

Annual Report 2008/09

Maluti-a-Phofung Local Municipality

Private Bag X805 Witsieshoek 9870

1/20/2010

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Chapter 1: Introduction and Overview

1. Foreword by the Executive Mayor

Maluti-a-Phofung Local Municipality prides itself in adhering to the legal obligation of providing basic services to our residents in an ample and apt manner. As the sphere of government that is closest to our people, we have taken a political commitment that we will not fail our residents, who have always been faithful in putting in place a government for people and by the people.

Our country is already half-way into the second decade of democratic supremacy and we almost close the 10th anniversary of the current local governance, which was introduced immediately after a transitional period of local government. Throughout these past nine years of the current local government dispensation we have experienced many challenges, but as the municipality we were able to hold the centre together and do our utmost best to deliver.

In line with our political mandate, we have taken into cognizance that the failure of our municipality to deliver basic services will not only cause vast hardships to the communities of Maluti-a-Phofung, but can also have a detrimental impact on the socio-economic development of our area.

It is for this reason that improving service delivery has been the priority of Maluti-a-Phofung Local Municipality. And, this is evident in the changes we see in the lives of many of our communities. The lives of ordinary citizens of Maluti-a-Phofung have become better, and we still plan on getting them to become better and better.

In terms of the Constitution of South Africa, Act 108 of 1996, the objects of local government are clearly defined in Section 152(1). As local government it is then our responsibility to turn the hopes of citizens into sustained service delivery that enriches all our citizens' lives on a financially sustainable basis.

As we present yet another Annual Report, we are courageous to declare that many of our residents have access to potable water, proper sanitation and electricity. Our road networks have improved and our streets have become cleaner and cleaner with concerted efforts of waste removal. We have ensured that each directorate keeps up to its obligation and undertakes its mandatory duties. During this year, we have continued the process of consolidating our organization's new structure and filling of vacant posts to ensure that we meet our mandate and service delivery objectives.

This report, which covers the second full year of our term in office as Maluti-a-Phofung Local Council, is a collaborated effort between the elected and appointed public representatives, who are the political leaders of the municipality, and the civil society of Maluti-a-Phofung. It is a result of a negotiated agreement by a community, which is committed to the principles of Freedom Charter and a dream of "a better life for all".

We have always adhered to our objectives as set out in our five-year Integrated Development Plan (IDP), which is the promotion of economic growth in Maluti-a-Phofung by investing in infrastructure and providing sustainable services to our community. Hence we have always strived for an efficient and financially stable administration.

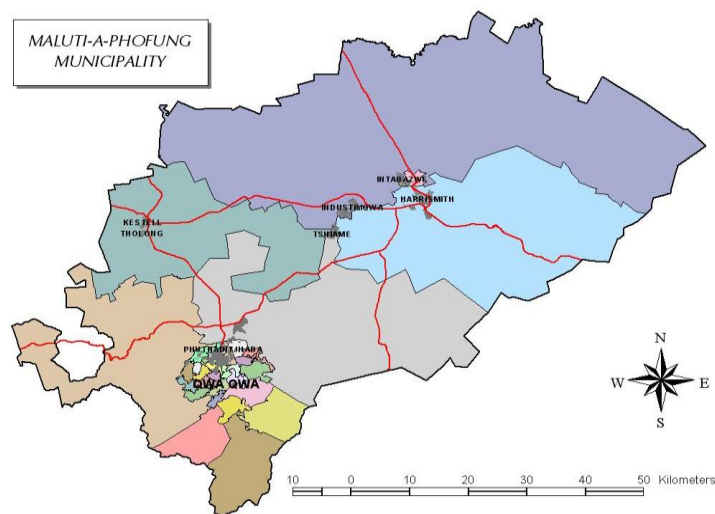
In the next financial year we hope to accelerate our pace and ensure customer satisfaction, in this case a customer being an ordinary citizen, who always anticipates excellence in delivery of basic services. The municipality will continue to improve its organizational capacity and its operations in an effort to strengthen its ability to address the challenges we are facing.

Dr B.E. Mzangwa.
Executive Mayor

2. Overview of the Municipality

2.1. Demographic Profile

The Maluti – a- Phofung Local Municipality is situated in the Free State province of South Africa. It was established in terms of the provincial Gazette No. 14 of 28 February 2000 issued in terms of Section 21 of the Local Government Notice and Municipal Demarcation Act No.27 of 1998. Maluti –a- Phofung is Local Municipality and was established on 5 December 2001. Maluti-a- Phofung is made up of four former TLC Local Authorities which are QwaQwa Rural, Phuthaditjhaba, Harrismith and Kestell. Figure 1 below shows the locality of Maluti – a- Phofung.



The municipality comprises of 34 wards and covers approximately 4 421 km² in extent. Phuthaditjhaba is the urban centre of Qwaqwa and serves as the administrative head offices of the Maluti-a- Phofung Municipality. Surrounding Phuthaditjhaba are rural villages of Qwaqwa established on tribal land

administered by land affairs. Harrismith is a service center for the surrounding rural areas and a trading belt serving the passing N3 which links the Gauteng and KwaZulu - Natal provinces. Harrismith is surrounded by Tshiame located 12 km to the west and Intabazwe, which is located 1, 5 km to the north. The town is an employment center for people living in Tshiame, Intabazwe and Qwaqwa.

Kestell is a service center for the surrounding agricultural oriented rural area with Tlholong as the township. Kestell is situated along the N5 road that links Harrismith with Bethlehem. The rural areas of Maluti –a- Phofung comprise commercial farms and major nature conservation centres such as Qwaqwa National Park, Platberg, the Sterkfontein Dam and the Maluti Mountain Range. The area is not only a tourism attraction destination, but also make a big contribution in generating gross agricultural income for the whole of the Province and is also highly regarded for its beef production.

The total population amounted to ± 360 785 persons in 2001 (<http://www.demarcation.org.za>) of which 54% were female and 46% were male. There are 92 155 households within the Municipality. Two settlement types dominate the Municipality, namely urban-type settlements such as Phuthaditjhaba, Intabazwe, Harrismith, Kestell, Tshiame and Tlholong and non-urban settlements. Non-urban type settlements may be classified into two distinct settlement types, namely commercial farming areas and communally-owned land.

The Municipality does not provide basic municipal services (see Table 1, below) to people living in commercial farming areas, unless they can access those services at their own cost, such as library services and building control.

Dotted around the Municipality are several significant developments, such as Montrose City, other truck stops and filling stations, accommodation establishments such as Lala Nathe Lodge and Quantani Resort to which the Municipality does not provide services.

The racial composition of the local population was as follows in 2001 –

| Description ¹ | % |
|--------------------------|--------|
| African | 98.74% |
| Coloured | 0.12% |
| Asian/Indian | 0.11% |
| White | 1.26% |

2.2. Labour Force

Unemployment in **Maluti-A-Phofung** is quite high and 73% of the total population do not have sufficient income to sustain themselves.

¹ Source StatsSa: <http://www.demarcation.org.za>

| Description ² | 2001 | % |
|--------------------------|----------------|----------------|
| Employed | 49 695 | 22.61% |
| Unemployed | 67 225 | 30.59% |
| Not Economically Active | 102 870 | 46.80% |
| Total | 219 790 | 100.00% |

2.3. Service Delivery Backlogs

The following service delivery backlogs exist within the municipality since the 2006/07 financial year:

| | 30-Jun-07 Actual | 30-Jun-08 Actual | 30-Jun-09 Required |
|--|---------------------|---------------------|-----------------------|
| Water Backlogs (6KL per month) | | | |
| Backlogs to be eliminated (No of Households(HH) not receiving the Minimum standard of service) | 15500 | 13116 | 11 205 |
| Backlogs to be eliminated (Percentage = HH identified as backlogs/total HH in municipality) | 16,8% | 14,2% | 12% |
| Spending on new infrastructure to eliminate Backlogs | R 8,2 M | R 7,6 M | R 8,2 M |
| Spending on Renewal of existing infrastructure to eliminate Backlogs | R 1 M | R 1,1 M | R 1,4 M |
| Total spending to eliminate Backlogs | R 8,3 M | R 8,7 M | R 9,6 M |
| Spending on maintenance to ensure no new backlogs created | R 900 000 | R 920 000 | R 980 000 |
| Sanitation Backlogs | | | |
| Backlogs to be eliminated (No of Households(HH) not receiving the Minimum standard of service) | 45948 | 40832 | 36 000 |
| Backlogs to be eliminated (Percentage = HH identified as backlogs/total HH in municipality) | 50% | 44% | 39% |
| Spending on new infrastructure to eliminate Backlogs | R 28 M | R 32 M | R 32 M |
| Spending on Renewal of existing infrastructure to eliminate Backlogs | R 1,1 M | R 1,2 M | R 3 M |
| Total spending to eliminate Backlogs | R 29,1 M | R 33,2 M | R 35 M |
| Spending on maintenance to ensure no new backlogs created | R 1,1 M | R 1,2 M | R 1 M |
| Electricity Backlogs (30KWH per month) | | | |
| Backlogs to be eliminated (No of Households(HH) not receiving the Minimum standard of service) | 15200 | 12200 | 9200 |
| Backlogs to be eliminated (Percentage = HH identified as backlogs/total HH in municipality) | 16,5% | 13,2% | 10% |
| Spending on new infrastructure to eliminate Backlogs | R 15,4 M | R 15,4 M | R 15,4 M |

² Source StatsSa: <http://www.demarcation.org.za>

| | 30-Jun-07 Actual | 30-Jun-08 Actual | 30-Jun-09 Required |
|--|---------------------|---------------------|-----------------------|
| Spending on Renewal of existing infrastructure to eliminate Backlogs | R 1 M | R 1 M | R 1,6 M |
| Total spending to eliminate Backlogs | R 16 M | R 16,4 M | R 17 M |
| Spending on maintenance to ensure no new backlogs created | R 700 000 | R 75 000 | R 2,2 M |
| Roads Backlogs | | | |
| Backlogs to be eliminated (No of Households(HH) not receiving the Minimum standard of service) | 78 000 | 73 000 | 70 000 |
| Backlogs to be eliminated (Percentage = HH identified as backlogs/total HH in municipality) | 84% | 79% | 76% |
| Spending on new infrastructure to eliminate Backlogs | R 16 M | R 15 M | R 18 M |
| Spending on Renewal of existing infrastructure to eliminate Backlogs | R 2 M | R 1,5 | R 3,2 M |
| Total spending to eliminate Backlogs | R 18 M | R 16,5 M | R 21,2 M |
| Spending on maintenance to ensure no new backlogs created | R 2 M | R 2 M | R 1,8 M |

3. Executive Summary

3.1 Vision

The Council's vision for the municipality is:

“By 2020 Maluti- a- Phofung will be technologically advanced and have unlocked the indigenous entrepreneurial spirit of all of her people within an equitable, sustainable, healthy, crime-free and moral society. Based in the most beautiful part of the world, where unemployment and poverty will be unheard of and the rest of the world will discover our unique African cultural heritage.”

Section 26(f) of the MSA requires that the IDP must include the key performance indicators and performance targets set in terms of section 41 of the Act. Section 41(1) (a) of the MSA identifies key performance indicators (KPIs) and performance targets as key components of the Municipality's performance management system.

KPIs and performance targets must be set for the development priorities and objectives contained in the IDP. For each of the development issues and objectives in the IDP the Council must set input indicators (i.e. indicators that measure the costs, resources and time used to produce an output), output indicators (i.e. indicators that measure the results of activities, processes and strategies of a programme of the Municipality) and outcome indicators (i.e. indicators that measure the quality and/or impact of an output on achieving a particular objective).

The performance of the municipality against the set key performance indicators for 2006/2007 financial year is discussed below.

Chapter 2: Performance Highlights

1. INTRODUCTION

The Local Government: Municipal Systems Act 2000 (Act No 32 of 2000) (the MSA) obliges Maluti-A-Phofung Local Municipality (MAP) to develop and implement a performance management system (PMS). The PMS is a framework that describes and represents how MAP's cycle and processes of planning, monitoring, measuring, reviewing, reporting and improving its performance will be conducted, organised and managed and what roles different role-players will fulfil in the process. It produces evidence of the extent to which the Municipality implemented its integrated development plan (IDP) and serves as basis for identifying the reasons for underperformance in order to take corrective action in a timely fashion.

The purpose of the PMS is to set key performance indicators (KPIs) and targets for measuring MAP's performance against the development priorities and objectives set out in its IDP during a specific financial year.

The MSA further requires that MAP must, at least once during a year, measure and review its performance against the KPIs and performance targets contained in its PMS and prepare an annual performance report. These measurements will indicate in what areas MAP performed satisfactorily and where improvements are required. The annual performance report must reflect at least the following –

- ❖ MAP's performance and that of each external service provider that provides municipal services on its behalf during that financial year, e.g. Maluti-a-Phofung Water (Pty) Ltd;
- ❖ a comparison of the performance of a specific year with the performance in the previous financial year; and
- ❖ measures taken to improve performance.

The Local Government: Municipal Finance Management Act 2003 (Act No 56 of 2003) (the MFMA) requires that MAP must for each financial year prepare an annual report. The annual performance report must form part of the annual report. The Executive Mayor must table the annual report regarding a specific financial year in the Council on or before 31 January of the next financial year. The Council must deal with the annual report on or before 31 March.

2. GENERAL KEY PERFORMANCE INDICATORS

The Municipal Planning and Performance Management Regulations (2001) in terms of the MSA set the requirements for performance management out in detail. The Regulations also contain general KPIs

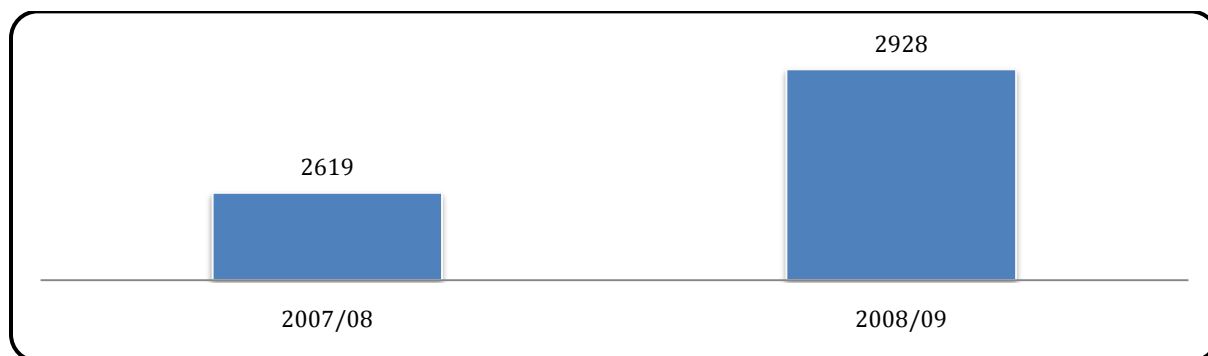
which all municipalities must apply. The Municipality's performance against these general KPIs is discussed in this Chapter.

3.1 National Key Performance Area: Service Delivery

The following key performance indicators were measured:

| KEY PERFORMANCE INDICATOR | 2008/09 |
|--|---------|
| The % of households with access to basic level of water | 87% |
| The % of households with access to basic level of sanitation | 52% |
| The % of households with access to basic level of electricity | 82% |
| The % of households with access to basic level of solid waste removal | 31% |
| The % of households earning less than R1,100 per month with access to free basic services | 26% |
| The % of a Municipality's capital budget actually spent on capital projects identified for the 2008/09 | 100% |

3.2 National Key Performance Area: Local Economic Development



The number of jobs created through municipality's local economic development initiatives including capital projects increased during the 2008/09 financial year with 309 jobs. Creation of temporary employment opportunities brings temporary relief for unemployed people and persons with limited skills; as such employment usually is project-based and stops as soon as the relevant project is complete.

3.3 National Key Performance Area: Municipal Transformation and Institutional Development

3.3.1 The number of people from employment equity target groups employed in the three highest levels of management in compliance with the Municipality's approved employment equity plan

The three highest management levels in the Municipality consist of 21 positions. Currently 86% of the employees employed in the three highest levels of management are from the designated groups.

3.3.2 The percentage of a Municipality's budget actually spent on implementing its workplace skills plan

The Municipality spent 0.95% of the budget on the implementation of the workplace skills plan. Whilst the Municipality is committed to continually improving its employees' skills, knowledge and expertise, there are a number of reasons for the relatively low investment in employee skills development, namely –

- the Municipality simply does not have the cash for employees to participate in learning opportunities and afterwards to claim reimbursement for the expenses incurred;
- employees can often not be released from work for extended periods of time to participate in off-site learning events;
- training offerings are still menu-driven. Some employees require enhancement of skills in areas for which suitable training offerings simply does not exist; and
- some training offerings are of doubtful value.

Management and the unions will have to determine a solution to ensure employees are trained to provide a pool of suitably qualified employees.

2.4 National Key Performance Area: Financial Viability

3.4.1 Debt Coverage Ratio

The debt coverage ratio indicates the Municipality's ability to generate sufficient revenues to pay interest and redemption (i.e. debt service/finance charges) on loans (long term debt). A low debt coverage ratio (i.e. < 1) indicates that the Municipality might encounter difficulties meeting debt service/finance charge obligations from own operating revenue. A high ratio (i.e. > 1) indicates relatively low expenses and a good financial position.

The ratio for the municipality is 1.2 for 2008/09 financial year. This ratio decreased from 2.96 in the 2007/08 financial year and should be closely monitored to prevent that the ratio slips below 1. The following formula is used to determine the ration:

$$\text{Debt coverage ratio} = \frac{\text{Total revenue received} - \text{Operating grants}}{\text{Debt service payments}}$$

3.4.2 Outstanding service debtors to revenue ratio

The outstanding service debtors to revenue ratio indicates the average number of days debtors (property rates, water sales, electricity sales, sewage removal and refuse removal) are outstanding. An acceptable norm is 56 days.

As general guideline debtors older than 90 - 120 days is deemed to be irrecoverable. On 30 June 2009 R 52 044 030 (52%) of the Municipality's debtors were older than 60 days.

The Municipality will have to introduce and enforce stricter credit control and debt collection measures to ensure the financial viability of the Municipality.

