653 399</b>	<b>2 401 115</b>	<b>6 546 547</b>	<b>-63%</b>

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*

Table 90: Capital Expenditure 2013/14: Human Resources

Capital Expenditure 2013/14: Human Resource Services					
R' 000					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All				0%	
<b>No Capital Projects</b>					
Project A				0%	280
Project B				0%	150
Project C				0%	320
Project D				0%	90

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).*

## COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL

The performance within the unit was satisfactory, the recruitment process of Ramotshere Moiloa Local Municipality was done in accordance with the Municipal appointment policy, and the Municipality strive to select and recruit the best candidate to address skills gap within the Municipality, panel members consist of all directors within the Municipality. The municipality has achieved 100% of the filling of all critical positions during 2013/2014 as well as the review of all HR related policies.



### 3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

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

#### INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

Our mission is to be a respected internal service provider to all stakeholders of the Municipality in order to enable efficient administration and service delivery using technologies that are proven and cost-effective. We will provide a portfolio of ICT related services to the Municipality and promote ICT as an enabler of technical service delivery. We will further strive to provide citizen-centric ICT offerings to the Community. It is our intention to reach ensure that we develop an ICT Strategy that is aligned to IDP over a period of 3 years

Table 91: Employees: ICT Services

Employees: ICT Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employee s	Vacancies (fulltime equivalents )	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	2	2	2	0	0%
7 - 9	0	2	0	2	100%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
<b>Total</b>	<b>3</b>	<b>5</b>	<b>3</b>	<b>2</b>	<b>60%</b>

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

Table 92: Financial Performance 2013/14: ICT Services

R'000					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>The budget was incorporated under Corporate Services Department</b>					
<b>Total Operational Revenue</b>					
<b>Expenditure:</b>					
Employees					
Repairs and Maintenance					
Other					
<b>Total Operational Expenditure</b>					
<b>Net Operational Expenditure</b>					
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					

Table 93: Capital Expenditure 2013/14: ICT Services

Capital Expenditure 2013/14: ICT Services					
R' 000					
Capital Projects	2013/14				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All				0%	
<b>No Capital Expenditure</b>					
Project A				0%	
Project B				0%	
Project C				0%	
Project D				0%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					

### 3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

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

#### INTRODUCTION TO LEGAL SERVICES

Constitutional and other legal imperatives require local government to participate in and develop extensive legal relationships. As social change agents local government interacts with individuals, interest groups, the private sector and other organs of state in a number of ways. Needless to say, Legal Services play a crucial role in such interaction.

Our essential and top priority has always been to minimize legal risk to the Municipality, whether it is on a proactive or reactive basis. This is done in relation to a number of activities, including civil court matters, the supply of sound legal advice and negotiating agreements.

During the past year particular emphasis was placed on ensuring that legal opinions and comments were timeously provided.

## COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, Municipal Courts and Forestry as municipal enterprises.

## INTRODUCTION TO MISCELLANEOUS

## COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

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

**No scorecard available at this stage**





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

### INTRODUCTION TO ORGANISATIONAL DEVELOPMENT PERFORMANCE

Human Resources of the Municipality consists of the following Units:

Personnel; Job Evaluation; Employee Relations; Employment Equity; Skills Development; Organisational Development; Occupational Health and Safety; and HR Management Services.

The Human Resources Unit has a mandate in particular to address the following areas of responsibility:

- Recruitment, selection and employment;
- Labour relations management;
- Pay and leave administration;
- Staff administration;
- Grading and remuneration;
- Sick leave management;
- Employee wellness;

The Corporate and Human Resources functions and responsibilities address many of the IDP requirements to ensure effective service delivery and community development, these include:

1. To Contribute Towards Employability & Self Employability of Youth and Community.
2. To ensure a competent workforce to achieve organisational objectives.
3. Improve Quality and Management Control Processes.
4. To align the organisational culture to the business objectives to Improve organisational efficacy and measure.

## COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Table 94: Employee Totals

Employees Totals					
Description	2013/14	2014/15			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
<b>Technical Services</b>					
Water	34	34	34	0	0%
Sanitation	26	26	26	0	0%
Electricity	13	13	13	0	0%
Technical Services (Civil Engineering) PMU	2	4	2	2	50%
Mechanical Workshop	5	6	5	1	14%
Public Works	68	68	68	0	0%
Fleet Management	3	3	3	0	0%
<b>Total</b>					
<b>LED</b>					
Housing	2	2	2	0	%
Town Planning	3	3	3	0	
LED	5	5	5	0	
<b>Total</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>0</b>	
<b>Corporate Support Service</b>					
Human Resource	4	4	4	0	%
Labour Relations	1	1	1	0	
ICT	3	5	3	2	
Skills Development	1	1	1	1	

Archives and Records	5	6	5	1	
Facility management	0	13	12	1	
<b>Total</b>	<b>0</b>	<b>16</b>	<b>20</b>	<b>-4</b>	
<b>Community Services</b>					
Traffic (Public Safety)	34	38	34	4	%
Parks and Environment	16	16	16	0	%
Libraries	4	6	4	2	%
Cemetery	9	9	9	0	%
Security Services	3	3	3	0	%
Streets	19	20	19	1	%
<b>refuse</b>	<b>??</b>	<b>??</b>	<b>??</b>	<b>??</b>	
<b>Total</b>	<b>0</b>	<b>136</b>	<b>64</b>	<b>72</b>	<b>%</b>
<b>Office of the MM</b>					
Executive Manager	1	1	1	0	%
Communication	1	1	1	0	
Compliance	1	1	1	0	
IDP	1	1	1	0	
Legal Services	1	1	1	0	
Risk Manager	1	1	1	0	
<b>Total</b>	<b>0</b>	<b>5</b>	<b>5</b>	<b>0</b>	
<b>Budget and Treasury Office</b>					
Finance	44	49	44	5	%
<b>Total</b>	<b>0</b>	<b>60</b>	<b>78</b>	<b>-18</b>	
<b>Office of the Mayor</b>					
Mayor	5	10	5	5	
<b>Total</b>	<b>5</b>	<b>10</b>	<b>5</b>	<b>5</b>	
<b>Speaker</b>					
Speaker	4	4	4	0	
Total	4	4	4	0	%
<b>Internal Audit</b>					
Internal Audit	5	5	5	0	
Total	0	4	3	1	
<b>Totals</b>		<b>310</b>	<b>364</b>	<b>-57</b>	
					-

*Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June, as per the approved organogram.*





Table 95: Vacancy rate: 2013/14

<b>Vacancy Rate:2013/14</b>			
<b>Designations</b>	<b>*Total Approved Posts  No.</b>	<b>*Vacancies (Total time that vacancies exist using fulltime equivalents)  No.</b>	<b>*Vacancies (as a proportion of total posts in each category)  %</b>
Municipal Manager	1	0	
CFO	1	0	
Other S57 Managers (excluding Finance Posts)	5	0	
Other S57 Managers (Finance posts)	0	0	
Traffic officers	16	0	
Senior management: Levels 0-3 (excluding Finance Posts)	26	1	
Senior management: Levels 0-3 (Finance posts)	6	0	
Highly skilled supervision: levels 4--6 (excluding Finance posts)	14	0	
Highly skilled supervision: levels 4-6 (Finance posts)	9	2	
<b>Total</b>	<b>91</b>	<b>47</b>	<b>42.98</b>
<p><i>Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p>			

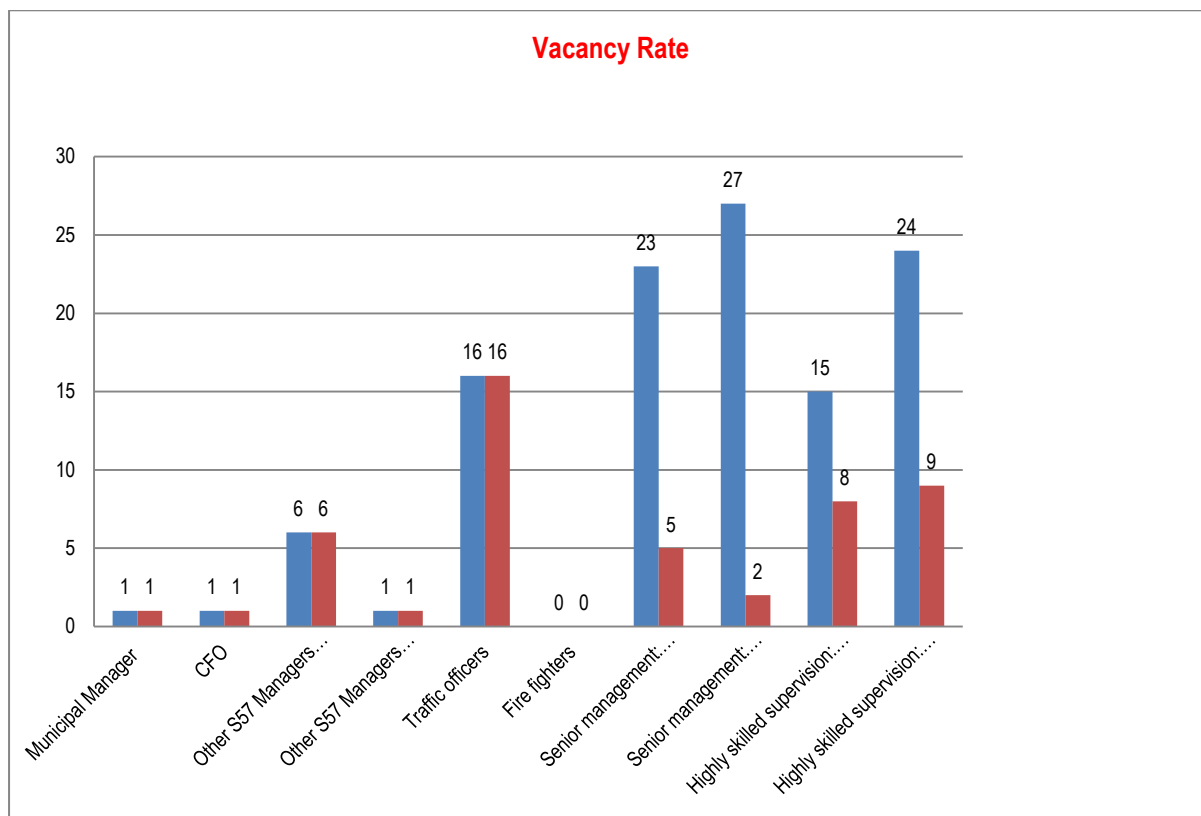


Figure 10: Vacancy Rate

Table 96: Turnover Rate

<b>Turn-over Rate</b>			
<b>Details</b>	<b>Total Appointments as of beginning of Financial Year No.</b>	<b>Terminations during the Financial Year No.</b>	<b>Turn-over Rate*</b>
2013/14	50	1	
2014/15	62	1	

*\* Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year*

## COMMENT ON VACANCIES AND TURNOVER

The Municipality continuously provides training to employees to enhance their skills in relation to their day to day responsibilities. In addition staff is appointed to act in higher-level positions as part of their development. Several management and supervisory development programmes are also used for staff development. The annual Workplace Skills Plan identifies training needs for all staff. Managerial and supervisory posts are advertised both internally and externally maintaining the possibility being filled by internal appointments.



## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

Through the implementation of this policy then a need will rise to develop a succession policy which will be carefully interrogated within the context of retention of the skills in the organization and addressing the growing unemployment even among those young people that have graduated at our institutions of higher learning.

Range of Policies and Management practices:

1. Recruitment and Selection
2. Pay and Leave Administration
3. Grading and remuneration
4. Sick Leave Management Programmes
5. Training and Development



## 4.2 POLICIES

The Municipality has made much progress in the development of the required workforce policies and procedures. It is constantly reviewing these to ensure their continued applicability and relevancy and develops new policies when required.

Table 97: HR Policies and Plans

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



Use name of local policies if different from above and at any other HR policies not listed.

#### 4.3 INJURIES, SICKNESS AND SUSPENSIONS

Table 98: Number and Cost of Injuries on Duty

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	14	1	1%	14	
Temporary total disablement	0	0	0%	0	
Permanent disablement	0	0	0%	0	
Fatal	0	0	0%	0	
<b>Total</b>	<b>14</b>	<b>1</b>	<b>1%</b>	<b>14</b>	<b>0</b>

Table 99: Number of Days and Cost of Sick Leave

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	1782	-	1782	207	4.57	
Skilled (Levels 3-5)	971	-	971	49	2.49	
Highly skilled production (levels 6-8)	817	-	817	44	2.09	
Highly skilled supervision (levels 9-12)	676	-	676	54	1.73	
Senior management (Levels 13-15)	536	-	536	28	1.37	
MM and S57	25	-	25	8	0.06	
<b>Total</b>	<b>4807</b>	<b>-</b>	<b>4807</b>	<b>390</b>	<b>12.33</b>	

\* - Number of employees in post at the beginning of the year  
 \*Average is calculated by taking sick leave in column 2 divided by total employees in column 5

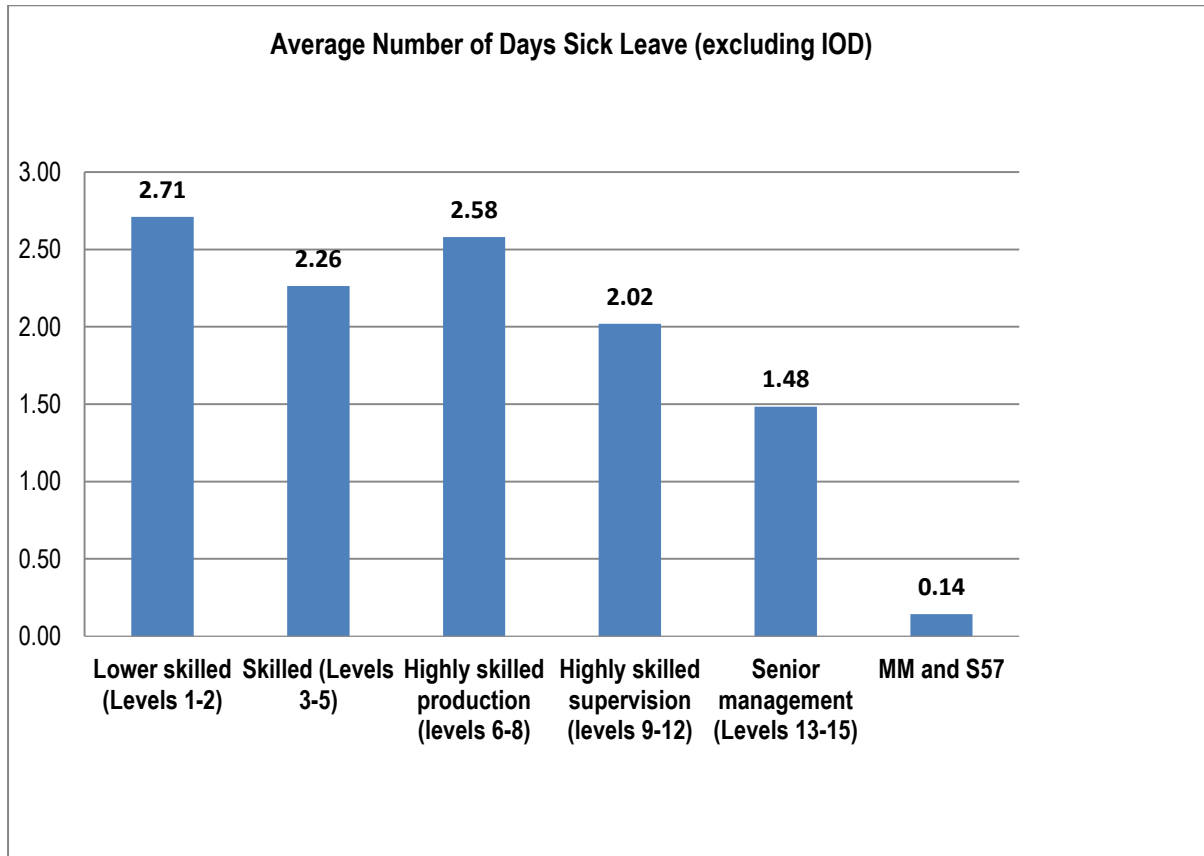


Figure 11: Average Number of Days Sick Leave

## COMMENT ON INJURY AND SICK LEAVE

The following steps were taken during the year to reduce injuries on duty, sick leave management and follow-up action. **Labour relations**

