

Annual Performance Report 2011/12

Maluti-A-Phofung Local Municipality

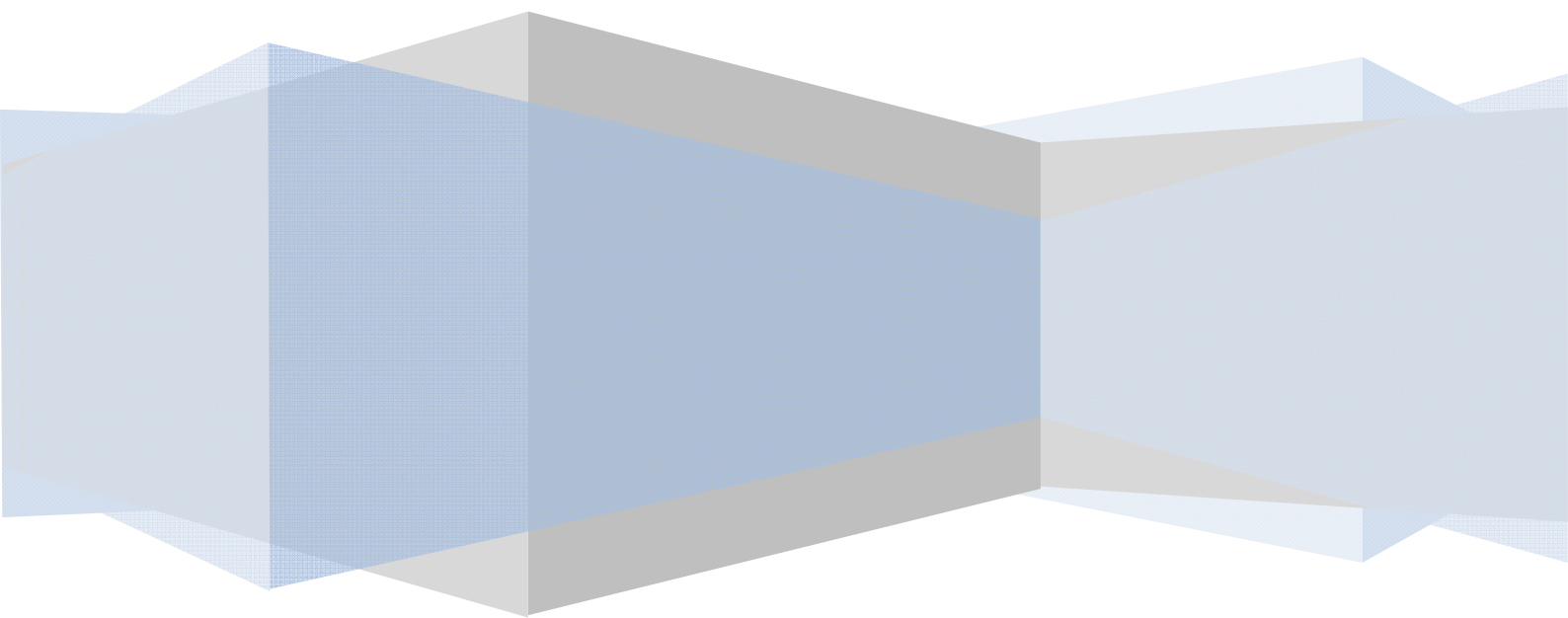


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1. Foreword by the Executive mayor

God would never put challenges in front of you if He doesn't think you can manage them. It is on this breath that we should look back into our planning and recognise the little, hard earned success that we have achieved. It remains a fact that more is still to be achieved and that our people will ultimately benefit fully from our country's democracy. We are a people's municipality. Through our IDP road shows we interact with our community to ensure that we provide for their needs. We do effectively engage our CDW's and Ward councilors to further keep in touch with our people. Moreover, we do open our doors to other means of communication that is done through following the correct channels.

We also have partnerships with other governmental and non-governmental stake holders who assist in providing for the different needs of our people. As a municipality, we indeed do experience some challenges that hamper our effort in providing services to our people. Challenges and mistakes are a path taken by all mankind but no war has ever been won without people talking. We give confidence in communities that open its issues to the municipality following corrective channels which on grass root level would be through CDWs and Ward Councillors. Moreover the municipality opens its doors to petitions and memorandum delivered through permitted and protective protest actions but the municipality will not tolerate the destruction of infrastructures and brutal behaviour.

These will however not detour us from our vision which among others is to unlock the indigenous entrepreneurial spirit of all of our 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.

It is with open eyes and minds that we encourage our community to look into the activities of the municipality. We also encourage our communities not only to support the efforts but also to take a leading role in ensuring that whatever we have achieved is nurtured and protected.

Executive Mayor
Mofumahadi Mathokoana Mopeli

2. Performance Overview

2.1 Introduction

The Local Government: Municipal Systems Act 2000 (Act No 32 of 2000) (the MSA) obliges the 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.

Section 46 of 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.