3.4.3 Cost coverage ratio

The cost coverage ratio indicates the cash flow situation of the Municipality, i.e. whether it has the cash available to cover its expenses during a specified period. If the result of the equation is > 1 it means that the Municipality has sufficient cash to cover one month's expenses. If it is < 1 , the Municipality cannot cover a month's expenses, which means that it will not be able to meet its commitments. Ideally the ratio should be 3 or > 3 , i.e. the Municipality should have sufficient cash to cover three month's expenses. Cost coverage is determined by using the following formula:

$$\text{Cost coverage} = \text{All available cash} + \text{Investments} \div \text{Monthly fixed operating expenditure}$$

The ratio for the municipality is 0.17. The municipality increased this ration from 0.13 in the 2007/08 financial year. The municipality should however actively work towards increasing the ratio to at least 1 as a minimum requirement.

3.4.4 Liquidity ratio

Liquidity is an indicator that indicates whether the Municipality will be able to meet its short term obligations and is expressed by the following formula. If the result of the equation is 1 or more, the Municipality would be able to meet its short term obligations:

$$\text{LIQUIDITY} = \text{Current assets} \div \text{Current liabilities}$$

Currently the municipality's ratio is 1.2. On the short term the municipality will be able to meet its short term obligations. The municipality should however strive to increase the ratio to at least 2.

3.4.5 Solvency ratio

Solvency is an indicator that indicates whether the Municipality would be able to meet its long term obligations, i.e. whether the Municipality would be able to meet its long term obligations if it is dissolved (in the case of private enterprise if it is liquidated). Solvency is expressed by the following formula. If the result of the equation is 1 or more, the Municipality would be able to meet its long term obligations:

$$\text{SOLVENCY} = \text{Non-current assets} \div \text{Long term liabilities}$$

Currently the municipality's ratio is 61.79.

4. INFRASTRUCTURE SERVICES

4.1 Electricity

The Municipality does not reticulate electricity in the whole of its area of jurisdiction, but only in the area for which it holds an electricity distribution license. Eskom provides electricity in those parts of the Municipality that falls outside the Municipality's license area.

| | 2007/8 | 2008/9 |
|-------------------------------------|----------------|----------------|
| Electricity losses | 33% | 31% |
| Electricity maintenance budget | R 7 000 000-00 | R 8 000 000-00 |
| Maintenance budget actually spent | R 7 000 000-00 | R 8 000 000-00 |
| Power failures reported | 78 | 68 |
| Average time taken to restore power | 4 hours | 4 hours |

Although electricity distribution losses have marginally declined since the previous year, distribution losses were still high during the reporting period. The reason for the losses must be investigated and reported on. The Municipality spent the budgeted amount for maintenance.

Power failures also decreased from the previous year. A significant volume of the power outages experienced during the reporting period may be attributed directly to Eskom's load shedding during a part of the year. However, the time taken to restore power should be decreased.

The following projects were undertaken and completed during the year under review:

4.1.1 Electrification

| Nr | Wards | Amount | Funder | Total Connections |
|----|-------------------------|---------------|--------|-------------------|
| 1 | 1,11,17,20,24,32 and 33 | R9 400 000-00 | DME | 1206 |

4.1.2 Streetlight and high mast lights

| Nr | Wards | Amount | Funder |
|----|-------------------------------------|---------------|--------------|
| 1 | 1,2,4,5,6,11,12,16,18,19,20,24 & 32 | R4 000 000-00 | Municipality |
| 2 | Mampoi Road/University road | R4 000 000-00 | Municipality |
| | | R8 000 000-00 | |

4.1.3 Substations

| Nr | Description | Amount | Funder |
|----|-------------|----------------|--------------|
| 1 | Riverside | R 800 000-00 | Municipality |
| 2 | Thabong | R 2 000 000-00 | Municipality |
| 3 | Mangaung | R 1 500 000-00 | Municipality |

| Nr | Description | Amount | Funder |
|----|-------------|-----------------------|--------------|
| 4 | Makong | R 1 500 000-00 | Municipality |
| 5 | Setsing | R 2 000 000-00 | Municipality |
| 6 | Industrial | R 1 000 000-00 | Municipality |
| 7 | Makabelane | R 2 000 000-00 | Municipality |
| 8 | Witsieshoek | R 2 000 000-00 | Municipality |
| | | R12 800 000-00 | |

4.2 Roads, Streets and Storm Water Management

The Municipality spent R 23 million on the upgrading and improvement of existing roads, streets and storm water management systems. The table below indicates the roads that were upgraded as well as the cost of each project.

| Nr | Description | Amount | Funder | Length |
|----|-------------------------------------|-----------------------|--------------|--------|
| 1 | Masaleng paved roads | R3 600 000-00 | MIG | 2,48km |
| 2 | Thaba Bosiu paved road | R4 075 569-00 | MIG | 3,4km |
| 3 | Lusaka paved road | R4 000 000-00 | MIG | 3,2km |
| 4 | Kestell / Tlholong paved road | R2 500 000-00 | MIG | 1,5km |
| 5 | Kestell/Tlholong paved road phase 2 | R2 500 000-00 | MIG | 1,5km |
| 6 | Phuthaditjhaba paved roads | R3 400 000-00 | Municipality | 2,4km |
| 7 | Intabazwe paved roads | R3 400 000-00 | Municipality | 2,4km |
| | | R23 475 569-00 | | |

4.3 Water and Sanitation

The following water and sanitation projects were completed during the 2008/09 financial year. Only 50%³ of the households in the municipal area have access to a basic sanitation service.

| Nr | Description | Amount | Funder |
|----|--------------------------------|------------------------|--------|
| 1 | VIP toilets | R 12 000 000-00 | MIG |
| 2 | Water meters phase 4 | R 5 400 000-00 | MIG |
| 3 | Flow control valves | R 9 597 576-00 | MIG |
| 4 | Bulk water meters | R 2 000 000-00 | MIG |
| 5 | Water Networks at Makholokweng | R 4 902 111-00 | MIG |
| 6 | Mabolela Pumpstation | R 954 000-00 | MIG |
| | | R 41 713 687-00 | |

The Municipality's percentage water distribution loss decreased from the previous year by 3%. This is the result of the increased expenditure of R 3 000 000-00 on the maintenance of the water network and the massive investment in refurbishing network assets as reflected below.

³ See par 2.2 above

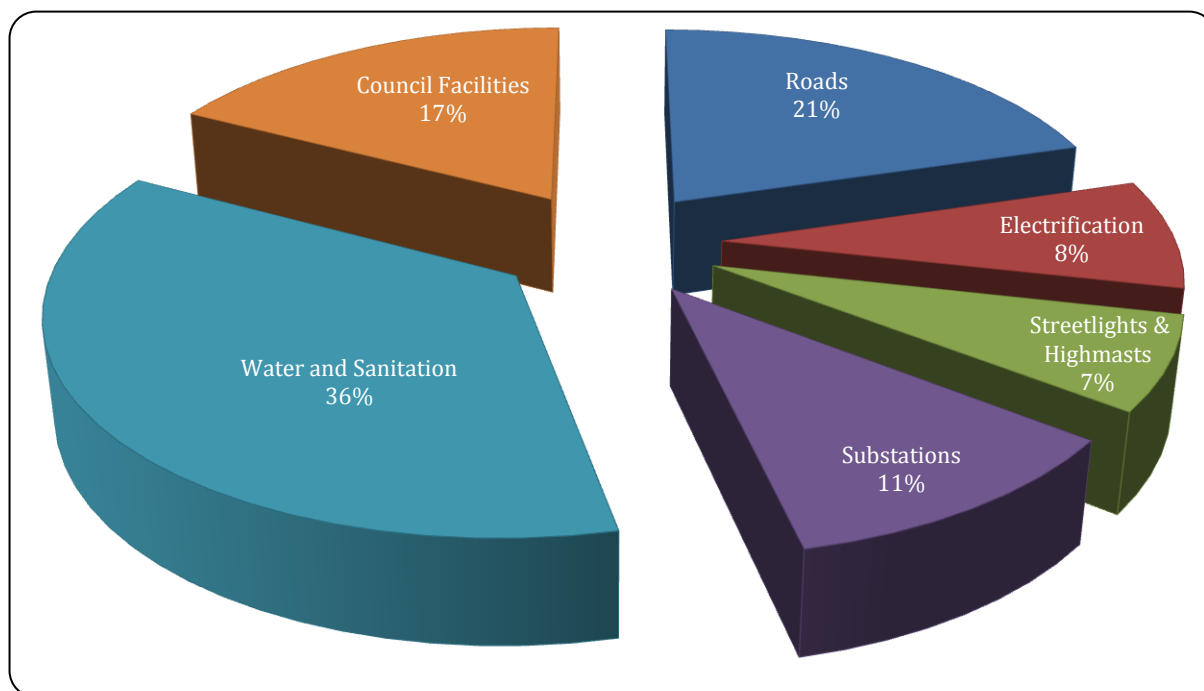
| | 2007/8 | 2008/9 |
|----------------------|----------------|----------------|
| % water loss | 35% | 32% |
| Budget maintenance | R23 000 000-00 | R26 000 000-00 |
| Spent on maintenance | R22 960 000-00 | R26 000 000-00 |

Blockages of sewer mains decreased and are the result of the increased expenditure on maintenance of the sewage network as shown below. The time taken to clear mainline blockages is, however, too long and should be decreased.

| | 2007/8 | 2008/9 |
|---------------------------------------|----------------|----------------|
| Mainline blockages | 326 | 287 |
| Average time taken to clear blockages | 6 Hours | 5,5 Hours |
| Maintenance budget | R12 300 000-00 | R14 000 000-00 |
| Budget spent | R12 000 000-00 | R14 000 000-00 |

4.4 Summary of Expenditure

The operating and capital expenditure incurred during the reporting period on basic assets is reflected in the figure below:

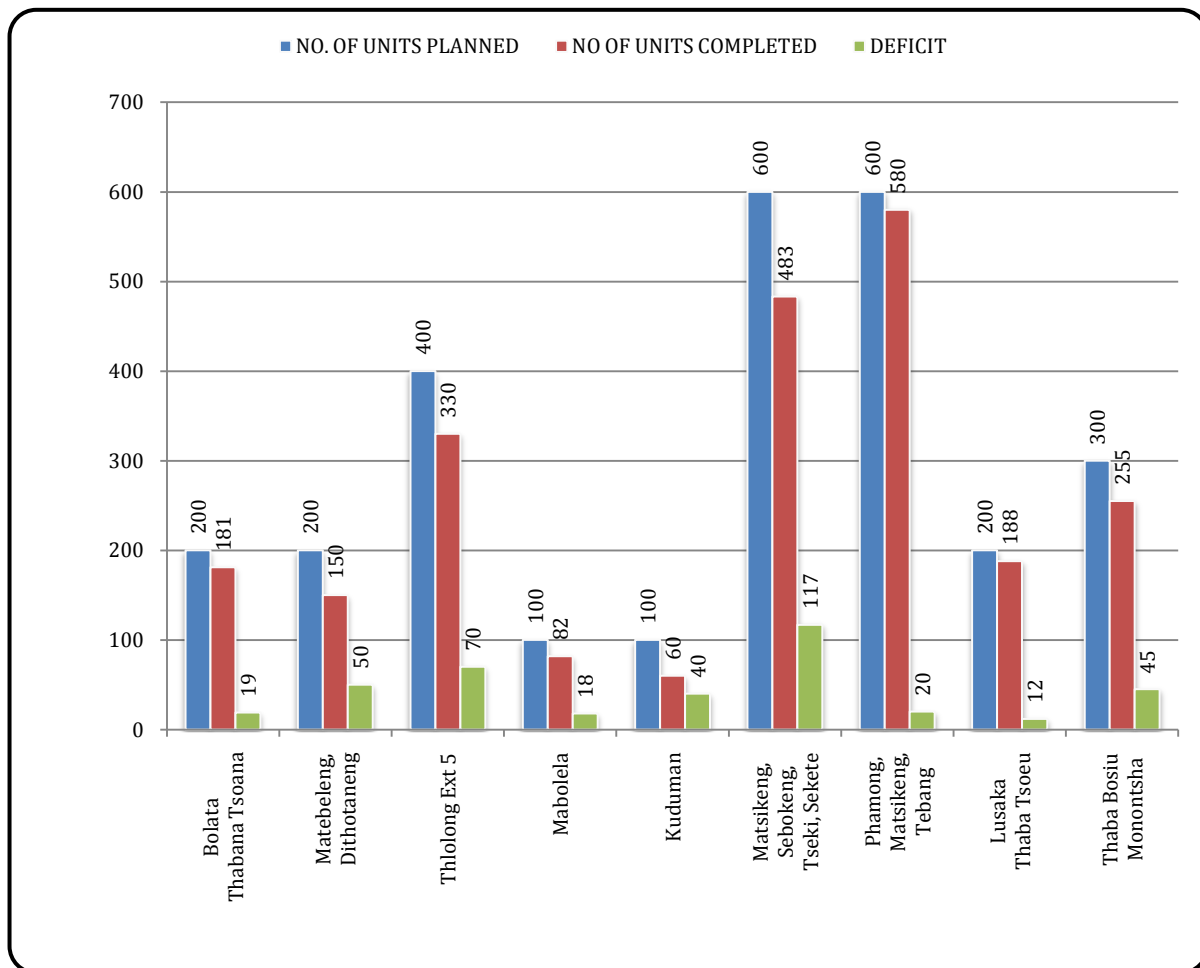


The bulk of the expenditure incurred was for water and sanitation. This is a clear indication that the Municipality is attempting to eradicate existing backlogs.

5. HOUSING, SPATIAL DEVELOPMENT AND PLANING

5.1 Housing

During the year the housing backlog was reduced by 2,309 units, as follows –



5.2 Township establishment

Geotechnical reports were completed for the following areas:

| AREA | WARD |
|-------------|------|
| Boiketlo | 26 |
| Dithotaneng | 07 |
| Lusaka | 24 |
| Mabolela | 28 |
| Mabolela | 28 |
| Makeneng | 19 |

| AREA | WARD |
|-----------------|------|
| Makgaloaneng | 08 |
| Mangaung | 17 |
| Matebeleng | 09 |
| Matsieng | 16 |
| Phamong | 14 |
| Qholaqhwe | 02 |
| Thabana Tshoana | 15 |
| Tseki/Bolata | 12 |
| Tsheseng | 21 |

The Surveyor-General approved the general plan for 1, 459 sites along the Harrismith-Intabazwe Corridor. Installation of infrastructure for service provision has commenced. An application for the establishment of a township consisting of 1,000 erven was approved for Tshiame.

2,000 properties had been transferred to beneficiaries under the discount benefit scheme, of which 1,100 are in Phuthaditjhaba.

5.3 Purchase of land

The Municipality purchased the following land for the purposes indicated:

| PROPERTY | AREA | EXTENT (HA) | PRICE | PURPOSE |
|-----------------|---------------------|-------------|----------------------------|---------------------------|
| Farm Tygerkloof | Kestell | 1,200 | R 4,000,000 | Township establishment |
| Farm Cairo | Kestell Tlholong | 11,1592 | R630,000 for both farms | Establishment of cemetery |
| Farm Retreat | Kestell Tlholong | 10,7318 | | Establishment of cemetery |
| TOTAL | | | | |

6. COMMUNITY SERVICES

6.1. Solid waste management

The Municipality acquired five new compacting trucks during the reporting period. The purchase was necessitated by the Municipality's commitment to consistently maintain the following standard of service, namely –

- Domestic: 1 x weekly curbside removal;
- Business: 2 x weekly removal

The Municipality managed and operated the following landfill sites:

⇒ Harrismith Landfill site

⇒ QwaQwa Landfill site

6.2 Social services

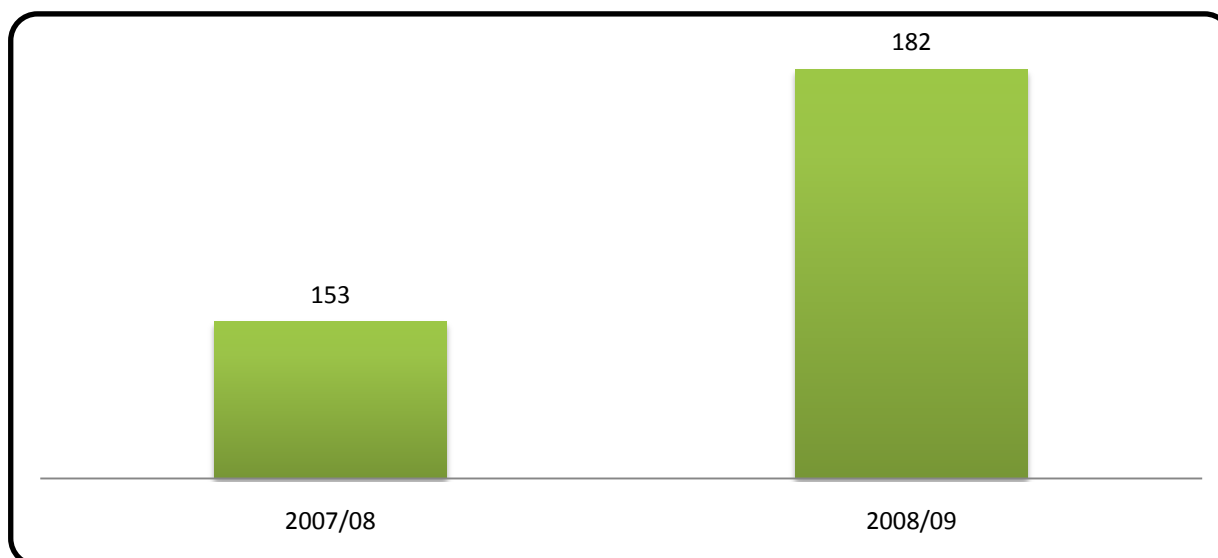
The Municipality promoted participation in the following events –

| Casual Day | 5 September 2008 | Kestell | Persons with disabilities |
|---------------------|------------------|----------------------|---------------------------------|
| Older Persons' Day | 1 October 2008 | Sehlabjaneng Village | Older persons |
| Children's Day | 15 November 2008 | Thibella Stadium | Children |
| World Aids Day | 09 December 2008 | Tshiame B | People living with HIV and Aids |
| 16 Days of Activism | 09 December 2008 | Tshiame B | Women and children |

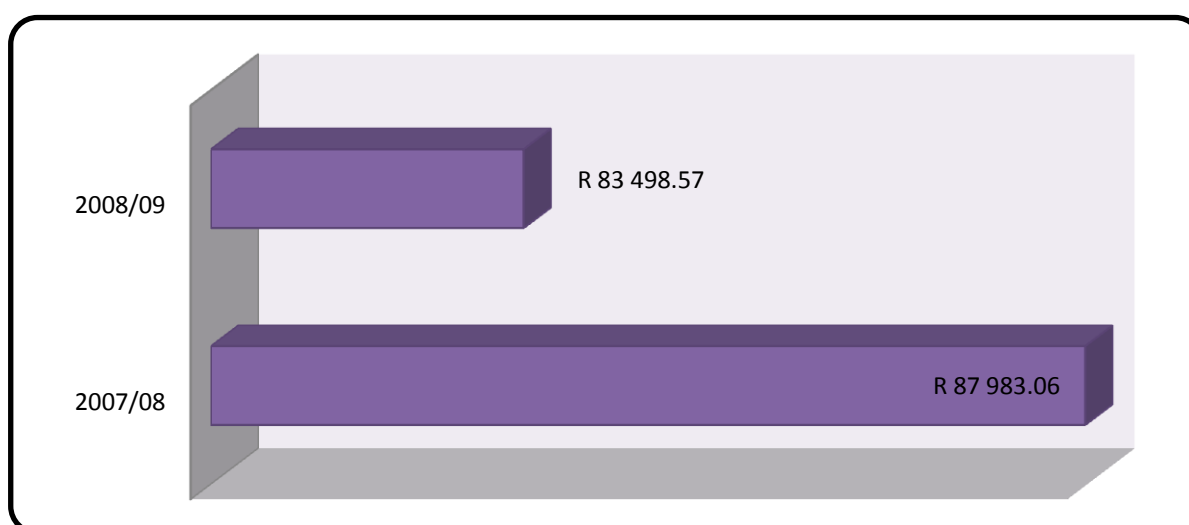
A "Disability Forum" was launched during the reporting period. Members of the Forum received training during July and August 2008. A "Service Providers Forum on the Elderly" was also established in July 2008.