- Comprehensive Safety Management programme in place
- Facilitation of incident and accident investigation
- Scheduled safety training, and safe work procedures

### Medical Surveillance

- Pre-placement, periodic, transfer, and scheduled medical examinations based on occupational risk exposure profiles
- Audiometry and hearing monitoring
- Spirometry and respiratory programme

## Preventative Programmes

- Immunisation programmes
- Occupational post exposure prophylaxis for needle stick injuries
- Trauma de-briefing for workers exposed to traumatic events

## Incapacity and Medical Board Assessment management

- Return to work assessments
- Disability management

## Sick leave Management

- Multidisciplinary approach to sick leave management
- Profiling sick leave frequency and trends
- Home visits, liaison with treating medical practitioner
- Awareness and liaison with medical practitioners found to issue frequent and generous sick leave
- Medical assessment of employees taking frequent and long episodes of sick leave
- Facilitate medical assessments for incapacity

Table 100: Disciplinary Action Taken

Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
General Assistant	Embezzlement of funds	01/04/2014	Disciplinary in progress	
Sewerage Purification works Attendant	Embezzlement of funds	24/01/2014	Disciplinary finalized	28/07/2014
Supervisor Roads	Unauthorized usage of council vehicle	none	Disciplinary in progress	
Supervisor Water	Unauthorized usage of council vehicle	22/08/2013	Disciplinary finalized	13/05/2014
General Assistant	Gross Dishonesty	22/08/2013	Disciplinary finalized	

Table 101: Disciplinary Action taken on Cases of Financial Misconduct

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
General Assistant	Embezzlement of funds ( ± R 10 217.25)	In progress	

Sewerage Purification works Attendant	Embezzlement of funds ( ± R15 000.00)	Finalised	28/07/2014
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## COMMENT ON SUSPENSION AND CASES OF FINANCIAL MISCONDUCT

Ongoing management and control of the application of labour related procedures associated with maintenance of a sound labour relations climate by attending and guiding disciplinary procedure in line with collective agreement and specific code of the SALGABC and applicable laws.

Further observing the progressiveness of the disciplinary procedure and implementation of relevant precautionary measures, should employees be perceived as hindrance to the investigation and disciplinary process

### 4.4 PERFORMANCE REWARDS

The Municipality has not yet effectively implemented Performance Management within the organization. Performance Management is not being cascaded to the employees beyond the section 57-performance contract Employees. 2014/15 saw no performance reward beneficiaries, including Section 57 employees.

**There was no performance rewards in the 2014/2015 financial year due to non-availability of PMS system.**

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The Municipal Service Act 2000, S68(1) required municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their power in an economical, effective, efficient and accountable way.

The Municipality through Human Resources Development Unit under the Corporate Services Department is the custodian or champion for skills development on behalf of the Municipality. Various training interventions are conducted through different levels in the organisation. There are training programmes that are attended to equip the employee in order to improve the quality and standard of service delivery. The Workplace Skills Plan is developed along the LGSETA guideline.

Almost what is due to the municipality in terms of the training rebates is collected on an annual basis in full. Whilst the Human Resources Development Unit is tasked to improve

the competency of our employees the unit is also responsible to work in partnership with various departments and training providers and communities to improve the level of skills, knowledge and behaviour of our employees and citizens to be active participants in the municipality and the economic development and growth of the municipality.





## 4.5 SKILLS DEVELOPMENT AND TRAINING

Table 102: Skills Matrix

Skills Matrix														
Management level	Gender	Employees in post as at 30 June 2014	Number of skilled employees required and actual as at 30 June 2014											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
			No.	2011/12	2012/13	2013/14	2011/12	2012/13	2013/14	2011/12	2012/13	2013/14	2011/12	2012/13
MM and s57	Female	0	0	1	0	0	0	0	0	0	0	0	1	1
	Male	5	4	3	3	2	0	2	0	0		0	3	3
Councillors	Female	13	5	0	0	9	7	9	0	0	0	0	7	7
	Male	45	15	0	0	15	11	15	0	0	0	0	11	11
Managers	Female			2	2	0	0	0	0	0	0	0	2	2
	Male			2	2	0	0	0	0	0	0	0	2	2
Technicians and associate professionals*	Female	6	1	0	0	4	0	4	0	0	0	0		4
	Male	6	0	0	0	3	4	3	0	0	0	0	4	3
Interns	Female			3	3		0	0	0	0	0	0	1	1
	Male			1	1		0	0	0	0	0	0	3	3
Clerks	Female	11	8	10	10	1	0	1	0	0	0	0	10	11
	Male	34	17	4	4	10	0	10	0	0	0	0	4	14
Ward Committee Members	Female	10	3	0	0	4	10	4	0	0	0	0	10	4
	Male	7	4	0	0	2	11	2	0	0	0	0	11	2
Sub total	Female	23	8	4	4	17	17	13	0	0	0	0	19	13
	Male	57	23	4	4	22	22	19		0	0	0	28	19
<b>Total</b>		<b>217</b>	<b>88</b>	<b>34</b>	<b>33</b>	<b>89</b>	<b>82</b>	<b>82</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>116</b>	<b>100</b>

\*Registered with professional Associate Body e.g CA (SA)

Table 103: Financial Competency Development

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
<b>Financial Officials</b>						
<i>Accounting officer</i>	1	0	1	0	0	0
<i>Chief financial officer</i>	1	0	1	0	1	1
<i>Senior managers</i>	3	0	3	0	0	0
<i>Any other financial officials</i>	0	0	0	0	0	0
<b>Supply Chain Management Officials</b>						
<i>Heads of supply chain management units</i>	0	0	0	0	0	0
<i>Supply chain management senior managers</i>	0	0	0	1	1	1
<b>TOTAL</b>	<b>5</b>	<b>0</b>	<b>5</b>	<b>1</b>	<b>2</b>	<b>2</b>
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)						T 4.5.2

## COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS

The Skills Development Budget is in line with the Skills Development Levies Act as the Municipality was budgeting 1% of the salary bill for Skills Development, (monies were re-allocated at mid-year due to non expenditure).

## COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

### INTRODUCTION TO WORKFORCE EXPENDITURE

Managing workplace expenditure is governed by Section 66 of the MFMA Act 56 of 2003. The economic challenges faced by the Municipality include, optimizing productivity and rand value, balancing compensation for performance results, the growing dilemma of providing health care and wellness programmes for all employees, hiring and retaining professional staff and raising and addressing the skills levels of all employees.

The strategic and economic challenges are managed through the following programmes:

1. Affirmative Action and Employment Equity
2. Code of Conduct of employees
3. Grievances and disciplinary Procedures
4. Skills Development and Study Assistance
5. Occupational Health and safety
6. Working Hours and Overtime
7. Remuneration scales and allowances
8. Recruitment and Appointments
9. Sexual harassment and Employee Assistance
10. Sick Leave monitoring and management
11. Wellness programmes
12. Injury on duty management
13. Workplace Skills Plans
14. Management and Supervisory development of staff.

Managing a workforce of about 400 permanent employees is a responsibility of Human Resources together with IT Systems Management, through integrated software, VIP System. Financially all vacancies and programmes are approved at the budget period, in line with the strategic focus areas identified in the IDP. Any over expenditure is reviewed and regularized.

## 4.6 EMPLOYEE EXPENDITURE

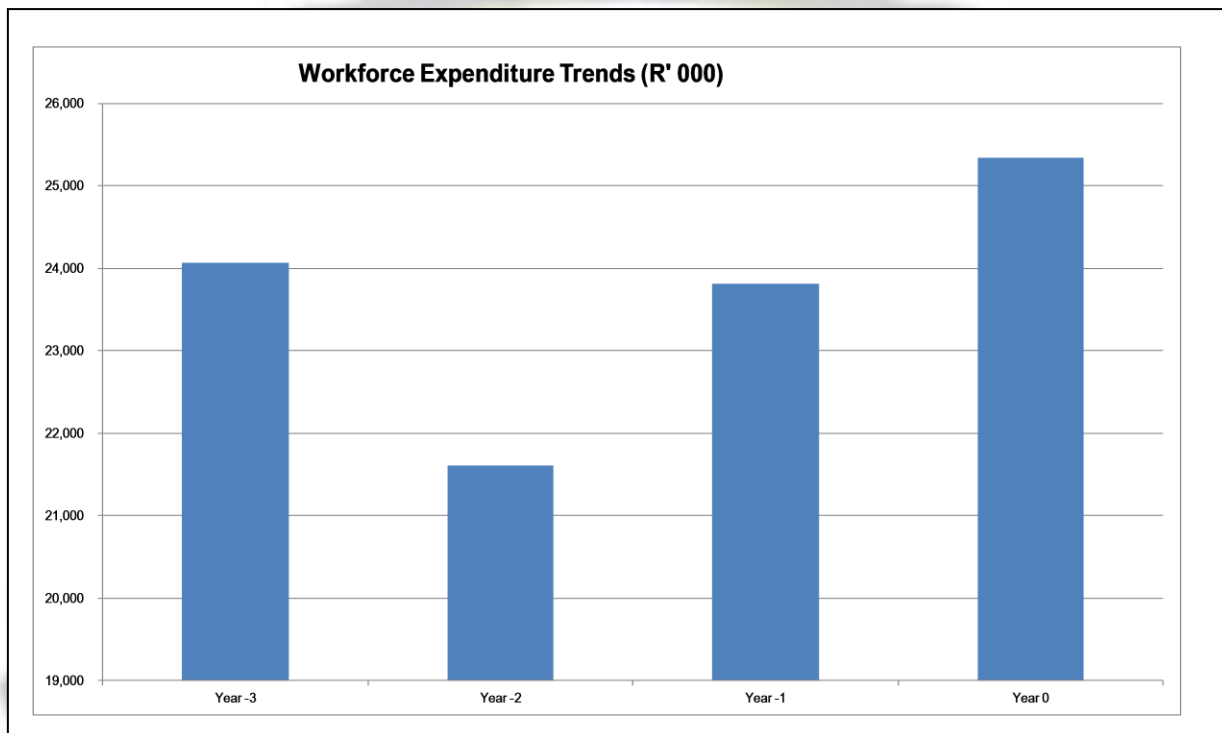


Table 104: Number of Employees whose Salaries were increased due to their Positions being Upgraded

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	0
	Male	0
Skilled (Levels 3-5)	Female	0
	Male	0
Highly skilled production (Levels 6-8)	Female	0
	Male	0
Highly skilled supervision (Levels 9-12)	Female	0
	Male	0
Senior management (Levels 13-16)	Female	0
	Male	0
MM and S 57	Female	0

	Male	0
<b>Total</b>		<b>0</b>
<i>Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).</i>		

Table 105: Employees whose salary levels exceed the grade determined by job evaluation

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
	0	0	0	
	0	0	0	
	0	0	0	
	0	0	0	
	0	0	0	

Table 106: Employees appointed to posts not approved

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. Appointed	Reason for appointment when no established post exist
0	0	0	0	
0	0	0	0	
0	0	0	0	
0	0	0	0	
0	0	0	0	

## DISCLOSURES OF FINANCIAL INTERESTS

Register of Disclosure of Financial Interest is available.



