



**ANNUAL REPORT 2012/13**

**DR JS MOROKA LOCAL MUNICIPALITY**



Version:  
Approved

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**DR JS MOROKA LOCAL MUNICIPALITY**

**VISION STATEMENT.**

“An effective, efficient public institution delivering quality, sustainable services to better the lives of the people”

**MISSION STATEMENT.**

“Bettering the lives of its communities through: Sustainable service delivery, Provision of sustainable job creation opportunities and public participation”



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## CHAPTER 1

### Mayor's Foreword and Executive Summary

#### a. Vision

The Dr J S Moroka Local Municipality vision is aimed at projecting the ideal situation that the municipality will like to be in the foreseeable future.

The vision is as follows:

“An effective, efficient public institution delivering quality, sustainable services to better the lives of the people.

The attainment of the key performance indicators that are aimed at fulfilling the vision of this municipality will ensure that the living conditions of the community of this municipality are improved and every household has access to basic services.

#### b. Key Policy Developments

The Municipality's progress will be measured by satisfying its key developmental objectives and the following key Policy development will be used as a basis for service delivery in the municipality.

- Continuing diversifying the Executive Mayor's Bursary Scheme
- Improving Records Management System in terms of NARSA Act
- Ensuring that we employ and assist people with disabilities.
- To continue as best municipality in Public Participation and ensure the functionality of all governance structures for accountability.
- Ensure improvement of the perception of the people about the municipality.
- The improvement on the turnaround time for responses to complains forwarded to the municipality
- Fast tracking the implementation of infrastructure projects
- Implementing sanitation project using labour intensive methods.
- Ensuring sustainable and qualitative service delivery
- To ensure that the community have access to secure tenure
- Improve Local Economy through revised LED strategy
- Facilitation of empowerment of Co-operatives
- To achieve an unqualified audit opinion by the Auditor General
- Facilitate and regularly update the indigent register to be accurate
- To ensure that monies owed to the municipality is collected
- Capacitating the finance section to compile the financial statements in house
- Continue to participate in programmes of HIV and AIDS, TB, Cancer through Local Aids Forum
- Partner the Department of Basic Education in programmes that are aimed at improving the level of education

- Continue to facilitate matters affecting women the youth and ensure their participation in the Mayors cup
- Fight against all forms of corruption
- Strengthen the relationship with the traditional leaders
- Creating job opportunities through the implementation of the EPWP

### **Key Service Delivery Improvements**

As a municipality we have resolved to start appointing consultants for projects at the end of the financial year for the coming financial year's projects so that when the financial year begins implementation of project can also be commenced with.

The re-gravelling and street maintenance programme has improved to the satisfaction of the majority of the community members. The water provision to areas which do not have access to bulk water infrastructure has improved through the provision of water utilizing municipal water tankers to these areas. The water improvement project will also be implemented where the municipality will be commencing with the refurbishment of water pipes.

To enhance the capacity of the municipality in providing water to the community, the municipality has focused on the provision of bulk water services so that when reticulation is done it must find areas already having bulk water infrastructure. However the municipality is still facing a challenge of improving the standard of sanitation from VIP to waterborne system.

### **c. Public Participation**

The performance of the municipality in its interaction with the community has always been satisfactory and this has ensured that our communities are well informed about the services that the municipality is providing as well as the challenges that we are encountering.

We pride ourselves with the results of consistent public engagements. It has been realized that our communities are able to rely and trust the municipality through the interaction that we are maintaining. This is made possible by:

- Conducting regular meetings with traditional leadership
- Conducting preparation meetings before all the events and more especially prior to the IDP and Budget imbizos
- Announcements of meetings and events through Loud hailing
- Issuing out of notices
- Electronic media including our website
- Media release statements
- Breakfast with Business Sector and
- Engagements at different forums like the LED forum and the Youth forum.

#### **d. Future Actions**

Despite the developmental strides that we have made in the 2012/2013 the municipality is acutely aware of the service delivery challenges that are lying ahead. We aim to mitigate these challenges through the following actions

1. Appoint the service providers timely so that as soon as the budget is adopted no delays are made for the implementation of the projects
2. Filling of key strategic funded positions within the required time, including the Municipal Manager and other senior Managers
3. Extend the Executive Mayors Bursary to other fields that are scarce skills with the municipal context
4. Ensure that we retain the skilled staff that we have in the municipality
5. Development of Procedure Manuals for all the Departments
6. Ring fencing of the water services functions and revenue
7. Implement the revenue enhancement strategy
8. To refocus on Local Economic Development so as to grow the economy within the municipality.
9. To empower and support the Co-operatives within our area

#### **e. Agreements / Partnerships**

As initiative to maximise the service delivery efforts of the municipality some agreements and partnerships were entered into in the form of Public Private Partnerships as well as Public-Public Partnership. The following were some of the agreements entered into in the last financial year of 2012/2013:-

1. Private Public Partnership with Optimum mining for the implementation of the Waste Disposal site in Libangeni and Mmametlhake.
2. The identification of the municipality as CRDP site by the Department of Agriculture and land administration
3. The agreement with Premier's office to utilise MEGA as a service delivery agent for the Bulk Water infrastructure within the municipality and including the implementation of the Rust De Winter Dam Project.

#### **f. Conclusion**

2012 /2013 financial year has seen the municipality emerge out a disclaimer of opinion from the Auditor General to achieve a qualified audit, such a development does not necessarily mean that the municipality's administration is clean and is able to perform the service delivery responsibilities as envisioned in the IDP and the SDBIP but that it is on the right track to cleanliness. Achievement of clean audit needs the contribution of all officials from the lowest rank to the top. Equally so the

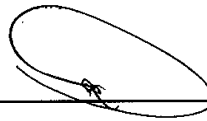
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achievement of the key developmental goals as set out in the Municipal Integrated Development Plan also requires the efforts of all in this municipality administratively, politically and the community. The challenges that we are facing they are not insurmountable. With the necessary commitment with all involved the municipality will be able to achieve its service delivery objectives that all communities of this municipality are yearning to receive.

As the Executive Mayor of this Municipality these are my final thoughts on the year, a municipal administration that embraces professionalism, free from corruption and other malfeasance.

**Signed by Councillor GT Mthimunye**



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## **Municipal Manager's Foreword**

In terms of Section 153(a) of the Constitution:

"A municipality must structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community and to promote the social and economic development of the community"

The objectives of local government are to:

- provide democratic and accountable government for local communities
- provide services that are sustainable
- promote social and economic development
- promote a safe and healthy environment
- Encourage the involvement of communities and community organisations in the matters of local government.

Therefore this Annual Report seeks to provide an authoritative record of the activities embarked upon by Dr. JS Moroka Local Municipality for the period of 2012/13 financial year. During the preparation of this document all legislative requirements were complied with.

The municipality provides all applicable services as contemplated in Part B of Schedule 5 of the Constitution of South Africa, Act 108 of 1996. For this financial year all services were provided by the municipality itself and no municipal entities were created to provide services. As a rural Municipality we are not generating much revenue, this has negative impact in service delivery because the needs of the people are more than the revenue we get and the majority claim to be indigents. Other challenges are lack of housing, high rate of unemployment, poverty and crime. In ensuring that we fulfil our constitutional mandate as per chapter 7 of the Constitution of the Republic of South Africa (Act 108 of 1996) and Chapter 4 of Local Government: Municipal Systems Act (Act 32 of 2000) we conduct community meetings frequently.

Good governance remains high on the agenda of the political and administrative leadership. Dr. JS Moroka Local Municipality remains committed to working hard on upholding the principles of open and transparent processes as contained in the King III report. The well-functioning of the Municipality is based on efficiency and effectiveness of resources which include the personnel and the equipment being used.

By observing the previous annual report for 2011/12 there are indications of a great improvement when comparing with other previous years' reports. There was no magic



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in achieving this but it was through becoming committed, dedicated and thinking positive. The commitment was demonstrated by both Officials and the Honourable Councillors. In our Municipality we strongly observe the MFMA which regulates the way in which Municipality funds should be managed. Striving for accurate record keeping in all departments.

The 2012/13 risk based audit plan was approved by the Audit committee. Draft policies and plans were in place 2012/13 to ensure the continued effective management of risk and minimization of fraud within the Municipality. Internal Audit plans were executed diligently and the municipality complied in most aspects however with a qualified audit opinion for the year ending 30 June 2013 still fresh in our memory and in an attempt to achieve a clean audit, efforts were put in place to address the qualifications and matters of emphasis reported on in the 2011/12 audit report. Audit Committee Meetings took place as per their schedule to advise the Municipal Manager and Council on matters of finance and governance. Senior Managers concluded their performance agreements and quarterly performance reviews were conducted thereby allowing the preparation of quarterly reports to detect non-performance of the set targets.

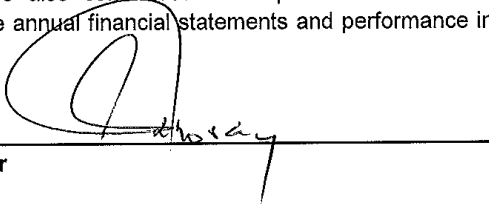
Despite the qualification opinion, our achievements and shortcomings during 2012/13, the Council is confident that there can only be further improvement for the 2013/14 year ahead.

Some of the key challenges the municipality will strive to address are:

- Centralisation of record management with automated system
- Improving on the audit opinion
- General compliance to all GRAP accounting standards
- In-house compilation of financial statements
- Proper implementation of Credit Control and Debt Collection policy
- Setting tariffs that are cost reflective
- The upgrading and maintenance of infrastructure to allow the municipality to address the service delivery needs of the people.
- Mitigation of all risks identified by the municipality
- Improvement on Project and Contract management

The Honourable Executive Mayor in preparation of this annual report, I have considered these legislative requirements. I have also considered the importance of credibility, reliability, usefulness and relevance of the annual financial statements and performance information as contained in this report.

Signed by Mr. Z.G Skhosana  
The Acting-Municipal Manager





## **1.MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW.**

The Dr. JS Moroka Local Municipality has a policy on delegation of powers in terms of section 59 of Municipal Systems Act 32, of 2000. These delegations of powers have been reviewed and adopted by Council and also powers and functions conferred in terms of the constitution. The powers and functions of local government have been reflected in Appendix (D) of the annual report.

Councillors and officials are the key drivers of the municipal processes they do acknowledge and recognize the significance and critical importance of operating and conducting affairs of the municipality in accordance and in terms of the provision of the Constitution, Municipal Systems Act, Municipal Structures Act and Municipal Finance Management Act and other Regulations and Policies.

### **4.1 Location**

Dr J S Moroka Local Municipality (Dr JSMLM) is one of six local municipalities within the Nkangala District Municipality. It is located in the north-western corner of Mpumalanga Province and borders on Gauteng Province to the south-west and Limpopo Province to the north. The Tshwane and Johannesburg Metropolitan Areas are the most important employment centres and large numbers of people commute daily to these areas. Community of Dr J.S.Moroka Municipality and Thembisile Municipality compete in Gauteng Province for employment opportunities. The most important regional transportation corridors, which influence the development, originate in Tshwane. The first corridor starts in Tshwane and runs in a north-easterly direction to Moloto, Kwa-Mhlanga, Siyabuswa and finally Marble Hall. The second corridor is the N4, which starts in Tshwane and goes east through Bronkhorstspuit, Witbank and Middleburg. From Bronkhorstspuit a secondary corridor (i.e. R568) allows movement northwards. The third corridor is the N1, which goes north from Tshwane allowing access at Pienaarsrivier.

### **4.2 Climate**

The climate of Dr JSM LM is of a semi-arid, continental type. Thus, it has warm summers, cool to cold winters and a varying rainy season. The winter season starts towards the latter half of May and extends till about the middle of October, followed by summer, which continues till about the end of February. The average temperatures vary between  $\pm 25^{\circ}\text{C}$  in summer and  $\pm 12^{\circ}\text{C}$  in winter with a maximum temperature of  $33^{\circ}\text{C}$ . Frost does occur in winter. The rainy season is between September and March. The rainfall occurs mainly in summer (i.e. October to March). The peak rainfall months are January and February and rainfall occurs generally as thunderstorms.

This

meanstheannualrainfall is between 400 mm to 800 mm.The mean annual gross evaporation (as measured by Symons pan) averages around 1 900mm. Under these conditions combined with regular burning the veld is a particular sour wirygrass-veld.

#### 4.3 Economically

Economically the area has been struggling to attract major investors. It is reported that mostof the people rely on job opportunities outside of Dr JSM LM in Tshwane and Emalahleni LM.

Local economy is characterized by limited economic activityand relatively large economic concentrations. Between 1996 and 2001 theeconomy of the municipality grew at a rate of 1.5% the contribution of the localeconomy to the economy of the District was 4.1%. The slow rate of economygrowth can be attributed to, inter alia, the geographical feature of deep ruralallocation of the municipality. The local economy of Dr JS Moroka is characterized bydominance of government services sector. However, the government servicessector experienced a decline in the levels of output. The agricultural sector andcommunity services sectors also experienced a contraction.

Dr J.S Moroka Municipality has potential in terms of the following:

- Agriculture,
- Tourism; and
- Business sector

Tourism is the single greatest economic value of biodiversity as most tourists visitthe province solely for its scenic beauty and wildlife. Therefore Dr J.S Moroka LocalMunicipalityattracts the tourist because of cultural activities, e.g. Personality ofEstherNostokana Mahlangu, Ndebele Foundation. Dr J.S Moroka has a vibrant cultural environment and is part of the Cultural Heartland. Thefollowing will play an important part in tourist attraction i.e. Mdala Nature Reserve, Arts, Craft and Tourism information Centre (Four way Stop – MetsimadibaKameelrivier)

**Socio Economic Profile of the Municipality.**

Number of Households	Population & growth rate	Total Number of wards:	Population per Gender:		Female headed households	Unemployment rate
62 162	249 705 0.26%	31	Male	47.1%	49.3%	46.6%
			Female	52.9%		
			Youth	66.9%		
			Sex ratio	88.9%		
			Young (0-4)	32.6%		
			Working age (15-64)	59.5%		
			Elderly (65+)	7.9%		
	(2001-2007)					

Number of households with formal households	Number of households with hygienic toilets	Number of households with piped water	Number of households with electricity	Number households with formal refuse removal
92.3%	98.6%	77.9%	96.7%	13.0%

Community services	Trade	Finance	Private Households	Construction
42.3%	20.4%	8.1%	6.9%	6.5%

Poverty level	Economic growth (contribution to GVA)	Human Development Index	HIV Prevalence	Number of schooling aged 20+	Higher education aged 20+	Matric aged 20+
37.1%	1,3%	0,51%	19.0%	17,4%	6,6%	25,1%





## **2.ORGANISATIONAL DEVELOPMENT OVERVIEW**

The need to create an organizational structure, capacitated by competent and dedicated individuals who are to serve communities within the context of improving processes and systems in the organization including the implementation of the Strategic Objectives in order to realise and achieve the vision of the municipality.

Dr JS Moroka Local Municipality has delivered services to the Community through systematic approach of consultation, participation of stakeholders and statutory forums like IDP and Budget Imbizo. This exercise emanates from the Vision and Mission of the Municipality namely:

Vision: “An effective, efficient public institution delivering quality, sustainable service to better the lives of people”

Mission: “Bettering the lives of its communities through: sustainable service delivery. Provision of sustainable job, creation opportunities and public participation.”

In Corporate governance’s overview, the department of Admin and Corporate Services intends to adhere to the principles of Batho Pele, Statutory requirement and aligning itself to the National and Provincial Development objectives. It is also upon this department to ensure that risks in Management of the Corporate Services be minimised and ultimately attain the clean audit report.

With reference to the IT, all the units, departments and their division shall be serviced with competitive IT solutions that are applicable in the working environment. Notable among units, the Mbibane and Mathanjana region units are administered successfully by the wireless connections. On regular basis, the IT section is updating the website of the municipality on service delivery option and the objectives of Local Governance.

The entire Human Resource Section is being managed competitively and with zest to ensure the smooth and active human resource management principles. As the custodian of information and records of the municipality the file plan has been approved and the records and registry office space is being refurbished. In addition, the Admin and Corporate Services department has appointed personnel that will be executing registry services.

Human Resource Development Section has undertaken its mandatory obligation to train the Municipal Staff as per the Workplace Skills Plan. The Chief aim of training is resting against the objective of Skills Development in various fields of Local Governance.

The Organogram of the Municipality has been aligned with objectives of the Municipality. In particular innovation the section of Human Resource Management and Human Resource Development has been established. Recently, the legal division that was under the directives of the Municipal Manager’s office has been incorporated into the Admin and corporate service department.

## **3.Governance**

The municipal council is lead politically by the speaker who is chairperson of the council which is composed of 62 councillors of which 31 are ward councillors and 31 are proportional representative councillors who are representing their political parties. The majority party within the council is the ANC with 52 Councillors (31 ward councillors and 21 PRs) and the other parties share the balance of 10 PR councillors namely DA 4, COPE 1, ILLIMO 1, SINDAWONE 1, NFP 1, PAC 1 and APC 1 .The system of governance in the municipality is

an executive mayoral system. The Executive Mayor is the head of the executive with a complement of 5 Members of the Mayoral committee who are heading different Departments. The Acting Municipal Manager is the head of Administration; The Acting Municipal manager is supported by a sec 56 managers who are reporting directly to him. The position of the Municipal Manager has been vacant since 2011. The position of the manager Admin and Corporate Services is vacant however there is a senior manager who is acting in that position.

The mayoral committee sitting, which is composed of the Executive Mayor and her committee, as well as the Senior Management of the municipality sits on a monthly basis where it considers the reports from the Acting Municipal Manager. These reports are escalated to the council as reports from the Executive Mayor. The council sits on a quarterly basis to consider the reports from the Executive Mayor. The reports placed before council are both in terms of delegated and non-delegated authority. This reports that have been resolved on are supposed to be reported to the community through the Ward Councillors monthly mandatory community meetings.

#### **4. Political Governance**

The Executive Mayor is the Political head of the institution and must therefore provide political leadership to the institution. The Municipality has 7 fulltime councillor which include the Executive Mayor and 5 councillors who are full time councillors who serve as the Mayoral Committee a committee established in terms of sec 80 MSA, the Speaker of council and the Council Whip who is a chief Whip of the majority party. The Members of the mayoral committee heads the sec 80 committees which are composed of the departmental heads of those particular departments. The speaker of council acts as a custodian of the rules of council and therefore heads the Rules and Ethics committee which is established in terms of sec 79 of the Municipal structures Act. Other governance committees of council that have been established in terms of the same section of the Act that are playing an oversight role over the Executive on behalf of council, the key committees are the Municipal Public Accounts Committee (MPAC) and the Finance Committee .The MPAC performs an oversight over the Annual report and the financial report and make comments on such report before it is adopted by council.

The Municipality has not yet established its own Audit committee it uses a shared service with Nkangala District Municipality. The Audit committee also serves as a Performance committee.



## **CHAPTER 2:**

### **Governance**

#### **5. Overview of public accountability and participation**

In advancing Section 16 of the System Act 32 of 2000, the municipality has established ward committee structures in all 31 wards of the municipality. The municipality has further developed a program of both mass and committee meetings which are mandatory to all ward councillors to comply with. The implementation of these programs is monitored in the speakers' office. There is however no disciplinary measure to be used should a member not comply with the program. This leaves the program vulnerable to the members' mercy or discretion to implementation, though the municipality should devise means to correct and manage the non-compliance of the program.

#### **6. Public meetings**

The municipality always conducts the IDP Izimbizo program which is implemented during the period of July and September of each year. The IDP Open Day is normally in February or March each year. Then State of the Municipal Address during the month of May.

The municipal annual report has not been presented to the communities through an Imbizo or mass meeting, however the report is publicised in the municipal website and copies are obtainable from Main Headquarters, Satellite Offices as well as in municipal libraries.

During the period under review the municipality relied heavily on loud-hailing meetings and for Izimbizo's as a means to communicate with the communities. Loud-hailing proved to be the most effective mechanism to issue out notices of various meetings.

The main key purposes of Ward Committees;

- Advise the municipality on service delivery failures.
- Assist the municipality in monitoring and evaluation of projects implementation.
- Assist the municipality to identify community needs.
- Communicate and relay Council information to and from the communities.
- Assist the municipality in prioritising the community needs.
- Assist the municipality in mobilising communities to participate in major decision of the council.
- Assist the community in monitoring the performance of the municipality.
- Receives Auditor General's report and Annual Financial Statements on behalf of the community.
- Receives Municipal Annual Report on behalf of the community
- Create a link between the municipality and the community but also to create ward base planning.

#### **Major issues dealt with by the Ward Committee System during the year**

- Trainings
- Ward Committees, CDW's and Home Based Care Summit
- Municipal Activities e.g. IDP and Budget Izimbizo
- Meetings

Nature and Purpose of the meeting	Date of events	Groups represented in each meeting	Manner of feedback given to community
<b>IDP Izimbizo</b>	14/08/2013	Municipal Councillors, Municipal Administrators, Stakeholders and community members.	Feedback is given through ward committee, Structures/stakeholders and community meetings
	16/08/2013	Municipal Councillors, Municipal Administrators, Stakeholders and community members.	
	23/08/2013	Municipal Councillors, Municipal Administrators, Stakeholders and community members.	
	28/08/2013	Municipal Councillors, Municipal Administrators, Stakeholders and community members.	
	30/08/2013	Municipal Councillors, Municipal Administrators, Stakeholders and community members.	
<b>Budget Izimbizo</b>	09/04/2013	Municipal Councillors, Municipal Administrators, Stakeholders and community members.	Feedback is given through ward committee, Structures / stakeholders and community meetings
	10/04/2013	Municipal Councillors, Municipal Administrators, Stakeholders and community members.	
	11/04/2013	Municipal Councillors, Municipal Administrators, Stakeholders and community members.	
<b>IDP Open Day</b>	12/03/2013	Municipal Councillors, Municipal Administrators, Stakeholders and community members.	Feedback is given through ward committee, Structures / stakeholders and community meetings
	13/03/2013	Municipal Councillors, Municipal Administrators, Stakeholders and community members.	
	15/03/2013	Municipal Councillors, Municipal Administrators, Stakeholders and community members.	
<b>State of the Municipal Address</b>	25/06/2013	Municipal Councillors, Municipal Administrators, Stakeholders and community members.	

## **PUBLIC LIAISON AND COMMUNICATIONS DIVISION**

Public Liaison Unit is currently located within the office of the Municipal Manager and it seeks to facilitate an interface between the municipality and the communities it serves. It coordinates a combination of strategic marketing and communications initiatives to ensure that the municipality remains in constant touch with the needs concerns and aspirations of

communities, for the better of our service delivery programme to improve the lives of our residents.

#### Main functions of the division

- Facilitation of community outreaches and stakeholders relations initiatives
- Media liaison
- Website management
- Management of municipal events
- Advertising and exhibitions
- Production of promotional material and publications
- Internal communications
- Rendering communication support to both administration and political support

#### **KEY CHALLENGES AND CONSTRAINTS**

Due to limited resources we are striving to do more with less however stringent budget of Communication Unit does not allow for proper coordination and implementation of communication strategy in the Municipality. Another challenge is to develop an effective mechanism to respond timeously to residents' queries, and those raised during Izimbizo and other community outreach programmes. Presidential hotline issues are not sufficiently attended to due to lack of staff in the unit.

#### **HIGHLIGHTS OF THE PUBLIC LIAISON DIVISION**

The principles, core values and best practices enshrined in SALGA guidelines for local government communications have firmly taken root in Dr JS Moroka Local Municipality. The municipality developed a draft communication strategy that is yet to be approved by the Council, communication division has been established and currently only one personnel is servicing the division. Thus a need to complement the unit has arisen.

#### **ANALYSIS OF THE FUNCTION**

Number of communication products produced	1 (brochures)
Exhibitions	2 EXCO Outreach exhibitions
Slots with MCRS	2
Advertisements of Council meetings and other notices	18
Advertisements of community outreaches	3
Press statements	3
Announcements (mainly of water shortages and others)	22

## **7. Risk Management**

### **7.1. The role of Risk Management in the Municipality**

Is to co-ordinate and offer guidance with regard to the process of managing risks in the Municipality and the following were taken into consideration:

- By ensuring that there is regular updating of risks on quarterly basis in the risks registers in pursuit of set objectives and improved risk maturity level;
- By ensuring that there is embedding of risk management culture in the Municipality by the risk owners and other role players; and
- Ensure that there is functional and effective Risk Management Committee in place to play an oversight role over Risk Management matters.

### **7.2. The state of top seventeen strategic risks**

There was a slight improvement on the state of top seventeen strategic risks, and the following were identified as challenges for the year under review:

- a. Lack of timeous monitoring of risks versus the mitigating plans;
- b. Silo operations between Departments within the Municipality, particularly on risks that cut-across;
- c. Continuous lack of resources to carry out the mitigating plans such as procurement of resources, employment of additional staff members, lack of internal skills and expertise on certain specialized assignments; and
- d. Minimal utilization of risks registers to address Institutional challenges.

The other attribute of slight improvement on top seventeen strategic risks is that the concept of Risk Management was introduced in the third quarter of the financial year under review, in particular the issue of monitoring and evaluation of risks.

Hereunder is table of top seventeen strategic risks as colour coded **RED** means maximum risk and **BROWN** means high risk.