6.3 Indigent Burials

182 applications (29 more than the previous financial year) for assistance to bury indigent persons were received and processed during the year.



The expenditure on indigent burials however decreased with R 4 484.49.



6.4 Public libraries

The Municipality managed and operated the following public libraries –

- Intabazwe
- Kestell
- Children's Library
- RJR Masiea Library

-
- Tshiamele Library
 - Harrismith Library

The following library projects and life skills programmes were completed during the financial year under review:

- ⇒ Readathon 8 September 2008 at RJR Masiea and Harrismith Libraries
- ⇒ Creative Writing held on 09 October 2008 in Harrismith
- ⇒ “Be Your Own Employer” Life Skills Programme
- ⇒ Career Guidance
- ⇒ Literacy Programmes
- ⇒ Library Week

7. LOCAL ECONOMIC DEVELOPMENT AND TOURISM

The following local economic development projects were completed during the reporting period –

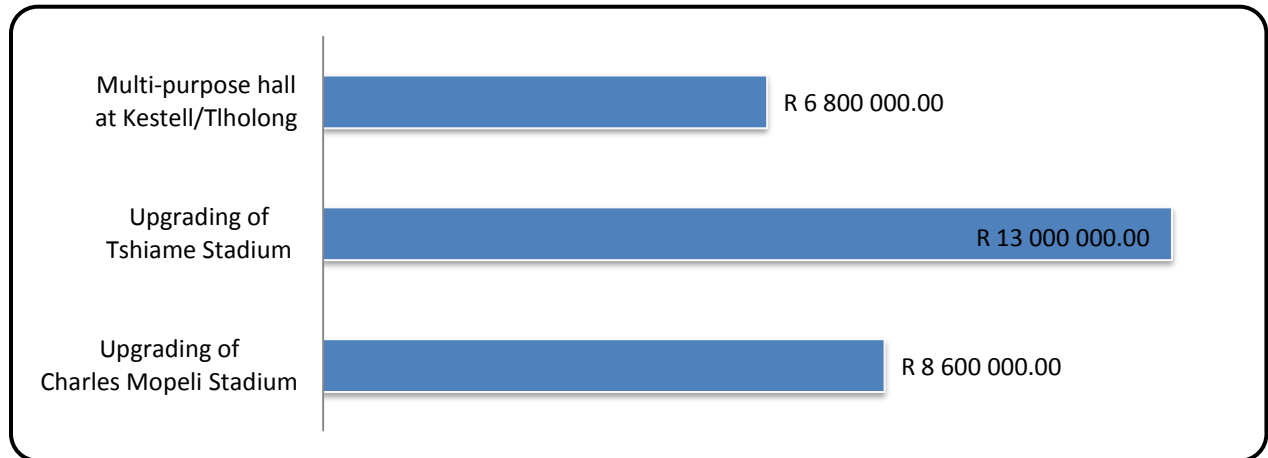
| PROJECT | LOCATION | PROJECT DESCRIPTION | EXPENDITURE |
|---|-----------------------|--|-------------------|
| Maluti Cave Route (Hiking Trail) | Tseki (Masaleng) | Building of chalets and development of hiking trails | 2,422,000 |
| Wetsi's Cave | Monontsha | Development of community tourism and craft centre, consisting of reception area with shop, toilets, craft shop, etc. | 908,466 |
| Wetland (Qwaqwa) | Tseseng and Beola | Rehabilitation of wetlands | 2,300,000 |
| Wetland (Harrismith) | Upper Wilge River | Rehabilitation of wetlands | 2,200,000 |
| Paving of access road to Sentinel Peak | Tseseng/Sentinel Peak | Construction and paving of car park and paving of 1km access road | 3,412,000 |
| Greening | Maluti-a-Phofung | Greening of the environment | 8,400,000 |
| Tshwaranang Integrated Waste Management | Slovo Park/ Masimong | Establishment of waste recycling centre | 400,000 |
| Raohelang Bahahlaodi | Intabazwe | Production of beads, pottery, etc | 300,000 |
| TOTAL | | | 20,342,466 |

Spending of the following multiyear projects for 2008/2009 is reflected in the table below.

| Project | Location | Project Description | Amount Spent 30 Jun 08 |
|--|-----------------------------|--|------------------------|
| Black Water Fly-fishing and Trout Breeding | Metsi Matsho | Setting up of a fly-fishing resort, a trout hatchery to secure fish stock and limit poaching as well as marketing of trout | R 1,515m |
| Metsi Matsho: Accommodation Facilities | Metsi Matsho | Construction of ablution bloc, dining area, kitchen , reception, and perking area for tourists | R 686 712 |
| Maluti Thusa Batho Trail | Metsi Matsho | Construction of ten 20-bed chalets, conference room with ablution facilities, office block and entrance gate | R 4,331m |
| Infrastructure Development | Monontsha | Paving of access road to Lesotho (Border Post) from Monontsha | R 5,485m |
| Central Communication Centre (CCC) | Mandela Park (Fire Station) | Establishment of Communication centre which includes an operations room, briefing room, rest room and a health centre | R 735 143 |
| Qwaqwa Guest House | Botjhabela | Construction of guest house in Botjhabela | R 8,21m |
| Production of brochures | Admin | Production of tourism brochures | R 500 000 |

8. SPORTS, ARTS AND CULTURE

The following projects and the value of the projects that were completed during the reporting period is reflected below –



Maintenance of Parks, open spaces, control of alien invader species, access roads and beautification of access roads was done on routine basis.

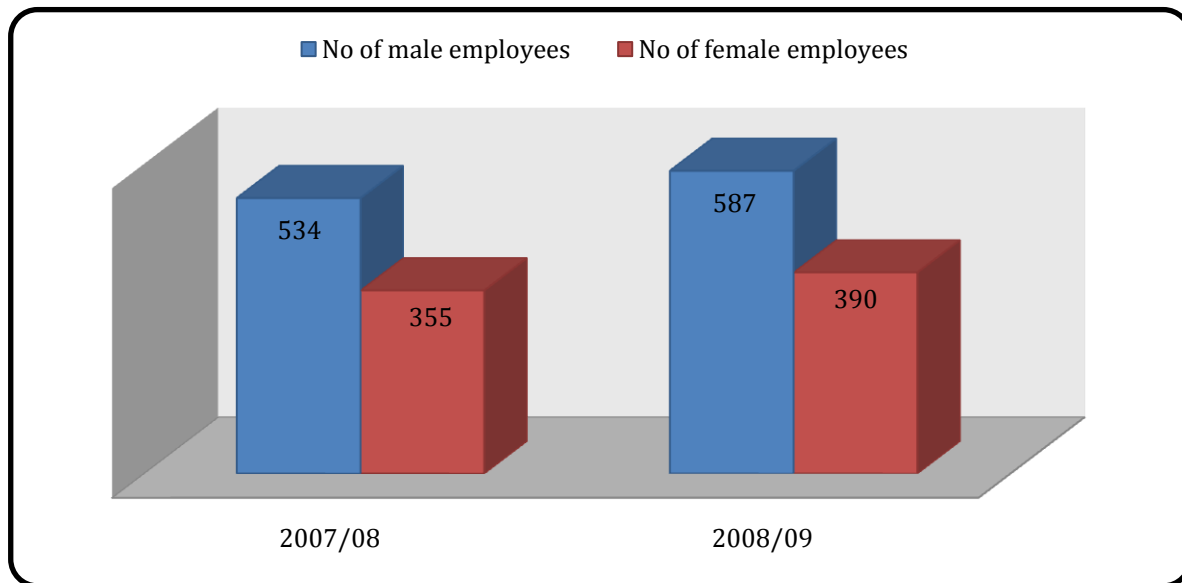
The following cemeteries are managed and operated by the department:

- Makoane
- Bluegumbosch

9. CORPORATE SERVICES

9.1 Percentage of male and female employees within the municipality

The demographic profile of the Free State Province reflects a distribution of 51% females and 49% males. Currently the municipality's gender distribution does not reflect that of the province. The municipality will have to address the gender imbalance in the municipality by increasing female representation in the workforce.



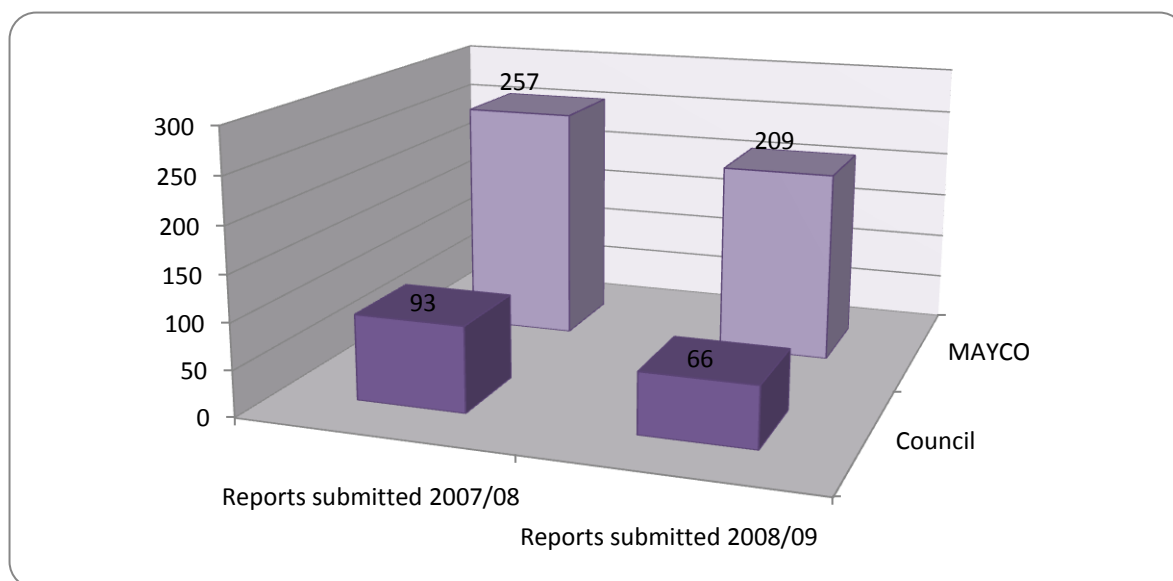
Although female representation increased from 2007/08 the number of male employees also increase and kept the representation of female employees to 40% of the total workforce and 11% behind the gender profile of the province.

9.2 Designated employees in the municipality

Designated employees (African, Indian, Coloured, Females and Disabled persons) make out 95% of the workforce. The municipality has succeeded with the overall transformation of the municipality with regard to race. However greater effort must be made with gender transformation in management levels as well as the appointment of disabled persons in the workforce.

9.3 Delegation of powers and functions

Section 63 of the Municipal Systems Act, Act 32 of 2000 requires a political structure, political office bearer, councillor or staff member of a municipality to whom a delegating authority has delegated or sub-delegated a power or duty, must report to the delegating authority at such intervals as the delegating authority may require, on decisions taken in terms of that delegated or sub-delegated power or duty since the last report. The following number of reports was submitted to council and MAYCO.



9.4 Skills Development

The following number of employees and councillors were trained during the year under review:

| Key Performance Indicator | 2007/08 | 2007/09 |
|---|---------|---------|
| Employees attending training and skills development courses | 132 | 151 |
| Councillors attending training and skills development courses | 44 | 68 |

The number of councillors trained increased from the previous year with 54% and for employees that were trained the increase was 14%.

9.5 Effective people management

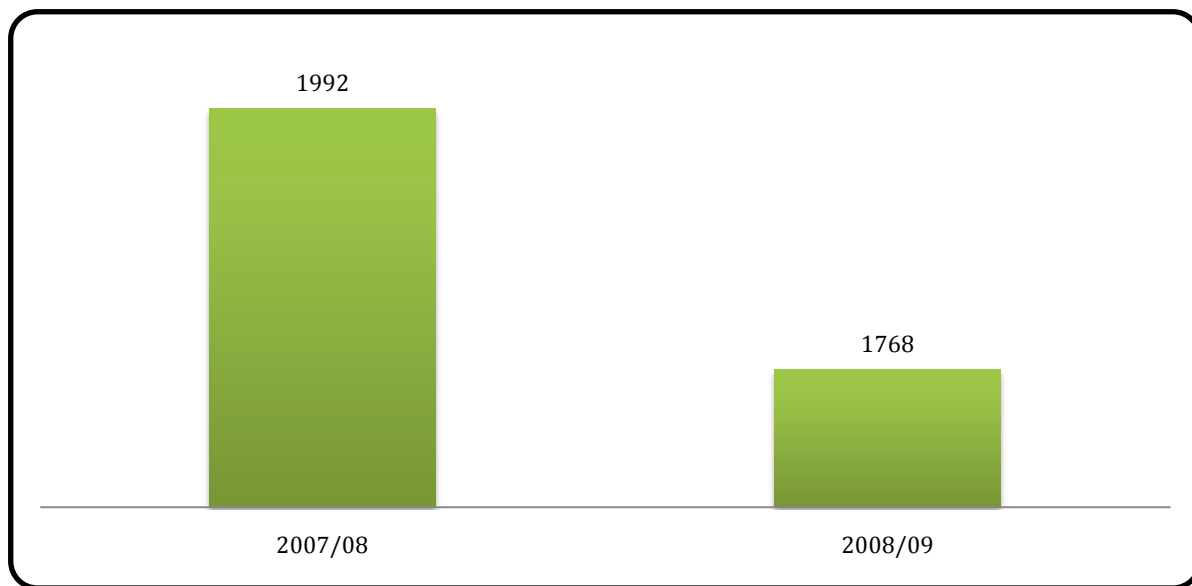
The number of employees that took sick leave during the financial year decreased from the previous (2007/08) financial year. However there was a 23% increase in the man days that were lost due to employees taking sick leave.

| Key Performance Indicator | 2007/08 | 2008/09 |
|---|---------|---------|
| No of employees on sick leave | 223 | 221 |
| No of man days lost due to sick leave taken | 1563 | 1923 |

10. PUBLIC SAFETY AND TRANSPORT

10.1 Traffic Services

The traffic section increased law enforcement during the 2008/09 financial year. The number of fines issued for traffic violations increased with 35% and traffic accidents decreased with 11%. The decrease in accidents is reflected in the graph below.

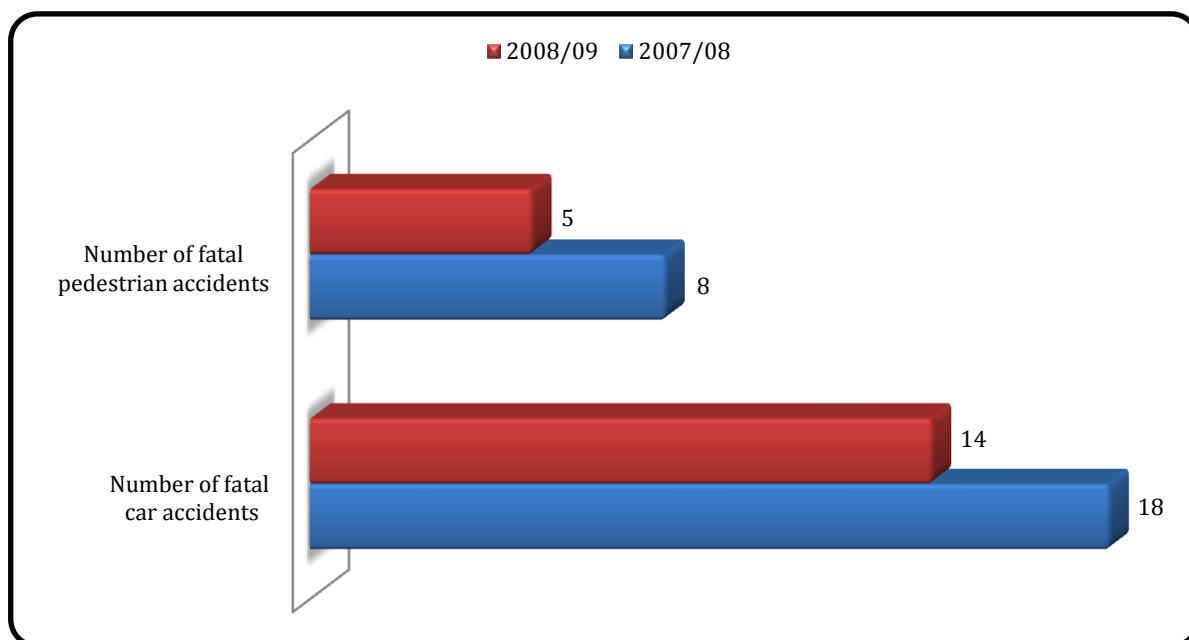


There was a 60% increase in the number of pedestrian accidents during the year under review but the fatality rate of pedestrians involved in accidents decreased with 38%. Fewer safety awareness programs were held from the previous financial year. Due to the high rate of accidents and road fatalities in South Africa consideration should be given to increase the number of road safety awareness programmes during the 2009/10 financial year. A summary of the abovementioned is reflected in the table below.

| | 2007/08 | 2008/09 | % Increase or decrease |
|--------------------------------|---------|---------|------------------------|
| Number of summons written | 6263 | 8443 | 35% |
| Number of accidents | 1992 | 1768 | -11% |
| Number of car accidents | 1908 | 1634 | -14% |
| Number of pedestrian accidents | 84 | 134 | 60% |

Fewer roadblocks were held during the financial year. In the 2007/08 financial year 24 roadblocks were held and during the year under review 20 roadblocks were held.