## CHAPTER 5 – FINANCIAL PERFORMANCE

### INTRODUCTION TO FINANCIAL PERFORMANCE

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

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

### COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

#### INTRODUCTION TO FINANCIAL STATEMENTS

*Note: Statements of Revenue Collection Performance by vote and by source are included at **Appendix K**.*

## 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Description	Year 2014/15										
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
R thousands	1	2	3	4	5	6	7	8	9	10	11
<b>Financial Performance</b>											
Property rates	15 000	32 641	641	47		47 641	20 800		(841)	-56%	139%
Service charges	47 422	7 733	155	55		55 155	59 304		4 149	8%	125%
Investment revenue	100	24	124			124	766		642	518%	766%
Transfers recognised - operational	108 395	(580)	815	107		107 815	159 630		51 815	48%	147%
Other own revenue	47 799	(864)	935	38		38 935	6 788		(32 147)	-83%	14%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>218 716</b>	<b>30 954</b>	<b>670</b>	<b>249</b>	<b>-</b>	<b>249 670</b>	<b>247 289</b>		<b>(381)</b>	<b>-1%</b>	<b>113%</b>
Employee costs	81 650	11 159	809	92		92 809	93 718	(909)	909	101%	115%
Remuneration of councillors	12 592	(2 500)	092	10		10 092	11 422	(1 330)	1 330	113%	91%
Debt impairment	-	-	-	14		14	-	-	-	0%	0%
Depreciation & asset impairment	5 000	9 274	274	1		14 274	683	591	(13 591)	5%	14%
Finance charges	1 750	(485)	265	41		1 265	1 202		(63)	95%	69%
Materials and bulk purchases	45 989	(906)	083	5		41 083	41 451	(368)	368	101%	90%
Transfers and grants	1 464	4 375	839	72		5 839	3 832	007	(2 007)	66%	262%
Other expenditure	70 271	2 071	342			72 342	54 093		(18 249)	75%	77%
<b>Total Expenditure</b>	<b>218 716</b>	<b>18 988</b>	<b>704</b>	<b>237</b>	<b>-</b>	<b>237 704</b>	<b>206 401</b>	<b>(2 606)</b>	<b>(31 304)</b>	<b>87%</b>	<b>94%</b>
<b>Surplus/(Deficit)</b>	<b>(0)</b>	<b>11 966</b>	<b>966</b>	<b>11</b>	<b>-</b>	<b>11 966</b>	<b>40 888</b>		<b>28 922</b>		

Table 107: Financial Performance of Operational Services

Financial Performance of Operational Services						
R '000						
Description	2012/13	2013/14		2013/14 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
<b>Operating Cost</b>						
Water	13,596	5,595	6,435	1,071	-422.66%	-501.11%
Waste Water (Sanitation)	9,838	12,099	3,468	21,201	42.93%	83.64%
Electricity	57,017	54,084	48,968	41,963	-28.88%	-16.69%
Waste Management	4,457	2,424	3,597	18,818	87.12%	80.89%
Municipal Buildings	657	1,855	880	-	0	0.00%
Component A: sub-total	85,564	76,057	63,348	83,053	8.42%	23.73%
Municipal Manager	3,763	6,012	5,121	-	0.00%	0.00%
Executive and Council	23,117	25,370	22,743	31,838	20.31%	28.57%
Mechanical Workshop	3,205	5,019	5,748	2,451	-104.73%	-134.49%
Component B: sub-total	30,084	36,401	33,612	34,289	(0)	(0)
Finance	38,480	72,571	49,241	24,053	-201.72%	-104.72%
Local Economic Development	14,983	7,462	9,029	12,439	40.01%	27.41%
Component B: sub-total	53,463	80,033	58,270	36,492	-119.32%	-59.68%
Planning	27,725	18,781	7,195	-	0	0.00%
Local Economic Development	-	-	-	-	0.00%	0.00%
Component C: sub-total	27,725	18,781	7,195	-	0	0.00%
Community & Social Services	4,717	13,109	4,586	-	0.00%	0.00%
Environmental Protection	-	-	-	-	0.00%	0.00%
Traffic	7,686	5,882	12,144	-	0.00%	0.00%
Security and Safety	541	7,835	7,834	-	0.00%	0.00%
Sport and Recreation	1,338	2,801	4,165	-	0.00%	0.00%
Corporate Services	9,789	14,444	11,730	27,959	48.34%	58.05%
Component D: sub-total	24,069	44,071	40,458	27,959	-57.63%	-44.71%
<b>Total Expenditure</b>		<b>255,343</b>	<b>202,884</b>	<b>181,793</b>	<b>-40.46%</b>	<b>-11.60%</b>

	<b>220,906</b>				
In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.					

## COMMENT ON FINANCIAL PERFORMANCE

Actual operating expenditure was more in line with the expected budgeted spending. Our biggest downfall was on the debt impairment provision due to the non-collection of our service charges revenue and property rates. On the bulk purchases our anticipated demand for electricity was not met hence a big variance in the line item.



## 5.2 GRANTS

Table 108: Grant Performance

Grant Performance							R' 000
Description	2013/14	2014/15			2014/15 Variance		
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)	
<b>Operating Transfers and Grants</b>	<b>92</b>	<b>106</b>	<b>106</b>	<b>106</b>			
<b>National Government:</b>	<b>213</b>	<b>164</b>	<b>164</b>	<b>164</b>	0	0	
Equitable share	88	102	102	102			
Municipal Systems Improvement	637	166	166	166	0.00%	0	
Department of Water Affairs	890	934	934	934	0.00%	0	
Levy replacement	–	–	–	–			
Other transfers/grants [insert description]	2	3	3	3			
	686	064	064	064	0.00%	0	
<b>Provincial Government:</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	0	0	
Health subsidy	–						
Housing	–						
Ambulance subsidy	–						
Sports and Recreation	–						
Other transfers/grants [insert description]	500	500	500	500	0.00%	0	
<b>District Municipality:</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	0	0	
[insert description]	–						
<b>Other grant providers:</b>	<b>–</b>	<b>–</b>	<b>339</b>	<b>–</b>	0	0	
LGSETA Grant			4				
			339		#DIV/0!	-1	
<b>Total Operating Transfers and Grants</b>	<b>92</b>	<b>106</b>	<b>111</b>	<b>106</b>	0	-0.03908557	
	713	664	003	664			

Variations are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.

T 5.2.1



Table 109: Grants Received from other Sources than DoRA

LGSeta grants amounting to R4XXXXXX were received during the financial year.

#### COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES

The municipality applied for a roll over on Municipal Infrastructure Grant (MIG) to the amount of R27m for projects already committed at year end. There was also roll over application on the Neighborhood Development Partnership Grant for projects in Ikageleng Township. These roll over applications were approved by the National Treasury.



## 5.3 ASSET MANAGEMENT

### INTRODUCTION TO ASSET MANAGEMENT

The municipality has established asset management unit in line with Section 63 of the MFMA and is responsible for:

- Safeguarding of assets and liabilities
- Ensuring that the municipality's assets are valued in accordance with the standards of generally recognized accounting practice
- Ensuring that the municipality municipality has and maintains a system of internal control of assets and liabilities, including as asset and liability register, as may be prescribed.
- Ensure that the municipality has and maintains a management, accounting and information system that accounts for the assets and liabilities of the municipality.

### CAPACITY OF THE UNIT

- The unit has four permanent employees in financial year 2014/15 comprising of:
  - Manager Assets and Liabilities
  - Accountant Assets and Liabilities
  - Senior Clerk movable, and immovable assets
  - Senior Clerk Insurance and Liabilities.

The unit is currently receiving support from the provincial treasury through the hiring of the support team (JBFE Consultants).

The support team is mainly assisting on grap 17 and grap 16.

comprising of six positions. This functions of this unit includes were outsourced to external service providers. **To ensure that the finances are managed in a sustainable**

manner and meet the needs of the community in line with all assigned and delegated powers by the Council and the Accounting Officer.

Table 110: Treatment of the three largest assets

<b>TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 2014/15</b>				
<b>Asset 1</b>				
Name	Mogopa Internal Roads			
Description	Construction of a road (Project)			
Asset Type	Plant and Machinery			
Key Staff Involved	Unit Manager: PMU			
Staff Responsibilities	Manager water services			
Asset Value	Year -3	Year -2	Year -1	Year 0
				5 161 428.31
Capital Implications	Road Construction			
Future Purpose of Asset	To be converted to a road for use by the community			
Describe Key Issues	No issues			
Policies in Place to Manage Asset	Yes, Included on the Asset Management Policy			
<b>Asset 2</b>				
Name	Mosweu Internal Roads.			
Description	Construction of a road (Project)			
Asset Type	Plant and Machinery			
Key Staff Involved	Unit Manager: PMU			
Staff Responsibilities	Manager water services			
Asset Value	Year -3	Year -2	Year -1	Year 0
				4 841 992.54
Capital Implications	Road Construction			
Future Purpose of Asset	To be converted to a road for use by the			

	community
Describe Key Issues	No issues
Policies in Place to Manage Asset	Yes, Included on the Asset Management Policy

### COMMENT ON ASSET MANAGEMENT

The major expenditure incurred on PPE was on projects (work in progress on roads under construction).

The municipality did incur any major expenditure on movable assets. There were no vehicles acquired. The only movable assets acquired were computers and furniture.

Table 111: Repair and Maintenance Expenditure: 2013/14

Repair and Maintenance Expenditure: 2014/15				
				R' 000
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	10 228	558	6 319	38%
				T 5.3.4

### COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE

Repairs and maintenance spending in relation to the total municipal budget expenditure is line with the approved National Treasury norms of around 38%. The expenditure is less than budget. Variance is R3 909.