Risk No.	Risk Description	Original residual rating value	Future Plans	Progress to-date as at the end of June 2013
SR2	Poor water quality	15	1.100% compliance with SANAS 241 on water quality 2.Ensure compliance with water regulation 3.Public participation on water and sanitation Bylaws 4.Gazeting of water and sanitation Bylaws 5.Enforce compliance on water and sanitation Bylaws 6.Continue with on-site training of personnel on water pipe replacement procedures 7. Development of water demand management and conservation plan. 8. Establishment of call centre to report among others water incidences	1. Continuous monthly compliance tests (water safety plan) are conducted 2. Process controllers have undergone training by DWA which ended in March 2013 3.To consult with Legal Services 4. Not yet done 5. It is not feasible if the above future action no. 5 is not done 6. The process of developing the manuals has not yet started, but trainings are taking place informally 7. The formulation of the plan is been budgeted for, for 2013/14 and external service provider will be sourced 8. The call center is not yet established
SR3	Aging/dilapidating infrastructure	15	1.Development of proper asset maintenance plan 2.Formulate cash backed replacement strategy	1.The plan will be developed by the 30 June 2013 2. Maintenance of water meters and reticulation is currently underway (Available budget under operation and maintenance)
SR4	Inadequate planning with regard to capital projects	20	1.Facilitate approval of Municipal Infrastructure Grant (MIG) plan 2.Workshop and implementation of procurement plan to improve on multi-year planning 3. Establishment of internal Project Steering	1. The MIG three year capital plan is finalized and conditionally approved 2. A procurement plan 2013/14 meeting which incorporates in it workshop for its implementation is arranged 3. Not yet in place

			Committee	
SR7	Improper practice with regard to fraud and corruption	15	<ol style="list-style-type: none"> <li>1. Facilitate the approval of draft anti-corruption and anti-fraud policy</li> <li>2. Capacitate and beef-up Internal Audit and Legal Services Units</li> <li>3. Reviewal of the delegation of authority</li> <li>4. Development of Whistle Blowing Policy</li> <li>5. Finalisation of the appointment of Chief Risk Officer</li> </ol>	<ol style="list-style-type: none"> <li>1. The policy was tabled in the LLF on the 18 April 2013</li> <li>2. Appointment of Internal Audit staff members is done and the two outstanding posts for Legal Services are still vacant</li> <li>3. Is not yet done</li> <li>4. The whistle blowing policy is under construction</li> <li>5. Chief Risk Officer appointment (done)</li> </ol>
SR10	Failure to attract potential investors	15	<ol style="list-style-type: none"> <li>1. Resuscitate LED Forums</li> <li>2. Reviewal of LED Strategy</li> </ol>	<ol style="list-style-type: none"> <li>1. Convene a meeting with the business formations in order to discuss the establishment of Business Chamber within the vicinity of Dr JS Moroka Local Municipality</li> <li>2. No funds available for reviewal of LED strategy, but the Section is considering sourcing funds from external stakeholders such as DBSA</li> </ol>
SR11	Inability in collecting revenue and ineffective debt management	20	Develop Bylaws	There is availability of Credit Control Bylaw and Property Rates Bylaw, however the Tariff Bylaw and Indigent Bylaw are not yet developed, in essence there is no improvement recorded on the future actions
SR12	Revenue loss due to unmetered water supply	20	<ol style="list-style-type: none"> <li>1. Development of control over unmetered water supply</li> <li>2. Development of a long term plan to rollout the installation of meters</li> <li>3. Development of metered water supply</li> <li>4. Reviewal of Water services development plan and Development of water demand and conservation management plan</li> </ol>	<ol style="list-style-type: none"> <li>1. Issuing of a three year installation, maintenance and replacement of bulk meters within our jurisdiction (Procurement processes is still outstanding, but expected to be finalized in September 2013)</li> <li>2&amp; 3. Water services development plan (WSDP) is under review</li> <li>4. Water demand and conservation management plan will be done once the WSDP is finalized (The WSDP indicates the status of infrastructure and capacity of infrastructure and it thus inform the master plan)</li> </ol>

Risk No.	Risk Description	Original residual rating value	Future Plans	Progress to-date as at the end of June 2013
SR13	Non-cost reflective tariffs	15	<ol style="list-style-type: none"> <li>1. Appropriate skilling of all managers and assistant managers entrusted with the departmental and divisional budgets respectively</li> <li>2. To make budget process to be inclusive of all relevant internal stakeholders</li> <li>3. Investigate whether the current applicable tariffs are still relevant or not</li> </ol>	<ol style="list-style-type: none"> <li>1. Both managers and assistant managers (non-financial managers) are attending financial management courses which started on the 15 April 2013</li> <li>2. Internal stakeholders have made submissions and budget was consolidated</li> <li>3. Current tariffs have been adjusted in the 2013/14 budget as follows: <ul style="list-style-type: none"> <li>-business 9.5% and not 9% as indicated during the previous reporting</li> <li>-household 7.5%</li> <li>-government 8.5%</li> </ul> </li> </ol>
SR14	Overstatement of debtors	20	<ol style="list-style-type: none"> <li>1. Spot checking of sites and physical verification</li> <li>2. Application of data cleansing</li> <li>3. Develop a process flow chart</li> </ol>	<ol style="list-style-type: none"> <li>1&amp;2 Mitigating plans are carried out and the actual work by the team is continuous (taken to current controls)</li> <li>3. A flow chart is not yet developed</li> </ol>
SR15	Procurement of goods and services in contravention with applicable SCM regulations, procedures and processes	15	<ol style="list-style-type: none"> <li>1. Demand management and procurement plans</li> <li>2. Workshop on SCM legislations, processes and procedures</li> <li>3. Reviewal of SCM policy</li> </ol>	<ol style="list-style-type: none"> <li>1. Procurement plans are not yet finalized</li> <li>2. Workshop on SCM legislations, processes and procedures were carried out (taken to current controls)</li> <li>3. The SCM policy was reviewed and approved by the Council (taken to current controls)</li> </ol>
SR17	Delays in service delivery due to	15	<ol style="list-style-type: none"> <li>1. The reviewal of SCM policy</li> <li>2. The council to approve procurement</li> </ol>	<ol style="list-style-type: none"> <li>1. The SCM policy was reviewed and approved (taken to current controls)</li> </ol>

	inefficiencies in procurement processes		plans 3. Training of bid committee members 4. Alignment of delegation of powers with SCM regulations through SCM policy 5. Monthly reports 6. Development of procedure manuals	2. Procurement plans are not yet finalized 3. Training of bid committee members was carried out (taken to current controls) 4. The alignment of the delegation of authority is not yet carried out. 5. Monthly reports are due to take place in July 2013 6. Procedure manual is part of the SCM policy and it was approved with the policy
SR18	Inefficiencies and ineffectiveness of ward committee governance	15	1. The compilation of ward committee policy 2. Intensify the adoption of administrative support ward committee model 3 Appointment of all managers to ward committees 4. Training of ward committee members	1.The policy is not yet compiled 2. The policy to address the intensification of support ward committee model 3. This will also be addressed by the policy 4. The process of organizing the training is underway
SR20	Ineffective and uncoordinated internal and external communication and media relations	20	1 .Check the progress on the two advertised posts (Ast. Manager: Communication and Communication Officer) 2. To develop Communication Strategy	1. The Assistant Manager Communication is appointed. The appointment of the Communication Officer is still outstanding 2.Communication strategy is in a draft form
SR22	No proper record management with regard to operating and financial leases	20	1.To appoint staff in the asset management 2.Development of lease register 3.Provision of asset management training	1. Currently there are three officials appointed (taken to current controls) 2. Lease register is developed (taken to current controls) 3. Training was provided by Engnet (taken to current controls)
SR25	Non-compliance with Occupational Health and Safety Act of	20	1.Appoint the OHS practitioner 2.Establish the OHS committee 3.Develop Policy and Procedure manuals	1. Awaiting approval of advert on OHS practitioner together with other posts 2. The OHS Committee composition has been tabled in the LLF sitting dated the18 April 2013 and is due to be tabled in the Council sitting



	1993			3. OHS draft policy has undergone consultative process and finally tabled in the Council sitting, but the procedure manual is still outstanding
<b>Risk No.</b>	<b>Risk Description</b>	<b>Original residual rating value</b>	<b>Future Plans</b>	<b>Progress to-date as at the end of June 2013</b>
SR26	Litigations against the Municipality	20	<ol style="list-style-type: none"> <li>1. Trainings to be offered to staff members on the danger of non-adherence to policies, procedures and processes</li> <li>2. To develop a policy on Contract Management</li> <li>3. To establish a unit that will deal solely with contract management</li> </ol>	<ol style="list-style-type: none"> <li>1. Consultative sessions on policies have taken place</li> <li>2. Not achieved</li> <li>3. Not achieved</li> </ol>
SR27	Unavailability of proper Records Management System	20	<ol style="list-style-type: none"> <li>1. To centralize incoming and outgoing records</li> <li>2. Review of the organogram</li> <li>3. Appoint skilled personnel and training of existing staff members</li> <li>4. Correct and re-submit draft file plan for approval by the Provincial Archives</li> </ol>	<ol style="list-style-type: none"> <li>1. Established main registry and has fax machine and fax line, registry clerk is in place and there is acting records clerk</li> <li>2. Organogram is reviewed and adopted by the Council in May 2013</li> <li>3. Training was conducted the Provincial Archives and advertised a records clerk post and the interview process is due to be finalized</li> <li>4. The file plan has been approved by the Provincial Archives and later adopted by the Council</li> </ol>



### 7.3. Risk Management processes

In terms of the Risk Management Strategy, Risk Management is not a stand-alone function, but is part of the strategic planning, business process and operational activities and the following outlines the Risk Management process:

After the finalization of the IDP and Budget process strategic risk assessment took place in line with aspects drawn from the mission and vision captured in the IDP. The risks were raised against the aforesaid aspects in a formal risk assessment workshop whereby mitigating plans were developed address the risks. And the SDBIP was used operational risk assessment which also took into consideration matters raised by the Auditor-General South Africa and the Internal Audit Unit.

Manual for risk assessment workshop was used to assist in compiling risks registers, but critical to Risk Management process is that risks were monitored and evaluated on quarterly basis after the finalization of risks registers.

### 7.4. Strategies to prevent theft, fraud and corruption

The approved Council Policies, Strategies and Procedure Manuals serve as mechanisms to address the incidences of theft, fraud and corruption, because it is in these enablers that internal controls and approach is outlined extensively for compliance and enforcement.

The effective functioning of structures such as the Audit Committee and the Risk Management Committee assisted a great deal in ensuring that governance matters are addressed to ensure accountability, efficiency and effectiveness which assist in addressing issues of theft, fraud and corruption.

The Risk Management Committee comprises of Top Management Team and the external chairperson who is an ordinary Audit Committee member to ensure that there is objective approach by the Committee. The Audit Committee is an external and advisory body that consists of external experts, who are not Office Bearers. The Internal Audit Unit has assisted in performing reviews on internal controls and gave advice or recommended on areas that need improvements to proactively deal with among others the incidences of theft, fraud and corruption.

The risks register also covered issues that relate to theft, fraud and corruption that is why the Institution managed to develop Fraud and Corruption Prevention Plan although it was still a draft for the year under review.

The draft Fraud and Corruption Prevention Plan has covered the following critical areas, ethical conduct of all role players, application of systems, policies and procedures in particular the internal controls to deal fraud and corruption incidences, application of physical security measures to deal with theft incidences, application of disciplinary measures, fraud detection reviews, the importance risk identification and assessment as proactive measure to deal with fraud and corruption matters, reporting channels, the whistle blowing processes, investigations, monitoring and creating awareness around fraud and corruption matters to all the stakeholders as a preventative measure.

## 8. By-laws

The municipality introduced the by-laws to regulate the activities surrounding the area of jurisdiction, A by-law is legislation that is passed and enacted by a Municipal Council. By-laws deal with issues such as: parking meters, street trading, littering, nuisance, noise, pollution, parks and swimming pools, informal trading, parks, etc. Section 154 of the final constitution provides for a system of co-operative government which means that the functions of government are not only exercised at the national level, but are also decentralized to levels closer to the people. Local government cannot function without being able to legislate on the safety and comfort of the inhabitants of a municipal area, to ensure that certain kinds of anti-social behaviour are prohibited and punished if the prohibitions are not observed.

NAME	DATE & METHOD OF PARTICIPATION	STATUS	PUBLICATION & GAZETTE NUMBER
<b>Draft Water by law</b>	<b>18 SEPTEMBER 2012 TO 30 JUNE 2013</b> - meeting with councillors educating them on the draft by -law and its implications and deeper understanding. Since then various council members were engaged one on one through the legal office. Discussions at ward committee level were conducted where clarifications were required.	Public participation completed. Last but one final step is to tabulate a report to the next Council sitting for approval and publication	Still to be gazetted after Council approval
<b>Draft Cemeteries by law</b>	<b>18 SEPTEMBER 2012 TO 30 JUNE 2013</b> - meeting with councillors educating them on the draft by -law and its implications and deeper understanding. Since then various council member were engaged one on one through the legal office. Discussions at ward committee level were conducted where clarifications were required.	Public participation completed. Last but one final step is to tabulate a report to the next Council sitting for approval and publication	Still to be gazetted after Council approval
<b>Draft General health by law</b>	<b>18 SEPTEMBER 2012 TO 30 JUNE 2013</b> - meeting with councillors educating them on the draft by -law and its implications and deeper understanding. Since then various council member were engaged one on one through the legal office. Discussions at ward committee level were conducted where clarifications were required.	Public participation completed. Last but one final step is to tabulate a report to the next Council sitting for approval and publication	Still to be gazetted after Council approval
<b>Draft Business and Street Trading by-law</b>	New	A report is to submitted to Council for noting and or endorsement to proceed with public participation	Will undergo public participation after Council endorsement

## 10. Information and Communication Technology

The Information and Communication Technology (ICT) Services within the Municipality ensures that the Municipality is able to communicate and interact with Local communities, other spheres of Government and neighbouring Municipalities through its email system, internet and the website. The ICT Division has successfully rolled the VOIP Telephone system to ensure that all its offices have access to Telephone System. The ICT Division intends rolling out the VOIP System across the Municipal Offices to minimize telephone costs. The Municipal ICT Division has also installed Wireless Radio Networks Infrastructure to ensure that all Municipal Satellite Offices has access to the ICT Systems at all times.

The ICT Division is facing the challenge of Unstable Power Supply from Eskom which affects the Municipal ICT Infrastructure at large. The Level of the computer literacy within the Municipality is also very low and it affects the usage of the ICT Resources, however the Skills Development Unit is addressing this issue by sending municipal officials to computer literacy workshops and training. The Division has a shortage of personnel to execute most of its duties.

The appointment of the Service Provider for the Supply and Delivery of Equipment was concluded in June 2013 and there were ICT equipment procured, which amounted to R 1m. The ICT Division intends procuring more ICT equipment in the next financial year of 2013/14 to cater for the growing demands of the institution.

The following are the procured ICT items:

### HP Probook 6570b Laptops

No	Section and or Owner	Status
1.	Manager CDS ( Head Quarters )	Allocated
2.	Deputy Manager ACS ( Head Quarters )	Allocated
3.	Assistant Manager HRD ( Head Quarters )	Allocated
4.	Assistant Manager SCM ( Head Quarters )	Allocated
5.	Assistant Manager Performance ( Head Quarters )	Allocated
6.	Assistant Manager Risk ( Head Quarters )	Allocated
7.	Manager Technical Services ( Technical Services )	Allocated
8.	Senior Internal Auditor ( Head Quarters )	Allocated
9.	Internal Auditor ( Head Quarters )	Allocated

### HP LaserJet Pro 400 (M401DN0) Printers

No	Section and or Owner	Status
1.	Assistant Manager HRD ( Head Quarters )	Allocated
2.	Assistant Manager Performance ( Head Quarters )	Allocated
3.	Assistant Manager Risk ( Head Quarters )	Allocated
4.	Manager Building & Facilities ( Head Quarters )	Allocated
5.	The Office of the Municipal Manager	Allocated

### Acer Desktops with LCD Monitors

No	Section and or Owner	Status
1.	SCM Officer ( Head Quarters )	Allocated
2.	Chief Superintendent ( Purification Plant )	Allocated

3.	Revenue ( Head Quarters )	Allocated
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### Fax Machine

No	Section and or Owner	Status
1.	Registry ( Printing Room ) – ( Head Quarters )	Allocated

### 10.1 Municipal Website

A municipal website should be an integral part of a municipality's communication infrastructure and strategy. If managed effectively, it allows easy access to relevant municipal information, serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance.

DOCUMENTS PUBLISHED ON THE MUNICIPALITY'S WEBSITE	YES / NO	PUBLISHING DATE
Current annual and adjustments budgets and all budget-related documents	Yes	March
The previous annual report of 2011/12	Yes	April
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act	Yes	July
All service delivery agreements concluded	No	-
All long-term borrowing contracts concluded	No	-
All supply chain management contracts above a prescribed value	No	-
An information statement containing a list of assets	No	-
Public-private partnership agreements made	No	-
All quarterly reports tabled in the council in terms of section 52 (d) during the year	Yes	Quarterly

### 10.2 Relevant Legislation

The role of municipal websites, as platforms for information dissemination, participation and disclosure has been significantly catered for in various pieces of legislation, including:

- The Local Government Municipal Systems Act No 32 of 2000
- The Municipal Financial Management Act No 56 of 2003; and
- The Municipal Property Rates Act, no 6 of 2004.

## CHAPTER 3:

### Service Delivery Performance (Part I)

#### 11. KEY SERVICE DELIVERY HIGHLIGHTS FOR COMMUNITY DEVELOPMENT SERVICES

The primary task of the Department for Community Development Services (CDS) is to foster social cohesion and to improve the quality of life in Dr JS Moroka Local Municipality for the genuine enjoyment of fundamental human rights and the respect for human dignity.

The mandate of the Department is fulfilled through the promotion of our government standards in the social field, the support of cultural diversity, promotion of waste and environmental issues, and the facilitation of Heritage, Arts and Culture programmes.

The following outlines briefly the functions that different units are performing within the Department.

##### I. Traffic and motor vehicle licensing

The Department also ensures the enforcement of road safety and also facilitate the co-ordination of social crime prevention with relevant stakeholders in accordance with relevant pieces of legislation. The Motor Vehicle Testing Station (VTS), Driver's License Testing Centre (DLTC) and Motor Vehicle Registration Authority (MVRA) also form a component of this Department.

##### II. Waste and environmental services

The Division Waste Management implements its strategic plan, service delivery and integrated waste management plan to adhere and align with the National Standard for weekly refuse collection.

The major successes achieved during the financial year under review include the rendering of constant refuse removal services, receiving one new compactor refuse removal trucks and receiving of personal protective equipment in time. Lastly, the municipality does not engage in any recycling activities, which is currently done on an informal basis by private companies. The municipality's top service delivery priorities include: Providing access to refuse removal services to all households in formal areas, the eradication of illegal dumping' effective management of landfill sites and ensuring sufficient capacity (personnel, vehicles and equipment) to render an effective and efficient waste management service. Measures taken to improve performance include sourcing personnel through the EPWP. Clean up campaigns in conjunction with wards were done on a sporadic basis to remove illegal dumps.

##### III. Disaster management

The Dr. JS Moroka Municipality has a responsibility of responding to disaster occurrences that happens within its own Municipal area. Although the disaster management unit is not fully operational, the Department has established a team comprised of mainly general workers and municipal drivers to assist in responding to disaster incidents such as structural and veld fires, floods and severe storms. The disaster management unit is currently staffed by one person.

Over the past year, the following incidents were responded to by the disaster management office;

- ❖ Structural fires
- ❖ Veld fires
- ❖ Provided relief material to households that were affected by storms and floods.

#### IV. Arts, Culture and Heritage

The Arts and Culture within the Municipality lacks proper coordination due to unfilled vacancies in the Municipal organogram. Two Arts and Culture Fora were launched by the Provincial Department of Culture, Sports and Recreation in the Municipal area. Over the past years their functionality has not been visible enough and their programs of actions were not communicated to the communities.

#### V. Cemeteries

The unit endeavours to provide a service for the burial of every resident and ratepayer living within the Municipal area by continuing to seek best practices in the industry. The Unit also provide a pauper burial service for indigent residents of the Municipality.

The Community Development Services Department keeps control of cemeteries in the Municipality as per the following;

- ❖ Selling of grave sites
- ❖ Keeping a register
- ❖ Digging of graves

#### VI. Community facilities

This section deals with the management, maintenance and development of 11 community halls and 3 stadiums. The objective of this section is to improve and promote community participation and customer satisfaction in relations with Batho-Pele principles with regards to the hiring out and use of halls with the ultimate aim of strengthening and generating municipal revenue.

#### VII. Education, Health and Social Services

The Municipality is playing a minimal role in terms of health, education and social issues as it only coordinate the activities of the relevant sector departments taking place within its jurisdiction. In terms of schedule 4 part A of Constitution act 108 of South Africa , Health Services, Education and Welfare service are functional areas of National and Provincial legislative competencies. Currently the Municipality is playing a coordinating role to ensure that the communities access the services offered by the Departments of Education, Health and Social Services.

#### VIII. Library Services



Out of the 60 villages that are within the Municipality, there are only 5 Public Libraries, one being a container stationed at Masobye. The other 4 libraries are at Maphotla, Siyabuswa, Libangeni and Marapyane, Mdutjana and Mathanjana have 2 Libraries each.

The libraries provides reading material, mainly books, but also reference books, newspapers magazine and other types of information media like the internet for free to the public.

## **12. COMMUNITY DEVELOPMENT BASIC SERVICES**

Solid Waste Management is responsible for waste collection, area cleaning and waste disposal in the Dr JS Moroka municipal area. Our goal is to integrate waste management services in such a way that we're able to not only provide basic services, but to minimise the effects of waste on human and environmental health, and augment its associated economic activities.

Our Department's focus is on preventing pollution and waste at source, instead of treating and disposing of waste once it has been generated. A waste management by-law has been introduced to enable the department to strictly enforce the Integrated Waste Management policy once it is developed and approved by Council during the next financial year.

Proper management of waste is essential to avoid problems associated with improper disposal of waste such as pollution of the environment and diseases. This may lead to social and economic problems such as costs associated with treating diseases brought by improper waste management.

During the 2012/13 financial year, the collection of waste improved and 9 wards were being serviced out of the 31 wards within the Municipality.

### **LANDFILL SITES**

Two landfill sites were identified for upgrading during this financial year. The Municipality does not have a permitted landfill site. The two landfill sites are Libangeni and Mmamethlake. The Municipality managed to source funding from Koornfontein mine for the upgrading of the two landfill sites although the funding received remains insufficient.

During this financial year, the Municipality appointed Kagga consulting engineers for the designs and authorisation of the Libangeni and Mmamethlake landfill sites, an exercise that was successfully completed during this financial year.

### **FOOD FOR WASTE PROGRAMME**

The Municipality has managed to sustain the Food for Waste project that was launched in 2010. During this financial year the Municipality funded this project in totality by paying 142 beneficiaries with food parcels worth R780 per month, procuring their personal protective clothing and equipment out of the Municipal coffers.

### **CHALLENGES**

Some of the challenges faced during 2011/12 include the shortage of trucks, trailers, tractors and equipment, shortage of personnel, the mushrooming of informal settlements, illegal dumping, non-payment for services rendered.

## **HIGHLIGHTS AND SUCCESSES**

- Collection of waste is done twice a week in households, businesses and government institutions.
- The collection improved from 0- 13561 household in 9 wards.
- 142 EPWP food for waste beneficiaries were appointed to do waste collections from households, cleaning of streets, open space and parks.
- 140 EPWP beneficiaries were added to clean parks, open spaces and cemeteries to extend to 12 areas in 8 different wards.
- Three additional tractors were procured for refuse collection.
- One compactor truck, one tipper truck and one skip loader truck were added.
- One dozer machine and one excavator machine for the landfill site
- Two TLBs for rubble collection and landfill site.
- The totals of 282 EPWP beneficiaries were for job creation and poverty alleviation programme.

## **BACKLOG**

In terms of waste removal services, the Municipality has a backlog of 80.65%.

## **13. INTRODUCTION TO WATER PROVISIONING**

The Municipality as a water services provider uses chapter III of the Water Services Act, no 108 of 1997 as a strategy to supply water to all communities and households within the municipal jurisdiction and outside the boundaries'. The Municipality as a water service provider and water service Authority has a duty to all consumers or potential consumers in its area of jurisdiction to progressively ensure efficient, affordable, economical and sustainable access to water services. This duty is subject to the availability of resources, the need for an equal allocation of resources to all consumers within the authority area of jurisdiction. The availability provides access to water in an equitable way, and in turn expects the consumers to pay reasonable charges which must be in accordance with any prescribed hours and standards tariffs for water services and the duty to conserve water resources.

In order to maintain a balance between supply and demand, the municipality experience high water consumption patterns in spring up until the first rains of summer. This trend is caused by high water usages, illegal connections on bulk pipes using cheap materials that are subjected to leakages and low rates of cost recovery.

For 2012/2013 the municipality reduced 2% of a total of 25% of water leakages through water demand management interventions.

Bulk water provisioning of water to Maphotla has been achieved and tremendous improvement of water supply was experienced in villages such as Thabana, Ramokgeletsane and to Molapomogale. However for the communities that are living in poverty, the Municipality has an indigent policy which strives to protect communities or households whom cannot afford basic services such as water, Sanitation and Electricity. The indigent policy is revised annually as well as the database.

The Municipality abstract and distribute water as per the following;Walkraal scheme, Kammelrivier, Kuilen and V3 pump station.

