## 



## TABLE OF CONTENTS

CHAPTER ONE – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

## Municipal functions, population and environmental overview

* 1. **Financial health overview**
  2. **Service delivery overview**
  3. **Organisational development overview**
  4. **Auditor General’s report for 2010/2011 financial year**

CHAPTER TWO - GOVERNANCE

**2.1 Political governance**

* + 1. **Councillors**
    2. **Political decision taking**
  1. **Administrative governance** 
     1. **Political and administrative governance**

**2.2.2 Corporate governance**

* 1. **District intergovernmental structures**
     1. **Provincial intergovernmental structures**

**2.4 Public meetings**

**2.5 IDP participation and alignment**

**2.5.1 Mayor’s/Speaker’s outreach**

**2.5.2 Ward committees**

**2.6 Risk management**

**2.7 Anti-corruption and fraud**

**2.8 Supply chain management**

**2.9 By-laws**

**2.10 Website**

**2.11 Public satisfaction with municipal services**

CHAPTER THREE – SERVICE DELIVERY PERFORMANCE

* 1. **Water and sanitation**
  2. **Electricity**
     1. **Free basic electricity**
     2. **Alternative sources of energy**
     3. **Smart metering project**
  3. **Waste management**
  4. **Free basic services and indigent support**
  5. **Roads**
  6. **Transport**
  7. **Storm water drainage**
  8. **Planning** 
     1. **Opportunities**
     2. **Challenges**
  9. **Local economic development** 
     1. **Job creation through DEA projects**
  10. **Libraries**
      1. **Library week**

**3.11 Cemeteries**

**3.11.1 Pauper burials and exhumations**

**3.12 Crèche reading month**

**3.13 Disaster management**

**3.13.1 Public awareness**

**3.13.2 Challenges experienced**

**3.14 Sports, arts and culture**

**3.14.1 Talent search – I can sing**

**3.14.2 Talent search – acting by ‘Get down’ productions**

**3.14.3 Indigenous games**

**3.14.4 Mayor’s cup**

**3.14.5 Farm festival**

**3.15 Human resource services**

**3.15.1 Health and safety**

**3.16 Legal**

**3.17 Procurement services**

CHAPTER FOUR – ORGANISATIONAL DEVELOPMENT PERFORMANCE

**4.1 Employee totals**

**4.1.1 Vacancies and turnover**

**4.2 Policies**

**4.3 Injuries, sickness and suspensions**

**4.4 Performance awards**

**4.5 Skills development and training**

**4.6 Employee expenditure**

**4.6.1 Disclosure of financial interest**

CHAPTER FIVE – FINANCIAL PERFORMANCE

**5.1 Statements of financial performance**

**5.2 Grants**

**5.3 Asset management**

**5.4 Financial ratios based on Key Performance Indicators**

**5.5 Capital expenditure**

**5.6 Sources of finance**

**5.7 Capital spending on five largest projects**

**5.8 Basic service and infrastructure backlogs – Overview**

**5.10 Borrowing and investments**

**5.11 Public-private partnerships**

**5.12 Supply chain management**

**5.13 GRAP compliance**

CHAPTER SIX – AUDITOR GENERAL’S REPORT

**6.1 Auditor General’s audit findings**

**6.3 Auditor General’s report on the financial statements 2011/2012**

**6.4 Comments on Auditor-General’s opinion 2011/2012:**

**7. APPENDICES**

**8. ANNEXURES**

ANNEXURE 1

**Audited 2011/2012 Annual Financial Statement**

ANNEXURE 2

**Auditor General’s report**

ANNEXURE 3

**Audit Action Plan**

ANNEXURE 4

**Performance Management Report**

## Abbreviations and acronyms

ANC African National Congress

APC African People’s Convention

AZAPO Azanian People’s Organisation

COGHSTA Department of Corporative Governance, Human Settlement and Traditional Affairs

COGTA Department of Corporative Governance and Traditional Affairs

COPE Congress of the People

DA Democratic Alliance

EMLM Elias Motsoaledi Local Municipality

EXCO Executive Committee

FBE Free Basic Electricity

IDP Integrated Development Plan

LED Local Economic Development

LIBSA Limpopo Business Support Agency

LLF Local Labour Forum

MIG Municipal Infrastructure Grant

MP Mpumalanga Party

PAC Pan African Congress

SDBIP Service Delivery and Budget Implementation Plan

SDM Sekhukhune District Municipality

SEDA Small Enterprise Development Agency

SMME Small, Medium and Micro Enterprises

UIF United Independent Front

WSP Work Skill Plan

**VISION**

A better life for all through service excellence

**MISSION**

The Elias Motsoaledi Local Municipality is committed to:

* Provide democratic and accountable governance for local communities
* Ensure provision of services to communities in a sustainable manner.
* Promote social and economic development

## COMPONENT A

**MAYORS FOREWORD AND EXECUTIVE SUMMARY**

1. **VISION**

It is indeed a pleasure for me to present Elias Motsoaledi Local Municipality 2011/2012 Annual Report to our residents and other interested parties. Despite the effects of the economic difficult times, the municipality continued to provide quality service delivery to our community and we completed numerous capital projects in a drive towards achieving the Municipal Vision:

“A BETTER LIFE FOR ALL THROUGH SERVICE EXCELLENCE”

With our mission being:

* Provide democratic and accountable government for local communities,
* Ensure provision of services to communities in a sustainable manner,
* Promote social and economic development.

1. Elias Motsoaledi Local Municipality being identified as the Provincial growth, the municipality has then aligned its developmental strategies to that of the provincial growth and development strategy.

The Municipality has developed and/or reviewed the following policies and by-laws during the 2011/2012 financial year:

**LIST OF APPROVED POLICIES FOR 2012**

|  |  |  |
| --- | --- | --- |
| **NO.** | **POLICY NAME** | **RESOLUTION NUMBER** |
| 1. | Sports & Recreation Policy | SD12/08 |
| 2. | Study Assistance Policy | C12/15 |
| 3. | Conflict of Interest Policy | C12/21 |
| 4. | Policy on attendance of Conferences, Workshops, Training and Meetings | C12/24 |
| 5. | EMLM Employees Legal Aid Policy | C12/40 |
| 6. | EMLM Employees Incapacity Policy | C12/40 |
| 7. | Assets Management Policy | F12/15 |
| 8. | Funeral Bereavement Policy | C11/20 |
| 9. | Sexual Harassment Policy | C12/02 |
| 10. | Employees Housing Lease Policy | C12/04 |
| 11. | Non-Financial Reward Policy for permanent staff | C11/21 |
| 12. | Amended Employees Cell phone Allowance Policy | C12/72 |
| 13. | Geographical Names Committee Policy | C12/75 |
| 14. | Remuneration Policy | C12/05 |

BY – LAWS

No by –laws for 2011/2012 approved

1. **KEY SERVICE DELIVERY IMPROVEMENTS:**

During the financial year Elias Motsoaledi has embarked on the number of road projects to improve accessibility for our communities. The Municipality has resealed three streets in Groblersdal town i.e. portion of Chris Witt, Kruger Street and portion of Tautes Street. The roads upgraded from gravel to surfaced roads total to 13,7 km.

The Municipality has electrified 516 households in the 2011/2012 financial year and the villages that benefitted are Lusaka, Ntswele Motse, Walkraal, Ramogwerane (Forest), Sephaku and Ga-Matsepe.

The Municipality further supported small emerging farmers by constructing 4 broiler houses and supplied them with feeds for them to kick-start their businesses.

The Municipality was a water service provider for the Sekhukhune District Municipality in 2010/2011 financial year, in 2011/2012 financial year all the water and sanitation employees were successfully transferred to the District municipality as the function was taken back by Sekhukhune District Municipality. During the financial year the municipality was doing the billing only on behalf of District Municipality, therefore acted as an agent on behalf of the District Municipality.

1. **PUBLIC PARTICIPATION**

My office has embarked on public participation process and Mayoral outreach programmes. The total number of public participation session held are 30 and Mayor’s outreach programmes are 8. During the Mayor’s outreach programmes the following items were distributed:

1. Newsletters
2. Municipal Calender’s (Ward 24)
3. Tree plant day in September (Ward 14 + Ward 25)
4. Blankets at Sempupuru
5. Blankets at Bloempoort RDP Houses
6. Calculators to Segolola High School
7. **FUTURE ACTIONS**

The Municipality has concluded the financial year with a very huge deficit and approximately R50 million of unauthorized expenditure, this was due to over spending of the budget and on deficit the other contributing factor was non-payment for services. Council has agreed that for 2012/2013 financial year the Municipality must reduce the operating expenditure by 3,5% to cap the deficit and to further improve the cash flow.

1. **AGREEMENTS / PARTNERSHIPS**

There are no major partnerships that the Municipality has entered into. The agreement that the Municipality has signed is the 50 years lease agreement with Buffalo beach leasing 47 hectares of the Municipality to Buffalo Beach Entertainment for water park and water sports.

1. **CONCLUSION**

Though the Municipality is facing financial challenges and for forthcoming years drastic expenditure reductions will be done to ensure that the Municipality continues to be sustainable, severe credit control measures are now implemented so that the Municipality can receive the revenue for services rendered.

The Municipality has received a **qualified opinion** and has moved from a disclaimer opinion which we have been receiving for the past 8 years. We shall strive to improve the Municipal financial management to ensure that we achieve a 2014 clean audit campaign.

THANK YOU, RE A LE BOGA, SIYABONGA, DANKIE

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

W.M. MATEMANE

THE MAYOR

**COMPONENT B**

**EXECUTIVE SUMMARY : MUNICIPAL MANAGER’S OVERVIEW**

The Elias Motsoaledi Local Municipality committed towards 2014 operation clean audit is seen by a well-developed audit action plan and the improved audit opinion by the Audit General from Disclaimer to qualified opinion is evident enough of the commitment by the entire staff and Councillors of EMLM.

Chapter 12 of MFMA Section 121 (1) stipulates that every Municipality and every municipal entity must for each financial year prepare an annual report in accordance with this Chapter. The Council of a Municipality must within nine months after the end of a financial year deal with the annual report of the municipality and of any municipal entity under the municipality’s sole of shared control in accordance with Section 129

The 2011/2012 financial year has been characterized by a load of challenges such as unfilled Section 56 posts leaving the Municipality with many acting positions. The critical one being that of the Chief Financial Officer that was unfilled for a long time.

Non-payment for services which increased our debtors’ book to 37 million.

The Municipality has successfully appointed an accredited value to do our valuation roll as our valuation roll has been qualified by the Auditor General.

The approved operating expenditure budget amounted to R161 007 348 with an over expenditure of R41 552 744.

Final approved capital expenditure budget amounted to R99 811 182with no under spending of the budget.

Our debtors impairment for accounts receivable amounts to R17 064 194 which is 35, 9% of the debtors book.

We had successful disposal of refund assets to the value of R3 580 000.

Lastly I would like to thank Mr. Kgwale, the former Acting Municipal Manager and the entire staff and Councillor’s for their commitment and the wonderful work done.

**OVERVIEW OF THE MUNICIPALITY**

The Elias Motsoaledi Local Municipality is the second largest Municipality within the Sekhukhune District Municipality (SDM) and lies to the south and South West of the SDM, on the Western bank of the Olifants River.

Elias Motsoaledi Local Municipality is situated in Groblersdal that lies North East of Pretoria and is situated approximated 32 km from Loskop Dam. Elias Motsoaledi Local Municipality is one of the five Municipalities forming the Sekhukhune District which is the second poorest District among South Africa’s 13 normal points identified as poor and requiring careful developmental measures. The Municipality comprises of an estimated 62 settlements most of which are villages R293 areas and the Groblersdal Town. EMLM is located in Limpopo and consists of 30 Wards and 60 Councillor’s.

**RESIDENT POPULATION DEMOGRAPHICS**

EMLM population has increased from 247.488 to 249.363 per the latest national statistics

The number of Councillor’s has increased from 57 Councillor’s to 60 Councillors due to new re-establishment of Wards by the Municipal Demarcation Board. The board declare 30 wards for EMLM with increase of one ward. Total population of EMLM consist of 133 860 female and 115 503 male.

**KEY ECONOMIC ACTIVITY**

EMLM supported 9(nine) LED project that created 153 jobs.

We also created a good relationship with the surrounding business community through Groblersdal Sake-kamer Chamber for Commerce.

Favourable business climatic condition has been created for business.

**RECORD OF ACTIVITIES PERFOMANCE AND ACCOUNTABILITY**

The EMLM records of activities for the year under review are contained in the municipal performance report that is in terms of Section 121 (3) C of MFMA.

**CONDITIONAL GRANTS**

All conditional grants received have been spend in terms of conditions stipulated per grants receipts.

The EMLM spend 100% of the MIG Grant.

**PRIVATE PUBLIC PARTNERSHIP**

The EMLM did not enter into any Private Public Partnership.

**INFORMATION TECHNOLOGY SYSTEM**

The EMLM IT system is working.

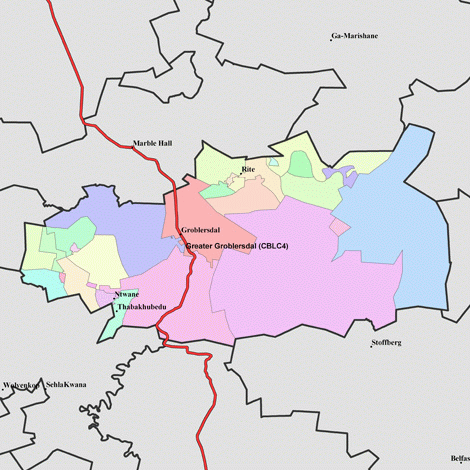
Additional servers still needed as well as extra equipment to complete a full functional IT Network.

The IT maintenance and support service has been outsourced.

## Municipal functions, population and environmental overview

Elias Motsoaledi Local Municipality is located in Limpopo, approximately 100 km north of Bronkhorstspruit and the N4, 80 km northwest of Witbank (Emalahleni), and 25 km south of Marble Hall. Accessibility is mainly via theR25 road, which links the area with Oliver Tambo International Airport in Johannesburg; and via the N11 with Witbank, approximately 80km southwest of the area. Both the R25 and N11 provide good accessibility to the municipality.

**Map showing position of EMLM**



EMLM is one of the five category B municipalities constituting the Sekhukhune District Municipality. The municipality is mainly rural, and a large portion of its land is controlled by five traditional leaders. EMLM comprises an estimated 106 settlements, most of which are villages, R293 areas, and the Groblersdal area. Theseareas comprise mainly vast commercial agricultural land, and areas of traditional authorities.

EMLM consists of 30 wards in 104 villages and two towns (Groblersdal and Roossenekal). The geographical area of the municipality is 3668.3 km2. EMLM is located in the south-western portion of the Sekhukhune District Municipality, on the western banks of the Olifants River. Groblersdal lies northeast of Pretoria, and is situated approximately 32km from Loskop Dam.

According to the Demarcation Board, the total population of the EMLM is estimated at 247,488 people, a percentage increase from the 2001 Census. The projected growth rate from 2001 to 2010 was1% per annum –less that the national growth rate of 2%.

Black Africans constitute 99% of the total population, followed by Whites (1%). Most people living in EMLM are either children or youth aged 0 to 14 (40%). The second highest age category is 15 to 34 (35%), with the third highest category being from 35 to 64 (20%). Only 6% of the population is over the age of 65. The proportion of females is marginally higher (55%) than that of males.The population of EMLM is the third highest of the five local municipalities of the SDM.

According to the Community Survey (2007), 3,045 households HHs in EMLM are living in informal dwellings. This is a 1.3% increase since 2001. This increase is associated with the mushrooming of informal settlements in the municipal area. The increase further demonstrates the burden of housing backlogs in the municipality.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Population Details** | | | |  | | | | | | | | | | | |  |  | |
| **(Population ‘000)** | | | |  |  | |
| **Age** | | **2010/11** | |  | |  | | **2011/12** | | |  | | |  | |  |  | |
|  | | **Male** | | **Female** | | **Total** | | **Male** | | | **Female** | | | **Total** | |  |  | |
| 0-17 | | 55,762 | | 58,067 | | 113 799 | | 55,762 | | | 58,067 | | | 113829 | |  |  | |
| 18-64 | | 51,934 | | 66,991 | | 118 925 | | 51,934 | | | 66,991 | | | 118925 | |  |  | |
| 65 + | | 111,947 | | 135,545 | | 247492 | | 111,947 | | | 135,545 | | | 247492 | |  |  | |
|  | | | | | | | | | | | | | | | |  |  | |
| **Socioeconomic 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** | | |  | |
| 2010/11 | | 11,7 | | 54,3 | | | | 37,9 | | |  | |  | | | 45% | | |  | |
| 2011/12 | | 11,7 | | 54,3 | | | | 37,9 | | |  | |  | | | 45% | | |  | |
| **Overview of Neighborhoods within EMLM** | | | | | | | | | | | | | |
| **Settlement Type** | | | | | | **Households** | | | | **Population** | | | |
| Towns | | | | | |  | | | |  | | | |
| Groblersdal | | | | | | 3045 | | | |  | | | |
| Roossenekal | | | | | | 481 | | | |  | | | |
| Sub-Total | | | | | | 3526 | | | |  | | | |
| Townships | | | | | |  | | | |  | | | |
| Hlogotlou | | | | | | 2214 | | | |  | | | |
| Motetema | | | | | | 1142 | | | |  | | | |
| Elandsdoorn | | | | | | 4003 | | | |  | | | |
| Sub-Total | | | | | | 7359 | | | |  | | | |
| Rural settlements | | | | | |  | | | |  | | | |
| 130 rural settlements | | | | | |  | | | |  | | | |
| Informal settlements | | | | | |  | | | |  | | | |
| Congo (Motetema) | | | | | | 570 | | | |  | | | |
| Zone 11 (Roossenekal) | | | | | | 207 | | | |  | | | |
| Zenzele (Dennilton) | | | | | | 147 | | | |  | | | |
| Masakaneng | | | | | | 970 | | | |  | | | |
| Zuma Park (Dennilton) | | | | | | 35 | | | |  | | | |
| Sub-Total | | | | | | 1929 | | | |  | | | |

|  |  |
| --- | --- |
| **Natural Resources** | |
| **Major Natural Resource** | **Relevance to Community** |
| **Minerals** | Economic empowerment and job creation |
| **River/Dam** | Water sources |
| **Caves** | Tourist attraction ( Roossenekal) |
| **Arable Land** | For agriculture |

**Service delivery overview**

EMLM provides the services of providingroads, and refuse removal only. Water and sanitation is provided by Sekhukhune District Municipality, and electricity is provided by Eskom. The housing function is provided by the Department of Housing. The reliance on other services from other sectors, and from the District, causes a backlog in terms of service delivery in our municipality. Currently the municipality has 57% backlog for water services and 84% in sanitation.

EMLM is licensed to provide electricity only in Roossenekal and Groblersdal. Other wards are an Eskom-licensed area. Some 47473 households have access to basic electricity and 900 households receive free basic electricity. Approximately 95.4% of the municipality has access to electricity. The project for the electrification of 153 households in Waalkraal RDP houses is incomplete due to the delay caused by the Eskom outages. The backlog for electricity is at 4.5%. The municipality provides refuse removal services, only to 9331 households in two towns and three townships. In other wards, community members depend on an illegal dumping site for waste removal, which poses a huge challenge to our municipality.

At the beginning of the financial year 2011/12, the municipality had 26 different projects, including 13rolled over from 2010/2011. The projects range from upgrading roads, electrification, refurbishment, the installation of a GIS system, through to the installation of storm water pipes. Five projects for upgrading of roads were budgeted for design only. By the end of the financial year 2011/12, all rolled over projects and 13 projects for the financial years under review, were completed –to the value of R86, 495,540. The MIG funds were allspent by the end of the financial year.

**Financial health overview**

The total revenue budgeted for the financial year 2011/2012was projected at R262, 380 million. At the end of the financial year, actual revenue collected was R238, 851million. The projected revenue could not be realised given that the collection rate was low. The total amount of R13 231,000 could not be sourcedin the budget from grants and subsidies.

The municipality has overspent by R10, 682million, which is equal to a 7% deficit of the operational budget. Overspending of capital expenditure amounted to R3 272, 000, as 2010/2011 rolled-over projectswas paid in the 2011/2012 financial year, in which they were not budgeted for. Unauthorised expenditure amounted to R13 954,490million.

|  |  |  |  |
| --- | --- | --- | --- |
| **Financial Overview – 2011/2012**  **R’000** | | | |
|  |  | |  |
| **Details** | **Original Budget** | **Adjustment Budget** | **Actual** |
| Income |  |  |  |
| Grants | 157847 | 159298 | 145976 |
| Taxes, levies and tariffs | 96714 | 73076 | 73934 |
| Other | 13891 | 30006 | 22163 |
| Sub-Total | 268452 | 262380 | 242073 |
| *Less* Expenditure | 152985 | 158551 | 172767 |
| Net Total\* | 152985 | 103829 | 69306 |

|  |  |
| --- | --- |
| **Operating Ratios** | |
| **Detail** | **%** |
| Employee Costs | 37 |
| Repairs & Maintenance | 7.7 |
| Finance Charges & Depreciation | 1 |

|  |  |  |
| --- | --- | --- |
| **Total Capital Expenditure (R’000)** | | |
| **Detail** | **2010/11** | **2011/12** |  |
| Original Budget | 81077 | 109136 |
| Adjustment Budget | 83603 | 99811 |
| Actual |  | 103083 |
|  |  |  |

**Organisational development overview**

The municipality employed 269 employees and 60 councillors. The gender inclusive of councillorswas208 males, 114 females, and 7 disabled people. Some 47 employees were appointed during the year under review. The municipality managed to fill two critical posts, which had remained vacant for more than a year – the Municipal Manager’s post and the Director Strategic post. Filling of those two critical posts was a huge achievement as we struggled to find suitable candidates for a long time. 04 financial interns were given training opportunity to gain experience in all the sections in finance.

**Auditor General’s report for 2010/2011 financial year**

During the financial year 2010/2011, themunicipality obtained disclaimer audit opinion from the Auditor General. The bases for disclaimer opinion and the resolutions are as follows:

| **COMPONENT** | **RESOLUTIONS** |
| --- | --- |
| Accumulated surplus | Submitted assets register by 31 August 2012, to clear accumulated surplus differences. Awaiting post-audit 2011/2012 results |
| Biological assets | Received biological assets certificate from auctioneer. Awaiting post-audit 2011/12 results |
| Expenditure | All documentation submitted for audit. Awaiting post-audit 2011/12 results |
| Investment property | Investment register was provided, which adds up to the different identified – namely R17, 927,400.Updated investment property register has been provided, with the fair value adjustments on the value of the assets, which is based on the valuation roll. The qualification, experience and information for the valuator, was used by management to value investment properties. |
| Property, plant and equipment | Submitted complete final assets register by 31 August 2012. Awaiting post-audit 2011/12. |
| Provision for bad debts | Recalculation of the debtors was done using the correct risk factors, and then the AFSwas updated. Prior error adjustment will be done after permission to do so is received from the AGSA. |
| Revenue | A qualified value was appointed to do the new valuation roll. The new valuation roll is completed, and will be implemented from 1 July 2012 |
| Trade and other payables | Awaiting post-audit 2011/12 outcome |
| Trade and other receivables | Awaiting post-audit 2011/12 outcome |
| Unspent conditional grants | Obtained supporting documentation and explanation for the reversal of the journal to correct the unexplained differences. |
| Unauthorised expenditure | Complete disclosure of unauthorised expenditure in AFS by 30 June 2012 |
| Irregular expenditure | Complete disclosure of irregular expenditure in AFS by 30 June 2012 |

**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 |
| **2** | Implementation and monitoring of the approved budget and IDP commences (in-year financial reporting) |
| **3** | Finalise 4th quarter report for previous financial year |
| **4** | Submit draft annual report to internal audit and Auditor General |
| **5** | Municipal entities submit draft annual reports to MM |
| **6** | Audit/Performance Committee considers draft annual report of municipality and entities (where relevant) | August |
| **8** | Mayor tables the unaudited annual report |
| **9** | Municipality submits draft annual report, includingthe consolidated annual financial statements and the performance report, to the Auditor General |
| **10** | Annual performance report, as submitted to Auditor General, to be provided as input to the IDP Analysis Phase |
| **11** | Auditor General assesses draft annual report, includingthe consolidated annual financial statements and performance data | September – October |
| **12** | Municipalities receive and start to address the Auditor General’s comments | November |
| **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 the annual report |
| **16** | Council adopts oversight report | December |
| **17** | Oversight report is made public |
| **18** | Oversight report is submitted to relevant provincial councils |
| **19** | Commencement of draft budget/ IDP finalisation for the next financial year. Annual report and oversight reports to be used as input. | January |

It is important to achieve the above-mentioned deadlines, as it helps to have enough information by the end of the financial year to be able to start with preparing the draft annual report: much information will be available. It is also a compliance issue to meet the deadlines, as non-compliance will result in a negative audit opinion for the municipality. Meeting deadlines also assists with receiving feedback, comments and inputs from relevant stakeholders, and helps with rectifying mistakes whilst learning good practice at the same time.

The alignment of IDP, budget and the performance system is important, as the three documents are the strategic documents of the municipality. They serve as a guiding tool to determine whether the municipality is working towards achieving its set goals and objectives, while using the budget in the correct manner, so as to avoid wasting public funds. This is done through the performance management, where there will be quarterly reporting about the performance of the municipality and whether the budget is still aligned to the set objectives, or if it is being spent on something that is not helping achieve set objectives and goals. Performance management helps to give an early indication of non-performance, and allows for the taking of corrective measures as soon as possible.

**COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE**

**2.1 Political governance**

The mayor of the municipality is the political head who provides guidance over the fiscal and financial affairs of the municipality. Different committees play a major role in service delivery. The following committees were established:

* Executive Committee
* Municipal Public Accounts Committee
* Programming committee
* Section 79 committees

Below are listed the number of meetings that took place during the year under review:

|  |  |  |
| --- | --- | --- |
| **Name of Meeting** | **Annual Target** | **Number of meetings convened and materialised** |
| Corporate Services | 11 | 05 |
| Strategic Department | 11 | 01 |
| Finance Department | 11 | 07 |
| Infrastructure Department | 11 | 05 |
| Development Planning | 11 | 03 |
| Community Services | 11 | 03 |
| Labour Forum | 11 | 04 |
| EXCO | 12 | 11 |
| Special EXCO | 0 | 12 |
| Council | 4 | 5 |
| Special Council | 0 | 13 |
| Oversight Committee | 0 | 0 |
| Programming | 12 | 03 |
| MPAC | 0 | 02 |
| Specification | 0 | 11 |
| Evaluation | 0 | 15 |
| Adjudication | 0 | 16 |

All departments have not reached the targets in terms of their meetings, because items were delayed in the Programming Committee, which does not often sit due to the absence of a quorum. The responsibility of this committee is to take resolutions on whether items must first serve in portfolio committees or whether they must be taken straight to council.

When items are referred to section 79 committees, it is the responsibility of the particular department to ensure that the item serve in council. The Programming Committee is only responsible for items referred to council by their committee. The Public Accounts committee plays an oversight role in all financial and performance matters of the municipality. It is responsible for providing an oversight report about the annual report of the municipality and to make recommendations to council.