## 5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

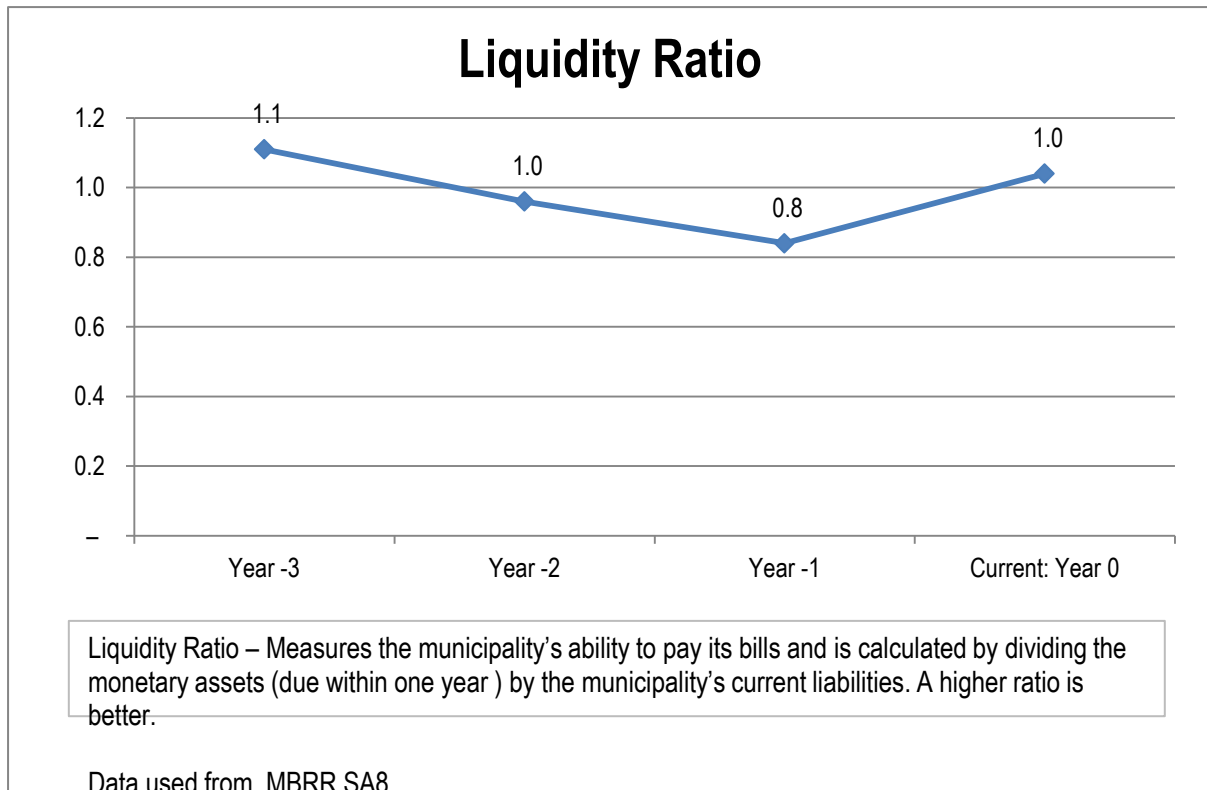


Figure 13: Liquidity Ratio



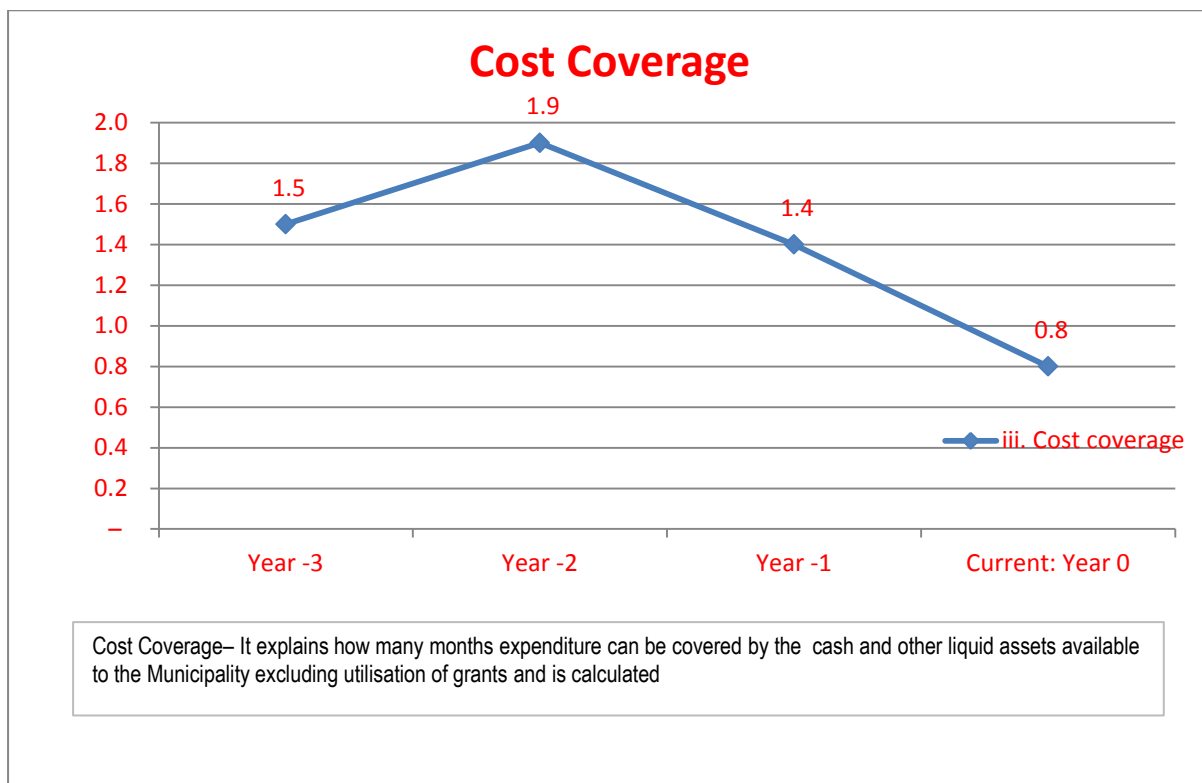


Figure 14: Cost Coverage



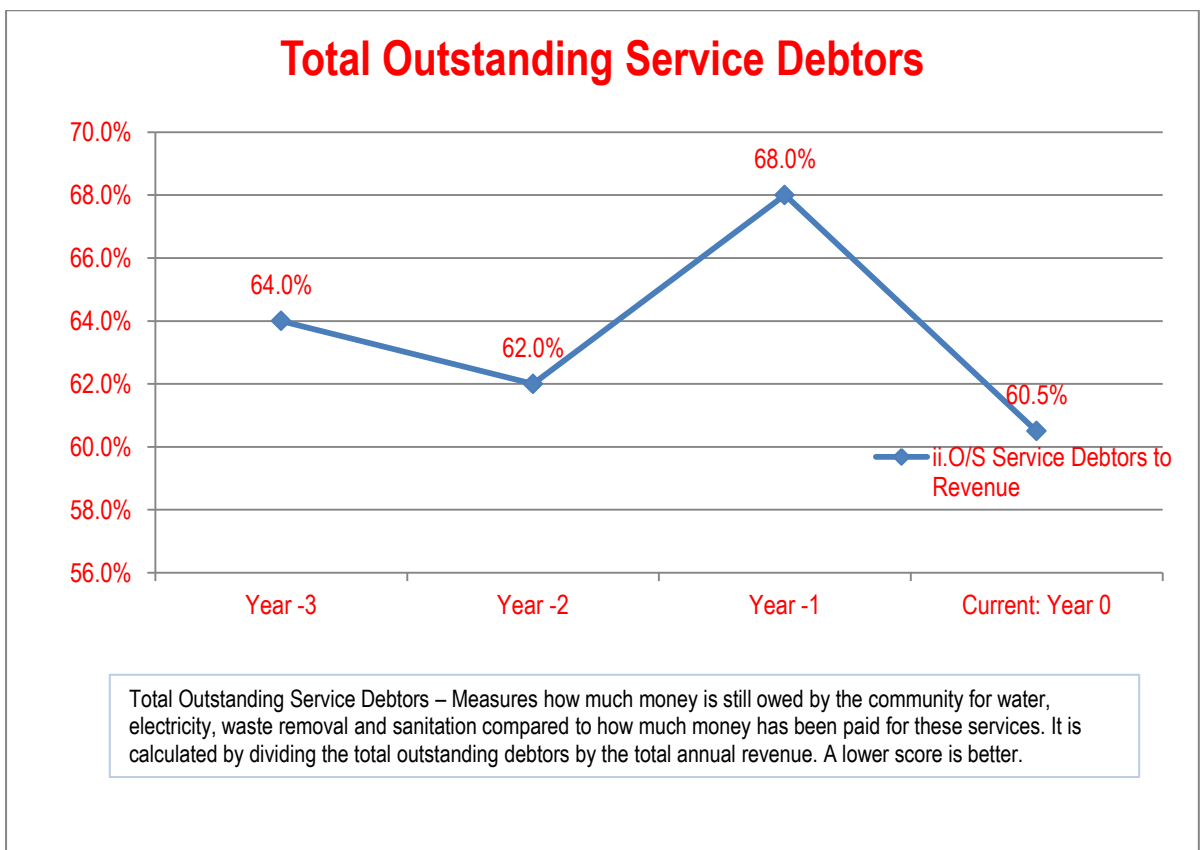


Figure 15: Total Outstanding Service Debtors



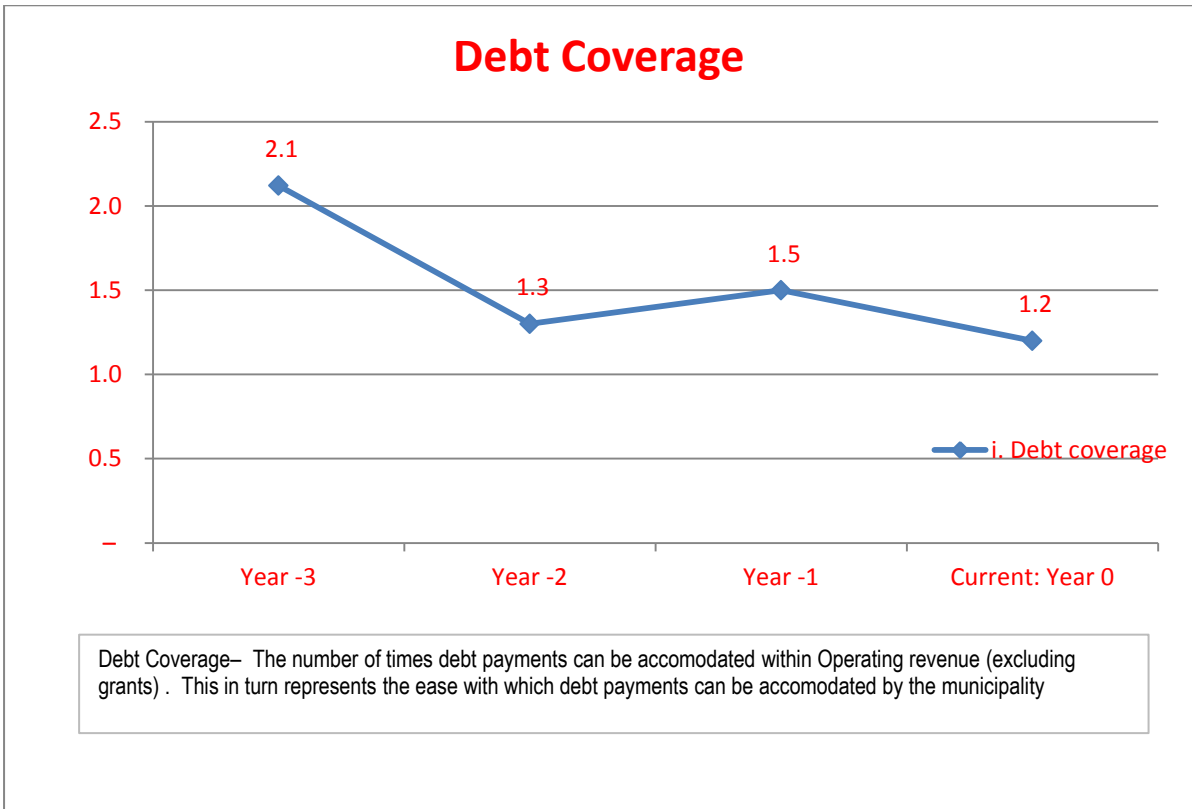


Figure 16: Debt Coverage



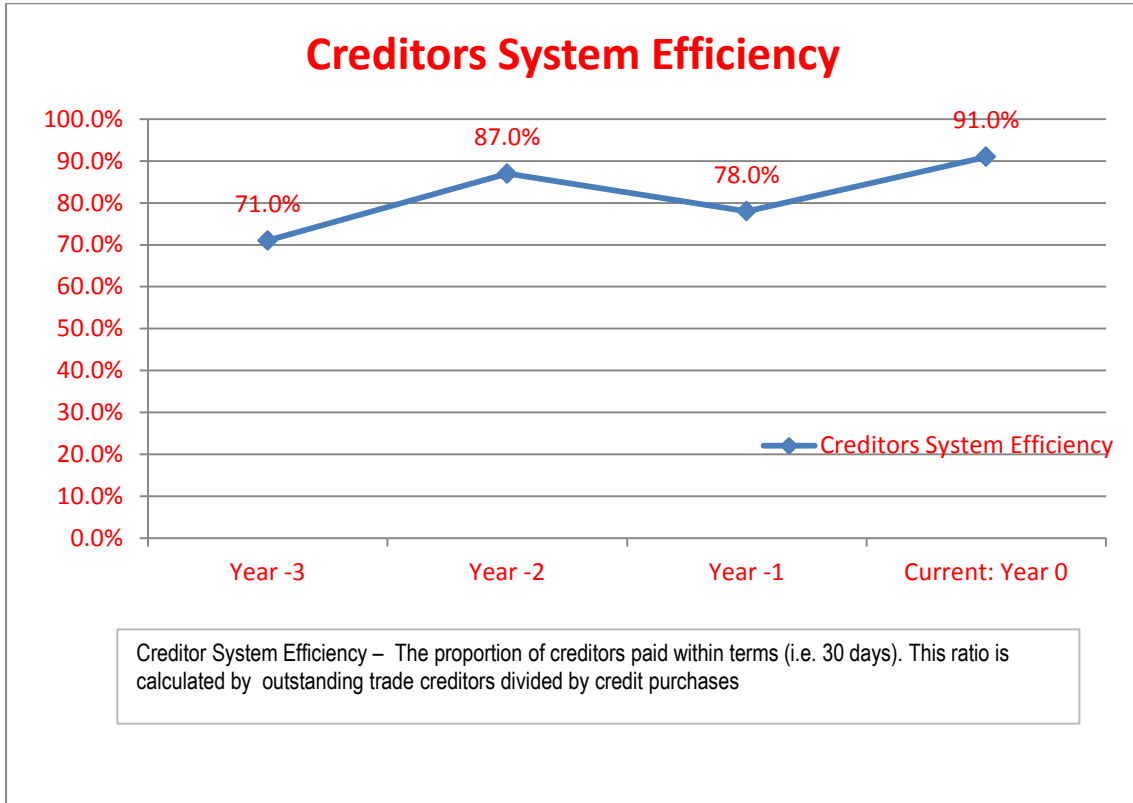


Figure 17: Creditors System Efficiency



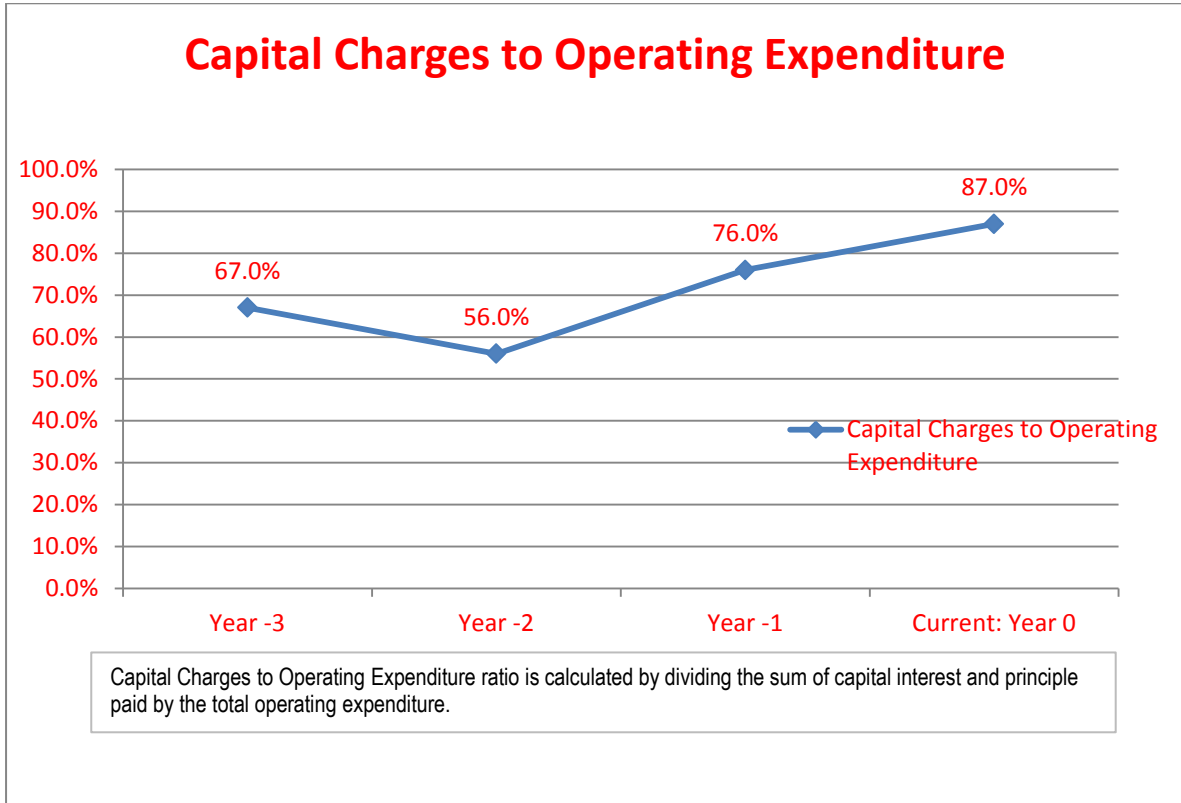


Figure 18: Capital Charges to Operating Expenditure





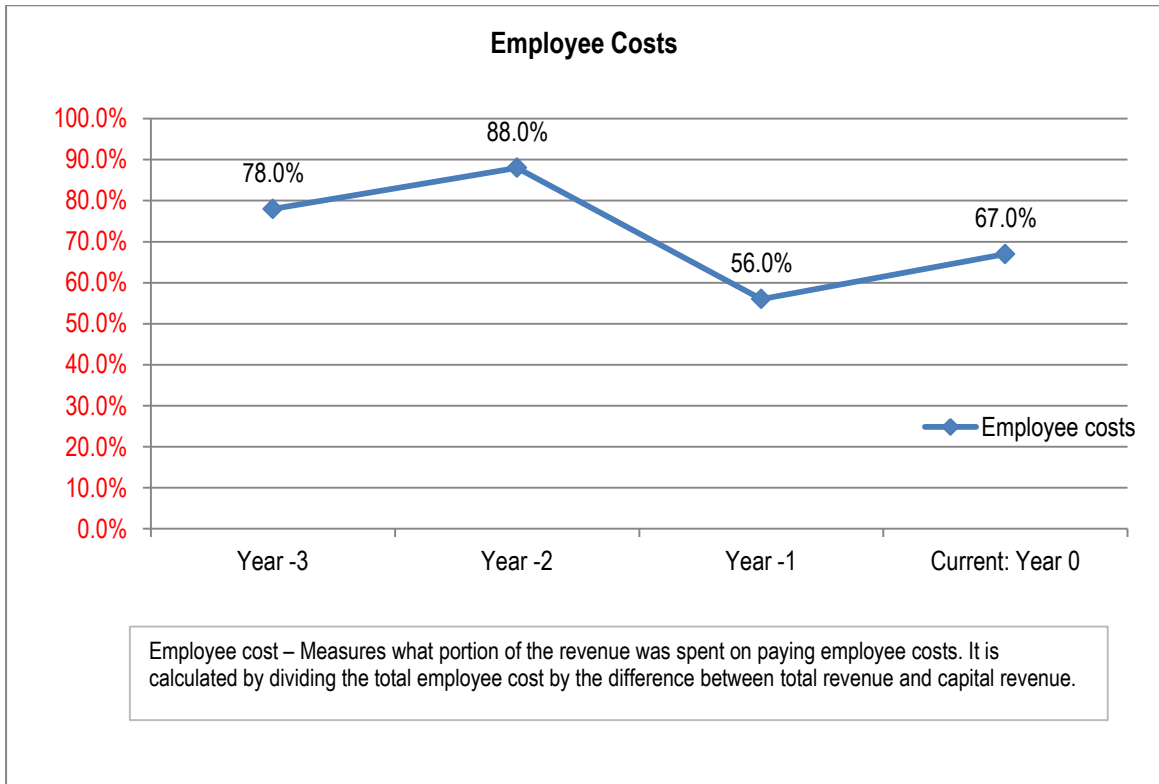


Figure 19: Employee Costs

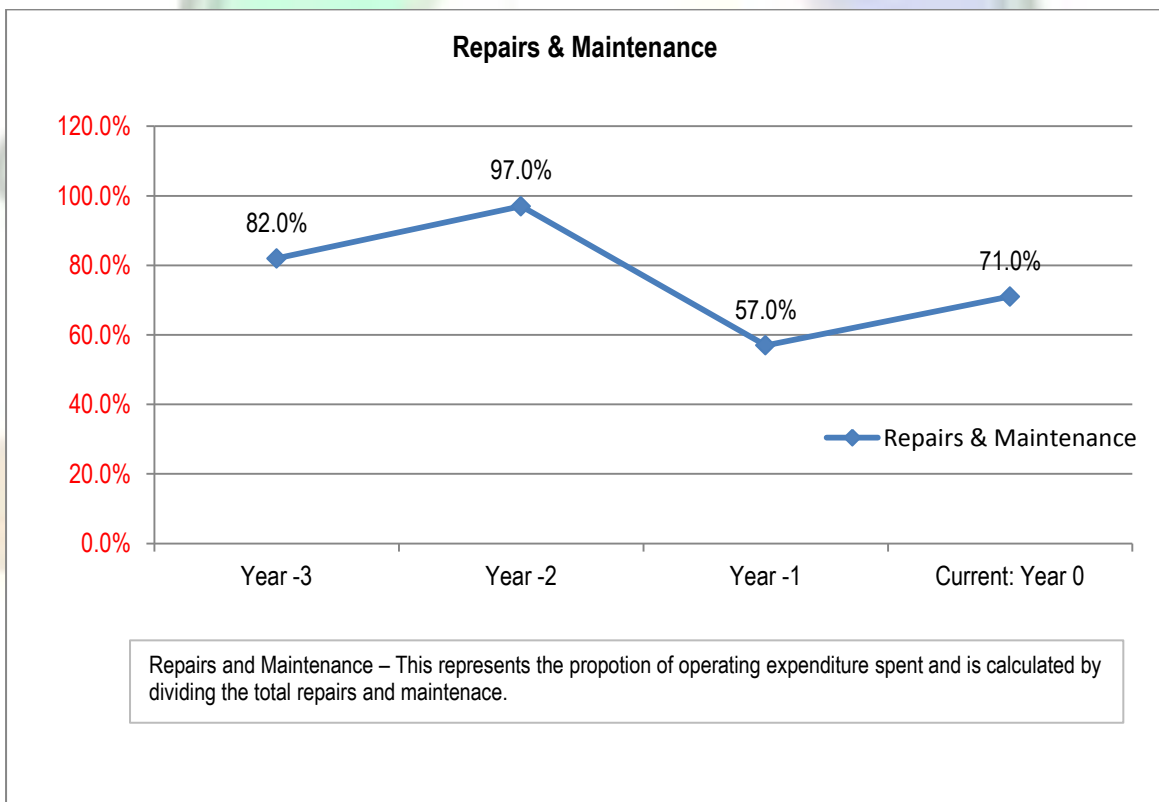


Figure 20: Repairs and Maintenance

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.5 CAPITAL EXPENDITURE

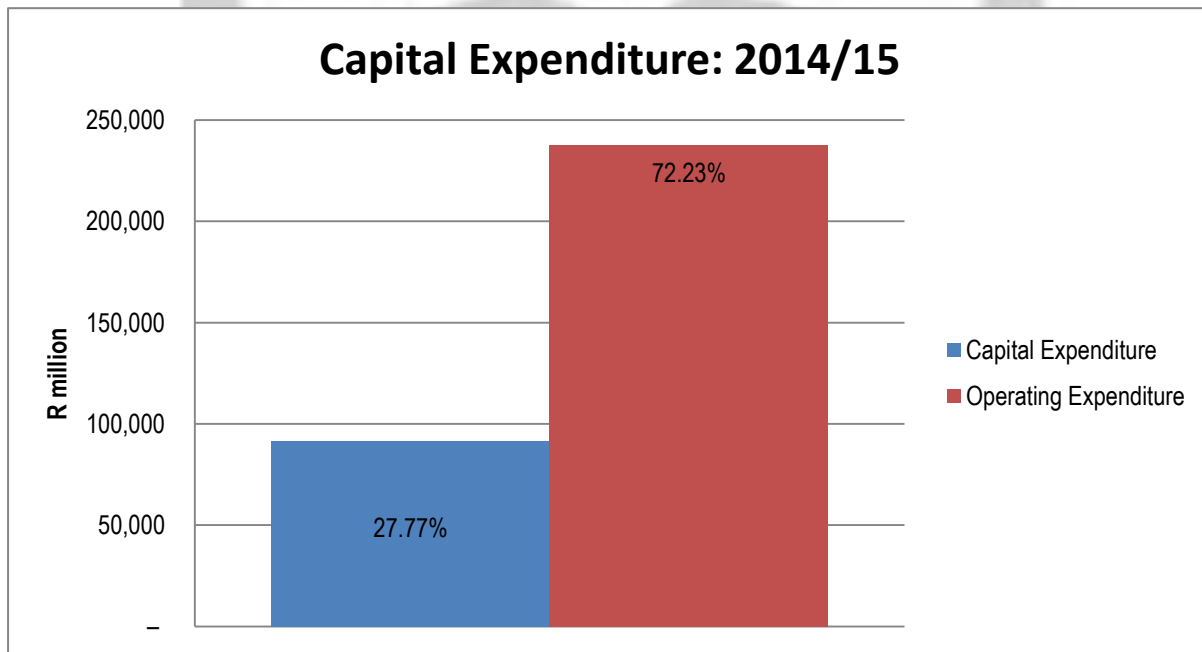


Figure 21: Capital Expenditure 2013/14

## 5.6 SOURCES OF FINANCE

Table 112: Capital Expenditure-Funding Sources: 2012/13 to 2013/14

<b>Capital Expenditure - Funding Sources: 2014/15</b>							
<b>R' 000</b>							
<b>Details</b>		<b>2014</b>	<b>2014/15</b>				
		<b>/15</b>	<b>Original</b>	<b>Adjust</b>	<b>Actual</b>	<b>Adjust</b>	<b>Actual</b>
<b>Source of</b>		<b>Actual</b>	<b>Budget</b>	<b>ment</b>		<b>ment to</b>	<b>Actual</b>
<b>finance</b>			<b>(OB)</b>	<b>Budget</b>		<b>OB</b>	<b>to OB</b>
						<b>Varianc</b>	<b>Varianc</b>
						<b>e (%)</b>	<b>e (%)</b>
	External loans	0	-	-	-	0.00%	0.00%
	Public contributions and donations	0	-	-	-	0.00%	0.00%
	Grants and subsidies	0	59 020 543	60 890 163	41 440 345	32%	30%
	Other						
<b>Total</b>		<b>0</b>	<b>59 020 543</b>	<b>60 890 163</b>	<b>41 440 345</b>	<b>32%</b>	<b>30%</b>
<i>Percentage of finance</i>							
	External loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Public contributions and donations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Grants and subsidies	0.0%	42.3%	34.5%	85.2%	126.0%	-64.1%
	Other	0.0%	57.7%	65.5%	14.8%	-26.0%	164.1%
<b>Capital expenditure</b>							

<b>e</b>							
	Water and sanitation	0	2 736 000	2,205,000	1 347 000	0.00%	51%
	Electricity	0		5 000 000	2 400 561	52%	
	Housing	0	-	-	-	0.00%	0.00%
	Roads and storm water	0	75,122,000	60,250,000	51,401,428	-19.80%	-31.58%
	Other	0	10,632,957	17,577,784	10,870,501	65.31%	2.23%
<b>Total</b>		<b>0</b>	<b>104,059,957</b>	<b>96,364,512</b>	<b>68,384,100</b>	<b>46.96%</b>	<b>191.38%</b>
<i>Percentage of expenditure</i>							
	Water and sanitation	0.0%	2.1%	2.3%	0.0%	0.0%	52.3%
	Electricity	0.0%	15.5%	16.9%	8.9%	3.1%	32.4%
	Housing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Roads and storm water	0.0%	72.2%	62.5%	75.2%	-42.2%	16.5%
	Other	0.0%	10.2%	18.2%	15.9%	139.1%	-1.2%

## 5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Table 113: Capital Expenditure of 5 Largest Projects

Capital Expenditure of 5 largest projects*						R' 000
Name of Project	2013/14			Variance: 2013/14		
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)	
A –Sandvlagte Internal	10 000 000	-	5 886 926	41%	0%	

Roads Phase 1					
B – Reagile Internal Roads	7 000 000	-	6 907 484	1%	0%
C – Swartkopfontein Internal Roads	7 000 000	-	5 073 539	27%	0%
D – Bosugakubo Internal Roads	6 500 000	-	3 664 455	44%	0%
E – Mokgola Internal Roads	6 000 000	-	3 810 239	36%	0%
<i>* Projects with the highest capital expenditure in Year 0</i>					
<b>Name of Project - A</b>	Sandvlagte Internal Roads Phase 1				
Objective of Project	To upgrade 3km internal roads from gravel to bitumen				
Delays	Non				
Future Challenges	Non				
Anticipated citizen benefits	±2000 Households				
<b>Name of Project - B</b>	Reagile Internal Roads				
Objective of Project	To upgrade 2km internal roads from gravel to paving and reconstruct 1.4km gravel road				
Delays	non				
Future Challenges	Non				
Anticipated citizen benefits	±250 Households				
<b>Name of Project - C</b>	Swartkopfontein Internal Roads				
Objective of Project	To upgrade 3km internal roads from gravel to bitumen				
Delays	Non				
Future Challenges	Non				
Anticipated citizen benefits	±300 Households				
<b>Name of Project - D</b>	Bosugakubo Internal Roads				
Objective of Project	To upgrade 3km internal roads from gravel to bitumen				