#### 14. Introduction to Waste water Provisioning Sanitation

With only two townships proclaimed as formal townships i.e.Siyabuswa and Libangeni. Major problems exist regarding the two waste water plants as well as one Oxidation pond as it has reached their design capacity. The improvement in water supply in the areas of the municipality to move from compatible Sanitation to water borne system.

The Municipality has for 2012/2013 refurbished both plants Siyabuswa and Toitskraal waste water plants with a combined value of R 15.3 million. The purpose and aim to refurbish the plant is to accommodate more wastage into the plant in order to improve sanitation backlog and restore dignity to the consumers.

The municipality abstracts the average raw of 67 ML (6700m<sup>3</sup>) per day and distribute water per as follows:

- Walkraal= 38500m<sup>3</sup>/d
- Kuilen =5600m<sup>3</sup>/d
- Kameelrivier=6570m<sup>3</sup>/d
- Bloedfontein=9560m<sup>3</sup>/d
- Water tanker= 279.58m<sup>3</sup>/d

The table below reflects volumes used:

UTILITY	USAGE VOLUMES
Domestic	19625056m <sup>3</sup>
Industrial	20732m <sup>3</sup>
Agriculture & other users (Thembisile Hani LM & Sekhukhune DM)	400 000m <sup>3</sup>

#### 15. Introduction to Electricity

The Municipality has attended the backlogs that existed except for the two wards that are still in the process of being electrified (Siyabuswa D and Moripe Gardens). Department of Energy has funded the above mentioned villages and thus the Municipality has facilitated the designs and construction. The Municipality has also identified Molapomogale as the next beneficiary and ESKOM is the stakeholder electrifying the village.

The Municipality has not implemented Electricity Regulation Act 2006 as amended due to lack of personnel.



ACTIVITIES	STRATEGY	PRIORITIES	IMPLEMENTATION OF STRATEGY	PROVISION
1.Regravelling	<p>I. Re-gravelling Programme-The Division is using internal resources such as roads machineries to grade/blade, gravel and re-gravels streets, Bus and Taxi routes within the municipal jurisdiction through a programme adopted by councillors.</p> <p>II. Interventions- Specific machineries are redirected and assist as an intervention or emergency measure when the need arises.</p> <p>III. Re-gravelling Projects- There is a need to supplement municipal machineries as they are insufficient to render effective services as such projects are created and allocated in the neediest ward/Villages to assist with better gravel roads.</p>	<p>I. All 31 wards and streets are targeted every year</p> <p>II. Critical roads, Funerals, Public Events.</p> <p>III. Bus and Taxi routes</p>	<p>I. Councillors are called to discuss frustrations and problems encountered pertaining roads and a programme is drawn and adopted by councillors with time frames.</p> <p>II. Community members communicate with councillors regarding critical roads and councillors bring the matters to the Division and an official (Forman ) inspects and attend the road if necessary</p> <p>III. The Division identifies bus and Taxi routes which the community have, during the Imbizo's, requested that they be assisted with and also inspects existing bad roads and cater for them.</p>	<p>I. O &amp; M Budget</p> <p>II. O &amp; M Budget</p> <p>III. O &amp; M Budget</p>
2. Surfaced Road Maintenance	<p>I. To Patch Pot holes- The Division maintains surfaced roads through a team of general assistants by patching pot holes around the municipality. Roads are inspected and identified and materials (which are supplied by the service provider whose contract is an as and when required type of contract for three years) are collected and used for patching.</p> <p>II. To reseal damaged surfaced Roads- Surfaced roads have a life span of 15-20 years as such they develop pot holes, cracks and surfaced layers deforms. When these happen on our</p>	<p>I. All Municipal Road</p> <p>II. Deteriorated surfaced roads – District road D2740</p>	<p>I. The roads are inspected during routine maintenance and materials are collected to patch potholes identified and also when they are identified by communities and road users.</p> <p>II. Roads are inspected by Technicians and DPC tests are carried out also by municipal Technicians and resealing through tendering is carried out.</p>	<p>I. O &amp; M Budget</p> <p>II. O &amp; M Budget</p>

	roads Technicians perform DPC test to establish the condition of underlying layers and if are still in good conditions the road is resealed.	BETWEEN Kabete and Senotlelo		
3. Roads Pavements and Surfacing	I. To Upgrade Road- The municipality upgrades gravel roads to tar by constructing road layers and surfacing the roads with Tar.	I. Projects in the 2012/13 IDP	I. Communities point out their grievances during Imbizo's and grievances are captured and distributed to relevant departments. They are then investigated and brought forward to the IDP Division for prioritisation and are developed in to projects. The projects are implemented through Project Management Unit	I. MIG Funds

## **16. ROADS AND STORMWATER**

### **SUCSESSES**

- The Division has this year not done much in terms of projects but has managed to gravel and blade more roads than in the previous years through re-gravelling programme using municipal machineries.
- Filling of other key positions viz: Technicians, Drivers and general assistants
- Formation of maintenance teams have been developed

### **CHALLENGES**

- Machineries Breakdowns
- Transport for maintenance teams from and to sites
- Insufficient Machineries
- Lack of Storm Water Master plan
- Handing over of projects from other Divisions

### **MAINTENANCE AND UPGRADING OF ROADS FOR YEAR- 2012/13**

- Total graveled roads -1614km
- Total New Tarred road -29.4 km
- New gravel Roads - 10 km
- Gravel roads maintained - 470km

### **COST BREAK DOWNS**

- New gravel Road- R325,000.00 VAT Excl per Km (10 km done in the last financial year=R3,250,000.00
- New Tar Road- R2,500,000.00 VAT Excl per km ( Approx 29.4km was done Estimated R73,5m)
- Resealing (Asphalt)- R1,000,000.00 per km (4 km done @ Approx R4m)
- Road Patching- 40m<sup>2</sup> per day by R68/2m<sup>2</sup>= R136,000.00 per month( During rainy season)

## **17.STORMWATER DRAINAGE**

Storm water is a big challenge in the Division as the master plan is not yet put in place. Thus the Division assists communities throughout- cries and interventions. Small channels have been constructed in Siyabuswa A and Meetsimadiba by the Roads and Stormwater Division and some Stormwater channel in Seabe, Siyabuswa B and Matshiding have been implemented through PMU Division.

## SUCCESSSES

No positive out puts in the last financial year from Roads and Stormwater Division.

## CHALLENGES

Under-development of the Storm Water Master Plan.

## 18. VEHICLE LICENSING

### DR JS MOROKA REGISTERING AUTHORITIES

During 2012/13 financial year, the Municipality rendered licensing services at Libangeni (Mbibane), Moretele (Mathanjana) and Siyabuswa Registering Authorities to Dr JS Moroka Municipality community. All transactions performed during the past year added together that relates to Registration and licensing from the three Registering Authorities as depicted by the table in the following page.

TRANSACTION PERFORMED	GRADE A LIBANGENI	GRADE G MORETELE	GRADE D SIYABUSWA	TOTAL FOR ALL CENTRES	TOTAL REVENUE COLLECTED
One month deregistration of Motor Vehicle	17	54	61	132	R109,688.00
Application for Special Permit	102	50	78	230	R5060.00
Deregistration	36	933	118	1087	R00
Vehicle Registration	762	355	1890	3007	R190,944.00
Licensing of Motor Vehicle	4907	2984	14429	2230	R6,566.959.00
Application for Prdp G & P	603	-	1437	150	R99,981.10
Application for Prdp P & D	7	-	16	23	R1,512.00
Duplicate Certificate Vin/Engine number	-	-	-	-	-
Duplicate Learners License	70	-	-	70	R6,300.00
Issued Driving License	5581	-	2956	778	R1,295.758.00
Issued Temporary Driving License	4620	-	1956	6576	R162,202.00
Allocate Special License Number to Motor Vehicle	02	06	02	10	R1200,00
Application for Temporary Permit	102	50	71	223	R59,987.00
Allocate PLN to MV	02	-	02	04	R1050.00
Application for Motor Cycle	09	-	-	03	R396.00
Issued Learners License	1608	-	-	229	R8473.00
Application for Heavy Motor Vehicle	4652	-	-	336	R61824.00
Application for Light Motor Vehicle	291	-	-	22	R3300.00
Application for Learners License	2469	-	-	530	R66780.00
Application for PrDP Category G	2	-	6	08	R388,00
Duplicate/Deregistration Certificate	44	17	25	86	R56,175.00



## **17. INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES (LIBRARIES AND COMMUNITY FACILITIES)**

The Department of Community Development Services endeavors to provide a sustainable, equitable, efficient, and cost-effective variety of services to all communities and businesses by effective management of all community facilities, which includes Municipal halls, the Thusong Service Centre, Sports facilities, libraries and a swimming pool.

Dr JS Moroka offers a free public library services at four (4) libraries across the Municipal area. Anyone may use the libraries, but only members may loan material. Items on loan must be returned to the same library from which they were borrowed

### **BACKGROUND**

Out of 60 villages that are within the municipality, there are only five Public Libraries: one being a container stationed at Masobye. The other four libraries are at Marapyane, Siyabuswa, Maphotla and Libangeni. Mathanjana and Mdutjana have two libraries each.

At Mbibane, a library has just been constructed and at Libangeni it will be opened soon. All four libraries do not cater for communities with special needs (Disabled) e.g. the blind, the deaf and the physically challenged.

Maphotla Library does cater the Blind, a programme called "Yes I can read" was piloted by National Library for the Blind from Grahamstown during the 2012/13 financial year.

The Municipality still needs more Library buildings to service the remaining parts of the Municipal area.

The Libraries are currently staffed by both Provincial and Municipal staff. Currently the monthly statistics of Library Users is at around 23 000 for all four libraries combined, this indicates the dire need of libraries within the municipality.

All Municipal Libraries have free internet access which provides Library Users with open and unlimited access to internet and electronic resources available in other institutions.

### **ACHIEVEMENTS**

The following are Library programmes implemented during this financial year.

- National Library Week
- Africa Day
- Book Indaba/ International Literacy day
- Africa Day celebration was hosted at Masobye Container Library on the 28<sup>th</sup> May 2013.

Due to the challenge of book theft in libraries, the Municipality is in partnership with the Provincial Department of Culture, Sports and Recreation installed 3M (Book Security Systems) at Maphotla and Marapyane Public Libraries to mitigate the risk.

Partnership with institutions like UNISA, University of Pretoria and American Embassy were entered into, for exchange of programmes. The Municipality also received science and mathematics books from the University of Pretoria and the Rotary club in Johannesburg as donations.

## **CHALLENGES**

- ❖ Shortage of Libraries to service the entire municipality
- ❖ Libraries are under staffed
- ❖ No Security guard houses at Siyabuswa and Maphotla Public libraries
- ❖ Illiteracy and low levels of literacy have affected the capacity of vulnerable communities to make use of available resources

## **IMPACT**

- ✓ Increase outreach programmes to all 60 villages by acquiring a mobile library that will visit all areas that are far from the existing libraries within the municipality.
- ✓ Consider extending the Library hours to cater the working class
- ✓ To provide books for children in their home language
- ✓ Promote reading culture by improving our library collection

## **18. CEMETERIES AND CREMATORIUMS**

During the 2012/13 financial year this section managed to assist communities by digging 361 graves around the Municipality. 1 exhumation was conducted at SAPS' request for an inquest docket during the last financial year. Four (4) new blocks were demarcated at Siyabuswa cluster cemetery for burial. The Municipality did not offer any crematorium services during the last financial year.

The Indigent register was used to assist poor communities for pauper burial purposes

Numbering of 1190 graves had been carried out within the whole Municipal area with about 61 graves dug in one weekend. Cemeteries of various villages were fenced to protect the tombstones from being demolished by stray animals.

The main challenge experienced during the year under review is that no physical security was provided at cemeteries and the access to the graveyards was uncontrolled.

## **19. DISASTER MANAGEMENT**

The unit is housed in the municipal head offices and currently occupied by one official with limited expertise on matters of disaster management and rendering fire services. The Municipality managed to get assistance from fire and rescue services in Nkangala District Municipality whenever there was a need. A Fire Protection Association for the municipality has been launched to assist farmers and neighbouring communities when disaster strikes especially veld fires.

The lack of these services impacted on the municipal response time especially because these services are currently rendered from Siyabuswa and is compounded by a lack of personnel in the fire and rescue section. The Nkangala District Municipality initiated a process of building a fire station in Libangeni to service the Dr JS Moroka Municipality.

Below are incidents and activities that relates to disaster management which occurred and was attended to by our officials within the unit during the 2012/13 financial year.

- 7 domestic fires and 1 veld and livestock incidents were attended to during the year under review.
- 22 families across the Municipal area were assisted with tents due to heavy storms and winds that blew their house roof away.

## **20. Financial Services**

Actual capital expenditure for the 2012/13 financial year amounted to R 423 981 555, compared to a budget of R 423 123 853, resulting in a deficit of R 28 734 705.

The expenditure includes the non cash items which are Deprecation, impairment loss ,debts impairment , fair value adjustment and loss on disposal of assets to the value of R 167 362 335

The municipality will be able to sustain itself as the current assets are higher than the current liabilities. The annual priorities has been undertaken to ensure that the finance department meet its objective.

### **→ Revenue management**

In overall revenue increased by 8% as at 30 June 2013, the main movement is as a result of 24% increase in government grants and subsidies and a decrease of 23% in service charges. The municipality did bill accordingly during the year however it was discovered that one major customer was being over billed in the prior year's therefore an adjustment was retrospectively effected.

Municipality is situated in a rural area with high volume of the outstanding consumer debts. In this regard, the Municipality is financially burdened with non-payment for Municipal services and Council will continuously be confronted with high volume of books. The Council of Dr. J S Moroka Municipality has developed the Revenue Enhancement Strategy to address this challenge and besides had appointed a debt collector to assist in the process of debt collection. There was an improvement however very little due to the nature of the municipality demographics. The outstanding debt affects the cash-flow status of the municipality and provides a challenge to the municipality to render the basic services to its community.

The division had to deliver on the following key performance areas for the period under review:

- Debt collection
- Credit management
- Indigent management
- Revenue enhancement

→ **Asset Management and inventory management**

Asset Management Policy provides direction for the management, accounting and control of Property, Plant & Equipment (Fixed Assets) owned or controlled by the municipality. All assets owned or leased by municipality are kept in the separate and disclosed accordingly

The municipality assets support the delivery of a service to the public and without the assets it will be impossible to deliver the required service as per Integrated Development Plan (IDP).

The accounting officer principal custodian of the entire municipality's fixed assets, and is responsible for ensuring that the fixed asset management policy is thoroughly applied and adhered to. The CFO will be the custodian of the Fixed Asset Register (FAR) of the municipality, and will ensure that a complete, accurate and up-to-date computerized FAR is maintained. No amendments, deletions or additions to the FAR will be made other than by the CFO or by an official acting under the written instruction of the CFO.

The division had to deliver on the following key performance areas for the period under review:

- Maintaining a GRAP compliant asset register
- Performing of regular assets verifications and stock take
- Reconciliations of assets and inventory
- Safeguarding of assets and inventory items

→ **Borrowing and Investments**

The municipality did not have any borrowings for the period ending 30 June 2013 however the following short term investments were held with reputable banking institutions and one long term investment with Stanlib. The monies are invested for shorter periods in instances where the municipality foresees that it is not going to need and also earn interest which in the long run will assist with the cash flow injections in the municipality.

The details of the investments at year end are as follows.

<b>INVESTMENTS</b>	<b>INVESTMENT TYPE</b>	<b>AMOUNT</b>
ABSA	Short term deposits	R 35,660,837
STANDARD BANK	Short term deposits	R 35,989,710
FNB	Short term deposits	R 36,002,630
NEDBANK	Short term deposits	R 35,609,282
STANLIB	Unit trusts - Collective Investments	R 32,962,036

**R 176,224,495**

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## → **Supply chain**

The fundamental role and responsibility of supply chain management section is to implement the SCM policy in terms of Section 111 -119 of the MFMA, giving effect to section 217 of the constitution, and Part 1 of chapter 11 and other applicable provisions of the act, in a fair, equitable, transparent, competitive and cost effective manner. It does so in compliance with the regulations framework prescribed in chapter 2 of the SCM regulations; and any minimum norms and standards that may be prescribed in terms of section 168 of the act.

### **Range of Procurement Process**

- Petty cash purchases, up to a transaction value of
- Written quotation for purchases above
- Three written quotation for purchases above
- Formal written price quotations for procurements above
- Competitive bidding for the transaction above R200, 000 and the procurements of long term contracts.

Credible supplier's database maintenance is part of the functions that is performed in the financial services.

### **Functions of the Supply Chain Management Policy**

The function of the Finance Services Section under Supply Chain Management unit is to administer the following:

- Through the oversight role of the municipal council by continuous assessment of the policy implementation progress through quarterly reports to the council.
- The Accounting Officer through the CFO strategically manages the day to day SCM policy implementation, especially the establishment and maintenance of the supplier's database that promote rotation of suppliers, and other SCM systems.

### **Supply Chain Management Governance**

There are three Bid Committees in place; their functions and membership are briefly as follows:

- **Bid Specification Committee:**  
Compiles the specifications for the procurement of goods and services by the municipality.
- **Bid Evaluation Committee:**  
Evaluates bids and recommends to the bid adjudication committee, regarding the award of the bid.
- **Bid Adjudication Committee:**  
Consider the report and recommendations of the bid evaluation committee and depending on its delegations, make a final award or a recommendation to the accounting officer to make the final award or makes further recommendation to the accounting officer on how to proceed with relevant procurement of goods and services

→ **Budget and reporting unit**

The division had to deliver on the following key performance areas for the period under review:

- Preparation of annual budgets
- Management of budget on a daily basis
- Monthly and quarterly reporting
- Financial statements preparations

→ **Expenditure management**

The division had to deliver on the following key performance areas for the period under review:

- Creditors and expenditure management
- Payroll

### **Annual Priorities**

- Training and development of financial staff
- Preparation and review of all financial related policies.
- Reduction of findings from Auditor General and improving of financial statement submitted
- Preparation of the Annual Financial Statements
- Preparation of budget and budget returns
- Monthly budget statement

### **21. Introduction to Housing**

Housing in the municipality is a core function of the provincial department of Human Settlement because this municipality is not accredited. The strategy adopted by the Mpumalanga Department of Human Settlement regarding the provision of housing in the municipality was delivery through the Comprehensive Rural Development Programme which started in 2011/2012-2013/2014 where 960 PHP units were to be constructed in 07 very rural and poor municipalities in the province. This municipality was one of the these municipalities wherein the first three wards namely 20, 21 and 24 benefitted in 2011/2012 and wards 14, 16, 26, 25, 27 were to benefit in 2012/2013 though not all of the 960 PHP units have been completed. The last 960 PHP units for 2013/2014 have been reduced to 236 PHP units and 20 Emergency housing.

To date approximately 4600 housing units has been built since 2003/2004 to 2012/2013 with the backlog for housing 6400 as captured in the 2012/2013 reviewed housing chapter this can be equated to almost 52% of the previous backlog of 2010/2011 as captured in the then housing chapter . Housing is still provided to the elderly, the disabled and the child headed families before consideration of the destitute as a criterion for beneficiaries in this municipality.

## **Stands**

Currently there are no stands for sale in the Municipality. There are processes that are unfolding to ensure the creation of stands to be sold in the year 2013/2014 if the infrastructure to be installed is completed within this financial year. There is a sewer and water project for correction in Siyabuswa D Extension which when completed will result in the sale of around 700 stands. In Morige Gardens when the township establishment project is completed 200 stands will be available for sale. The backlog for stands in Siyabuswa is at around 2000 and the processes that will follow to develop stands are land surveying project currently at evaluation stage and two township establishment to be done by the Nkangala District Municipality in this 2013/14 financial year.

## **22.Free basic**

Free basic municipal services refers to those municipal services necessary to ensure an acceptable and reasonable quality of life, and which service, if not provided, could endanger public health or safety or the environment, In terms of the South African Constitution all consumers should have access to basic services.

The Municipality will annually determine as part of its budget process:-

- Totally free services for a basic package of municipal services as defined above (within limits and guide lines);
- Lower tariffs for users who qualify in terms of particular guidelines for a basic package of municipal services as defined above, for example to recover the operational costs of the service only; and
- Full tariff payable with a subsidy that is transferable from sources mentioned above.

The municipal council must consider and give priority to the basic needs of the community, especially those that are living below the poverty line. The municipality must at all times promote the social and economic development of the community and ensure that all residents and communities in the municipal jurisdiction have access to at least the basic minimum level of municipal services in terms of Sec 152 and 153 of the Constitution.

Dr. J S Moroka Municipality is currently implementing the Free Basic Services (Indigent) Policy to cater for its indigents. The key purpose of the policy is to ensure that the households with no or lower income are not denied the municipal services as it's their constitutional right.

50 Units of free basic electricity per month is provided to all indigents registered by the municipality. This monthly cost component of 50 KWh electricity per registered indigent household consumer is paid over to Eskom.

## 23. Local Economic Development (Tourism and Marketing)

### LED Vision –

*“A place where all its citizens have improved living conditions, are skilled, safe and healthy and equally participate productively within the local economy”.*

### LED Strategy

*Indego Consulting* was appointed between July 2008 and July 2010 to facilitate the implementation of Dr JS Moroka municipality’s LEDPP that had been recommended as a product of *Project Consolidates* support to the municipality.

The LEDPP was to be implemented in partnership with the Development Bank of South Africa (DBSA), the German Development Bank (KfW), the German Technical Assistance Agency (GTZ) and the national Department of Co-operative Governance and Traditional Affairs (COGTA).

The objective of the LED programme was to:

*“Transform the local economy through mobilizing local stakeholders, initiating LED training, enhancing technical skills, building entrepreneurs and co-operatives, building communication between business and local government and implementing rapidly effective projects in urban and rural areas.”*

The programme had been designed on behalf of the partners by EdaVisser and Dominic Mitchell and was to be implemented over a 24 month time-frame in four phases, namely: preparatory; process and analysis; LED implementation; and, institutional development and enabling environment. Karen Harrison and Jacqui Boule from Indego Consulting allocated up to twelve days per month for the programme, spending on average a week a month in the municipality.

### Purpose of the strategy

- Provide a clear LED Implementation Strategy for the Dr JS Moroka local municipality;
- Improve the co-ordination and alignment of social and economic development planning and implementation within the municipality, across government, and amongst local stakeholders, in particular business and the community;
- Enable the Dr JS Moroka local municipality to support its local economy to realise its potential and make local communities active participants in the economy of the region;
- Enable Dr JS Moroka to facilitate functioning partnerships between the public and private sectors to unlock the local economy and drive new growth; and
- Propose an institutional framework for the co-ordination and alignment of programmes and investment within the municipality.



## Achievements

- Initiated and completed the feasibility for Mkhombo&Mdala Nature Reserves
- Successfully hosted the LED Summit and Business Breakfast with Executive Mayor
- Participated at Tourism Indaba in Durban
- Co-operatives Development & Training
- Participated in various business seminars

## Tourism Development

Successful facilitated the implementation of Community Works Programme (CWP), Ward 03,07,13,16,17,18,19,21,23,29, with 1000 participants employed.

## Challenges

- No complete LED unit
- LED strategy not reviewed
- Minimum budget for LED projects
- LED role and responsibilities not clearly defined
- In-adequate infrastructure development

## **24. Financial Department Composition**

The Budget and Treasury Office is headed by the Chief Finance Officer (CFO). This office has five (5) units which are; Assets Management, Budget, Expenditure Management, Revenue Management and Supply Chain Management as articulated in above statement.

### **Function of the Financial Services**

The main function of the financial services is to ensure effective financial management within the Municipality, which encompasses and underscores the following fundamental functions and responsibilities:

- Financial planning
- Preparation of budget
- Development of financial statements
- Implementation of SDBIP and PMS
- Implementation of the MPRA
- Personnel development
- Ensuring that public spending is done legislatively and cost effectively
- Monthly and quarterly reports to provincial and national departments
- Implementation of the Supply Chain Management Policy
- Management of grants and other revenue that the municipality receives throughout a financial year
- Management of income and expenditure
- Budget control
- Payment of staff salaries
- Asset Management

## **25. HUMAN RESOURCE MANAGEMENT SERVICES**

Human Resource Management service division of the Municipality encompass all services in various departments, units/ division of Dr JS Moroka Local Municipality.

Human Resource Management Division is responsible for the following functions:

### **Recruitment and Selection:**

It is the responsibility of Human Resource Management Division to ensure that budgeted vacant positions are filled with suitable candidates to speed up the service delivery.

### **Policy Development:**

The Main tasks of this division are to ensure that policies regarding human resources are developed and implemented. One of the major policies of human resource is the Recruitment and Selection policy. This policy directs the executors of this function to recruit and select suitable candidates for the vacant posts that are available in the approved organogram of the municipality.

### **Personnel Administration:**

Another task of Human Resource Section is to keep personnel files safer and updating them as and when required. It must be noted that the Human Resource Section is the custodian of Personnel files of each and every employee of the municipality. Tasks such as the controlling of leave days, arrangement and conducting interviews, issuing of appointment letters and filing personnel information are cornerstones of Human Resource division. This section also deals with Employees Wellness Programmes (EEP) to ensure the wellbeing of employees and very limited absenteeism.

### **Induction of employees:**

HRM has to ensure that all new and existing employees are inducted to ensure that there is no confusion about processes and the systems of the municipality.

### **Job Descriptions:**

It is the responsibility of Human Resource Division to create job descriptions for all employees.