Below are the political heads of the municipality, with their mobile numbers:

1. **The Mayor 2. Chief Whip**



Cllr W.M. Matemane Cllr T.M. Phaahlamohlaka

|  |  |
| --- | --- |
| **Functions of Mayor** | **Functions of Chief Whip** |
| **contact no: 082 495 0486** | **contact no: 082 525 4154** |
| * Provide general political guidance over fiscal and financial affairs of the municipality * Monitor and exercise responsibilities assigned to her, to the accounting officer and the chief financial officer * Take reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of its budget * Performs functions as delegated by council | * Oversees municipal strategies to link with the ruling party’s manifesto * Advises the speaker and mayor on the agenda of Council meetings * Advises the speaker and the mayor of urgent motions in writing, prior to the commencement of the meeting * Prepares for special debates on the state of the municipality address or budget address |

**3. The Speaker**



Cllr E.M.Masemola

|  |
| --- |
| **Functions of Speaker** |
| **contact no: 082 333 7672** |
| * Presides over council meetings * Ensures compliance with the code of conduct for councillors in the meetings of council * Ensures that council meets at least quarterly * Maintains order during meetings * Ensures that council meetings are conducted in accordance with rules and orders * Any function as per the delegation policy of EMLM |

**Executive Committee Members**



**Cllr A.B. Mahlangu** **Cllr T.J. Lepota**

Political head for community services Acting political head for strategic services



**Cllr M.P. Mokgabudi Cllr F.M. Mogotji**

Political head for infrastructure Deputy political head for planning



**Cllr D.S. Mamaila Cllr T.S. Mahlangu**

Political head for finance Political head for corporate services



**Cllr M. Tshoshane Cllr R. Alberts**

Deputy political head for finance



**Cllr M.F. Madihlaba**

Political head for planning

* + 1. **Councillors**

EMLM has 60 councillors from six different political parties: ANC, DA, COPE, AZAPO, MP and APC. Some 30 councillors are party representatives and 30 are ward councillors. 54are part-time councillors and six arefull-time. There is a good relationship between councillors as they work cooperatively to achieve the set goals of the municipality. All councillors participate in various committees established in the municipality, and attendance of council meeting is always good as no council meeting was postponed due to absence of quorum. Below is the information relating to allcouncillors:

| **COUNCILLORS’ INFORMATION** | | | | | **GENDER** |
| --- | --- | --- | --- | --- | --- |
| Alberts, R. | EXCO | DA | PR | 082 332 3180 | MALE |
| Buta, M.Z. |  | ANC | Ward 16 | 082 526 3304 | MALE |
| Kabinie, R.S.A. |  | ANC | PR | 082 525 6299 | FEMALE |
| Kotze, J.P. |  | DA | Ward 13 | 082 332 2973 | MALE |
| Lepota, T.J. |  | ANC | Ward 4 | 082 525 4213 | MALE |
| Madihlaba, M.F. | EXCO | ANC | PR | 082 526 3996 | MALE |
| Madondo, V.C.P.\* | EXCO | MP | PR | 082 332 5081 | FEMALE |
| Maepa, M.M. |  | AZAPO | PR | 082 332 3179 | MALE |
| Mahlangu, A.B. | EXCO | ANC | PR | 082 333 5092 | FEMALE |
| Mahlangu, J. |  | ANC | WARD 19 | 082 525 4889 | FEMALE |
| Mahlangu, M.D. |  | ANC | WARD 3 | 082 525 4748 | MALE |
| Mahlangu, N.N. |  | ANC | WARD 23 | 082 525 4998 | FEMALE |
| Mahlangu, T.S.(full-time) | EXCO | ANC | PR | 082 495 1407 | FEMALE |
| Mahlase, K.S. |  | ANC | WARD 1 | 082 525 4289 | MALE |
| Makitla, M.E. |  | MP | PR | 082 525 4649 | MALE |
| Malatji, M.N. |  | ANC | PR | 082 332 8294 | FEMALE |
| Malekane, M.S. |  | ANC | WARD 30 | 082 525 4059 | MALE |
| Maloba, A.M. |  | MP | WARD 11 | 082 525 4299 | MALE |
| Mamaila, D.S. (full-time) | EXCO | ANC | PR | 082 495 0946 | FEMALE |
| Marapi, M.S. |  | ANC | WARD 9 | 082 525 4170 | MALE |
| Maselela, M.S. |  | MP | PR | 082 525 4578 | MALE |
| Masemola, E.M. (SPEAKER) |  | ANC | PR | 082 333 7672 | MALE |
| Mashifane, H.S. |  | ANC | WARD 15 | 082 526 0449 | MALE |
| Mashilo, M.S. |  | ANC | WARD 25 | 082 495 1194 | FEMALE |
| Matemane, W.M. (MAYOR) | EXCO | ANC | PR | 082 495 0486 | FEMALE |
| Mathale, S.M. |  | ANC | PR | 082 526 4077 | MALE |
| Mathebe, J.L. |  | ANC | PR | 082 525 4688 | FEMALE |
| Mathebe, S.E. |  | MP | PR | 082 525 4215 | MALE |
| Matjomane, G.D. |  | ANC | PR | 082 525 4163 | FEMALE |
| Matlala, M.S. |  | ANC | WARD 20 | 082 525 4388 | MALE |
| Matsepe, C.D. |  | DA | PR | 082 370 4233 | MALE |
| Matsepe, T.S. |  | ANC | PR | 082 412 7879 | FEMALE |
| Matshipa, M.P. |  | ANC | WARD 18 | 082 525 4067 | MALE |
| Matsomane, S.T. |  | COPE | PR | 082 526 4089 | FEMALE |
| Mehlape, S.H. |  | ANC | WARD 14 | 082 525 4056 | FEMALE |
| Mhlanga, C.T. |  | MP | WARD 6 | 082 333 9115 | MALE |
| Mkhaliphi,I. |  | APC | PR | 082 525 4948 | MALE |
| Mmutle, T.N. |  | ANC | WARD 5 | 082 525 4223 | MALE |
| Moganedi, V.V. |  | MP | PR | 082 526 4048 | FEMALE |
| Mogotji, F.M. | EXCO | MP | WARD 10 | 082 525 4264 | MALE |
| Mohlala, M.J. |  | ANC | WARD 27 | 082 559 7302 | MALE |
| Mokgabudi, M.P.(full-time) | EXCO | ANC | PR | 082 495 0793 | MALE |
| Mokganyetji, M.T. |  | ANC | WARD 24 | 082 525 9797 | MALE |
| Motau, O.E. |  | MP | PR | 082 525 4267 | MALE |
| Motlafe, M.G. |  | ANC | WARD 26 | 082 525 4508 | FEMALE |
| Mzinayane, D.M. |  | ANC | WARD 8 | 082 527 0668 | MALE |
| Nduli, M.E. |  | ANC | WARD 21 | 082 525 4140 | MALE |
| Nkosi, S.F. |  | ANC | WARD 29 | 082 5264062 | MALE |
| Ntuli, T.J. |  |  | PR | 082 526 4070 | MALE |
| Phahlamohlaka, T.M.  (CHIEF WHIP) |  | ANC | PR | 082 525 4154 | MALE |
| Phala, M.L. |  | ANC | WARD 7 | 082 526 3982 | MALE |
| Phatlane, A. |  | ANC | Ward 2 | 082 525 4074 | MALE |
| Podile, R.J. |  | ANC | WARD 12 | 082 526 4055 | MALE |
| Skosana, J.J. |  | MP | PR | 082 525 5324 | MALE |
| Skosana, S.L. | MPAC | ANC | PR | 082 304 8018 | FEMALE |
| Somo, S.O. |  | DA | PR | 082 526 4277 | MALE |
| Tladi, M.D. |  | ANC | WARD 28 | 082 526 0053 | MALE |
| Tshoma, L.H. |  | ANC | WARD 22 | 082 304 8019 | MALE |
| Tshoma, M.S. |  | ANC | WARD 17 | 082 304 8017 | FEMALE |
| Tshoshane, M. |  | ANC |  | 082 332 2949 | FEMALE |

\*Cllr Mathebe Shimola Eric, Cllr Madondo Vernatia Claudia Philile and Cllr Makitla Mputle Elias were replaced by Ramphisa Motiba William, Rakoena Modibo Freda and Mokone Motsatsi Phistos on 28 June 2011 under council resolution no M11/1/23 (1).

**Section 79 portfolio committees**

|  |  |  |
| --- | --- | --- |
| **Corporate Services** | **Infrastructure** | **Finance** |
| 1. **Chairperson: Mathebe, J.L.** | 1. **Chairperson: Matjomane G.D.** | 1. **Chairperson: Mmutle T.N**. |
| 1. Malekane, M.S. | 1. Tshoma, M.S. | 1. Mahlase, K.S. |
| 1. Mokganyetji, T.M. | 1. Mahlase, K.S. | 1. Matsepe, T.S. |
| 1. Mzinyane, D.M. | 1. Motlafe, M.G. | 1. Matlala, M.S. |
| 1. Mahlangu, J. | 1. Mashilo, M.S. | 1. Marapi, M.S. |
| 1. Malatji, M.N. | 1. Phatlane, A. | 1. Mahlangu, N.N. |
| 1. Buda, M.Z. | 1. Mmutle, T.N. | 1. Nkosi, S.F. |
| 1. Mhlanga, C.T. | 1. Maselela, M.S. | 1. Tshoshane, K.M. |
| 1. Moganedi, V.V. | 1. Kotze, J.P. | 1. Skosana, J.J. |
| 1. Tshoma, M.S. | 1. Kabinie, R.S.A. | 1. Maepa, M.M. |
| **Social Development** | **Strategic Department** | **Planning** |
| 1. **Chairperson:** Kabinie, R.S.A. | 1. **Chairperson:** Mzinyane, D.M. | 1. **Chairperson: Mehlape, S.H.** |
| 1. Mathale, S.M. | 1. Tladi, M.D. | 1. Mahlangu, N.N. |
| 1. Nduli, M.E. | 1. Matjomane, G.D. | 1. Matshipa, M.P. |
| 1. Mahlangu, M.D. | 1. Mokganyetji, T.M. | 1. Mashifane, H.S. |
| 1. Phala, M.L. | 1. Mashilo, M.S. | 1. Mahlangu, M.D. |
| 1. Mashifane, H.S. | 1. Tshoma, L.H. | 1. Motlafe, M.G. |
| 1. Tshoma, L.H. | 1. Mehlape, S.H. | 1. Mohlala, J.M. |
| 1. Malatji, M.N. | 1. Tshoshane, K.M. | 1. Ntuli, T.J. |
| 1. Mkhaliphi, I. | 1. Somo, O.S. | 1. Maloba, A.M. |
| 1. Podile, R.M. | 1. Matsomane, S.T. | 1. Motau, O.E. |
| **Municipal Public Accounts Committee** | **Oversight Committee** |  |
| 1. **Chairperson:Skosana, S.L.** | Chairperson: Jan Mohlala. |  |
| 1. Mashifane, H.S. | Matsepe, C.D. |  |
| 1. Matshipa, M.P. | Nkosi, S.F. |  |
| 1. Maepa, M.M. | Malekane, M.S. |  |
| 1. Skosana, J.J. | Mathebe, J.L. |  |
| 1. Nduli, M.E. |  |  |
| 1. Phatlane, A. |  |  |
| 1. Tladi, M.D. |  |  |
| 1. Matsepe, C.D. |  |  |
| 1. Mmutle, J.N. |  |  |

* + 1. **Political decision taking**

Decisions at political level are taken through the council resolutions. Council deliberate on all items submitted to them by administration and they take decisions. Council meetings take place once in a quarter and when the need arises special council meeting is arranged. 05 ordinary council meeting and 13 special council meeting took place where 200 Council resolutions were taken 72Implemented and 97 noted. 31 council resolutions were not implemented as they were taken during the last council meeting that took place on 28 June 2012. They will be implemented in the next financial year. Below are council resolutions taken for the financial year 2011/2012 and their implementation status.

**Council Resolutions: Implementation Monitoring Records:**

**Corporate Services**

| **Item no** | **Description** | **Approved, disapproved or noted** | **Implementation status** | **Reason for non-implementation** |
| --- | --- | --- | --- | --- |
| **C11/01** | Draft amended sick leave policy | approved | implemented |  |
| **C11/02** | Draft amended official travelling allowance policy | approved | implemented |  |
| **C11/03** | Training and development of municipal employees | noted |  |  |
| **C11/04** | Compliance of contracts in terms of OHASA | approved | implemented |  |
| **C11/05** | Induction of staff | noted |  |  |
| **C11/06** | EMLM wellness plan | approved | implemented |  |
| **C11/07** | Resignation of PMU Manager | approved | implemented |  |
| **C11/08** | Draft amendment recruitment and selection policy | approved | implemented |  |
| **C11/09** | Training and development of municipal employees | approved | implemented |  |
| **C11/10** | Vehicles management report (August 2011) |  | not implemented | referred to Corporate Services Committee |
| **C11/11** | New employees | noted |  |  |
| **C11/12** | OHS | noted |  |  |
| **C11/13** | Draft EMLM OHS Strategy | noted |  |  |
| **C11/14** | Staff turnover | noted |  |  |
| **C11/15** | Councillors’ workshop: new governance model | noted |  |  |
| **C11/16** | Training and development of municipal employees | noted |  |  |
| **C11/17** | New employees for financial year 2011/2012 | approved | implemented |  |
| **C11/18** | OHS report: October 2011 | noted |  |  |
| **C11/19** | Draft amended EMLM employee assistance policy | disapproved |  |  |
| **C11/20** | Draft EMLM funeral bereavement policy | approved | implemented |  |
| **C12/01** | Update of staff personal records: February 2012 | approved | implemented |  |
| **C12/02** | Draft amended EMLM sexual harassment policy | approved | implemented |  |
| **C12/03** | OHS report: December 2011 | noted |  |  |
| **C12/04** | Draft amended EMLM housing policy | approved | implemented |  |
| **C12/05** | Draft EMLM remuneration policy | approved | implemented |  |
| **C12/06** | Training and development of municipal employees: January 2012 | approved | implemented |  |
| **C12/07** | Establishment of a geographic names change committee | approved | implemented |  |
| **C12/08** | Draft EMLM retention strategy | disapproved | not implemented | Referred to Section 79 committee |
| **C12/09** | Training and development of municipal employees: as at February 2012 | disapproved | referred to ordinary council | referred to ordinary council |
| **C12/10** | Updating of staff records: February 2012 | approved | implemented |  |
| **C12/11** | OHASA Report: February 2012 | noted |  |  |
| **C12/12** | Vehicles management report: February 2012 | disapproved | not implemented | Referred to Section 79 committee |
| **C12/13** | New employees: As of February 2012 | noted |  |  |
| **C12/14** | Induction of Staff: As at February 2012 | noted |  |  |
| **C12/15** | Draft Amendment EMLM Study Assistance Policy | disapproved | not implemented | Referred to Section 79 committee |
| **C12/16** | Progress report: Electronic record system | disapproved | not implemented | Referred to Section 79 committee |
| **C12/17** | Review of the organogram | approved | implemented |  |
| **C12/18** | Pension-supported councillor’s housing loan | approved | implemented |  |
| **C12/19** | Senior managers salaries’ adjustment | approved | implemented |  |

**Planning Development Department**

| **Item no** | **Description** | **Approved, disapproved or noted** | **Implementation status** | **Reason for non-implementation** |
| --- | --- | --- | --- | --- |
| **SM11/01** | Proposed special consent application, erf 298 Groblersdal, extension 2, in accordance with clause 16 of the Groblersdal Town Planning Scheme | approved | implementation depends on applicant |  |
| **SM11/02** | Proposed subdivision of erf 179 Groblersdal, extension 1, in terms of section 92 (1) of the town planning and township ordinance 15 of 1986 | approved | implementation depends on applicant |  |
| **SM11/03** | Proposed promulgation of the land use management system, in accordance with the town planning & townships ordinance 15 of 1986 | approved | implementation depends on applicant |  |
| **SM11/04** | Proposed subdivision of erf 275 Groblersdal, extension 2, as per provision of section 92 (1) of town planning and townships ordinance 15 of 1986 | disapproved | Awaiting letter of declaration from land surveyor |  |
| **SM11/05** | Application for special consent in accordance with clause 16 of the Groblersdal town planning scheme (2006) | approved | implementation depends on applicant |  |
| **SM11/06** | Proposed acquisition of portion 39 of farm Klipbank 26js | approved | implementation depends on applicant |  |
| **SM11/07** | Formalisation of informal settlement, portion 13 of farm Klipbank 26js | disapproved |  |  |
| **SM11/08** | Application for special consent, erf 69, Groblersdal, as per provision of clause 16 of the Groblersdal town planning scheme 2006 | disapproved |  |  |
| **SM11/09** | Proposed erection of an electricity line, portion 39, farm klipbank 26js | disapproved |  |  |
| **SM11/10** | Proposed consolidation of erven 477-572 and closed street portions in Roossenekal extension 1 | disapproved |  | still awaiting letter from Nkangala District |
| **SM11/11** | Proposed rezoning from residential 1 to business 1,erf 48, Roossenekal, as per provision of section 42 of the ordinance | disapproved |  |  |
| **SM 11/12** | Report on a game farm feasibility study, part of portion 39 of farm klipbank 26JS | noted |  |  |
| **SM11/13** | Application for special consent in accordance with clause 16 of the Groblersdal town planning scheme (2006) | approved | not implemented | No budget |
| **SM11/14** | Proposed acquisition of portion 39 of farm Klipbank 26js | approved | implemented |  |
| **SM11/15** | Proposed public garage in accordance with the Development Facilitation Act (1995):erven 756 & 757, Groblersdal, Ext.11 | approved | implementation depends on applicant |  |
| **SM11/16** | Proposed formalisation, Monterlus Stadium view | disapproved |  |  |
| **SM11/17** | Proposed acquisition of 286, remaining extent, G-dal | approved | implementation depends on applicant |  |
| **SM11/18** | Application by community policing forum | approved | implementation depends on applicant |  |
| **SM11/19** | Cultural and fashion show | approved | implementation depends on applicant |  |
| **SM11/20** | Proposed exchange of property for private property, allegedly occupied by informal settlers | disapproved |  |  |
| **SM11/21** | Land use audit: Groblersdal and Roossenekal | noted |  |  |
| **SM11/22** | Proposed consolidation of erf 1207 with 257 & portion 1 of erf 767: Volle Evangelie Church | approved | implementation depends on applicant |  |
| **SM11/23** | Proposed extension of consent of use, erf 118 Roossenekal | approved | implementation depends on applicant |  |
| **SM11/24** | Proposed Groblersdal amendment scheme (2006), from residential 1 to business, erf 48 Roossenekal | disapproved |  |  |
| **SM11/25** | Formalisation of the informal traders in Groblersdal | disapproved |  |  |
| **SM11/26** | Proposed subdivision of portion 65 of Farm Klipbank 26JS, as per provision of section 18 of the town planning and township ordinance (15 of 1986) | approved | implementation depends on applicant |  |
| **SM11/27** | Proposed subdivision of remainder of erf 342 & subsequent consolidation with portion 2 of erf 342, as per town planning and township ordinance (15:1986) Groblersdal, Extension 2 | approved | implementation depends on applicant |  |
| **SM11/28** | Proposed development & lease, portion 1 &2 of erf 832, Ext. 15, Groblersdal | approved | implementation depends on applicant |  |
| **SM11/29** | Application for special consent in accordance with clause 16 of Groblersdal town planning scheme (2006) | approved | implementation depends on applicant |  |
| **SM11/30** | Proposed acquisition of portion 39 of Farm Klipbank 26JS | approved | implementation depends on applicant |  |
| **SM11/31** | Consideration of formalisation, portion 13 of Farm Klipbank 26JS | approved | implementation depends on applicant |  |
| **DP12/01** | Proposed alienation of residential erven and erection of a health centre, Mapochegronde 911: Roossenekal | disapproved |  |  |
| **DP12/02** | Proposed special consent, erf r/319 Groblersdal | disapproved |  |  |
| **DP12/03** | Proposed special consent application, erf 888 Groblersdal, extension 16 | approved | implementation depends on applicant |  |
| **DP12/04** | Proposed special consent application, erf 544, extension 9, Groblersdal, as per provision of clause 6 of the Groblersdal town planning scheme (2006) | approved | implementation depends on applicant |  |
| **DP12/05** | Proposed subdivision of erf 179, Groblersdal, extension 1, as per provision of section 92 (1) of town planning & townships ordinance (15:1986) | approved | implementation depends on applicant |  |
| **DP12/06** | Proposed consolidation of erven 1061 and 1074, Groblersdal, extension 23, in terms of town planning& townships ordinance (15:1986) | approved | implementation depends on applicant |  |
| **DP12/08** | Proposed application and simultaneous amendment of the greater Groblersdal town planning scheme (2006), and removal of restrictive conditions on title deed in accordance with the Removal Of Restrictions Act (1967): remainder 267, Groblersdal, extension 2 | approved | implementation depends on applicant |  |
| **DP12/09** | Proposed special consent application, erf 484, Groblersdal | approved | implementation depends on applicant |  |
| **DP12/10** | Proposed development of the Mamorake Mall: Tafelkop | approved | implementation depends on applicant |  |
| **DP12/11** | Revised proposal to lease and develop, portions 1 and 2, erf 832, ext 15, Groblersdal | approved | implementation depends on applicant |  |
| **DP12/12** | Draft 2012/2013 IDP | Approved |  |  |

**Finance Department**

| **Item no** | **Description** | **Approved, disapproved or noted** | **Implementation status** | **Reason for non-implementation** |
| --- | --- | --- | --- | --- |
| **F11/01** | Report on section 71 for January 2011-May 2011 | noted |  |  |
| **F11/02** | Report on section 66 regarding staff benefits for November, December 2010 and January 2011-May 2011 | noted |  |  |
| **F11/03** | Report of cashbook for November, December 2010 and January 2011-May 2011 | noted |  |  |
| **F11/04** | Report on section 71 for February 2011-May 2011 | noted |  |  |
| **F11/05** | Report on section 66 regarding staff benefits for February 2011-May 2011 | noted |  |  |
| **F11/06** | Report of cashbook for February 2011-May 2011 | noted |  |  |
| **F11/07** | Report on bank reconciliation for January 2011-May 2011 | noted |  |  |
| **F11/08** | Report on section 71 for January&July 2011 | noted |  |  |
| **F11/09** | Report on section 66 (expenditure on staff benefits) for January 2011-July 2011 | noted |  |  |
| **F11/10** | Preparation of Annual Financial statements, and Draft Annual Financial statements | noted |  |  |
| **F11/11** | Report on section 71 for August 2011 | noted |  |  |
| **F11/12** | Report on section 66 regarding staff benefits for August 2011 | noted |  |  |
| **F11/13** | Report on writing off of accounts | approved |  |  |
| **F11/14** | Report on section 71 for September 2011 | noted |  |  |
| **F11/15** | Report on section 66 regarding staff benefits for September 2011 | noted |  |  |
| **F11/16** | Report on section 71 for September 2011 | noted |  |  |
| **F11/17** | Report on section 66 regarding staff benefits for September 2011 | noted |  |  |
| **F11/18** | Financial year stock take – write offs | approved |  |  |
| **F11/19** | Report on section 71 for the month October 2011 | noted |  |  |
| **F12/01** | Assets’ management policies | approved |  |  |
| **F12/02** | Report on section 71 for November, December 2011 and January 2012 | noted |  |  |
| **F12/03** | Report on section 66 regarding staff benefits for November, December 2011 and January 2012 | noted |  |  |
| **F12/04** | Final awards in terms of supply chain management policy from September 2011-4 January 2012 | noted |  |  |
| **F12/05** | Report on section 71 for February 2012 | noted |  |  |
| **F12/06** | Report on section 66 regarding staff benefits for February 2012 | noted |  |  |
| **F12/07** | Submission of Audit Action Plan | noted |  |  |
| **F12/08** | 2012/2013 draft MTREF budget | approved | implemented |  |
| **F12/09** | Report on section 71 for March 2012 | noted |  |  |
| **F12/10** | Report on section 66 regarding staff benefits for March 2012 | noted |  |  |
| **F12/11** | Report on section 71 for April 2012 | noted |  |  |
| **F12/12** | Report on section 66 regarding staff benefits for April 2012 | noted |  |  |
| **F12/13** | Report on section 71 for May 2012 | noted |  |  |
| **F12/14** | Report on section 66 regarding staff benefits for May 2012 | noted |  |  |
| **F12/15** | Asset Management Policy | Approved |  |  |
| **F12/16** | Supply Chain Management Policy | disapproved |  |  |

**Infrastructure Department**

| **Item no** | **Description** | **Approved, disapproved or noted** | **Implementation status** | **Reason for non-implementation** |
| --- | --- | --- | --- | --- |
| **I11/01** | Electrification projects for 2011/12 to be implemented by EMLM using DME funds | approved | Waalkraal partially electrified | capacity constrains from Eskom |
| **I11/02** | 2011/12 electrification projects by Eskom | approved | implemented |  |
| **I11/03** | 2011/12 solar water heating programme | approved | not implemented | still engaging service providers |
| **I11/04** | Water analysis report for December 2010 & January 2011 | noted |  |  |
| **I11/06** | Service delivery report from 2005/06 financial year to date | noted |  |  |
| **I11/07** | Proposal for continuation of smart metering project | approved | Implemented |  |
| **I11/08** | 2012/2013 electrification projects | approved | Not Implemented | Funds and capacity constrain pending |
| **I11/09** | Proposals brought by roux property fund to lease or purchase the property in order for the municipality to develop municipal offices for Groblersdal | noted |  |  |
| **I11/10** | Kanaal and Klip St audit report | noted |  |  |
| **I11/05** | Water analysis report for January-July 2011 | noted |  |  |
| **I11/1/11** | Infrastructure Department: monthly reports, capital projects 2010 & 2011 | noted |  |  |
| **I11/1/12** | Groblersdal and Roossenekal load forecast | noted |  |  |
| **I11/13** | Sales of current municipal houses | disapproved |  | Item deferred |
| **I11/14** | 2011/12 financial year capital projects | noted |  | ongoing |
| **I11/15** | Acquisition of services from independent engineers for quality assurance of service providers’ designs and contract administration | Deferred |  | Item deferred |
| **I11/16** | Acquisition of services from independent engineers for quality assurance of service providers’ designs and contract administration | approved | implemented |  |
| **I11/17** | Electrification projects as submitted to Eskom for capacity verification | approved | implemented |  |
| **I11/18** | Request for pavement road from Matlala village main road to MoshateGa-matlala | disapproved | not implemented | councillors request to be guided by IDP |
| **I11/19** | Request for upgrading of road from gravel to surfaced road: MatlalaLehwelere to Naganeng village | disapproved |  |  |
| **I11/20** | Scope change for Moteti C2 road project report, by Director Infrastructure | approved |  |  |
| **I11/21** | Request for pedestrian bridge between Mpheleng&Vezinyawo villages | disapproved |  |  |
| **I11/22** | Request for paving of roads that lead to schools | disapproved |  |  |
| **I11/23** | Request for paving of road from Moteti to Liberty village | disapproved |  |  |
| **I11/25** | Proposed public routes for re-gravelling by the internal construction unit team | noted |  |  |
| **I11/26** | Financial report on Kanaal&Klip St | noted |  |  |
| **I12/01** | Electrification projects for 2012/13 to be implemented by EMLM using DME funds and Eskom | approved | Eskom confirmed to implement (letter dated 23 January 2012) |  |
| **I12/02** | Challenges faced by road operations & maintenance unit, and roads construction unit | approved | not Implemented | budgetary |
| **I12/03** | 2012/13 solar street lighting | approved | not Implemented | budgetary |
| **I12/04** | Water analysis report for the months to date | noted |  |  |
| **I12/05** | Infrastructure Department: monthly reports, capital projects 2011/2012 | noted |  |  |
| **I12/06** | 2011/12 financial year capital projects | noted |  |  |
| **I12/07** | 2011/12 financial year capital projects: April report | noted |  |  |
| **I12/08** | Moutsebulk water supply project | noted |  |  |
| **I12/09** | Monthly report capital projects 2011 & 2012 | noted |  |  |

**Community Services Department**

| **Item no** | **Description** | **Approved, disapproved or noted** | **Implementation status** | **Reason for non-implementation** |
| --- | --- | --- | --- | --- |
| **S11/01** | Hairdressing, beauty and cosmetology services by-laws | noted |  |  |
| **S11/02** | Draft recycling strategy | approved |  |  |
| **S11/03** | Draft indigent management strategy | approved |  |  |
| **S11/04** | Mayor’s bursary fund policy | approved |  |  |
| **S11/05** | Sports development strategy | approved |  |  |
| **S11/06** | Draft poverty alleviation strategy | approved |  |  |
| **S11/07** | EPWP beautification programme report (item withdrawn by management) |  |  |  |
| **S11/08** | Disaster management | Noted |  |  |
| **S11/09** | Statistical report of the Manager Traffic &Licensing(December 2010 &January 2011) | Noted |  |  |
| **S11/10** | Social development monthly report for satellite offices(December 2010 & January 2011) | Noted |  |  |
| **S11/11** | Development of Elias Motsoaledi GMBwaste disposal site within Greater Sekhukhune District Municipality, Limpopo Province | Noted |  |  |
| **S11/12** | Policy on the burial of indigent | Noted |  |  |
| **S11/13** | Project funded by DEA in EMLM | Noted |  |  |
| **S11/14** | Indigent register | approved | implemented |  |
| **SD11/15** | Mayor’s bursary | approved | implemented |  |
| **SD11/16** | EMLMcommunity gymnasium | approved | not implemented |  |
| **SD12/01** | EMLM mayor’s bursary fund | approved | implemented |  |
| **SD12/02** | EMLM expanded public works’ incentive grant | approved | implemented |  |
| **SD12/03** | EMLM allocated housing units and appointed contractors | noted |  |  |
| **SD12/04** | Solid waste management | noted |  |  |
| **SD12/05** | Disaster and emergency services operational report | noted |  |  |
| **SD12/06** | Traffic and licensing services | noted |  |  |
| **SD12/07** | Cemetery, parks and recreational facilities | noted |  |  |
| **SD12/08** | Draft sport and recreation policy | approved |  |  |
| **SD12/09** | Statistical report of the Manager: Traffic and Licensing, for December 2011 (38/2/8) | noted |  |  |
| **SD12/10** | Statistical Report of Acting Senior Manager: Traffic and Licensing, for February 2012 (38/2/8) | noted |  |  |
| **SD12/11** | Groblersdal landfill site | noted |  |  |
| **SD12/12** | Groblersdal CBD paid parking policy | approved | not implemented |  |
| **SD12/13** | Draft EMLM EPWP policy | approved |  |  |
| **SD12/14** | Statistical report of traffic and licensing for March 2012 | approved | implemented |  |
| **SD12/15** | EMLM monthly housing  progress report for financial year | noted |  |  |
| **SD12/16** | Report on inspection conducted at Groblersdal registering authority (RA) and driver license testing centre, by Department of Roads and T | noted |  |  |
| **SD12/17** | Statistical report of Manager: Traffic and Licensing, for April 2012 (38/2/8) | noted |  |  |
| **SD12/18** | Training of beneficiaries for housing consumer education, financial year 2012/2013 | noted |  |  |
| **SD12/19** | Statistical report of Manager: Traffic &Licensing, for April 2012 (38/2/8) | noted |  |  |

**Strategic Department**

| **Item no** | **Description** | **Approved, disapproved or noted** | **Implementation status** | **Reason for non-implementation** |
| --- | --- | --- | --- | --- |
| **SM11/01** | Provincial call centre | noted |  |  |
| **SM11/02** | Risk assessment report | noted |  |  |
| **SM11/03** | Internal audit report | noted |  |  |
| **SM11/04** | Permission to occupy erf 180, Roossenekal | disapproved |  |  |
| **SM11/05** | Establishment of the tourism information centre | approved | not implemented | Budgetrelocated during adjustment budget |
| **SM11/06** | Internal audit reports from July -September 2011 | noted |  |  |
| **SM11/07** | Municipal progress report (outcome 9) | noted |  |  |
| **SM11/08** | First quarter reports on service delivery and budget implementation plan (SDBIP) | noted |  |  |
| **SM12/01** | 2010/2011 annual performance report for section 57 managers | noted |  |  |
| **SM12/02** | Mid-year reports on service delivery and budget implementation plan (SDBIP) | noted |  |  |
| **SM12/03** | Municipal progress report (outcome 9) | noted |  |  |
| **SM12/04** | Draft annual report 2010/2011 | approved |  |  |
| **SM12/05** | 2011/2012 Mid-year performance assessment report, for section 57 managers | noted |  |  |
| **SM12/06** | 2012/2013 Service Delivery And Budget Implementation Plan (SDBIP) | approved |  |  |

* 1. **Administrative governance**

The Municipal Manager, as the Accounting Officer of the municipality, provides guidance to political office bearers and to all officials in the municipality. There is a good relationship between the Municipal Manager, administration andpolitical office bearers. Every year there is a schedule of meetings that is approved by council, in order to ensure that all committees meet regularly to discuss administrative, performance and service-delivery issues. All administrative issues that need intervention of council are referred to council for resolution.