Delays	Non				
Future Challenges	Non				
Anticipated citizen benefits	±2000 Households				
<b>Name of Project - E</b>	Mokgola Internal Roads				
Objective of Project	To upgrade 1.5km internal roads from gravel to paving and construct a bridge				
Delays	Non				
Future Challenges	Non				
Anticipated citizen benefits	±2000 Households				



## 5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

Table 114: Service Backlogs

Service Backlogs as at 30 June 2014				
	Households (HHs)			
	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water		%		%
Sanitation		%		%
Electricity		%		%
Waste management		%		%
Housing		%		%

*% HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to \* formal and \*\* informal settlements.*

Table 115: MIG Expenditure on Service Backlogs

Municipal Infrastructure Grant (MIG)* Expenditure 2013/14 on Service backlogs						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
<b>Infrastructure - Road transport</b>				%	%	
<i>Roads, Pavements &amp; Bridges</i>	20,803,103		13,069,906	%	%	
<i>Storm water</i>				%	%	
<b>Infrastructure - Electricity</b>				%	%	
<i>Generation</i>				%	%	
<i>Transmission &amp; Reticulation</i>				%	%	
<i>Street Lighting</i>	5,247,896		1,008,037	%	%	
<b>Infrastructure - Water</b>				%	%	
<i>Dams &amp; Reservoirs</i>				%	%	
<i>Water purification</i>				%	%	
<i>Reticulation</i>				%	%	
<b>Infrastructure - Sanitation</b>				%	%	
<i>Reticulation</i>				%	%	
<i>Sewerage purification</i>				%	%	
<b>Infrastructure - Other</b>				%	%	
<i>Waste Management</i>				%	%	
<i>Transportation</i>				%	%	
<i>Gas</i>				%	%	
<b>Other Specify:</b>				%	%	

PMU	1,350,000		208,935	%	%	
				%	%	
<b>Total</b>	<b>27,401,000</b>		<b>14,286,880</b>	<b>%</b>	<b>%</b>	

*\* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.*

## COMMENT ON BACKLOGS

See Appendix P and Q.



## COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

### INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

See AFS.



## 5.9 CASH FLOW

Table 116: Cash Flow Outcomes

Cash Flow Outcomes				
R'000				
Description	Year - 2013/14	Current: Year 2014/15		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
	60	96	111	63
Ratepayers and other	069	675	675	566
	92	106	107	107
Government - operating	713	664	815	749
	30	41	48	51
Government - capital	495	869	923	204
Interest	34	100	124	766
Dividends	82	–	–	667
<b>Payments</b>				
	(212)	(212)	(212)	(149)
Suppliers and employees	267)	469)	469)	613)
		(1)	(1)	(1)
Finance charges	(939)	750)	750)	202)
		(3)	(3)	(1)
Transfers and Grants	–	998)	998)	464)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>(29)</b> <b>896)</b>	<b>27</b> <b>091</b>	<b>50</b> <b>320</b>	<b>71</b> <b>006</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Receipts</b>				
	(22)			–
Proceeds on disposal of PPE	31			(26)
Decrease (Increase) in non-current debtors	690			101)
Decrease (increase) other non-current receivables	(1 005)			37 518
Decrease (increase) in non-current investments	–			–
<b>Payments</b>				
	(72)	59	60	(39)
Capital assets	069)	021	890	816)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(41)</b> <b>405)</b>	<b>59</b> <b>021</b>	<b>60</b> <b>890</b>	<b>(28)</b> <b>398)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Receipts</b>				
	–			–
Short term loans	–			–
Borrowing long term/refinancing	–			–

Increase (decrease) in consumer deposits	218			136
<b>Payments</b>				
Repayment of borrowing	(437)	1	2	(4)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(219)</b>	<b>1</b>	<b>2</b>	<b>(4)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>301</b>	<b>87</b>	<b>113</b>	<b>37</b>
Cash/cash equivalents at the year begin:	472	25		157
Cash/cash equivalents at the year end:	157	18	113	956
<i>Source: MBRR A7</i>				<i>T 5.9.1</i>

## COMMENT ON CASH FLOW OUTCOMES

The actual cash flow bottom line surpassed the budgeted cash flow balance by about R4m. This is attributable to controls implemented by management and staff awareness about the importance of maintaining a healthy bank balance. Improvement collection from our ratepayers also contributed positively in attaining this.