## **26. ANNUAL PERFORMANCE INFORMATION REPORT FROM 01 JULY 2012 TO 30 JUNE 2013**

### **INTRODUCTION**

Performance management is prescribed by chapter 6 of the Municipal Systems Act of 2000 and the Municipal Planning and Performance Regulation of August 2001. Section 7 of the aforementioned regulation states that "A municipality's performance management systems entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the responsibilities of the different role players" This framework should reflect the linkage between the IDP, Budget and SDBIP. The municipality approved the Performance Management Systems Policy to guide the implementation of municipal performance.

### **PURPOSE**

The purpose of this report is to give feedback regarding the annual departmental performance of Dr. JS Moroka Local Municipality as required through the Municipal Systems Act No 32 of 2000. The information included in this report is based on the IDP and SDBIP as developed for the financial year 2012/13. The performance plans were aligned to the IDP and SDBIP, thus this report reflect the performance progress as at end 30 June 2013. This is a high level report based on the percentage scores obtained through a process whereby Key Performance Indicators and targets are compared to the initial planning as contained in the 2012/13 SDBIP.

### **EXECUTIVE SUMMARY**

This report serves as a summary of performance results. The detailed performance information with KPI's and targets is contained in a separate addendum document. This report seeks to provide feedback on the performance level achieved to date against the targets as laid out in the IDP and SDBIP. Where underperformance or zero achievement of indicators have been experienced the respective concerns or mitigating reasons are highlighted and detailed pertaining to the relevant measures being implemented or those that need to be implemented and are included thereto.

The overall performance of Dr. JS Moroka Local Municipality is based on the departmental performance scorecard as this contains indicators as included in the IDP and SDBIP in alignment with the National Key Performance Areas. At the end of the financial year the overall performance level achieved was **63%** out of **170** KPI's, a total of **19%** was not achieved, **14%** was partly achieved and **4%** was not applicable for the period as at 30 June 2013. Emphasis on the submission of supporting evidence was encouraged at all times. Thus the municipality needs to foster a culture of performance management and reporting.





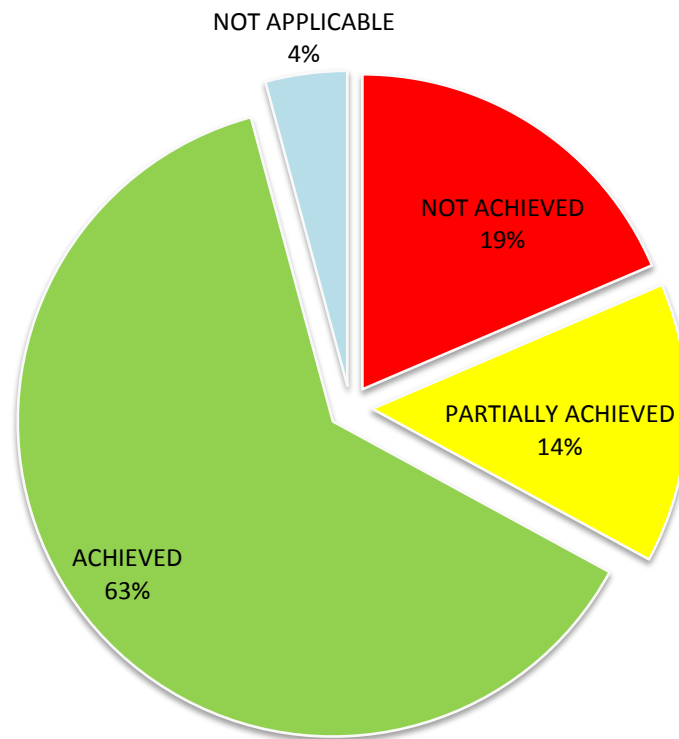
**PERFORMANCE RESULTS PER KEY PERFORMANCE INDICATOR**

DEPARTMENT	TOTAL NUMBER OF KEY PERFORMANCE INDICATORS PER KPA					
	KPA 1 Municipal Transformation and Organizational Development	KPA 2 Municipal Infrastructure and Basic Service Delivery	KPA 3 Local Economic Development	KPA 4 Municipal Financial Viability and Management	KPA 5 Good Governance and Public Participation	TOTAL KPI'S
Municipal Manager	11	04	08	09	17	<b>49</b>
Finance	11	03	01	13	06	<b>34</b>
Technical Services	06	11	02	06	01	<b>26</b>
Community Development Services	06	10	01	07	03	<b>27</b>
Admin and Corporate Services	20	05	01	04	04	<b>34</b>
<b>TOTAL</b>	<b>54</b>	<b>33</b>	<b>13</b>	<b>39</b>	<b>31</b>	<b>170</b>

DEPARTMENT	NOT ACHIEVED					PARTIALLY ACHIEVED					ACHIEVED					NOT APPLICABLE				
	KPA	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5	1	2	3	4
<b>MUNICIPAL MANAGER</b>	-	-	7	-	3	3	-	-	-	2	8	4	1	9	12	-	-	-	-	-
<b>FINANCE</b>	1	1	-	3	3	4	-	-	2	-	6	2	-	8	3	-	-	1	-	-

<b>TECHNICAL</b>	-	-	-	1	1	2	-	-	-	-	4	6	1	5	-	-	3	1	-	-
<b>COMMUNITY DEV. SERV.</b>	-	4	-	1	1	1	2	-	-	-	5	4	-	6	2	-	-	1	-	-
<b>ADMIN &amp; CORP.</b>	4	2	-	1	-	8	-	-	-	-	8	3	-	3	5	-	-	1	-	-

## OVERALL ANNUAL MUNICIPAL PERFORMANCE RESULTS









**AREAS OF CONCERN/ NOT ACHIEVED**

<b>KEY PERFORMANCE AREA</b>	<b>KPI OR ISSUE OF CONCERN/ PERFORMANCE NOT ACHIEVED</b>	<b>CORRECTIVE MEASURES WHERE PERFORMANCE WAS NOT ACHIEVED/ REMEDIAL ACTIONS</b>	<b>RESPONSIBLE DEPARTMENT</b>
Municipal Transformation and Organizational Development	Review current internal control measures existing in the directorate and develop procedure manuals	Internal control measures will be reviewed and a procedure manual developed by May 2014.	<b>FINANCE</b>
	Development of the retention strategy	Retention strategy will be developed as part of the organizational policies during the 2013/14 financial year.	<b>ADMIN &amp; CORP</b>
	Service provider appointed to handle EAP matters	Service provider will be appointed by end of September 2013	<b>ADMINS &amp; CORP</b>
	Ensure that each Directorate, the Municipal Manager, the Speaker and Mayor have a copy of the DRJSMLM policies and manuals	Municipal policies will be binded and forwarded to respective offices in the new financial year 2013/14	<b>ADMINS &amp; CORP</b>
	The appointment of the OHS Officer to ensure adherence with Occupational Health and Safety Act, Section 16.1 are properly discharged	The OHS posts will be advertised during the month of August 2013 (New financial year of 2013/14)	<b>ADMINS &amp; CORP</b>
Municipal Infrastructure and Basic Service Delivery	Annual invitation of service providers for inclusion in the SCM database	The advert for supplier's inclusion of the municipal database will be issued out in the 2013/14 financial year.	<b>FINANCE</b>
	Establish an ICT helpdesk	The ICT Helpdesk system is to be implemented by Odirile IT Holdings, the service desk agent has also been appointed. The system is envisaged to be rolled out before 31 August 2013	<b>ADMINS &amp; CORP</b>
	Conduct a study on the implementation of virtualization and storage area networks	The ICT Division would now be engaging Odirile IT Holdings on how Storage Area Networks are to be implemented	<b>ADMINS &amp; CORP</b>
	Investigate the possibility of increasing personnel within the disaster management centre	Disaster Management Unit needs to be capacitated for functionality. Recommendations have been submitted to the MM's office	<b>CDS</b>

	Preparation of the progress report on the establishment of the disaster management centre	Quarterly progress reports on the establishment of the disaster management centre will be prepared and submitted to the Municipal Manager in the 2013/14 financial year	<b>CDS</b>
	Establishment of the local disaster management forum	The unit must be capacitated with personnel in order to effectively allow its operations; the local disaster management forum will be established.	<b>CDS</b>
	Number of reports submitted to ensure effective traffic law enforcement	The traffic division will be submitting quarterly reports pertaining to their activities.	<b>CDS</b>
Local Economic Development	Number of business awareness campaigns and exhibitions conducted	Business awareness campaigns will be conducted in the 2013/14 financial year	<b>MM</b>
	Ensure that sustainable community investment programmes are introduced and implemented	All community investment programmes that are introduced by the municipality will be reported accordingly to Council	<b>MM</b>
	Fresh produced market established	The project will be rolled over to the new financial year of 2013/14	<b>MM</b>
	Number of cooperatives trained	The Nkangala District Municipality will be assisting with this programme in the 2013/14 financial year	<b>MM</b>
	Review of the LED strategy	The Nkangala District Municipality will be assisting the municipality with the development of the LED Strategy	<b>MM</b>
	LED summit held	The LED Summit will be held in the 2013/14 financial year.	<b>MM</b>
	Number of LED Stakeholders(Forum) meetings held.	LED Stakeholders meetings will be prioritized in the 2013/14 financial year	<b>MM</b>
Municipal Financial Viability and Management	A report identifying irregular, unauthorized, fruitless and wasteful expenditure is prepared	Section 52 reports will be prepared to indicate if irregular, unauthorized, fruitless and wasteful was incurred.	<b>MM &amp; SECTION 56 MANAGERS</b>
	No overspending on departmental votes	Detailed reports of monthly expenditure reflecting vote movements will be prepared on an on-going basis.	<b>FINANCE</b>
	Number of meetings (asset disposal committee)	The disposal committee will be established	<b>FINANCE</b>

		and meetings will be conducted in the 2013/14 financial year.	
	Respond to internal and external audit queries relating to the directorate	Queries against the department will be addressed within the stipulated period of 3 days.	<b>TECHNICAL</b>
Good Governance and Public Participation	Ensure the gazetting of by-laws	By-laws will be gazetted after public participation processes.	<b>MM</b>
	Development of the transversal strategy	The Transversal Strategy will be developed in the 2013/14 financial year.	<b>MM</b>
	The Head of the Department shall as far as is reasonably practicable ensure that the duties of the employer as contemplated in the Occupational Health and Safety Act, Section 16.1 are properly discharged	The municipality will appoint personnel that will deal with the Occupational Health and Safety in the 2013/14 financial year	<b>MM &amp; SECTION 56 MANAGERS</b>
	Number of complaints and interest paid	The complaint register will be prepared or a memo to the MM informing on complaints received or not received for late payment.	<b>FINANCE</b>
	Ensure that the finance portfolio committee seats at least two times in each quarter of a financial year to consider financial reports	Items will be submitted to relevant Committees as required.	<b>FINANCE</b>
	Identification and nomination of a candidate to be an OHS representative of the department	Terms of reference for OHS will be developed for the 2013/14 financial year.	<b>TECHNICAL</b>

**MUNICIPAL MANAGER**

**KPA 1: MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT**

Planned Performance					Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013				File ref.		
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target			As at 30 June 2013
To ensure compliance with legislative reporting	Prepare consolidated performance reports of the Department/ Municipality	Reports containing municipal activities compiled quarterly	1 report per quarter	<b>A</b>	<b>100% Achieved:</b> Operational reports were submitted by different units.	None
To ensure compliance with legislative reporting	Prepare the municipality's mid-year performance assessment report as required by section 72 of the MFMA	Mid-year performance assessment report prepared	31-Jan-13	<b>B</b>	<b>50% Achieved:</b> The Mid-Year Financial Performance Assessment Report was submitted before Council.	The Performance Information (Non-financial) section was not submitted due to the postponement of the performance evaluations.
To ensure sound and effective governance systems	Ensure that the organisational strategic planning session is held	Strategic planning report	1 strategic session report with objectives	<b>C</b>	<b>100% Achieved:</b> The Strategic Session was held at Magaliesburg and a report has been presented before Council.	None
To ensure sound and effective governance systems	Publicize the notice of Council Meetings as required by sec 19 of the Municipal Systems Act	Notices of meetings issued and publicized	As per Council schedule of meetings	<b>D</b>	<b>100% Achieved:</b> The notice of meetings were publicized on the municipal calendars	None

To ensure sound and effective governance systems	Timeous compilation, distribution and production of Council agenda	Council meeting schedule and acknowledgement of agenda receipt from Councillors	As per Council schedule of meetings	<b>E</b>	<b>100% Achieved:</b> Council agenda has been compiled, produced and distributed as per Council seating.	None
To ensure sound and effective governance systems	Develop the leave plan and maintain compliance	Approved departmental leave plan for personnel	15-Dec-12	<b>F</b>	<b>50% Achieved:</b> The leave plan has been developed but not approved.	The leave plan needs to be consolidated and approved by the MM.
To ensure compliance with legislative reporting	Number of performance reviews with section 57 managers conducted	Invites, attendance registers and quarterly performance report	Quarterly	<b>G</b>	<b>25% Achieved:</b> Performance reviews were conducted only once however quarterly performance reports are prepared.	Formal annual performance review of section 57 managers will be conducted.
To ensure highly effective organisation through capacitation of staff and councillors	Number of eligible employees allocated to the department/municipality each attends a capacity building programme as per the implementation of the Workplace Skills Plan	Report of all eligible attendees	Monthly	<b>H</b>	<b>100% Achieved:</b> Municipal officials attended training or capacity building interventions as per the training report.	None
To ensure sound and effective governance systems	Number of departmental meetings held	Departmental meetings held, schedule, minutes, agenda and attendance registers of departmental meetings	8 Meetings (2 per quarter)	<b>I</b>	<b>100% Achieved:</b> Meetings are held with various departments.	None

To ensure the integration of municipal divisions into one organisational structure	Review of the organizational structure	Approved and reviewed organizational	31-Mar-13	<b>J</b>	<b>100% Achieved:</b> The organisational structure has been reviewed and submitted to Council for approval.	None
To ensure sound and effective governance systems	Number of management meetings held	Minutes and attendance registers of management meetings	(12 Meetings) At least 3 meetings per quarter	<b>K</b>	<b>100% Achieved:</b> Management meetings were held	None

**KPA 2: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

Planned Performance					Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013				File ref.		
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target			As at 30 June 2013
To ensure sound and effective governance systems	Prepare the terms of reference and ensure conclusion of the service level agreement with the service providers appointed by the Municipality	Signed SLA's with the terms of references	All service providers (Monthly)	<b>A</b>	<b>100% Achieved:</b> Terms of reference or of contract are prepared and Service Level Agreements concluded with service providers	None
To ensure sound and effective governance systems	Monitor and measure performance of service-providers in terms of contract	Submission of monthly progress reports by service providers	Monthly	<b>B</b>	<b>100% Achieved:</b> Service providers are monitored monthly by end users through the submission of monthly reports	None
To ensure sound and effective governance systems	Ensure the optimal operation and updating of the municipality's website.	Functional and updated website	Quarterly reports	<b>C</b>	<b>100% Achieved:</b> Updates are uploaded by the IT Unit as and when information is supplied by user departments	None
To strengthen and sustain sound administrative	Number of capital projects budgeted, monitored and implemented by the	List of all capital projects, progress and monitoring reports from	Quarterly	<b>D</b>	<b>100% Achieved:</b> Report of projects that are implemented were presented before	None

and financial capacity of the municipality	municipality for the 2012/13 FY.	contractors			Council	
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### KPA 3: LOCAL ECONOMIC DEVELOPMENT

Planned Performance					Actual Performance from 01 June 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013				File ref.		
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target			As at 30 June 2013
To create opportunities for all stakeholders to make valuable contributions to the Local Economic Development	Number of business awareness campaigns and exhibitions conducted	Report of the business awareness campaign and exhibition conducted	1 Awareness campaign and exhibition (31 Mar 2013)	A	<b>Not Achieved:</b> Business Development Show was halted by Council.	During the Cabinet outreach it has been indicated that there is a need for the business forum.
To ensure the development of co-operatives as primary vehicle for poverty	Ensure that sustainable community investment programmes are introduced and implemented	Newly introduced community programmes	31-Mar-13	B	<b>Not Achieved:</b> CWP replaced the sustainable community investment programmes as part of	The CRDP programmes are implemented for the municipality



eradication					the EPWP (Safety net)	
To ensure an implementable LED strategy	Number of feasibility studies conducted	Results of the feasibility study reported to Council	1 feasibility study on Mkhombo and Mdala reserve (30 Jun 2013)	<b>C</b>	<b>100% Achieved:</b> The study has been done and completed	None
To ensure a full access to fresh produce by local suppliers and communities	Fresh produced market established	Report and a completion certificate on the market establishment	1 Fresh Market (30 Jun 2013)	<b>D</b>	<b>Not Achieved:</b> The site for the construction that was identified could not be used as it was not declared for the municipality	The project will be rolled over to the new financial year
To ensure the development of co-operatives as primary vehicle for poverty eradication	Number of cooperatives trained	Training report and attendance registers	30 Cooperatives (30 Jun 2013)	<b>E</b>	<b>Not Achieved:</b> During the tender stage of appointing a service provider to provide training to Cooperatives there was an objection from the public.	The Nkangala District Municipality is assisting with this programme
To ensure an implementable LED strategy	Review of the LED strategy	LED strategy approved by Council	30-Jun-13	<b>F</b>	<b>Not Achieved:</b> There was a delay from the Supply Chain Management Processes	The Nkangala District Municipality is assisting with this programme
To create opportunities for all stakeholders to make valuable contributions to the Local Economic Development	LED summit held	LED summit report and attendance registers	1 LED summit (31 Mar 2013)	<b>G</b>	<b>Not Achieved:</b> The LED Summit was changed to Business Breakfast with the Executive Mayor	The LED Forum needs to be prioritized

To create opportunities for all stakeholders to make valuable contributions to the Local Economic Development	Number of LED Stakeholders(Forum) meetings held.	Minutes, agenda and attendance registers	4 Meetings (1 per quarter)	<b>H</b>	<b>Not Achieved:</b> Non-attendance by stakeholders. Sub-LED Forum was discussed with the LED Coordinator as it will curb the long distances that must be travelled when attending the LED Stakeholders Forum	The LED Forum needs to be prioritized
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**KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT**

Planned Performance	Actual Performance from 01 July 2012 to	Corrective measures taken / to be taken to improve
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2012/2013					30 June 2013	performance/ Reasons for deviation
				File ref.		
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target		As at 30 June 2013	
To ensure that a credible and detailed budget is compiled in line with the IDP	Ensure timely preparation of the Municipality's budget for 2013/14 based on the approved IDP	Draft Municipal budget prepared and inputs submitted to the budget office	31-Mar-13	A	<b>100% Achieved:</b> The draft budget and IDP were submitted to Council for approval	None
To strengthen and sustain sound administrative and financial capacity of the municipality	A report identifying irregular, unauthorized, fruitless and wasteful expenditure is prepared	Detailed report	4 Reports (1 per quarter)	B	<b>100% Achieved:</b> Irregular, unauthorized, fruitless and wasteful expenditure has been prepared.	None
To strengthen and sustain sound administrative and financial capacity of the municipality	Number of Bid-Adjudication Committee meetings scheduled and held	Adjudication meetings held	At least 3 Meetings per quarter	C	<b>100% Achieved:</b> Bid Adjudication Meetings have been held	None
To strengthen and sustain sound administrative and financial capacity of the municipality	Number of deviations reports submitted to Council	Deviations reports	1 Report per quarter	D	<b>100% Achieved:</b> The deviation report has been submitted to Council	None

To strengthen and sustain sound administrative and financial capacity of the municipality	Ensure the effective management of the budget	Monthly expenditure reports (Section 71 reports)	Monthly	<b>E</b>	<b>100% Achieved:</b> Section 71 reports were submitted to relevant governance structures for	None
To strengthen and sustain sound administrative and financial capacity of the municipality	Comprehensive financial management policies are developed or reviewed in consistent with GRAP guidelines	Newly developed or reviewed financial management policies	30 Jun 2013 (Compliant financial management policies)	<b>F</b>	<b>100% Achieved:</b> The financial policies were developed and reviewed as well as submitted to Council with the approval of the budget.	None
To ensure the compilation of annual financial statements	Complete the 2011/12 financial year annual financial statements	Compiled annual financial statements for 2011/12 financial year	31-Aug-12	<b>G</b>	<b>100% Achieved:</b> The annual financial statements were compiled and completed	None
To ensure sound and effective governance systems	Ensure the implementation of the Action plan regarding issues raised by the Auditor General	Progress reports from departments	Quarterly	<b>H</b>	<b>100% Achieved:</b> Issues are addressed through the Audit Action Plan Technical Steering Committee	None
To ensure sound and effective governance systems	Respond satisfactorily to internal and external audit enquiries relating to the Municipality.	Register of all internal and external queries responded to by MM department	Within 02 days after receipt	<b>I</b>	<b>100% Achieved:</b> Audit queries have been responded to within the specified period	None

**KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

Planned Performance					Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013				File ref.		
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target			As at 30 June 2013
To ensure effective coordination of IDP and to address community needs through planning	Ensure public participation in the development of the IDP and processes are completed	Minutes and attendance registers of IDP public participation, Steering committee and representative forums	31-Mar-13	<b>A</b>	<b>100% Achieved:</b> IDP meetings were held	None
To ensure effective coordination of IDP and to address	Development and review of the IDP	Approved IDP process plan, legislatively compliant IDP	31 Mar 2013 (1 Credible IDP)	<b>B</b>	<b>100% Achieved:</b> The Municipal IDP has been developed and reviewed. The IDP document was	None

community needs through planning					presented before Council	
To ensure the development of a credible SDBIP.	Development of the institutional top layer SDBIP for the 2013/14 FY	Top layer SDBIP approved by Council	31 May 2013 (1 Top layer SDBIP)	<b>C</b>	<b>100% Achieved:</b> SDBIP Has been developed	None
To ensure the full implementation of performance management system	Number of draft performance plans and agreements for the directors developed for the 2013/14 financial year	Draft performance plans and agreements	31 May 2013 (All 5 Section 57 managers)	<b>D</b>	<b>100% Achieved:</b> Draft performance plans were developed and submitted to Council.	None
To strengthen oversight function within Council	Meeting of the oversight committee to consider the annual report	Minutes and attendance registers of the oversight committee	1 Meeting (28 Feb 2013)	<b>E</b>	<b>100% Achieved:</b> The Oversight Committee Report that considers the Annual Report was tabled before Council	None
To strengthen community participation and deepen democracy	Ensure that public participation on by-laws are conducted	Public participation meetings on by-laws	31-Mar-13	<b>F</b>	<b>50% Achieved:</b> Public participation on by-laws was conducted	None
N/A	Ensure the gazetting of by-laws	Gazetted by-laws	30-Jun-13	<b>G</b>	<b>Not Achieved:</b> The by-laws could not be gazetted as a result of moving the legal function to the MM's office	By-laws will be gazetted in the 2013/14 financial year
To ensure sound and effective governance systems	Number of audit committee meetings	Quarterly minutes, agenda and attendance register for audit committee meetings	4 meetings (Quarterly)	<b>H</b>	<b>100% Achieved:</b> Audit Committee meets quarterly to consider reports	None

To ensure sound and effective governance systems	Ensure that the Finance, Admin & Corporate, Technical Services and Community Development Services Portfolio Committees seats at least quarterly to consider reports	Schedule of all portfolio meetings, minutes, agenda's and attendance registers	Quarterly	I	<b>100% Achieved:</b> Meetings of all portfolio committees took place	None
To ensure sound and effective governance systems	Ensure the execution and implementation of all programmes within the office of the Executive Mayor as contained in the SDBIP (Transversal & Youth Programmes)	Report on all programmes implemented	Quarterly	J	<b>100% Achieved:</b> Transversal and Youth programmes have been implemented (Women Economic Seminar, Children Forum, Disability Forum, Transversal Workshop, Mandela Day, Transversal Forum, HIV/Aids Awareness, Mainstream Workshop Forum, Disability Awareness Campaign & Local Aids Council)	None
To ensure sound and effective governance systems	Ensure the execution and implementation of all programmes within the office of the Speaker as contained in the SDBIP	Report on all programmes implemented	Quarterly	K	<b>50% Achieved:</b> Speakers office programmes have been implemented relating to meetings held.	None
To strengthen community participation and deepen democracy	Number of IDP and budget izimbizo meetings held	Report and attendance registers of meetings	6 Izimbizo meetings (30 Jun 2013)	L	<b>100% Achieved:</b> IDP and Budget Izimbizo meetings were held	None

To ensure sound and effective governance systems	Development of the terms of reference for the MPAC, RMC and Section 79 Committees	MPAC, RMC and Section 79 Terms of Reference	31-Dec-12	<b>M</b>	<b>100% Achieved:</b> The terms of reference have been developed and submitted to Council	None
To ensure the advocacy and mobilisation of transversal issues	Development of the transversal strategy	Approved transversal strategy	30 Jun 2013 (1 Strategy)	<b>N</b>	<b>Not Achieved:</b> There was a delay from the Supply Chain Management Processes	The Strategy needs to be developed
To ensure sound and effective governance systems	Developed annual report for 2011/12 with the inclusion of the legislated and compliant sections	Annual Report printed	1 Annual report (30 Apr 2013)	<b>O</b>	<b>100% Achieved:</b> The annual report has been developed.	
To ensure sound and effective governance systems	Updated municipal risk register	Updated municipal risk register	29-Jun-13	<b>P</b>	<b>100% Achieved:</b> The Municipality has an updated risk register.	None
To ensure sound and effective governance systems	The Head of the Department shall as far as is reasonably practicable ensure that the duties of the employer as contemplated in the Occupational Health and Safety Act, Section 16.1 are properly discharged	Quarterly progress report on the implementation of the Occupational Health and Safety Act	Quarterly	<b>Q</b>	<b>Not Achieved:</b> The post of the Occupational Health & Safety Officer is vacant	The municipality needs to consider appointing personnel that will deal with the Occupational Health and Safety