Listed below are the administrative heads of the municipality and their contact numbers:

**MS M.M. Mtsweni Mr M.M. Kgwale**

Municipal Manager Director Strategic Management

|  |  |
| --- | --- |
| Highest qualifications:  BSC Honours Degree | Highest qualifications:  B.Tech Degree (Commerce) |
| contact number: 0829498620 | contact number: 0798790689 |
| *Functions* | *Functions* |
| 1. Provides guidance and advice on compliance with political structures, political office bearers and officials of the municipality. 2. Acts with fidelity, honesty, integrity and in the best interest of the municipality, in managing its financial affairs. 3. Discloses to council and the mayor, all material facts available to the accounting officer. | 1. Manage performance management system.  2. Manage integrated development planning.  3. Manage communications. |



**Mr K.E. Tshesane Mr H.M. Phaahla**

Director Community Services Director Corporate Services

|  |  |
| --- | --- |
| Highest qualifications:  Bachelor of Educational Management | Highest qualifications  Masters in Public Administration |
| contact number: 0823327024 | contact number:0824440585 |
| *Functions* | *Functions* |
| 1. Manage environmental services  2. Manage traffic law enforcement  3. Manage licensing services  4. Manage service delivery points | 1. Manage human resources  2. Manage administration and secretariat services  3. Manage ICT  4. Manage public office bearers  5. Manage legal services |



**Mr O. Sethojoa Mr R. Palmer**

Acting Director Planning Acting C.F.O.

|  |  |
| --- | --- |
| Highest qualifications:  Bachelors Degree in Urban and Regional Planning | Highest qualifications:  Diploma in Internal Audit |
| contact number: 0820821222 | contact number: 0824951479 |
| *Functions* | *Functions* |
| 1. Manage development   planning   1. Manage local economic   development   1. Manage land use management | 1. Administratively in charge of the budget and treasury office 2. Advice accounting officer on the exercise of powers and duties assigned to the accounting officer. 3. Assist the accounting officer with the administration of the municipality’s bank account, and with preparation and implementation of the municipal budget. 4. Perform budgeting, accounting, analysis, cash management, debt management, supply chain management, and financial management. |



**Mr K. Mametja**

Acting Director Infrastructure

|  |
| --- |
| Highest Qualifications:  B. Tech (Electrical Engineering) |
| contact no: 0820816466 |
| *Functions* |
| 1. Manage roads, storm water and building maintenance  2. manage electrical and mechanical services  3. Manage project management unit |

* + 1. **Political and administrative governance**

AtEMLM there is a good relationship between politicians and the administration. Administration meets with political office bearers through EXCOand council meetings. Administration holds their own meetings, where they take resolutions. After resolutions are taken administratively, the Municipal Manager recommends those resolutions to EXCO. EXCO takes resolutions and refers them to council, or to portfolio committees.

EXCO meets with administration every month to discuss matters of service delivery. Council meets once a quarter with administration, to take resolutions on all items forwarded to them. Political office bearers are supportive of administration, as they are always available to attend meetings. EXCO members also participate in the quarterly EXCO Lekgotla to monitor progress made by administration on service delivery.

The figure below shows the flow of items, until they reach council

**2.2.2 Corporate governance**

EMLM has a code of conducts and policies in place that serves as a guide onto how to execute our functions in a responsive manner. These documents are compiled by everyone in the municipality, as they set outthe rules, laws, customs and culture of the municipality. All officials, together with political heads, work collectively, guided by policies to deliver efficient service delivery to communities in order to achieve the vision and goals of the municipality

**Component B: Intergovernmental relations**

* 1. **District intergovernmental structures**

EMLM has a good relationship with the Sekhukhune district municipality and all local municipalities within the district. There are different forums conducted by the district, where officials and politicians from local municipalities are invited to participate. The structures are as follows:

|  |  |
| --- | --- |
| **Structures** | **Directorates** |
| EXCO Lekgotla | Mayor and Municipal Manager |
| Municipal Manager’s forums | Municipal Manager |
| IDP forums | IDP Manager |
| PMS forums | PMS Manager |
| LED forums | LED Manager |

The above forums meet quarterly to discuss progress made on service delivery. The forums are facilitated by COGHSTA representatives and district officials. They are very fruitful forums, as members use this opportunity to share ideas and to learn from each other, in order to improve service delivery.

* + 1. **Provincial intergovernmental structures**

EMLM has a good relationship with provincial structures, namely COGHSTA, the Premier’sOffice and the provincial treasury. The province coordinated various forums where it met with members from all municipalities in the province, in order to discuss service delivery issues. Members from COGHSTA, the Premier’s Office and the provincial treasury also form part of those forums. The forums are:

* Provincial intergovernmental forum
* Premier/Mayor’s forum
* PMS forum
* Provincial government communicators’ forum.

COGHSTA has assisted the municipality at various times and the municipality hasbenefited greatly from their support. They assisted with implementing the PMS unit, as it was the first time that it had been implemented in the municipality. COGHSTA assisted with:

* Developing IDP and SDBIP in house, althoughpreparing the two documents was outsourced. In the next financial year both documents will be developed in house.
* Conducting performance assessments for section 56 managers to assess their work and to determine if they qualify for bonuses (this not done previously).
* Reviewing 2012/2013 IDP and organisational structure.

The forums are very fruitful as any kind of question is clarified, and municipalities that lack capacity are identified and provided with all necessary support.

**Component C: Public accountability and participation**

* 1. **Public meetings**

The municipalityusesdifferentkindsofpublicparticipation, such as the Mayor’s outreach, publicmeetingsandIDP/PMSconsultation, in order to promote the culture of accountability.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Community meetings** | | | | | | | | | |
| **Date** | **Ward no.** | **Village** | **Type** | **No of participating municipal councillors** | **No of participating municipal administrators** | **No of community members attending** | **Issues raised by community** | **Issues addressed (Yes/No)** | **Date and manner of feedback given to community** |
| 17/09/2011 | 14 | Naganeng | IDP Community Consultation Programme | 5 | 4 | 107 | Water and roads | No |  |
| 22/10/2011 | 10 | Talane | IDP Community Consultation Programme | 7 | 9 | 200 | Roads and schools |  |  |
| 19/11/2011 | 24 | Strekfontein | IDP Community Consultation Programme | 9 | 4 | 196 | Roads, RDP houses and unemployment |  |  |
| 10/04/2012 | 13 | Municipal Chamber | IDP 2012\13 | 3 | 5 | 114 | Rates, roads and water |  |  |
| 14/04/2012 | 13 | Lion’s Guest House | IDP 2012\13 | 2 | 4 | 15 Magoshi | Stipend and cellphones |  |  |

* 1. **IDP participation and alignment**

The IDP is a strategic tool of the municipality and is a public document. It cannot be compiled without engaging community members. The IDP/PMS unit has visited members of the public in all 30 wards during the reviewal process, to listen to community needs that must be addressed in the IDP. Those needs are included in the IDP and the municipality will work together with other sector departments to address them. In the 2012/2013 financial year, members of the community will be informed about the progress made in addressing their needs through public meetings and the mayor’s outreach programmes.

The municipality conducts public participation in all wards to provide community members with information concerning municipal governance, management, and development. Officials work together with ward councillors, ward committees and community development workers, to keep members of the community informed about municipal activities. Community members participate in the meetings and needs, views and inputs are taken into consideration, and are attended to by relevant stakeholders.

|  |  |
| --- | --- |
| **IDP Participation and Alignment Criteria\*** | **Yes/No** |
| Does the municipality have impact, outcome, input, and output indicators? | yes |
| Does the IDP have priorities, objectives, KPIs, and development strategies? | yes |
| Does the IDP have multi-year targets? | yes |
| Are the above factors aligned and can they calculate into a score? | yes |
| Does the budget align directly to the KPIs in the strategic plan? | yes |
| Do the IDP KPIs align with the Section 57 managers | yes |
| Do the IDP KPIs lead to functional area KPIs, as per the SDBIP? | yes |
| Do the IDP KPIs align with the provincial KPIs on the 12 outcomes | yes |
| Were the indicators communicated to the public? | yes |

* + 1. **Mayor’s/Speaker’s outreach**

The municipality has conducted three Mayor’s outreach events in three wards: 14, 18 and 24. The mayor was accompanied by other councillors from different wards, ward committees and other officials. The purpose of the outreaches was to hear about service delivery queries and dissatisfaction amongst community members. Most of the queries related to water, roads, schools, clinics, housing and unemployment.Queriesthat were not about the municipality’s core functions were referred to relevant sector departments.

During the outreach activities, two families without houses were identified. One family in Bloempoort did not have a house to stay in and the mayor asked for a donation from service providers, to build a house for that family. Morwa Kgatse Hardware volunteered, by building two-bed roomed house for them. The mayor handed over the house to the family. The second family was identified in Sterkfontein, where the RDP house was incomplete. The Mayor asked for donations and Pop Win Security volunteered to complete the house. The mayor handed over the house to the family. Outreach activities have been very successful and fruitful.

|  |  |  |
| --- | --- | --- |
| **Name of Ward** | **Date** | **Venue** |
| ward 14 : Naganeng | 17 September 2011 | Lehwelere School |
| ward 18 : Talane | 22 October 2011 | Mninwa Mahlangu School |
| ward 24 : Sterkfontein | 19 November 2011 | Sterkfontein Play Ground |

* + 1. **Ward committees**

EMLM has 300 ward committees in all 30 wards. They work with ward councillors to identify problems in respective wards and to assist community members with service delivery matters. They also conduct public meetings together with ward councillors, in order to teach about service delivery problems and to inform community members about any projects that take place in their wards. They submit monthly reports to the speaker of the municipality.

Functions of the ward committees:

* To enhance participatory democracy in local government,
* To advise council on matters affecting the wards, and
* To represent the people in respective ward.

**Component: Corporate governance**

* 1. **Risk management**

The municipality’s risk management strategy is in place and is being implemented. Internal audit functions are currently outsourced to Mushavhi Risk Advisory for three years (June 2010 to June 2013).In 2012/2013; two new units have been established in the Municipal Manager’s office: internal audit and risk management. Filling these posts will be prioritised as they are some of the most important units in the municipality, and will reduce the cost of outsourcing audit services as in-house officials will perform the function. The functions of internal auditors are:

* Prepare a risk-based audit plan and an internal audit programme for each financial year.
* Identify risks and prepare the risk register.
* Advice the Accounting Officer and report to the Audit Committee on the implementation of the internal audit plan and matters relating to internal audit, internal controls, risk management, loss control, performance management, and compliance with MFMA and the Annual Division of Revenue Act.

During the year under review, the municipality did not have an Audit Committee in place but managed to appoint five Audit committee members in June 2012, who will resume their duties from 1 July 2012. The appointment of these members has been a significant achievement for the municipality and we hope that the committee will have a great impact on the financial and performance management of the municipality from the coming financial year onwards. The functions of audit committee will be:

* Provide advice to the municipal council, Accounting Officer, management and municipal staff, on matters relating to internal financial control, risk management, accounting policies, and performance management.
* Review annual financial statements.
* Respond to council on any issues raised by the Auditor General in the audit report
* Carry out such investigations into the financial affairs of the municipality.

Audit Committee members are:

|  |  |
| --- | --- |
| **Surname and initials** | **Gender** |
| Advocate: Kholong, T.S,  (chairperson) | male |
| Advocate: Nke, R, | male |
| Gafane, T. | male |
| Mudau, F.J, | female |
| Mohlamme, B, | male |

Mandatory functions of Audit Committee

In terms of section 166 (Act 56 of 2003) of MFMA,

(2) Audit committee is an independent advisory body which must-

1. Advise the municipal council, the political office bearers, the accounting officer and the management staff of the municipality, or the board of directors, the accounting officer and the management staff of the municipal entity, on matters relating to-
2. Internal financial control and internal audits;
3. Risk management;
4. Accounting policies;
5. The adequacy, reliability and accuracy of financial reporting and information;
6. Performance management;
7. Effective governance;
8. Compliance with this Act, the annual Division of Revenue Act and any other applicable legislation;
9. Performance evaluation; and
10. Any other issues referred to it by the municipality or municipal entity;
11. Review the annual financial statements to provide the council of the municipality or, in the case of a municipal entity, the council of the parent municipality and the board of directors of the entity, with an authoritative and credible view of the financial position of the municipality or municipal entity, its efficiency and effectiveness and its overall level of compliance with this Act, the annual Division of Revenue Act and any other applicable legislation;
12. Respond to the council on any issues raised by the Auditor-General in the audit report;
13. Carry out such investigations into the financial affairs of the municipality or municipal entity as the council of the municipality, or in the case of a municipal entity, the council of the parent municipality or the board of directors of the entity, may request; and
14. Perform such other functions as may be prescribed.
    1. **Anti-corruption and fraud**

An anti-corruption and fraud strategy is in place. The strategy is implemented and adhered to by employees all the times, and helps to prevent corruption and fraud. During the year under review, no corruption and fraud was reported.

* 1. **Supply chain management**

The supply chain policy of the municipality was underreview, in order to ensure compliance with legislation. Officials of the municipality also attended courses during the year to ensure that all officials obtained the required competency levels.

Auditor General has audited the Annual Financial Statements, and the following are the findings:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **AG. FINDINGS** | **CHALLENGES** | **SOLUTIONS** |
| **Non submission of evaluation committee meeting minutes (EX.144)** | *Leadership*  The Manager: Supply chain does not exercise oversight responsibility over reporting and compliance with laws and regulations and internal control. | Management's response was noted. This documentation was requested and was never provided to the auditors and as there is no sufficient time available to audit additional information the finding could not be resolved and will be reported in the management and audit report. | The Manager: Supply chain must ensure that SCM regulations are being complied with. |
| **No signature of chairperson of evaluation committee (EX.146)** | *Leadership*  The Manager: Supply chain does not exercise oversight responsibility over reporting and compliance with laws and regulations and internal control. | Management agrees with the audit findings as stated.  Management is in the process of updating the Supply Chain Management Policy and Framework to ensure compliance to all regulations and training of officials within the SCM Unit. | The Manager: Supply chain must ensure that SCM regulations are being adhered to. |
| **Tax clearance certificate (EX.148)** | *Leadership*  The Manager: Supply chain does not exercise oversight responsibility over reporting and compliance with laws and regulations and internal control. | Management would advise that SARS is issuing copies and sometimes originals, therefore; this matter will have to be cleared with SARS. | The Manager: Supply chain must ensure that the municipality complies with laws and regulations when tenders are awarded. |
| **Not provided with score sheets to show that points were awarded in accordance with PPPF Act (EX.149)** | *Leadership*  The Manager: Supply chain does not exercise oversight responsibility over reporting and compliance with laws and regulations and internal control. | Management's response was noted. Through inspection of the tender packs that was provided to the auditors for audit purposes, it was found that not all the tender packs contained the relevant score sheets as required. As the documentation was not provided to the auditors when requested, this finding could not be resolved and will be reported in the management and audit report. | The Manager: Supply chain should ensure that score sheets are attached to the bid documents. |
| **Supplier with the highest score was not awarded with a tender (EX.150)** | Oversight responsibility  The accounting officer does not exercise oversight responsibility over reporting and compliance with laws and regulations and internal control | Management will ensure compliance with the PPPFA and further motivate as to why a supplier is awarded a contract outside the regulation with the justification grounds that existed not to select the tender with the highest points. | Bids must be awarded to suppliers who scored more points as required by PPPFA regulation. |
| **90 points allocated for both price and functionality when calculating preference points (EX.156)** | *Leadership*  The Manager: Supply chain does not exercise oversight responsibility over reporting and compliance with laws and regulations and internal control. | Management advises that our Policy was only updated after receiving the National Treasury Circular and the municipality is in compliance with the regulation. | The Manager: Supply chain should ensure that preference points are correctly calculated in accordance PPPF regulations. |
| **The contract price is above the tendered price (EX.158)** | *Leadership*  The Manager: Supply chain does not exercise oversight responsibility over reporting and compliance with laws and regulations and internal control. | Management advises that in the first instance the auditors calculated incorrectly as the R108x 4 houses gives the amount of R432 000-00 which was the Tender allocation.  Management would advise that there are instances whereby the scope of work has to change due to the magnitude that needs to be performed and where unknown new technology has surfaced. In these circumstances approval is obtained through the adjustments budget with own funding to support the MIG Grant funded projects. | The Manager: Supply chain must ensure that the contract price is not above the tender price. |
| **No written contract entered into between the municipality and SITA (EX.159)** | *Leadership*  The Manager: Supply chain does not exercise oversight responsibility over reporting and compliance with laws and regulations and internal control. | Management advised the auditors at the inception of the audit that the IT Framework and Policies were still awaiting Council approval. | The Manager: Supply chain should ensure a written contract is being entered into with SITA to assist with the acquisition of IT related goods and services as required by the SCM regulation |
| **Appointment letters not signed by both parties** | *Leadership*  The Manager: Supply chain does not exercise oversight responsibility over reporting and compliance with laws and regulations and internal control. | Management would wish to advise that all original contracts are now filed within the Legal Department to ensure compliance and based on internal control measures | The Manager: Supply chain should ensure that all appointments letters are being signed by both parties in order to be valid. |
| **Not provided with contracts entered into between the Municipality and winning bidders** | *Leadership*  The Manager: Supply chain does not exercise oversight responsibility over reporting and compliance with laws and regulations and internal control. | Management’s response was noted. However through inspection of the documentation provided to the auditors it was found that only appointment letters were provided to the auditors. Within the appointment letters reference is made to a contract between the winning bidder and the municipality. These contracts were never provided to the auditors and therefore the finding could not be resolved and will be reported in the management and audit report. | The Manager: Supply chain should ensure that all official documents are properly filed |

* 1. **By-laws**

For the year under review, three by-laws were developed: building regulations; hairdressing, beauty and cosmetology services; and advertising by-laws. The two by-laws for building regulations and advertising were not approved for public participation as they were never submitted to council for approval. Only hairdressing, beauty and cosmetology services were approved for public participation by council. The following by-laws were approved and gazetted:

* Parking area
* Standard and miscellaneous
* Street vending
* Credit control.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **By-laws Introduced In 2011/12** | | | | |
| **Newly Developed** | **Date Revised** | **Public Participation Conducted Prior to Adoption (Yes/No)** | **Dates of Public Participation** | **Date of Publication** |
| Building regulations | - | no | - | - |
| Advertising | - | no | - | - |
| Hairdressing, beauty and cosmetology services | 16/08/2011 | no | - | - |

* 1. **Website**

The municipality recruited an IT Manager, as the unit only had two technicians, without a Manager. During the year, for internet use, the municipality replaced cables with wireless, which makes the functions of officials easier and more user friendly, as they can access the internet at any place in the municipal buildings. EMLM has changed the website address from [www.eliasmotsoaledi.co.za](http://www.eliasmotsoaledi.co.za) to [www.eliasmotsoaledi.gov.za](http://www.eliasmotsoaledi.gov.za), as a matter of compliance. This led to a large cost saving as the latter is subsidised by government. The municipal website is maintained by our IT Section, who ensures that all documents forwarded are accessible on the website. All departments forward documents that need to be placed on the website to the IT section. The website has much information that is helpful to all users, and is always updated when the need arises.

|  |  |  |
| --- | --- | --- |
| **Website: Content and Currency of Material** | | |
| **Documents Published on Municipality's/Entity's Website** | **Yes/No** | **Publishing Date** |
| Current annual and adjustment budgets and all budget-related documents | yes |  |
| All current budget-related policies | yes |  |
| The previous annual report (2010/11) | yes |  |
| The annual report (2010/11) published/to be published | yes |  |
| All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2011/12) and resulting scorecards | yes |  |
| All service delivery agreements (2011/12) | no |  |
| All long-term borrowing contracts (2011/12) | no |  |
| All supply chain management contracts above a prescribed value (give value) for 2011/12 | no |  |
| 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 2011/12 | no |  |
| Contracts agreed to in 2011/12, to which subsection (1) of section 33 apply, subject to subsection (3) of that section | no |  |
| Public-private partnership agreements referred to in section 120, made in 2011/12 | no |  |
| All quarterly reports tabled in the council, in terms of section 52 (d) during 2011/12 | yes |  |

* 1. **Public satisfaction with municipal services**

COGHSTA conducted the client satisfaction survey in EMLM on behalf of the municipality. The survey was based on the following municipal services:

* Water
* Housing
* Sanitation
* Waste removal
* Roads and storm water
* Electricity

The results shows that only 6.9% of the respondents rated the municipality “good” in terms of service delivery performance, whereas most(53.4%) rated the service level as “poor”, and a significant 39.7% rated their municipality neither good nor bad.

The municipality has engaged with the Department of Housing on issues of housing, and SekhukhuneDistrictMunicipality on issues of water and sanitation, in order to come up with solutions for improved service delivery. EMLM has already embarked on resolving the issue of roads and storm water, electricity and refuse removal, as it is the provider of those services. The results of the report about the survey, was taken to EXCOin July, and has been noted by Council under item no SM12/09.

**Component A: Basic Service**

* 1. **Water and sanitation**

In terms of the SWOT conducted by the municipality, most households do not have access to water in their dwellings. Only 43%of households have access to water on-site (either inside their house, in their yards, or at a community stand pipe <200m away). A significant number (57%) of households have access to water that is below RDP standards. This implies that affected households rely on natural sources such as rivers and springs for their water supply. This does not augur well for a developmental-oriented municipality that seeks to improve the quality of life of its residents. Currently the municipality has 26699 households on a water backlog (which constitutes 57%).

Provision of free basic water is being conducted at District level, as the WSA and most indigents are in rural areas where the district is providing the service. Sekhukhune District Municipality is providing free basic water to all villages in the municipality, except Groblersdal, Motetema and Roossenekal. Approximately 44966 households receive free basic water in EMLM.

**Water services in EMLM**

|  |  |  |
| --- | --- | --- |
| **Households** | **Numbers** | **%** |
| **Above RDP Level** | | |
| In-house (piped water to dwelling) | 1874 | 4 |
| Yard tap (piped water inside yard) | 12 178 | 26 |
| Communal standpipe (<200m) | 6089 | 13 |
| **Below RDP Level** | | |
| Below basic (>200m away) | 26699 | 57 |
| **Total** | **46840** | **100** |

Source: EMLM, Infrastructure Services

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Water Service Delivery Levels** | | | | | | | | |
|  | | |  | |  | |  | |
| **Description** | | | **2010/11** | | **2011/12** | |  | |
| **Actual** | | **Actual** | | **Actual** | |
|  | | | **No** | | **No** | | **No** | |
| ***Water:* (above min level)** | | |  | |  | |  | |
| Piped water inside dwelling | | | 1,874 | | 1,874 | | 1,874 | |
| Piped water inside yard (not in dwelling) | | | 12,178 | | 12,178 | | 12,178 | |
| Using public tap (stand pipes) | | | 6,089 | | 6,089 | | 6,089 | |
| Other water supply (within 200m) | | |  | |  | |  | |
| *Minimum Service Level &Sub-total* | | | 20,141 | | 20,141 | | 20,141 | |
| *Minimum Service Level & Percentage* | | | 36 | | 100 | | 36 | |
| ***Water:* (below min level)** | | |  | |  | |  | |
| Using public tap (more than 200m from dwelling) | | | 8,364 | | 8,364 | | 8,364 | |
| Other water supply (more than 200m from dwelling) | | |  | |  | |  | |
| No water supply | | | 26,699 | | 26,699 | | 26,699 | |
| *Below Minimum Service Level Sub-total* | | | 35,063 | |  | | 35,063 | |
| *Below Minimum Service Level Percentage* | | | 131 | | 0 | | 131 | |
| **Total Number of Households\*** | | | **55,204** | | **20,141** | | **55,204** | |
|  | | |  | |  | |  | |
| **Households: Water Service Delivery Levels Below Minimum** |  |  | |  | |  | |  | |
|  |  |  | |  | |  | |  | |
| **Description** | **2010/11** | **2011/12** | | **2011/12** | |  | |  | |
|  | **Actual** | **Actual** | | **Original Budget** | | **Adjusted Budget** | | **Actual** | |
|  | **No** | **No** | | **No** | | **No** | | **No** | |
| **Formal Settlements** |  |  | |  | |  | |  | |
| Total households | 46,140 | 46,840 | |  | |  | |  | |
| Households below minimum service level | 25,999 | 26,699 | |  | |  | |  | |
| Proportion of households below minimum service level | 56% | 57% | |  | |  | |  | |
| **Informal Settlements** |  |  | |  | |  | |  | |
| Total households | 46,840 | 46,840 | |  | |  | |  | |
| Below minimum service level | 26,699 | 26,699 | |  | |  | |  | |
| Proportion of households below minimum service level | 57% | 57% | |  | |  | |  | |

* 1. Sanitation remains a key development challenge in the municipal area. Only 4%of households have access to waterborne sanitation. Most households have access to sanitation services below RDP standards. Only 9% of households have access to pit latrines without ventilation, while only 3% have access to septic tanks. The sanitation backlog is at 84%, which is 39,346households. The municipality is providing free basic sanitation in all rural areas, in the form of VIP toilets. The only areas where free basic sanitation is not provided are Groblersdal and Roossenekal.

EMLM is licensed to provide electricity only in two wards: Groblersdal and Roossenekal - at 20MVA and 5MVA respectively. The remaining 28 wards are Eskom-licensed and this led to municipality generating little revenue from electricity. At the beginning of 2011/2012, the municipality budgeted R4, 554,000 for electrification of 153 RDP houses in Waalkraal. By the end of the financial year the project was at 90% completion. The remaining 10% resulted from the Eskom outage.

About 95.4% of all towns and villages have access to electricity and the electricity backlog is at 4.5% - which is due to lack of bulk capacity and budget constraints. Limited capacity of the Eskom grid limits acceleration of electricity connections to more households in the municipal area. Illegal connections remain a threat to expanding access of electricity to all residents and communities.

**3.2.1Free basic electricity**

The municipality is providing free basic electricity to indigents in both Eskom- and municipal-licensed areas. The current collection varies from month to month as not all the indigent’s collect the free token. Currently, 900 households are benefiting from free basic electricity.

**3.2.2Alternative sources of energy**

EMLM is the first in the District to embark on alternative provision of energy to traffic lights in Groblersdal. The provision of solar street lighting is still under investigation

**3.2.3Smart metering project**

The municipality will be the first in the Sekhukhune District to implement smart metering, as a means to enhance revenue collection. The project is being piloted in Roossenekal town, were 451mwereinstalled - and the intention is to roll it over to Groblersdal.

|  |  |  |
| --- | --- | --- |
| **Households** | **Numbers** | **%** |
| Grid connection: | 44 680 | 95,4 |
| Solar: | 48 | 0.1 |
| No electricity: | 2112 | 4.5 |
| **Total** | **46 840** | **100%** |

Source: EMLM, Infrastructure Department

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Employees: Electricity Services** | | | | |
| **Job Level** | **2010/11** | **2011/12** | | |
| **Employees (No)** | **Posts (No)** | **Vacancies - fulltime equivalents**  **(No)** | **Vacancies (% of total posts)** |
|  |  |  |  |
| 0 - 3 |  |  |  |  |
| 4 - 6 | 3 |  | 4 | 57 |
| 7 - 9 |  |  |  |  |
| 10 - 12 | 4 |  | 3 | 43 |
| 13 - 15 | 1 |  | 0 | 0 |
| 16 - 18 | 1 |  | 0 | 0 |
| 19 - 20 | 0 |  | 0 | 0 |
| **Total** | **9** | **0** | **7** |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Capital Expenditure 2011/12: Electricity Services** | | | | |
| **R' 000** | | | | |
| Capital Projects | **2011/12** | | | |
| Budget | Adjustment  Budget | Variance from Original Budget | Total Project Value |
| Waalkral electrification of households, ph 2 | R 2,203,890 | R 0.00 | R 0.00 | R 2,203,890 |

* 1. **Waste management**

Refuse removal wascontracted to Rachoshi Cleaning Services for two years. The company used 22 employees who render the service only in proclaimed townships: Motetema and Hlogotlou, and in two towns: Groblersdal and Roossenekal. The service benefits 9331 households, at least twice a week. The municipality has three licensed landfill sites in Groblersdal, Roossenekal and Hlogotlou, which are utilised by community members from various wards:

|  |  |
| --- | --- |
| **Area** | **Number** |
| Motetema | 1141 |
| Groblersdal | 4199 |
| Hlogotlou | 3499 |
| Roossenekal | 492 |

In2012/13the municipality aims to extend the service of refuse removal to two townships: Tambo Square and Elandsdoorn. The extension of this service will increase the number of households serviced by 3304.