2.2 Background

There are 97 172 households within the municipality, according to the census held in 2007. 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 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, truck stops and filling stations, accommodation establishments such as LalaNathi Lodge and Qwantani Resort to which the Municipality does not provide services.

2.3 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.

2.3.1 National Key Performance Area: Service Delivery

The following key performance indicators were measured:

Key Performance Indicator	2008/09	2009/10	2010/2011	2011/2012
The percentage of households with access to basic level of water	87%	82%	94%	96%
The percentage of households with access to basic level of sanitation	52%	57%	66.6%	71%
The percentage of households with access to basic level of electricity	82%	81.5%	90.12%	94%
The percentage of households with access to basic level of solid waste removal	31%	33%	33%	33%
The percentage of a municipality's capital budget actually spent on capital projects identified for the financial year	69.9%	93.3%	100%	100%

The municipality is making progress with the provision of access to basic services in the municipal area.

2.3.2 National Key Performance Area: Financial Viability

2.3.2.1 Debt Coverage Ratio

The debt coverage ratio indicates the municipality's ability to generate sufficient income for debt servicing to interest, principal and lease payments. 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 municipality will have to introduce measures to improve their debt coverage ratio, as they currently do not have sufficient net income to service the debt, if no grants are received. The following formula is used to determine the ratio:

Debt coverage ratio = Surplus for the year – Operating grants + Grants paid + Finance cost + Non-cash items ÷ Debt service payments

Debt coverage ratio – Excluding grants received and paid:

	2011/2012	2010/2011
Total revenue received	R 1,183,813,630	R 855,971,038
Less: Debt impairment	R -96,509,285	R - 62,104,595
Less: Government grants	R -599,506,814	R -481,953,913
Income excluding grants received and debt impairment (A)	R 487,797,531	R 311,912,530
Operating expenditure as per the AFS	R 1 222 887 079	R 719 978 558
Add back: Depreciation	R – 308 707 432	R -286 380 460
Add back: Finance cost	R - 2,807,255	R -3 115 632

	2011/2012	2010/2011
Add back: Grants paid	R -119,698,617	R -68 499 000
Expenditure – cash (B)	R 791 673 775	R 361 983 466
Net income (A – B)	R -303 876 244	R -50 070 936
Finance cost	R - 2,807,255	R - 3,115,632
Principal payments for the year	R 38,605	R 5,760,367
Lease payments for the year	R 10,695,602	R 561,595
Debt service payments	R 7,926,952	R 9,43,594
Debt coverage ratio	-38.33	-53.06
(Net income/debt service payments)		

2.3.2.2 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 2012 R490,761,932 (2011: R421,612,077) debtors was impaired.

Outstanding service debtors to revenue ratio:	2011/2012	2011/2011
A = Year end service debtors (Excluding impairment)	R 148,729,315	R 153,215,311
B = Service revenue (Incl. Property rates)	R 539 157 705	R 354 401 206
A ÷ B X 365 days	100.68 days	157.79 days

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

2.3.4.3 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:

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

	2011/2012	2010/2011
All available cash	R 12 465 150	R 9 088 639
Short term investments (Current)	R 425 687	R 39 851 756

Monthly fixed operating expenditure	R 17 011 372	R 14 792 497
Cost coverage ratio	0.73	3.26
(All available cash + Investments ÷ Fixed monthly expenditure)		

2.3.4.4. 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:

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

<u>Liquidity ratio:</u>	2011/2012	2010/2011
Current Assets	R 198,727,182	R 257,352,009
Current liabilities	R 211,570,564	R 245,409,407
Ratio	0.93	1.04
(Current assets ÷ Current liabilities)		

In 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.

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). If the result of the equation is 1 or more, the Municipality would be able to meet its long term obligations:

$$\text{Solvency} = \text{Surplus for the year} + \text{Non-cash items} \div \text{Long term liabilities} + \text{Short term liabilities}$$

<u>Solvency ratio:</u>	2011/2012	2010/2011
Surplus for the year	R -38 532 892	R 157 887, 067
<i>Add back: Non-cash items</i>		
Depreciation and amortisation	R 308 707 432	R 286 380 460
Debt impairment	R 131 082 851	R 62 104 595
Fair value adjustments	R -540 557	R -8 986 337
	R 400 716 834	R -181 701 651
Short term liabilities	R 217 776 026	R 232 323 586
Long term liabilities	R 32 959 930	R 30 960 115
Total liabilities	R 250 735 956	R 263 283 701
Solvency ratio	1.60	-0.69

3. Infrastructure Services

3.1 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.

	2009/10	2010/11	2011/12
Electricity distribution losses %	29%	34%	30,5%
Electricity maintenance budget	R 9,000,000	R9,000,000	R9,500,000
Maintenance budget actually spent	R 9,000,000	R9,000,000	R9,500,000
Power failures reported	62	73	54
Average time taken to restore power	3.5 hours	3.5 hours	3.5 hours

Although electricity distribution losses have marginally declined since the previous two years, distribution losses were still high during the reporting period.

Power failures also decreased from the previous year.