**FINANCE**

**KPA 1: MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT**

Planned Performance					Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013						
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target	File ref.	As at 30 June 2013	
To ensure compliance with legislative reporting	Prepare a consolidated performance report of the Finance Department	Departmental performance report	Quarterly (1 Report)	<b>A</b>	<b>100% Achieved:</b> Reports have been prepared.	None
To ensure the development of a credible SDBIP	Develop the draft SDBIP of the directorate for the 2013/14 consistent with budget timetable	Developed draft SDBIP of 2013/14	30 May 2013 (1 Consolidated departmental SDBIP)	<b>B</b>	<b>100% Achieved:</b> Municipal SDBIP has been developed.	None
Compliance with the prescribed reporting and accountability requirement						
To ensure compliance with legislative reporting	Submission of reports in terms of section 71 of the MFMA to the Executive Mayor and Provincial and National Treasury	Section 71 reports, Council Resolution and acknowledgement of receipt from Treasury Departments	Monthly & Quarterly	<b>C</b>	<b>50% Achieved:</b> 6 Section 71 reports were submitted to relevant governance structures for (Jan-June 2013)	6 Outstanding Sec 71 reports for July-Dec 2012 must be submitted
To ensure compliance with legislative reporting	Financial management grant report to National and Provincial Treasury	Report of the financial management grant and acknowledgement of receipt from	Monthly (12 Reports)	<b>D</b>	<b>50% Achieved:</b> 6 FMG reports were prepared and submitted to Provincial and National Treasury for (Jan-June 2013)	6 Outstanding FMG reports for July-Dec 2012 must be submitted

		Treasury				
To ensure compliance with legislative reporting	Municipal Systems Improvement grant report to National Treasury	MSIG report and acknowledgement of receipt from Treasury	Monthly (12 Reports)	<b>E</b>	<b>50% Achieved:</b> 6 MSIG reports were prepared and submitted to Treasury (Jan-June 2013)	6 Outstanding MSIG reports for July-Dec 2012 must be submitted
Strict internal control						
N/A	Review current internal control measures existing in the directorate and develop procedure manuals	Reviewed internal control measures. Developed procedure manual	30 May 2013 (Report of internal controls and procedure manuals)	<b>F</b>	<b>Not Achieved:</b> Lack of personnel due to disciplinary suspensions within the SCM Division. The appointment of a service provider to review internal controls could not be finalized.	There is a need to prioritize the review of internal control measures were and develop the procedure manual.
N/A	Submit document containing internal control measures to the Audit Committee for comment	Minutes of the Audit Committee commenting on control measures document	30-Jun-13	<b>G</b>	<b>100% Achieved:</b> The draft policy was submitted to the Audit Committee for comments and inputs	None
N/A	Review the supply chain management policy in terms of chapter 11 of the MFMA and submit it to MAYCO, Audit Committee and Council.	Reviewed SCM policies and Council resolution	30-Jun-13	<b>H</b>	<b>100% Achieved:</b> The SCM Policy has been reviewed.	None
Implementation and maintenance of the procurement systems and standards						
N/A	Number of employees who signed the code of	Code of conducts signed by all	All employees involved in SCM	<b>I</b>	<b>100% Achieved:</b> 31 Officials have signed	None

	conduct.	employees involved in SCM processes	(30 Jan 2013)		the code of conduct.	
To ensure highly effective organisation through capacitating staff and councillors	Number of eligible employees allocated to the department each attends a capacity building programme as per the implementation of the Workplace Skills Plan.	Report of all eligible employees in the department who attended trainings/capacity building programmes	Monthly (1 Monthly report)	<b>J</b>	<b>100% Achieved:</b> Officials underwent training as per the WSP.	None
N/A	Develop the leave plan for the department and maintain compliance	Approved leave plan	15-Dec-12	<b>K</b>	<b>50% Achieved:</b> The leave plan has been developed	Approval by the Municipal Manager is outstanding

#### KPA 2: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Planned Performance	Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013		

					File ref.		
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target		As at 30 June 2013		
Service providers providing services to the directorate meet agreed performance standards in terms of quality, budget and timelines							
N/A	Prepare the terms of reference and ensure conclusion of the service level agreement with the service providers appointed by the department.	Signed SLA's with clear terms of reference.	Monthly	<b>A</b>	<b>100% Achieved:</b> Service Level Agreements have been attached for Ultimax&Minatlou for the valuation	None	
N/A	Monitor and measure performance of service providers in terms of contracts or monthly or as per SLA	Performance progress reports be submitted by the service providers	Monthly	<b>B</b>	<b>100% Achieved:</b> Service providers have provided performance progress reports.	None	
To ensure the review and update of the suppliers database	Annual invitation of service providers for inclusion in the SCM database	Updated database with new service providers. Newspaper advert inviting suppliers	30 Jun 2013 (1 Report of updated database)	<b>C</b>	<b>Not Achieved:</b> Lack of personnel due to disciplinary suspensions within the SCM Division	The advert will be issued out in the month of August 2013 for the supplier's to update their information.	

**KPA 3: LOCAL ECONOMIC DEVELOPMENT**

Planned Performance					Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013				File ref.		
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target		As at 30 June 2013	
To create opportunities for all stakeholders to make valuable contributions to the LED	Number of LED stakeholders meeting/forum attended	Attendance to all LED meetings	4 Meetings (1 per quarter)	A	N/A	None

**KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT**

Planned Performance					Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013				File ref.		
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target			As at 30 June 2013
To strengthen and sustain sound administrative and financial capacity of the municipality	Ensure the preparation of the Municipal draft budget for 2013/14 based on the approved IDP	Prepare the Municipal's budget and submits draft budget inputs to the budget office	31-Mar-13	<b>A</b>	<b>100% Achieved:</b> The draft budget has been prepared and approved through community participation.	
To strengthen and sustain sound administrative and financial capacity of the municipality	A report identifying irregular, unauthorized, fruitless and wasteful expenditure be prepared and submitted to the Municipal Manager	Report prepared and submitted	4 Reports (1 Per quarter)	<b>B</b>	<b>Not Achieved:</b>	No report has been prepared and submitted. Section 52 indicates if irregular, unauthorized, fruitless and wasteful was incurred.
To strengthen and sustain sound administrative and financial capacity of the municipality	Number of deviations reports submitted to Council	Submission of deviations reports	4 Deviations reports (1 per quarter)	<b>C</b>	<b>100% Achieved:</b> Deviations reports were submitted to relevant structures to date.	None
To strengthen and sustain sound administrative	No overspending on departmental votes	Monthly expenditure report indicating votes movement	Monthly	<b>D</b>	<b>Not Achieved:</b>	No report of monthly expenditure reflecting vote movements

and financial capacity of the municipality						
To ensure the implementation of the asset management.	Number of asset count, reconciliation report with the updated asset register	Asset counts and asset reconciliations	2 Asset counts and 12 Asset reconciliations (30 Jun 2013)	<b>E</b>	<b>50% Achieved:</b> 1 Asset count has been conducted.	No reconciliations for the month of April to March due to technical challenges of the IT System
To ensure the implementation of the asset management.	Number of meetings (asset disposal committee)	Minutes of the asset disposal committee and attendance registers	1 Meeting (30 may 2013)	<b>F</b>	<b>Not Achieved:</b> The Disposal committee was not yet established.	The disposal committee members will be appointed in the 2013/14 financial year.
To ensure the implementation of the asset management.	Percentage of assets insured	Insured assets	100% Assets insured (31 Oct 2012)	<b>G</b>	<b>100% Achieved:</b> All assets are insured by Omni Risk Solution.	None
To ensure the compilation of annual financial statements	Complete the 2011/12 annual financial statements	Compiled and completed annual financial statements for 2011/12 financial year.	31-Aug-12	<b>H</b>	<b>100% Achieved:</b> The 2011/12 AFS have been prepared and audited.	None
To ensure compliance with the MPRA in compilation of the valuation roll.	Compilation of the valuation roll	Report regarding the valuation roll submitted to the Municipal Manager.	1 Report (30 Jun 2013)	<b>I</b>	<b>100% Achieved:</b> The progress report on valuation roll has been prepared.	None
To ensure a clean data on the financial system	Proper billing of consumer accounts	System report submitted to the Municipal Manager	30 Jun 2013 (5 Data cleansing on proclaimed wards)	<b>J</b>	<b>100% Achieved:</b> The project progress report for Desktop Data cleansing has been submitted	Work in progress
To effectively implement debt collection and credit control	Implementation of the debt collection and credit control	Debt collection report	30 Jun 2013 (Implemented debt collection policy in 5	<b>K</b>	<b>10% Achieved:</b> A debt collector has been appointed and the appointment of	Work in progress



policy			proclaimed wards)		attorneys for debt collection is at the evaluation stage. Promulgation of debt collection by-law has not started.	
To ensure sound and effective governance systems	Ensure implementation of the Action Plan regarding issues raised by the Auditor General during the Technical Steering Committee and Audit Steering Committee	Action plan implementation progress meetings	Quarterly	<b>L</b>	<b>100% Achieved:</b> Audit Steering Committee Meetings	None
To strengthen and sustain sound administrative and financial capacity of the municipality	Prepare medium-term capital financial plan, informed by the IDP (adjustment budget) and submit to Council	Council resolution regarding the financial plan with consolidated adjustment budget	15 Jan 2013 (Adjustment budget)	<b>M</b>	<b>100% Achieved:</b> The adjustment budget has been prepared and submitted to Council.	None

**KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

Planned Performance					Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013				File ref.		
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target		As at 30 June 2013	
To ensure that a credible and detailed budget is compiled in line with the IDP	Implement a budget preparation process for 2013/14 that allows for public participation. Ensure that community participation processes are completed.	Budget consultation meeting inputs, minutes and attendance registers.	31 May 2013 ( Consolidated budget inputs)	<b>A</b>	<b>100% Achieved:</b> Consultation took place during budget preparation as the public notice was published and budget imbizo meetings prevailed	<b>None</b>
To strengthen and sustain sound administrative and financial capacity of the municipality	Creditors are paid within 30 days of receiving valid tax invoices. No complaints are received from creditors regarding late payment	Monthly creditors reports	Monthly (Payments are processed within 30 days)	<b>B</b>	<b>100% Achieved:</b> Valid invoices of creditors are paid within the 30 Days period as per creditors reconciliation report.	<b>None</b>
To strengthen and sustain sound administrative and financial capacity of the municipality	Number of complaints and interest paid	Complaints register	Zero complaints (On-going)	<b>C</b>	<b>Not Achieved:</b>	No complaint register was prepared or a memo to the MM informing on complaints received or not received for late payment.

To strengthen and sustain sound administrative and financial capacity of the municipality	Number of payroll transfers	Payroll transfer reports	Monthly (12 Transfers)	<b>D</b>	<b>100% Achieved:</b> Monthly Payroll transfers were done as employees are paid salaries monthly and evidence has been attached	None
To ensure sound and effective governance systems	Ensure that the finance portfolio committee seats at least two times in each quarter of a financial year to consider financial reports	Meetings of the Finance Portfolio Committee, Minutes, agenda and attendance registers	At least 2 meetings (Quarterly)	<b>E</b>	<b>Not Achieved:</b> The Municipal Portfolio Committees were not functional even though the schedule of their meetings was developed.	No meeting took place. Committees were non-functional for the first half of the financial and the financial reports were submitted to the MAYORAL Committee.
To ensure sound and effective governance systems	The Head of the Department shall as far as is reasonably practicable ensure that the duties of the employer as contemplated in the Occupational Health and Safety Act, Section 16.1 are properly discharged	Progress report on the implementation	Quarterly	<b>F</b>	<b>Not Achieved:</b> The OHS post was vacant	The establishment and appointment of 16.1 & 16.2 committees has not yet been done.

## ADMIN & CORPORATE SERVICES

### KPA 1: MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

Planned Performance					Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013				File ref.		
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target			As at 30 June 2013
To ensure the integration of municipal divisions into one organisational structure	Reviewed municipal organogram	Approved organogram with council resolution incorporating DWA staff.	30-Jun-13	A	<b>100% Achieved:</b> Organogram with Council resolution.	None
To ensure highly effective organisation through capacitating staff and councillors	Number of employees and Councillors trained	Training report with list of people trained	30 Jun 2013 (49 Councillors & 86 officials)	B	<b>100% Achieved:</b> Councillors and officials attended training for the period under review	None
To ensure the development and implementation of council approved policies and formulation of by-laws and promulgations	Development of the retention strategy	Approved retention strategy by Council	1 Retention strategy (31 Mar 2013)	C	<b>Not Achieved:</b> The Strategy could not be developed due to the vacancy of assistant manager HRM	The retention strategy will be done in the 2013/14 financial year.

To ensure highly effective organisation through capacitating staff and councillors	Number of graduates participating in municipal internship programme funded through FMG	Report on Council's internship programme with appointment letters	5 Interns (31 Dec 2012)	<b>D</b>	<b>100% Achieved:</b> Interns appointments were confirmed	None
To ensure the wellness of employees and councillors	Service provider appointed to handle EAP matters	1 Service provider appointed	30-Jun-13	<b>E</b>	<b>Not Achieved:</b> As a result of lack of funds.	The department must prioritize the procurement services for a service provider to handle Employee Assistance Programme Matters and it has been budgeted for in the 2013/14 financial year
To ensure the development and implementation of council approved policies and formulation of by-laws and promulgations	Number of developed and reviewed organisational policies	Council approved policies with resolutions	12 Policies reviewed (30 Jun 2013)	<b>F</b>	<b>33.3% Achieved:</b> 4 of 12 Policies have been developed; Occupational Health & Safety Policy, Travel & Subsistence Policy, Recruitment & Selection Policy, Anti-corruption Policy,	8 Policies for development or review are outstanding
Filling of vacant positions budgeted for as per the approved organogram	Number of vacant funded positions filled	Report on the number of appointments made	98 Filled (30 Jun 2013)	<b>G</b>	<b>73% Achieved:</b> 72 of 98 Appointments were confirmed however not on all vacancies were filled	Not all posts were filled only critical ones were prioritized.
To safeguard municipal records and related data for future reference in terms of NARSA Act.	Procurement of the record management furniture and approved file plan by Provincial Archive	Records management furniture procured and with approved file plan by Provincial Archive	30-Apr-13	<b>H</b>	<b>50% Achieved:</b> The File plan has been approved.	Furniture has not been procured as the building is being refurbished

To provide financial assistance to deserving students within the municipal area	Number of bursaries awarded	Bursaries awarded	8 Bursaries awarded (31 Mar 2013)	I	<b>87% Achieved:</b> 7 of 8 Bursaries have been awarded.	15 applications were received however only 7 met the stipulated requirements and only 7 were awarded.
To ensure compliance with legislative reporting	Develop the Employment Equity Plan and report to relevant authorities	EEP and acknowledgement of receipt by relevant authorities. Report on the appointment of staff	1 Employment equity plan developed and reported (30 Oct 2012)	J	<b>100% Achieved:</b> Completed and submitted to relevant authorities	None
To ensure sound and effective governance systems	Number of Local Labour Forums Meetings	Meetings of Local Labour Forums held. Invites, agenda, minutes of quarterly LLF Meetings	Quarterly (4 Meetings)	K	<b>100 % Achieved:</b> 7 LLF meetings took place however it was not spread according to quarters	None
To ensure highly effective organisation through capacitating staff and councillors	Workplace Skills Plan developed and submitted to LGSETA	1 WSP developed & submitted	30-Jun-13	L	<b>100% Achieved:</b> The WSP has been developed.	None
To ensure highly effective organisation through capacitating staff and councillors	Documented Mid-Year and Annual Training Report	Prepared and documented Training Report	Consolidated and compliant training reports (Mid-year & Annually)	M	<b>100% Achieved:</b> The Annual Training report has been prepared	None
To ensure sound and effective governance systems	Develop an annual leave plan for the municipality	Approved leave plan	Leave plan (31 March 2013)	N	<b>50% Achieved:</b> Departmental annual leave plan has been developed	Municipal consolidated annual leave plan still needs to be done

To ensure compliance with legislative reporting	Prepare performance reports highlighting activities of the directorate and submit to section 79 committees	Departmental performance reports highlighting activities of the department	Quarterly	<b>O</b>	<b>25% Achieved:</b> 1 of 4 quarter report was submitted to Admin and Corporate Services section 79 committee	None
To ensure sound and effective governance systems	Number of departmental meetings held	Departmental meetings conducted. Schedule, agenda, attendance register and minutes.	Quarterly (At least 4 meetings)	<b>P</b>	<b>75% Achieved:</b> 3 of 4 meetings have been held.	None
To ensure the development and implementation of council approved policies and formulation of by-laws and promulgations	Keep abreast and analyse proposed new national and provincial legislation, regulations and policies affecting local government and prepare item for consideration by Council	Report prepared and presented before Council	On-going	<b>Q</b>	<b>100% Achieved:</b> An item to Council on upper limit was prepared and submitted to Council.	None
To ensure sound and effective governance systems	Ensure that each Directorate, the Municipal Manager, the Speaker and Mayor have a copy of the DRJSMLM policies and manuals	All directorates have approved municipal policies	30-Jun-13	<b>R</b>	<b>Not Achieved:</b> The DRJSMLM Policy Code could not be developed due to the vacancy of assistant manager HRM	Manuals must be arranged and forwarded to the respective offices.
To ensure sound and effective governance systems	Number of developed and reviewed by-laws	14 Draft by-laws for public participation	30-Jun-13	<b>S</b>	<b>92.8% Achieved:</b> 13 of 14 draft by- laws were developed.	One by-law as per the target was not prepared.
To ensure compliance with legislative reporting	The appointment of the OHS Officer to ensure adherence with Occupational Health	Appointment of the OHS Officer	30-Apr-13	<b>T</b>	<b>Not Achieved:</b> The OHS position was also part of the group of posts that were placed	This post needs to be prioritized and it has been budgeted for in the financial year of 2013/14.

	and Safety Act, Section 16.1 are properly discharged				under the moratorium	
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**KPA 2: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

Planned Performance					Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013						
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target	File ref.	As at 30 June 2013	
N/A	Prepare the terms of reference and ensure conclusion of the service level agreements with service providers appointed by the municipality	Signed SLA's with service providers	On-going	A	<b>100% Achieved:</b> Service Level Agreement was signed with Prime Media outdoor for rental.	None
To ensure sound and effective governance	Ensure that the municipal information is placed on the municipal	Updated website with draft budget, IDP and annual	On-going	B	<b>100% Achieved:</b> Information is updated on the website as per	None



systems	website as required by section 75 of the MFMA	report			request and uploads are done quarterly.	
To ensure sound and effective governance systems	Establish an ICT helpdesk	Developed ICT Helpdesk (Monthly progress reports)	30-Jun-13	<b>C</b>	<b>Not Achieved:</b> Lack of capacity within the IT division	The ICT Helpdesk system is to be implemented by Odirile IT Holdings, the service desk agent has also been appointed. The system is envisaged to be rolled out before 31 August 2013
To ensure sound and effective governance systems	Conduct a study on the implementation of virtualization and storage area networks	Result of the study	31-May-13	<b>D</b>	<b>Not Achieved:</b> Lack of capacity within the IT division	The contract for the Supply and Delivery of ICT Equipment's has recently been entered between Matrix Warehouse Ermelo. The ICT Division would now be engaging Odirile IT Holdings on how Storage Area Networks are to be implemented
To ensure sound and effective governance systems	Contract variations are documented and approved by the person/structure that approved the initial contract and annexed to the principal contract as executed and signed addendum	All contract variations clearly documented and submitted to the Municipal Manager	On-going	<b>E</b>	<b>100% Achieved:</b> The variation order for Enginet was prepared.	None

**KPA 3: LOCAL ECONOMIC DEVELOPMENT**

Planned Performance					Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013				File ref.		
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target			As at 30 June 2013
N/A	Number of Local Economic Development stakeholder	Attendance of 4 meetings / forums	Quarterly	A	N/A	None

**KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT**

Planned Performance					Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013						

				File ref.		
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target		As at 30 June 2013	
To strengthen and sustain sound administrative and financial capacity of the municipality	Ensure the preparation of the Directorate's budget for 2013/14 based on the approved IDP	Prepared and drafted departmental' s budget inputs submitted to finance	30-Apr-13	<b>A</b>	<b>100% Achieved:</b> Draft budget has been prepared and submitted with departmental inputs.	None
To strengthen and sustain sound administrative and financial capacity of the municipality	A report identifying irregular, unauthorized, fruitless and wasteful expenditure be prepared and submitted to the municipal manager	4 Reports	Quarterly (1 report)	<b>B</b>	<b>Not Achieved:</b> The report has not been prepared	The report needs to be prepared and submitted to the Municipal Manager on an-going basis
To strengthen and sustain sound administrative and financial capacity of the municipality	Number of deviations reports submitted to finance department	4 Deviations report	4 Deviations reports (1 per quarter)	<b>C</b>	<b>100% Achieved:</b> The reports have been submitted to finance department.	None
To strengthen and sustain sound administrative and financial capacity of the municipality	Number of Bid-Adjudication Committee meetings attended	At least 3 meetings per quarter	Quarterly	<b>D</b>	<b>100% Achieved:</b> No meetings were attended	None

**KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

Planned Performance					Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013				File ref.		
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target			As at 30 June 2013
To ensure sound and effective governance systems	Distribution of Council Agenda	Signed distribution lists and agenda circulated as per the schedule of meetings	On-going (Circulated as per the Council schedule of meetings)	<b>A</b>	<b>100% Achieved:</b> Agenda is distributed accordingly	None
To ensure sound and effective governance systems	Minute taking during Council meetings and distribution	Registers for acknowledgement of receipt	On-going	<b>B</b>	<b>100% Achieved:</b> Minute taking is done accordingly during each Council seating	None
To ensure sound and effective governance systems	Prepare a municipal calendar	Municipal calendar approved by the Municipal Manager	31-Mar-13	<b>C</b>	<b>100% Achieved:</b> The municipal calendar has been prepared.	None
To ensure the development and implementation of council approved policies and formulation of by-laws and	Conduct an awareness workshop of staff on all Council policies and frameworks	Workshop conducted with attendance registers and invites for workshops	31-Mar-13	<b>D</b>	<b>100% Achieved:</b> The workshop was conducted with various municipal departments	None

promulgations						
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**TECHNICAL SERVICES**

**KPA 1: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT**

Planned Performance					Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013						
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target	File ref.	As at 30 June 2013	
To ensure sound and effective governance systems	Prepare a consolidated departmental activities report containing (Electrical, mechanical and fleet, design and planning, land and housing, PMU, Water and Sanitation, Roads and Stormwater)	Performance reports of the department	Quarterly	A	<b>100% Achieved:</b> Reports for Technical Department activities have been prepared.	None

To ensure highly effective organisation through capacitating staff and councillors	Number of eligible employees allocated to the department and each attends a capacity building programme.	Monthly training report	Monthly	<b>B</b>	<b>100% Achieved:</b> Officials attended capacity building programmes as per the training report.	None
To ensure sound and effective governance systems	Develop a leave plan for the department	Approved leave plan	15-Dec-12	<b>C</b>	<b>50% Achieved:</b> Leave plan has been developed.	However it was not submitted for approval.
To ensure sound and effective governance systems	Develop a detailed departmental SDBIP.	Detailed departmental SDBIP	30-Jun-13	<b>D</b>	<b>100% Achieved:</b> The SDBIP has been developed.	None
To ensure sound and effective governance systems	Number of departmental meetings held	Schedule, attendance registers and minutes of meetings	At least 4 meetings (1 per quarter)	<b>E</b>	<b>100% Achieved:</b> 9 Departmental meeting were conducted	None
To ensure sound and effective governance systems	Number of Technical Services Portfolio Meetings held	Schedule, attendance registers and minutes of meetings	At least 4 meetings (1 per quarter)	<b>F</b>	<b>50% Achieved:</b> 2 out of 4 Meetings were held.	The department was required to hold 4 Section 80/Portfolio Meetings.