Some 450 households (Tafelkop) in rural areas receive a refuse removal service at least once a week, via skips bins which were distributed and placed at strategicplaces accessible to community members. Eight skip bins are distributed in Groblersdal town to reduce illegal dumping. In the next financial year the municipality aims to procure more skips to increase the number of households which are receiving service at least once a week.

|  |  |  |
| --- | --- | --- |
| **Description** | **2010/11** | **2011/12** |
| **Actual** | **Actual** |
| ***Solid Waste Removal*(Minimum level)** |  |  |
| Removed at least once a week |  |  |
| *Minimum Service Level and Above Sub-total* | 9,331 | 9,331 |
| *Minimum Service Level and Above percentage* | 20.1 | 20.1 |
| ***Solid Waste Removal*(Below minimum level)** |  |  |
| Removed less frequently than once a week | 30 | 30 |
| Using communal refuse dump | 0 | 450 |
| Using own refuse dump |  |  |
| Other rubbish disposal |  |  |
| No rubbish disposal | 4 | 4 |
| *Below Minimum Service Level sub-total* |  |  |
| *Below Minimum Service Level percentage* |  |  |
| **Total number of households** | **46** | **46** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Households: Solid Waste Service Delivery Levels below Minimum** | | | | | | |
|  |  |  |  | |  | |
| **Description** | **2010/11** | **2011/12** | **2011/12** | | | |
| **Actual** | **Actual** | **Original Budget** | **Adjusted Budget** | | **Actual** |
|  | **No** | **No** | **No** | **No** | | **No** |
| **Formal Settlements** |  |  |  |  | |  |
| Total households | 34,985 | 34,985 |  |  | |  |
| Households below minimum service level | 25,412 | 25,412 |  |  | |  |
| Proportion of households below minimum service level | 73% | 73% |  |  | |  |
| **Informal Settlements** |  |  |  |  | |  |
| Total households | 11,495 | 11,495 |  |  | |  |
| Households below minimum service level | 11,495 | 11,495 |  |  | |  |
| Proportion of households below minimum service level | 100% | 100% |  |  | |  |

|  |  |  |
| --- | --- | --- |
| **Proportion of Households with Minimum Level of Basic Services** |  |  |
|  | 2010/11 | 2011/12 |
| Electricity service connections | 95% | 96% |
| Water - available within 200 m of dwelling | 13% | 13% |
| Sanitation - Households with at least VIP service | 9% | 9% |
| Waste collection - kerbside collection once a week | 21% | 21% |

* 1. **Free basic services and indigent support**

EMLM has an approved indigent policy in place which clearly stipulates the qualification to be registered as indigent. For 2009/10 and 2010/11 only 944 indigent families were registered and benefiting from free basic electricity from Eskom. Out of 944 indigent families registered, only 829 were collecting their electricity tokens. Electricity is the only benefit that the municipality offers to indigent families. During 2011/12 the municipality budgeted R287, 865 for free basic electricity and the expenditure amounted to R368, 067. The over-expenditure of R80, 203 was incurred during 2010/11. During the year under review, the municipality embarked ona project of identifying all indigent families across the municipality, and this resulted in 6207 indigent families being registered: 5263 more as compared to previous years. The new indigent register was developed with the total of 6207 families, and was approved by council. After approval, the indigent register was submitted to Eskom for configuration. By the end of the financial year, no exact figure of configured families was received from Eskom.

**Component B: Roads and Transport**

* 1. **Roads**

The municipality has two roads divisions (maintenance and road construction) with the following machinery:

**Construction unit**

* 1 x Grader
* 1 x Excavator
* 1 x Padfoot Roller
* 1 x 8000l Water tanker
* 1 x Lowbed truck.

**Maintenance unit**

* 4 x Graders
* 3 x 10m3 tipper trucks
* 3 x TLB.

At the beginning of the financial year the municipality budgeted for14 road projects. Some 10 of the projects were municipal budgeted and 4 were MIG budgeted. The 14 roads projects were undertaken during the financial year under review, and by the end of the financial year 8 projects had beencompleted, with6 being 80% complete. Some 5 of the projects were for designs only, and not for construction. Some 8 roads were upgraded from gravel to surfaced roads.

In Hlogotlou, 1.3 km of access roads were upgraded from gravel to surfaced roads. The roads identified were the busiest roads which lead to police stations and schools. The projects have improved the state of the roads in thewards concerned. This has been a major achievement and is an improvement for community members who can now easily access police stations and schools - faster and more easily.

In Nyakelang, 1.1km of access road project was completed and this has greatly improved the state of the road and the lives of community members. Some 2.5km of road project was also completed in Zaaiplaas, on the access road to the police station. During the year under review, the municipality established a new unit for roads and storm water construction, which is responsible for upgrading of earth roads to gravel standard, and the development of preliminary designs of all municipal roads, which may be prioritised for upgrading in the future. The total backlog of roads by the end of 2011/2012 was 1352km.

The unit also presents a conceptual framework of current and future interventions needed to achieve acceptable levels and standards of service delivery. It is also responsible for designing storm water drains and graveling municipal access roads to schools, clinics and cemeteries. Since its establishment, the unit has covered 10km of regravelling in the following wards:

|  |  |  |
| --- | --- | --- |
| **Ward No** | **Village** | **No of km (regravelled)** |
| 01 | Ramaphosa | 3.2 |
| 06 | Phucukani | 1.2 |
| 21 | Kgapamadi | 0.4 |
| 21 | Legolaneng | 1.5 |
| 20 | Jerusalem | 2.8 |
| 27 | Tafelkop stadium view | 0.9 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Ward** | **Description of roads condition within EMLM** | | | | |
|  | **Main Road** | **To School** | **To Graveyard** | **To Moshate** | **Other** |
| 1 | Tarred | Gravel (bad) | Gravel & muddy | Gravel | Gravel (bad) |
| 2 | Tarred | Gravel & rocky | Gravel (bad) | Gravel (fair) | Gravel (bad) |
| 3 | Tarred | Gravel | Gravel | Gravel | Gravel (bad) |
| 4 | Tarred | Gravel & rocky | Gravel & rocky | Gravel | Gravel (bad) |
| 5 | Tarred | Gravel & rocky | Gravel (bad) | Gravel (fair) | Gravel (bad) |
| 6 | Tarred | Gravel | Gravel | Gravel | Gravel (bad) |
| 7 | Tarred | Gravel & rocky | Gravel & rocky | Gravel | Gravel (bad) |
| 8 | Tarred | Gravel & rocky | Gravel (bad) | Gravel (fair) | Gravel (bad) |
| 9 | Tarred | Gravel | Gravel | Gravel | Gravel (bad) |
| 10 | Tarred | Gravel & rocky | Gravel & rocky | Gravel | Gravel (bad) |
| 11 | Tarred | Gravel & rocky | Gravel (bad) | Gravel (fair) | Gravel (bad) |
| 12 | Tarred | Gravel | Gravel | Gravel | Gravel (bad) |
| 13 | Tarred | Tarred | Tarred | Tarred | Tarred |
| 14 | Tarred | Gravel & rocky | Gravel (bad) | Gravel (fair) | Gravel (bad) |
| 15 | Tarred | Gravel | Gravel | Gravel | Gravel (bad) |
| 16 | Tarred | Gravel & rocky | Gravel & rocky | Gravel | Gravel (bad) |
| 17 | Tarred | Gravel & rocky | Gravel (bad) | Gravel (fair) | Gravel (bad) |
| 18 | Tarred | Gravel | Gravel | Gravel | Gravel (bad) |
| 19 | Tarred | Gravel & rocky | Gravel & rocky | Gravel | Gravel (bad) |
| 20 | Tarred | Gravel | Gravel (bad) | Gravel (fair) | Gravel (bad) |
| 21 | Tarred | Gravel & rocky | Gravel | Gravel | Gravel (bad) |
| 22 | Tarred | Gravel & rocky | Gravel & rocky | Gravel (bad) | Gravel (bad) |
| 23 | Tarred | Gravel & rocky | Gravel (bad) | Gravel (fair) | Gravel (bad) |
| 24 | Tarred | Gravel & rocky | Gravel | Gravel | Gravel (bad) |
| 25 | Tarred | Gravel & rocky | Gravel & rocky | Gravel | Gravel (bad) |
| 26 | Tarred | Gravel & rocky | Gravel (bad) | Gravel (fair) | Gravel (bad) |
| 27 | Tarred | Gravel & rocky | Gravel / Tarred | Gravel | Gravel (bad) |
| 28 | Tarred | Gravel & rocky | Gravel & rocky | Gravel | Gravel (bad) |
| 29 | Tarred | Gravel/Tarred | Gravel & rocky | Gravel | Gravel (bad) |
| 30 | Tarred | Gravel/Tarred | Gravel/Tarred | Gravel | Gravel |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Gravel Road Infrastructure** | | | | | | | | | | | |
|  |  | |  | | **(kilometres)** | | | | |  | |
|  | **Total roads backlog** | | **New gravel roads constructed** | | **Gravel roads upgraded to asphalt** | | **Gravel roads graded/maintained** | | |  | |
| 2010/11 | 1367 | | 5 | | 14.9 | | 507 | | |  | |
| 2011/12 | 1352 | | 6 | | 17.2 | | 560 | | |  | |
|  |  | |  | |  | | | | |  | |
| **Asphalt Road Infrastructure** | | | | | | | | | | |
| **(kilometres)** | | | | | | | | | | |
|  | | **Total asphalted roads** | | **New asphalt roads** | | **Existing asphalt roads re-asphalted** | | **Existing asphalt roads re-sheeted** | **Asphalt roads maintained** | |
| 2010/11 | | 85 | | 14.9 | | 1.3 | | 2 | 26 | |
| 2011/12 | | 100 | | 17.2 | | 1.6 | | 0.0 | 58.0 | |

**Expenditure Report for Roads Capital Projects**

| **Project Description** | **Budget** | **Expenditure To Date** | **Completion** |
| --- | --- | --- | --- |
| Monsterlos to Makhopheng, upgrading of road ph3 | 10,300,000.00 | 9,902,613.80 | not completed |
| Ramogwerane to Nkadimeng, upgrading of road ph4 | 10,900,000.00 | 8,574,833,28 | not completed |
| Zaaiplaas Village upgrading of police station ph1 | 8,500,000.00 | 8,082,872,25 | completed |
| Moteti A upgrading of bus road ph1 | 6,700,000,00 | 3,590,771,21 | not completed |
| Moteti C2 upgrading of bus road ph1 | 3,991,000,00 | 7,729,462,13 | not completed |
| Hlogotlou refurbishment and construction of internal streets and stormwater drainage ph2 | 6,240,506,00 | 9,158,265,21 | not completed |
| Groblersdal internal road | 5,000,000.00 | 6,494,654,13 | completed |
| Nyakelang, upgrading of road ph2 | 6,261,472,00 | 7,939,583,88 | completed |
| Zaaiplaas, upgrading of public route from gravel to surfaced road and stormwater controls ph2 | 8,500,000,00 | 8,082,872,25 | completed |
| Mathula Stands Village,upgrading of bus road | 3,500,000,00 | 1,019,064,69 | Only designs Completed |
| Motetema Street phase 2 | 2,300,000,00 | 1,747,618,07 | Only designs completed |
| Upgrading(gravel to surface) of bus route at Kgaphamadi | 3,500,000,00 | 3,588,903,14 | Only designs completed |
| Upgrading(gravel to surface) of bus route at Mogaung | 2,000,000,00 | 1,670,223,80 | Only designs completed |
| Upgrading(gravel to surface) of bus route at Zaaiplaas JJ | 3,500,000,00 | 2,088,479,63 | Only designs completed |

* 1. **Transport**

In EMLM there is only one mode of transport: road transport. Communities depend on buses, taxis and their own cars for transport. There is one company of buses within the municipality, namely Great North Transport. Most community members depend on buses as they are the cheapest mode of transport. Few community members depend on taxis as a mode of transport, and very few depend on their own cars for transport.

Buses are available in all 30 wards to transport people, and most of the community rely on bus services, because buses access more remote areas as compared to taxis, that use only main roads. The service of the Great North Buses is available the whole day, for the entire week. There is also one Putco bus that transports people, but only from Groblersdal to Pretoria. This service is available only in the morning and afternoon, and helps many of our community members, as they travel to Pretoria more cheaply than in taxis.

* 1. **Stormwater drainage**

The municipality has developed stormwater management system which identifies, analyses, and quantifies stormwater problems within EMLM boundaries. The management system provides preliminary solutions and cost estimates for identified problems, and also gives guidelines regarding stormwater drainage, bothin developing and existing residential areas.

The study found that the overall storm water backlog within EMLM is 1294 km in length, in a catchment area of 6400 ha. This backlog has since been reduced to 1238 km in 2010/11 and 2011/12. The slow progress in addressing the stormwater backlog was attributed to the financial limitations in both financial years. A proposal has been made by the roads and stormwater section, to align the stormwater project to the MIG plan, in order to mitigate the restrictions in budget allocations.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Capital Expenditure 2011/12: Stormwater Services** | | | | | |
| **R' 000** | | | | | |
| Capital Projects | **2011/12** | | | | |
| Budget | Adjustment  Budget | Actual Expenditure | Variance from Original Budget | Total Project Value |
| **Total All** |  |  |  |  |  |
| Construction of stone pitching for stormwater control at Elandsdoorn township | R 392,585.00 | 0.00 | R 392,585.00 | R 0.00 | R 392,585.00 |
| Construction of stone pitching for stormwater control at Monstorlus township phase 1 | R 181,000.00 | 0.00 | R 181,000.00 | R 0.00 | R 181,000.00 |
| Construction of stone pitching for stormwater control at Tamatistop | R 228,000.00 | 0.00 | R 228,000.00 | R 0.00 | R 228,000.00 |
| Construction of stone pitching for stormwater control at Monstorlus township phase 2 | R 222,000.00 | 0.00 | R 222,000.00 | R 0.00 | R 222,000.00 |
| Replacement of subsoil drainage at Voortrekker street in Groblersdal | R 175,000.00 | 0.00 | R 175,000.00 | R 0.00 | R 175,000.00 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Stormwater Infrastructure** | | | | |
| **(km)** | | | | |
|  | **Total Stormwater measures** | **New stormwater measures** | **Stormwater measures upgraded** | **Stormwater measures maintained** |
| 2010/11 | 1,294 | 15 | 10 | 3 |
| 2011/12 | 1,279 | 19 | 12 | 30 |

|  |  |  |  |
| --- | --- | --- | --- |
| **Cost of Construction/Maintenance** | | | |
| **R' 000** | | | |
|  | **Stormwater Measures** | | |
|  | **New** | **Upgraded** | **Maintained** |
| 2010/11 | R 181,000.00 | R 0.00 | R 0.00 |
| 2011/12 | R 1,017,585.00 | R 175,000.00 | R 0.00 |
|  |  |  |  |

**Component C: Planning and Development**

* 1. **Planning**

The Department of Planning consists of two units which are planning inclusive building and local economic development. The department is responsible for land use, land management and local economic development, within the jurisdiction of the municipality. The Town Planning and Building division is responsible for this function, and for the provision of strategic direction regarding the spatial planning of towns, and R 293 and 188 areas in EMLM. Some 58 applications that haveland-use implications went through council for consideration. This involved applications for rezoning, removal of restrictive conditions, subdivisions, consolidations, and township establishment. Out of the 58 applications received, only 29 were approved. Below are all the applications approved for the financial year 2011/2012:

|  |  |
| --- | --- |
| **No** | **Approved Applications** |
|  | Proposed special consent application, Erf 298 Groblersdal, extension 2, in accordance with clause 16 of the Groblersdal town planning scheme |
|  | Proposed subdivision of Erf 179 Groblersdal, extension 1, in terms of section 92 (1) of the town planning and township ordinance 15 of 1986 |
|  | Proposed promulgation of the land-use management system, in accordance with the town planning & townships ordinance 15 of 1986 |
|  | Application for special consent in accordance with clause 16 of the Groblersdal town planning scheme (2006) |
|  | Proposed acquisition of portion 39 of farm Klipbank 26js |
|  | Proposed acquisition of portion 39 of farm Klipbank 26js |
|  | Proposed acquisition of 286, remaining extent, G-dal |
|  | Application by the community policing forum |
|  | Cultural and fashion show |
|  | Proposed consolidation of Erf 1207 with 257 & portion 1 of Erf 767: Volle Evangelie Church |
|  | Proposed extension of consent of use, Erf 118, Roossenekal |
|  | Proposed subdivision of portion 65 of Farm Klipbank 26js, as per provision of section 18 of the town planning and township ordinance (15 of 1986) |
|  | Proposed subdivision of reminder of Erf 342 & subsequent consolidation with portion 2 of Erf 342,as per town planning and township ordinance (15:1986), Groblersdal, Extension 2 |
|  | Proposed development & lease, portion 1 &2 of Erf 832, Ext.15, Groblersdal |
|  | Proposed acquisition of portion 39 of Farm Klipbank 26js |
|  | Consideration of formalisation, portion 13 of Farm Klipbank 26js |
|  | A proposed request for demarcation of sites |
|  | The proposed lease of 43ha of portion 39 of farm Klipbank 26js |
|  | Proposed subdivision & consolidation of erven 1724 & 1725Hlogotlou, and zoning of the consolidated erf to government as per provisions of the regulations for administration & control of townships (proclamation no. R293 of 1962) |
|  | Proposed subdivision as per the provision of the town planning and township ordinance (15:1986), erf 769, Groblersdal, extension 5 |
|  | Proposed consolidation of erven 477-572 and closed street portions in Roossenekal, extension 1 |
|  | Proposed special consent application, erf 888, Groblersdal, extension 16 |
|  | Proposed special consent application, erf 544, extension 9, Groblersdal, as per provision of clause 6 of the Groblersdal town planning scheme (2006) |
|  | Proposed subdivision of erf 179, Groblersdal extension 1, as per provision of section 92 (1) of town planning & townships ordinance (15:1986) |
|  | Proposed consolidation of erven 1061 and 1074 Groblersdal, extension 23, in terms of town planning & townships ordinance (15:1986) |
|  | Proposed application and simultaneous amendment of the greater Groblersdal town planning scheme (2006), and removal of restrictive conditions |
|  | Proposed special consent application, erf 484, Groblersdal |
|  | Proposed development of the Mamorake Mall, Tafelkop |
|  | Revised proposal to lease and develop portions 1 and 2, Erf 832, ext 15, Groblersdal |

**EMLM has the following opportunities and challenges**:

**3.8.1Opportunities**

* Agriculture potential
* Is a provincial growth point
* Is a host to strategic roads, i.e. the R25.

**3.8.2Challenges**

* Mushrooming informal settlements
* Insufficient housing (R295 and towns)
* Insufficient infrastructure in Groblersdal and Roossenekal
* Strategically located piece of land is still registered under the Nkangala District Municipality.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Applications for Land Use Development** | | | | | | |
| **Detail** | **Formalisation of Townships** | | **Rezoning** | | **Built Environment** | |
| **2010/11** | **2011/12** | **2010/11** | **2011/12** | **2010/11** | **2011/12** |
| Planning application received | 3 | 0 | 67 | 43 | 0 | 0 |
| Determination made in year of receipt | 0 | 0 | 0 | 0 | 0 | 0 |
| Determination made in following year | 0 | 0 | 0 | 0 | 0 | 0 |
| Applications withdrawn | 0 | 0 | 0 | 0 | 0 | 0 |
| Applications outstanding at year-end | 7 | 07 | 0 | 0 | 0 | 1 |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Employees: Planning Services** | | | | | | | | | | |
| **Job Level** | **2011/12** | | **2011/12** | | | | | | | |
| **Employees**  **(No)** | | **Posts**  **(No)** | | **Employees**  **(No)** | | **Vacancies - fulltime equivalents**  **(No)** | | **Vacancies (% of total posts)** | |
|  | |  | |  | |  | |  | |
| 7 – 9 | 2 | | 2 | |  | | 1 | | 0.5 | |
| 10 – 12 | 1 | | 1 | |  | | 0 | | 0 | |
| 13 – 15 | 1 | | 1 | |  | | 0 | | 0 | |
| 16 – 18 | 1 | | 1 | |  | | 0 | | 0 | |
| **Total** | 5 | | 5 | | 0 | | 1 | | 0.2 | |
| **Financial Performance 2011/12: Planning Services** | | | | | | | | | | |
| **R'000** | | | | | | | | | | |
| **Details** | | **2011/12** | | **2011/12** | | | | | | |
| **Actual** | | **Original Budget** | | **Adjustment  Budget** | | **Actual** | | **Variance to Budget** |
| **Total Operational Revenue (excluding tariffs)** | | 7917,15 | | 8383 | | 8383 | | 7917.15 | |  |
| Expenditure: | |  | |  | |  | |  | |  |
| Employees | | 5044735 | | 3652020 | | 4326907 | | 5044735 | |  |
| Repairs and maintenance | | 1679.15 | | 3067 | | 3067 | | 1679.15 | |  |
| Other | | 2145990 | | 1706692 | | 3354638 | | 2145990 | |  |
| **Total Operational Expenditure** | | 7192404.15 | | 5361779 | | 7684612 | | 7192404.15 | |  |
| **Net Operational (Service) Expenditure** | | 0 | | 0 | | 0 | | 0 | |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Capital Expenditure 2011/12: Planning Services** | | | | | |
|  | | | | | |
| Capital Projects | 2011/12 | | | | |
| Budget | Adjustment  Budget | Actual Expenditure | Variance from Original Budget | Total Project Value |
| Game farm development | 2,200 000 | 500 000 | 202014 | 297986 | 202014 |
| SMMEs development | 500 000 | 0 | 276 184 | 223816 | 276 184 |
| Installation of service stand 885 | 4,500 000 | 0 | 2251 272.10 | 2248727.90 | 2251 272.10 |
| Tourism centre | 500 000 | 0 | 402015,21  (133 067.84)  (268 947.37) | 97 984.79 | 402015,21  (133 067.84)   1. 7.37) |

* 1. **Local economic development**

EMLM has the LED strategy in place, which identifies and unpacks eight strategic thrusts as part of the implementation programme. The implementation programme further identified the responsible government departments and agencies to be involved. The following are the eight strategic thrusts:

1. Improved institutional framework and capacity to support LED
2. Development of agricultural sector and agro-processing
3. Linkages to opportunities from the mining sector
4. Tourism development
5. Business support, entrepreneurial development, and second economic interventions
6. Education, training and skills development
7. Place marketing and industrial recruitment.

For the strategy to be implemented, it needs a budget, which is a challenge. The strategy did not make any serious impact on the unemployment rate in the municipality. EMLM assisted 114 SMMEs to receive various types of training in customer care, marketing, bookkeeping, and costing and pricing. EMLM has created 53 jobs for its community members.

The mayor of the municipality visited Zaaiplaas Village, where she gave 114 farmers farming packages, which includes seeds and fertilisers. This initiative has left farmers with much joy as they were now able to plough their fields in order to produce food for their families and to sell the produce to earn income. The municipality, in partnership with Sekhukhune District Municipality, has constructed a 1000 capacity broiler house in the Moutse area, where the construction project provided 34 people with jobs.

|  |  |  |  |
| --- | --- | --- | --- |
| **Economic Employment by Sector**  **Jobs** | | | |
| **Sector** | **2009/10** | **2010/11** | **2011/12** |
| **(No)** | **(No)** | **(No)** |
| Agriculture, forestry and fishing | 0 | 0 | 34 contractjobs |
| Mining and quarrying | 0 | 0 | 17 permanent jobs |
| Manufacturing | 0 | 0 | 0 |
| Wholesale and retail trade | 0 | 0 | 0 |
| Finance, property, etc. | 0 | 0 | 0 |
| Government community and social services | 0 | 0 | 0 |
| Infrastructure services | 0 | 0 | 0 |
| **Total** | 0 | 0 | 51 |

|  |  |  |
| --- | --- | --- |
| **Job creation through EPWP\* Projects** | | |
| Year | **EPWP Projects** | **Jobs created through EPWP Projects** |
| **No** | **No** |
| 2009/10 | 0 | 0 |
| 2010/11 | 0 | 0 |
| 2011/12 | 3 | 656 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **2011/12** | | | | | |
| **R' 000** | | | | | |
| **Capital Projects** | **2011/12** | | | | |
| **Budget** | **Adjustment  Budget** | **Actual Expenditure** | **Variance from Original Budget** | **Total Project Value** |
| SMME development | R500,000 | 0 | R354,000 | R 146,000 | R354,000 |
| Tourism development | R500,000 | 0 | R351,148 | R R148,852 | R351,148 |

**3.9.1Job creation through DEA projects**

The Department of Environmental Affairs has funded three projects in EMLM, to the value of R50 million. Some 656 job opportunities were created within five wards. Beneficiaries receivea stipend from the department. The projects are:

|  |  |  |  |
| --- | --- | --- | --- |
| **Project Name** | **Implementing Agent** | **Number of Beneficiaries** | **Ward Number** |
| Rehabilitation of wetland | Baagisane | 260 | 23 |
| Soil conservation | Mukumba resources | 190 | 3,10,14,23 |
| Removing alien plants | Bonoks highway | 202 | 21,23 |

**Component D: Community and Social Services**

* 1. **Libraries**

The main objective of the municipality is to provide library material and to develop an informed community. EMLM has two libraries in Roossenekal and Groblersdal, and a third library is still under construction at Sephaku, by the Department of Sports, Arts and Culture. Listed below are activities that took place during the year under review:

|  |  |
| --- | --- |
| **Activity** | **Number of people** |
| Registration of members | 111 |
| Number of people entering the library | 116342 |
| Circulation of books (issued) | 18933 |
| Information service: enquiries | 8523 |
| How the library works: to promote reading | 150 |
|  |  |

**3.10.1Library week**

Library week was held in March 2012, where library staff visited Mafato Primary School and Ikageng Primary School in Motetema, where 150 learners attended the session. The purpose of the session was to promote library services and to encourage the learners to visit the Groblersdal library for information accessibility. Two local crèches in Lukau village were invited to Groblersdal library, in order to learn how to use the library.

**3.10.2Cemeteries**

The total number of cemeteries in the municipality is 94 - which need fencing and ablution facilities. The cemetery in Tafelkop is full and a new site has been identified, and the fencing of the yard is being completed. The only cemeteries which are well maintained are those in Groblersdal, Hlogotlou, Motetema and Roosenekal. In these areas, the municipality prepares graves for community members, who in turn pay for the service rendered. Members of the community in rural areasdig their own graves.

**3.10.3Pauper burials and exhumations**

A total of 63 paupers were buried at Lusaka Cemetery. Four bodies were exhumed, as follows:

|  |  |  |
| --- | --- | --- |
| **Family** | **Exhumed from** | **Re-buried** |
| Tau | Roossenekal | Buffelshoek 368 k (Elias Motsoaledi) |
| Kgaditse | Tranosta | Ephraim Mogale |
| Tlaka | SchoemanBoedery | Dr J.S. Moroka |
| Nkhumane | Groblersdal vatikaki | Ephraim Mogale |

**3.10.4Crèche reading month**

During April the mayor celebrated her birthday party with children from 17 crèches in Tafelkop, at Ga-Kgoshi Rammupudu Traditional Council, where she donated 325 books and 298 packets of crayons to children. EMLM has partnered with Groblersdal Shoprite, where the store donated various types of toys to children, for the event. It was a very happy time for children and their teachers. The event was blessed by Kgoshi Rammupudu and Mme Mogola.

**Component G: Security and Safety**

**3.11Disaster management**

Disaster management is not the core function of the municipality, but is rather that of the Sekhukhune District Municipality. The unit consists of two officials who work with officials from the district. Some eight organisations and businesses in the municipality were visited by our officials to conduct risk assessments, and the following disaster hazards were identified:

**Philadelphia Hospital**

* Strikes by employees, chillers (cooler) sterilising machine dysfunctional, two boilers (one out of service and the other due for service for the past two years), vacuum pipes leaking, bore-holes,with backup generator,with inadequate diesel.

**Pioneer Foods Trading as Sasko Groblersdal Bakery**

* Polly fuel 60 000litres
* Underground tankers: Diesel 21 000, 14 000 & 9 000 litres
* Compressed air or gases
* Fire, including that which can be caused by static electricity.

**Obaro Wholesale**

* Flammable liquids such asdiesel: 23 000, 9 000 & 9 000 litre pump.

**Auto and Diesel Filling station**

* Above-ground 120000 litres diesel and 20 000 Litres paraffin, 40000 litres underground LPR/ULP(Unleaded /Super) and LPG storage.
* Fire, including that which can be caused by static electricity
* Stored energy ( e.g. elastic cords, hydraulic and air-pressure systems)
* Compressed air or gases.

**Ruby River Resort**

* Floods from Olifants River occurred in 2008/9
* Fire: 21 thatched roofs & 8 wooden structures.
* Fall of person from height
* Fall of person on same level (e.g./trip)
* Fire, including that which can be caused by static electricity
* Drowning.

**Blue Ridge Platinum Mine**

* Veld fires
* Acid water
* Stored energy(e.g. elastic cords, hydraulic and air-pressured systems)
* Contact with excessively hot or cold surfaces
* Compressed air or gases.

**River Lodge(Loskop area)**

* Flood from the river
* Fire: 11 thatched roof and 10wooden structures.

**Evraz Maphocs Mine**

* Petrol and diesel tankers
* Veld fire
* Conveyer belts
* Mapochs Dam.

**Relief and Response**

Some 42 incidents in 14 wards were reported, and relief in the form of blankets, sponges, tents and food was provided, with the assistance of the province, district and Red Cross.