3.2 Water

The following results were achieved during the financial year under review. Notably water losses decreased again during this financial year as seen below.

Key Performance Indicator	2009/10	2010/11	2011/12
% Water distribution loss	30%	31%	30%
R budgeted for maintenance	R 25,000,000	R28,000,000	R29,200,000
R spent on maintenance	R 26,000,000	R28,000,000	R29,200,000

A water services audit was conducted in conjunction with DWA and blue drop status was achieved in the financial year. The water quality plan was completed as to apply for the water licenses awaiting approval water distribution licenses from the department of water affairs.

3.3 Sanitation

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, still too long and should be decreased.

Key Performance Indicator	2009/10	2010/11	2011/12
Mainline blockages reported per town	272	271	254
Average time taken to resolve mainline complaints	5 Hours	5 Hours	4,5 Hours
R budgeted for maintenance	R 15,500,000	R16,500,000	R17,300,000
R spent on maintenance	R 15,500,000	R16,500,000	R17,300,000

The quality of the purification works is shown below. The municipality achieved green drop status for purification during the financial year. The municipality increased the number of tests conducted and achieved a success rating of 98.55% for compliance.

Key Performance Indicator	2009/10	2010/11	2011/12
No of tests conducted	9460	9460	9480
No of tests complying with national standards	9323	9323	9416
% of tests complying with national standards	98.55%	98.55%	99.3%
Did the municipality achieve a green drop status?	Yes	Yes	Yes

3.4 Municipal Transformation and Organisational Development

The directorate developed a training schedule based on a work skills plan and the following training was completed in the financial year:

MIG and EPWP training	: 04 employees
CPMD	: 02 employees
High voltage Regulations	: 09 employees
Learner ship- Electrical	: 12 employees
Learner ship- Mechanical	: 7 employees

All post levels 1-3 have a performance and development plan for the 2011/12 financial year.

3.5 Municipal Infrastructure Grant

The MIG grant spending for the past four financial years are reflected in the table below:

Financial year	Available funding	Amount spent	% spent
2008/09	R95,066,357	R88,337,232	92.9%
2009/10	R117,013,125	R111,908,290	95.5%
2010/11	R142,458,572	R142,458,572	100%
2011/12	R171,336,000	R171,336,000	100%

Certificate of expenditure - MIG projects

Date	Budget Estimate	Amount Received	Actual Expenditure	Balance
Jul-11	57,608,000.00	57,608,000.00	15,015,576.38	42,592,423.62
Aug-11	-	-	13,444,406.80	- 13,444,406.80
Sep-11	-	-	11,715,829.76	- 11,715,829.76
Oct-11	-	-	4,515,797.54	- 4,515,797.54
Nov-11	57,800,000.00	57,800,000.00	23,175,187.61	34,624,812.39
Dec-11	-	-	15,094,627.09	- 15,094,627.09
Jan-12	-	-	13,642,293.04	- 13,642,293.04
Feb-12	-	-	15,227,775.25	- 15,227,775.25
Mar-12	55,928,000.00	55,928,000.00	14,995,357.35	40,932,642.65
Apr-12	-	-	8,550,261.00	- 8,550,261.00
May-12	-	-	15,877,913.04	- 15,877,913.04
Jun-12	-	-	20,080,975.14	- 20,080,975.14
Total	171,336,000.00	171,336,000.00	171,336,000.01	-0.01

Amount Allocated per Sector

Item No	Capital Projects	Amount Allocated For 2010/2011	Expenditure As At 30 June 2011	Labour Employed	Planned no of Out puts	Status and Comment
MIG Capital Expenditure						
1	Roads and Storm Water	R51 832 083.35	R51 832 083.35	129	9	100% Completed
2	Sanitation	R50 510 233.92	R50 510 233.92	240		4500 Households completed
3	Water	R47 639 175.85	R47 639 175.85	167		4300 households completed
4	Sports and Recreational	R14 976 611.78	R14 976 611.78	36		1 stadium 100% completed
5	Cemeteries and Fencing	R1 865 247.28	R1 865 247.28	55		62% completed roll over project
6	High Mast Lights	R1 599 935.82	R1 599 935.82			Design stage
7	PMU	R2 912 712.00	R2 912 712.00			
DWA Funded expenditure						
7	Bulk Water Supply	R70 581 000.00	R60 671 855.07	127	26 km bulk Pipeline WTP 3 x 3.5 ML Northern Bulk Storage	Pipeline2- 98% WTP - 93% Reservoirs - 35%
Own Source						
8	Electrification	R39 600 000.00	R39 600 000.00	60	3560	3560 Households Completed
9	Ext. To MAP Offices	R2 229 854.54	R2 229 854.54	28	1 office building	15% complete
10	Corridor roads	R65 828 766.43	R65 828 766.43	89	5.5km	100% Complete
11	Sanitation	R11 500 000.00	R10 971 512.49	20	625 erf connections	30% complete
12	Roads	R5 500 000.00	5 029 062.50	8	1km	40% complete
Provincial Government						
13	Schoonplatz – Construction of bridge and access roads	R16 732 310.00	R15 142 594.84	39	1 bridge and access road	Progress is 100%
14	Intabazwe Roads (police roads & transport	R3 000 000.00	R3 000 000.00	102	1.6km	100% complete