## KPA 2: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Planned Performance				File ref.	Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013						
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target		As at 30 June 2013	

To ensure sound and effective governance systems	Prepare the terms of reference and ensure the conclusion of the service level agreement with the service providers appointed by the department	Signed SLA with the Terms of reference	Monthly	<b>A</b>	<b>100% Achieved:</b> 4 Service level agreements with terms of reference were concluded	None
To ensure sound and effective governance systems	Monitor and measure performance of service providers in terms of contract	Performance progress report submitted by the service provider or meetings held	Monthly (Reports submitted monthly)	<b>B</b>	<b>100% Achieved:</b> 39 Monthly Reports were submitted by service providers	None
N/A	Number of IDP projects allocated to the directorate	List of all projects for 2013/14	30-Jun-13	<b>C</b>	<b>100% Achieved:</b> List has been attached.	None
N/A	Contract variations are comprehensively documented, approved by the person that approved the principal contract and annexed to the principal contract as properly executed and signed addendum	All contract variations documented	On-going	<b>D</b>	<b>100% Achieved:</b> Variation Order has been comprehensively documented	None
N/A	Appointment of the service provider to develop the master plans WSDP, Energy, Roads and Stormwater	Appointment of a service provider	30-Jun-13	<b>E</b>	<b>33.3% Achieved:</b> Nhlengani Engineers has been appointed for the development of the WSDP by Nkangala District Municipality	Appointments for Energy, Roads and Stormwater master plans were not done.
To ensure accessibility to all areas within Dr JS Moroka Municipality	Number of bridge meters constructed	Project progress report and project completion certificate submitted to management and	300 Meters (30 Jun 2013)	<b>F</b>	<b>N/A</b>	Memorandum was forwarded to the Municipal Manager regarding arrangements for Project Management Unit.

through improved and safe road infrastructure		council				
To provide bulk water and reticulation to households within Dr JS Moroka Municipality	Number of villages supplied with water	Project progress report submitted to management and Council	16 Villages (3 Reports) (30 Jun 2013)	<b>G</b>	<b>68.75% Achieved:</b> The following villages have been reported; Gamorwe, Digwale, Loding, Seabe, Sehoko, Ukukhanya, Maphotla, Mantlole-Rankaile, Mmametlhake, Ramantsho and Gamogashwa	11 out of 16 Villages has been reported.
To ensure that water purification works is repaired and maintained according to standard	Uninterrupted water supply	Repair and maintenance report	63 water points-4 reports (Quarterly)	<b>H</b>	<b>100% Achieved:</b> 12 Repair & Maintenance reports have been prepared.	None
To provide sanitation to households within Dr JS Moroka Municipality	Number of VIP toilets constructed	Project progress report and project completion certificate	1800 VIP Toilets (30 Jun 2013)	<b>I</b>	<b>N/A</b>	Item was submitted to Council for approval of suspending the implementation of VIP toilet project due to court interdict.
To provide sanitation to households within Dr JS Moroka Municipality	Number of reticulation system upgraded	Project progress report and project completion certificate	1 Upgrading at Siyabuswa C (30 Jun 2013)	<b>J</b>	<b>N/A</b>	Memorandum was forwarded to the Municipal Manager regarding arrangements for Project Management Unit.
To ensure the provision of high mast lights	Number of high mast light installed	Project progress report and project completion certificate	47 High mast light installed-3 reports (30 Jun 2013)	<b>K</b>	<b>100% Achieved:</b> 64 Highmast lights have been completed. 4 Reports have been prepared.	Eskom supply of energy is a challenge (Work in progress)



**KPA 3: LOCAL ECONOMIC DEVELOPMENT**

Planned Performance				File ref.	Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013						
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target		As at 30 June 2013	
To ensure sound and effective governance systems	Number of LED stakeholders meeting/forum attended	At least 1 meeting attended	Quarterly	<b>A</b>	<b>N/A</b>	None
To ensure sound and effective governance systems	Ensure that 80% of unskilled labour in all the major projects of the department are from the municipality area concerned.	Encourage, Promote and emphasize unskilled local labour in major projects. List of personnel employed in the capital projects	Quarterly (80% of unskilled labour)	<b>B</b>	<b>100% Achieved:</b> Municipal local unskilled labour is utilized in the projects; the beneficiarylist has been prepared and attached.	None

**KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT**

Planned Performance				File ref.	Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013						
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target		As at 30 June 2013	
To strengthen and sustain sound administrative and financial capacity of the municipality	Ensure the preparation of the Directorate's budget for 2013/14 based on the approved IDP	Draft departmental budget prepared and inputs submitted to the Budget Office	31-Mar-13	<b>A</b>	<b>100% Achieved:</b> Budget inputs were submitted to budget office for the compilation of the draft budget.	None
To strengthen and sustain sound administrative	A report identifying irregular, unauthorized, fruitless and wasteful expenditure be	1 Detailed report	Quarterly	<b>B</b>	<b>100% Achieved:</b> A memorandum on a report regarding irregular, unauthorised,	None

and financial capacity of the municipality	prepared and submitted to the Municipal Manager				fruitless and wasteful expenditure to the Municipal Manager has been submitted.	
To strengthen and sustain sound administrative and financial capacity of the municipality	Number of Bid-Adjudication Committee Meetings attended	At least 3 meetings per quarter	Quarterly	<b>C</b>	<b>100% Achieved:</b> Meetings were attended as per the schedule.	None
To strengthen and sustain sound administrative and financial capacity of the municipality	Number of deviations reports submitted to finance department	1 Deviation report	Quarterly	<b>D</b>	<b>100% Achieved:</b> Deviations were submitted to finance department	None
To strengthen and sustain sound administrative and financial capacity of the municipality	Ensure no overspending or under-spending on departmental votes	Monthly expenditure report indicating votes movement	Monthly	<b>E</b>	<b>100% Achieved:</b> Trial balance is submitted monthly	None
To ensure sound and effective governance systems	Respond to internal and external audit queries relating to the directorate	List of all audit queries against the department and management letter responses	On-going (Within 3 days upon receipt of queries)	<b>F</b>	<b>Not Achieved:</b> Lack of communication within the department inresponding to audit queries swiftly	Queries against the department were not addressed within the stipulated period.

**KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

Planned Performance				File ref.	Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013					As at 30 June 2013	
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target			
To ensure sound and effective governance systems	Identification and nomination of a candidate to be an OHS representative of the department	Appointment letter with clear job specifications or terms of reference	30-May-13	<b>A</b>	<b>Not Achieved:</b> Lack of dedicated personnel to develop the terms of reference for the OHS representative	Terms of reference for OHS must be developed

**COMMUNITY DEVELOPMENT SERVICES**

**KPA 1: MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT**

Planned Performance				File ref.	Actual Performance from 01 July 2012 to 30 June 2013  As at 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013						
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target			
To ensure sound and effective governance systems	Prepare a consolidated performance reports of the Community Services Department.	Performance reports of the department prepared	Monthly & quarterly	A	<b>100% Achieved:</b> Council resolutions on the following reports have been submitted as attached; HIV & AIDS Awareness, Disability Awareness, Women Economic Seminar, Mandela Day Celebration, Tourism & Heritage Month Celebration, SAMSRA National Games, Proposed Provincial Strategy on CRDP, Allocation of CRDP Houses, Proposed New CRDP Ward.	Detailed reports pertaining to the resolutions have not been attached.

To ensure highly effective organisation through capacitating staff and councillors	Number of all eligible employees allocated to the department each attends a capacity building programme as per the implementation of the Workplace Skills Plan	Training reports	Monthly	<b>B</b>	<b>100% Achieved:</b> Employees attended various capacity building programmes (Records Management, Examiner for Driving Licences, First Aid, AART0 Data Capturers & Basic eNaTIS)	None
To ensure sound and effective governance systems	Create a database and conduct an audit of compliance with legislation affecting the department.	Legislation compliance database	28-Feb-13	<b>C</b>	<b>100% Achieved:</b> The legislation compliance database has been developed.	None
To ensure sound and effective governance systems	Develop the leave plan for the department and maintain compliance	Leave plan	15-Dec-12	<b>D</b>	<b>50% Achieved:</b> The Leave plan has been developed however not approved by the Municipal Manager	Leave plan be submitted to the MM for approval
To ensure sound and effective governance systems	Number of Community Development Services Portfolio Committee Meetings held	Schedule of portfolio meetings, minutes and attendance registers	At least 4 Meetings (1 per quarter)	<b>E</b>	<b>100% Achieved:</b> 6 CDS Portfolio Committees met to consider reports.	None
To ensure effective and efficient administration	Number of departmental staff meetings held	Schedule of meetings, minutes and attendance registers	At least 4 Meetings (1 per quarter)	<b>F</b>	<b>100% Achieved:</b> Meeting with Community Development Services Management & other Unit were held.	None

**KPA 2: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

Planned Performance					Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013				File ref.		
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target			As at 30 June 2013
To ensure sound and effective governance systems	Prepare the terms of reference and ensure conclusion of service level agreements with the service providers	Signed SLA's with terms of reference	Monthly	A	<b>100% Achieved:</b> Service Level Agreements were concluded with Sheppard	None

	appointed by the department				Protection Services, Makometsane Trading Enterprise and Independent Development Trust.	
To ensure sound and effective governance systems	Monitor and measure performance of service providers in terms of contracts	Performance progress report submitted by the service providers.	Monthly	<b>B</b>	<b>100% Achieved:</b> Service providers for the maintenance of buildings, Security Services, Food for waste programme progress reports were prepared & meetings held.	None
To strengthen community participation and deepen democracy	Number of municipal draft by-laws taken for public participation	Report and attendance registers of public participation meetings	30-Jun-13	<b>C</b>	<b>50% Achieved:</b> Draft by-laws on Funeral Parlours, Cemeteries & crematoria & Public Health by-law were developed, however only by-law on cemeteries were taken for public participation processes through consultation with Councillors.	Prioritization of community consultations needs to be made.
Filling of vacant positions budgeted for as per the approved organogram	Investigate the possibility of increasing personnel within the disaster management centre	Report of filled disaster management unit vacant positions	31-Mar-13	<b>D</b>	<b>Not Achieved:</b> Lack of personnel capacity	Disaster Management Unit needs to be capacitated for functionality. Recommendations have been submitted to the MM's office



To ensure sound and effective governance systems	Preparation of the progress report on the establishment of the disaster management centre	Progress report	Quarterly	<b>E</b>	<b>Not Achieved:</b> Lack of personnel capacity	No progress report has been prepared however the tender advert to appoint a service provider to construct the Fire Station with the closing date 22 Feb 2013 and preliminary designs of the Fire Station Structure has been attached.
To ensure sound and effective governance systems	Establishment of the local disaster management forum	Establishment report	31-Mar-13	<b>F</b>	<b>Not Achieved:</b> Lack of personnel capacity	Lack of personnel capacity within the disaster management unit. The unit must be capacitated in order to effectively allow its operations
To create a road safety environment to reduce accidents and to improve revenue collection	Number of reports submitted to ensure effective traffic law enforcement	Submission of reports	4 Reports	<b>G</b>	<b>Not Achieved:</b> The traffic division not submitting the reports as required.	The report has not been prepared only an implementation plan for the traffic section
To ensure the provision of user friendly, clean and sustainable facilities	Number of municipal buildings and facilities maintained	Report on the status of all municipal buildings and facilities submitted to Council	4 Reports (1 Per quarter)	<b>H</b>	<b>100% Achieved:</b> 1 Detailed report has been prepared incorporating all municipal facilities.	None
To provide an efficient and sustainable waste removal services	Number of illegal landfill sites legalized	Permit/License from DEDET	1 Landfill site (30 Jun 2013)	<b>I</b>	<b>10% Achieved:</b> The consulting engineer to act as an implementing agent on behalf of the municipality has been appointed.	This is a work in progress
Entrench a culture of learning and knowledge	Number of library programmes implemented	Report of programmes implemented	9 Programmes (Report quarterly)	<b>J</b>	<b>100% Achieved:</b> Library outreach programmes were	None

through effective and efficient libraries					implemented at different libraries and schools around the municipal jurisdiction.	
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### KPA 3: LOCAL ECONOMIC DEVELOPMENT

Planned Performance					Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013				File ref.		
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target			As at 30 June 2013
To ensure sound and effective governance systems	Number of LED stakeholders meeting/forum attended	Invites, minutes & attendance registers for meetings attended	Quarterly (1 per quarter)	A	N/A	None

### KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Planned Performance					Actual Performance from 01 July 2012 to 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013				File ref.		
IDP / SDBIP Objective	Performance Indicator	Performance Measure	Target			As at 30 June 2013

To strengthen and sustain sound administrative and financial capacity of the municipality	Ensure the preparation of the Directorate's budget for 2013/14 based on the approved IDP	Departmental budget prepared & inputs submitted to budget office	31-Mar-13	<b>A</b>	<b>100% Achieved:</b> The departmental budget has been prepared & inputs submitted to budget office.	None
To strengthen and sustain sound administrative and financial capacity of the municipality	Departmental budget be in place	All departmental votes reflect budget	Quarterly	<b>B</b>	<b>100% Achieved:</b> Departmental budget is in place & reflects budget movements	None
To strengthen and sustain sound administrative and financial capacity of the municipality	A report identifying irregular, unauthorized, fruitless & wasteful expenditure be prepared & submitted to the Municipal Manager	Detailed reports prepared	Quarterly (1 per quarter)	<b>C</b>	<b>Not Achieved:</b>	The report was not prepared
To strengthen and sustain sound administrative and financial capacity of the municipality	Number of Bid-Adjudication Committee Meeting attended	At least 3 meetings attended per quarter	3 Meetings per quarter	<b>D</b>	<b>100% Achieved:</b> Meetings were attended as per schedule.	None
To ensure effective and efficient administration	Number of deviations reports submitted to finance department	4 Deviations report submitted to finance department	Quarterly (1 per quarter)	<b>E</b>	<b>100% Achieved:</b> Deviations report has been prepared.	None
To ensure effective and efficient	Ensure no overspending or underspending on	Monthly expenditure report indicating votes movement	Monthly report	<b>F</b>	<b>100% Achieved:</b> Monthly expenditure monitoring has	None

administration	departmental votes				been conducted.	
To ensure effective and efficient administration	Respond to internal and external audit queries relating to the department	Register of all internal and external queries responded to by the department	On-going (Within 3 days upon receipt of queries)	<b>G</b>	<b>100% Achieved:</b> An audit query was issued to the department on the 10 December 2012 and a response was provided on the 11 December 2012	None

**KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

Planned Performance				File ref.	Actual Performance from 01 July 2012 to 30 June 2013 As at 30 June 2013	Corrective measures taken / to be taken to improve performance/ Reasons for deviation
2012/2013						
IDP / SDBIP	Performance	Performance	Target			

Objective	Indicator	Measure				
Entrench a culture of learning and knowledge through effective and efficient libraries	Conduct library awareness amongst the community members	Library awareness campaign report	30-Jun-13	<b>A</b>	<b>100% Achieved:</b> Library awareness campaigns were conducted.	None
To ensure effective coordination of IDP and to address community needs through planning	Ensure effective participation in the IDP processes and meetings relating to community members	Minutes and attendance registers of the meetings	As per IDP schedule	<b>B</b>	<b>100% Achieved:</b> IDP meetings have been attended	None
To ensure effective and efficient administration	The Head of the Department shall as far as is reasonably practicable ensure that the duties of the employer as contemplated in the Occupational Health and Safety Act, Section 16.1 are properly discharged.	Quarterly progress report	Quarterly	<b>C</b>	<b>Not Achieved:</b> The OHS post was vacant	Compliance with OSHA is not adhered to.



## 27. EMPLOYEES TOTALS, TURNOVER AND VACANCIES

Dr JS Moroka Local Municipality had filled 563 (five hundred and sixty three) positions in 2012/2013 financial year. The total number of employees as per the organogram was 933 (nine hundred and thirty three).

The total number of vacant posts is 367 (three hundred and sixty seven).

Note that the above information was compiled during the 2012/2013 financial year after the organogram was reviewed. The following statistical representation is thus further supplied:

TERMINATIONS		RECRUITMENT AND APPOINTMENT	
Total resignation	10	Recruitments	65
Total retirements	13	Promotions	22
Total deaths	05	Interns	01

## 28. Capacity Building

MSA 2000 S68 requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way.

To ensure compliance with MSA 2000 S68 the municipality has taken the following steps:

- Conducting Skills Analysis on both officials and councillors. The Skills Audit was than aligned with the IDP objectives.
- The Municipality than budgeted 1% of its payroll for Skills Development.
- Development the Workplace Skills Plan (WSP), which was approved by Council in May 2012 and submitted to LGSETA by June 2012.
- The Municipality further filled the vacant position of the Assistant Manager: HRD to ensure implementation of the Workplace Skills Plan

Even though the municipality has managed to make the above mentioned improvements, there are still challenges in regards with implementation of the Workplace Skills Plan, which are as follows:

- The Municipality could not implement the trainings planed on the 2012/2013 Workplace Skills Plan, because 60% of the budget was used for the Municipal Financial Management for all managers in order to comply with Circular 60 of MFMA of Minimum Competency Standards.
- Most employees did not fill their Skills Audit forms which made it difficult to provide them with relevant trainings

- Departments were sending employees to different courses using the training vote without consulting with relevant department. The training budget spent does not correspond with the number of training conducted because trainings conducted in other departments are not recorded in HR.
- Local Labour Forum (LLF) did not sit as scheduled, therefore there was no Training Committee and WSP was not presented to LLF

In order to conduct effective capacity building, the municipality must:

- Form Training Committee
- Ensure that all employees in consultation with their head of departments and supervisors must fill their Skills Audit Forms.
- Ensure that Trainings are centralised to Human Resource Development and all trainings must be approved by Assistant Manager: HRD before payments can be processed.



## CHAPTER 4

### Organizational Development Performance (Part II)

#### 28. Corporate Policies

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council/comment
1	Sexual Harassment Policy	100	100	27 March 2013
2	Cellular Phone Allowance Policy	100	100	27 March 2013
3	Reviewed Overtime Policy	100	100	26 September 2013
4	Draft Learnership and Internship Policy	100	100	30 July 2013
5	Draft Employees Assistance Programme Policy	100	100	30 July 2013
6	Draft Private Work and Declaration of Interest Policy	100	-	30 July 2013
7	Reviewed Leave policy	100	100	30 July 2013
8	Selection and Recruitment, Occupational Health and Safety Policies	100	100	27 June 2013

#### BY-LAWS

By-laws for 2012/13 were noted and referred by Council for public participation.

## **29. TRAINING AND SKILLS DEVELOPMENT**

The following trainings were conducted in 2012/2013 Financial Year.

<b>N O</b>	<b>TRAINING OFFERED</b>	<b>NUMBER OF EMPLOYEES ATTENDED</b>	<b>NUMBER OF COUNCILLO RS ATTENDED</b>	<b>DURATIO N</b>	<b>INSTITUTIO N</b>	<b>NQF LEVE L</b>
1.	National Certificate: Municipal Governance	04	06	10 months	Southern Africa Institute of Learning	NQF 5
2.	National Certificate Municipal Governance	0	02	12 Months	ALTIMAX	NQF 5
3.	Introductory Geographic Information System	05	0	5 months	University of Pretoria	NQF 6
4.	Leadership Development	0	09	9 months	Khosithi Training Institute	NQF 4
5.	Programme in Project Management	03	0	9 days	University Of Pretoria	NQF 6
6.	Contract Management	05	0	2 days	AD Management Development	NQF 5
7.	AdvancedCertificate in Municipal Governance	0	12	7 months	University of Johannesbur g	NQF 6
8.	CertificateProgramm e in ManagementDevelo pment ForMunicipalFinance	13	0	7 Months	North West University	NQF6
9.	Housing Policy Development& Management	02	0	4 Months	Wits	NQF 6
10.	Water &Wastewater 2	23	0	12 Months	Mahube Training and Development	NQF 5
11.	Masters in PlcInfrastructure	01	0	12 Months	University of Pretoria	NQF 7
12.	RecordsManagemen t	12	0	3 Days	Lemark Training	NQF 5
13.	MunicipalFinance ManagementProgra mme	04	0	9 months	Belgravia	NQF 5
14.	Programme in organisational Development	05	0	12 Months	UNISA	NQF 6
15.	OHS, First Aid Level 1 and Hazardous	20	0	4 days	Peakford Management Consultants	NQF 4
<b>TOTALS</b>		<b>97</b>	<b>29</b>			

In order to comply with the MF MA Competency Regulations the Municipality has registered 13 employees with North West University in Municipal Financial Management. Due to budget constraints the second group will start attending their classes in 2013/2014 Financial Year. The municipality is aware of the due date of compliance and is intending to comply by 2014.

## **CHAPTER 5:**

### **Financial Performance**

#### **30. GRANTS**

Grant Source	Allocation as per DORA
MIG	R 110,783,000
FMG	R 1,250,000
MSIG	R 800,000
EPWP	R 1,875,000
DWAE	R 10,243,000
TOTAL	R124,951,000

**CHAPTER 6**

**AUDIT COMMITTEE AND AUDITOR GENERAL'S REPORT**



**ANNUAL AUDIT COMMITTEE REPORT**

**30 JUNE 2013**

## **1. PURPOSE**

The purpose of this report is to present the annual Audit Committee report of Dr. JS Moroka Local Municipality for the year ending 30 June 2013. This report will form part of the 2012/13 annual report of the municipality.

## **2. BACKGROUND**

Nkangala District Municipality and three of its local municipalities have opted for a Shared Audit Committee Service. The Audit Committee was established in terms of section 166 of the Municipal Finance Management Act (MFMA), (Act No.56 of 2003).The Audit Committee has adopted its written terms of reference.

### **Statutory Requirements**

Section 166 of the MFMA requires that each municipality must have an Audit Committee. The Audit Committee is an independent advisory body that advises council, political office bearers, accounting officer, and staff of the municipality on the following:

- Internal financial control and internal audits;
- Risk management;
- Accounting policies;
- The adequacy, reliability, and accuracy of financial reporting and information;
- Performance management and evaluation
- Effective governance;
- Compliance with the MFMA, the annual Division of Revenue Act (DoRA) and any other applicable legislation;
- Any other issues referred to by the municipality;
- Review annual financial statements so as to provide authoritative and credible view of the financial position, on overall compliance with MFMA, DORA and other applicable legislations.
- Respond to Council on any matter raised by the Auditor-General (AGSA); and
- Carry out such investigations into financial affairs of the municipality as may be prescribed from time to time.

It is expected on a quarterly basis for the Audit Committee to review and advise municipal council on matters relating items listed above.

### 3. ATTENDANCE OF MEETINGS

The Audit Committee had five (5) appointed members who served on the committee for the 2012/13 financial year.

Name of Member	Ordinary Meetings	Special Meetings	Total
Ms. F Mudau (Chairperson)**	3	1	4
Mr. V Chuene	5	1	6
Mr. T Gafane	4	0	4
Mr. M Mmapheto	5	1	6
Mr. S Ngwenya*	4	0	4

\* Appointed 01 July 2012

\*\* Resigned 02 May 2013

The Audit Committee had five (5) ordinary meetings and one (1) special Audit Committee meeting. The member's attendances to the meeting are tabulated above.

The following individuals and stakeholders, although not members of the Audit Committee, have standing invitation to Audit Committee meetings:

- (i) The Accounting Officer
- (ii) The Chief Financial Officer
- (iii) The Section 56 Managers/Departmental Heads
- (iv) The Auditor-General
- (v) The National Treasury
- (vi) Mpumalanga Provincial Treasury
- (vii) Mpumalanga Department of Cooperative Governance
- (viii) South African Local Government
- (ix) Internal Audit ( also tasked with Secretariat function)

### 4. INTERNAL AUDIT

Section 165 of MFMA requires the municipality to have an internal audit unit, prepare a risk based internal plan and an internal audit program for each financial year. Dr JS Moroka did not have an effective and functional internal audit unit for the first half of the financial year due to high vacancy rate in the internal audit unit. Vacancies were filled in the second half of the year.

The Audit Committee observed that the vacancies within the Internal Audit Unit compromised the effectiveness of the unit.

Further, on those audits which were conducted with the support of the District's Internal Audit, the following matters were high-lighted as challenges during the year under review:

- Slow response by management in availing information to Internal Audit Unit and addressing Internal Audit findings. This hampers the effectiveness of the IA unit and **the Audit Committee**.
- Management not availing quarterly Audit Committee reports on time to the IA. This caused delays in submitting these reports to the Audit committee for the timeous and effective preparation for AC meetings. The AC charter stipulates that reports must be received seven (7) days before the meetings.
- The Audit Committee recommended that the Acting Municipal Manager addresses the delay in the submission of information.

## **5. EFFECTIVENESS OF INTERNAL CONTROLS**

The system of internal control was not entirely effective during the year under review as compliance with prescribed policies and procedures were lacking in certain instances. During the year under review, several instances of non-compliance were reported by both internal and external auditors that resulted from a breakdown in functioning of internal controls.

To ensure that the clearing of internal audit findings receive attention at the highest level, the Audit Committee has requested internal audit reports to be a standing item on the agenda of management meetings.

## **5. RISK MANAGEMENT**

Risk Management is a standing item on all Audit Committee meeting, for the year under review and the Audit Committee received and reviewed annual risk assessment report and quarterly risk management reports. The Audit Committee conducted their duty in the monitoring management controls over the top 10 risk and the effectiveness of their mitigating strategies.

The municipality established the Risk Management Committee to review the risk registers, quarterly risk reports, effectiveness of mitigating strategies and assessment of emerging risk. All the Risk Management Committee items and minutes served at the Audit Committee meetings.

The Audit Committee recommended the following:

- Dr. JS Moroka should increase capacity in the Risk Management Unit.
- Dr. JS Moroka to incorporate risk management into the performance agreements of senior managers; and
- Continuously engage with Provincial Treasury and COGTA on issues of risk management.

A survey should be conducted to assess the risk management maturity level of the Municipality. The outcomes of the survey indicate the necessary intervention to achieve the desired maturity level. Management is urged to continuously conduct risk awareness campaigns and workshops on at least on a quarterly basis.



## **6. AUDITOR GENERAL 2012/13 - AUDIT OF FINANCIAL STATEMENTS**

In a meeting held with the Office of the Auditor General (OAG), it was reported that the Audit process unfolded without any major challenges. The AG was content with the availability of key staff members and the turn-around time in submitting the requested information and there were no problem in reaching the agreed upon milestones during this audit process.

## **7. YEAR-END REPORTING**

The Audit Committee received and reviewed the Annual Performance Information Report together with the Financial Statements before submission to the Auditor-General. Quarterly performance reports were also submitted to the Audit Committee by management during the year and were of an acceptable quality.

The Audit Committee did not always receive the quarterly financial report and as a result was not always able to advise the municipality on financial management matters.