**3.12Public awareness**

Seven public awareness events were successfully conducted in conjunction with Sekhukhune fire rescue, SAPS, and the Municipal & Provincial traffic police. These were:

1. Kgothala Secondary School theme: disaster act, framework and fire (ward 11).
2. Tambo Comprehensive School theme: disaster act, framework and fire (ward 9).
3. Provincial ‘*Batho Pele’* event theme: event safety management (ward 2).
4. Joint public awareness with SAPS Dennilton theme: disaster act, framework and fire (ward 5).
5. Festive ‘Arrive Alive’ campaign at Moteti R55 Moloto road.
6. Groblersdal entrance ‘Arrive Alive’ campaign, and at R25 road.
7. Easter ‘Arrive Alive’ campaign at Moteti R55 Moloto road.

**3.12.1Challenges experienced**

* Financial constraints
* Poor attendance of local disaster management advisory forum by municipal officials and councillors.

**Component H: Sport and Recreation**

**3.13Sports, arts and culture**

The municipality has four stadiums, namely: Tafelkop, OR Tambo, Hlogotlou and Groblersdal Rugby stadium. Tafelkop, ORTambo and Hlogotlou are dilapidated and need revamping, but this could not be achieved due to financial constraints. For 2011/2012 the municipality, in conjunction with the Department of Sports Arts and Culture, ran different sporting and cultural events, as listed below:

**3.13.1Talent search – I can sing**

EMLM believes in the total development of human beings and also acknowledges that persons are multi-talented. Thus there are opportunities for music competitions. The local competition was held at Groblersdal Rugby stadium, and adjudication was done by one member from the Arts and Culture Council, and two educators (involved in music) from the local schools. Ten artists were selected to represent the municipality at the district level,whileeight were selected to represent the district at provincial level. Two artists from the municipality obtained positions 2 and 3.

**3.13.2Talent search –acting by ‘Get down’ productions**

Auditions were held at Makhuduthamaga, with adjudicators looking for ten artists from the district. Some three artists from EMLM were selected to represent the district, namely:

1. Sara Makuwa
2. Tumelo Makgutla
3. Solly Malaka

**3.13.3Indigenous games**

Heritage is a critical aspect in human development and interaction. Society learns about its history through heritage activities. Thus indigenous games form a critical component, and are accordingly promoted.

The games were held at OR Tambo stadium, and the activities were:

* Diketo
* Moruba
* Morabaraba
* Kgati
* Juskei
* Keleta.

**3.13.4Mayor’s cup**

The promotion of sporting activities ensures that youths are withdrawn from the streets and the propensity to commit criminal acts. In this regard the Mayor’s Cup promotes sport in the municipality. Elimination started at ward level (30), with only four teams left to participate in the Mayor’s Cup. The finals were held at Tafelkop stadium.

The sporting codes were:

* Womens’soccer
* Mens’soccer
* Netball.

**3.13.5Farm festival**

Farm communities were deprived of participating in sporting activities in the past. This suggested the need for a farm festival.

In this festival the participants were only from the farms in the municipality. Four teams participated in soccer.

**3.13.6Environmental rehabilitation**

The municipality has participated in environmental protection activities: tree planting and clean up campaigns. A total of 400 trees were planted in different wards within the municipality, during arbour week. A clean-up campaign was held at Roosenekal, where 60 trees were planted in different schools, including day-care centres.EMLM participated in the ‘Greenest Municipality Competition’ and obtained position two in the Sekhukhune District Municipality.

**3.13.7Mayor’s Bursary Fund**

EMLM is a rural local municipality, and most learners, who have obtained excellent symbols in Grade 12, are unable to proceed to institutions for higher learning. Other learners are from poor families and cannot afford registration fees for such institutions. In 2010/2011; the council approved the Mayor’s Bursary Fund policy - outlining all the procedures for awarding the bursary. In 2011/2012 the bursary was implemented for the first time: 40 learners were awarded benefits in the form of registration fees, as in the table below:

|  |  |  |
| --- | --- | --- |
| **Ward Number** | **Total Number of Learners** | **Amount** |
| 02 | 01 | R5990 |
| 03 | 04 | R10000 |
| 04 | 02 | R3000 |
| 05 | 03 | R5400 |
| 06 | 01 | R1500 |
| 08 | 01 | R1250 |
| 09 | 02 | R5000 |
| 10 | 01 | R3500 |
| 17 | 01 | R1500 |
| 19 | 01 | R420 |
| 20 | 05 | R15350 |
| 22 | 01 | R540 |
| 23 | 01 | R3500 |
| 24 | 03 | R7300 |
| 25 | 01 | R1700 |
| 26 | 06 | R17015 |
| 27 | 03 | R6300 |
| 28 | 01 | R3500 |
| 29 | 02 | R5836 |
| **Total** | **40** | **R98601** |

**Lists of mayor’s bursary fund selection committee:**

|  |  |
| --- | --- |
| **SURNAME & INITIALS** | **DESIGNATION** |
| 1. Cllr T.J Lepota | CLLR (WARD 4) |
| 1. Cllr M.P Mokgabudi | EXCO PR |
| 1. Cllr D. S. Mamaila | EXCO PR |
| 1. Cllr A. B. Mahlangu | EXCO PR |
| 1. Cllr T.S. Mahlangu | EXCO PR |

**Component I: Corporate Policy Offices and Other Services**

**3.14Human resource services**

Human resource services for the municipality are effective and efficient, and meet the expectations of the community at large. Human resourceshave the following service delivery priorities:

* Attracting a skilled workforce
* Ensuring that the workforce is motivated to perform the required tasks
* Continuous capacity building of personnel
* The municipality has succeeded in retaining 98% of the workforce.

**3.15Health and safety**

The municipality has a Health and Safety Committee in place. The committee held three meetings in the financial year. Some 31 officials attended different medical examinations, such as eye tests, hearing tests, and lung tests, to check their wellness. No official was referred to hospital as a result of the medical examinations. All general workers were provided with protective clothing for their safety, when performing their duties.

**3.16Legal**

Below is listed the status of cases received for the financial year under review:

**Litigation report**

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Court** | **Plaintiff/**  **Applicant** | **Defendant/**  **Respondent** |
| 1. | Magistrates Court, Groblersdal | EMLM | Telkom |
| 2. | High Court, Pretoria | DA and other/EMLM and others | EMLM and Others |
| 3. | High Court, Pretoria | Ntloana MM | EMLM |
| 4. | High Court, Pretoria | EMLM | Inkululeko Paving |
| 5. | Magistrates Court, Groblersdal | MadondoPhilile | S.D. Mamaila  EMLM |
| 6. | Magistrates Court, Groblersdal | W.A. Stoltz | EMLM |
| 7. | Magistrates Court, Groblersdal | Elaine Reyneke | H.M. Phaahla  EMLM |
| 8. | High Court, Pretoria | EMLM | Construction Guarantee (Pty) Ltd |
| 9. | High Court, Pretoria | Groblersdal Ratepayers Association | EMLM |
| 10. | High Court, Pretoria | Rocco’s industrial Supplies | EMLM/A.F. Sepokwane/ Lotshephe Development Engineers |
| 11. | High Court, Pretoria | Mariana Stofberg | EMLM |
| 12. | High Court, Pretoria | Maqawe Construction | EMLM |
| 13. | High Court, Pretoria | Frederick Ignatius Maree | EMLM |
| 14. | Magistrates Court,  Groblersdal | Buffalo Inn Accommodation | EMLM and Baniswani S. Skosana |
| 15. | Magistrates Court,  Middelburg | MaboeRachidi | EMLM/Collen Coetzee and Melinda Marshall |

* 1. **Procurement services**

The list of contracts awarded for the financial year under review is listed below:

| **Project Name** | **Service Provider** | **Budget** | **Period** | | **Amounts** |
| --- | --- | --- | --- | --- | --- |
| **Commencement Date** | **Termination Date** |
| Installation of blinds | Tlakane T/E  Stshoka construction | R100,000.00 | quotation 07/09/2011 | quotations | R58,010.00 |
| Air conditioners | Voltcon Electrical | R1,000,000.00 | Quotations 27/07/2011 | Quotation 25/04/2012 | R173,730.00 |
| Municipal Furniture and Chamber | * Makgonatshohle | R1,000,000.00 | 01 May 2012 for 3 years |  | R1,938,327.80 |
| * Redumeletswe Construction | 01/10/2011 | 30/09/2013 |
| Electronic Filling System | MIIB Business Technologies | R2,500,000.00 | 12 Dec 2011 | 11 Dec  2014 | R2,439,720.87 |
| Siyanza Holdings | CCTV | R500,000.00 | 1 Nov 2011 | 31 Oct 2014 | R392,771.04 |
| Vehicles | * Clean core mobile * NTT Toyota * William hunt * McCarthy Kunene Witbank | R1,500,000.00 | 21/09/2011 | 29/03/2012 | R1,466,755.00 |
| Supply black and red refuse bags | Redumeletswe Construction and Projects | black plastic bag : R315.00  Red plastic bag: R395.00 | 1 Oct 2011 | 30 Sept 2013 | R 2,667,215.00 |
| debt collection | Utility Management System |  | 1 Oct 2011 | 30 June 2016 | R1,675,000.06 |
| Printing | Vision Print Limpopo | R3,322,760.20 | 1 Oct 2011 | 30 Sept 2013 | R1,744,615.20 |
| Supply of diesel and petrol | Edith Construction | Diesel: R10.62 per litre  petrol : R10.66per litre | 1 Oct 2011 | 30 Sept 2013 | R1,587,198.00 |
| Alarm System | Naspoti and M Security Solutions | R542,521.44 | 1 Nov 2011 | 31 Oct 2014 | R479,884.47 |

**Component A: Introduction to municipal personnel**

* 1. **Employee totals**

The municipality employed 269employees and 60 councillors. For councillors there were 208 males, 114females and 7disabled people. Some47vacancies were filled, includingthe critical posts of Municipal Manager and Director Strategic Department. Three employees resigned for greener pastures, and the municipality could not retain them due to financial constraints in terms of matching their new salaries.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Employees** | | | | | |
| **Description** | **2010/11** | **2011/12** | | | |
| **Employees** | **Approved Posts** | **Employees** | **Vacancies** | **Variance** |
|  | **(No)** | **(No)** | **(No)** |  | **%** |
| Office of Municipal Manager | 12 | 9 | 17 | 5 |  |
| Strategic management | 25 | 21 | 19 | 2 |  |
| Corporate services | 26 | 31 | 26 | 5 |  |
| Budget and treasury department | 36 | 50 | 47 | 3 |  |
| Community services | 106 | 155 | 105 | 50 |  |
| Infrastructure | 174 | 68 | 56 | 12 |  |
| Planning and  development | 10 | 11 | 09 | 2 |  |
|  |  |  |  |  |  |
| **Totals** | **286** | **348** | **269** | **74** |  |
|  |  |  |  |  |  |
|  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Vacancy Rate 2011/12** | | | |
| **Designations** | **\*Total Approved Posts**  **(No)** | **Vacancies** | **\*Variances  (proportion of total posts in each category)** |
|  |  |  | **%** |
| Municipal Manager | 1 | 0 |  |
| CFO | 1 | 1 |  |
| Other S56 Managers | 5 | 2 |  |
| Municipal traffic officers | 6 | 1 |  |
| Senior management: Levels 13-15 (excluding finance posts) | 17 | 4 |  |
| Senior management: Levels 13-15 (finance posts) | 6 | 1 |  |
| Highly skilled supervision: levels 9-12 (excluding finance posts) | 16 | 0 |  |
| Highly skilled supervision: levels 9-12 (finance posts) | 03 | 0 |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Turnover Rate** | | | |
| **Details** | **Total Appointments at beginning of Financial Year**  **(No)** | **Terminations during Financial Year**  **(No)** | **Turnover Rate\*** |
|  |  |
| 2010/11 | 289 | 12 |  |
| 2011/12 | 269 | 51 |  |

* + 1. **Vacancies and turnover**

Vacant posts are advertised in the national print media and on the municipal website. Most internal staff does not apply for senior posts because of lack of experience and/or not meeting the minimum qualifications required for the post. The municipality assists officials by enrolling them at accredited institutions for capacity building, so that they can meet the requirements of advertised senior posts in future. The following section 56 positions remained vacant for more than six months, due to difficulties in attracting suitable and qualified personnel:

* Chief Financial Officer
* Municipal Manager
* Director Planning and Development
* Director Strategic Management.

By the end of the financial year, the municipality managed to fill the post of Municipal Manager and Director Strategic. The vacancy rate in the municipality is currently22%.

|  |  |  |  |
| --- | --- | --- | --- |
| **Vacancy Rate 2011/12** | | | |
| **Designations** | **\*Total Approved Posts**  **(No)** | **\*Vacancies** | **\*Variances  (as proportion of total posts in each category)** |
|  |  |  | **%** |
| Municipal Manager | 1 | 0 | 0 |
| CFO | 1 | 1 | 1 |
| Other S56 Managers (excluding finance posts) | 5 | 2 | 0.4 |
| Other S57 Managers (finance posts) | 0 | 0 | 0 |
| Municipal traffic officer | 10 | 8 | 0.8 |
| Senior management: Levels 13-15 (excluding finance posts) | 17 | 2 | 0.12 |
| Senior management: Levels 13-15 (finance posts) | 5 | 1 | 0.2 |
| Highly skilled supervision: levels 9-12 (excluding finance posts) | 16 | 0 | 0 |
| Highly skilled supervision: levels 9-12 (finance posts) | 3 | 0 | 0 |
| **Total** | **58** | **14** | 2.52 |

**Component B: Managing the municipal workforce**

* 1. **Policies**

The municipality has developed four policies and reviewed five policies. Two policies are the community services policy, and the other two are human resource policies. There are 25 approved policies in place.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **HR Policies and Plans** | | | | |
|  | **Name of Policy** | **Completed** | **Reviewed** | **Date adopted by council/comment on failure to adopt** |
|  |  | **%** | **%** |
| 1 | Amended sick leave policy |  | 100 | 18 October 2011 |
| 2 | Amended official travelling allowance policy |  | 100 | 18 October 2011 |
| 3 | Sexual harassment policy |  | 100 | 28 June 2012 |
| 4 | Mayor’s Bursary Fund policy | 100 |  | 16 august 2011 |
| 5 | Amended recruitment, selection and appointment policy |  | 100 | 9 September 2011 |
| 6 | Funeral bereavement policy | 100 |  | 29 March 2012 |
| 7 | Employee housing lease policy |  | 100 | 28 June 2012 |
| 8 | Remuneration policy | 100 |  | 28 June 2012 |
| 9 | Non-financial reward policy for permanent employees | 100 |  | 29 March 2012 |
| 10 | Indigent management strategy | 100 |  | 16 August 2011 for public participation |
|  |  |  |  |  |
| 11 | Recycling strategy | 100 |  | 16 August 2011 for public participation |

* 1. **Injuries, sickness and suspensions**

No officials were suspended from duty for financial or any kind of misconduct during the year under review. Three minor injuries were reported on duty and 1339 sick leave applications were received for the year under review. Officialsthat get injured on duty,are examined by their doctor at the cost of council. The municipality does not have a doctor, and therefore officials consult their own doctor and the bill is paid by council.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Number and Cost of Injuries on Duty** | | | | | |
| **Type of injury** | **Injury Leave Taken** | **Employees using Injury Leave** | **Average Injury Leave Taken per Employee** | **Average Injury Leave per Employee** | **Total Estimated Cost** |
| **Days** | **No** | **%** | **Days** | **R'000** |
| Required basic medical attention only | 0 | 0 | 0 | 0 | 0 |
| Temporary total disablement | 0 | 0 | 0 | 0 | 0 |
| Permanent disablement | 0 | 0 | 0 | 0 | 0 |
| Fatal | 0 | 0 | 0 | 0 | 0 |
| **Total** | 0 | 0 | 0 | 0 | 0 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **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) |  |  |  |  |  |  |
| Skilled (levels 3-5) | 523 | 75 | 102 | 148 | 4 | 1528 |
| Highly skilled production (levels 6-8) | 452 | 60 | 121 | 61 | 4 | 2384 |
| Highly skilled supervision (levels 9-12) | 278 | 50 | 93 | 32 | 3 | 2312 |
| Senior management (levels 13-15) | 86 | 50 | 86 | 25 | 3 | 3648 |
| MM and S57 | 0 | 0 | 0 | 4 | 0 | 0 |
| **Total** | **1312** | **235** | **402** | **718** | 14 | **9872** |

* 1. **Performance rewards**

In EMLM, performance management is limited to Section 56 managers. The performance of lower-level managers and other officials is not assessed. In the coming financial year, the municipality intends to cascade performance management down to all managers, so that they can be assessed in order to qualify for performance rewards. The 2010/2011 annual performance assessments were conducted for three Directors who signed the performance agreement with the municipality, and none qualified for performance rewards.

The 2011/2012 mid-year assessments were conducted for twodirectors in March, and they were assisted by panel members on how they can achieve their targets by the end of the financial year. The assessments were conducted for the first time,as the PMS unit was established during the year under review. Other directors were not assessed as they were acting in their particular posts.

During December, Sekhukhune District Municipality held the Executive Mayor’s Excellence Awards, where all local municipalities participated. EMLM participated and one of our officials - Willie Stoltz - won the award for most dedicated, disciplined and supportive staff member. EMLM furthermore won an award as the best municipality in terms of performing well in key performance areas (KPA). The award was for the KPA of basic service delivery. This exercise served as motivation to staff members - to work hard when performing their daily duties.

**Component C: Capacitating the municipal workforce**

* 1. **Skills development and training**

The municipality has a work skills plan that is utilised for capacity building of staff. Each department is requested to forward their training plans to corporate services in May each year, in order to be included in the WSP - which serves as a guide as to how many officials should undergo training in the next financial year. For the year under review, 95employees received different training. The WSP and annual training report are submitted to LGSETA at the end of each financial year.

At the beginning of the financial year R1millionwas budgeted for training, and these funds were exhausted by the end of the financial year. The training plan is effectively implemented in our municipality as we ensure that all officials on the training plan undergo relevant training. In future there will be a need for more spending for training. The municipality has made good progress towards achieving the 2013deadline, and we are confident that we will meet it.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Employees Appointed to Posts Not Approved** | | | | |
| **Department** | **Level** | **Date of appointment** | **Not appointed** | **Reason for appointment when no established post exists** |
| None | 0 | 0 | 0 | 0 |
| None | 0 | 0 | 0 | 0 |
| None | 0 | 0 | 0 | 0 |

|  |  |  |
| --- | --- | --- |
| **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 |  |
| Male | 0 |
| Highly skilled production  (levels 6-8) | Female |  |
| Male | 0 |
| Highly skilled supervision (levels9-12) | Female |  |
| Male | 0 |
| Senior management (levels13-16) | Female |  |
| Male | 0 |
| MM and S 57 | Female |  |
| Male |  |
| Total | | 0 |

The Municipal Manager, Chief Financial Officer, Director Infrastructure and Director Planning senior posts were vacant, and officials were appointed in acting capacities.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Employees Whose Salary Levels Exceed Grade Determined By Job Evaluation** | | | | |
| **Occupation** | **Number of employees** | **Job evaluation level** | **Remuneration level** | **Reason for deviation** |
| None | 0 | 0 | 0 | 0 |
| None | 0 | 0 | 0 | 0 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Financial Competency Development: Progress Report\*** | | | | |
| **Description** | **A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))** | **Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))** | **Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))** | **Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))** |
| **Financial Officials** |  |  |  |  |
| Accounting officer | 1 | 1 | 1 | 1 |
| Chief financial officer |  | 0 | 0 | 0 |
| Senior managers | 03 | 0 | 0 | 0 |
| Any other financial officials | 05 | 0 | 0 | 0 |
| **Supply Chain Management Officials** |  |  |  |  |
| Heads of supply chain management units | 0 | 0 | 0 | 0 |
| Supply chain management senior officials | 1 | 0 | 0 | 0 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Skills Matrix** | | | | | | | | | |
| **Management level** | **Gender** | **Employees in post as at 30 June 2012** |  | | | | | | |
|  | | **Skills Programmes &Other Short Courses** | | **Other Forms of Training** | | **Total** |
| **No** | **Actual 30 June 2012** | **Target** | **Actual 30 June 2012** | **Target** | **Actual 30 June 2012** | **Target** | **Actual 30 June 2012** |
| MM and S57 | Female | **1** | 1 | 2 | 1 | 2 | 0 |  | 1 |
| Male | 5 | 5 | 5 | 7 | 5 | 0 |  | 7 |
| Councillors, senior officials and managers | Female | 4 | 4 | 5 | 4 | 5 | 0 |  | 4 |
| Male | 12 | 12 | 15 | 12 | 15 | 0 |  | 12 |
| Technicians and associate professionals | Female | 4 | 4 | 5 | 0 | 0 | 0 |  | 0 |
| Male | 14 | 14 | 10 | 0 | 0 | 0 |  | 0 |
| Professionals | Female | 3 | 3 | 0 | 0 | 0 | 0 |  | 0 |
| Male | 4 | 4 | 0 | 0 | 0 | 0 |  | 0 |
| Sub -total | Female | 12 | 12 | 12 | 5 | 7 | 0 |  | 0 |
| Male | 35 | 35 | 30 | 24 | 20 | 0 |  | 0 |
|  |  |  |  |  |  |  |  |  |  |

**Component D: Managing workforce expenditure**

* 1. **Employee expenditure**

The municipality manages its workforce expenditure very well, as we have policies in place such as overtime policies, and travelling allowance policies, that are complied with before any expenditure can be incurred. EMLM has the organisational structure that is aligned to the IDP and budget, to ensure that all workforce expenditure has been budgeted for. The three documents - IDP, budget and organisational structure - are approved by council every year and the alignment is very important as is assists the municipality save money.

* + 1. **Disclosure of financial interest**

Disclosure forms are given to all officials and councillors at the beginning of each financial year for completion. For the year under review, 18 councillors and 8 officials completed their disclosure forms. No conflict of interest was identified. In 2012/2013, the municipality will develop a strategy that will compel every official and councillor to declare their financial status.

**CHAPTER 5: FINANCIAL PERFORMANCE**

INTRODUCTION

The Elias Motsoaledi Local Municipality strives to ensure an effective and efficient administration, and has provided the following components for discussion within this chapter:

* 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

The Elias Motsoaledi Local Municipality handed over the annual financial statements to the Auditor General Limpopo, as per the Municipal Finance Management Act, on 31 August 2012, for the financial year 2011/12.The components below which will be discussed in detail:

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | | | | |  | | | |  | | | |  | | |
| **Description** | | | | | **2010/11** | | | | **Current Year 2011/12** | | | | | | | | | | | | **2011/12 Variance** | | | | | |
| **R thousands** | | | | | **Audited Outcome** | | | | **Original Budget** | | | | **Adjusted Budget** | | | | **Actual** | | | | **Original Budget**  **(%)** | | | **Adjustment Budget**  **(%)** | | |
| **Financial Performance** | | | | |  | | | |  | | | |  | | | |  | | | |  | | |  | | |
| Property rates | | | | | 10,706 | | | | 19,185 | | | | 17,185 | | | | 11,033 | | | | -73.89 | | | -55.76 | | |
| Service charges | | | | | 39,127 | | | | 48,681 | | | | 51,526 | | | | 50,460 | | | | 3,53 | | | -2,11 | | |
| Investment revenue | | | | | 5,737 | | | | 12,058 | | | | 12,058 | | | | 4,925 | | | | -144,83 | | | -144,83 | | |
| Transfers recognised - operational | | | | | 108,826 | | | | 128,810 | | | | 130,261 | | | | 117,269 | | | | -9,84 | | | -11,08 | | |
| Other own revenue | | | | | 13,261 | | | | 27,606 | | | | 20,863 | | | | 16,855 | | | | -63.79 | | | -23.78 | | |
| **Total Revenue (excluding capital transfers and contributions)** | | | | | 173,656 | | | | 236,340 | | | | 231,893 | | | | 200,542 | | | | -17,85 | | | -15,63 | | |
| Employee costs | | | | | 58,103 | | | | 69,107 | | | | 59,450 | | | | 62,672 | | | | -10.27 | | | 5,14 | | |
| Remuneration of councillors | | | | | 11,038 | | | | 9,141 | | | | 9,366 | | | | 12,170 | | | | 24,89 | | | 23,04 | | |
| Depreciation & asset impairment | | | | | 23,410 | | | | 1,832 | | | | 1,832 | | | | 32,124 | | | | 94,30 | | | 94,30 | | |
| Finance charges | | | | | 277 | | | | – | | | | – | | | | 287 | | | | 100,00 | | | 100,00 | | |
| Materials and bulk purchases | | | | | 29,029 | | | | 32,096 | | | | 43,559 | | | | 40,739 | | | | 21,21 | | | -6,92 | | |
| Transfers and grants | | | | | 2,369 | | | | – | | | | – | | | | 2,552 | | | | 100,00 | | | 100,00 | | |
| Other expenditure | | | | | 43,017 | | | | 40,809 | | | | 44,344 | | | | 54,594 | | | | 25,07 | | | 19,77 | | |
| **Total Expenditure** | | | | | 167,133 | | | | 152,985 | | | | 158,551 | | | | 205,138 | | | | 25,42 | | | 22,71 | | |
| **Surplus/(Deficit)** | | | | | 6,523 | | | | 83,354 | | | | 73,342 | | | | (4,596) | | | | -1713,62 | | | -1695.78 | | |
| Transfers recognised - capital | | | | | 23,702 | | | | 29,037 | | | | 29,037 | | | | 29,037 | | | | 0,00 | | | 0,00 | | |
| Contributions recognised - capital & contributed assets | | | | | – | | | | – | | | | – | | | | – | | | | – | | | – | | |
| **Surplus/(Deficit) after capital transfers & contributions** | | | | | 30,225 | | | | 112,391 | | | | 102,379 | | | | 24,441 | | | | -359,85 | | | -318,88 | | |
| Share of surplus/ (deficit) of associate | | | | | – | | | | – | | | | – | | | | – | | | | – | | | – | | |
| **Surplus/(Deficit) for the year** | | | | | 30,225 | | | | 112,391 | | | | 102,379 | | | | 24,441 | | | | -359,85 | | | -318,88 | | |
|  | | | | |  | | | |  | | | |  | | | |  | | | |  | | |  | | |
| **Capital expenditure & funds sources** | | | | |  | | | |  | | | |  | | | |  | | | |  | | |  | | |
| **Capital expenditure** | | | | | 101,262 | | | | 109,136 | | | | 99,811 | | | | 106,524 | | | | -2,45 | | | 6,30 | | |
| Transfers recognised - capital | | | | | 23,702 | | | | 29,037 | | | | 29,037 | | | | 29,037 | | | | 0,00 | | | 0,00 | | |
| Public contributions & donations | | | | | – | | | | – | | | | – | | | | – | | | | – | | | – | | |
| Borrowing | | | | | – | | | | – | | | | – | | | | – | | | | – | | | – | | |
| Internally generated funds | | | | | 77,560 | | | | 80,099 | | | | 70,774 | | | | 77,487 | | | | -3,37 | | | 8,66 | | |
| **Total sources of capital funds** | | | | | 101,262 | | | | 109,136 | | | | 99,811 | | | | 106,524 | | | | -2,45 | | | 6,30 | | |
|  | | | | |  | | | |  | | | |  | | | |  | | | |  | | |  | | |
| **Financial position** | | | | |  | | | |  | | | |  | | | |  | | | |  | | |  | | |
| Total current assets | | | | | 71,874 | | | | 504,421 | | | | 488,336 | | | | 43,976 | | | | -1047,04 | | | -1010,46 | | |
| Total non-current assets | | | | | 661,467 | | | | 682,675 | | | | 671,518 | | | | 735,542 | | | | 7,19 | | | 8,70 | | |
| Total current liabilities | | | | | 24,268 | | | | 11,471 | | | | 11,471 | | | | 45,512 | | | | 74,80 | | | 74,80 | | |
| Total non-current liabilities | | | | | 25,100 | | | | 1,595 | | | | 1,385 | | | | 25,592 | | | | 94,58 | | | 94.60 | | |
| Community wealth/Equity | | | | |  | | | | 408,495 | | | | 510,872 | | | |  | | | |  | | |  | | |
|  | | | | |  | | | |  | | | |  | | | |  | | | |  | | |  | | |
| **Cash flows** | | | | |  | | | |  | | | |  | | | |  | | | |  | | |  | | |
| Net cash from (used) operating | | | | | 87,027 | | | | 110,465 | | | | 93,001 | | | | 77,954 | | | | -41,71 | | | -19,30 | | |
| Net cash from (used) investing | | | | | (101,262) | | | | (109,136) | | | | (96,811) | | | | (102,618) | | | | -6,35 | | | 5,66 | | |
| Net cash from (used) financing | | | | | (1,852) | | | | 479 | | | | 479 | | | | (3,714) | | | | -112,90 | | | -112,89 | | |
| **Cash/cash equivalents at year end** | | | | | 35,853 | | | | 50,646 | | | | 53,977 | | | | 7,476 | | | | -577,45 | | | -86,15 | | |
|  | | | | |  | | | |  | | | |  | | | |  | | | |  | | |  | | |
| **Cash backing/surplus reconciliation** | | | | |  | | | |  | | | |  | | | |  | | | |  | | |  | | |
| Cash and investments available | | | | |  | | | | 66,400 | | | | 52,773 | | | |  | | | |  | | |  | | |
| Application of cash and investments | | | | |  | | | | (401,546) | | | | (382,880) | | | |  | | | |  | | |  | | |
| **Balance - surplus (shortfall)** | | | | |  | | | | 467,946 | | | | 435,653 | | | |  | | | |  | | |  | | |
|  | | | | |  | | | |  | | | |  | | | |  | | | |  | | |  | | |
| **Asset management** | | | | |  | | | |  | | | |  | | | |  | | | |  | | |  | | |
| Asset register summary (WDV) | | | | | 643,445 | | | | 761,417 | | | | 757,417 | | | | 688,104 | | | | -10,65 | | | -10,07 | | |
| Depreciation & asset impairment | | | | | 18,275 | | | | 1,832 | | | | 1,832 | | | | 32,124 | | | | 94,30 | | | 94,30 | | |
| Renewal of existing Assets | | | | | – | | | | – | | | | 5,825 | | | |  | | | |  | | |  | | |
| Repairs and maintenance | | | | | 7,593 | | | | 1,754 | | | | 179 | | | | 8,768 | | | | 80,00 | | | 97,96 | | |
|  | | | | |  | | | |  | | | |  | | | |  | | | |  | | |  | | |
| **Free services** | | | | |  | | | |  | | | |  | | | |  | | | |  | | |  | | |
| Cost of free basic services provided | | | | | 4,734 | | | | 1,250 | | | | – | | | | 1,250 | | | |  | | |  | | |
| Revenue cost of free services provided | | | | | 10,648 | | | | 11,105 | | | | – | | | | 11,105 | | | |  | | |  | | |
| **Households below minimum service level** | | | | |  | | | |  | | | |  | | | |  | | | |  | | |  | | |
| Water: | | | | | – | | | | – | | | | – | | | | – | | | |  | | |  | | |
| Sanitation/sewerage: | | | | | – | | | | – | | | | – | | | | – | | | |  | | |  | | |
| Energy: | | | | | – | | | | – | | | | – | | | | – | | | |  | | |  | | |
| Refuse: | | | | | 0 | | | | 0 | | | | 0 | | | | 0 | | | |  | | |  | | |
|  | | | | |  | | | |  | | | |  | | | |  | | | |  | | |  | | |
| Variances are calculated by dividing the difference between original/adjustments budget, by the actual. | | | | | | | | | | | | | | | | | | | | | | | | | | |
|  | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **Standard Classification Description** | | | **Ref 1** | | | | **2010/11** | | | | **Current Year 2011/12** | | | | | | | | | | | | **2011/12 Variance** | | | | |
| **R Thousands** | | |  | | | | **Audited Outcome** | | | | **Original Budget** | | | | **Adjusted Budget** | | | | | **Actual** | | | **Original Budget**  **(%)** | | **Adjustment Budget**  **(%)** | | |
|  | | |  | | | |  | | | |  | | | |  | | | | |  | | |  | |  | | |
| **Expenditure - Standard** | | |  | | | |  | | | |  | | | |  | | | | |  | | |  | |  | | |
| ***Governance and administration*** | | |  | | | | **100,645** | | | | **70,213** | | | | **76,080** | | | | | **121,841** | | | **42,37** | | **37,56** | | |
| Executive and council | | |  | | | | 40,993 | | | | 37,126 | | | | 38,327 | | | | | 42,447 | | | 12,54 | | 9,71 | | |
| Budget and treasury office | | |  | | | | 45,074 | | | | 15,314 | | | | 16,859 | | | | | 60,944 | | | 74,87 | | 72,34 | | |
| Corporate services | | |  | | | | 14,578 | | | | 17,773 | | | | 20,895 | | | | | 18,450 | | | 3,67 | | -13,25 | | |
| ***Community and public safety*** | | |  | | | | **8,947** | | | | **3,164** | | | | **3,884** | | | | | **9,713** | | | **67,42** | | **60,00** | | |
| Community and social services | | |  | | | | 8,804 | | | | 1,635 | | | | 3,492 | | | | | 9,228 | | | 82,28 | | 62,16 | | |
| Sport and recreation | | |  | | | | 142 | | | | 518 | | | | 360 | | | | | 451 | | | -14,86 | | 20,18 | | |
| Public safety | | |  | | | | – | | | | – | | | | – | | | | | **–** | | | **–** | | **–** | | |
| Housing | | |  | | | | – | | | | – | | | | – | | | | | **–** | | | **–** | | **–** | | |
| Health | | |  | | | | 1 | | | | 1,011 | | | | 32 | | | | | 34 | | | -2873,53 | | 5,88 | | |
| ***Economic and environmental services*** | | |  | | | | **21,896** | | | | **31,428** | | | | **26,595** | | | | | **24,337** | | | **-29.14** | | **-9,28** | | |
| Planning and development | | |  | | | | 21,896 | | | | 31,428 | | | | 26,595 | | | | | 24,337 | | | **-29.14** | | **-9,28** | | |
| Road transport | | |  | | | | – | | | | – | | | | – | | | | | **–** | | | **–** | | **–** | | |
| Environmental protection | | |  | | | | – | | | | – | | | | – | | | | | **–** | | | **–** | | **–** | | |
| ***Trading services*** | | |  | | | | **35,645** | | | | **48,181** | | | | **51,992** | | | | | **49,247** | | | **2,16** | | **-5,57** | | |
| Electricity | | |  | | | | 29,025 | | | | 37,172 | | | | 42,567 | | | | | 39,359 | | | 5,56 | | -8,15 | | |
| Water | | |  | | | | – | | | | – | | | | – | | | | | **–** | | | **–** | | **–** | | |
| Wastewater management | | |  | | | | – | | | | – | | | | – | | | | | **–** | | | **–** | | **–** | | |
| Waste management | | |  | | | | 6,620 | | | | 11,009 | | | | 9,425 | | | | | 9,888 | | | -11,34 | | 4,68 | | |
| ***Other*** | | | 4 | | | | **–** | | | | **–** | | | | **–** | | | | | **–** | | | **–** | | **–** | | |
| **Total Expenditure - Standard** | | | 3 | | | | **167,133** | | | | **152,985** | | | | **158,551** | | | | | **205,138** | | | **25,42** | | **22,71** | | |
| Variances are calculated by dividing the difference between original/adjustments budget, by the actual. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|  | | | |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | |

|  |
| --- |
| COMMENT ON FINANCIAL PERFORMANCE  **Revenue**  Property rates: Revenue foregone, not budgeted for.  Other Income: More rental income recognised in 2011/12.  Interest Income: Budgeted on incorrect investment amounts.  Transfer recognised: National electrification andrural development grant not received within EMLM, as budgeted for.  **Expenditure**  Employee costs: Not exceeding 10%  Council Remuneration: Travel allowance not budgeted for.  Depreciation and asset impairment: Not cashed back expenditure and not fully budgeted for.  Finance charges: Finance cost not budgeted for.  Other Expenditure: Lack of internal control - also refers to irregular, fruitless and wasteful in AFS 30 June 2012. |

5.2 GRANTS

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | |  | |
| **Description** | | | | **2010/11** | | **Current Year 2011/12** | | | | **2011/12 Variance** | |
| **R Thousands** | | | | **Audited Outcome** | | **Original Budget** | | **Adjusted Budget** | **Actual** | **Original Budget**  **(%)** | **Adjustment Budget**  **(%)** |
| **RECEIPTS:** | | | |  | |  | |  |  |  |  |
|  | | | |  | |  | |  |  |  |  |
| **Operating Transfers and Grants** | | | |  | |  | |  |  |  |  |
| **National Government:** | | | | **104,827** | | **116,174** | | **116,174** | **117,269** | **0,93** | **0,93** |
| Local government equitable share | | | | 100,149 | | 114,134 | | 114,134 | 114,134 | 0,00 | 0,00 |
| EPWP incentive | | | | – | | – | | – | 1,095 | 100,00 | 100,00 |
| FMG grant | | | | 1,000 | | 1,250 | | 1,250 | 1,250 | 0,00 | 0,00 |
| MSIG grant | | | | 678 | | 790 | | 790 | 790 | 0,00 | 0,00 |
| National electrification grant (DME) | | | | 3,000 | | – | | – | – | – | – |
|  | | | | – | | – | | – | – | – | – |
|  | | | | – | | – | | – | – | – | – |
| **Provincial Government:** | | | | **–** | | **–** | | **–** | **–** | **–** | **–** |
|  | | | | – | | – | | – | – | – | – |
|  | | | | – | | – | | – | – | – | – |
|  | | | | – | | – | | – | – | – | – |
|  | | | | – | | – | | – | – | – | – |
|  | | | | – | | – | | – | – | – | – |
| **District Municipality:** | | | | **–** | | **–** | | **–** | **–** | **–** | **–** |
| *[insert description]* | | | | – | | – | | – | – | – | – |
|  | | | | – | | – | | – | – | – | – |
| **Other grant providers:** | | | | **–** | | **–** | | **–** | **–** | **–** | **–** |
| *[insert description]* | | | | – | | – | | – | – | – | – |
|  | | | | – | | – | | – | – | – | – |
| **Total Operating Transfers and Grants** | | | | **104,827** | | **116,174** | | **116,174** | **117,269** | **0,93** | **0,93** |
| Variances are calculated by dividing the difference between original/adjustments budget, by the actual. | | | | | | | | | | | |

COMMENT ON OPERATING TRANSFERS AND GRANTS:

All grants received for the year under review were recognised and MIG expenditure of 100% was achieved.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Grants Received from Sources Other Than Divisional Revenue (DORA)** | | | | | | |
| **Detail of Donor** | **Audited Outcome** | **Actual Grant 2011/12** | **2011/12 Municipal Contribution** | **Date Grant Terminates** | **Date Municipal Contribution Terminates** | **Nature and Benefit From Grant Received - Include Description of Any Contributions In Kind** |
| **Parastatals** | | | | | | |
| A – “Project 1” | – | – | – | N/A\* | N/A | N/A |
| A – “Project 2” | – | – | – | N/A | N/A | N/A |
| B – “Project 1” | – | – | – | N/A | N/A | N/A |
| B – “Project 2” | – | – | – | N/A | N/A | N/A |
|  |  |  |  |  |  |  |
| **Foreign Government/Development Aid Agencies** | | | | | | |
| A – “Project 1” | – | – | – | N/A | N/A | N/A |
| A – “Project 2” | – | – | – | N/A | N/A | N/A |
| B – “Project 1” | – | – | – | N/A | N/A | N/A |
| B – “Project 2” | – | – | – | N/A | N/A | N/A |
|  |  |  |  |  |  |  |
| **Private Sector/Organisations** |  |  |  |  |  |  |
| A – “Project 1” | – | – | – | N/A | N/A | N/A |
| A – “Project 2” | – | – | – | N/A | N/A | N/A |
| B – “Project 1” | – | – | – | N/A | N/A | N/A |
| B – “Project 2” | – | – | – | N/A | N/A | N/A |
|  |  |  |  |  |  |  |
| No Grants were received from other sources. | | | | | | |

COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

N/A - Elias Motsoaledi Local Municipality has not received any other grant revenue from other sources, other than Divisional Revenue (DORA), for the period under review 2011/12.

T5.2.4

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

The municipality capitalised all completed projects during the year under review. Below is a detailed description of the infrastructure projects:

T5.3.1

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Treatment of Three Largest Assets Acquired 2011/12** | | | | |
| **Asset 1** | | | | |
| Name | Monsterlus to Mmakgopheng | | | |
| Description | Road upgrade | | | |
| Asset type | Infrastructure | | | |
| Key staff Involved | Director Infrastructure ,PMU manager and PMU technicians | | | |
| Staff responsibilities | Director Infrastructure- oversees the overall work of the projects in terms of project management, financial management, physical progress, quality management, and time management. Also ensure process controls, compliance in terms of applicable legislation, meeting facilitation, and site visits.  PMU manager- oversees planning, design, implementation and closure of the project; also meeting coordination, site visits, progress monitoring, report writing and financial control.  PMU Technician-Quality control on site and quantity verification. Material verification and construction progress on site. Safety monitoring and ensuring implementation is carried out, as is outlined in the approved designs. | | | |
| Asset value | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
|  | 8 828 247.90 | 12 009 013.87 | 10 220 602.77 |
| Capital implication |  | | | |
| Future purpose of asset |  | | | |
| Describe key issues |  | | | |
| Policies in place to manage asset | SCM Policy, Asset Management Policy | | | |
|  |  | | | |
| **Asset 2** | | | | |
| Name | Ramogwerane to Nkadimeng | | | |
| Description | Road upgrade | | | |
| Asset type | Infrastructure | | | |
| Key staff involved | Director Infrastructure,PMU Manager, and PMU technicians | | | |
| Staff responsibilities | Director Infrastructure- oversees the overall work of the projects in terms of project management, financial management, physical progress, quality management, and time management. Also ensure process controls, compliance in terms of applicable legislation, meeting facilitation, and site visits.  PMU manager- oversees planning, design, implementation and closure of the project; also meeting coordination, site visits, progress monitoring, report writing and financial control.  PMU Technician-Quality control on site and quantity verification. Material verification and construction progress on site. Safety monitoring and ensuring implementation is carried out, as is outlined in the approved designs. | | | |
| Asset value | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
| 3 879 808.45 | 2 779 139.08 | 12 154 456.60 | 18 107 718.22 |
| Capital implication |  | | | |
| Future purpose of asset |  | | | |
| Describe key issues |  | | | |
| Policies in place to manage asset | SCM Policy, Asset Management Policy | | | |
|  |  | | | |
| **Asset 3** | | | | |
| Name | Nyakelang upgrading | | | |
| Description | Road upgrade | | | |
| Asset type | Infrastructure | | | |
| Key staff Involved | Director Infrastructure ,PMU manager, and PMU technicians | | | |
| Staff responsibilities | Director Infrastructure- oversees the overall work of the projects in terms of project management, financial management, physical progress, quality management, and time management. Also ensure process controls, compliance in terms of applicable legislation, meeting facilitation, and site visits.  PMU manager- oversees planning, design, implementation and closure of the project; also meeting coordination, site visits, progress monitoring, report writing and financial control.  PMU Technician-Quality control on site and quantity verification. Material verification and construction progress on site. Safety monitoring and ensuring implementation is carried out, as is outlined in the approved designs. | | | |
| Asset value | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
|  |  | 6 831 394 37 | 8 252 656.88 |
| Capital implication |  | | | |
| Future purpose of asset |  | | | |
| Describe key issues |  | | | |
| Policies in place to manage asset | SCM Policy, Asset Management Policy | | | |
|  | T5.3.2 | | | |

COMMENT ON ASSET MANAGEMENT:

The municipality unbundled all assets as previously notified by the Auditor General, to fully comply with the GRAP standards. A new asset management policy was also approved by council. Investment property was not updated in value due to the implementation of the new valuation roll for the financial year 2012/13.All immoveable assets were verified and tagged with unique bar-coding, and obsolete assets were auctioned off to the value of R3,6 million.

T5.3.3

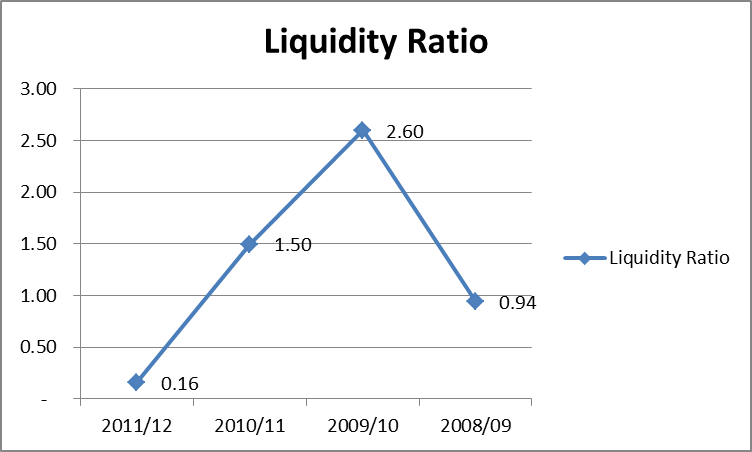
|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Repairs and Maintenance Expenditure 2011/12** | | | | | | |
| **Description** | **2010/11** | **Current Year 2011/12** | | | **20111/12 Variance** | |
| **R Thousands** | **Audited Outcome** | **Original Budget** | **Adjusted Budget** | **Full Year Forecast** | **Original Budget (%)** | **Adjustment Budget (%)** |
| Repairs and maintenance expenditure | 7,593 | 1,754 | 1,789 | 8,768 | 80,00% | 79,60 |
|  | | | | | | |

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

The municipality had a trend of decreased expenditure over the last three financial years, and this is in the process of being corrected, not only in budget terms over the medium term, but also in terms of introducing a maintenance capital plan for forward planning and budgeting.

T5.3.4.1

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS



Liquidity Ratio – Measures the municipality’s ability to pay its bills, and is calculated by dividing the monetary assets by the municipality’s current liabilities. A higher ratio is better.

T5.4.1

Outstanding Service Debtors to Revenue - Measures how much money is still owed by the community for electricity, waste removal and other services, compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors, by the total annual revenue. A lower score is better.

T5.4.2

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

T5.4.5

Employee Cost 0 Measures what portion of revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

T5.4.6

Repairs and Maintenance - This represent the proportion of operating expenditure spent, and is calculated by dividing the total repairs and maintenance.

T5.4.7

COMMENT ON FINANCIAL RATIOS:

The municipality is in a process of improving its ability to spend the 10% threshold of operating expenditure for repairs and maintenance. Liquidity will also improve as the municipality has placed stringent internal controls over unnecessary expenditure, in order to improve the cash flow situation.

T5.4.8

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Capital expenditure relates to programmes approved during the community consultation process, and is inclusive of the municipality’s IDP.

5.5 CAPITAL EXPENDITURE

T5.5.1

5.6 SOURCES OF FINANCE

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Capital Expenditure – Funding Sources 2010/11 - 2011/12**  **R’000** | | | | | | | |
| **Details** | | **2010/11** | **2011/12** | | | | |
| **Actual** | **Original Budget (OB)** | **Adjustment Budget** | **Actual** | **Adjustment to OB Variance (%)** | **Actual to OB Variance (%)** |
| **Source of finance** | |  |  |  |  |  |  |
|  | External loans |  |  |  |  |  |  |
| Public contributions and donations |  |  |  |  |  |  |
| Grants and subsidies |  |  |  |  |  |  |
| Other |  |  |  |  |  |  |
| **Total** | |  |  |  |  |  |  |
| *Percentage of finance* | |  |  |  |  |  |  |
|  | External loans |  |  |  |  |  |  |
| Public contributions and donations |  |  |  |  |  |  |
| Grants and subsidies |  |  |  |  |  |  |
| Other |  |  |  |  |  |  |
| **Capital expenditure** | |  |  |  |  |  |  |
|  | Water and sanitation |  |  |  |  |  |  |
| Electricity |  |  |  |  |  |  |
| Housing |  |  |  |  |  |  |
| Roads and storm water |  |  |  |  |  |  |
| Other |  |  |  |  |  |  |
| **Total** | |  |  |  |  |  |  |
| *Percentage of expenditure* | |  |  |  |  |  |  |
|  | Water and sanitation |  |  |  |  |  |  |
| Electricity |  |  |  |  |  |  |
| Housing |  |  |  |  |  |  |
| Roads and storm water |  |  |  |  |  |  |
| Other |  |  |  |  |  |  |
| T5.6.1 | | | | | | | |

COMMENT ON SOURCES OF FUNDING:

All sources of funding were from DORA allocation and internally-generated funds.

5.7 CAPITAL SPENDING ON FIVE LARGEST PROJECTS

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Capital Expenditure on FiveLargest Projects\***  **R’000** | | | | | | |
| **Name of Project** | **Current Year** | | | | **Variance Current Year** | |
| **Original Budget** | | **Adjustment Budget** | **Actual Expenditure** | **Original Variance (%)** | **Adjustment Variance (%)** |
| A - Monsterlus to Mmakgopheng | 10 300 000.00 | | 10 300 000.00 | 10 220 602.77 | 0,78 | 0,78 |
| B - Ramogwerane to Nkadimeng | 10 900 000.00 | | 10 900 000.00 | 18 107 718.22 | -39,80 | -39,80 |
| C - Nyakelang upgrading | 6 261 000.00 | | 3 398 722.00 | 8 252 656.88 | -24,13 | -58,82 |
| D - Zaaiplaas bus route upgrade | 8 500 000.00 | | 8 500 000.00 | 8 537 439.70 | -0,44 | -0,44 |
| E - Moteti A | 6 700 000.00 | | 6 700 000.00 | 4 002 214.62 | 67,41 | 67,41 |
| \*Project with the highest capital expenditure in 2011/12 | | | | | | |
|  | | | | | | |
| **Name of Project - A** | | Monsterlus to Mmakgopheng | | | | |
| Objective of project | | To improve municipal roads infrastructure for socio-economic growth | | | | |
| delays | | Yes | | | | |
| Future challenges | | The area has strong storm water challenges and during designs this need to be investigated thoroughly. | | | | |
| Anticipated citizen benefits | | Job creation, skills transferred and improved road infrastructure | | | | |
|  | | | | | | |
| **Name of Project - B** | | Ramogwerane to Nkadimeng | | | | |
| Objective of project | | To improve municipal roads’ infrastructure for socio-economic growth | | | | |
| Delays | | Yes | | | | |
| Future challenges | | The area is well known of challenges of underground and if done in phases that must be taken into consideration on the budget as the situation continue to go on between designs and construction. | | | | |
| Anticipated citizen benefits | | Job creation, skills transferred and improved road infrastructure | | | | |
|  | | | | | | |
| **Name of Project - C** | | Nyakelang upgrading | | | | |
| Objective of project | | To improve municipal roads’ infrastructure for socio-economic growth | | | | |
| Delays | | None | | | | |
| Future challenges | |  | | | | |
| Anticipated citizen benefits | | Job creation, skills transferred and improved road infrastructure | | | | |
|  | | | | | | |
| **Name of Project - D** | | Zaaiplaas bus route upgrade | | | | |
| Objective of project | | To improve municipal roads’ infrastructure for socio-economic growth | | | | |
| Delays | | No | | | | |
| Future challenges | | The area has underground hard rock which also need to be considered during designs. | | | | |
| Anticipated citizen benefits | | Job creation, skills transferred and improved road infrastructure | | | | |
|  | | | | | | |
| **Name of Project –E** | | Moteti A | | | | |
| Objective of project | | To improve municipal roads’ infrastructure for socio-economic growth | | | | |
| Delays | | No | | | | |
| Future challenges | | Storm water challenges and maintenance | | | | |
| Anticipated citizen benefits | | Job creation, skills transferred and improved road infrastructure | | | | |
| T5.7.1 | | | | | | |

COMMENT ON CAPITAL PROJECTS:

The municipality has tried to stick to the approved budget for the above-mentioned projects and this has had an impact on the projects’ progress, as most projects are donein phases due to limited funding. All projects are still within budget, even though others have been put on hold due to budget constraints. The municipality hasdemonstratedimprovement in the planning phase of the project, as the product is received within the budgets, and no more many variation orders. There still needs to be an improvement with the implementation part, as some of the projects have notbeen delivered on time.

INFRASTRUCTURE

T5.7.1.1

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS - OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

There are still Households with level of service below minimum standards. The fuction is done at the District level. Our role as the Local Municipality is to facilitate and fast track the progress for the services.

INFRASTRUCTURE

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Service Backlogs as at 30 June 2012**  **Households (HHs)** | | | | |
|  | **\*Service level above minimum standard** | | **\*\*Service level below minimum standard** | |
|  | **No HHs** | **% HHs** | **No HHs** | **% HHs** |
| Water | 20141 | 43% | 26699 | 57% |
| Sanitation | 7495 | 16% | 39346 | 84% |
| Electricity | 44728 | 95.5% | 2112 | 4.5% |
| Waste management |  | % |  | % |
| Housing |  | % |  | % |
| %HHs are the service above/below minimum standard, as a proportion of total HHs. ‘Housing’ refers to\* formal and \*\* informal settlements.  T5.8.2 | | | | |

COMMENT ON BACKLOGS:

INFRASTRUCTURE

There is progress on water supply services in eradicating the backlog. Currently there is construction of bulk line and upgrading of Treatment works in Groblersdal to supply Moutse area where there are serious water challenges and this will result in backlog being reduced and there are also other reticulation projects around the municipality being under construction. The serious challenge is still on sanitation which is still a night mare due to funding. Both the functions are done at District level and our role is coordination. The electricity backlog is also a challenge due to lack of funding.

INFRASTRUCTURE TO COMMENT ON BACKLOG PROGRAM FOR ROADS

Roads and storm water as key function of the municipality is being implemented by MIG funds and own funding. The municipality has a serious backlog on roads and storm water and has challenges of resources and lack of funding to enable them to deal with the backlog.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Municipal Infrastructure Grant (MIG)\* Expenditure 2011/12 on Service backlogs** | | | | | | |
| **Details** | **Budget** | **Adjust-ments budget** | **Actual** | **Variance** | | **Major conditions applied by donor (continue below if necessary)** |
|  |  |
| **Infrastructure - Road Transport** |  |  |  | % | % |  |
| *Roads, Pavements & Bridges* | 2903700 | 0 | 2903700 | % | % | None |
| *Stormwater* |  |  |  | % | % |  |
| **Infrastructure - Electricity** |  |  |  | % | % |  |
| *Generation* |  |  |  | % | % |  |
| *Street Lighting* |  |  |  | % | % |  |
| **Infrastructure – Other** |  |  |  | % | % |  |
| *Waste management* |  |  |  | % | % |  |
| *Transportation* |  |  |  | % | % |  |
| *Gas* |  |  |  | % | % |  |
| ***Other:*** |  |  |  | % | % |  |
|  |  |  |  | % | % |  |
| **Total** |  |  |  | % | % |  |
| \*MIG is a government grant program designed to fund a reduction in service backlogs,  Mainly: Water, Sanitation, Roads, Electricity 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.  T5.8.3 | | | | | | |

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

The municipality depleted all investment funds during the financial year for projects which were approved, but unfunded from the previous financial year.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Cash-Flow Outcomes** | | | | |
| **Description** | **2010/11** | **Current Year 2011/12** | | |
| **Audited Outcome** | **Original Budget** | **Adjustment Budget** | **Actual** |
| **Cash-Flow From Operating Activities** |  |  |  |  |
| **Receipts** | **221 912 782** |  |  | **228 151 595** |
| Fines | 2 408 020 |  |  | 1 031 214 |
| Sale of goods and services | 77 995 496 |  |  | 66 837 209 |
| Government grants | 128 113 220 |  |  | 146 306 000 |
| Interest | 5 736 659 |  |  | 4 924 875 |
| Other income | 3 391 695 |  |  | 3 681 879 |
| Licences and permits | 4 267 692 |  |  | 5 370 418 |
| **Payments** | **(134 886 191)** |  |  | **(150 197 742)** |
| Employee costs | (68 140 536) |  |  | (74 792 898) |
| Finance charges | (277 125) |  |  | (286 676) |
| Suppliers | (66 468 530) |  |  | (75 118 168) |
| **Net Cash From/(Used) Operating Activities** | **87 026 591** |  |  | **77 953 853** |
| **Cash Flow From Investing Activities** |  |  |  |  |
| **Receipts** |  |  |  |  |
| Proceeds on disposal of PPE | - |  |  | 3 905 968 |
| **Payments** |  |  |  |  |
| Capital Assets | (101 261 928) |  |  | (106 523 522) |
| **Net Cash From/(Used) Investing Activities** | **(101 261 928)** |  |  | **(102 617 554)** |
| **Cash Flows From Financing Activities** |  |  |  |  |
| **Receipts** |  |  |  |  |
| Short-term loans |  |  |  |  |
| Borrowings long-term/refinancing |  |  |  |  |
| Increase/(decrease in consumer deposits) |  |  |  |  |
| **Payments** |  |  |  |  |
| Repayment of other financial liabilities | (1 851 795) |  |  | (3 713.831) |
| **Net Cash From/(Used) Financing Activities** | **(1 851 795)** |  |  | **(3 713 831)** |
| **Net Increase/(Decrease) in Cash Held** | (16 087 132) |  |  | (28 377 532) |
| **Cash/cash equivalents at the year beginning** | 51 940 455 |  |  | 35 853 324 |
| **Cash/cash equivalents at the year end:** | **35 853 323** |  |  | **7 475 792** |
| Source: MBRR SA7 T5.9.1 | | | | |

COMMENT ON CASH-FLOW OUTCOMES:

Management had to release funds from investments to make payments to contractors on projects in respect of 2010/11, and ongoing into 2011/12.

T5.9.1.1

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

|  |  |  |  |
| --- | --- | --- | --- |
| **Actual Borrowings 2009/10 - 2011/12**  **R’000** | | | |
| **Instrument** | **2009/10** | **2010/11** | **2011/12** |
| **Municipality** |  |  |  |
| Long-term loans (annuity/reducing balance) | n/a | n/a | n/a |
| Long-term loans (non-annuity) | n/a | n/a | n/a |
| Local registered stock | n/a | n/a | n/a |
| Instalment credit | n/a | n/a | n/a |
| Financial leases | n/a | n/a | n/a |
| PPP liabilities | n/a | n/a | n/a |
| Finance granted by cap equipment supplier | n/a | n/a | n/a |
| Marketable bonds | n/a | n/a | n/a |
| Non-marketable bonds | n/a | n/a | n/a |
| Bankers acceptances | n/a | n/a | n/a |
| Financial derivatives | n/a | n/a | n/a |
| Other securities | n/a | n/a | n/a |
| **Municipal Total** | n/a | n/a | n/a |
|  | n/a | n/a | n/a |
| **Municipal Entities** | n/a | n/a | n/a |
| Long-term Loans (annuity/reducing balance) | n/a | n/a | n/a |
| Long-term Loans (non-annuity) | n/a | n/a | n/a |
| Local registered stock | n/a | n/a | n/a |
| Instalment credit | n/a | n/a | n/a |
| Financial leases | n/a | n/a | n/a |
| PPP liabilities | n/a | n/a | n/a |
| Finance granted by cap equipment supplier | n/a | n/a | n/a |
| Marketable bonds | n/a | n/a | n/a |
| Non-Marketable bonds | n/a | n/a | n/a |
| Bankers acceptances | n/a | n/a | n/a |
| Financial derivatives | n/a | n/a | n/a |
| Other Securities | n/a | n/a | n/a |
| **Entities Total** | n/a | n/a | n/a |
| T5.10.2 | | | |

|  |  |  |  |
| --- | --- | --- | --- |
| **Municipal and Entity Investments 2009/10 - 2011/12**  **R’000** | | | |
| **Investment type** | **2009/10**  **Actual** | **2010/11**  **Actual** | **2011/12**  **Actual** |
| **Municipality** |  |  |  |
| Securities - national government | – | – | – |
| Listed corporate bonds | – | – | – |
| Deposits -bank | 50,733,690 | 36,319,710 | 7,292,738 |
| 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 | – | – | – |
| **Municipal Sub-Total** | 50,733,690 | 36,319,710 | 7,292,738 |
|  |  |  |  |
| **Municipal Entities** |  |  |  |
| 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 | – | – | – |
| Municipal bonds | – | – | – |
| Other | – | – | – |
| **Entities Sub-Total** | – | – | – |
|  |  |  |  |
| **Consolidated Total:** | 50,733,690 | 36,319,710 | 7,292,738 |

COMMENT ON BORROWING AND INVESTMENTS:

The municipality did not conclude any funding instruments during the financial year, and paid off the existing finance leases.