The number of fatal car accidents decreased with 22% and the number of fatalities involving pedestrians also decreased with 38% from the previous financial year as can be seen in the graph below.



10.2 Transport and Fleet Services

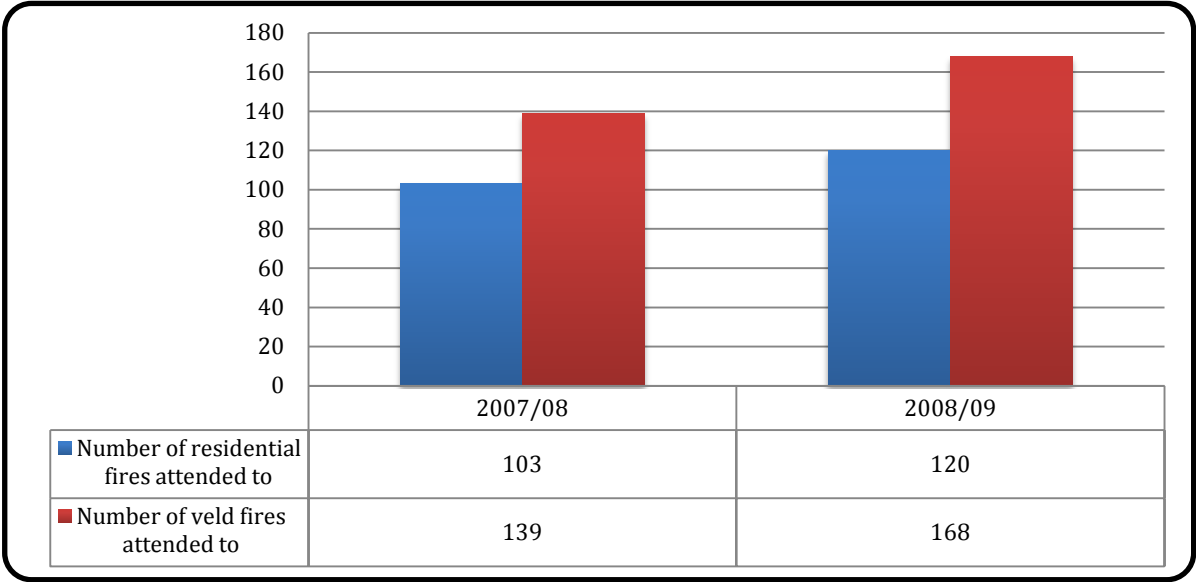
No comparative data from the previous financial year were available to measure performance against. The section however purchased 43 new vehicles for service delivery and is managed by the section. 16 municipal vehicles were involved in accidents during the year under review however no financial information was available regarding the losses the municipality incurred for repairs due to the accidents. In order to assess whether performance actually took place the municipality will have to compare current performance with previous performance or against targets set by the municipality for services.

| Key Performance Indicator | 2008/09 |
|---|---------------|
| Number of accidents with municipal vehicles | 16 |
| Number of municipal vehicles | 193 |
| Number of municipal vehicles written off | 5 |
| Number of municipal vehicles bought | 43 |
| Litres of Diesel used | 292 033.46 |
| Litres of Petrol used | - |
| Amount spend on new vehicles | R2 631 098.03 |
| Repair costs on vehicles | - |

10.3 Fire and Disaster Management

The municipality attended to 29 more veld fires during the 2008/09 financial year and 17 more fires in residential areas.

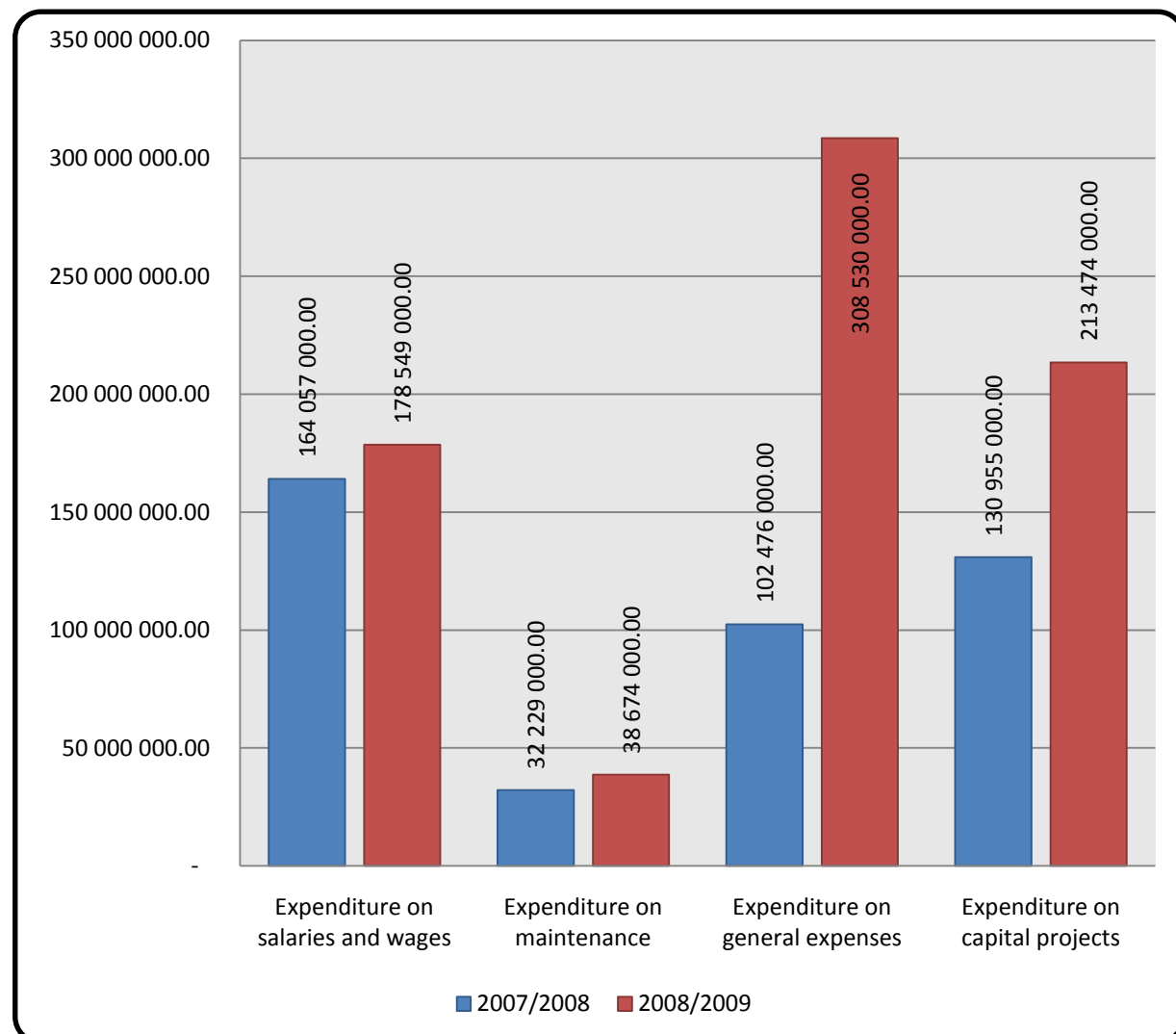
Information was not available on the number of building plan fire prevention plans were approved or rejected as well as the number of fire prevention programs held during the financial year.



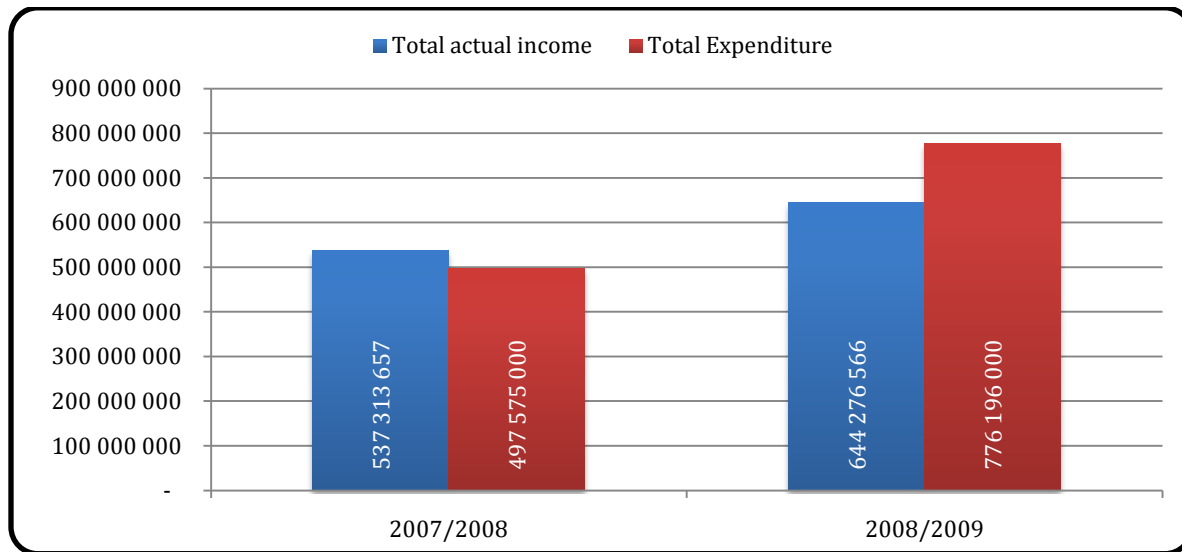
11. FINANCIAL SERVICES

11.1 Expenditure

The municipality is spending on average 28% of its total income on salaries. The norm for spending on salaries is 25% to 35% in local government. The municipality succeeded in keeping personnel cost within reasonable limits. An acceptable norm for spending on maintenance is 5% of the actual income received by a municipality. The municipality spent 6% of the budget allocated to maintenance. The main reason for this over expenditure is that the current infrastructure is dated and requires more and more maintenance to keep it in working order. This expenditure should be monitored and the municipality should ensure that maintenance on the current infrastructure is done to prevent future demands to keep the infrastructure dated.

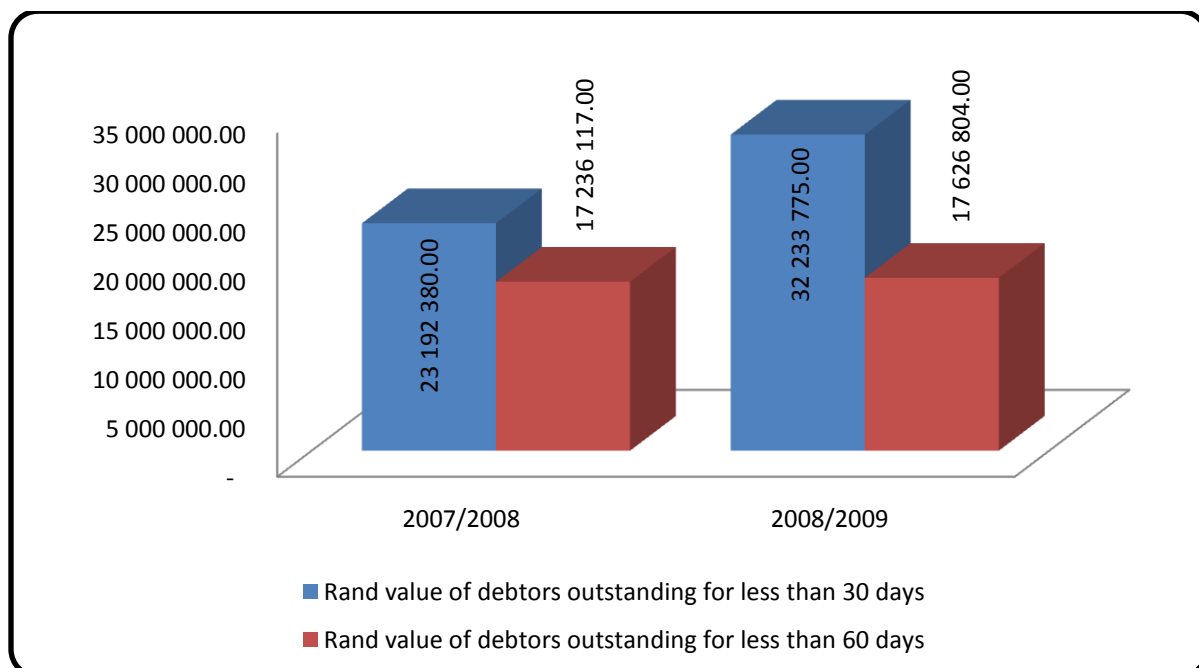


The municipality spent more than the income the municipality received. The municipality spent 20% more than the income received. The income of the municipality increased with 19% from the previous financial year however this is not enough due to the expenditure of 20% more than the income received during the 2008/09 financial year. The actual income and expenditure for the financial year is shown below.

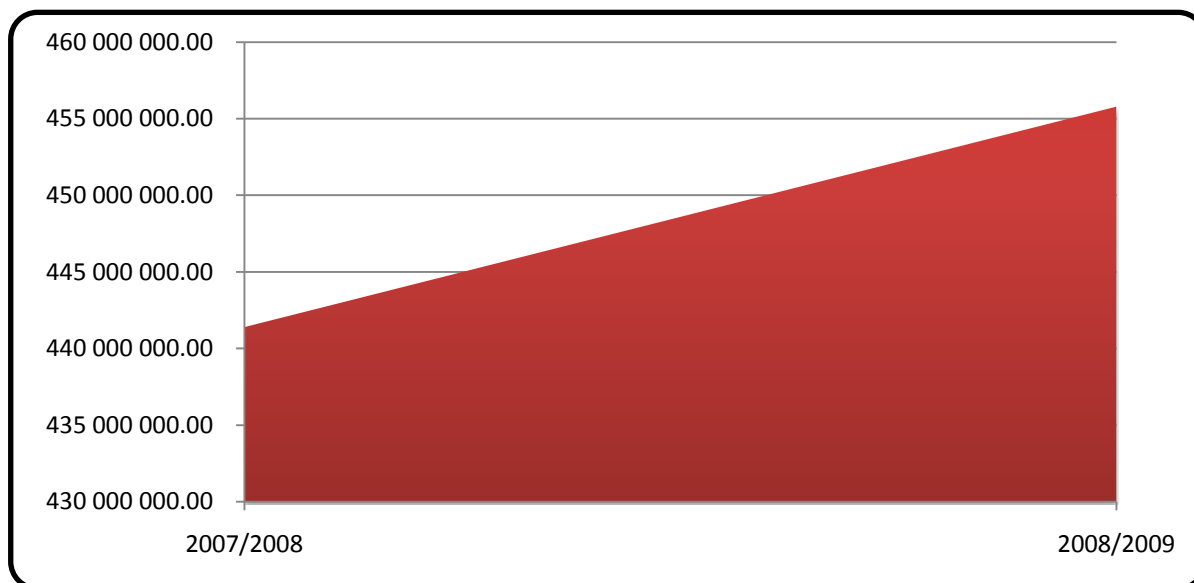


11.2 Debt Age Analysis

Currently 89% of the municipality's debt is outstanding for more than 60 days. Debt outstanding for less than 30 days is 7% and debt outstanding for less than 60 days is 4%.



The overall debt of the municipality increased with 3% from R 441 million to R 455 million as can be seen below.



11.3 No of monthly budget statements submitted to the mayor within 10 days after the end of the month.

Twelve budget statements were submitted to the Mayor within the timeframe required by section 71 of the Local Government: Municipal Finance Management Act 2003 (Act No 56 of 2003).

12. Executive Services

12.1 Management and Accounting

Management meetings are held biweekly to monitor implementation status of and progress towards objectives. Departments also hold sectional meetings. During the period under review a new Audit Committee was also established to deal with outstanding issues in respect of their terms of reference.

12.2 Integrated Development planning and Performance management

The Draft IDP for 2009/2010 was developed and submitted to council for approval. Quarterly assessment of the Municipal Manager and section 57 managers were done and the assessments for the third quarter will be conducted in September 2009 for inclusion in the annual report.

12.3 Budget and Budget implementation

The draft budget 2009/2010 has been developed, approved by Council and ready for public participation.

In year reporting on the 2008/09 budget implementation were done on a monthly basis in terms of section 71 of MFMA to both the Executive Mayor and the Provincial and National Treasuries.

12.4 Human Resource Management

The municipality's workplace skills plan for the 2008/09 financial year was submitted to the LGSETA and training was done in terms of the WSP. Draft succession plans were also developed in line with the training priorities identified in the WSP and are currently under review.

The municipality also successfully implemented its employment equity plan and reported timeously to the Department of Labour and the Employment Equity commission during the year under review.

12.5 ICT

The ICT strategy rollout of the municipality is 70% complete. Document Management and ERP implementation workshops have been successfully conducted to enable and financially empower service delivery department's to deliver ICT through the strategies identified by the strategic information systems plan with the advisory services of SITA. A further objective was to upgrade existing systems and infrastructure to meet the service delivery standards as set by National Treasury, MIG and Strategic Alignment Management system. In this regard specification for hardware standardization has been completed and was submitted to Supply Chain Management Committee.

12.6 Corporate and Co-operative governance

The municipality also developed a structured calendar of various Council meetings for the financial year under review and systematic community participation programmes. All committees conduct their meetings in accordance with the schedules approved by Council. The Municipal Manager also

participates in the provincial and district IGR structures (e.g. Municipal Manager's Forum and the Premier's Coordinating Forum).

12.7 Stakeholder Participation in Municipal Affairs

A draft communication strategy has been compiled and workshop for MAYCO members was held in June 2009.

The purpose of the communication strategy is to encourage communities to participate in the activities of the Municipality and to maximise participation of business, SOEs and Sector Departments in the planning processes of the Municipality.