Infrastructure projects

Projects Implemented by the PMU during the 2011/2012 Financial Year

Roads and Storm water projects

Item No	Name Of Project	Description Of Works	Km Paved	Funding Source	Project Value	Approved Budget For 2011/2012	Expenditure as at 30 June 2012	Status and comment
1	KestellTlholong Paved Roads Phase 4	Construction of 3.6km Paved Roads in Kestell	3.6	MIG	R24 042 600	18 847 744.16	18 847 744.16	100% complete
2	Phuthadithjaba Paved Roads Phase 2	Paving of 6km roads	3.2	MIG	R27 000 000	R15 985 138.24	R15 985 138.24	100% complete
3	Intabazwe Paved Roads Phase 1	Construction of 3.1km paved roads	3.1	MIG	R11 777 721	R3 156 658.62	R3 156 658.62	100% complete
4	Tshiame Paved roads Phase 1	Construction of 3.5km of paved roads	3.5	MIG	R14 644 416	R678 820.78	R678 820.78	100% complete.
5	Tshiame Paved roads Phase 2	Construction of 3.5km of paved roads	0.5	MIG	R29 890 800	R4 987 997.27	R4 987 997.27	17% Complete.
6	Disaster Park Paved roads Phase 2	Paving of 4km roads		MIG	R14 352 600	R6 198 989.94	R6 198 989.94	Construction 43%
7	Harrismith/Intabazwe Ext 3 Paved Roads	Paving of 5km roads		MIG	R36 259 410	R1 089 695	R1 089 695	Construction 10%
8	McKechnie Street/N5 alignment	Construction of a traffic island		Own resource	R12 252 123	R293 279.88	R293 279.88	100% complete
9	Intabazwe Corridor – Roads and Storm water	Construction of 6km of tarred roads and 5.5km of storm water drains of the Intabazwe Corridor Development	5.5	Own resource	R65 828 766.43	R65 828 766.43	R65 828 766.43	100% complete
10	Lusaka Paved Roads	Construction of 1km paved roads	1	Own resource	R5 000 000	R5 500 000	R5 029 062.50	40% complete
11	Schoonplatz Development	Construction of bridge and access road	1km & 1bridge	Prov. Gov	R16 732 310	R15 142 594.84	R15 142 594.84	100% complete

Water and Sanitation projects

Item No	Name Of Project	Description Of Works	Network	Bulk	Funding Source	Project Value	Approved Budget For 2011/2012	Expenditure as at 30 June 2012	Status and comment
1	Construction of VIP toilets phase 9	Construction of 8000 VIP toilets in QwaQwa	x-4500		MIG	R61 756 240	R35 599 999.07	R35 599 999.07	100% complete
2	Tshiame Sewer Reticulation	Construction of 5km sewer reticulation and 554 precast concrete toilet structures	x-554		MIG	R12 730 000	R1 593 551.01	R1 593 551.01	100% complete
3	Makholokweng Sewer	Construction of bulk sewer, pumping main and erf connections			MIG	R23 217 087	1 814 768.75	1 814 768.75	Adjudication Committee
5	Wilge Water Treatment Plant Phase 5	Upgrading of the Wilge water treatment plant		x	MIG	R9 350 000	R1 363 304.10	R1 363 304.10	100% complete.
6	QwaQwa Rural: Water network Project Phase 1 of 4	Provision of water services for network extension and erf. Connections for the QwaQwa rural areas.	x -4300		MIG	R72 633 823.26	R45 825 079.52	R45 825 079.52	Roll over project. Construction 63%
7	Wilge waste water treatment works	Construction of the waste water treatment works		x	MIG	R77 862 000	R9 383 912.10	R9 383 912.10	Design and Tender
8	Lusaka Sewer	Provision of collector sewer, main interception & erf connections	x-300		Own resource	R6 500 000	R6 500 000	R6 224 560.83	25 % Complete
9	Thlolong Sewer	Construction of erf connections	x - 325		Own resource	R5 000 000	R5 000 000	4 746 951.66	35% complete

High Mast Lights

Item No	Name Of Project	Description Of Works	No. Of High mast Lights	Funding Source	Project Value	Approved Budget For 2011/2012	Expenditure as at 30 June 2012	Status and comment
1	High mast lights in 4 towns	Construction of 153 high mast lights	153	MIG	R32 381 897	R1 599 935.82	R1 599 935.82	Design and tender

Electricity

Item No	Name Of Project	Description Of Works	No. Of Connections	Funding Source	Project Value	Approved Budget For 2011/2012	Expenditure as at 30 June 2012	Status and comment
1	Electrification Programme (1742)	Construction of reticulation networks in various wards	1742	Income	R19 600 000	R19 600 000	R19 600 000	100% Complete.
2	Electrification Programme (1742)	Construction of reticulation networks in various wards	1818	Income	R20 000 000	R20 000 000	R20 000 000	100% Complete.