## **8. EVALUATION OF ANNUAL FINANCIAL STATEMENTS**

The Audit Committee has:

- Reviewed the annual financial statement and assessed fair presentation and disclosure, consistent application accounting policies and compliance with National Treasury guidelines.
- provided comments and recommended corrections to management prior to the submission of financial statements to the Auditor General
- Held discussed with the Auditor-General and the Accounting Officer on the AFS;
- reviewed the Auditor-General's management letter and management's response thereto; and

Annual Financial Statements were submitted to the Office of the General on by the 30 August, in compliance with MFMA.

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the Annual Financial Statements and is of the opinion that the audited Annual Financial Statements be accepted and read together with the report of the Auditor-General.

## **9. Conclusion**

The Audit Committee acknowledges the co-operation and assistance by the District Municipality and its Internal Audit unit for coordinating the activities of the Committee. We also wish to acknowledge the commitment shown by the Acting Municipal Manager and management of Dr. JS Moroka Municipality in strengthening corporate governance and working towards clean audit goal.

The Audit Committee Chairperson remains confident of these matters are receiving due consideration and intervention. We are committed to fully execute our oversight function and in strengthening Corporate Governance.

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**Mr. M. Mmapheto**

**Chairperson of the Audit Committee**

**Date:**

# **REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA PROVINCIAL LEGISLATURE AND THE COUNCIL ON THE DR JS MOROKA LOCAL MUNICIPALITY**

## **REPORT ON THE FINANCIAL STATEMENTS**

### **Introduction**

1. I have audited the financial statements of the Dr JS Moroka Local Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2013, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### **Accounting officer's responsibility for the financial statements**

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2012 (Act No. 5 of 2012) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor-general's responsibility**

3. 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 2004) (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.
4. 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.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

## **Basis for qualified opinion**

### **Property, plant and equipment**

6. I was unable to obtain sufficient appropriate audit evidence for the additions made to infrastructure to the value of R9 612 758 as disclosed in note 4 to the financial statements. I was unable to confirm the additions by alternative means, as the municipality's records did not permit this.
7. I was unable to obtain sufficient appropriate audit evidence to support other assets to the value of R5 903 703 as disclosed as part of property, plant and equipment in note 3 to the financial statements. I was unable to obtain the evidence by alternative means, as the municipality's records did not permit this.
8. Consequently, I was unable to determine whether property, plant and equipment was fairly stated.

### **Investment property**

9. The municipality did not recognise the fair value adjustment on investment property in accordance with GRAP 16, *Investment properties*. A fair value adjustment of R13 202 591 is disclosed in note 3 to the financial statements. The fair value adjustment did not take the current market conditions at year-end into account. Consequently, I was unable to determine whether adjustments to investment property and fair value adjustments to other financial assets were necessary.

### **Cash and cash equivalents**

10. I was unable to obtain sufficient appropriate audit evidence for reconciling items for the cash and cash equivalent amounting to R4 177 364 as disclosed as part of cash and cash equivalents in note 11 to the financial statements. I was unable to confirm the reconciling items by alternative means. Consequently, I was unable to determine whether the cash and cash equivalent as disclosed in the note to the financial statements was fairly stated.

### **Expenditure**

11. The municipality did not have systems to ensure that expenditure transactions were properly recorded. Some transactions recorded in the accounting records of the municipality related to property, plant and equipment and others were recorded inclusive of value-added tax. Consequently, expenditure relating to repairs and maintenance is overstated.

### **Payables from exchange transactions**

12. The municipality did not have adequate systems to maintain accurate records of retention monies held included in trade payables. The disclosed amounts did not agree to the listings provided, which resulted in trade payables being overstated by R11 415 913. Consequently, I was unable to determine whether any further adjustments to trade payables stated at R20 385 854 in note 15 to the financial statements were necessary.

## **Commitments**

13. The municipality did not disclose commitments in the notes to the financial statements, as required by paragraph 121 of GRAP 1. Unrecognised contractual commitments amounting to R11 277 013 were identified during my audit. I was unable to obtain sufficient audit evidence to confirm the completeness of unrecognised contractual commitments and I was unable to perform alternative procedures.

## **Irregular expenditure**

14. I was unable to obtain sufficient appropriate audit evidence to satisfy myself as to the completeness of irregular expenditure amounting to R17 099 881 as disclosed in note 40 to the financial statements, due to a limitation placed on the auditing of procurement. Irregular expenditure was identified during my audit.

## **Distribution losses**

15. Section 125(2)(d)(i) of the MFMA requires the municipality to disclose the particulars of any material losses in the notes to the financial statements. The municipality disclosed material losses of R50 656 169 in note 41 to the financial statements. I was unable to determine the total extent of the understatement of distribution losses, as sufficient appropriate audit evidence could not be obtained. I was unable to confirm this through alternative means. Consequently, I was unable to determine whether any adjustments to distribution losses as disclosed in financial statements were necessary.

## **Qualified opinion**

16. In my opinion, except for the possible 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 Dr JS Moroka Local Municipality as at 30 June 2013 and its financial performance and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of the MFMA and DoRA.

## **Emphasis of matters**

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

## **Material impairments**

18. The municipality impaired consumer debtors of R124 297 345 at 30 June 2013 that had been outstanding for more than 12 months. The recoverability of these amounts is doubtful.

## **Restatement of corresponding figures**

19. As disclosed in note 34 to the financial statements, the corresponding figures for 2012 were restated as a result of errors discovered during 2013 in the financial statements of the municipality at, and for the year ended, 30 June 2012.

## **Material under-spending of the conditional grant**

20. As disclosed in note 13 to the financial statements, the municipality materially underspent the budget on conditional grants by R85 483 640. As a consequence, the municipality did not achieve its objectives of providing basic services to indigent community members.

## **Material losses**

21. As disclosed in note 41 to the financial statements, material losses of R50 656 169 were incurred as a result of water losses.

## **Additional matter**

22. I draw attention to the matter below. My opinion is not modified in respect of this matter.

## **Unaudited supplementary information**

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

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

24. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

## **Predetermined objectives**

25. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages ... to ... of the annual report.

26. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability.

27. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned development objectives. The usefulness of information further relates to whether indicators and targets are measurable and relevant as required by the National Treasury's *Framework for managing programme performance information* (FMPPI).

28. The reliability of the information in respect of the selected development objectives is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

29. The material findings are as follows:

## **Usefulness of information**

### **Presentation**

30. Section 46 of the Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000) (MSA) requires disclosure in the annual performance report of measures taken to improve performance where planned targets were not achieved. Measures to improve performance for 39% of the planned targets not achieved were not reflected in the annual performance report. This was due to a lack of review and monitoring of compliance with laws and regulations.

31. Section 46 of the MSA requires disclosure in the annual performance report of measures taken to improve performance where planned targets were not achieved. Adequate and reliable corroborating evidence could not be provided for 39% of the measures taken to improve performance as disclosed in the annual performance report. The municipality's records did not permit the application of alternative audit procedures.
32. Consequently, I did not obtain sufficient appropriate audit evidence to satisfy myself as to the reliability of the measures taken to improve performance.

### **Consistency**

33. Section 41(c) of the MSA requires that the integrated development plan should form the basis for the annual report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents. A total of 62% of the reported objectives, indicators and targets were not consistent with the objectives, indicators and targets as per the approved integrated development plan. This was due to the limited review and monitoring of the completeness of reporting documents by management, the audit committee and the internal audit unit.

### **Reliability of information**

34. The FMPPI requires that institutions should have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. Significantly important targets with respect to basic service delivery and infrastructure were not reliable when compared to the source information or evidence provided. This was due to a lack of monitoring of the completeness of source documentation in support of actual achievements.
35. The FMPPI requires that institutions should have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. The information presented with respect to basic service delivery and infrastructure was not reliable when compared to the evidence provided. This was due to a lack of monitoring of the completeness of source documentation in support of actual achievements.

### **Compliance with laws and regulations**

36. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the general notice issued in terms of the PAA are as follows:

### **Annual financial statements, performance report and annual report**

37. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements of non-current assets, current assets, liabilities, revenue expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records provided, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

38. The annual report for the year under review did not include an assessment by the accounting officer of any arrears on municipal taxes and service charges, an assessment of the municipality's performance against measurable performance objectives for revenue collection from each revenue source and for each budget vote, and particulars of any corrective action taken or to be taken in response to issues raised in the audit report, as required by section 121(3)(e), (f) and (g) as well as 121(4)(c), (e) and (g) of the MFMA.
39. The council's oversight report on the 2011-12 annual report was not made public within seven days of its adoption, as required by section 129(3) of the MFMA.

#### **Asset and liability management**

40. An effective system of internal control for assets (including an adequate asset register) was not in place throughout the year, as required by section 63(2)(c) of the MFMA.
41. An adequate management, accounting and information system was not in place to account for liabilities, as required by section 63(2)(a) of the MFMA.

#### **Revenue management**

42. A credit control and debt collection policy was not implemented, as required by section 96(b) of the MSA and section 62(1)(f)(iii) of the MFMA.

#### **Expenditure management**

43. Reasonable steps were not taken to prevent irregular as well as fruitless and wasteful expenditure, as required by section 62(1)(d) of the MFMA.

#### **Human resource management and compensation**

44. The acting municipal manager and senior managers directly accountable to the municipal manager did not sign performance agreements, as required by section 57(2)(a) of the MSA.
45. An acting municipal manager was appointed for more than six months, in contravention of section 54A(2A) of the MSA.

#### **Internal audit**

46. The internal audit unit did not advise the accounting officer and report to the audit committee on matters relating to compliance with the MFMA, DoRA and other applicable legislation, as required by section 165(2)(b)(vii) of the MFMA.

#### **Consequence management**

47. Irregular expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, in accordance with the requirements of section 32(2) of the MFMA.
48. Fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, in accordance with the requirements of section 32(2) of the MFMA.

#### **Procurement and contract management**



49. Sufficient appropriate audit evidence could not be obtained that all contracts had been awarded in accordance with the legislative requirements and a procurement process that is fair, equitable, transparent and competitive, as not all contracts were made available for auditing.
50. Sufficient appropriate audit evidence could not be obtained that goods and services with a transaction value below R200 000 had been procured by means of obtaining the required price quotations, as required by Supply Chain Management (SCM) Regulation 17(a) and (c).
51. Sufficient appropriate audit evidence could not be obtained that goods and services with a transaction value above R200 000 had been procured by means of inviting competitive bids or that the accounting officer had approved deviations only if it was impractical to invite competitive bids, as required by SCM Regulations 19(a) and 36(1).
52. Sufficient appropriate audit evidence could not be obtained that bid specifications for the procurement of goods and services through competitive bids had been drafted in an unbiased manner that allowed all potential suppliers to offer their goods or services, as required by SCM Regulation 27(2)(a).
53. Sufficient appropriate audit evidence could not be obtained that bid specifications had been drafted by bid specification committees composed of one or more officials of the municipality, as required by SCM Regulation 27(3).
54. Sufficient appropriate audit evidence could not be obtained that the preference point system had been applied in all procurement of goods and services above R30 000, as required by section 2(a) of the Preferential Procurement Policy Framework Act of South Africa, 2000 (Act No. 5 of 2000) and SCM Regulation 28(1)(a).
55. Sufficient appropriate audit evidence could not be obtained that contracts and quotations had been awarded to only providers whose tax matters had been declared by the South African Revenue Service to be in order, as required by SCM Regulation 43.
56. Sufficient appropriate audit evidence could not be obtained that contracts and quotations had been awarded only to bidders who had submitted a declaration on whether they were employed by the state or connected to any person employed by the state, as required by SCM Regulation 13(c).

### **Strategic planning and performance**

57. The municipality did not have and maintain effective, efficient and transparent systems of financial and internal controls, as required by section 62(1)(c)(i) of the MFMA.

### **Internal control**

58. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the basis for the qualified opinion, the findings on the performance report and the findings on compliance with laws and regulations included in this report.

### **Leadership**

59. The accounting officer did not exercise oversight responsibility regarding financial and performance reporting and compliance as well as related internal controls.
60. The accounting officer did not implement effective human resource management to ensure that adequate and sufficiently skilled resources were in place and that performance was monitored.
61. The accounting officer did not communicate policies and procedures to enable and support the understanding and execution of internal control objectives, processes and responsibilities.

### **Financial and performance management**

62. Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information was accessible and available to support financial and performance reporting.
63. Management did not prepare regular, accurate and complete financial and performance reports that were supported and evidenced by reliable information.
64. Management did not review and monitor compliance with applicable laws and regulations.

### **Governance**

65. No approved fraud prevention plan was in place for the period under review.

### **OTHER REPORTS**

#### **Investigations in progress**

66. There are on-going investigations regarding alleged irregularities and fraudulent activities. These investigations had not been concluded at the date of this report.

Nelspruit

30 November 2013



**A U D I T O R - G E N E R A L**  
**S O U T H A F R I C A**

*Auditing to build public confidence*



**AUDITED FINANCIAL STATEMENTS 2012/13**





## APPENDICES



APPENDIX A

COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE					
COUNCIL MEMBERS	FULL TIME / PART TIME	COMMITTEES ALLOCATED	WARD AND PARTY REPRESENT ED	PERCENTAGE COUNCIL MEETINGS ATTENDANCE	PERCENTAGE APOLOGIES FOR NON-ATTENDANCE
	FT/PT			%	%
Skosana G.J	Full Time	Speaker Rules & Ethics committee	ANC	91.6	8.4
Mthimunye G.T	Full Time	Executive Mayor Mayoral Committee	ANC	83	17
Aphane S	Part Time	Social Development services	ANC	100	0
Bopape D M	Part Time	Local geographic Names	ANC	91.6	8.4
Boshomane K.J	Full Time	Rules & Ethics Committee	ANC	100	0
Komape A	Part Time	Administration, corporate Services and Human Resources	ANC	100	0
Khoza A	Part Time	Municipal Public Accounts Committee	NFP	100	0
Kutu PF	Part Time	Planning & Infrastructure	COPE	75	25
Lamola B R	Part Time	Municipal Public Accounts Committee	DA	91.6	8.4
Lebelo M M	Part Time	Social Development services	ANC	75	25
Legong T B	Part Time	Local Geographic Names	ANC	75	25
Legong S.M	Part Time	Public Safety, Roads & Transport	ANC	66.6	33.4
Lelaka Y L	Part Time	Municipal Public Accounts Committee	ANC	83	17
Mabaso N	Part Time	Municipal Public Accounts Committee	ANC	91.6	8.4
Mabena S	Part Time	Planning & Infrastructure	ANC	100	0

Madonsela T.L	FT	Mayoral Committee	ANC	58	42
<b>COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE</b>					
COUNCIL MEMBERS	FULL TIME / PART TIME	COMMITTEES ALLOCATED	WARD AND PARTY REPRESENT ED	PERCENTAGE COUNCIL MEETINGS ATTENDANCE	PERCENTAGE APOLOGIES FOR NON-ATTENDANCE
	FT/PT			%	%
Maganedisa M	Part Time	Finance & LED	ANC	91.6	8.4
Magoele B.S	Full Time	Mayoral Committee	ANC	83	17
Mahlangu D.P	Full Time	Mayoral Committee	ANC	58	42
Mahlangu T T	Part Time	Public Safety, Roads & Transport	ANC	83	17
Mahlangu J M	Part Time	Social Development services	ANC	100	0
Mahlangu JS	Part Time	Social Development services	APC	75	25
Maja S	Part Time	Administration, Corporate Services & Human Resources	ANC	75	25
Makhobela L.F	Part Time	Rules & Ethics Committee	DA	75	25
Malefo B	Part Time	Local Geographic Names Committee	ANC	91.6	8.4
Malebe DC	Part Time	Administration, Corporate Services & Human Resources	ANC	83	17
Maluleke M.T	Part Time	Municipal Public Accounts Committee	ANC	83	17
Manganye N.M	Part Time	Local Geographic Names committee	ANC	91.6	8.4
Maoka R.N	Part Time	Administration, Corporate Services & Human Resources	PAC	50	50
Marota J	Part Time	Municipal Public Accounts Committee	ANC	91.6	8.4
Mashao MJ	Part Time	Public Safety, Roads & Transport	ANC	91.6	8.4



Mashishi M.W	Part Time	Administration, Corporate Services & Human Resources	ANC	75	25
Masimula P	Part Time	Finance and LED	ANC	83	17
Masoga J.N	Part Time	Social Development services	ANC	66.6	33.4

**COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE**

COUNCIL MEMBERS	FULL TIME / PART TIME	COMMITTEES ALLOCATED	WARD AND PARTY REPRESENTED	PERCENTAGE COUNCIL MEETINGS ATTENDANCE	PERCENTAGE APOLOGIES FOR NON-ATTENDANCE
	FT/PT			%	%
Masombuka MJ	Part Time	Public Safety, Roads & Transport	ANC	91.6	8.4
Matlala M.N	Part Time	Finance and LED	ANC	75	25
Matlala OM	Part Time	Planning & Infrastructure	ANC	91.6	8.4
Mogano NG	Part Time	Planning & Infrastructure	ANC	91.6	8.4
Mokoele M	Part Time	Planning & Infrastructure	ANC	91.6	8.4
Mokhabela J.T	Part Time	Social Development services	DA	75	25
Mdluli D.M	Part Time	Finance and LED	ANC	91.6	8.4
Mnguni FM	Part Time	Finance and LED	DA	100	0
Mthimunye F.S	Part Time	Planning & Infrastructure	ANC	91.6	8.4
Mthombeni J	Part Time	Administration, Corporate Services & Human Resources	ANC	75	25
Msiza J	Part Time	Administration, Corporate Services & Human Resources	ANC	91.6	8.4
Masilela S	Part Time	Local Geographic Names Committee	ILIMO	25	75
Ndlovu Z	Part Time	Administration, Corporate Services & Human Resources	ANC	100	0
Nkadimeng S.L	Part Time	Municipal Public Accounts Committee	ANC	91.6	8.4

Nkoane E	Part Time	Finance and LED	ANC	83	17
Ntlailane S.M	Full Time	Mayoral Committee	ANC	100	0
Phaahla S	Part Time	Finance and LED	ANC	83	17
Ratsoma P.G	Part Time	Social Development services	ANC	91.6	8.4
Shabalala R B	Part Time	Public Safety, Roads & Transport	ANC	100	0
<b>COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE</b>					
<b>COUNCIL MEMBERS</b>	<b>FULL TIME / PART TIME</b>	<b>COMMITTEES ALLOCATED</b>	<b>WARD AND PARTY REPRESENTED</b>	<b>PERCENTAGE COUNCIL MEETINGS ATTENDANCE</b>	<b>PERCENTAGE APOLOGIES FOR NON-ATTENDANCE</b>
	<b>FT/PT</b>			<b>%</b>	<b>%</b>
Shabangu MM	Part Time	Planning & Infrastructure	ANC	75	25
Segalagala MJ	Part Time	Public Safety, Roads & Transport	ANC	91.6	8.4
Sekanka ME	Part Time	Planning & Infrastructure	ANC	75	25
Sekwala J.M	Full Time	Mayoral Committee	ANC	75	25
Setlhako N	Part Time	Public Safety, Roads & Transport	ANC	91.6	8.4
Skosana N	Part Time	Local Geographic Names	ANC	58	42
Mtsweni O	Part Time	Municipal public Accounts Committee	ANC	91.6	8.4
Masilela S E	Part Time	Municipal public Accounts Committee	ANC	100	0

It is also imperative to note the following movements of councilors:

<b>No</b>	<b>Name of councilor</b>	<b>Reason for leaving</b>	<b>Party</b>	<b>Replaced by</b>
1	Tlaka Joseph Sello	Resigned	Sindawonye Progressive Party (SPP)	Masilela William Vetman

2	Mahamba B E	Resigned	ANC	Mtsweni K O
3	Rankapole MM	Deceased	ANC	Sabelo Elizabeth Masilela
4	NdalaEdew Nicholas	Withdrawn by party	ILIMO	Samuel Masilela
5	Mahlangu W.V	Expelled from party	Sindawonye Progressive Party (SPP)	Tlaka Joseph Sello



## APPENDIX B

COMMITTEES AND PURPOSES	
MUNICIPAL COMMITTEES	PURPOSE OF COMMITTEE
Risk Management Committee	To play an oversight role over risk management matters
Audit Committee (Shared service with district)	Advisory role to Council
Specification committee	<ul style="list-style-type: none"> <li>• Must approve the specifications for the procurement of goods or services by the organisation; determine the BEE goals, the evaluation criteria and any special conditions of contract.</li> <li>• Must decide on the panel that will be responsible for the adjudication of functionality of the bid. The panel must be notified up-front to ensure timeous assessment once the bid has closed.</li> <li>• Must ensure that the specification be drafted in an unbiased manner to allow for potential suppliers to offer their goods and services.</li> </ul>
Evaluation Committee	<ul style="list-style-type: none"> <li>• Must evaluate bids received in accordance with the specification and the point system (Preferential Procurement Regulation).</li> <li>• To ensure that SCM policy and regulation together with procurement processes are adhered to</li> </ul>
Adjudication Committee	<ul style="list-style-type: none"> <li>• Must consider the recommendations and reports from the Bid Evaluation Committee and either (depending on the official written delegations):               <ul style="list-style-type: none"> <li>❖ Make the final award;</li> <li>❖ Make a recommendation to the AO to make the final award; or</li> <li>❖ Make another recommendation to the AO on how to proceed with the relevant procurement.</li> </ul> </li> </ul>
Performance management and Evaluation Committee	To conduct performance evaluations and assessments.
Audit Steering committee	To establish a formal communication channel among the department and units of the municipality, and between the Municipality and the Office of the Audit General To give parties an opportunity to discuss problems and to provide input in good time.
Budget Steering committee	To provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 and elsewhere in the MFMA
Local Labour Forum	To ensure sound labour relations between employer and employee and is a consultative forum
Administration, Corporate Services & Human Resource	oversight role
Planning and Infrastructure	oversight role
Social Development Services	oversight role
Public Safety, Roads and Transport	oversight role
Finance and LED	oversight role
Municipal Public Accounts Committee	<ul style="list-style-type: none"> <li>• To play an oversight role over the financial statements and audit reports of the municipality and its stakeholders.</li> <li>• To provide oversight over the Annual report of the</li> </ul>

	municipality. <ul style="list-style-type: none"><li>• To monitor expenditure in terms of budget allocation against service delivery and performance</li></ul>
Local Geographic Names Committee	oversight role
IT Steering committee	IT compliance

## APPENDIX D

MUNICIPAL FUNCTIONS	FUNCTION APPLICABLE TO MUNICIPALITY (YES / NO)
<b>CONSTITUTION SCHEDULE 4, PART B FUNCTIONS:</b>	
Air pollution	No
Building regulations	Yes
Child care facilities	No
Electricity and gas reticulation	No
Firefighting services	Yes
Local tourism	Yes
Municipal airports	No
Municipal planning	Yes
Municipal health services	No
Municipal public transport	No
Stormwater management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes
Beaches and amusement facilities	No
Billboards and the display of advertisements in public places	No
Cemeteries, funeral parlors and crematoria	Yes
Cleansing	No
Control of public nuisances	No
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	No
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	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	No
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**

FUNCTIONALITY OF WARD COMMITTEES					
Ward name & Number	Name of ward Councillor and elected ward committee members	Committee established (Yes / No)	Number of monthly committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during the year
<b>Ward 01</b>	<b>CLLR PHAAHLA SM</b>	Yes	12	12	06
	1. LINDIWE E ELINAH MAHLANGU 2. GRANNY TIGANE SELALA 3. DAVID LUCAS MSIZA 4. PAULOS MTHIMUNYE 5. TJATJI JOYCE 6. MALEBANE SANAH MAILA 7. MADAKWA JOHANNES MNGUNI 8. LEBOGANG MOGASHANG 9. JOHN PHILLIP SITHOLE 10. BARMO ABRAM PHAHLAMOHLAKA				
<b>Ward 02</b>	<b>CLLR MAGANEDISA MS</b>	Yes	12	12	06

1. MADIBA ROSINAH KANYANE
2. MAKALENG NTSOKODI DAVID
3. BOSOGA MATSOBANE JANKIE
4. LEKGOATHI MIRRIAM RAISIBE
5. MAHLAELA MONICA
6. TLAMAMA CONSTANCE  
LERATO
7. KEKANA JAMES SELLO
8. MASHILOANE THEMBI  
MOKGALABE
9. NGWENYA CECILIA PHUMZILE

**FUNCTIONALITY OF WARD COMMITTEES**

<b>Ward name &amp; Number</b>	<b>Name of ward Councillor and elected ward committee members</b>	<b>Committee established (Yes / No)</b>	<b>Number of monthly committee meetings held during the year</b>	<b>Number of monthly reports submitted to Speakers Office on time</b>	<b>Number of quarterly public ward meetings held during the year</b>
<b>Ward 03</b>	<b>CLLR SHABANGU MM</b>	Yes	12	12	06
	<ol style="list-style-type: none"> <li>1. VELLY NTULI</li> <li>2. NTULI NONHLANHLA JOYCE</li> <li>3. SYLVIA NOMVULA MASILELA</li> <li>4. SAMUEL RAMPI MASOMBUKA</li> <li>5. DAVID MASHIANE</li> <li>6. CINDI SIFISO JOSEPH</li> <li>7. JOHANNES JABU SKHOSANA</li> <li>8. ANGELINE BETTY MASILELA</li> <li>9. JOHANNAH NOMVULA MASEKO</li> <li>10. VUSI JOHANNES XABA</li> </ol>				