## 5.10 BORROWING AND INVESTMENTS

## INTRODUCTION TO BORROWING AND INVESTMENTS

Table 117: Actual Borrowings

<b>Actual Borrowings: Year 2012 to Year 2015</b>			
<b>R' 000</b>			
<b>Instrument</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b><u>Municipality</u></b>			
Long-Term Loans (annuity/reducing balance)		713 000	717
Short-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
<b>Municipality Total</b>	0	0	13,081,00 0
<b><u>Municipal Entities</u></b>			
Long-Term Loans (annuity/reducing balance)			
Short-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			

Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
<b>Entities Total</b>	0	0	0



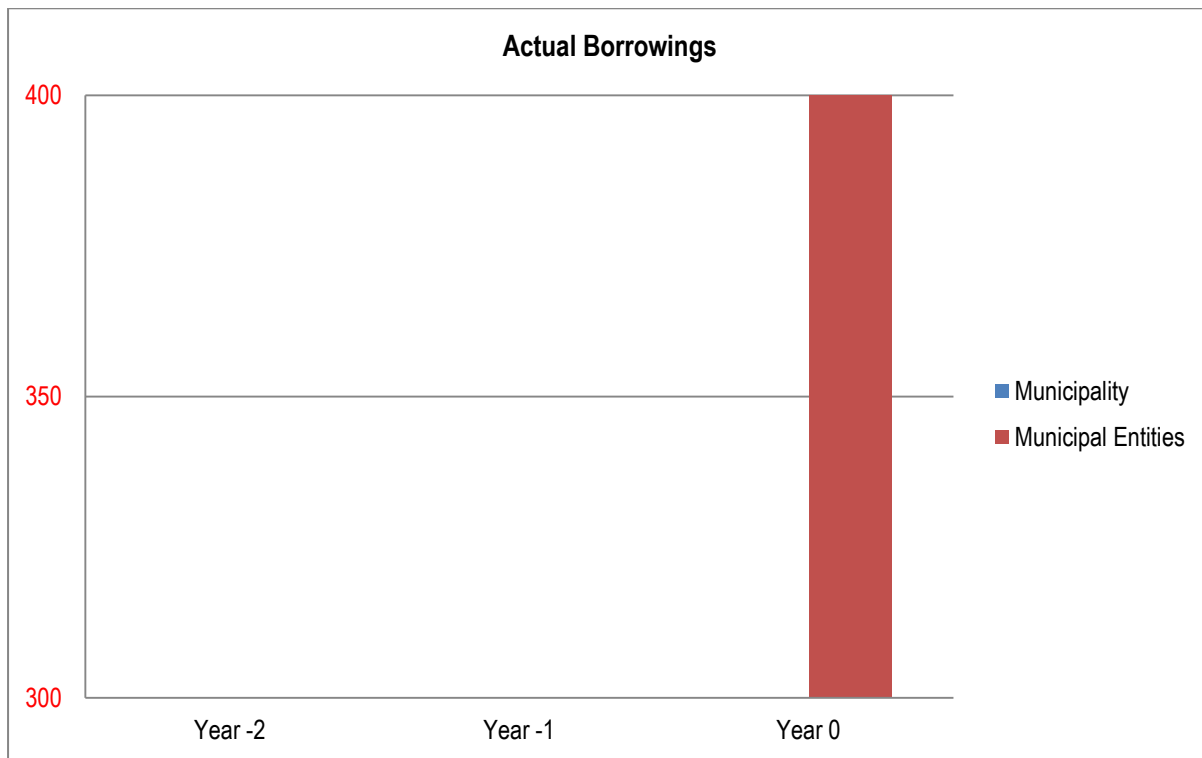


Figure 22: Actual Borrowings



<b>Municipal and Entity Investments</b>			
			R' 000
Investment* type	2011/12	2012/13	2013/14
	Actual	Actual	Actual
<b>Municipality</b>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			3,876,594
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			
Other			
<b>Municipality sub-total</b>	0	0	3,876,594
<b>Municipal Entities</b>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
<b>Entities sub-total</b>	0	0	-
<b>Consolidated total:</b>	0	0	3,876,594

#### COMMENT ON BORROWING AND INVESTMENTS:

See Volume 2 AFS

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## 5.11 PUBLIC PRIVATE PARTNERSHIPS

### COMPONENT D: OTHER FINANCIAL MATTERS

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## 5.12 SUPPLY CHAIN MANAGEMENT

See Chapter 2, under section 2.8.

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## 5.13 GRAP COMPLIANCE

The municipality did not deviate from any applicable GRAP standards. All applicable standards were adhered to and applied where possible. Note 2 to the Annual Financial Statements shows all the new GRAP statements that came into effect and were applied.





## CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

### INTRODUCTION

Note: The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement... must be audited annually by the Auditor-General.

### COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2014/15

#### 6.1 AUDITOR GENERAL REPORTS YEAR 2013/14 (PREVIOUS YEAR)

Auditor-General Report on Financial Performance: Year -1	
<b>Audit Report Status*:</b>	
<b>Non-Compliance Issues</b>	<b>Remedial Action Taken</b>
<i>Note: *The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)</i>	
	T 6.1.1

Auditor-General Report on Service Delivery Performance: Year -1	
<b>Audit Report Status:</b>	
<b>Non-Compliance Issues</b>	<b>Remedial Action Taken</b>
	T 6.1.2

## COMPONENT B: AUDITOR-GENERAL OPINION YEAR 2014/15 (CURRENT YEAR)

### 6.2 AUDITOR GENERAL REPORT YEAR 2013/14

Auditor-General Report on Financial Performance Year 0*	
<b>Status of audit report:</b>	
<b>Non-Compliance Issues</b>	<b>Remedial Action Taken</b>
<p><i>Note: * The report's status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse). This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Financial Performance Year 0.</i></p>	
	T 6.2.1

Auditor-General Report on Service Delivery Performance: Year 0*	
<b>Status of audit report**:</b>	
<b>Non-Compliance Issues</b>	<b>Remedial Action Taken</b>
<p><i>* This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Service Delivery Performance Year 0</i></p> <p><i>** Inclusion of "Status" depends on nature of AG's remarks on Performance Data.</i></p>	
	T 6.2.2

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: 2013/14

To be inserted on receipt of final AG report.



## GLOSSARY

<b>Accessibility indicators</b>	Explore whether the intended beneficiaries are able to access services or outputs.
<b>Accountability documents</b>	Documents used by executive authorities to give “full and regular” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
<b>Activities</b>	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “what we do”.
<b>Adequacy indicators</b>	The quantity of input or output relative to the need or demand.
<b>Annual Report</b>	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
<b>Approved Budget</b>	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
<b>Baseline</b>	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
<b>Basic municipal service</b>	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
<b>Budget year</b>	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
<b>Cost indicators</b>	The overall cost or expenditure of producing a specified quantity of outputs.
<b>Distribution indicators</b>	The distribution of capacity to deliver services.
<b>Financial Statements</b>	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
<b>General performance indicators</b>	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
<b>Impact</b>	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
<b>Inputs</b>	All the resources that contribute to the production and delivery of outputs. Inputs are “what we use to do the work”. They include finances, personnel, equipment and buildings.
<b>Integrated Development Plan (IDP)</b>	Set out municipal goals and development plans.
<b>National performance areas</b>	<ul style="list-style-type: none"> <li>• Service delivery &amp; infrastructure</li> <li>• Economic development</li> <li>• Municipal transformation and institutional development</li> </ul>



	<ul style="list-style-type: none"> <li>Financial viability and management</li> <li>Good governance and community participation</li> </ul>
<b>Outcomes</b>	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
<b>Outputs</b>	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
<b>Performance Indicator</b>	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
<b>Performance Information</b>	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
<b>Performance Standards:</b>	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
<b>Performance Targets:</b>	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
<b>Service Delivery Budget Implementation Plan</b>	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
<b>Vote:</b>	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of</i></p>



*the department or functional area concerned*



## APPENDICES

## APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
CLLR Thwasha AJ	FT	Council-Speaker	Ward 1-ANC	100%	0%
CLLR Tsile CS	PT	Chaiperson: MPAC	PR-UCDP	100%	0%
CLLR Thale AN	FT	Mayor-Exco	Ward 15-ANC	100%	0%
CLLR Montwedi BE	PT	LED-Chaiperson	Ward 6-ANC		
CLLR Amodis J	PT	LED	PR-DA		
CLLR Phale KR	PT	LED	Ward 4-ANC		
CLLR Senna R	PT	LED	Ward 20-ANC		
CLLR Nyamane	PT	LED	PR -ANC		
CLLR Modibetsane S	PT	LED	Ward 11-ANC		
CLLR Pine B	PT	LED	PR ANC		
CLLR Moroeng N	PT	LED	PR-UCDP		
CLLR Manthoko KI	PT	Community Services: Chaiperson	Ward 03-ANC		
CLLR Lamola GA	PT	Community Services	Ward 8-ANC		
CLLR Moiloa OC	PT	Community Services	PR-Working Together		
CLLR Chabane NP	PT	Community Services	ward 12-ANC		
CLLR Gae ME	PT	Community Services	PR-ANC		
CLLR Mosiiane MK	PT	Community Services	Ward 16-ANC		
CLL Maleke KJ	PT	Community Services	PR-COPE		
CLLR Moabi MP	PT	Corporate Services: Chaiperson	Ward 5-ANC		
CLLR Mothusi P	PT	Corporate Services	Ward 6-ANC		
CLLR Mokgathe JK	PT	Corporate Services	Ward 17-ANC		
CLLR Mogotsi OK	PT	Corporate Services	PR-ANC		
CLLR Mokgothu BS	PT	Corporate Services	PR-UCDP		
CLLR Molefe TD	PT	Corporate Services	Ward 14-ANC		
CLLR Ramaina SC	PT	Technical Services: Chaiperson	Ward 10-ANC		

CLLR Nyanto SH	PT	Technical Services	Ward 18-ANC		
CLLR Pule HK	PT	Technical Services	PR-UCDP		
CLLR Megalane MG	PT	Technical Services	Ward 9-ANC		
CLLR Mokgathe RO	PT	Technical Services	Ward 2-ANC		
CLLR Motang PM	PT	Technical Services	Ward 19-ANC		
CLLR Mbangi LT	PT	Finance: Chairperson	Ward13-ANC		
CLLR Dreyer C	PT	Finance	PR-DA		
CLLR Cassanga B	PT	Finance	PR-ANC		
CLLR Pilane MP	PT	Finance	PR-ANC		
CLLR Seswane KQ	PT	Finance	PR-COPE		
<i>Note: * Councillors appointed on a proportional basis do not have wards allocated to them</i>					<i>T A</i>



## APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
Community Services	Environmental Management and Public Safety
Technical Services	Infrastructural Development and Maintenance
Corporate Services	Human Resource, Management and Council Support
LED	Poverty Alleviation and Job Creation
Finance	Financial Management
MPAC	Oversight Role
Rules Committee	Maintenance of Order and Compliance
Audit and Risk Committee	Oversight and advisory role
ICT Steering Committee & ICT Strategic Committee	Oversight and advisory role

## APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Community Services	Director- Mr T.M Seleka
Technical Services	Director - Mr IGJ Makaukau
LED	Director - Mrs B. Seabi
Corporate Services	Director - Mr S.M.T Motlhamme
Finance	CFO - Mr G. Moroane
Internal Audit	CAE-Mrs M. Mathye
Office of the Municipal manager	EM- Mr. T.M.T. Tiro
<i>Use as a spill-over schedule if top 3 tiers cannot be accommodated in chapter 2 (T2.2.2).</i>	

TC





## APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
<b>Constitution Schedule 4, Part B functions:</b>		
Air pollution	No	
Building regulations	Yes	
Child care facilities	No	
Electricity and gas reticulation	Yes (Partially)	
Firefighting services	No	
Local tourism	Yes	
Municipal airports	Yes	
Municipal planning	Yes	
Municipal health services	No	
Municipal public transport	No	
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No	
Stormwater management systems in built-up areas	Yes	
Trading regulations	Yes	
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes	
Beaches and amusement facilities	No	
Billboards and the display of advertisements in public places	Yes	
Cemeteries, funeral parlours and crematoria	Yes	
Cleansing	Yes	
Control of public nuisances	Yes	
Control of undertakings that sell liquor to the public	Yes	
Facilities for the accommodation, care and burial of animals	Yes	
Fencing and fences	Yes (Partially)	
Licensing of dogs	Yes	
Licensing and control of undertakings that sell food to the public	Yes	
Local amenities	Yes	
Local sport facilities	Yes	
Markets	No	
Municipal abattoirs	No	
Municipal parks and recreation	Yes	
Municipal roads	Yes	
Noise pollution	Yes	
Pounds	No	
Public places	Yes	

Refuse removal, refuse dumps and solid waste disposal	Yes	
Street trading	Yes	
Street lighting	Yes	
Traffic and parking	Yes	

## APPENDIX E – WARD REPORTING

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 1	<b>Cllr.A.Thwesa</b>	Yes	12	12	4
	V.Mbele				
	O.Thambe				
	G.Nikane				
	E.Phadi				
	R.Ramokhua				
	L. Ditshweu				
	S.Sepai				
	J. Letlole				
	N.Kabelo				
	D.Thowe				
Ward 2	<b>Cllr. P. Maetla</b>	Yes	12	12	4
	M.Moroeng				
	B.Letsholo				
	K.Motswatswa				
	P. Mosikari				
	E. Maletswa				
	B.Mekgwe				
	M.Kadi				
	D. Menoe				
	G.Magagane				
Ward 3	<b>Cllr.K.I.Manthoko</b>	Yes	12	12	4
	D. Nyamane				
	K.Ledikwa				
	S. Monageng				
	M. Mothibi				
	J. Senna				
	M. Sefularol.				
	I. Mosadi				

	M.Seleka				
	S. Montsho				
	L.Menwe				
Ward 4	<b>Cllr.K.R.Phale</b>	Yes	12	12	4
	T. Kena				
	M. Pebe				
	M. Selaledi				
	N. Nkwe				
	K. Motsote				
	B. Mogotsi				
	K. Mokgofa				
	R. Peba				
	J. Tiro				
Ward 5	<b>Cllr.M.P.Moabi</b>	Yes	12	12	4
	P.Moratakgomo				
	S.Makubane				
	K. Seane				
	B. Mokgatlhe				
	P. selemogo				
	L. Molokwane				
	K. Motsisi				
	I. Molokwane				
	M. Baloyi				
	G. Mngquibisa				
Ward 6	<b>Cllr.M.Mothusi</b>	Yes	12	12	4
	G. Moagi				
	D. Pheelwne				
	d. Monei				
	L. Kedijang				
	L. Moleele				
	J. Selau				
	L. Motswasele				
	H. Mafathheng				
	B. Lekgoe				
	O. Senna				
Ward 7	<b>Cllr,W.Mokotedi</b>	Yes	12	12	4
	J. Letshwenyo				
	E. Sethaiso				
	E. Letshwenyo				
	G. Moremedi				
	M.Sekgabi				

	M. Pule				
	M. Melato				
	M. Zulu				
	M. Moumakwa				
Ward 8	<b>Cllr,G.A.Lamola</b>	Yes	12	12	4
	D. Thale				
	D. Tsibogo				
	G. Phege				
	M. Senosi				
	H. Kgori				
	M. Mokgatle				
	L. Rantao				
	B. Thutlwa				
Ward 9	<b>Cllr.MMegalane</b>	Yes	12	12	4
	P. Nkotoe				
	S. Tsokedi				
	G. Mothoawagae				
	O. Mogwere				
	S. Hutton				
	K. Tsele				
	D. Mothowagae				
	P. Majafi				
	D. Molobela				
	D. Monnaesi				
Ward 10	<b>Cllr. S.C Ramaina</b>	Yes	12	12	4
	M. sethabe				
	R. Sebogodi				
	J. Moiloanyane				
	B. Rantsimele				
	R. Mogorosi				
	M. Mogale				
	J. Mogale				
	G. Dipale				
	B. Mothudi				
	S. Malope				
Ward 11	<b>Cllr. S.I Modibetsane</b>	yes	12	12	4
	R Modisane				
	R Molefe				
	I Motsamai				
	G Monnana				
	T Lefutswe				