Public facilities and others

Item No	Name Of Project	Description Of Works	Funding Source	Project Value	Approved Budget For 2011/2012	Expenditure as at 30 June 2012	Status and comment
1	Phuthadithjaba Stadium Phase 2	Construction of stadium and ancillary services	MIG	R28 488 778	R7 976 611.78	R7 976 611.78	100% complete
2	New indoors, Sports and Recreational Facilities in Phuthadithjaba	Construction of Multipurpose hall	MIG	R34 729 694	R5 000 000	R5 000 000	Roll over project Construction 17%
3	Upgrading of Sediba Town hall	Upgrading of Sediba Town hall	MIG	11 172 000	2 000 000	2 000 000	Design and tender
4	Fencing and Infrastructure at Cemeteries Phase 1	Fencing and cleaning of cemeteries in Tshiame, Harrismith and Intabazwe	MIG	R23 010 000	R1 865 247.28	R1 865 247.28	Construction 62%
5	Revamping of MAP offices	Upgrading of the main offices	Own resource	R24 000 000	R2 229 854.54	R2 229 854.54	Construction 10%

Contract administration:

No.	Project Title	Start Date	Target date of Completion	Revised target date
1	VIP Toilets Phase 9	01 July 2011	31 Dec 2012	31 Dec 2012
2	Phuthadithjaba Stadium Phase 2	16 Nov 2010	24 Feb 2012	17 May 2012
3	Tlholong / Kestell Paved Roads Phase 4	31 Mar 2011	31 Jul 2012	30 April 2012
4	Phuthadithjaba Paved Roads Phase 2	11 Aug 2011	31 May 2013	30 Sept 2012
5	Disaster Park Paved Roads Phase 2	14 Feb 2012	15 May 2013	15 May 2013
6	New indoors sports and Recreational facilities	19 April 2012	19 Dec 2013	19 Dec 2013
7	Fencing and Infra at Cemeteries Phase 2	31 Jan 2012	30 Aug 2012	30 Aug 2012
8	Intabazwe Paved Roads Phase 1	19 Feb 2010	31 Mar 2011	31 Jul 2011
9	Intabazwe Paved Roads Phase 2	16 May 2012	15 Mar 2013	15 Mar 2013
10	Tshiame Paved Roads Phase 2	07 Feb 2012	16 May 2013	16 May 2013
11	Tshiame D Sewer Reticulation	27 Aug 2009	30 Sep 2010	02 Mar 2011
12	Water Network QwaQwa Rural Phase 2	01 Aug 2011	17 Apr 2013	17 Apr 2013
13	Wilge Water Treatment Plant Phase 5	12 May 2010	12 May 2011	31 Nov 2011
14	Wilge Waste Water Treatment Works Phase 1	Design and Tender		
15	Upgrading of Sediba town hall	Tender		
16	Intabazwe Ext. 3 Roads Phase 1	16 May 2012	19 July 2013	19 July 2013
17	High Mast Lights for 4 towns	Design and Tender		
18	Makholokweng Sewer	Tender adjudication		
19	Revamping of Main Building Maluti a Phofung	23 Apr 2012	31 Mar 2012	31 Mar 2012
20	Harrismith /Intabazwe Corridor: Roads and Storm water	27 June 2012	31 May	31 May 2013

No.	Project Title	Start Date	Target date of Completion	Revised target date
			2013	
21	Sterkfontein - QwaQwa Bulk Water Supply Scheme – Pipelines Phase 2	14 Jan 2011	28 May 2012	28 May 2012
22	Sterkfontein - QwaQwa Bulk Water Supply Scheme – Northern Bulk Storage	04 Oct 2011	04 Mar 2013	04 Mar 2013
23	Sterkfontein - QwaQwa Bulk Water Supply Scheme - Water Treatment Plant	05 Feb 2009	31 Nov 2011	30 Sep 2012
24	Electrification Programme (1818)	01 July 2011	01 July 2012	01 July 2012
25	Electrification Programme (1742)	01 July 2011	01 July 2012	01 July 2012
26	Schoonplatz Dev.- Construction of bridge and access road	19 Aug 2011	31 Mar 2012	31 May 2012
27	Lusaka Paved roads	16 April 2012	30 Oct 2012	30 Oct 2012
28	Lusaka Sewer	16 April 2012	30 Nov 2012	30 Nov 2012
29	Thlong Sewer	31 Jan 2012	31 Aug 2012	31 Aug 2012