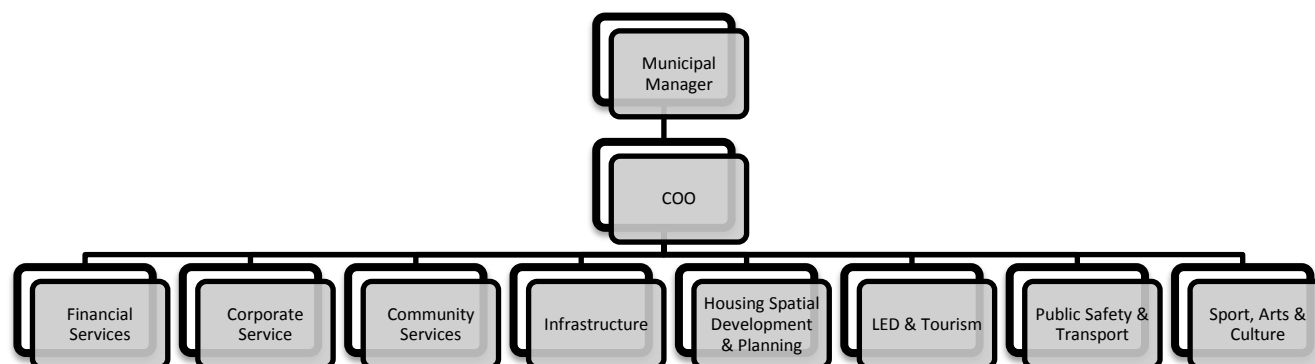
Chapter 3: Human Resources and Organisational Management

1. Organisational Structure

All together 905 employees are in the service of the municipality. At any given time however certain positions are vacant and filled on a temporary basis. The staff complement of the various departments is shown below:

| | 2007/08 | 2008/09 |
|--|---------|---------|
| Designated employees (African, Indian Coloured) | 1084 | 890 |
| No of female employees | 363 | 303 |
| Total no of employees | 1100 | 905 |
| No of employees Infrastructure | 252 | 171 |
| No of employees Corporate Services | 92 | 80 |
| No of employees Financial Services | 72 | 57 |
| No of employees Sport Arts and Culture | 167 | 131 |
| No of employees Public Safety | 112 | 105 |
| No of employees Community Services | 323 | 294 |
| No of employees Housing Spatial Development and Planning | 40 | 34 |
| No of employees Legislative Authority | 13 | 13 |
| No of employee's Municipal Managers Office | 13 | 6 |
| No of employees LED and Tourism | 7 | 5 |
| No of employees in Management (Sec 57 and Post levels 1 – 3) | 9 | 9 |

The municipality's structure consists of the following organisational units:



The administration is conducted on a centralised basis with a local unit in each of Kestell and Harrismith with the administrative headquarters in Phuthaditjhaba. The administrative headquarters are responsible for the higher order strategic and staff functions whilst local units are responsible for the day-to-day routine functions of the Municipality.

Whilst the administration's racial composition more or less reflects the racial composition of local communities within Harrismith, there is still a gender imbalance within the administration. Only 40% of employees are female, whilst female persons make up more than half of the local population. According to Census 2001 about 11% of the local population has some or other disability, which means that the municipality needs to employ more disabled persons to achieve representivity in terms of disability.

2. Salaries and Wages

The salaries and wages paid to employees of the municipality from the 2006/07 financial year to date are shown in the table below:

| | 2006/07 | 2007/08 | 2008/09 |
|--|------------|------------|------------|
| Description | R'000 | R'000 | R'000 |
| Salaries and wages R'000 | 76 192 547 | 81 517 263 | 83 456 793 |
| Normal | 71 402 198 | 75 246 320 | 77 036 646 |
| Overtime | 4 790 349 | 6 270 943 | 6 420 147 |
| Contributions R'000 | 5 259 586 | 6 118 858 | 6 264 443 |
| Social Contributions | 5 259 586 | 6 118 858 | 6 264 443 |
| Allowances R'000 | 2 966 560 | 3 447 036 | 3 529 051 |
| Travel and Locomotion allowances | 2 966 560 | 3 447 036 | 3 529 051 |
| Accommodation | - | - | - |
| Subsistence | - | - | - |
| Housing Benefits and Allowances R'000 | 368 361 | 432 869 | 443 168 |
| Loans and Advances R'000 | | | |
| Other Benefits and Allowances R'000 | - | - | - |
| Arrears Owed to Municipality R'000 | | | |

From the 2006/07 financial year the salaries and wages of employees increased with 9.5% overall. Employee remuneration is 18% of the total operational expenditure of the municipality.

3. Disclosures Concerning Management

The following table indicates the remuneration paid to the Municipal Manager and other managers directly accountable to the Municipal Manager:

| Description | MM | COO | CFO | Corp Services | Comm Services | Housing & Spatial Dev | LED and Tourism | Public Safety & Trans | Parks, Sport, Arts and Culture | Dir Infra |
|--|---------|---------|---------|---------------|---------------|-----------------------|-----------------|-----------------------|--------------------------------|-----------|
| Salaries and wages R'000 | 578 423 | 602 128 | 400 756 | 397 543 | 352 742 | 360 372 | 190 711 | 352 104 | 413 371 | 364 461 |
| Normal | 578 423 | 602 128 | 400 756 | 397 543 | 352 742 | 36 372 | 190 711 | 352 104 | 413 371 | 364 461 |
| Overtime | - | - | - | - | - | - | - | - | - | - |
| Contributions R'000 | - | - | 92 736 | - | 63 004 | - | 6 704 | 79 690 | - | 32 777 |
| Pension | - | - | - | - | - | - | - | - | - | - |
| Medical Aid | - | - | - | - | - | - | - | - | - | - |
| Allowances R'000 | 127 010 | 120 000 | 254 903 | 158 259 | 143 100 | 12 000 | 6 020 | 146 983 | 126 530 | 134 126 |
| Travel and Motor Car | 100 000 | 120 000 | 254 903 | 130 000 | 138 848 | 12 000 | 6 020 | 112 259 | 120 000 | 129 021 |
| Accommodation | - | - | - | - | - | - | - | - | - | - |
| Subsistence | 27 010 | - | - | 28 259 | 4 252 | - | - | 34 724 | 6 530 | 5 105 |
| Housing Benefits and Allowances R'000 | - | - | - | - | - | - | - | - | - | - |
| Loans and Advances R'000 | - | - | - | - | - | - | - | - | - | - |
| Other Benefits and Allowances R'000 | 17 460 | 18 000 | - | 12 000 | 40 444 | 1 500 | 1 000 | 40 432 | 45 304 | 41 748 |
| Other | 17 460 | 18 000 | - | - | - | - | 1 000 | - | - | - |
| Leave encashment | - | - | - | - | - | - | - | - | - | - |
| Back pay | - | - | - | - | - | - | - | - | - | - |
| Cell phone | - | - | - | 12 000 | 12 000 | 1 500 | - | 12 000 | 12 000 | 12 000 |
| Bonus | - | - | - | - | 28 444 | - | - | 28 432 | 33 304 | 29 748 |
| Arrears Owed to Mun R'000 | - | - | - | - | - | - | - | - | - | - |

4. Disclosures Concerning Councillor Allowances

The following disclosures regarding Councillor's allowances are reflected in the annual financial statements:

| COUNCILLOR ALLOWANCES | | | | | | | | | |
|-----------------------------------|----------------------|----|---------|---------|-------------|---------|----------------------------|----------|----------------------|
| | | No | Salary | Pension | Medical Aid | Housing | Use of Personal Facilities | Cell/Tel | Travelling Allowance |
| | Total | | R | R | R | R | R | R | R |
| Speaker | 456 316 | 1 | 456 316 | - | - | - | - | - | - |
| Executive Mayor | 627 968 | 1 | 627 968 | - | - | - | - | - | - |
| Member of the Mayoral Committee | 4 776 103 | 10 | 477 610 | - | - | - | - | - | - |
| Councillors | 10 347 719 | 56 | 184 781 | - | - | - | - | - | - |
| Councillors Pension Contributions | Nil See AFS pg52(29) | | | | | | | | |

Chapter 4: Audited financial statements and other related financial information

1. Annual Financial Statements

The annual financial statements are attached as Annexure A.

2. AG Report on the Annual Financial Statements

The Auditor General report on the Annual Financial statements are attached as Annexure B

3. Management Comments on the AG Report

4. Other Related Financial Information

4.1 Quarterly information on Grants

Quarterly information on the grants received by the municipality and the expenditure for each grant is reflected in the table below:

| Grant Details | Amount Received and spent each quarter | | | | | | | | | | | |
|-----------------------------------|--|-------------------|-----------------------------|-------------------|-----------------------------|-------------------|-----------------------------|-------------------|-----------------------------|--------------------|--------------------|--------------------|
| Grant Name, Purpose Project | 1 Apr 08 to 30 Jun 08 | | 1 Jul 08 to 30 Sep 08 | | 1 Oct 08 to 31 Dec 08 | | 1 Jan 09 to 31 Mar 09 | | 1 Apr 09 to 30 Jun 09 | | Total Rand | |
| | Rec | Exp | Rec | Exp | Rec | Exp | Rec | Exp | Rec | Exp | Rec | Exp |
| MIG | 25 822 000 | 21 877 042 | | 11 780 421 | 32 696 000 | 22 064 278 | 14 425 000 | 15 395 831 | 39 476 000 | 37 052 855 | 112 419 000 | 108 170 427 |
| Equitable Share | | | 53 035 945 | 33 361 000 | 39 776 959 | 47 639 000 | 72 560 058 | 37 031 000 | | 47 342 000 | 165 372 962 | 165 373 000 |
| Msig | | | 735 000 | | | 223 400 | | | | 511 600 | 735 000 | 735 000 |
| FMG | | | 500 000 | 242 417 | | 27 958 | | 24 000 | | 205 625 | 500 000 | 500 000 |
| DWAF | | 4 973 750 | 9 938 500 | 4 647 000 | 4 969 250 | 4 647 000 | 4 969 250 | 4 647 000 | 6 658 200 | 4 647 000 | 26 535 200 | 23 561 750 |
| Sterkfontein | | 5 481 475 | | | | | 14 570 684 | 2 750 917 | 10 386 985 | 14 924 764 | 24 957 669 | 23 157 156 |
| TOTAL GRANTS | 25 822 000 | 32 332 267 | 64 209 445 | 50 030 838 | 77 442 209 | 74 601 636 | 106 524 992 | 59 848 748 | 56 521 185 | 104 683 844 | 330 519 831 | 321 497 333 |

The total grants received the previous three financial years are reflected below:

| Total 2006/07 | | Total 2007/08 | | Total 2008/09 | |
|---------------|-------------|---------------|-------------|---------------|-------------|
| Rec | Exp | Rec | Exp | Rec | Exp |
| 198 464 950 | 195 354 149 | 225 821 398 | 236 190 471 | 330 519 831 | 321 497 333 |

Grant income increased with 40% from the 2006/07 financial year. The municipality's ability to spend the grants received is exceptional. The municipality managed to spend 97% of the grant money received each year.

4.2 Income and Expenditure for the 2008/09 financial year

The monthly income and expenditure per vote is reflected below:

| Detail | Jul-2008 | Aug-2008 | Sep-2008 | Oct-2008 | Nov-2008 | Dec-2008 | Jan-2009 | Feb-2009 | Mar-2009 | Apr-2009 | May-2009 | Jun-2009 | Total |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| RATES AND SERVICES INCOME | | | | | | | | | | | | | |
| Rate & taxes | 918 759 | 1 730 821 | 8 040 141 | 1 962 008 | 3 870 070 | 5 179 693 | 1 126 145 | 22 095 745 | 1 750 718 | 2 956 137 | 1 489 839 | 1 558 501 | 52 678 578 |
| Electricity | 6 969 536 | 9 148 784 | 10 781 338 | 8 100 451 | 6 239 386 | 4 586 763 | 9 298 010 | 8 321 328 | 11 571 014 | 11 331 963 | 8 814 735 | 11 893 643 | 107 056 951 |
| Refuse | 536 593 | 678 571 | 760 000 | 750 032 | 758 668 | 738 293 | 605 233 | 803 531 | 766 540 | 563 140 | 649 299 | 702 535 | 8 312 434 |
| Water | 353 899 | 1 026 296 | 1 446 078 | 3 351 764 | 1 551 698 | 1 392 057 | 1 204 916 | 5 282 100 | 2 574 916 | 645 292 | 1 089 266 | 1 600 704 | 21 518 986 |
| Sewerage | 748 378 | 1 191 766 | 820 470 | 1 466 414 | 989 714 | -955 369 | 1 005 584 | 948 284 | 951 811 | 779 228 | 767 954 | 1 118 274 | 9 832 509 |
| Interest, External Investments | 233 551 | 529 277 | 334 393 | 246 726 | 9 510 | - | 79 635 | 84 266 | 26 329 | 18 015 | 23 042 | - | 1 584 744 |
| Interest, on Debtors | 1 905 617 | 2 034 048 | 2 039 756 | 1 676 612 | 706 | - | 1 685 346 | 1 581 790 | 1 601 628 | 1 646 173 | 1 667 172 | 1 619 782 | 17 458 631 |
| Rental: Facilities & Equipment | 80 641 | 61 976 | 30 100 | 189 111 | 290 982 | - | 4 667 894 | 25 080 | 7 119 052 | 6 900 502 | 27 403 | 29 608 | 19 422 349 |
| Government grants & subsidies | 54 270 945 | - | - | - | 39 996 859 | 20 274 250 | 116 303 | 72 571 540 | 126 899 | 22 032 | - | - | 187 378 829 |
| DWAF-operation subsidy Entity | 9 938 500 | - | - | 4 974 863 | - | - | - | - | - | - | - | - | 14 913 363 |
| Other Income | 1 731 578 | 361 430 | 310 684 | 1 658 850 | 1 652 725 | 669 229 | 551 481 | 5 984 264 | 479 048 | 1 037 457 | 227 028 | 561 627 | 15 225 401 |
| Income from Investments | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL OPERATIONAL INCOME | 77 687 997 | 16 762 969 | 24 562 960 | 24 376 832 | 55 360 318 | 31 884 916 | 20 340 547 | 117 697 929 | 26 967 956 | 25 899 939 | 14 755 738 | 19 084 674 | 455 382 774 |

| Detail | Jul-2008 | Aug-2008 | Sep-2008 | Oct-2008 | Nov-2008 | Dec-2008 | Jan-2009 | Feb-2009 | Mar-2009 | Apr-2009 | May-2009 | Jun-2009 | |
|--|-------------------|--------------------|--------------------|--------------------|-------------------|--------------------|--------------------|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|
| Employee related Cost & Social Contributions | 11 534 966 | 12 147 385 | 10 447 750 | 11 647 454 | 9 366 727 | 11 580 851 | 13 039 121 | 13 487 991 | 11 801 251 | 11 739 658 | 12 944 806 | 12 278 107 | 142 016 066 |
| Rem of Councillors | 1 293 192 | 1 268 408 | 1 312 236 | 1 318 478 | 1 275 794 | 2 449 552 | 1 425 927 | 1 427 004 | 1 458 927 | 1 438 360 | 586 849 | 1 449 375 | 16 704 101 |
| Bad debts | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Repair and Maintenance | 1 947 177 | 2 576 361 | 2 902 281 | 2 671 580 | 181 258 | 2 837 508 | 1 834 288 | 3 201 431 | 1 335 936 | 1 515 179 | 1 099 898 | 3 029 975 | 25 132 872 |
| Interest Paid | - | - | - | - | - | 1 411 745 | - | - | - | - | - | 1 361 437 | 2 773 182 |
| Bulk Purchases | 13 039 689 | 936 837 | 27 255 722 | 7 681 247 | 113 255 | 6 961 401 | 13 966 016 | 6 616 242 | 1 003 511 | 12 191 614 | 10 564 261 | 11 974 047 | 112 303 842 |
| Contra Services | 2 892 865 | 3 245 924 | 4 732 875 | 6 918 595 | 3 591 910 | 4 689 062 | 3 107 172 | 3 187 417 | 862 334 | 4 515 019 | 3 041 982 | 6 781 390 | 47 566 545 |
| Grants Paid(Entity) Equity | 1 759 736 | 1 759 736 | 1 759 736 | 1 759 736 | 1 759 736 | 1 759 736 | 1 759 736 | 1 759 736 | 1 759 736 | 1 759 736 | 1 759 736 | 1 759 736 | 21 116 832 |
| Grants Paid (Entity) condit | 1 549 500 | 1 549 500 | 1 549 500 | 1 549 500 | 1 549 500 | 1 549 500 | 1 549 500 | 1 549 500 | 1 549 500 | 1 549 500 | 1 549 500 | 1 549 500 | 18 594 000 |
| General Expenses | 5 304 803 | 8 643 103 | 18 138 299 | 12 447 270 | 3 133 944 | 43 863 824 | -809 209 | 2 158 793 | 9 665 217 | 2 853 165 | 6 896 312 | 24 700 337 | 136 995 858 |
| TOTAL OPERATING EXPENDITURE | 39 321 928 | 32 127 254 | 68 098 399 | 45 993 860 | 20 972 123 | 77 103 179 | 35 872 549 | 33 388 114 | 29 436 413 | 37 562 231 | 38 443 344 | 64 883 904 | 523 203 298 |
| SURPLUS/(DEFICIT) | 38 366 069 | -15 364 285 | -43 535 439 | -21 617 028 | 34 388 195 | -45 218 263 | -15 532 003 | 84 309 815 | -2 468 457 | -11 662 292 | -23 687 606 | -45 799 230 | -67 820 524 |

| BILLS | Jul-2008 | Aug-2008 | Sep-2008 | Oct-2008 | Nov-2008 | Dec-2008 | Jan-2009 | Feb-2009 | Mar-2009 | Apr-2009 | May-2009 | Jun-2009 | |
|--------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| Rate & taxes | 13 151 841 | 9 276 023 | 9 380 517 | 9 393 836 | 9 393 066 | 9 747 247 | 9 744 875 | 9 716 261 | 9 769 864 | 9 764 758 | 9 745 499 | 9 960 270 | 119 044 059 |
| Electricity | 5 862 101 | 7 643 660 | 7 616 163 | 5 165 688 | 5 909 526 | 5 352 134 | 6 343 196 | 5 883 491 | 9 082 560 | 5 746 891 | 6 206 142 | 7 687 470 | 78 499 022 |
| Refuse | 1 569 245 | 1 566 388 | 1 553 713 | 1 553 227 | 1 564 154 | 1 564 171 | 1 563 538 | 1 575 669 | 1 596 291 | 1 595 493 | 1 602 796 | 1 583 095 | 18 887 780 |
| Water | 2 612 948 | 3 617 722 | 3 352 132 | 3 529 893 | 16 487 071 | 3 874 685 | 2 946 374 | 3 903 379 | 3 099 155 | 3 632 443 | 3 370 762 | 6 140 457 | 56 567 022 |
| Sewerage | 1 432 226 | 1 432 543 | 1 430 640 | 1 424 998 | 1 425 698 | 1 423 269 | 1 426 021 | 1 425 798 | 1 440 483 | 1 455 726 | 1 457 349 | 1 460 882 | 17 235 635 |
| Total | 24 628 361 | 23 536 337 | 23 333 164 | 21 067 642 | 34 779 515 | 21 961 507 | 22 024 005 | 22 504 598 | 24 988 353 | 22 195 311 | 22 382 548 | 26 832 175 | 290 233 517 |