	T Mokgathe				
	E Pulenyane				
	K Morale				
	A Gulum				
	J Modipane				
Ward 12	<b>Cllr. E.T. Matebesi</b>	Yes	12	12	4
	S Molefe				
	P Mochutu				
	O Seleka				
	L Dimpe				
	P Molautsi				
	B Motlhabane				
	I Mokgathe				
	A Moholo				
	M Olifant				
	Msebogodi				
Ward 13	<b>Cllr. L.T Mbangi</b>	Yes	12	12	4
	C Lucky				
	K Tsholo				
	M Molokoane				
	D Tanyane				
	S Zungu				
	M Motsosi				
	C Matladi				
	J Motlogelwa				
	S Moapari				
	M Kotsedi				
Ward 14	<b>Cllr. B.M. Sikwa</b>	Yes	12	12	4
	K Molefe				
	P Madisa				
	B Moleleki				
	D Sikwa				
	T Dintwe				
	S Ndlovu				
	J Seemane				
	A Botholo				
	W Moleofi				
Ward 15	<b>Cllr. A.N Thale</b>	Yes	12	12	4
	D Cordier				
	F Jeena				
	K Matsime				



	P Van Rooyen				
	A lenkopane				
	T Montsho				
	M Motale				
	O Segaila				
Ward 16	<b>Cllr. M.K. Mosiane</b>	Yes	12	12	4
	P Tladinyane				
	O Mafora				
	T Moarabi				
	A Moreosele				
	A Mokoena				
	M Silokwane				
	G Molale				
	A Moarabi				
Ward 17	<b>Cllr. R.O Mokgathe</b>	Yes	12	12	4
	M Montshioa				
	B Matlanye				
	M Motlhabane				
	S Matlape				
	D Mabo				
	M Moatlhodi				
	T Tswagong				
	M Monaisa				
	G Phege				
	L Mogapi				
Ward 18	<b>Cllr. S.H Nyanto</b>	Yes	12	12	4
	E Lesenyego				
	M Lekaba				
	K Moi;loa				
	B Mosweu				
	M Monnamogwe				
	F Merementsi				
	J Molebatsi				
	L Modisane				
	N Modimola				
Ward 19	<b>Cllr. P. Motang</b>	Yes	12	12	4
	B Motang				
	T Sebuenyane				
	B Moloto				
	K Mokgolfa				
	D Seakentoa				

	A Molatole				
	B Motlhajoe				
	K Mosadi				
	N Mekgwe				
Ward 20	<b>Cllr. R. Senna</b>	Yes	12	12	4
	K sebolao				
	K Mosiane				
	S Tsibogo				
	M phale				
	K Setshogo				
	B Motsosi				
	M Ditibane				
	L Menyatswe				
	P Nziweni				
	B Mogami				

## APPENDIX F – WARD INFORMATION

Ward Title: Ward Name (Number)				
Capital Projects: Seven Largest in 2012/2013(Full List at Appendix O)				
				R' 000
No.	Project Name and detail	Start Date	End Date	Total Value
1	Eskom (Electricity)			
2	Housing			
3	Sanitation/Sewerage			
4	Mogopa, Rietpan and Mosweu High Masts Lights	Jun-13	Nov-13	405000
5	Sandvlagte Internal Roads	May-13	Feb-13	10000000
6	Reagile/Nyetse Internal roads	Jun-13	Dec-13	7000000
7	Dinokana Internal Roads	Jun-13	Dec-13	5000000

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Households with minimum service delivery	NMMDM	NMMDM	35885	9050	
Households without minimum service delivery	NMMDM	NMMDM	6012	31690	

Total Households*	NMMDM	NMMDM	41897	40740	
Houses completed in year					
Shortfall in Housing units					
<i>*Including informal settlements</i>					<i>T F.2</i>

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During Year 2012/2013
1	Water	700
2	Electricity	1358
3	Roads	6km
4	Housing	430
		T F.3



## APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT AND RISK COMMITTEE 2014/15

No	Resolution No.	Resolution Taken	Target Date	Responsible Official	Progress/Challenges /Interventions
1.	ARCR01:27/03/14	A copy of the report on the Skills assessment of the finance directorate will be sent to the ARC.	30 April 2014	NT Advisor/Corporate Services/Budget & Treasury	Concluded
2.	ARCR02:27/03/14	A letter of invitation to be sent to SALGA in order to ensure that the Risk Specialist is able to attend the induction of the ARC.	04 April 2014	Compliance Manager	Concluded
3.	ARCR03:27/03/14	A proposed ARC Annual Work plan to be shared with the other ARC members.	30 April 2014	ARCOM Chair	Concluded
4.	ARCR04:27/03/14	A calendar of meetings going up to November 2014 to be shared with the ARC members.	30 April 2014	NT Advisor	Concluded
5.	ARCR05:27/03/14	Finalisation of the ARC members' contracts.	30 April 2014	NT-Advisor & MM	Concluded
6.	ARCR06:27/03/14	Finalise the date of induction for the ARC members.	04 April 2014	NT-Advisor & ARC Chair, CAE	Concluded
7.	ARCR07:27/03/14	Finalise the 3 year rolling plan for the Internal Audit	30 April 2014	CAE & IA Manager	Concluded
8.	ARCR 01:24/04/14	IT audit will be conducted to verify if the AG can rely on the systems in place by testing its security and application Report to be issued to Compliance Manager	OCT/NOV 2014	AG	In progress
9.	ARCR 02:24/04/14	Fraud Risk register to be sent to AG	As per the Request for Information	Risk Manager & Internal Audit	Concluded

10.	ARCR 03:24/04/14	RFI and communication to municipality during the AG audit to be facilitated by the Compliance Manager.	As per the Request for Information	Compliance Manager	Concluded /On-going
11.	ARCR 04:24/04/14	Print separate Resolution Register and feedback for the ARCOM meeting	All ARC meeting	CAE	Concluded
12.	ARCR 06:24/04/14	Municipal Manager to ensure that the Internal Audit Unit has all support needed.	On-going	MM/CAE	Concluded
13.	ARCR 07:24/04/14	CAE to organize a meeting a discuss the FMIP plan with the NT -advisor	May 2014	CAE/NT Advisor	Concluded
14.	ARCR 09:24/04/14	The minutes of the Asset Steering Committee meeting to be sent to the ARCOM Chairperson.	Next ARCOM Meeting	CFO	Concluded
15.	ARCR 10:24/04/14	Other Directors to compile action plans relating to finding as stated in the management letter. Reference to be made to the findings.	Next ARCOM Meeting	All Directors	Concluded
16.	ARCR 11:24/04/14	MVI to submit the opening balance and disclosure note to AG for prior years matters.	As per the Request for Information	CFO/MVI	Concluded.
17.	ARCR 12:24/04/14	ARCOM Charter adopted and approved.	24 <sup>th</sup> April 2014	ARCOM	Concluded
18.	ARCR 13:24/04/14	Changes to be made to the document and the Charter approved with the changes.	25 <sup>th</sup> April 2014	CAE & ARCOM	Concluded
19.	ARCR 14:24/04/14	Schedule a meeting with the shared services for the handover meeting.	May 2014	CAE	Concluded
20.	ARCR 15:24/04/14	The Quality Assurance review should be conducted after 3years.	On-going	CAE	Concluded



21.	<b>ARCR 16:24/04/14</b>	The Risk Register to be completed and finalized.	June 2014	Internal Audit, Risk Manager , and the Compliance Manager	Management has engaged SALGA to assist with the Risk Management matters for the municipality. NT Advisor is currently assisting in the interim. Position for the Risk Manager has been interviewed. Candidate to resume duties in 01 <sup>st</sup> August 2014.
22.	<b>ARCR 17:24/04/14</b>	Do a Gap analysis and give reasons on why the plan cannot be executed. Resubmit the plan to ARCOM .	Next ARCOM Meeting	CAE	Concluded.
23.	<b>ARCR 18:24/04/14</b>	Amend the Internal Audit 04 <sup>th</sup> Quarter work -plan as per discussion and submit to ARCOM for approval.	25 <sup>th</sup> April 2014	CAE	Concluded
24.	<b>ARCR 19:24/04/14</b>	Internal Audit Continuous Professional Development 2014/2015 Noted by the ARCOM	24 <sup>th</sup> April 2014	CAE /ARCOM	Concluded
25.	<b>ARCR 20:25/06/14</b>	Three year rolling Internal Audit Strategic Plan 2014/15-2016/17 & Internal Audit Annual Plan Approved by ARCOM	25 <sup>th</sup> June 2014	ARCOM	Concluded
26.	<b>ARCR 21:25/06/14</b>	The CPD Approved by the ARCOM. Feedback on the implementation to be provided to ARCOM	25 <sup>th</sup> June 2014	ARCOM	Concluded
27.	<b>ARCR 22: 25/06/14</b>	ARCOM approval of the motivation for the rescission of the three years term of the Quality Assurance Improvement Programme to 05 years.	25 <sup>th</sup> June 2014	ARCOM	Concluded
28.	<b>ARCR 23: 25/06/14</b>	Municipality to have a formalised calendar for the SALGA support in relation to Internal Audit going forward.	01 <sup>st</sup> July 2014	CAE/SALGA	Concluded
29.	<b>ARCR 24:25/06/14</b>	MANCO commitment to address AIP issues on a weekly basis. Progress report to be presented to ARCOM.	Weekly	MANCO	Concluded
30.	<b>ARCR 25:25/06/14</b>	Management to appoint panel of service providers for SCM i.e Goods and services and	01 <sup>st</sup> July 2014	MANCO	In progress

		attorneys for the municipality to be more equitable and fair in promote the local businesses			
31.	<b>ARCR 26:25/06/14</b>	ARCOM meeting brought forward to the 16 <sup>th</sup> July 2014, to deal with AIP and AFS related matters.	25 <sup>th</sup> July 2014	ARCOM/MANCO	Concluded.
32.	<b>ARCR 27:25/06/14</b>	Internal Audit to review the dashboard report to include the progress made in relation to the municipal ICT to be aligned to the DLGTA ICT dashboard presented to ARCOM during the induction meeting.	25 <sup>th</sup> June 2014	CAE	Concluded.
33.	<b>ARCR28: 25/06/14</b>	Draft AFS to be presented to the ARCOM prior to the 23 <sup>rd</sup> July 2013 to allow the reviews and recommended changes to be effected to the AFS prior to the submission to the AG. Final Dates to be communicated to the ARCOM.	25 <sup>th</sup> June 2014	CFO	Concluded
34.	<b>ARCR29:25/06/ 14</b>	Technical SDBIP for the municipality to be finalised for the municipality	30 <sup>th</sup> June 2014	MANCO	Concluded
35.	<b>ARCR30:25/06/ 14</b>	Municipal Manager to facilitate the 2013/2014 performance assessments for the Directors. Date of the performance evaluations/ assessments to be communicated to the ARCOM	30 <sup>th</sup> June 2014	MM	In Progress. Assessments scheduled for the 10 <sup>th</sup> - 11 <sup>th</sup> September 2014.
36.	<b>ARCR31:25/06/ 14</b>	Budget Funding Compliance testing S10 to be shared with the ARCOM	Next ARCOM meeting	CFO/NT	Concluded
37.	<b>ARCR32:25/06/ 14</b>	Cash Flow Management Reports to be presented to the ARCOM	Next ARCOM meeting	CFO	Concluded
38.	<b>ARCR33:25/0 6/14</b>	Risk Management a Standing Item in ARCOM meetings	Next ARCOM meeting	ARCOM/MANCO	Concluded
39.	<b>ARCR34:25/0 6/14</b>	Management to expedite the process of filling Senior Internal Audit vacancies including the Secretary to the Office.	31 <sup>st</sup> July 2014	MM/Dir Corp	Concluded

40.	<b>ARCR35:25/0 6/14</b>	Internal Audit to start building a relationship with AG, thus ensuring the strengthened AG reliance on the work done by the Internal Audit	Next ARCO M Meeting	CAE/AG	Concluded /On-going
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## APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long Term Contracts (20 Largest Contracts Entered into during Year 2013/14)						
R' 000						
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value	
PASTEL	SERVICE PROVIDER FOR REPLACEMENT OF THE INTERRATED FINANCIAL MANAGEMENT SYSTEM	4-Mar-10	4-Mar-11	C.F.O	R2888109.00	
Carbon Core	SUPPLY AND DELIVERY OF ROAD SURFACING PREMIX	1-Oct-13	31-Oct-14	TECHNICAL DEPARTMENT	R276000.00	
Hengen	SUPPLY AND DELIVERY OF PETROL AND DIESEL	1-Jun-13	30-Jun-14	C.F.O	R1707916.87	
DEPARTMENT OF HUMAN SETTLEMENTS, PUBLIC SAFETY AND LIASON	ADMINISTERING THE eNaTIS	20-May-13				
Syntel	Maintanance of the speed law enforcement system	14-Nov-12	14-Nov-13	Community services & legal	R 333 773 .72	
CIVITAS SENTRUM	ADMINISTRATION OF BUSINESS PREMISES	1-Apr-13	ON GOING UNTILL OWNERSHIP CHANGE	COMMUNITY SERVICES	R32280.00	
Moreysinternational procurement pty (ltd)	Rental for chicken abbatoir	1-Mar-11	31-Aug-13	Led & legal	R 2 365 579.00	
MTN	THE ORIGINAL CONTRACT WAS MISPLACED HOW EVER THE REPLACEMNT IS DUE FROM MTN					
Shaikaina Church	HIRING OF THE PREMISES ON THE TERMS OF LEASE	1-Apr-13	30-Apr-14	COMMUNITY SERVICES	R18000.00	
Ortis	SERVICING AND MAINTAINANCE OF THE LIFT	15-Feb-07	15-Feb-12	CORPORATE SERVICES	R25332.24	
Bakwena Systems int (pty)	Rental & maitanance of photocopy machines for a period of 36 months	1-Sep-13	1-Sep-16	Corporate Services	R884571.60 PLUS MONTHLY CONSUMPTION	
Technicom	Telephone system	30-Nov-13	30-Nov-14	Corporate Services	R 35 400.00	
MasengViljoen Consulting	Preparation of AFS and audit turn around support	11-Feb-13	31-Aug-13	C.F.O	R1701108.00	
Telemaster	Telephone communications	6-Dec-12	5-Dec-14	Corporate Services	R1100561.76	
CAB holdings (pty) ltd	Printing of monthly consumer statements	1-Aug-12	31-Jul-15	C.F.O	R 119 438.08 per anum	
Hannes du preez	Right of access	1-Apr-13	on going	TECHNICAL DEPARTMENT	R10000.00per month	
Konika Minolta	Office automation	9-Nov-01	31/09/2013	Corporate Services		
DSAC	Library Services	1 July 2013	31 June 2014	Comm. Services	R500 000	
Synapsis	Cemetry Automation	19-Dec-13	19-Nov-16	COMMUNITY SERVICES	R27408.97	