SUMMARY REPORT

Projects Details as At 30 June 2012

Nr	NAME OF PROJECT	PROJECT CATEGORY	CONSULTANT	CONTRACTOR	LABOUR INTENSIVE PROJECT Y/N	NO OF HOUSEHOLDS TO BENEFIT	PLANNED NO OF PEOPLE TO BE TRAINED	NO OF PEOPLE TRAINED	PLANNED LABOUR TO BE EMPLOYED	LABOUR EMPLOYED	RATING AND REMARKS
1	Construction of VIP toilets phase 9	Sanitation	Phofung Consultants	Kambila construction	Y	4500	99	99	99	99	Roll over no major challenges encountered.
2	Phuthadithjaba Stadium Phase 2	Multi-Purpose	SVP Quantity	MJ Mokoena construction/IT	N	2960	133	36	133	133	Completed. Quality of work is

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		Sports Centre	Surveyors	U Ameer General Trading JV							satisfactory.
3	KestellTlholong Paved Roads Phase 4	Roads	Proper Consultants	Patrick Makgoka	Y	2331	50	41	100	78	Completed, no major challenges encountered. Quality of work good
4	Tshiamo D Sewer Reticulation	Sanitation	Miletus Consulting	Mnqayana construction	Y	554	50	0	50	35	Complete. Quality of work very good.
5	Wilge Water Treatment Plant Phase 5	Water	Miletus	Kambila Construction	N	16100	30	0	30	25	Completed. Quality good
6	Phuthadithjaba Paved Roads Phase 2	Roads	RudNat Projects	Mnqayana Construction	Y	3312	50	50	120	140	Roll over. Quality of work satisfactory
7	Disaster Park Paved roads Phase 2	Roads	RudNat Projects	Mnqayana Construction	Y	268	0	0	100	12	Roll over. No challenges encountered so far
8	Intabazwe Paved Roads Phase 1	Roads	MOM Consulting	LR Big Brain & Latin Royal Const JV	Y	1688	40	44	40	53	100% complete. deadline was met
9	Tshiamo Paved roads Phase 1	Roads	DMV	Kambila Construction	Y	6000	57	20	68	83	100% complete. Quality of work is good.
10	QwaQwa Rural: Water network Project Phase 2 of 4	Water	Khato Consulting	Kinek, Dee Dee Enterprise & J. Bravo	Y	7698	50	60	120	147	Roll over. Quality of work is good. Progress good
11	Intabazwe Paved Roads Phase 2	Roads	Ilifa Consulting	Savuma/Big bravo JV	Y	6000	30		70	35	Roll over. Quality of work is good. No challenges encountered
12	Tshiamo Paved roads Phase 2	Roads	DMV	TS Construction	Y	6000	30		80	26	Roll over. Quality of work is good. Progress good

Nr	NAME OF PROJECT	PROJE CT CATEG ORY	CONSULTANT	CONTRACTOR	LABOUR INTENSIVE PROJECT Y/N	NO OF HOUSEHOLDS TO BENEFIT	PLANNED NO OF PEOPLE TO BE TRAINED	NO OF PEOPLE TRAINED	PLANNED LABOUR TO BE EMPLOYED	LABOUR EMPLOYED	RATING AND REMARKS
13	Intabazwe Ext 3 – New surfaced roads Phase 1	Roads	Proper Consulting	Motaung Creations	Y	7000	50		100	6	Roll over. Quality of work is good. Progress good
14	New Indoors, Sports and recreational Facilities	Multi-Purpose Sports Centre	SVP Quantity Surveyors	Mofomo Construction	Y	50399	20		30	15	Roll over. Quality of work is good. Progress good
15	Upgrading of Sediba Town Hall	Multi-Purpose Sports Centre	SVP Quantity Surveyors	TBA	N	7400	20		30		Tender
16	Makholokweng Sewer	Sanitation	Khato Consulting	TBA	Y	1400	20		50		Tender adjudication
17	High Mast Lights for 4 towns	Electricity	S & W Consulting	TBA	Y	153	30		40		Design & tender
18	Fencing and Infrastructure at Cemeteries Phase 1		RudNat	Dee Dee Enterprise	N	23840	12	0	20	19	Roll over. Quality of work good. Progress good
19	Sterkfontein: Construction of the water treatment plant	Water	Miletus	Phello/ Nexor JV	N	97172	75	116	101	56	Quality of work is good. Measures were put in place to speed up the progress
20	Sterkfontein: Supply and install Mechanical and Electrical Equipment	Water	Miletus	Metsi Projects: PCI Africa	N	97172	5	5	5	0	Progress is good. No challenges encountered
21	Sterkfontein: Construction of pipeline phase 2	Water	Miletus	Ruwacon	N	85000	50		50	15	Completed, quality of work very good
22	Sterkfontein: Construction of 3x3.5 ML Northern Bulk Supply	Water	Miletus	Moseme/Kinek JV	N	85000	50		60	34	Progressing well
23	Intabazwe Corridor –	Roads,	Letsatsi	Umso	Y	2205	17		70	89	Project completed.