<b>Ward 04</b>	<b>CLLR RATSOMA PG</b>	Yes	09	09	04
	<ol style="list-style-type: none"> <li>1. GRACE SBONGILE MADONSELA</li> <li>2. SESI ELIZABETH MASANGO</li> <li>3. KONOTI MAMSIE TEBOGO</li> <li>4. SUNNYBOY MONAGENG</li> <li>5. MAGGY DIMAKATSO BANDA</li> <li>6. BETTY NOMNAMBETHI SIBIYA</li> <li>7. MAVIS TRUST NDULI</li> <li>8. SYLVIA NMTHANDAZO MASILELA</li> <li>9. MOSES MAPELE MNGUNI</li> <li>10. LAURENCE VINCENT MASANABO</li> </ol>				
<b>FUNCTIONALITY OF WARD COMMITTEES</b>					
<b>Ward name &amp; Number</b>	<b>Name of ward Councillor and elected ward committee members</b>	<b>Committee established (Yes / No)</b>	<b>Number of monthly committee meetings held during the year</b>	<b>Number of monthly reports submitted to Speakers Office on time</b>	<b>Number of quarterly public ward meetings held during the year</b>
<b>Ward 05</b>	<b>CLLR NDLOVU AZ</b>	Yes	10	10	06

	<ol style="list-style-type: none"> <li>1. RHODA SAZI MATHABE</li> <li>2. THANDI MASIMULA</li> <li>3. NOKUTHULA SIBANYONI</li> <li>4. ABEL LESIBA APHANE</li> <li>5. LULAMA BRIFFIE SIBANYONI</li> <li>6. MMABATHO LETSHOLO STOKIE</li> <li>7. ELIJAH OUPA MASHILOANE</li> <li>8. MOSES KGAPHOLA</li> <li>9. THEMBI BEAUTY SHIVURI</li> <li>10. MADISHA HERMAN TSEKE</li> </ol>				
<b>Ward 06</b>	<b>CLLR MTSWENI KO</b>	Yes	11	11	04
	<ol style="list-style-type: none"> <li>1. ROSE NZENI NKABINDE MAHAMBABA</li> <li>2. SYLVIA NAMABONA MASILELA</li> <li>3. THEMBI NDLOVU</li> <li>4. DINAH MAGDELINE MTSWENI</li> <li>5. BUSISIWE RACHEL MTSWENI</li> <li>6. SIBUSISO SAMUEL MOUMAKWE</li> <li>7. ELSIE LAYIWE MNGUNI</li> <li>8. WILLIAM SABELO MASILELA</li> <li>9. JIYANE LINDA JEFFREY</li> <li>10. DANTJIE PETROS VILAKAZI</li> </ol>				
<b>FUNCTIONALITY OF WARD COMMITTEES</b>					

Ward name & Number	Name of ward Councillor and elected ward committee members	Committee established (Yes / No)	Number of monthly committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during the year
Ward 07	<b>CLLR MALEFO BM</b>	Yes	09	09	04
	1. BONGI SOPHY MTSWENI 2. BEN SILLO MTSWENI 3. SOLOMON KHULBONA MAHLANGU 4. NTEBALENG NELLY NKOANE 5. MARKS LUCKY NTULI 6. ZANELE JOHANNAH KABINI 7. DAVID THOMILE MAHLANGU 8. RAMPHORENG ISHMAEL RAMATSETSE 9. TSHABALALA THEMBISILE CONSTANCE 10. ELIZABETH EMMAH MASIMULA				
Ward 08	<b>CLLR MTHOMBENI JN</b>	Yes	12	12	06
	1. AUBREY JIM MTHOMBENI 2. THEMBISILE TRYPHINAH SKOSANA 3. LESANG ABEL MNGUNI 4. LINAH MASHABELA 5. JEPHREY MPHO TSWAI 6. JOHANNAH NDALA 7. NTANDO PENELOPE MASOMBUKA				

- 8. BETTY NOMHANDAZO SILUMA
- 9. MQOTHTWA FRANS SHABANGU
- 10. SIMON FANYANA NQCOKA

**FUNCTIONALITY OF WARD COMMITTEES**

<b>Ward name &amp; Number</b>	<b>Name of ward Councillor and elected ward committee members</b>	<b>Committee established (Yes / No)</b>	<b>Number of monthly committee meetings held during the year</b>	<b>Number of monthly reports submitted to Speakers Office on time</b>	<b>Number of quarterly public ward meetings held during the year</b>
<b>Ward 09</b>	<p align="center"><b>CLLR MAHLANGU TT</b></p> <ul style="list-style-type: none"> <li>1. MARTHA KHUMBULENI MASANGO</li> <li>2. ANGELINA MOSIMA MAMPANA</li> <li>3. SIMON JEFFREY NKABINDE</li> <li>4. MBONANI WILLIAM</li> <li>5. SARAH KWETEPE SKOSANA</li> <li>6. MATHIBELA DELINAH</li> <li>7. RADEBE PATRICK PHILEMON</li> <li>8. JOHANNA PEGGY SOMBILI</li> <li>9. SHABANGU SEUNTJJIE DAVID</li> <li>10. FANA ELLIAS NTULI</li> </ul>	Yes	12	12	06
<b>Ward 10</b>	<b>CLLR MASOMBUKA MJ</b>	Yes	10	10	03

1. MAHLANGU SBONGILE ELSIE
2. THUBANA MARTHA MOTANI
3. MAHLANGU PHILLEMONT
4. LETTAH NTOKANA KEKANA
5. MOKGANYETSI TIMOTHY PHETLA
6. ELIZABETH MSIZA
7. RONNIE NALAN SWARTZ
8. GEORGE RANDAL MAHLANGU
9. DORAH MARTHA MSIZA
10. JAMES SIMON NGOMA

**FUNCTIONALITY OF WARD COMMITTEES**

Ward name & Number	Name of ward Councillor and elected ward committee members	Committee established (Yes / No)	Number of monthly committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during the year
<b>Ward 11</b>	<p style="text-align: center;"><b>CLLR MAHLANGU JM</b></p> <ol style="list-style-type: none"> <li>1. MAHLANGU NOMPUMELELO</li> <li>2. JOEL SBOTHOMA</li> <li>3. ROSSINAH KANYANE MMAKOLA</li> <li>4. MALENDANA RAMASHEGO LETAGENG</li> <li>5. MSIZA EMMAH DONI</li> <li>6. NKOANA SARAH EYVONNE</li> <li>7. GODFREY NDALA</li> <li>8. AUBREY SKHUMBUZO MASILELA</li> </ol>	Yes	12	12	02

	9. MSIZA TSHINYIWE BETTY 10. MAHLANGU SOMTJONGWENI WILLIAM				
<b>Ward 12</b>	<b>CLLR MSIZA JN</b>	Yes	10	10	06
	1. MAHLANGU PETRUS BHAAI 2. MAHLANGU LUCIA 3. MAHLANGU BHEKI LINDIWE 4. MAGOLEGO ESTHER MOSHALA 5. MAGOJANA MATHOMO S. 6. MASILELA BEAUTY SBONGILE 7. MATLALA PAUL TSIETSI 8. MAHLANGU THEMBISILE 9. SKOSANA JOSIAH DOCTOR 10. MAHLANGU SOLLY EPHRAIM				
<b>FUNCTIONALITY OF WARD COMMITTEES</b>					
<b>Ward name &amp; Number</b>	<b>Name of ward Councillor and elected ward committee members</b>	<b>Committee established (Yes / No)</b>	<b>Number of monthly committee meetings held during the year</b>	<b>Number of monthly reports submitted to Speakers Office on time</b>	<b>Number of quarterly public ward meetings held during the year</b>
<b>Ward 13</b>	<b>CLLR MTHIMUNYE GT</b>	Yes	03	03	04
	1. PULUSI SEHUBANE PHATLANE 2. NTULI PETER 3. THUBANE P 4. MMAKO JM 5. MAOKA JM				



	6. MALEFO NE 7. THOBEJANE MJ 8. MASHIANE FUNI STHEMBILE 9. MOIMA M 10. MASILELA LM.				
<b>Ward 14</b>	<b>CLLR SETLHAKO KN</b> 1. MICHAEL MAHLANGU 2. JACKY NTULI 3. NELLY MAPHUTHUMA 4. THABANG PHEKWAGO MAKWENG 5. MHLAMUNYE JOYCE KABINI 6. ADAM PATRIC NTULI 7. CATHERINE BABULALENI SKOSANA 8. MEISIE MASILELA 9. MBULAWA PAULOS MKHWANE 10. FLORENCE MATLALA MAODI	Yes	10	10	08
<b>FUNCTIONALITY OF WARD COMMITTEES</b>					
<b>Ward name &amp; Number</b>	<b>Name of ward Councillor and elected ward committee members</b>	<b>Committee established (Yes / No)</b>	<b>Number of monthly committee meetings held during the year</b>	<b>Number of monthly reports submitted to Speakers Office on time</b>	<b>Number of quarterly public ward meetings held during the year</b>
<b>Ward 15</b>	<b>CLLR APHANE SP</b>	Yes	12	12	11

	<ol style="list-style-type: none"> <li>1. ELSIE NOMGQIBELO MABENA</li> <li>2. SOPHIE NTOMBIZODWA MABENA</li> <li>3. ELIZABETH VUKILE MSIZA</li> <li>4. JEFRY APHANE</li> <li>5. CATHERINE MINENE MKHONDO</li> <li>6. MOLANTWA NAOMI</li> <li>7. SOKANE MOSES MAKENA</li> <li>8. MOGADIME SETLHAKO JOHANNES</li> <li>9. MAKOPO MARTHA MOKGAETSI</li> <li>10. SOPHY THEMBI NARE</li> </ol>				
<b>Ward 16</b>	<b>CLLR MALULEKE MT</b>	Yes	09	09	04
	<ol style="list-style-type: none"> <li>1. JAN MALEMANE LEHUTSO</li> <li>2. STEPHINA MARIA MOLEKWA</li> <li>3. TSAPI JAN MONAMA</li> <li>4. PHINAH NTOMBI MAEMA</li> <li>5. RAMASELA MARIA MOKGONYANE</li> <li>6. ANNAH KGOMOTSO MMAKO</li> <li>7. BUKANA SAMUEL KGAPHOLA</li> <li>8. FLORENCE PHIRI</li> <li>9. SADIE MALEFO</li> <li>10. DITSHEGO SAEMON MAILA</li> </ol>				

**FUNCTIONALITY OF WARD COMMITTEES**

<b>Ward name &amp; Number</b>	<b>Name of ward Councillor and elected ward committee members</b>	<b>Committee established (Yes / No)</b>	<b>Number of monthly committee meetings held during the year</b>	<b>Number of monthly reports submitted to Speakers Office on time</b>	<b>Number of quarterly public ward meetings held during the year</b>
<b>Ward 17</b>	<b>CLLR KOMAPE AN</b>	Yes	12	12	02
	1. NTJANA WILLINGTON KGABEDI 2. MASANGO RACHEL TLOU 3. SKOSANA ELSIE JOHANNA 4. PHONELA JOHANNES SEPEKE 5. MPYANA WELHEMINA MAGAKANENG 6. LESO LESIBA HOSIA 7. MADISENG JACOB KATISHI 8. MABULA KLEINBOOI MPETE 9. MSWAZI AUGUST MITHILENI 10. ISAAC KGALALKU MTSHWENE				
<b>Ward 18</b>	<b>CLLR MALEBE CD</b>	Yes	12	12	06
	1. MOSES DLADLA 2. MASHEGO P.J 3. JOHN MKHATSHANG CHAUKE 4. KGAUGELO EMMANUEL JIYANE				

5. MALAPANE EMILY S
6. BENJAMIN NARE MOJELA
7. RIFILWE ROSINA MOHLALA
8. KENNETH ABSELON MAHLANI
9. NTULI XOLANI SAKHI
10. MORAKA SOLOMON MOLLO

**FUNCTIONALITY OF WARD COMMITTEES**

<b>Ward name &amp; Number</b>	<b>Name of ward Councillor and elected ward committee members</b>	<b>Committee established (Yes / No)</b>	<b>Number of monthly committee meetings held during the year</b>	<b>Number of monthly reports submitted to Speakers Office on time</b>	<b>Number of quarterly public ward meetings held during the year</b>
<b>Ward 19</b>	<p align="center"><b>CLLR MOKOELE MS</b></p> <ol style="list-style-type: none"> <li>1. THAPELO MASHIGO</li> <li>2. JESSIE NGOBENI</li> <li>3. GLADYS NKOSI</li> <li>4. MARTIE MOEMA</li> <li>5. MARCIA MASHEGO</li> <li>6. ANNAH MOGOTLANE</li> <li>7. REBECCA MASENYA</li> <li>8. DESIA KEKAE</li> <li>9. PAULINAH MAHLANGU</li> <li>10. MALEFO NTADI JAN</li> </ol>	Yes	11	11	07
<b>Ward 20</b>	<b>CLLR MAROTA JM</b>	Yes	12	12	05

1. TSHIKANE ZACHARIAH  
MALEKA
2. MMITA HENDRIETA LEPOTA
3. MMALEYA LETTA MAKOTA
4. JOHANNES MAMPURU04
5. MOGALE REBECCA MATJI
6. DIFOLWANE MOSES  
MOKGABUDI
7. MALOKE ANDREW  
MAGOBOSHA
8. ISAAC LESIBA SHIKWANE
9. LIZZY LEDILE KEKANA
10. SENWAMADI AGNESM.

**FUNCTIONALITY OF WARD COMMITTEES**

<b>Ward name &amp; Number</b>	<b>Name of ward Councillor and elected ward committee members</b>	<b>Committee established (Yes / No)</b>	<b>Number of monthly committee meetings held during the year</b>	<b>Number of monthly reports submitted to Speakers Office on time</b>	<b>Number of quarterly public ward meetings held during the year</b>
Ward 21	CLLR MASHAO MJ	Yes	12	12	08

	<ol style="list-style-type: none"> <li>1. GIVEN SIPHO MNGUNI</li> <li>2. CATHERINE MMAKOFALA THAMAGA</li> <li>3. SOLLY SOLOMON BALOYI</li> <li>4. NORAH MMATLAL RATSELA</li> <li>5. NKELE CAROLINE MAGOLEGO</li> <li>6. PHUTI JACOB LEKALE</li> <li>7. MOSES PHADISA LEHUTSO</li> <li>8. APRIL MOJA APHANE</li> <li>9. ALBERTINAH MABUNI SEBOTHOMA</li> <li>10. LENKIE MONYAMANE MASEMENE</li> </ol>				
<b>Ward 22</b>	<b>CLLR MABASO NA</b>	Yes	09	09	03
	<ol style="list-style-type: none"> <li>1. SEBOLAI HERMAN RANKISI</li> <li>2. MATLALA CHARLOTTE MASHADILE</li> <li>3. TLALA SEBOTANA SAMUEL</li> <li>4. MABASO TSOAI SIMON</li> <li>5. MAKALELA THABO WALTER</li> <li>6. MABUNDA GLADYS MASALABE</li> <li>7. MOSELAKGOMO S.</li> <li>8. MPHIWE PRESCILLA ROSE</li> <li>9. LSHIKA P</li> <li>10. TSEKE STEPHINAH MOTLATSI</li> </ol>				

<b>FUNCTIONALITY OF WARD COMMITTEES</b>					
<b>Ward name &amp; Number</b>	<b>Name of ward Councillor and elected ward committee members</b>	<b>Committee established (Yes / No)</b>	<b>Number of monthly committee meetings held during the year</b>	<b>Number of monthly reports submitted to Speakers Office on time</b>	<b>Number of quarterly public ward meetings held during the year</b>
<b>Ward 23</b>	<b>CLLR MATLALA OM</b> 1. RAMASODI RANKITSENG GLEN 2. MORIFI MAGDELINE MAMPEDI 3. SEKGABI WINNY MMALETSATSI 4. MOLAI WILLIAM RAMOKWANG 5. MAUBANE HILDA 6. RAKWENA R 7. MABUSELA LEPONO ABINAAR 8. MAMETSE SHAKISE DARIUS 9. MAKGOKE SOPHY MMABELE 10. NKWANE ABINAAR K.	Yes	06	06	03
<b>Ward 24</b>	<b>CLLR SEGALAGALA J</b>	Yes	12	12	05

1. MOSES KHUPULE MATSEKE
2. NTEPE HELLEN MATLOU
3. GLORIA MOLEFE
4. EVA MOKGOHLWE  
SEKOKOTLA
5. NOMSA MARGARETH  
KOLOANE
6. THOMSON MSWAZI SONO
7. MASHIKE TSHEPO VINCENT
8. GEORGE MOLEFE
9. MAMADULEDI MARIA  
MATIMELANE
10. SITHOLE SARAH

**FUNCTIONALITY OF WARD COMMITTEES**

<b>Ward name &amp; Number</b>	<b>Name of ward Councillor and elected ward committee members</b>	<b>Committee established (Yes / No)</b>	<b>Number of monthly committee meetings held during the year</b>	<b>Number of monthly reports submitted to Speakers Office on time</b>	<b>Number of quarterly public ward meetings held during the year</b>
<b>Ward 25</b>	<b>CLLR BOPAPE DM</b>	Yes	10	10	04
	<ol style="list-style-type: none"> <li>1. SALPHINA MOKHINE</li> <li>2. SEEMOLA PAULINE MABUNDA</li> <li>3. KOKETSO MICHAEL BODIBA</li> <li>4. ESTHER MOSHIDI MASHAO</li> <li>5. RADITSHEGO PETER SHAI</li> <li>6. THANTSHA MPHO JOHANNES</li> <li>7. JAN MATLOU</li> </ol>				



	8. MMAPODILE SIMON 9. VIRGINIA MMAHUTE MAJATLADI 10. MAHANYELE JAN PULE				
<b>Ward 26</b>	<b>CLLR MABENA SB</b> 1. MMAMAHLODI JACOB LEHOBE 2. MALOKA SECHACHA STEPHENS 3. MABENA KEDIBONE ONILLAH 4. MAUBANE LIZZIE MMULE 5. MASIMINI NTSEPA MERRIAM 6. MOETI FRANK RAMASEHLA 7. KHAMBULE IRENE 8. MAODI TSHEPO 9. NKGOATAU GLADYS 10. MAKENA MONICAH	Yes	02	02	04

**FUNCTIONALITY OF WARD COMMITTEES**

<b>Ward name &amp; Number</b>	<b>Name of ward Councillor and elected ward committee members</b>	<b>Committee established (Yes / No)</b>	<b>Number of monthly committee meetings held during the year</b>	<b>Number of monthly reports submitted to Speakers Office on time</b>	<b>Number of quarterly public ward meetings held during the year</b>
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<p><b>Ward 27</b></p>	<p><b>CLLR SEKANKA ME</b></p> <ol style="list-style-type: none"> <li>1. SEPALO DANIEL MASUMANE</li> <li>2. PAMELA NOMSA NGUBENI</li> <li>3. STEPHINIE KGADI NTULI</li> <li>4. MMATJATJI SARAH KOTWAGO</li> <li>5. JAN SANTIACO KEKANA</li> <li>6. SHIBE CATHERINE DIHASHOA</li> <li>7. MANYOLOLO MARIA MABUSE</li> <li>8. POOE TSHEPO</li> <li>9. TINY MATLALA</li> <li>10. SUZAN MAMMA MATSEMELA</li> </ol>	<p>Yes</p>	<p>11</p>	<p>11</p>	<p>04</p>
<p><b>Ward 28</b></p>	<p><b>CLLR MATLALA MN</b></p> <ol style="list-style-type: none"> <li>1. OBED NKUBANE MAUBANE</li> <li>2. SUZAN MMAPITI LEHONG</li> <li>3. TLASEGO RAHAL BALOYI</li> <li>4. BILLY RAMPETE DIKOBÉ</li> <li>5. MOTLHABANI JERRY MAKOLE</li> <li>6. WILLIAM RANTEBE DIPYEDI</li> <li>7. KGAPU ALFRED MAOKA</li> <li>8. MONKUNYANE LETTA MOKORI</li> <li>9. CHRISTINAH MOSOMANE</li> <li>10. GALIWE MARTHA MABENA</li> </ol>	<p>Yes</p>	<p>12</p>	<p>12</p>	<p>03</p>

**FUNCTIONALITY OF WARD COMMITTEES**

<b>Ward name &amp; Number</b>	<b>Name of ward Councillor and elected ward committee members</b>	<b>Committee established (Yes / No)</b>	<b>Number of monthly committee meetings held during the year</b>	<b>Number of monthly reports submitted to Speakers Office on time</b>	<b>Number of quarterly public ward meetings held during the year</b>
<b>Ward 29</b>	<p><b>CLLR LELBELO MM</b></p> <ol style="list-style-type: none"> <li>1. MAOTI MARIA MADZI</li> <li>2. MARTHA SADI MOLEFE</li> <li>3. MATLAILA WINNIE MPHO</li> <li>4. LELAKA PELWANE PETER</li> <li>5. DAVID LEBOGANG RAKAU</li> <li>6. MOKOENA JOSEPHINE DIKELEDI</li> <li>7. MOEMA MATLHAELA FRANK</li> <li>8. BODIBA DOREEN KEDIBONE</li> <li>9. MMAKGWARITLHA JOHANNA MATLOU</li> <li>10. MANYAKA MABOLE ANTHONY</li> </ol>	Yes	10	10	04
<b>Ward 30</b>	<p><b>CLLR LEGONG TB</b></p> <ol style="list-style-type: none"> <li>1. POLE MARIA</li> <li>2. KOENAITE LISBETH RAMOLOKWANE</li> <li>3. MATJILA MARTIN KHUPHE</li> <li>4. MAHLENHLE LORRAIN</li> <li>5. SEKGOBELA KAHLOLO LUCKY</li> </ol>	Yes	07	07	07

- 6. NGUALO KENYESA FRANCE
- 7. MMELA LAWRENCE  
MATHIBELA
- 8. MOIMANE ANNIKIE
- 9. MMANOTA DIKELEDI EPHENIA
- 10. MASHIGO EPHESIA

**FUNCTIONALITY OF WARD COMMITTEES**

Ward name & Number	Name of ward Councillor and elected ward committee members	Committee established (Yes / No)	Number of monthly committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during the year
Ward 31	<b>CLLR NKOANE SE</b>	Yes	12	12	07
	<ul style="list-style-type: none"> <li>1. MOHUBE MMAPULA MAGDALINE</li> <li>2. LEFOKA JOSIAS MOLEFE</li> <li>3. MOTSETO KGADI FRANCINA</li> <li>4. MALULEKE SHIRLEY MAKHAOKANE</li> <li>5. MONDHLANA EMMANUEL MAKOROTHI</li> <li>6. SEROKE SARAH MADIGAAN</li> <li>7. MATHLOANE MAESE FLORENCE</li> <li>8. BALOYI JACK</li> <li>9. MATJILA ANNA MANTWANE</li> <li>10. MOGOTSI SALAMINA</li> </ul>				

**APPENDIX G**

<b>MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS</b>		
<b>DATE OF COMMITTEE</b>	<b>COMMITTEE RECOMMENDATIONS DURING YEAR 2012/13</b>	<b>RECOMMENDATIONS ADOPTED</b>
An Audit Committee report with recommendations for quarter two and three was tabled to Council during the meeting held on the 26 September 2013	The municipality must continue to priorities and fill critical and strategic vacancies within the municipality	Yes
	The internal audit function needs to be capacitated to ensure that it discharge fully its responsibility to enhance the activities of the Audit Committee to improve good governance within the institution	Yes
	The municipality should consider adding the capacity in the risk management unit	Yes
	The municipality should exercise its political intervention on the alarming increase on debt as a matter of urgency (MSA section 95 (a). Further emphasis is outlined in the Municipal Finance Management Act section 78 (d) where all senior managers are expected to collect all revenue owed to the municipality	Yes

	Attention should be given to areas where AG has currently not concentrated on i.e. performance management, governance to ensure that control systems are functioning as expected to avoid/prevent possible negative outcomes	Yes
	Management must effectively address all findings raised by the Auditor General to ensure that those findings do not recur in 2012/13 audit	yes

## APPENDIX K

REVENUE COLLECTION PERFORMANCE BY SOURCE				
DESCRIPTION	YEAR 2012/13	YEAR 2012/13		
	ACTUAL	ORIGINAL BUDGET	ADJUSTMENTS BUDGET	ACTUAL
Property rates	5,558,714	1,490,000	1,490,000	5,558,714
Service Charges - water revenue	22,915,279	24,345,000	18,246,000	22,915,279
Service Charges - sanitation revenue	3,007,315	3,138,000	3,138,000	3,007,315
Service Charges - refuse revenue	3,174,614	1,535,000	3,793,000	3,174,614
Rentals of facilities and equipment	1,917,583	442,000	136,000	1,917,583
Interest earned - external investments	10,703,840	3,600,000	3,600,000	10,703,840
Licenses and permits	2,897,965	1,020,000	1,242,000	2,897,965
Transfers recognized - operational	20,397,784	7,500,000	22,136,000	20,397,784
Other revenue	32,303,613	15,023,000	69,317,000	32,303,613
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>102,876,697</b>	<b>58,093,000</b>	<b>131,950,000</b>	<b>102,876,697</b>

**APPENDIX L**

<b>CONDITIONAL GRANTS: EXCLUDING MIG</b>			
<b>DETAILS</b>	<b>BUDGET</b>	<b>ADJUSTMENTS BUDGET</b>	<b>ACTUAL</b>
Finance Management Grant	1,250,000	1,250,000	1,251,312
Municipal Systems Improvement Grant	800,000	800,000	373,444
Water Service Operating Subsidy	10,243,000	10,543,000	16,743,000
EPWP	1,000,000	1,000,000	1,579,904
Integrated National Electrification Programme	8,543,000	8,543,000	-
<b>Total</b>	<b>22,136,000</b>	<b>22,136,000</b>	<b>19,947,660</b>