Tshireletso Security	PROVISION OF SECURITY SERVICES TO THE MUNICIPALITY AT LARGE	1-Oct-12	30-Sep-13	MrLetsholonyane	R416130.00 per month
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## APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July 2013 to 30 June 2014 (Current Year)		
Position	Name	Description of Financial interests* (Nil / Or details)
<b>(Executive) Mayor</b>	N/A	
<b>Member of Exco</b>	N/A	
	N/A	
	N/A	
	N/A	
<b>Councillor</b>	Julie Amodis	NGO-Banabotlhe ELC/Soul Sisters
	A.B Cassanga	Dira OKCWT General Business
	Kenny Mogotsi	O.K. Focus T/S and Larosh Cc
	Michael Megalane	M&F Supermarket, Mike's Tarven, Gaufetsa Construction and Enterprise
	S.N. Nyanto	Putle Construction, Taxi
	KetumileSeswane	Thebenala Construction
<b>Municipal Manager</b>	N/A	
<b>Chief Financial Officer</b>	N/A	
<b>Deputy MM and (Executive) Directors</b>	N/A	
<b>Other S57 Officials</b>	Simalulu Enterprise and Development	General Trading
	N/A	
	N/A	
	N/A	

\* Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A



## APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

### APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
R' 000						
Vote Description	2012/13	2013/14			2013/14 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1 - Executive & Council	23,116,743	25,370,408	22,743,031	14,772,833	58%	65%
Vote 2 - Finance & Admin	52,031,293	93,027,573	66,092,091	59,628,127	64%	90%
Vote 3 - Planning & Development	56,407,369	45,214,521	26,320,075	96,959,845	214%	368%
Vote 4 - Electricity	57,016,768	54,083,900	48,968,227	62,710,744	116%	128%
Vote 5 - Health	1,964,755	0	0		0%	0%
Vote 6 - Public Safety	8,226,672	13,716,929	19,978,113	0	0%	0%
Vote 7 - Community & Social Services	2,751,752	13,109,283	4,585,718	0	0%	0%
Vote 8 - Water	13,596,109	5,595,259	6,435,104	11,427,095	204%	178%
Vote 9 - Sport & Recreation	1,337,613	2,800,574	4,164,534	0	0%	0%
Vote 10 - Refuse Removal	4,456,766	2,424,363	3,596,650	21,230,809	876%	590%
Example 11 - Vote 11						
Example 12 - Vote 12						
Example 13 - Vote 13						
Example 14 - Vote 14						
Example 15 - Vote 15						
<b>Total Revenue by Vote</b>	<b>220,906</b>	<b>255,343</b>	<b>202,884</b>	<b>266,729</b>	<b>0</b>	<b>0</b>

*Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.  
This table is aligned to MBRR table A3*

TK.1

## APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
Description	R '000					
	2012/13	2013/14			2013/14 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	18,407	30,000	14,158	23,926	-25%	41%
Property rates - penalties & collection charges	0	-	-	-	0%	0%
Service Charges - electricity revenue	36,711	60,541	59,088	61,969	2%	5%
Service Charges - water revenue	12,387	13,625	13,500	10,685	-28%	-26%
Service Charges - sanitation revenue	1,837	2,563	2,500	2,393	-7%	-4%
Service Charges - refuse revenue	2,383	4,300	3,800	6,458	33%	41%
Service Charges - other	1,209	-	-	-	-1095%	100%
Rentals of facilities and equipment	60	1,179	-	99	12%	12%
Interest earned - external investments	383	85	85	96	0%	0%
Interest earned - outstanding debtors		1,500	-	-	0%	0%
Dividends received		-	-	-	100%	-16%
Fines	1,487	-	3,000	2,580	-506%	-142%
Licences and permits	2,854	8,010	3,200	1,322	0%	0%
Agency services		-	1,650	-	38%	50%
Transfers recognised - operational	95,523	93,412	75,832	150,503	-499%	-289%
Other revenue	2,137	40,128	26,071	6,699	0%	0%
Gains on disposal of PPE	-	-	-	-	0%	0%
Environmental Protection	-	-	-	-	0%	0%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>175,378</b>	<b>255,343</b>	<b>202,884</b>	<b>266,729</b>	<b>4.27%</b>	<b>23.94%</b>

*Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.*

T K.2

## APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: excluding MIG						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Neighbourhood Development Partnership Grant	13,000,000	13,000,000	10,271,102	2,728,898	2,728,898	
FMG	1,550,000	1,550,000	1,550,662	662	662	
MSIG	890,000	890,000	890,005	-5	5	
EPWP	1,135,000	1,135,000	1,135,000	-	-	
<i>Other Specify:</i>						
<b>Total</b>	<b>16,575,000</b>	<b>16,575,000</b>	<b>13,846,769</b>	<b>2,728,231</b>	<b>2,728,231</b>	
<i>* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T 5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Obtain a list of grants from national and provincial government.</i>						TL

## COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG

The Conditional Grants were spent except for the Neighbourhood Development Partnership Grant because a roll over of R495 000 was applied for. Reports on the expenditure were sent to National Treasury

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

Capital Expenditure - New Assets Programme*							
							R '000
Description	2012/13	2013/14			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/15	2015/16	2016/17
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>	–	104,060		68,384	59,021	35,999	35,923
<b>Infrastructure: Road transport - Total</b>	–	64,712	–	51,401	30,000	27,699	32,427
<i>Roads, Pavements &amp; Bridges</i>		64,711,957		51,401,428	30,000,000	27,698,800	32,427,300
<i>Storm water</i>							
<b>Infrastructure: Electricity - Total</b>	–	16,100		6,112	14,000	3,000	3,000
<i>Generation</i>							
<i>Transmission &amp; Reticulation</i>		16,100,000		6,112,171	6,000,000		
<i>Street Lighting</i>					8,000,000	3,000,000	3,000,000
<b>Infrastructure: Water - Total</b>	–	1,950		–	2,536	–	–
<i>Dams &amp; Reservoirs</i>							
<i>Water purification</i>							
<i>Reticulation</i>		1,950,000			2,536,000		
<b>Infrastructure: Sanitation - Total</b>	–	255		–	200	–	–
<i>Reticulation</i>		255,000			200,000		
<i>Sewerage purification</i>							
<b>Infrastructure: Other - Total</b>	–	500		–	500	–	–
<i>Waste Management</i>		500,000			500,000		
<i>Transportation</i>							
<i>Gas</i>							
<b>Community - Total</b>	–	20,543		10,871	11,785	5,300	496
<i>Parks &amp; gardens</i>							
<i>Sportsfields &amp; stadia</i>		1,548,000		409,299			
<i>Swimming pools</i>							

Community halls				3,869,000	5,300,000	
Libraries		30,000				
Recreational facilities				150,000		
Fire, safety & emergency						
Security and policing		1,860,000		186,479		
Buses						
Clinics						
Museums & Art Galleries						
Cemeteries		40,000				
Social rental housing						
Other		17,065,000		10,274,723	7,765,543	0
						496,000

*Table continued next page*

Capital Expenditure - New Assets Programme*							
							R '000
Description	2012/2013	2013/2014			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/15	2015/16	2016/17
<b>Capital expenditure by Asset Class</b>							
<b>Heritage assets - Total</b>	-	-		-	-	-	-
Buildings							
Other							
<b>Investment properties - Total</b>	-	-		-	-	-	-
Housing development							
Other							
-							
<b>Other assets</b>	-	-		-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							



Other							
<b>Agricultural assets</b>	-	-		-	-	-	-
<i>List sub-class</i>							
<b>Biological assets</b>	-	-		-	-	-	-
<i>List sub-class</i>							
<b>Intangibles</b>	-	-		-	-	-	-
Computers - software & programming							
Other ( <i>list sub-class</i> )							
<b>Total Capital Expenditure on new assets</b>	-	-		-	-	-	-
<b>Specialised vehicles</b>							
Refuse	-	-		-	-	-	-
Fire							
Conservancy							
Ambulances							
* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)							T.M.1

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

Capital Expenditure - Upgrade/Renewal Programme*							
Description	R '000						
	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>	-	-		-	-	-	-
Infrastructure: Road transport -Total	-	-		-	-	-	-
Roads, Pavements & Bridges							
Storm water							
<b>Infrastructure: Electricity - Total</b>	-	-		-	-	-	-
Generation & Transmission							
Reticulation							
Street Lighting							
<b>Infrastructure: Water - Total</b>	-	-		-	-	-	-
Dams & Reservoirs							
Water purification							
Reticulation							
<b>Infrastructure: Sanitation - Total</b>	-	-		-	-	-	-
Reticulation							
Sewerage purification							
<b>Infrastructure: Other - Total</b>	-	-		-	-	-	-
Waste Management							
Transportation							
Gas							
Other							
<b>Community</b>	-	-		-	-	-	-
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety &							

emergency						
Security and policing						
Buses						
Clinics						
Museums & Art Galleries						
Cemeteries						
Social rental housing						
Other						
<b>Heritage assets</b>	-	-		-	-	-
Buildings						
Other						
<i>Table continued next page</i>						

Capital Expenditure - Upgrade/Renewal Programme*							
							R '000
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Investment properties</b>	-	-		-	-	-	-
Housing development							
Other							
<b>Other assets</b>	-	-		-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
<b>Agricultural assets</b>							

	-	-		-	-	-	-
<i>List sub-class</i>							
<b>Biological assets</b>	-	-		-	-	-	-
<i>List sub-class</i>							
<b>Intangibles</b>	-	-		-	-	-	-
Computers - software & programming Other ( <i>list sub-class</i> )							
<b>Total Capital Expenditure on renewal of existing assets</b>	-	-		-	-	-	-
<b>Specialised vehicles</b>	-	-		-	-	-	-
Refuse Fire Conservancy Ambulances							
* Note: Information for this table may be sourced from MBRR (2009: Table SA34b)							T.M.2

## APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 2013/14

Capital Programme by Project: 2013/14					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
<b>Water</b>					
"Project A"				0%	0%
"Project B"				0%	0%
<b>Sanitation/Sewerage</b>				0%	0%
"Project A"				0%	0%
"Project B"				0%	0%
<b>Electricity</b>				0%	0%
"Project A"				0%	0%
"Project B"				0%	0%
<b>Housing</b>				0%	0%
"Project A"				0%	0%
"Project B"				0%	0%
<b>Refuse removal</b>				0%	0%
"Project A"				0%	0%
"Project B"				0%	0%
<b>Stormwater</b>					0%
"Project A"				0%	0%
"Project B"				0%	0%
<b>Economic development</b>				0%	0%
"Project A"				0%	0%
"Project B"				0%	0%
<b>Sports, Arts &amp; Culture</b>				0%	0%
"Project A"				0%	0%
"Project B"				0%	0%
<b>Safety and Security</b>				0%	0%
"Project A"				0%	0%
"Project B"				0%	0%
<b>ICT and Other</b>				0%	0%
"Project A"				0%	0%
"Project B"				0%	0%



## APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2013/14

Capital Programme by Project by Ward: 2013/14		
Capital Project	Ward(s) affected	Works completed (Yes/No)
<b>Water</b>		
"Project A"	NMMDM	
"Project B"	NMMDM	
<b>Sanitation/Sewerage</b>		
	NMMDM	
	NMMDM	
<b>Electricity</b>		
	ESKOM (Ward 4, Ward 17 and Ward 2)	YES
<b>Housing</b>		
	Ward 4 & Ward 17	YES
<b>Refuse removal</b>		
<b>Stormwater</b>	Welbedacht (1.9km)	YES
	Dinokana(1.9km)	YES
	Sunflagte(2.5km)	YES
	Reagile(2.6km)	YES
<b>Economic development</b>		
	Brick making Machine (Ward 15)	YES
<b>Sports, Arts &amp; Culture</b>		
<b>Environment</b>		
<b>Safety and Security</b>		
<b>ICT and Other</b>		

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**APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS**

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
<b>Schools (NAMES, LOCATIONS)</b>				
<b>Department of Education</b>				
<b>Clinics (NAMES, LOCATIONS)</b>				
<b>Department of Health</b>				
<i>Names and locations of schools and clinics lacking one or more services. Use 'x' to mark lack of service at appropriate level for the number of people attending the school/clinic, allowing for the proper functioning of the establishment concerned.</i>				

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

<b>Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)</b>		
<b>Services and Locations</b>	<b>Scale of backlogs</b>	<b>Impact of backlogs</b>
<b>Clinics:</b>		
Health Department	Medium	High Mortality Rate
<b>Housing:</b>		
Department of Human Settlement	High	Mushrooming of Informal Settlements
<b>Licensing and Testing Centre:</b>		
Department of Public Safety	High	Loss of revenue
<b>Reservoirs</b>		
NMMDM	High	Water shortage
<b>Schools (Primary and High):</b>		
Department of Education	High	Migration of learners
<b>Sports Fields:</b>		
Department of Sports Arts and Culture	High	Substance abuse

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

Declaration of Loans and Grants made by the municipality: 2013/14				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2013/14 R' 000	Total Amount committed over previous and future years
N/A				
* Loans/Grants - whether in cash or in kind				T R

## APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and Provincial Outcomes for Local Government		
Outcome/Output	Progress to date	Number or Percentage Achieved
Output: Improving access to basic services	Minimal	20%
Output: Implementation of the Community Work Programme	Functional CWP	100%
Output: Deepen democracy through a refined Ward Committee model	Functional Ward Committees	100%
Output: Administrative and financial capability	Low Revenue Collection	30%
* Note: Some of the outputs detailed on this table may have been reported elsewhere in the Annual Report. Kindly ensure that this information consistent.		



## VOLUME II: ANNUAL FINANCIAL STATEMENTS

Provide the Annual Financial Statements (AFS) for the current financial year as submitted to the Auditor-General. The completed AFS will be Volume II of the Annual Report.

**SEE ATTACHED ANNUAL FINANCIAL STATEMENTS**





VOLUME III: 2013/14 ANNUAL PERFORMANCE REPORT

Provide the Annual Performance Report for the current financial year as submitted to the Auditor-General. The completed APR will be Volume III of the Annual Report.

**SEE ATTACHED ANNUAL PERFORMANCE REPORT**