5.11 PUBLIC-PRIVATE PARTNERSHIPS

PUBLIC-PRIVATE PARTNERSHIPS

***Delete Directive note once comment’s completed*** - Provide overview of agreements, contracts and projects undertaken during the year through PPP’s – Refer to further details of PPP details **Appendix H**. **Table SA3 (MBRR)** may also be used to gain information on PPP’s.

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COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

The supply chain policy of the municipality is currently under review to ensure compliance with legislation. Officials of the municipality also attended courses during the year to ensure that all officials within the SCM obtain the required competency levels. There are no councillors serving on any of the committee structures which are approved and in place for the financial year.

5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

The municipality had to fully comply with all the GRAP standards for the financial year under review, and was assisted by national departments to ensure compliance with the standard.

**6.1 Auditor General’s audit findings**

|  |  |
| --- | --- |
| **Auditor-General’s Report on Financial Performance 2011/12** | |
| **Audit Report Status\*:** | **Qualified Opinion** |
|  |  |
| **Non-Compliance Issues** | **Remedial Action Taken** |
| Attached as annexure “3” | Audit action plan in place |
|  |  |
|  |  |
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| --- | --- |
| **Auditor-General’s Report on Service Delivery Performance 2011/2012** | |
| **Audit Report Status:** | **Qualified Opinion** |
|  |  |
| **Non-Compliance Issues** | **Remedial Action Taken** |
| Attached as annexure “3” | Audit action plan in place |
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**6.3 Auditor General’s report on the financial statements 2011/2012 and Comments on Auditor-General’s opinion 2011/2012:**

**ANNEXURE A**

**Basis for qualified opinion**

**Management comments on the Audit Report**

**Intangible assets**

1. **Audit report matter - Intangible assets**

I was unable to obtain sufficient appropriate audit evidence for an amount of R3 105 728 included in the intangible assets balance of R29 416 153 disclosed in note 7 to the financial statements. The municipality’s records did not permit the application of alternative procedures. Consequently I was unable to determine whether any adjustment relating to intangible assets in the financial statements was necessary.

**Management Response**

Management take note of the component that cannot be verified. As this matter affects the valuation and presentation of the relevant intangible asset a process to appropriately value the item will be performed and the relevant corrections will be proposed to adjust the item and to produce sufficient audit evidence to support the item valuation. This matter was already identified at the start of the audit but the Management was not able to clarify the valuation with ESCOM.

1. **Audit report matter - Intangible assets**

The municipality purchased a substation to the amount of R18 906 826 in the prior year. However, the municipality recorded this as a purchase in the current financial year without adjusting the comparative figures for intangible assets in accordance with Standards of Generally Recognised Accounting Practice, GRAP 3, *Accounting policies, changes in accounting estimates and errors* which requires that an entity shall disclose the nature of the prior period error for each prior period presented, to the extent practicable, the amount of the correction for each financial statement line item affected; the amount of the correction at the beginning of the earliest prior period presented; and if retrospective restatement is impracticable for a particular prior period, the circumstances that led to the existence of that condition and a description of how and from when the error has been corrected.

**Management Response**

Management take note of the component and will correct the presentation of this item in the 2012/13 annual financial statements. Management will ensure that during the adjustment of the comparative figures for intangible assets in accordance with Standards of Generally Recognised Accounting Practice, GRAP 3, *Accounting policies, changes in accounting estimates and errors* that the Municipality will disclose the nature of the prior period error for each prior period presented, to the extent practicable, the amount of the correction for each financial statement line item affected; the amount of the correction at the beginning of the earliest prior period presented; and if retrospective restatement is impracticable for a particular prior period, the circumstances that led to the existence of that condition and a description of how and from when the error has been corrected.

**Property, plant and equipment (PPE)**

1. **Audit report matter - Property, plant and equipment (PPE) – Audit evidence**

I was unable to obtain sufficient appropriate audit evidence for work in progress of an amount of R4 325 278 and additions of R2 563 366 included in the property plant and equipment balance of R687 424 168as disclosed in note 6 to the financial statements. The municipality’s records did not permit the application of alternative procedures. Consequently I was unable to determine whether any adjustment relating to intangible assets in the financial statements was necessary.

**Management Response**

Management take note of the fact that insufficient appropriate audit evidence for work in progress of an amount of R4 325 278 and additions of R2 563 366 cannot be presented to the Office of the Auditor General. As this matter affects the completeness, valuation and presentation of the relevant asset a process will be embarked on to find appropriate and sufficient audit evidence to support the items. Management will perform the relevant investigations and propose corrections if required.

1. **Audit report matter - Property, plant and equipment (PPE) – Retention**

Construction of property, plant and equipment was completed and ready for use during the financial year and the balance of the retention amounting to R7 064 428 became due and payable at year-end. However, the municipality did not accrue for this obligation at year-end nor was this amount included in the balance of property, plant and equipment in the financial statements. Consequently, trade and other payables is understated by the R7 064 428. Due to the other matters identified and reported on under property, plant and equipment, I was unable to determine the net effect on this balance.

**Management Response**

Management take note of the fact that insufficient provision trade and other payables were made. As this matter affects the completeness, valuation and presentation of the relevant asset a process will be embarked to reconcile all projects over multiple financial periods. This process will be performed to produce appropriate and sufficient audit evidence to support the items. Management will perform the relevant investigations and propose corrections if required.

1. **Audit report matter - Property, plant and equipment (PPE) – Gains and losses**

I was unable to obtain sufficient appropriate audit evidence for the gains and losses of investment property and property plant and equipment of R2 738 965 as included in note 34 that was disposed of during the year. The municipality’s records did not permit the application of alternative procedures. Consequently I could not obtain sufficient and appropriate audit evidence to satisfy myself as to the accuracy of the gains on disposals of assets.

**Management Response**

Management take note of the fact that the gains and losses on financial investment and other property were incorrectly accounted for. As this matter affects the completeness, valuation and presentation of the relevant asset a process will be embarked to reconcile all properties and equipment sold during multiple financial periods. This process will be performed to produce appropriate and sufficient audit evidence to support the items. If required management will perform the relevant investigations and propose corrections if required.

1. **Audit report matter - Property, plant and equipment (PPE) – Physical Verification**

Property plant and equipment to the amount of R1 074 076 could not be physically verified. The municipality’s records did not permit the application of alternative audit procedures. Consequently, I could not satisfy myself as to the existence, rights and valuation of property plant and equipment.

**Management Response**

Management take note of the fact that the Office of the Auditor General were unable to verify that all property and equipment were physically available. This matter will be discussed by management as there is a timing difference between the physical reporting date and the physical verification date by the Office of the Auditor General. As this matter affects the completeness, valuation and presentation of the relevant assets a process will be embarked to align the audit process and management procedures to verify properties and equipment reported on timorously. This will prevent timing differences during the audit process.

1. **Audit report matter - Property, plant and equipment (PPE) – Impairment and Impairment losses**

The municipality did not to determine whether non-cash generating assets is impaired and to ensure that impairment losses are recognised in accordance with Standards of generally Recognised Accounting Practice, GRAP 21, *Impairment of non-cash generating assets.* Consequently I was unable to determine whether any adjustment relating to impairment losses in the financial statements was necessary.

**Management Response**

As this matter affects the completeness, valuation and presentation of the relevant asset a process will be embarked on to identify any impairment and impairment losses on all council assets. As the asset register now needs to be fully GRAP compliant (New standards have been introduced annually) a full review of the asset policies, management, asset register information and asset accounting will be performed. Management will perform the relevant investigations and propose corrections if required.

**Investment property**

1. **Audit report matter – Investment Property**

The municipality has elected to adopt the fair value model to account for investment property in accordance with Standards of Generally Recognised Accounting Practice, GRAP 16, *and Investment Properties.* However, the fair value of investment property amounting to R17 972 400 in the financial statements was not assessed to determine the fair value at year-end. I have not determined the correct value of investment property as it was impractical to do so.

**Management Response**

Management take note of the fact that the fair value gains and losses on financial investment was not accounted for. As this matter affects the valuation and presentation of the relevant asset a process will be embarked to reconcile all properties sold and re-valued during multiple financial periods. This process will be performed to produce appropriate and sufficient audit evidence to support the assets and gains and losses presented. Management will perform the relevant investigations and propose corrections if required.

**Value Added Tax (VAT)**

1. **Audit report matter – Value Added Tax (VAT)**

The municipality entered into an agency agreement with its district municipality for the provision of water. As the agent, the municipality has accounted for VAT on the water transactions in contravention with the VAT Act. The municipality also entered in to an agency agreement with the department of Roads and Transport for the colleting of license fees and issuing licenses and permits on behalf of the provincial government. The municipality did not account for output tax on the commission or agency fees for the services rendered in terms for the requirements of the VAT act. Furthermore the municipality claimed VAT on non qualifying expenditure and also claimed the incorrect VAT amounts. I was unable to determine the correct amount of the VAT receivable balance of R5 143 890 (2011: R4 974 911) as disclosed in note 45 as it was impractical to do so.

**Management Response**

Management take note of the matter reported on in the audit report. Management will engage SARS on this matter as there is a technical difference of opinion. This process will be performed to produce appropriate and sufficient audit evidence to support the VAT and transactions as presented. Management will perform the relevant investigations and propose corrections if required.

**Irregular expenditure**

1. Section 125(2)(d) of the MFMArequires the municipality to implement and maintain an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective. Payments amounting to R91 851 963 were made in contravention of the supply chain management requirements and was not disclosed in note 44 to the financial statements. Furthermore, the municipality could not provide sufficient appropriate audit evidenceto prove that the allocation of contracts amounting toR43 929 294 were awarded in accordance with supply chain management regulations. Consequently, I was unable to obtain sufficient appropriate audit evidence to satisfy myself as to the completeness of irregular expenditure.

**Management Response**

Management take note of the irregular expenditure as reported on in the audit report. This process will be performed to produce appropriate and sufficient management of the amounts included in the audit report. Management will perform the relevant investigations and propose corrections and corrective actions if required.

**Employee cost**

1. Personnel related cost of R74 842 644 does not reconcile to the amount of R67 774 483 as per the payroll system. The municipality did not perform a reconciliation to determine the effect of the reconciling items and consequently could not provide explanations for the reconciling difference of R7 068 160. Consequently I could not satisfy myself as to the accuracy of personnel related costs as disclosed.

**Management Response**

Management take note of the matter reported on in the audit report. Management will engage The Office of the Auditor General on this matter as there is a technical difference of opinion. This process will be performed to produce appropriate and sufficient audit evidence to support the payroll and transactions as presented. Management will perform the relevant investigations and propose corrections if required.

**Municipal Manager and CFO’s comments.**

**AUDITORS REPORT 2012 OF THE AUDITOR GENERAL TO THE ELIAS MOTSOALEDI LOCAL MUNICIPALITY.**

**PURPOSE**

In terms of Section 126(1) of the MFMA the accounting officer of a municipality must:

*“Prepare the annual financial statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing;”*

The financial statement as on 30June 2012 of the municipality was submitted to the Auditor General on the 31 August 2012.

*In terms of section 126(3)(a)(b) of the MFMA the Auditor General must :*

*” audit those financial statements; and submit an audit report on those statements to the accounting officer of the municipality or entity within three months of receipt of the statements.”*

**BACKGROUND**

The Audit report 2012 was submitted to the accounting officer on the 18 December 2012.

**Auditor-General’s responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2001) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

**Opinion**

In my opinion, except for the effects of the matters described in the Basis for qualified opinion paragraphs, the financial statements present fairly, in all material respects, the financial position of the Elias Motsoaledi Local municipality as at 30 June 2012, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the MFMA.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my **qualified audit opinion**.

**LEGAL IMPLICATIONS**

None

**FINANCIAL IMPLICATIONS**

None

**RECOMMENDATIONS BY MUNICIPAL MANAGER**

1. The Financial Statements as on 30 June 2012 of the municipality was submitted within two months of the financial year end to the Auditor General on the 31 August 2012.
2. Council takes note of the Audited Annual Financial Statements 30 June 2012.
3. The Auditor General Report 2012 was submitted to the Accounting Officer on the 18 December 2012.
4. The municipality has received a Qualified Audit Opinion for the financial year ended 30 June 2012 with a vast improvement on the previous financial year.
5. Council takes note of the comments by management with regards to the Basis for Audit Opinion attached as Annexure A.
6. Council take note of the Audit Action Plan(Annexure B), Audited Financial Statements(Annexure C),Auditor General Report(Annexure D), Management Report with Annexures(Annexure E)

**Audit Committee’s Comment**

**REPORT OF THE AUDIT COMMITTEE ON**

**ELIAS MOTSOALEDI LOCAL MUNICIPALITY**

We are pleased to present our report for the financial year ended 30 June 2012.

**Audit Committee Members and Attendance**

The Audit Committee, consisting of independent outside members listed below, was appointed with effect from the 1st July 2012. It was therefore not in place during the period under review but from the effective date assisted with the quality review and improvement of the Annual Financial Statements

The committee meets at least four times per annum as per its approved terms of reference, although additional special meetings may be called as the need arises.

|  |  |
| --- | --- |
| **Name of Member** |  |
| Adv. S.T. Kholong (Chairperson)  Ms. J. Mudau  Mr. B. Mohlamme  Mr. T. Gafane  Adv. R. Nke |  |

**Audit Committee Responsibility**

The audit committee reports that since its appointment, it has fully complied with its responsibilities arising from section 166 of the MFMA. The Committee also reports that it has adopted the appropriate terms of reference as per the audit committee charter, has regulated its affairs in compliance with the charter and has fully discharged its responsibilities as prescribed therein with the exception of matters highlighted below.

**The effectiveness of internal control**

The system of internal control was not entirely effective for the year under review. In certain instances, the matters reported per previous audit findings and from previous years have not been fully and satisfactorily addressed. The Municipality should continue to monitor and improve the control environment to avoid further deficiencies in the system of internal control.

**Evaluation of Financial Statements**

The Audit Committee has:

* reviewed and discussed the unaudited annual financial statements to be included in the annual report with the Accounting Officer;
* not reviewed the Auditor-General’s management letter and management’s response thereto,

**Internal audit**

The Audit Committee is satisfied that there are efforts to build the internal audit capacity in the Municipality. This effort needs to be expedited as this function will assist to address the risks pertinent to the municipality.

…………………………………………

**Chairperson of the Audit Committee**

**Date: 25 January 2013**

**APPENDICES**

## Appendix A-Councillors, Committee Allocation and Council Attendance

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Council members** | | **full time/ Part time FT/PT** | **Committee Allocated** | **Ward and /or Party represented** | **No of meetings held** | **no. of meetings attended** | **No. of apologies for non-attendance** | **No of Absence without leave** |
| **Surname** | **Full names** |
| Mahlase | Kenneth Sedibaneng | PT | Finance and Infrastructure | 1 | 17 | 14 | 1 | 2 |
| Phatlane | Alfred | PT | MPAC and Infrastructure | 2 | 17 | 13 | 2 | 2 |
| Mahlangu | Mputsu David | PT | Community and Infrastructure | 3 | 17 | 15 | 0 | 2 |
| Lepota | Tseke Jan | PT | EXCO | 4 | 17 | 12 | 3 | 2 |
| Mmutle | Thabo Nelson | PT | MPAC, Finance and Infrastructure | 5 | 17 | 14 | 3 | 0 |
| Phala | Magabolle Lucas | PT | Community Development | 7 | 17 | 16 | 1 | 0 |
| Mzinyane | Daniel Monicca | PT | Strategic Dev. and Corporate services | 8 | 17 | 15 | 1 | 1 |
| Marapi | Maphahlane Shadrack | PT | Finance | 9 | 17 | 13 | 2 | 2 |
| Mehlape | Salaminah Hlaole | PT | Strategic and Dev. Planning | 14 | 17 | 13 | 4 | 0 |
| Mashifane | Hlekego Samson | PT | MPAC and Dev. Planning | 15 | 17 | 16 | 1 | 0 |
| **Surname** | **Full names** | **full time/ Part time FT/PT** | **Committee Allocated** | **Ward and /or Party represented** | **No of meetings held** | **no. of meetings attended** | **No. of apologies for non-attendance** | **No of Absence without leave** |
| Buda | Medo Zephania | PT | Corporate Services | 16 | 17 | 15 | 2 | 0 |
| Tshoma | Mmapetla Salamidah | PT | Corporate Services and Infrastructure | 17 | 17 | 13 | 3 | 1 |
| Matshipa | Mpoye Philimon | PT | Development Planning | 18 | 17 | 13 | 2 | 2 |
| Mahlangu | Julia | PT | Corporate Services | 19 | 17 | 16 | 1 | 0 |
| Matlala | Makhamise Simon | PT | Finance | 20 | 17 | 14 | 2 | 1 |
| Nduli | Msanyana Elias | PT | Community Services and MPAC | 21 | 17 | 9 | 5 | 3 |
| Tshoma | Lukas Hlabishi | PT | Community Services and Strategic Services | 22 | 17 | 15 | 2 | 0 |
| Mahlangu | Nomsa Ndazi | PT | Community Services and Dev. Planning | 23 | 17 | 16 | 1 | 0 |
| Mokganyetji | Thomas Mareme | PT | Corporate Services and Strategic planning | 24 | 17 | 15 | 2 | 0 |
| Mashilo | Malope Samaria | PT | Infrastructure and Strategic Planning | 25 | 17 | 15 | 2 | 0 |
| Motlafe | Manthwaleng Girly | PT | Infrastructure and Dev. Planning | 26 | 17 | 15 | 1 | 1 |
| Mohlala | Jan Matime | PT | Oversight | 27 | 17 | 12 | 1 | 4 |
| Tladi | Magetle David | PT | Strategic Planning and MPAC | 28 | 17 | 11 | 2 | 4 |
| Nkosi | Sipho Frans | PT | Finance and MPAC | 29 | 17 | 17 | 0 | 0 |
| Malekane | Mpho Sam | PT | Corporate Services and Oversight | 30 | 17 | 13 | 3 | 1 |
| Phahlamohlaka | Tebogo Mafereke | FT | Chief Whip and Programming | PR | 17 | 16 | 1 | 0 |
| **Surname** | **Full names** | **full time/ Part time FT/PT** | **Committee Allocated** | **Ward and /or Party represented** | **No of meetings held** | **no. of meetings attended** | **No. of apologies for non-attendance** | **No of Absence without leave** |
| Matemane | Matlakalane Windy | FT | Mayor, EXCO | PR | 17 | 16 | 0 | 1 |
| Madihlaba | Moraswana Frank | PT | EXCO | PR | 17 | 9 | 2 | 6 |
| Mamaila | Delly Suzan | FT | EXCO | PR | 17 | 10 | 4 | 3 |
| Mathale | Seun Manaswe | PT | Community | PR | 17 | 12 | 3 | 2 |
| Matjomane | Germinor Delly | PT | Infrastructure and Strategic Planning | PR | 17 | 13 | 4 | 0 |
| Masemola | Elias Mmasehle | FT | Speaker and Programming | PR | 17 | 16 | 1 | 0 |
| Skosana | Sibongile Linah | FT | MPAC | PR | 17 | 13 | 3 | 1 |
| Mathebe | Julia Lata | PT | Oversight and Corporate Services | PR | 17 | 13 | 3 | 1 |
| Tshoshane | Mynah Kanyane | PT | EXCO ,Programming and Strategic Planning | PR | 17 | 15 | 1 | 1 |
| Mahlangu | Annies Busisiwe | PT | EXCO | PR | 17 | 13 | 3 | 1 |
| Mahlangu | Thokozile Selina | FT | EXCO | PR | 17 | 14 | 2 | 1 |
| Mokgabudi | Motlare Piet | FT | EXCO | PR | 17 | 16 | 1 | 0 |
| Malatji | Meriam Nape | PT | Community | PR | 17 | 12 | 4 | 1 |
| Matsepe | Thapelo Stephina | PT | Finance | PR | 17 | 16 | 1 | 0 |
| Kabinie | Radipone Shirly Annah | PT | Community | PR | 17 | 16 | 1 | 0 |
| Kotze | Johan Pieter | PT | Infrastructure | 13 | 17 | 10 | 5 | 2 |
| Somo | Oupa Simon | PT | Strategic Planning | PR | 17 | 10 | 5 | 2 |
| **Surname** | **Full names** | **full time/ Part time FT/PT** | **Committee Allocated** | **Ward and /or Party represented** | **No of meetings held** | **no. of meetings attended** | **No. of apologies for non-attendance** | **No of Absence without leave** |
| Matsepe | Choloane David | PT | MPAC and Oversight | PR | 17 | 15 | 2 | 0 |
| Alberts | Rots | PT | EXCO and Finance | PR | 17 | 17 | 0 | 0 |
| Mhlanga | Christopher Thathane | PT | Corporate Services and Programming | 6 | 17 | 10 | 6 | 1 |
| Mogotji | Fanie Motshele | PT | EXCO | 10 | 17 | 9 | 7 | 1 |
| Maloba | Alpheus Matome | PT | Developmental Planning | 11 | 17 | 16 | 1 | 0 |
| Podile | Ramabane Johannes | PT | None | 12 | 17 | 13 | 3 | 1 |
| Ramphisa | Motiba William | PT | None | PR | 17 | 13 | 4 | 0 |
| Skosana | Jabulane Johannes | PT | None | PR | 17 | 14 | 1 | 2 |
| Rakoena | Modibo Freda | PT | Community | PR | 17 | 13 | 4 | 0 |
| Moganedi | Velaphi Velly | PT | Finance and MPAC | PR | 17 | 15 | 1 | 1 |
| Motau | Oupa Elias | PT | Development planning | PR | 17 | 16 | 1 | 0 |
| Maselela | Makuwa Shorty | PT | Developmental Planning | PR | 17 | 15 | 2 | 0 |
| Mokone | Motsatsi Phistos | PT | Community | PR | 17 | 13 | 4 | 0 |
| Ntuli | Thembinkosi Josiah | PT | Community | PR | 17 | 16 | 1 | 0 |
| Mkhaliphi | Isaac | PT | Strategic Planning | PR | 17 | 13 | 4 | 0 |
| Matsomane | Shiko Tebogo | PT | MPAC and Programming | PR | 17 | 10 | 3 | 4 |
| Maepa | Malakia Mokgoko | PT | Developmental Planning | PR | 17 | 12 | 3 | 2 |

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## Appendix B - Committees and Committee Purposes

|  |  |
| --- | --- |
| **Committees (other than Mayoral/Executive Committee) and Purposes of Committees** | |
| Municipal Committee | Purpose of Committee |
| Corporate Services Committee | oversight role |
| Infrastructure Committee | oversight role |
| Finance Committee | oversight role |
| Social Development Committee | oversight role |
| Strategic Management Committee | oversight role |
| Development Planning Committee | oversight role |

## Appendix C- Third Tier Administrative Structure

|  |  |
| --- | --- |
| **Third Tier Structure** | |
| **Director** | **Director/Manager** |
| Director Strategic Management | Mr M.M. Kgwale |
| Director Community Services | Mr K. Tshesane |
| Director Corporate Services | Mr H.M. Phaahla |
| Acting Director Planning Development | Mr B.O. Sethojoa |
| Acting Director Infrastructure | Mr K.K. Mametsa |
| Acting CFO | Mr R. Palmer |

## Appendix D - Functions of Municipality/Entity

|  |  |  |
| --- | --- | --- |
| **Municipal/Entity Functions** | | |
| **Municipal Functions** | **Function Applicable to Municipality (Yes/No)\*** | **Function Applicable to Entity (yes/no)** |
| **Constitution,Schedule 4, Part B Functions** |  |  |
| Air pollution | yes |  |
| Building regulations | yes |  |
| Child-care facilities | yes |  |
| Electricity and gas reticulation | yes |  |
| Fire-fighting services | yes |  |
| Local tourism | yes |  |
| Municipal airports | No |  |
| Municipal planning | yes |  |
| Municipal health services | yes |  |
| Municipal public transport | yes |  |
| 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 | yes |  |
| Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and relatedmatters | yes |  |
| 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 | No | Sekhukhune District Municipality |