4.3 Debtors Age Analysis

More than 50% of the municipality's debt is older than 90 days. As general guideline debtors older than 90 - 120 days is deemed to be irrecoverable.

| <u>Description</u> | <u>Vote Nr</u> | <u>0 - 30 Days</u> | <u>31 - 60 Days</u> | <u>61 - 90 Days</u> | <u>Over 90 Days</u> | <u>Total</u> |
|--------------------|----------------|--------------------|---------------------|---------------------|---------------------|--------------|
| Water | 41 | 5 322 628 | 2 301 325 | 965 412 | 3 308 310 | 11 897 675 |
| Electricity | 40 | 10 707 748 | 3 217 713 | 1 424 784 | 1 742 138 | 17 092 383 |
| Sewerage | | 1 264 247 | 743 057 | 348 056 | 1 230 108 | 3 585 468 |
| Refuse | | 2 316 782 | 964 654 | 467 462 | 2 263 408 | 6 012 306 |
| Property Rates | 30 | 18 264 050 | 8 438 155 | 4 204 408 | 17 223 426 | 48 130 039 |
| Other | | -7 635 126 | 1 080 560 | 289 144 | 26 276 640 | 20 011 218 |
| Total | | 30 240 329 | 16 745 464 | 7 699 266 | 52 044 030 | 106 729 089 |

Stricter credit control measures will have to be implemented by the municipality. The previous financial year's debt is reflected in the table below. The municipality succeeded to reduce the debt from 2006/07 but care should be taken that the current debt do not spiral out of control again as there was an increase from the 2007/08 financial year.

| <u>Maluti-a-Phofung</u> | | <u>2006/07</u> | <u>2007/08</u> | <u>2008/09</u> |
|-------------------------|----|----------------|----------------|----------------|
| Water | 41 | 18 111 788 | 9 699 577 | 11 897 675 |
| Electricity | 40 | 19 461 882 | 7 785 441 | 17 092 383 |
| Sewerage | | 12 417 537 | 4 714 646 | 3 585 468 |
| Refuse | | 31 475 667 | 4 843 019 | 6 012 306 |
| Property Rates | 30 | 166 099 774 | 38 903 782 | 48 130 039 |
| Other | | 73 164 148 | 17 064 231 | 20 011 218 |
| Total | | 320 730 796 | 83 010 696 | 106 729 089 |

Chapter 5: Functional Analysis

1. General Overview

| <i>Maluti-A-Phofung</i> GENERAL INFORMATION | | | |
|--|--|--|--|
|--|--|--|--|

| Reporting Level | Detail | Total | |
|-----------------|--|----------------------|--|
| Overview: | Provide a general overview of municipality: this may include a short narrative of issues peculiar to the municipality and issues specific to the financial year being reported | | |
| Information: | Statistical Information | | |
| | Geography: | | |
| | 1 Geographical area in square kilometres | 4 421km ² | |
| | Source: Municipal Demarcation Board | | |
| | Demography: | | |
| | 2 Total population | 385 413 | |
| | Source: StatsSa 2007 | | |
| | 3 Indigent Households | 5 156 | |
| | Definition: Any household that earns less than R 1 500 per month | | |
| | Source: Municipal database 2008/09 | | |
| | Employment Rate: | | |
| | Employed | 46 695 | |
| | Unemployed | 170 095 | |
| | Unemployment rate | 73% | |
| | Source: StatsSa 2007 | | |
| 5 | Aged breakdown: | | |
| | - 65 years and over | 20 079 | |
| | - between 40 and 64 years | 72 793 | |
| | - between 15 and 39 years | 162 931 | |
| | - 14 years and under | 129 610 | |
| | Total | 385 413 | |
| | Source: StatsSa 2007 | | |
| | 6 Household income: | | |
| | - over R3,200 per month | 25 309 | |
| | - between R1,600 and R3,200 per month | 6 896 | |
| | - between R801 and R1,599 per month | 46 085 | |
| | - under R800 per month | 307 123 | |
| | Total | 385 413 | |
| | Source: StatsSa 2007 | | |

2. Executive and Council

| | |
|----------------------|------------------------------|
| Function: | Executive and Council |
| Sub Function: | N/A |

| Reporting Level | Detail | Total | |
|------------------------------|---|---|--|
| Overview: | Includes all activities relating to the executive and council function of the municipality including costs associated with mayoral, councillor and committee expenses and governance. Note: remuneration of councillor information should appear in Chapter 4 on <i>Financial Statements and Related Financial Information</i> . | | |
| Description of the Activity: | <p>The function of executive and council within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> - <i>Policy and law making</i> <p>These services extend to include Maluti-A-Phofung. The municipality has a mandate to:</p> <ul style="list-style-type: none"> - <i>Provide democratic and accountable government for local communities;</i> - <i>Promote the involvement of local communities in local government matters;</i> - <i>Govern, on its own initiative, the local government affairs of local communities; and</i> - <i>Make by-laws for the effective administration of the matters it has a right to perform</i> | | |
| Analysis of the Function: | <p><i>Statistical Information</i></p> <p>1 Councillor detail:</p> <p>Total number of Councillors</p> <p>Number of Councillors on Mayoral Committee</p> <p>2 Ward detail:</p> <p>Total number of Wards</p> <p>Number of Ward Meetings</p> <p>3 Number and type of Council and Committee meetings:</p> <ul style="list-style-type: none"> - <i>Mayoral Committee Meeting</i> - <i>Council Meetings</i> - <i>Corporate Services Portfolio Committee meeting</i> - <i>Community Services Portfolio Committee meeting</i> - <i>LED and Tourism Portfolio Committee meeting</i> - <i>Public Safety and Transport Portfolio Committee meeting</i> - <i>Housing Portfolio Committee meeting</i> - <i>Spatial Development and Planning Portfolio Committee meeting</i> - <i>Financial Services Portfolio Committee meeting</i> - <i>Municipal Infrastructure Portfolio Committee meeting</i> | <p>68</p> <p>10</p> <p>34</p> <p>136</p> <p>20</p> <p>8</p> <p>5</p> <p>5</p> <p>7</p> <p>7</p> <p>6</p> <p>6</p> <p>7</p> <p>5</p> | |

| | | | |
|--|--|----|--|
| | - <i>Sport, Arts and Culture Portfolio Committee meeting</i> | 9 | |
| | - <i>Management meeting</i> | 11 | |
| | - <i>Local Labour Forum Meeting</i> | 7 | |
| | - <i>Monitoring Committee meeting</i> | 4 | |
| | - <i>Oversight Committee meeting</i> | 2 | |
| | - <i>IDP Steering Committee meeting</i> | 3 | |
| | List here Council meetings, followed by individual committee and the number of times that each met | | |

3. Finance

| | |
|----------------------|-----------------------------------|
| Function: | Finance and Administration |
| Sub Function: | Finance |

| Reporting Level | Detail | Total | |
|------------------------------|---|-----------------|-----------------|
| Overview: | Includes all activities relating to the finance function of the municipality. Note: grants information should appear in Chapter 4 on <i>Financial Statements and Related Financial Information</i> . | | |
| Description of the Activity: | <p>The function of finance within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> - Supply Chain Management & Expenditure - Budget - Revenue Management - Financial Management <p>These services extend to Maluti-A-Phofung. The municipality has a mandate to:</p> <ul style="list-style-type: none"> - Levy and collect property rates - Determine, levy and collect charges for the provision of municipal services - Borrow money - Prepare, adopt and execute an annual budget consisting of income and expenditure estimates - Acquire goods and services, and dispose of assets, by means of competitive bidding <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> - Supply Chain Management & Expenditure Management - Budget preparation, reporting and analysis - Revenue Management - Financial Management <p>The key issues for 2009/10 are:</p> <ul style="list-style-type: none"> - Ensure accurate and timeously reporting and Planning - To develop a compliant budget and financial statements - Ensure effective capacity development and support in the financial unit - Establish and maintain financial systems and policies | | |
| Analysis of the Function: | Statistical Information | | |
| 1 | Debtor billings: number and value of monthly billings: | | <i>R (000s)</i> |
| | Rates & Taxes | | 102 008 |
| | Electricity | | 78 499 |
| | Refuse | | 18 887 |
| | Water | | 56 567 |
| | Sewerage | | 17 235 |
| 2 | Debtor collections: value of amount received and interest: | <i>R (000s)</i> | <i>R (000s)</i> |
| | Rates & Taxes | | 52 678 |

| | | | |
|------------------------|--|---|---------------------|
| | Electricity + Prepaid meters | | 107 056 |
| | Refuse | | 8 312 |
| | Water | | 21 518 |
| | Sewerage | | 9 832 |
| | Interest on Debtors | | 17 458 |
| 3 | Debtor analysis: amount outstanding over 30, 60, 90 and 120 plus days: - Total debts outstanding over 30, 60, 90 and 120 plus days across debtors by function (e.g.: water, electricity etc) | See Ch 4 par 4.3 of Annual Report See AFS pg 42 & 43 | |
| 4 | Write off of debts: number and value of debts written off: - Total debts written off each month across debtors by function (e.g.: water, electricity etc) | | R (000s) |
| | Rates & Taxes | N/A | 252 496 |
| | Electricity | N/A | 23 987 |
| | Refuse | N/A | 35 526 |
| | Water | N/A | 42 553 |
| | Sewerage | N/A | 17 722 |
| | Other | N/A | 26 622 |
| 5 | Property rates (Residential): - Number and value of properties rated - Number and value of properties not rated - Number and value of rate exemptions - Rates collectible for the current year | | R (000s) |
| | | 33 415 | 1 334 954 |
| | | - | |
| | | 260 | 207 851 |
| | | | 98 357 |
| Reporting Level | Detail | Total | |
| 6 | Property rates (Commercial): - Number and value of properties rated - Number and value of properties not rated - Number and value of rate exemptions - Rates collectible for the current year | | R (000s) |
| | | 2 554 | 694 297 |
| | | - | |
| | | N/A | 3 179 |
| | | | 2 083 |
| 7 | Property rates (State): - Number and value of properties rated - Number and value of properties not rated | | R (000s) |
| | | 578 | 5 119 248 |
| | | - | |
| | - Number and value of rate exemptions - Rates collectible for the current year | 1 | 214 |
| | | | 1 568 |
| 8 | Property valuation: - Year of last valuation - Regularity of valuation | 2006 5 | |
| 9 | Indigent Policy: - Quantity (number of households affected) - Quantum (total value across municipality) | 5156 64 800 000 | |
| 10 | Creditor Payments: N/A | R (000s) N/A | N/A |
| 11 | Credit Rating: N/A | R (000s) N/A | N/A |
| 12 | External Loans: - Total loans received and paid during the year | R (000s) See AFS | R (000s) See AFS |
| 13 | Delayed and Default Payments: None | None | None |

Debtors Billing and Debtors Received

| | Jul-08 | | Aug-08 | | Sep-08 | | Oct-08 | | Nov-08 | | Dec-08 | |
|---------------------|------------|-----------|-----------|------------|-----------|------------|-----------|------------|------------|-----------|-----------|------------|
| | Billed | Received | Billed | Received | Billed | Received | Billed | Received | Billed | Received | Billed | Received |
| Rates & Taxes | 13 151 841 | 918 759 | 9 276 023 | 1 730 821 | 9 380 517 | 8 040 141 | 9 393 836 | 1 962 008 | 9 393 066 | 3 870 070 | 9 747 247 | 5 179 693 |
| Electricity | 5 862 101 | 6 969 536 | 7 643 660 | 9 148 784 | 7 616 163 | 10 781 338 | 5 165 688 | 8 100 451 | 5 909 526 | 6 239 386 | 5 352 134 | 4 586 763 |
| Refuse | 1 569 245 | 536 593 | 1 566 388 | 678 571 | 1 553 713 | 760 000 | 1 553 227 | 750 032 | 1 564 154 | 758 668 | 1 564 171 | 738 293 |
| Water | 2 612 948 | 353 899 | 3 617 722 | 1 026 296 | 3 352 132 | 1 446 078 | 3 529 893 | 3 351 764 | 16 487 071 | 1 551 698 | 3 874 685 | 1 392 057 |
| Sewerage | 1 432 226 | 748 378 | 1 432 543 | 1 191 766 | 1 430 640 | 820 470 | 1 424 998 | 1 466 414 | 1 425 698 | 989 714 | 1 423 269 | -955 369 |
| Interest on Debtors | | 1 905 617 | | 2 034 048 | | 2 039 756 | | 1 676 612 | | 706 | | 0 |
| | Jan-09 | | Feb-09 | | Mar-09 | | Apr-09 | | May-09 | | Jun-09 | |
| | Billed | Received | Billed | Received | Billed | Received | Billed | Received | Billed | Received | Billed | Received |
| Rates & Taxes | 9 744 875 | 1 126 145 | 9 716 261 | 22 095 745 | 9 769 864 | 1 750 718 | 9 764 758 | 2 956 137 | 9 745 499 | 1 489 839 | 9 960 270 | 1 558 501 |
| Electricity | 6 343 196 | 9 298 010 | 5 883 491 | 8 321 328 | 9 082 560 | 11 571 014 | 5 746 891 | 11 331 963 | 6 206 142 | 8 814 735 | 7 687 470 | 11 893 643 |
| Refuse | 1 563 538 | 605 233 | 1 575 669 | 803 531 | 1 596 291 | 766 540 | 1 595 493 | 563 140 | 1 602 796 | 649 299 | 1 583 095 | 702 535 |
| Water | 2 946 374 | 1 204 916 | 3 903 379 | 5 282 100 | 3 099 155 | 2 574 916 | 3 632 443 | 645 292 | 3 370 762 | 1 089 266 | 6 140 457 | 1 600 704 |
| Sewerage | 1 426 021 | 1 005 584 | 1 425 798 | 948 284 | 1 440 483 | 951 811 | 1 455 726 | 779 228 | 1 457 349 | 767 954 | 1 460 882 | 1 118 274 |
| Interest on Debtors | | 1 685 346 | | 1 581 790 | | 1 601 628 | | 1 646 173 | | 1 667 172 | | 1 619 782 |

4. Other Administration

| Function: Finance and Administration | | | |
|---|---|-------|--|
| Sub Function: Other Administration (Procurement) | | | |
| Reporting Level | Detail | Total | |
| Overview: | Includes all activities relating to overall procurement functions of the municipality including costs associated with orders, tenders, contract management etc | | |
| Description of the Activity: | <p>The function of procurement within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> - Tender requisition - Tender adjudication - Contract Management <p>These services extend to Maluti-A-Phofung. The municipality has a mandate to:</p> <ul style="list-style-type: none"> - Acquire goods and services - Dispose of assets <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> - Procurement of quality goods and services at the right time from registered suppliers - Proper recording of goods received and issues by the stores <p>The key issues for 2009/10 are:</p> <ul style="list-style-type: none"> - Implement an effective system of Expenditure control in compliance with MFMA requirements - Ensure implementation of the Supply Chain Management regulations and approved policy - Establish an effective store and inventory system | | |
| Analysis of the Function: | <p>Statistical Information</p> <p>1 Details of tender / procurement activities:</p> <ul style="list-style-type: none"> - Total number of times that tender committee met during year <ul style="list-style-type: none"> Bid Specification Committee 18 Bid Evaluation Committee 20 Bid Adjudication Committee 24 - Total number of tenders considered 61 - Total number of tenders approved 39 - Average time taken from tender advertisement to award of tender 170 days | | |

5. Human Resources

| | |
|----------------------|-----------------------------------|
| Function: | Finance and Administration |
| Sub Function: | Human Resources |

| Reporting Level | Detail | Total | |
|------------------------------|---|--|--|
| Overview: | Includes all activities relating to the human resource management function of the municipality including recruitment, selection and induction - also performance management systems, code of conduct detail and decision making systems. Note: Read in conjunction with Chapter 3 on <i>Human Resource Management</i> . | | |
| Description of the Activity: | <p>The function of human resource management within the municipality is administered as follows and includes:</p> <p><i>Ensure proper management of available human resources</i></p> <ul style="list-style-type: none"> - <i>Ensure effective utilization of Human Resources</i> - <i>Compliance with all Human Resources related legislation</i> - <i>To build sufficient capacity for effective and efficient service delivery</i> <p>These services extend to internal departments within the municipality. The municipality has a mandate to:</p> <p><i>Employ such personnel as it may require for the effective and efficient performance of its functions, exercise of its powers and discharge of its duties</i></p> <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> - <i>Ensure skilled employees</i> - <i>Proper implementation of legislation</i> - <i>Promote sound labour relations</i> <p>The key issues for 2009/10 are:</p> <ul style="list-style-type: none"> - <i>To staff the municipality with competent employees in order to achieve IDP objectives</i> - <i>To capacitate employees with the necessary skills</i> - <i>To conduct sound labour relations</i> - <i>Develop an organisational structure for the municipality to achieve the ID goals and objectives</i> | | |
| Analysis of the Function: | <p>Statistical Information</p> <p>1 Number and cost to employer of all municipal staff employed:</p> <ul style="list-style-type: none"> - Professional (Managerial/Specialist) - Office (Clerical/Administrative) - Non-professional (blue collar, outside workforce) - Temporary Staff - Contract Staff | <p><i>R (000s)</i></p> <p>6 1 476</p> <p>1 72</p> <p>0 0</p> <p>0 0</p> <p>0 0</p> | |