Nr	NAME OF PROJECT	PROJE CT CATEG ORY	CONSULTANT	CONTRACTOR	LABOUR INTENSIVE PROJECT Y/N	NO OF HOUSEH OLDS TO BENEFIT	PLANNED NO OF PEOPLE TO BE TRAINED	NO OF PEOPLE TRAINED	PLANNED LABOUR TO BE EMPLOYED	LABOUR EMPLOYED	RATING AND REMARKS
	Roads and Stormwater	Water	Properties	construction							Quality of work very good
24	Lusaka Paved Roads	Roads	Khato Consulting	Mnqayana	Y	2000	15		50	8	Quality of work good
35	Lusaka Sewer	Sanitation	Khato Consulting	Safika Residential	Y	300	10		30	12	Quality of work good
36	Thlolong Sewer	Sanitation	Khato Consulting	Simazu	Y	325	10		20	9	Quality of work good
37	Electrification Programme (1742)	Electricity	Rps Engineering		N	1818	10		60	60	Contractor's quality of works is good. Complete
38	Electrification Programme (1818)	Electricity	Rps Engineering		N	1818	10		60	60	Contractor's quality of works is good. Complete

3.6 Report against integrated development plan:

3.6.1 WATER AND ELECTRICITY SERVICES

OBJECTIVES	KPI	PROGRESS ACHIEVED	Reference	CHALLENGES	REASON FOR NOT ACHIEVING	EXPENDITURE
1.To accelerate the delivery of infrastructure services	Total number of facilities upgraded	100% Project Completed		None	N/A	R 7 976 611.00
	Number of VIP toilets constructed	100% Project Completed		None	N/A	R 35 599 999.07
	Number of households serviced	100% Project Completed		None	N/A	R 62 245 560.63
	Number of water treatment plants upgraded	100% Project Completed		None	N/A	R 1 363 304.10
	Number of cemeteries with proper infrastructure	62%			N/A	R 1 865 247.28
	Number of rural households with water connections	100% Project Completed		None	N/A	R 45 825 079.52
	Number of new developments (Harrismith/ Intabazwe corridor)	100% Project Completed		None	N/A	R 65 828 766.43
	Number of waste water treatment plants constructed	100% Project Completed		None	N/A	R 9 383 912.10
	Number of households connected to sewer networks	20%		Shortage of funds	Due to cash flow problems the project was implemented at a	R 4 746 951.16

					later stage	
	Number of bulk water schemes constructed	100% Project Completed		None	N/A	R 60 671 855.07
2.	To creation job opportunities	Number of job created on projects	100% Project Completed		None	N/A
3.	To prepare departmental draft budget	Preparation of budget on time	100% Project Completed		None	N/A
4.	To prepare sound management of the departmental votes	Reduced percentage of audit queries	100% Project Completed		None	N/A
5.	To respond to internal and external audit queries	Number of audit queries	100% Project Completed		None	N/A
6.	To measure community satisfaction	Number of surveys conducted in MaP on services delivery	100% Project Completed		None	N/A
7.	To improve waste removal services and management of landfill sites	Number of people employed	0%		Await Council resolution on structure	Council decided that positions only be filled once structure is approved
	Implementation a programme for the disposal of domestic waste and commercial services to industrial and business customers	100%		As per report	N/A	R 2 350 000.00
	Update and maintain waste collection equipment	100%		100%	N/A	R 3 101 000.00
	Managing the landfill sites	100%		100%	N/A	R 3 400 000.00
	Minimizing illegal dumping	100%		100%	N/A	R 13 950 000.00
	Integrated Waste Management Plan	0%		Insufficient budget	Council not implement	R 0

	developed				insufficient budget	
	Air Quality Management Plan developed	0%		Insufficient budget	Council not implement insufficient budget	R 0
8. To promote compliance to environmental legislation, policies and by laws	Waste Management bylaws reviewed and developed	0%		Insufficient budget	Council not implement insufficient budget	R 0
	Air Quality Management by laws development	0%		Insufficient budget	Council not implement insufficient budget	R 0
	Number of cleaning campaigns organized	100%		N/A	N/A	R 100 000.00
	Support celebration of environmental calendar days e.g.WED/WWD etc.	100%		N/A	N/A	R 100 000.00

3.6.2 Waste management

OBJECTIVES	KPI	PROGRESS ACHIEVED
To improve waste removal service and management of	Acquire the following: Compactor trucks (6)	A procurement was made to purchase refuse trucks and advert was placed on the Free State Issues

landfill sites	<p>Tipper trucks(3)</p> <p>Front-end loader(4)</p> <p>TLB (1)</p> <p>SIP loader(2)</p> <p>LDW's with canopy (4)</p> <p>Skips (25)</p>	
	Refuse/solid waste of 37,540 households (i.e 100%) in Phuthaditjhaba, Harrismith, Intabazwe, Tshiame A&B , Kestell and Tlholong removed weekly	Monthly routine and duties were executed in accordance with the expected or required standards. Collections were done to the planned programme.
	Refuse/solid waste of 100% of businesses in Phuthaditjhaba, Harrismith, Intabazwe, Tshiame A&B , Kestell and Tlholong removed twice a week	Monthly routine and duties were executed in accordance with the expected or required standards. Collections were done to the planned programme.
	<p>Draft integrated Waste Management Plan (IWMP) prepared consistent with prescripts of sections 11 and 12 of the Notional Environmental Management Act 2008 (Act No 59 of 2008).</p> <p>Submitted to the executive Mayor for consideration by the Council</p>	An amount of R300,000-00 was set aside to develop and Integrated Waste Management Plan for the municipality, unfortunately this amount was cut down (Finance department) to an amount of R50,000-00 which is not enough to development of this plan.
	Management of landfill site	The management of landfill sites was done by Envorfil – appointment of the service provider
	Draft anti –Littering and dumping by laws submitted to executive Mayor for consideration by Council	Waste management, Refuse, Littering and dumping By-laws were drafted and approved by the Council
	Update and maintain of Waste Collection equipment	All vehicles were checked and broken ones were send