|  |  |  |
| --- | --- | --- |
| **Municipal/Entity Functions** | | |
| **Municipal Functions** | **Function Applicable to Municipality (Yes/No)\*** | **Function Applicable to Entity (Yes/No)** |
| **Constitution, Schedule 5, Part B Functions** |  |  |
| 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 |  |
| Licensing of dogs | no |  |
| Licensing and control of undertakings that sell food to the public | yes |  |
| Local amenities | yes |  |
| Local sport facilities | yes |  |
| Markets | yes |  |
| Municipal abattoirs | yes |  |
| Municipal parks and recreation | yes |  |
| Municipal roads | yes |  |
| Noise pollution | yes |  |
| Pounds | yes |  |
| 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 Year** | **Number of Monthly Reports Submitted to Speakers’Office on Time** | **Number of Quarterly Public Ward Meetings Held During Year** |
| Ward No 01 | Cllr:Mahlase Kenneth | yes | 28 | 03 | 03 |
|  | Ward Committees: Mphela Armelia,Mahlangu Goodness, Gededzha Mavis,Ramphisa Linah,Matlou Selinah, Kgomo Peter,Matuludi Cedrick, Mtswene Suhla,Kgalema Klaas and Phahlane Helen |  |  |  |  |
| Ward No 02 | Cllr: Phatlane Banda | yes | 04 | 02 | 01 |
|  | Ward Committees:Phasha Solomon,Phatlane Lucy,Ralekwe Dolly,Dunge Olga,Matsane Gladys,Lebese Tebogo,Mathabathe Mpho,Motau Rosina,Masombuka Naledi and Mosoma Walter |  |  |  |  |
| Ward No 03 | Cllr:Mahlangu Mputsu | yes | 06 | 02 | 04 |
|  | Ward Committees:Makau Hlakudi,Mathebe Stephens,Morotolo Ben,Simango Lebogang,Mohlala Margareth,Sithole Elsie,Malapela Frans,Ditshego Moses,Mokwane Matron and Malefahlo Mamotsepe |  |  |  |  |
| Ward No 04 | Cllr:Lepota Tseke | yes | 05 | 03 | 02 |
|  | Ward Committees:Malemone Herman,Moima Lizzy,Mashabela Lucas,Mampuru Olivia, Aphane Francinah,Mphahlele Martha,Malapela Kenneth,Leshabane Janeth,Mashabela Dipuo and Dwaba Lebogang |  |  |  |  |
| Ward No 05 | Cllr:Mmutle Thabo | yes | 04 | 02 | 02 |
|  | Ward Committees:Mokoena Moses,Motau Kholofelo,Leope Nelly,Thobejane George,Mokwena Anna,Kutu Sarah,Makweoane Agnes,Mohlala Jameson,Makolane Selomang and Makgoleng William |  |  |  |  |
| Ward No 06 | Cllr:Mhlanga Chris | yes | 03 | 03 | 00 |
|  | Ward Committees:Limakwe Nokwenda,Mbonani Linda,Moloi Zodwa,Phokwane Nkosinathi,Mogola Johannah,Ncongwane John,Mashego Poppi,Mahlangu Simon,Mzizi David and Ngwenya Zodwa |  |  |  |  |
| Ward No 07 | Cllr:Phala Lucas | yes | 05 | 03 | 03 |
|  | Ward Committees:Mkhwanazi Mavis,Mokgabudi Class,Magagula Lebogang,Sithole Thembi,Mashishi Mpho,Maseko Agnes,Mnisi Isaac,Mashego Petrus,Mogajane Johannes and Mabelane John |  |  |  |  |
| Ward No 08 | Cllr:Mzinyane Monica | yes | 03 | 02 | 04 |
|  | Ward Committee:Mtshwene Merriam,Makitla Melfort,Seopela Fetsi,Ntobeng Mavis,Mohlape Lazarus,Makua Spokes,Makitla Brenda,Ditshego Johannes,Magana Josephine and Moima Francinah |  |  |  |  |
| Ward No 09 | Cllr:Marapi Maphahlane | yes | 03 | 03 | 01 |
|  | Ward Committees:Mathebe Violet,Mahlangu Thembi,Kgaladi Shila,Nkosi Themba,Sekwati Selinah,Mankge Johannes,Mongale Gladys,Kgaladi Johannes,Nkosi Nkosinathi and Mathebe Florence |  |  |  |  |
| Ward No 10 | Cllr:Mogotji Motshele | yes | 00 | 05 | 00 |
|  | Ward Committees:Phora Ntswaki,Mathebe Makgatle, Madisa Chipane, Matlala Julia,Mokone Shierly,Mohlamonyane Patience,Mohlamonyane Nelly,Mohlamonyane Jan,Makgane Edgar and Madisa Kgadi |  |  |  |  |
| Ward No 11 | Cllr:Maloba Matome | yes | 03 | 05 | 00 |
|  | Ward Committees:Mariri Wister,Mashiloane Don, Cekhu Dumani, Mokoena Howard,Mthombeni Bangiswane, Mtshali Chris, Silinda Madala, Phiri Dinah, Kgaphola Virginia and Mohlala Themba |  |  |  |  |
| Ward No 12 | Cllr:Podile Ramabane | yes | 06 | 06 | 03 |
|  | Ward Committees:Mathabathe Granny, Phorothle Thabiso, Mohlamonyane Fridah, Matlebjane Michael, Ditshego Linky, Phora Mahlodi, Phora Mahlodi, Phora Daniel, Makitla Alfred, Mathebe Kalodi And Sefoloshe |  |  |  |  |
| Ward No 13 | Cllr:Kotze Johan | yes | 00 | 00 | 00 |
|  | Ward Committees:Maroga Peter, Rampedi Nancy, Mellors Shaun, Le Roux Juvena, Synders Piet, Dinah Pochane, Solomon Nonyane, Johannes Thulare, Arno Schoombee and Rebecca Fakude |  |  |  |  |
| Ward No 14 | Cllr:Mehlape Hlaole | yes | 07 | 02 | 00 |
|  | Ward Committees:Maleka Steven, Ramodipa Enock, Mashabela Phillemon, Mphahlele Mpho, Bogopa Botha, Molwele Kgaugelo, Makeke Mpilo, Mokgwatsana Antonia, Nkwana Rwadimane and Mabuza Mami |  |  |  |  |
| Ward No 15 | Cllr:Mashifane Hlekego | yes | 00 | 00 | 00 |
|  | Ward Committees:Mtsheni Syria, Mahlangu Vusy, Mokabane Esther, Mokoana Boy, Mokoana Alphrat, Mokoana Dorah, Mnguni Nathi, Mogaela Salome, Mohlahlo Dolly and Maredi Jan |  |  |  |  |
| Ward No 16 | Cllr:Buda Mido | yes | 03 | 01 | 08 |
|  | Ward Committees:Ntuli Selina, Zulu Ben, Mamaila Doctor, Mthweni Jan, Mthimunye Maria, Mashilangwako Josephine, Mokoena Rose, Mtsweni Balise, Mthombeni Lucas and Masilela Khennet |  |  |  |  |
| Ward No 17 | Cllr:Tshoma Salamidah | yes | 01 | 02 | 02 |
|  | Ward Committees:Nkadimeng Freddy, Kgarea Viniger, Malema July, Mampuru Francinah, Malatjie Mokgadi, Madihlaba Motlalepule, Thipe Thabo, Monama Thomas Tshigo Phindile and Manyaka Lawrence |  |  |  |  |
| Ward No 18 | Cllr:Matshipa Mpoye | yes | 01 | 01 | 00 |
|  | Ward Committees:Mosotho Mooiman, Shaku Erick, Rakgalakane Jullie, Mosehla Rose, Mtshwene Shemeng, Makua Nelson, Monareng Reginnah, Makua Petrus, Phetla Joyce and Mogana Emmah |  |  |  |  |
| Ward No 19 | Cllr:Mahlangu Julia | yes | 02 | 02 | 01 |
|  | Ward Committees:Skhosana Delisiwe, Mahlangu Caro, Msiza Meisie, Mahlangu Themba, Mahlangu Elizabeth, Mashiga Nkosinathi, Mokwana Mickie, Mahlangu Tolly, Digaota Jimmy and Chego Kg |  |  |  |  |
| Ward No 20 | Cllr:Matlala Makhamise | yes | 03 | 01 | 00 |
|  | Ward Committees:Nkosi Monica, Chego Piet, Selepe Zephora, Molomo Jafta, Matlala Frida, Machika Themba, Maredi Debora, Mokwana Thorwane, Moloko Annah and Zwane Zanele |  |  |  |  |
| Ward No 21 | Cllr:Nduli Elias | yes | 00 | 00 | 00 |
|  | Ward Committees:Makeke George, Radingoana Victor, Muleka Steven, Tiase Selina, Sekwane Manche, Khoza Dipuo, Mthimunye Mavis, Mthombeni Elizabeth, Mashego Phillimon and Maphanga Nhlanhla |  |  |  |  |
| Ward No 22 | Cllr:Tshoma Hlabishi | yes | 10 | 05 | 04 |
|  | Ward Committees:Matsepe Motlalepule, Leshalabe Lettie, Masehla Dineo, Mealies Nebi, Malaka Sheila, Moramaga Maphathagane, Lerutla Serolo, Mashiloane Mogale, Lerobane Mamutle and Moramaga Patric |  |  |  |  |
| Ward No 23 | Cllr:Mahlangu Nomsa | yes | 00 | 02 | 01 |
|  | Ward Committees:Skhosana Brandy, Mahlangu Annah, Ntuli Lettie, Mahlangu Elias, Madihlaba Milzon, Mohlahlo Mahlatse, Seabi Elizabeth, Mtweni Samson, Mphelane Kedibone and Mthimunye Sipho |  |  |  |  |
| Ward No 24 | Cllr:Mokganyetji Mareme | yes | 10 | 03 | 03 |
|  | Ward Committees:Nkadimeng Bella, Ramogayane Lucy, Mdau Themba, Mokoana Molebaleng, Mmakau Daniel, Mathelele Pheladi, Tjiane Rebone, Mosotho Piet, Thobejane Setimo and Molapo Jeaneth |  |  |  |  |
| Ward No 25 | Cllr:Mashilo Samaria | yes | 02 | 01 | 01 |
|  | Ward Committees:Masetlane Eric, Magaga Nthotse, Ratau Leah, Phala Florah, Lekala Reginah, Motshana Jack, Phetla Johannes, Skosana Job, Matsepe Kope and Motla Sinah |  |  |  |  |
| Ward No 26 | Cllr:Motlafe Manthwaleng | yes | 03 | 00 | 01 |
|  | Ward Committees:Masekela Lindiwe, Mpubane Lorrain, Mokwena John, Matladi Morongwe, Mahlangu Edwin, Masemola Kagiso, Maipushe Beauck, Namane Betty, Mokwana Irine and Ratau Tsimishi |  |  |  |  |
| Ward No 27 | Cllr:Mohlala Matime | yes | 10 | 03 | 05 |
|  | Ward Committees:Makua Martha, Makuru Sesana, Tshehla Andy, Tlaka Wiseman, Kabini Glaudine, Mohlala Johannes, Tlaka Beauty, Letuke Maihwana, Machika Matholo and Mohlala Jackson |  |  |  |  |
| Ward No 28 | Cllr:Tladi Magatle | yes | 04 | 01 | 01 |
|  | Ward Committees:Makola Trevor, Tladi Patrick, Dikotope Jerren, Matuludi Eva, Tshehla Lucia, Senamela Ramathabathe, Mashifane Maria, Makuwa Thusho, Maipushe Sekina and Maphupha Kenneth |  |  |  |  |
| Ward No 29 | Cllr:Nkosi Sipho | yes | 01 | 01 | 01 |
|  | Ward Committees:Nchabeleng Letsoko, Maleka Christina, Sekulane Clementine, Mashao David, Kgonyane Virginia, Mahlangu Nini, Mathabatha Matsatsi, Raseroka Solomon, Mokgabudi Comfort and Motsepe Enny |  |  |  |  |
| Ward No 30 | Cllr:Malekane Mpho | yes | 10 | 01 | 03 |
|  | Ward Committees:Maabane Bongi, Magolego Conny, Maseko Zodwa, Madihlaba Losta, Kobo Richard, Makuwa John, Maphaka Elias, Sepodumo Shadrack, Kgopa Andries and Masha |  |  |  |  |
|  |  |  |  |  |  |

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## Appendix F - Ward Information

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| --- |
| **Ward Title: Ward Name (Number)** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Capital Projects: Seven Largest in 2011/12 (Full List in Appendix N)**  **R’000** | | | | |
| **No** | **Project Name & Detail** | **Start Date** | **End Date** | **Total Value** |
|  | Hlogotlou stormwater | 12 January 2012 | 13 June 2012 | R 6 395 648.52 |
|  | Nyakelang phase 2 | 20 October 2011 | 27 April 2012 | R 6 600 000.00 |
|  | Zaaiplaas police station road, phase 2 | 19 October 2011 | 27 April 2012 | R 5 665 400.00 |
|  | Ramogwerane to Nkadimeng, phase 4 | 06 December 2011 | 16 July 2012 | R10 662 885.70 |
|  | Monsterlus to Makgopheng,phase 3 | 06 December 2011 | 23 June 2012 | R 11 695 000.00 |
|  | Waalkraal electrification | 01 November 2011 | 30April2012 | R 2 210475.00 |
|  |  |  |  |  |
| TF.1 | | | | |

Change Annexure X to Annexure N on the table heading

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Basic Service Provision** | | | | | |
| **Detail** | **Water** | **Sanitation** | **Electricity** | **Refuse** | **Housing** |
| Households with minimum service delivery |  |  |  |  |  |
| Households without minimum service delivery |  |  |  |  |
| Total Households\* |  |  |  |  |
| Houses completed in year |  | | | |  |
| Shortfall in housing units |  |
| \*including informal settlements TF.2 | | | | | |

|  |  |  |
| --- | --- | --- |
| **Top Four Service Delivery Priorities for Ward (Highest Priority First)** | | |
| **No.** | **Priority Name and Detail** | **Progress During 2011/12** |
| 1 | Water |  |
| 2 | Sanitation |  |
| 3 | Electricity | 153 households were electrified in Waalkraal |
| 4 | Housing |  |
| TF.3 | | |

## Appendix G - Recommendations of the Municipal Audit Committee 2011/12

|  |  |  |
| --- | --- | --- |
| **Municipal Audit Committee Recommendations** | | |
| **Date of Committee** | **Committee Recommendations During 2011/12** | **Recommendations Adopted (enter Yes); not adopted (provide explanation)** |
| No audit committee during the year under review |  |  |

## Appendix H – Long-Term Contractsand Public-Private Partnerships

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Long-Term Contracts (20 Largest Contracts Entered into 2011/12)** | | | | | |
| **Name of service provider (entity of municipal department)** | **Description of services rendered by service provider** | **Start date of contract** | **Expiry date of contract** | **Project Manager** | **Contract value** |
| Makgona Tsohle | Maintenance and  repair of heavy machinery | 26/04/2012 | 30/04/2015 | K.Mametsa | R1.5mill. |
| Bopedi Bapedi | Standardisation of projects and contract documents | 14/01/2012 | 14/01/2015 | H.Mokgehle | R3,384,000 |
| Tshasu Engineering Services | Moteti A designs and project management | 28/09/2011 | 28/09/2012 | H.Mokgehle | R1,549,794.32 |
| T2 -Tech | Motetema streets  designs | 28/09/2011 | 28/09/2012 | H.Mokgehle | R1,065,301.50 |
| Sky High | Kgaphamadi Designs | 28/09/2011 | 28/09/2012 | H.Mokgehle | R4,091,349.58 |
| On Board Consulting Engineering | Zaaiplaas J.J. road | 28/09/2011 | 28/09/2012 | H.Mokgehle | R2,380,866.78 |
| MTP Infrastructure Resources | Mogaung road | 28/09/2011 | 28/09/2012 | H.Mokgehle | R1,904,055.13 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Public-Private Partnerships Entered into 2011/12**  **R`000** | | | | | |
| **Name & Description of Project** | **Name of Partner (s)** | **Initiation Date** | **Expiry Date** | **Project Manager** | **Value 2011/12** |
| No public-private partnerships entered intoduring 2011/12 financial year |  |  |  |  |  |
| TH.2 | | | | | |

## Appendix I - Municipal Entity/Service Provider Performance Schedule

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Municipal Entity/Service Provider Performance Schedule** | | | | | | | | | |
| **Name of Entity & Purpose** | 1. **Service Indicator** 2. **Service targets**   **(ii)** | **2010/11** | | **2011/12** | | | **2012/13** | **2013/14** | |
|  |  | **Target** | **Actual** | **Target** | | **Actual** | **Target** | | |
|  |  | **\*Previous year**  **(iii)** | **(iv)** | **\*Previous**  **year**  **(v)** | **\*Current year**  **(vi)** | **(vii)** | **\*Current year**  **(viii)** | **\*Current year**  **(ix)** | **\*Following year**  **(x)** |
|  |  |  |  |  |  |  |  |  |  |
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|  |  |  |  |  |  |  |  |  |  |
| Note: This statement should include no more than the top four priority indicators. \*previous year refers to the targets set in the 2010/11 Budget/IDP round, \*current year refers to targets in the 2011/12 Budget/IDP round. \*following year refers to targets set in 2012/13 Budget/IDP round. Note that all targets must be fundable within approved budget provision. In column (ii), set out service indicator (in bold italics), and then the service target underneath (not in bold standard type face) to denote the difference TI | | | | | | | | | |

## Appendix J - Disclosures of Financial Interests

|  |  |  |
| --- | --- | --- |
| **Disclosures of Financial Interests** | | |
| **Period 1 July 2011 - 30 June 2012** | | |
| **Position** | **Name** | **Description of Financial Interest\***  **(Nil/or details)** |
| (Executive) Mayor | n/a | Nil |
| Member of Mayco/EXCO | n/a | Nil |
|  | n/a |  |
|  | n/a |  |
| Councillor |  | Nil |
| 18 councilors |  |  |
|  |  |  |
| Municipal Manager | n/a | Nil |
| Chief Financial Officer | n/a | Nil |
| Deputy MM and (Executive) Directors | n/a | Nil |
|  | n/a |  |
|  | n/a |  |
| Other S57 Officials | n/a | Nil |
|  |  |  |

## Appendix K: Revenue Collection Performance by Vote and Source

## Appendix K (I): Revenue Collection Performance by Vote (See 5.1 on Page 116-118)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Revenue collection performance by vote**  **R’000** | | | | | | |
| **Vote Description** | **2010/11** | **Current Year 2011/12** | | | **2011/12 Variance** | |
|  | **Actual** | **Original Budget** | **Adjusted Budget** | **Actual** | **Original Budget** | **Adjustments’ Budget** |
| Example 1-Vote 1  Example 2-Vote 2  Example 3-Vote 3  Example 4-Vote 4  Example 5-Vote 5  Example 6-Vote 6  Example 7-Vote 7  Example 8-Vote 8  Example 9-Vote 9  Example 10-Vote 10  Example 11-Vote 11  Example 12-Vote 12  Example 13-Vote 13  Example 14-Vote 14  Example 15-Vote 15 |  |  |  |  |  |  |
| **Total Revenue by vote** | - | - | - | - | - | - |
| 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 (See 5.1 on Page 116-118)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Revenue Collection Performance by Source** | | | | | | |
| **Description** | **2010/11** | **2011/12** | | | **2011/12** | |
|  | **Actual** | **Original Budget** | **Adjustment Budget** | **Actual** | **Original Budget** | **Adjustment Budget** |
| Property Rates  Property Rates - penalties & collection charges  Service charges - electricity revenue  Service Charges - water revenue  Service Charges - sanitation revenue  Service Charges - refuse revenue  Service Charges - other  Rentals of facilities and equipment  Interest earned - outstanding debtors  Dividends received  Fines  Licence and permits  Agency services  Transfers recognised - operational  Other revenue  Gains on disposal of PPE  Environmental Protection |  |  |  |  |  |  |
| **Total Revenue (excluding capital transfers and contributions)** |  |  |  |  |  |  |
| Variance is calculated by dividing the difference between actual and original/adjustment budget by the actual. This table is aligned to MBRR table A4 TK.2 | | | | | | |

## Appendix L - Conditional Grants Received: Excluding MIG

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Conditional Grants: Excluding MIG**  **R`000** | | | | | | | |
| **Details** | | **Budget** | **Adjustment Budget** | **Actual** | **Variance** |  | **Major conditions applied by donor (continue below if necessary** |
| **Budget** | **Adjustment Budget** |
| Neighbourhood development  Partnership grant |  | |  |  | % | % |  |
|  |  | |  |  | % | % |  |
|  |  | |  |  | % | % |  |
| Public transport infrastructure and systems grant |  | |  |  | % | % |  |
|  |  | |  |  | % | % |  |
|  |  | |  |  | % | % |  |
|  |  | |  |  | % | % |  |
| Other: EPWP | R1.0m. | | 0 | R1.0m. | % | % |  |
|  |  | |  |  | % | % |  |
|  |  | |  |  | % | % |  |
|  |  | |  |  | % | % |  |
| **Total** |  | |  |  | % | % |  |

COMMENT ON CONDITIONAL GRANTS, EXCLUDING MIG:

*Conditional grant received is only for EPWP*TL.1

## Appendix M: Capital Expenditure – New & Upgrade/Renewal Programmes

## Appendix M (I): Capital Expenditure - New Assets Programme

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Capital expenditure – New Assets programme\*** | | | | | | | |
| **Description** | **2010/11** | **2011/12** | | | **Planned capital expenditure** | | |
| **Actual** | **Original Budget** | **Adjustment Budget** | **Actual Expenditure** | **FY + 1** | **FY + 2** | **FY + 3** |
| **Capital expenditure by asset class**  **Infrastructure - Total**  *Infrastructure: Road transport – Total*  *Roads, pavements &bridges*  *Stormwater*  **Infrastructure: Electricity - Total**  *Generation*  *Transmission &reticulation*  *Street lighting*  **Infrastructure: Water – Total**  *Dams &reservoirs*  *Water purification*  *Reticulation*  **Infrastructure: Sanitation - Total**  *Reticulation*  *Sewerage purification*  **Infrastructure: Other - Total**  *Waste management*  *Transportation*  *Gas*  *Other*  **Community – Total**  *Parks &gardens*  *Sports fields&stadia*  *Swimming pools*  *Community halls*  *Libraries*  *Recreational facilities*  *Fire, safety & emergency*  *Security and policing*  *Buses*  *Clinics*  *Museums &art galleries*  *Cemeteries*  *Social rental housing*  *Other* |  |  |  |  |  |  |  |
| - | - |  | - | - | - | - |
| R24.0m | R29.0m | 0 | R29.0m |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  | R 2.5 | R0.00 | R2.5 |  |  |  |
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| --- | --- | --- | --- | --- | --- | --- | --- |
| **Capital expenditure by asset class**  **Heritage assets total**  *Buildings*  *other*  Investment properties - total  *Housing development*  *Other*  **Other assets**  General vehicles  Specialised vehicles  Plant &equipment  Computers - hardware/equipment  Furniture & other office equipment  Abattoirs  Markets  Civic land and buildings  Other buildings  Other land  Surplus assets - (investment or inventory)  Other  **Agricultural Assets**  *List sub-class*  **Biological assets**  *List sub-class*  **Intangibles**  *Computers - software & programming*  *Other (list sub-class)*  *Total capital expenditure on renewal of existing assets* |  |  |  |  |  |  |  |
| - | - |  | - | - | - | - |
|  | | | | | | |
| - | - |  | - | - | - | - |
|  |  |  |  |  |  |  |
| - | - |  | - | - | - | - |
|  |  |  |  |  |  |  |
| - | - |  | - | - | - | - |
|  |  |  |  |  |  |  |
| - | - |  | - | - | - | - |
|  |  |  |  |  |  |  |
| - | - |  | - | - | - | - |
|  |  |  |  |  |  |  |
| - | - |  | - | - | - | - |
|  |  |  |  |  |  |  |  |
| **Specialized vehicles**  Refuse  Fire  Conservancy  Ambulances |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| \*Note: information for this table may be sourced from MBRR (2012: Table SA34a) TM.1 | | | | | | | |

## Appendix M (II): Capital Expenditure -Upgrade/Renewal Programme

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Capital Expenditure -Upgrade/Renewal Programme\***  **R`000** | | | | | | | | | |
| **Description** | **2011/12** | **2011/12** | | | | | **Planned Capital Expenditure** | | |
| **Actual** | **Original budget** | **Adjustment Budget** | **Actual Expenditure** | | | **FY + 1** | **FY + 2** | **FY + 3** |
| **Capital expenditure by asset class**  **Infrastructure – Total**  **Infrastructure: road transport-total**  *Roads, pavements & bridges*  *Stormwater*  **Infrastructure: electricity - Total**  *Generation*  *Transmission &reticulation*  *Street lighting*  **Infrastructure: water -Total**  *Dams &reservoirs*  *Water purification*  *Reticulation*  **Infrastructure: Sanitation - Total**  *Reticulation*  *Sewerage purification*  **Infrastructure: other Total**  *Waste management*  *Transportation*  *Gas*  *Other*  **Community**  *Parks &gardens*  *Sport fields&stadia*  *Swimming pools*  *Community halls*  *Libraries*  *Recreational facilities*  Fire, safety & emergency  Security and policing  Buses  Clinics  Museums &art galleries  Cemeteries  Social rental housing  Other  **Heritage assets**  Buildings  Other |  |  |  |  | | |  |  |  |
| - | - |  | - | | | - | - | - |
| -6395648.52 | 6395648352 | 0 | 6395648.52 | | | - | - | - |
|  | | | | | | | | |
| - | - |  | | - | - | | - | - |
|  | | | | | | | | |
| - | - |  | | - | - | | - | - |
|  | | | | | | | | |
| - | - |  | | - | - | | - | - |
|  |  |  | |  |  | |  |  |
| - | - |  | | - | - | | - | - |
|  |  |  | |  |  | |  |  |
| - | - |  | | - | - | | - | - |
|  |  |  | |  |  | |  |  |
| - | - |  | | - | - | | - | - |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Capital Expenditure -Upgrade/Renewal Programme\***  **R`000** | | | | | | | |
| **Description** | **2010/11** | **2011/12** | | | **Planned Capital Expenditure** | | |
| **Actual** | **Original budget** | **Adjustment Budget** | **Actual Expenditure** | **FY + 1** | **FY + 2** | **FY + 3** |
| **Capital expenditure by asset class**  **Investment properties**  *Housing development*  *Other*  **Other assets**  General vehicles  Specialised vehicles  Plant &equipment  Computers – hardware/equipment  Furniture & other office equipment  Abattoirs  Markets  Civic land and buildings  Other buildings  Other Land  Surplus assets - (investment or inventory)  Other  **Agricultural Assets**  *List sub-class*  **Biological assets**  *List sub-class*  **Intangibles**  *Computers - software & programming*  *Other (list sub-class)*  *Total capital expenditure on renewal of existing assets* |  |  |  |  |  |  |  |
| - | - |  | - | - | - | - |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| - | - |  | - | - | - | - |
|  |  |  |  |  |  |  |
| - | - |  | - | - | - | - |
|  |  |  |  |  |  |  |
| - | - |  | - | - | - | - |
|  |  |  |  |  |  |  |
| - | - |  | - | - | - | - |
|  |  |  |  |  |  |  |
| - | - |  | - | - | - | - |
|  |  |  |  |  |  |  |  |
| **Specialized vehicles**  Refuse  Fire  Conservancy  ambulances |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| \*Note: Information for this table may be sourced from MBRR (2012: Table SA34b) TM.2 | | | | | | | |

## Appendix N – Capital Programme by Project 2011/12

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Capital Programme by Project 2011/12** | | | | | |
| **Capital Project** | **Original Budget** | **Adjustment Budget** | **Actual** | **Variance (Act-Adj)**  **%** | **Variance**  **(Act-OB)**  **%** |
| **Water** |  |  |  |  |  |
| District function |  |  |  |  |  |
| **Sanitation/Sewerage** |  |  |  |  |  |
| District function |  |  |  |  |  |
| **Electricity** |  |  |  |  |  |
| Waalkraal Electrification | R 2,210,475 | 0 | R 2,210,475 |  |  |
| “Project B” |  |  |  |  |  |
| **Housing** |  |  |  |  |  |
| “Project A” |  |  |  |  |  |
| “Project B” |  |  |  |  |  |
| **Refuse removal** |  |  |  |  |  |
| “Project A” |  |  |  |  |  |
| “Project B” |  |  |  |  |  |
| **Stormwater** |  |  |  |  |  |
| Hlogotlou stormwater | R 6 395 648.52 | 0 | R 6 395 648.52 |  |  |
| Nyakelang phase 2 | R 6 600 000.00 |  | R 6 600 000.00 |  |  |
| Zaaiplaas police station, road, phase 2 | R 5 665 400.00 | 0 | R5 665 400.00 |  |  |
| Ramogwerane to Nkadimeng, phase 4 | R10 662 885.70 | 0 | R 10 662 885.70 |  |  |
| Monsterlus to Makgopheng,phase 3 | R 11 695 000.00 | 0 | R 11 695 000.00 |  |  |
| **Economic Development** |  |  |  |  |  |
| “Project A” |  |  |  |  |  |
| “Project B” |  |  |  |  |  |
| **Sports, Arts & Culture** |  |  |  |  |  |
| “Project A” |  |  |  |  |  |
| “Project B” |  |  |  |  |  |
| **Environment** |  |  |  |  |  |
| “Project A” |  |  |  |  |  |
| “Project B” |  |  |  |  |  |
| **Health** |  |  |  |  |  |
| “Project A” |  |  |  |  |  |
| “Project B” |  |  |  |  |  |
| **Safety & Security** |  |  |  |  |  |
| “Project A” |  |  |  |  |  |
| “Project B” |  |  |  |  |  |
| **ICT and other** |  |  |  |  |  |
| “Project A” |  |  |  |  |  |
| “Project B” |  |  |  |  |  |
| TN | | | | | |

## Appendix O – Capital Programme by Project by Ward 2011/12

|  |  |  |
| --- | --- | --- |
| **Capital Programme by Project by Ward 2011/12**  **R`000** | | |
| **Capital Project** | **Ward(s) affected** | **Works completed**  **(Yes/No)** |
| **Water** |  |  |
| District function |  |  |
| **Sanitation/sewerage** |  |  |
| District function |  |  |
| **Electricity** |  |  |
| Waalkraal electrification | 4 | yes |
|  |  |  |
| **Housing** |  |  |
|  |  |  |
|  |  |  |
| **Refuse removal** |  |  |
|  |  |  |
| **Roads &stormwater** |  |  |
| Hlogotlou stormwater | 20 | Yes |
| Nyakelang phase 2 | 27 | Yes |
| Zaaiplaas police station road, phase 2 | 16 | Yes |
| Ramogwerane to Nkadimeng, phase 4 | 23 | Yes |
| Monsterlus to Makgopheng,phase 3 | 18 | Yes |
|  |  |  |
|  |  |  |
| **Economic Development** |  |  |
|  |  |  |
|  |  |  |
| **Sports, Arts & Culture** |  |  |
|  |  |  |
|  |  |  |
| **Environment** |  |  |
|  |  |  |
|  |  |  |
| **Health** |  |  |
|  |  |  |
|  |  |  |
| **Safety & Security** |  |  |
|  |  |  |
|  |  |  |
| **ICT and other** |  |  |
| TO | | |

## Appendix P – Service Connection Backlogs at Schools and Clinics

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Service Backlogs: Schools & Clinics** | | | | |
| **Establishments lacking basic services** | **Water** | **Sanitation** | **Electricity** | **Solid Waste Collection** |
| **Schools (Names, Locations)** |  |  |  |  |
|  |  |  |  |  |
| Schools | 0 | 0 | not established |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Clinics (names, locations) |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Clinics | 0 | 0 | 0 |  |
|  |  |  |  |  |
|  |  |  |  |  |

## Appendix Q – Service Backlogs Experienced by Community Where Another Sphere of Government is Responsible for Service Provision

|  |  |  |
| --- | --- | --- |
| **Service Backlogs Experienced by Community Where Another Sphere of Government is the Service Provider (Whether or Not Municipality Actson Agency Basis)** | | |
| **Services and locations** | **Scale of backlogs** | **Impact of backlogs** |
| Clinics |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| Housing |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| Licensing and testing centre |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| Reservoirs |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| Schools (primary &high) |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| Sports fields |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| TQ | | |

## Appendix R - Declaration of Loans and Grants Made by Municipality

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Declaration of Loans And Grants Made by Municipality 2011/12** | | | | |
| **All organisations or persons in receipt of loans\*/Grants\* provided by the municipality** | **Nature of project** | **Conditions attached to funding** | **Value 2011/12**  **R`000** | **Total amount committed over previous and future years** |
| No grants and loans granted during the year under review |  |  |  |  |
|  |  |  |  |  |
| TR | | | | |

## Appendix S - Declaration of Returns Not Made in Due Time Under MFMA S71

|  |  |
| --- | --- |
| **MFMA Section 71 Returns Not Made During 2011/12 According to Reporting Requirements** | |
| **Return** | **Reason return not properly made on due date** |
| All MFMA Section 71 returns were made according to reporting requirements, and submitted in time |  |

## Appendix T - Presidential Outcome for Local Government

|  |  |  |
| --- | --- | --- |
| **Presidential Outcome for Local Government** | | |
| **Outcome/Output** | **Progress to date** | **Number or Percentage Achieved** |
| Output: Improving access to basic services |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| Output: Implementation of the Community Work Programme |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| Output: Deepen democracy through a refined ward committee model |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| Output: Administrative and financial capability |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| \*Note: Some of the outputs detailed in this table might have been reported in other chapters, and the information thereof should correspond with previously reported information TT | | |

## VOLUME II:ANNUAL FINANCIAL STATEMENTS

|  |
| --- |
| Provide the audited annual financial statements forthe 2011/12 annual report - This to be developed as a separate volume. Refer to MFMA Circular 36 for further guidance.  T V2 |