6. Community Services

| | |
|----------------------|--------------------------------------|
| Function: | Community and Social Services |
| Sub Function: | All inclusive |

| Reporting Level | Detail | Total | |
|------------------------------|--|---|---|
| Overview: | Includes all activities associated with the provision of community and social services | | |
| Description of the Activity: | <p>The function of provision of various community and social services within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> - To render social services - Public Libraries <p>These services extend to include Maluti-A-Phofung. The municipality has a mandate to:</p> <ul style="list-style-type: none"> - Establish, manage and operate public libraries on behalf of the Provincial Government - Regulate child care facilities <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> - Conduct awareness campaigns regarding social services - Provide integrated services for HIV/Aids - Provide social services for the aged, children and other vulnerable groups <p>The key issues for 2009/10 are:</p> <ul style="list-style-type: none"> - Attend to social problems in the community - Participate in national events to create awareness regarding social problems - Maintain the current Social Welfare Services | | |
| Analysis of the Function: | Statistical Information | | |
| 1 | <p>Nature and extent of facilities provided:</p> <ul style="list-style-type: none"> - Library services - Local Aids Council - OVC - Child care (including crèches etc) - Aged care (including aged homes, home help) - Schools <p>Note: the facilities figure should agree with the assets register</p> | <p>no of facilities:</p> <p>6</p> <p>1</p> <p>1</p> <p>50</p> <p>3</p> | <p>no of users:</p> <p>27 000</p> <p>Not provided</p> <p>Not provided</p> <p>Not provided</p> <p>Not provided</p> <p>Not provided</p> |
| 2 | <p>Number and cost to employer of all personnel associated with each community services function:</p> <ul style="list-style-type: none"> - Library services - Local Aids Council - OVC - Child care (including crèches etc) - Aged care (including aged homes, home help) | <p>16</p> <p>Not provided</p> <p>Not provided</p> <p>Not provided</p> <p>Not provided</p> | <p>R(000s)</p> <p>R 1 632</p> <p>Not provided</p> <p>Not provided</p> <p>Not provided</p> <p>Not provided</p> |
| 6 | <ul style="list-style-type: none"> - Schools <p>Total operating cost of community and social services function</p> | <p>Not provided</p> | <p>Not provided</p> <p>R 49 670</p> |

7. Sport, Arts and Culture

| | |
|----------------------|--------------------------------|
| Function: | Sport, Arts and Culture |
| Sub Function: | All inclusive |

| Reporting Level | Detail | Total | |
|------------------------------|---|--|--|
| Overview: | Includes all activities associated with sport, arts and culture | | |
| Description of the Activity: | <p>The function of provision of various community and social services within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> - Parks - Sport and recreation - Cemeteries - Arts and Culture <p>These services extend to include Maluti-A-Phofung. The municipality has a mandate to:</p> <p><i>Provide, regulate, manage and operate sports and recreation facilities, including -</i></p> <ul style="list-style-type: none"> <i>parks, gardens and playgrounds;</i> <i>sport stadia and sports fields;</i> <i>cemeteries;</i> <i>holiday resorts and caravan parks</i> <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> <i>- To create a safe environment by developing parks and open spaces.</i> <i>- To continually provide a well maintained recreational area.</i> <i>- To identify the need for different sport codes and introduce them within communities</i> <i>- To develop and implement a maintenance programme for all sports facilities</i> <i>- To develop strategically located cemeteries in MAP.</i> <p>The key issues for 2009/10 are:</p> <ul style="list-style-type: none"> <i>- Initiate beautification projects within the communities</i> <i>- Improve access to well equipped and diversified sport and recreation facilities</i> <i>- Maintenance of existing cemeteries</i> | | |
| Analysis of the Function: | <p>Statistical Information</p> <p>1 Nature and extent of facilities provided:</p> <ul style="list-style-type: none"> - Museums and art heritage sites - Holiday resorts - Cemeteries and crematoriums - Sporting facilities (specify) - Parks | <p>no of facilities:</p> <p>0</p> <p>2</p> <p>6</p> <p>7</p> <p>15 ha</p> | <p>no of users:</p> <p>0</p> <p>12 000</p> <p>Not available</p> <p>Not available</p> <p>Not available</p> |

| | | | |
|---|--|-----|----------------|
| 2 | Number and cost to employer of all personnel associated with the function: | | <i>R(000s)</i> |
| | - Management | 1 | 352 |
| | - Field (Supervisors/Foremen) | 9 | Not available |
| | - Office (Clerical/Administration) | 0 | 0 |
| | - Non-professional (blue collar, outside workforce) | 143 | Not available |
| | - Temporary | 0 | 0 |
| | - Contract | 0 | 0 |
| 6 | Total operating cost of sport, arts and culture function | | R 13 742 |

8. Local Economic Development and Tourism

| | | | |
|----------------------|-----------------------------------|--|--|
| Function: | Local Economic Development | | |
| Sub Function: | Economic Development | | |

| Reporting Level | Detail | Total | |
|------------------------------|---|---|--|
| Overview: | Includes all activities associated with economic development initiatives | | |
| Description of the Activity: | <p>The function of economic planning / development within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> - <i>Infrastructural Development</i> - <i>Informal Trade policies and bylaws</i> - <i>Rural Development and Exhibitions</i> - <i>Identify, Upgrade and Establishment of tourism facilities</i> - <i>Tourism sector plans</i> - <i>Marketing plans, Event</i> <p>These services extend to include Maluti-A-Phofung. The municipality has a mandate to:</p> <ul style="list-style-type: none"> - <i>Promote local tourism;</i> - <i>Regulate street trading;</i> - <i>Control undertakings that sell liquor to the public;</i> - <i>License and control undertakings that sell food to the public</i> <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> - <i>SSME Promotion and support</i> - <i>Export promotion and International Trade</i> - <i>Community Economic Development (Self Reliance)</i> - <i>Business Retention and Expansion</i> - <i>Industrial Recruitment and Placement</i> - <i>Tourism</i> - <i>Environmental Management</i> <p>The key issues for 2009/10 are:</p> <ul style="list-style-type: none"> - <i>Draw new investments to the area</i> - <i>Expand Agricultural sector in the region by exploring diverse agricultural products and agro processing</i> - <i>Expand the mining and mineral beneficiation sector</i> - <i>Expand the manufacturing sector</i> - <i>Strengthen the institutional capacity of SMME's</i> - <i>Eradicate poverty</i> - <i>Expand Tourism in the sector</i> - <i>Protect the environment</i> | | |
| Analysis of the Function: | <p>Statistical Information</p> <p>1 Number and cost to employer of all economic development personnel:</p> <ul style="list-style-type: none"> - Professional (Directors / Managers) - Non-professional (Clerical / Administrative) - Temporary - Contract <p>Total</p> | <p>2</p> <p>3</p> <p>0</p> <p>0</p> <p>5</p> | <p><i>R (000s)</i></p> <p><i>Not Provided</i></p> <p><i>Not Provided</i></p> <p><i>Not Provided</i></p> <p><i>Not Provided</i></p> <p>889</p> |

| | | | |
|------------------------|---|---------------|-----------------|
| 2 | Detail and cost of incentives for business investment: | | <i>R (000s)</i> |
| | <i>Currently preparing an incentive policy</i> | | 0 |
| 3 | Detail and cost of other urban renewal strategies: | | <i>R (000s)</i> |
| | <i>None currently</i> | | 0 |
| 4 | Detail and cost of other rural development strategies: | | <i>R (000s)</i> |
| | <i>None currently</i> | | 0 |
| 5 | Number of people employed through job creation schemes: | | |
| | - Short-term employment | 309 | |
| | - Long-term employment | 0 | |
| Reporting Level | | Detail | |
| 7 | Type and number of grants and subsidies received: | | <i>R (000s)</i> |
| | <i>See Chapter 4 par 4.1 of the Annual Report</i> | | |
| | | | |

9. Housing

| | |
|----------------------|----------------|
| Function: | Housing |
| Sub Function: | N/A |

| Reporting Level | Detail | Total |
|------------------------------|--|-------|
| Overview: | Includes all activities associated with provision of housing | |
| Description of the Activity: | <p>The function of provision of housing within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> - <i>Encourage self build housing</i> - <i>Establish a housing support centre</i> - <i>Management of commonages</i> - <i>Implement building control measures</i> - <i>Apply national building control regulations</i> - <i>Plan survey and transfer land</i> - <i>Township establishment</i> - <i>Land Use management</i> <p>These services extend to include <i>Maluti-A-Phofung</i> but do not take account of QwaQwa rural areas which resides within the jurisdiction of MAP. The municipality has a mandate to:</p> <ul style="list-style-type: none"> (a) <i>ensure that —</i> <ul style="list-style-type: none"> (i) <i>local residents have access to adequate housing on a progressive basis;</i> (ii) <i>conditions that are not conducive to the health and safety of local residents are prevented or removed:</i> <ul style="list-style-type: none"> (iii) <i>services in respect of water, sanitation, electricity, roads, storm water drainage and transport are provided in an economic and efficient manner;</i> (b) <i>set housing delivery goals in respect of the municipality;</i> (c) <i>identify and designate land for housing development;</i> (d) <i>create and maintain a public environment conducive to financially and socially viable housing development ;</i> (e) <i>promote the resolution of conflicts arising in the housing development process:</i> (f) <i>initiate, plan, co-ordinate, facilitate, promote and enable appropriate housing development in the Municipality;</i> (g) <i>provide bulk engineering services and revenue generating services in so far as such services are not provided by specialist utility suppliers;</i> (h) <i>plan and manage land use and development and enforce land-use regulations;</i> (i) <i>participate in a national housing programme in accordance with the rules of such programme; and</i> (j) <i>lay-out and establish townships</i> | |

| | | | |
|---------------------------|---|---|---|
| | <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> - Land Reform - Housing - Township Establishment - Informal Settlement - Town Lands and Commonages - Property Management - Enabling all communities to have access to basic services and land <p>The key issues for 2009/10 are:</p> <ul style="list-style-type: none"> - Build capacity within the department - Eradication of informal settlements - Upgrading of land tenure rights - Land transfer - Implement building control | | |
| Analysis of the Function: | Statistical Information | | |
| 1 | <p>Number and cost of all personnel associated with provision of municipal housing:</p> <ul style="list-style-type: none"> - Professional (Architects/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract <p style="text-align: right;">Total cost on all personnel</p> | <p>7</p> <p>0</p> <p>15</p> <p>17</p> <p>0</p> <p>1</p> | <p>R (000s)</p> <p>Not available</p> <p>Not available</p> <p>Not available</p> <p>Not available</p> <p>Not available</p> <p>Not available</p> <p>R 5 907</p> |
| 2 | <p>Number and total value of housing projects planned and current:</p> <ul style="list-style-type: none"> - Current (financial year after year reported on) - Planned (future years) | <p>3 314</p> <p>51 686</p> | <p>R (000s)</p> <p>212 231</p> <p>3 310 023</p> |
| 3 | Total number and value of rent received from municipal owned rental units | 52 | 74 |
| 4 | Estimated backlog in number of (and costs to build) housing: | 51 686 | 3 310 023 |
| 5 | <p>Type of habitat breakdown:</p> <ul style="list-style-type: none"> - number of people living in a house or brick structure - number of people living in a traditional dwelling - number of people living in a flat in a block of flats - number of people living in a town/cluster/semi-detached group dwelling - number of people living in an informal dwelling or shack - number of people living in a room/flat let | <p>533 460</p> <p>164 000</p> <p>1 072</p> <p>4</p> <p>56 000</p> <p>40 004</p> | |
| 6 | <p>Details of building plans:</p> <ul style="list-style-type: none"> - Number of building plans approved - Value of building plans approved | <p>233</p> <p>270 726</p> | |
| Reporting Level | Detail | Total | |
| 7 | Type and number of grants and subsidies received: | | R (000s) |
| | See Chapter 4 par 4.1 of the Annual Report | | |
| 8 | Total operating cost of housing function | | R 8 260 |

10. Traffic Services

| | |
|----------------------|------------------------------------|
| Function: | Public Safety and Transport |
| Sub Function: | Police (Traffic) |

| Reporting Level | Detail | Total | |
|------------------------------|---|-------|-------|
| Overview: | Includes traffic (and parking) control | | |
| Description of the Activity: | <p>The traffic control functions of the municipality are administered as follows and include:</p> <ul style="list-style-type: none"> - <i>Law enforcement</i> - <i>Visible policing</i> - <i>Road safety</i> <p>These services extend to include Maluti-A-Phofung. The municipality has a mandate to:</p> <ul style="list-style-type: none"> • <i>Make and adopt traffic bylaws;</i> • <i>Regulate traffic and enforce traffic laws, including the erection and removal of road markings, traffic signs and traffic lights;</i> • <i>Regulate the display of advertisements and billboards, i.e. written or visual descriptive material, signs and symbols which promotes the sale and / or encourages the use of goods and services;</i> • <i>Establish, regulate, manage and operate pounds for the impoundment of stray animals and objects, including vehicles, confiscated by the municipality</i> • <i>License dogs</i> • <i>Regulate and control access to, and use of, public amenities</i> <p>The strategic objectives of this function are to:</p> <p><i>Maintaining public order and protecting road users and ensuring road safety</i></p> <p>The key issues for 2009/10 are:</p> <p><i>Awareness campaigns regarding road safety and education of road users and public</i></p> | | |
| Analysis of the Function: | Statistical Information | | |
| 1 | Number and cost to employer of all personnel associated with policing and traffic control: | | |
| | - Senior Management | 1 | 214 |
| | - Field (Traffic Officers) | 20 | 1 119 |
| | - Office (Clerical/Administration) | 2 | 315 |
| | - Non-professional (road markers; labourers etc) | 4 | 103 |
| | - Volunteer | 0 | 0 |
| | - Temporary | 0 | 0 |
| | - Contract | 0 | 0 |
| 2 | Total number of traffic duties attended: | | |
| | - Safety awareness sessions held | 3 | |

| | | | |
|---|--|------------|-----------------|
| | - Number of hotspots attended | 7 | |
| | - No of roadblocks held | 20 | |
| 4 | Total number of targeted violations e.g.: traffic offences: | | |
| | - <i>No of summonses issued</i> | 8443 | |
| 5 | Total number of accidents attended to: | | |
| | - <i>No of accidents</i> | 1768 | |
| | - <i>No of vehicle accidents</i> | 1634 | |
| | - <i>No of accidents involving pedestrians</i> | 134 | |
| 6 | Type and number of grants and subsidies received: | | <i>R (000s)</i> |
| | <i>None</i> | <i>N/A</i> | <i>N/A</i> |
| | Note: total value of specific public safety grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year. | | |
| 7 | Total operating cost of traffic function | | <i>R 23 744</i> |

11. Fire Brigade

| | |
|----------------------|------------------------------------|
| Function: | Public Safety and Transport |
| Sub Function: | Fire Brigade |

| Reporting Level | Detail | Total | |
|------------------------------|---|-------|----------|
| Overview: | Includes fire control and prevention | | |
| Description of the Activity: | <p>The fire brigade function of the municipality administered as follows and include:</p> <ul style="list-style-type: none"> - Fire prevention and Fire fighting - Rescue services <p>These services extend to include Maluti-A-Phofung. The municipality has a mandate to:</p> <ul style="list-style-type: none"> Provide, regulate, manage and operate a fire brigade service intended to be employed for - (a) preventing the outbreak or spread of a fire; (b) fighting or extinguishing a fire; (c) the protection of life or property against a fire or other threatening danger; (d) the rescue of life or property from a fire or other danger; and (e) the performance of any other function connected with any of the matters referred to in paragraphs (a) to (d); Regulate, inspect and enforce bylaws relating to the transport and storage through or in the municipality of hazardous, combustible and flammable substances and liquids; Regulate the installation of fire fighting installation in buildings and premises Install and maintain fire hydrants Co-operate with and assist fire protection associations <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> Fire prevention and protection <p>The key issues for 2009/10 are:</p> <ul style="list-style-type: none"> - Planning co-ordination and regulation of fire services - Provide specialised fire fighting services such as mountain, veld and chemical fire services - Training of personnel | | |
| Analysis of the Function: | <p>Statistical Information</p> <p>1 Number and cost to employer of all personnel associated with policing and traffic control:</p> <ul style="list-style-type: none"> - Senior Management - Divisional Officers Leader Firemen, Station Officers - Office (Clerical/Administration) - Fire-fighters | | R (000s) |
| | | 1 | 214 |
| | | 14 | 2 151 |
| | | 2 | 797 |
| | | 36 | 4 598 |

| | | | |
|---|---|-----|-----------------|
| | - Volunteer | 12 | 0 |
| | - Temporary | 0 | 0 |
| | - Contract | 0 | 0 |
| 2 | Total number of call-outs attended: | | |
| | Residential fires | 120 | |
| | Veld fires | 168 | |
| | Rescue services | 19 | |
| | Note: provide total number registered, based on call classification at municipality | | |
| 3 | Total number of building inspections conducted | | |
| | <i>No of buildings inspected</i> | 201 | |
| | <i>No of building plans fire prevention approved</i> | 12 | |
| | <i>No of building plans fire prevention rejected</i> | 4 | |
| 4 | Total number and type of emergencies leading to a loss of life or disaster: | | |
| | <i>Fatal Car accidents</i> | 14 | |
| 5 | Type and number of grants and subsidies received: | | <i>R (000s)</i> |
| | <i>N/A</i> | 0 | 0 |
| 6 | Total operating cost of fire function | | 23 744 |

12. Waste Management

| | |
|----------------------|-------------------------|
| Function: | Waste Management |
| Sub Function: | Solid Waste |

| Reporting Level | Detail | Total | |
|------------------------------|---|--|---|
| Overview: | Includes refuse removal, solid waste disposal and landfill, street cleaning and recycling | | |
| Description of the Activity: | <p>The refuse collection functions of the municipality are administered as follows and include:</p> <p><i>Weekly kerb-side refuse removal for residential areas and twice weekly for commercial areas</i></p> <p>These services extend to include Harrismith, Phuthaditjhaba, QwaQwa Rural and Kestell. The municipality has a mandate to:</p> <p><i>Provide, manage and operate a service for the collection, conveyance and disposal of solid waste. The Municipality does not remove or dispose of hazardous, biological and medical waste.</i></p> <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> <i>- Improve waste removal service and Management of landfill site</i> <i>- To reduce illegal dumping</i> <p>The key issues for 2009/10 are:</p> <ul style="list-style-type: none"> <i>- Improve waste removal service and management of landfill site</i> <i>- Awareness campaigns and educational programmes</i> | | |
| Analysis of the Function: | <p>Statistical Information</p> <p>1 Number and cost to employer of all personnel associated with refuse removal:</p> <ul style="list-style-type: none"> - Managers - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract <p style="text-align: right;">Total costs of all personnel</p> <p>2 Number of households and commercial buildings receiving regular refuse removal services, and frequency and cost of service:</p> <ul style="list-style-type: none"> - Households removed by municipality at least once a week - Commercial at least twice a week removed by municipality <p>3 Total and projected tonnage of all refuse disposed:</p> <ul style="list-style-type: none"> - Domestic/Commercial <p>4 Total number, capacity and life expectancy of refuse disposal sites:</p> | <p><i>R (000s)</i></p> <p>1</p> <p>6</p> <p>0</p> <p>277</p> <p>0</p> <p>0</p> <p>44 680</p> <p><i>R (000s)</i></p> <p>49212</p> <p>40</p> <p>12528</p> | <p><i>Not provided</i></p> <p><i>Not provided</i></p> <p><i>Not provided</i></p> <p><i>Not provided</i></p> <p>0</p> <p>0</p> <p>58.14</p> <p>R20cm²</p> <p>14031</p> |

| | | | |
|------------------------|--|--------------------|--------------------|
| | - Harrismith - QwaQwa | 16,28ha 7,964ha | 40years 20years |
| Reporting Level | Detail | Total | |
| 5 | Anticipated expansion of refuse removal service: - Domestic/Commercial | N/A | R (000s) N/A |
| 6 | Free Basic Service Provision: - Quantity (number of households affected) - Quantum (value to each household) | 5157 58,14 | |
| 7 | Total operating cost of solid waste management function | | R 2 540 |

13. Waste Water Management

| | |
|----------------------|-------------------------------|
| Function: | Waste Water Management |
| Sub Function: | Sewerage etc |

| Reporting Level | Detail | Total | Cost |
|------------------------------|---|--|---|
| Overview: | Includes provision of sewerage services not including infrastructure and water purification, also includes toilet facilities | | |
| Description of the Activity: | <p>The sewerage functions of the municipality are administered as follows and include:</p> <p><i>Two services offered:</i></p> <p><i>1. Full waterborne sewerage system</i></p> <p><i>2. Ventilated Improved Pit Latrines</i></p> <p>These services extend to include Harrismith, Phuthaditjhaba, Qwaqwa Rural and Kestell. The municipality has a mandate to:</p> <p><i>collect, remove, dispose of and treat human excreta, domestic waste-water, sewage and effluent resulting from the use of water for commercial purposes</i></p> <p>The strategic objectives of this function are to:</p> <p><i>Provide cost effective and efficient sewerage services</i></p> <p>The key issues for 2009/10 are:</p> <p><i>Provision of sewerage services to Bluegumbosch, Ntabazwe and QwaQwa rural areas</i></p> | | |
| Analysis of the Function: | <p>Statistical Information</p> <p>1 Number and cost to employer of all personnel associated with sewerage functions:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract <p>2 Number of households with sewerage services, and type and cost of service:</p> <ul style="list-style-type: none"> - Flush toilet (connected to sewerage system) - Flush toilet (with septic tank) - Chemical toilet - Pit latrine with ventilation - Pit latrine without ventilation - Bucket latrine - No toilet provision <p>3 Anticipated expansion of sewerage:</p> <ul style="list-style-type: none"> - Flush/chemical toilet | <p></p> <p>2</p> <p>4</p> <p>1</p> <p>32</p> <p>0</p> <p>0</p> <p></p> <p>36000</p> <p>280</p> <p>0</p> <p>32000</p> <p>0</p> <p>0</p> <p>36000</p> <p></p> <p>0</p> | <p><i>R (000s)</i></p> <p><i>R 2 500</i></p> <p><i>R 680</i></p> <p><i>R 80</i></p> <p><i>R 1 280</i></p> <p><i>R 0</i></p> <p><i>R 0</i></p> <p><i>R (000s)</i></p> <p><i>R 6 700</i></p> <p><i>R 300</i></p> <p><i>R 0</i></p> <p><i>R 3 200</i></p> <p><i>R 0</i></p> <p><i>R 0</i></p> <p><i>R 0</i></p> <p><i>R 0</i></p> <p><i>R (000s)</i></p> <p><i>R 0</i></p> |

| | | | |
|------------------------|---|-------------------------|-------------|
| 4 | - Pit latrine | 36000 | R 180 000 |
| | - Bucket latrine | 0 | R 0 |
| | - No toilet provision | 0 | R 0 |
| | Free Basic Service Provision: | | |
| | - Quantity (number of households affected) | 23000 | R 0 |
| | - Quantum (value to each household) | 384 | R 8 000 |
| Reporting Level | Detail | Total | Cost |
| 5 | Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided. Every Household to have and receive a VIP latrine | 384/house hold/month | R 8 000 |
| | Total operating cost of sewerage function | | R 51 |

14. Roads

| | |
|----------------------|-----------------------|
| Function: | Road Transport |
| Sub Function: | Roads |

| Reporting Level | Detail | Total | Cost |
|------------------------------|---|-------|-----------------|
| Overview: | Construction and maintenance of roads within the municipality's jurisdiction | | |
| Description of the Activity: | <p>The road maintenance and construction responsibilities of the municipality are administered as follows and include:</p> <p><i>1. Construction of paved roads,</i> <i>2. Regravelling of roads with black top,</i> <i>3. Road maintenance.</i></p> <p>These services extend to include Maluti-A-Phofung. The municipality has a mandate to:</p> <p><i>Plan, construct, close and divert roads which form an integral part of the municipality's road transport system</i></p> <p>The strategic objectives of this function are to:</p> <p><i>Provide access roads to the municipality</i></p> <p>The key issues for 2009/10 are:</p> <p><i>Construction of paved roads in Phuthaditjhaba, Ntabazwe, Tshiame</i></p> | | |
| Analysis of the Function: | Statistical Information | | |
| 1 | <p>Number and cost to employer of all personnel associated with road maintenance and construction:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Contract | | <i>R (000s)</i> |
| | | 3 | R 6 000 |
| | | 4 | R 900 |
| | | 0 | R 0 |
| | | 52 | R 2 300 |
| | | 0 | R 0 |
| 2 | <p>Total number, kilometres and total value of road projects planned and current:</p> <ul style="list-style-type: none"> - New bituminised (number) - Existing re-tarred (number) - New gravel (number) - Existing re-sheeted (number) | | <i>R (000s)</i> |
| | | 10 | R 12 000 |
| | | 0 | R 0 |
| | | 6 | R 14 000 |
| | | 0 | R 0 |
| 3 | <p>Total kilometres and maintenance cost associated with existing roads provided</p> <ul style="list-style-type: none"> - Tar - Gravel | | <i>R (000s)</i> |
| | | 14 | R 3 600 |
| | | 380 | R 4 000 |
| 4 | <p>Average frequency and cost of re-tarring, re-sheeting roads</p> <ul style="list-style-type: none"> - Tar - Gravel | | <i>R (000s)</i> |
| | | 0 | R 0 |
| | | 28 | R 5 600 |
| 5 | <p>Estimated backlog in number of roads, showing kilometres and capital cost</p> <ul style="list-style-type: none"> - Tar - Gravel | | <i>R (000s)</i> |
| | | 69 | R 150 000 |
| | | 3000 | R 540 000 |

| Reporting Level | Detail | Total | Cost |
|-----------------|--|-------------|-----------------|
| 6 | Km and cost in future budgeted road construction programme | <i>9 KM</i> | <i>R 22 500</i> |
| | Type and number of grants and subsidies received: | | <i>R (000s)</i> |
| | <i>N/A</i> | <i>N/A</i> | <i>N/A</i> |
| 7 | Total operating cost of road construction and maintenance function | <i>394</i> | <i>R 7 600</i> |

15. Transport

| | |
|----------------------|------------------------------------|
| Function: | Public Safety and Transport |
| Sub Function: | Transport |

| Reporting Level | Detail | Total | Cost |
|------------------------------|---|-------|--|
| Overview: | Includes all activities associated with the provision of a public bus service to the community | | |
| Description of the Activity: | <p>The public bus service responsibilities of the municipality are administered as follows and include:</p> <p><i>Fleet management services</i></p> <p>These services extend to include Maluti-A-Phofung. The municipality has a mandate to:</p> <p><i>Regulate, control and provide services for the carriage of passengers, whether scheduled or unscheduled, operated on demand along a specific route or routes or, where applicable, within a particular area</i></p> <p>The strategic objectives of this function are to:</p> <p><i>To enhance the transport function of the municipality</i></p> <p>The key issues for 2009/10 are:</p> <p><i>Appointment of suitable personnel to develop function</i></p> | | |
| Analysis of the Function: | <p>Statistical Information</p> <p>1 Number and cost to employer of all public bus service personnel:</p> <ul style="list-style-type: none"> - Management - Field (Supervisors/Foremen incl inspectors) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce incl drivers) - Temporary - Contract <p>2 Number and total operating cost of vehicles</p> <ul style="list-style-type: none"> - Aged less than 10 years - Aged 10 years or greater <p>Note: this figure should be taken from the plant replacement schedule</p> <p>3 Total kilometres of all buses travelled:</p> <p>4 Total number of passengers:</p> <p>5 Total number of bus related complaints received:</p> <p>6 Type and number of grants and subsidies received:</p> <p>7 Total operating cost of public bus service function</p> | | <p><i>R (000s)</i></p> <p>185</p> <p>0</p> <p>63</p> <p>0</p> <p>0</p> <p>0</p> <p>70</p> <p>134</p> <p>N/A</p> <p>N/A</p> <p>N/A</p> <p>N/A</p> <p>N/A</p> <p>N/A</p> <p>N/A</p> <p>N/A</p> |

16. Water Distribution

| Function: Water Sub Function: Water Distribution | | | |
|---|---|---|--|
| Reporting Level | Detail | Total | Cost |
| Overview: | Includes the bulk purchase and distribution of water | | |
| Description of the Activity: | <p>The water purchase and distribution functions of the municipality are administered as follows and include:</p> <p><i>Provide safe drinking water , supply sanitation services , repair and maintain distribution network</i></p> <p>These services extend to include all off Maluti-a-Phofung area. The municipality has a mandate to:</p> <p><i>Abstract, convey, treat and distribute potable water, water intended to be converted to potable water or water for commercial use but not water for industrial use.</i></p> <p>The strategic objectives of this function are to:</p> <p><i>Provide water and sanitation services to consumer</i></p> <p>The key issues for 2010 are:</p> <p><i>Improving services , improving revenue collection , achieve Blue drop status</i></p> | | |
| Analysis of the Function: | <p>Statistical Information</p> | | |
| 1 | <p>Number and cost to employer of all personnel associated with the water distribution function:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract <p>Total</p> | <p>9</p> <p>58</p> <p>25</p> <p>144</p> <p>0</p> <p>0</p> | <p><i>R (000s)</i></p> <p><i>Not provided</i></p> <p><i>Not provided</i></p> <p><i>Not provided</i></p> <p><i>Not provided</i></p> <p><i>Not provided</i></p> <p>R 43 273</p> |
| 2 | <p>Percentage of total water usage per month</p> <p><i><Insert table showing monthly water usage ></i></p> <p>Note: this will therefore highlight percentage of total water stock used per month</p> | | <i>Not provided</i> |
| 3 | Total volume and cost of bulk water purchases in kilolitres and rand | 15486480 | R 8 672 |
| 4 | Total volume and receipts for bulk water sales in kilolitres and rand: | Not provided | R 28 169 |
| 5 | Total year-to-date water losses in kilolitres and rand | 3871620 | R 22 842 |
| Reporting Level | Detail | Total | Cost |
| 6 | Number of households with water service, and type and cost of service: | | <i>R (000s)</i> |

| | | | |
|----|---|--------|---------------|
| | - Piped water inside dwelling | 104055 | Current users |
| | - Piped water inside yard | 44640 | Current users |
| | - Piped water on community stand: distance < 200m from dwelling | 2620 | Current users |
| | - Piped water on community stand: distance > 200m from dwelling | | |
| | - Borehole | 0 | |
| | - Spring | 0 | |
| | - Rain-water tank | 0 | |
| 7 | Number and cost of new connections: | | R (000s) |
| | <i>new households</i> | 2530 | R 3 036 |
| 8 | Number and cost of disconnections and reconnections: | | R (000s) |
| | <i>Non payment</i> | 1920 | R 163 |
| 9 | Number and total value of water projects planned and current: | | R (000s) |
| | - Current (financial year after year reported on) | 2 | R 150 000 |
| | - Planned (future years) | 6 | R 120 000 |
| 10 | Anticipated expansion of water service: | | R (000s) |
| | - Piped water inside dwelling | 1890 | R 2 268 |
| | - Piped water inside yard | 0 | R 0 |
| | - Piped water on community stand: distance < 200m from dwelling | 0 | R 0 |
| | - Piped water on community stand: distance > 200m from dwelling | 0 | R 0 |
| | - Borehole | 0 | R 0 |
| | - Spring | 0 | R 0 |
| | - Rain-water tank | 0 | R 0 |
| 11 | Estimated backlog in number (and cost to provide) water connection: | | R (000s) |
| | - Piped water inside dwelling | 2620 | R 3 144 |
| | - Piped water inside yard | 80 | R 200 |
| | - Piped water on community stand: distance < 200m from dwelling | 15 | R 375 |
| | - Piped water on community stand: distance > 200m from dwelling | 0 | R 0 |
| | - Borehole | 0 | R 0 |
| | - Spring | 0 | R 0 |
| | - Rain-water tank | 0 | R 0 |
| 12 | Free Basic Service Provision: | | |
| | - Quantity (number of households affected) | 1200 | With meters |
| | - Quantum (value to each household) | 6000 | |
| 13 | Type and number of grants and subsidies received: | | R (000s) |
| | <i>None</i> | 0 | R 0 |
| 14 | Total operating cost of water distribution function | | R 50 948 |

17. Electricity Distribution

| | |
|----------------------|---------------------------------|
| Function: | Electricity |
| Sub Function: | Electricity Distribution |

| Reporting Level | Detail | Total | Cost |
|------------------------------|---|-----------|----------|
| Overview: | Includes the bulk purchase and distribution of electricity | | |
| Description of the Activity: | <p>The electricity purchase and distribution functions of the municipality are administered as follows and include:</p> <p><i>Provision of electricity to each household</i></p> <p>These services extend to include Maluti-A-Phofung. The municipality has a mandate to:</p> <p>(a) transmit, distribute and sell electricity for retail use; (b) provide, regulate, control and maintain an electricity distribution network; and © determine tariffs for the sale of electricity</p> <p>The strategic objectives of this function are to:</p> <p><i>Provision of a continues electricity service to the community</i></p> <p>The key issues for 200X/0Y are:</p> <p><i>Provision of 3000 house connections in the rural area</i></p> | | |
| Analysis of the Function: | <p>Statistical Information</p> | | |
| 1 | <p>Number and cost to employer of all personnel associated with the electricity distribution function:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract | | R (000s) |
| | | 1 | R 3 000 |
| | | 6 | R 1 800 |
| | | 2 | R 160 |
| | | 52 | R 7 800 |
| | | 0 | R 0 |
| | | 0 | R 0 |
| 2 | <p>Total quantity and cost of bulk electricity purchases in kilowatt hours and rand, by category of consumer</p> <ul style="list-style-type: none"> - Residential - Commercial - Industrial - Mining - Agriculture - Other | | R (000s) |
| | | 312000000 | R 40 000 |
| | | 114000000 | R 14 600 |
| | | 212682000 | R 27 500 |
| | | 0 | R 0 |
| | | 0 | R 0 |
| | | 0 | R 0 |
| 3 | <p>Total quantity and receipts for bulk electricity sales in kilowatt hours and rand, by category of consumer:</p> <ul style="list-style-type: none"> - Household - Commercial - Industrial - Mining | | R (000s) |
| | | 28000000 | R 36 000 |
| | | 12000000 | R 13 000 |
| | | 190000000 | R 24 000 |
| | | 0 | R 0 |

| | - Agriculture | 0 | R 0 |
|-----------------|---|----------|----------|
| | - Other | 0 | R 0 |
| 4 | Total year-to-date electricity losses in kilowatt hours and rand | | R (000s) |
| | <detail total> | 61000000 | R 9 000 |
| 5 | Number of households with electricity access, and type and cost of service: | 83000000 | R 82 000 |
| Reporting Level | Detail | Total | Cost |
| | - Electrified areas | | R (000s) |
| | - Municipal | 5 | R 82 000 |
| | - Eskom | 0 | R 0 |
| | - Alternate energy source | | |
| | - Gas | 0 | R 0 |
| | - Paraffin | 0 | R 0 |
| | - Solar | 0 | R 0 |
| | - Wood | 0 | R 0 |
| | - Non electrified | 0 | R 0 |
| 6 | Number and cost of new connections: | 3000 | R 15 400 |
| 7 | Number and cost of disconnections and reconnections | 2400 | R 440 |
| 8 | Number and total value of electrification projects planned and current: | | R (000s) |
| | - Current (financial year after year reported on) | 5583 | R 30 000 |
| | - Planned (future years) | 3000 | R 15 400 |
| 9 | Anticipated expansion of electricity service: | 9000 | R 45 000 |
| 10 | Estimated backlog in number (and cost to provide) water connection: | 9000 | R 45 000 |
| 11 | Free Basic Service Provision: | | |
| | - Quantity (number of households affected) | 23000 | |
| | - Quantum (value to each household) | 39.85 | |
| 12 | Type and number of grants and subsidies received: | | R (000s) |
| | DME | 1 | R 15 400 |
| 13 | Total operating cost of electricity distribution function | | R 5 400 |

18. Street Lighting

| Function: Electricity Sub Function: Street Lighting | | | |
|--|--|----------------|-----------------|
| Reporting Level | Detail | Total | Cost |
| Overview: | Includes all activities associated with the provision of street lighting to the community | | |
| Description of the Activity: | <p>Street lighting responsibilities of the municipality are administered as follows and include:</p> <p><i>Provision of street lights and high mast lights to the community</i></p> <p>These services extend to include Maluti-A-Phofung The municipality has a mandate to:</p> <p><i>Provide and operate street and area lighting</i></p> <p>The strategic objectives of this function are to:</p> <p><i>Provision of street lights and high mast lights to the community</i></p> <p>The key issues for 2009/10 are:</p> <p><i>High mast lights in Rietpan and Makhelokweng</i></p> | | |
| Analysis of the Function: | Statistical Information | | |
| 1 | Number and total operating cost of streetlights servicing population: | | <i>R (000s)</i> |
| | <i>168 High mast lights and 4000 Street lights</i> | <i>4168</i> | <i>R 2 700</i> |
| 2 | Total bulk kilowatt hours consumed for street lighting: | <i>2300000</i> | <i>R 4 600</i> |