		to service providers for repairs.
Reduce illegal dumping and littering	Establish community projects that would assist to remove illegal dumping	Community work programme project, Mayor's EPWP project and Food for waste project were established and implemented.
	Service littering receptacles regularly	Litter receptacles are regularly serviced on a weekly basis.
	Together with the municipal department responsible for environmental management, design and conduct waste management awareness campaigns	The cleaning up campaigns were pursued and conducted as per request of schools.

4. Human Settlements, Spatial Development and Planning

4.1 Housing and land

OBJECTIVES	KPI	PROGRESS ACHIEVED	CHALLENGES	REASON FOR EXPENDITURE NOT ACHIEVING	
To enhance skills development in the department	15 officials	8 officials were trained in courses and workshops offered by various provincial and national departments, in line with duties attached to their posts. 5 more officials attending ABET classes. 1 official attended a course offered by a private company	Not all courses identified for the officials were done.		R46 000
To eradicate the informal settlements	2 informal settlements	Mandela Park informal settlements residents successfully moved to Disaster Park and Matoding informal settlements residents successfully moved to Tshiame D. Both these. A ruling in favour of the municipality granted by the High court for the illegal occupants on the remaining portion of Bluegumbusch 199 to vacate the area by the 17 th of August 2012, failing at which the municipality will have to remove them.	The operation in Tshiame D ended up taking longer than initially planned due to snow that fell on the second day of the operation, thus having an impact on the budget.		170 000
To renovate the municipal buildings	15 fire extinguishers 3 facilities	All fire extinguishers serviced. The Taxi Rank in Harrismith, Municipal offices in Intabazwe and Phase 1 of Intabazwe community centre have all	Phase two of Intabazwe community centre could not be done due to	Budget had to be cut during adjustment due to cash flow problems. This	1 269 000

		been renovated and completed as planned	the fact that budget was cut during budget adjustment and some of the projects could not be carried out.	let to other projects not being carried out as anticipated	
To fence the municipal townlands & commonages	2 commonages and 1 townland	1 grazing camp completed while the other and a portion of the townland are 80% complete now	The project has gone over the planned period, even though there has been a saving on the project as the successful bidder quoted far less than was budgeted for.	There was a delay in the appointment of the service provider regardless of the early advertising for the same. Appointment only happened mid June, which is why the projects have not been completed to date	690 000
To accelerate the delivery of housing	1500 households	<ol style="list-style-type: none"> 1. Complete houses = 232 2. Super structures = 857 3. Foundations = 1217 Amended contracts signed during the week of the 9 th to 13 th July for 3 of the 4 contractors appointed and they are to commence with building during the current week of the 16 th to 20 th July.	The projects were put on hold due to financial constraints at the Province	Based on the fact that there was no money, the contractors could neither pay the workers nor for material to be used to build houses	
To upgrade and maintain the GIS system	1 contract signed Quarterly updates	The adjudication committee extended the Service Level Agreement of TGIS for further 3 years at the beginning of July. The last quarterly update was in April.	The SLA was forwarded to the Municipal Manager's office for extension before it went through the necessary	The SLA is to be signed by both parties still.	242 504

			supply chain management processes, but this was picked up and forwarded to the relevant committees which recommended the extension of period for this company to assist the municipality with the information management system		
To facilitate Cemetery Investigation	2	Sites identified and service provider has appointed the specialists to conduct the investigations.	The cemetery in Intabazwe is full to capacity and there can be no more allocation of graves. This has a potential of causing public unrest. We still need a community resolution for the Maboleta cemetery and there is a possibility of resistance by the community members due to the court case that had just been awarded in favour of the municipality	Appointment of the service provider was only done in June 2012 irrespective of the other processes done at the beginning of financial year.	0

			concerning the land where this cemetery is planned		
To inspect the housing projects and other building projects	±2 500	An average of routine inspections of 30 sites per month have been achieved since November 2011, whereas prior to that inspection were done on over an average of 100 sites	Personnel resources has been a factor coupled with other enablers such as unavailability of vehicles. But most importantly, since the BNG projects were put on hold, there was no need for routine inspections	Targets were set based on the allocated houses and the contract period within which these houses ought to have been concluded. But the determining factor on the number of houses to be inspected is the pace at which the contractors are building, which is also dependent on a number of factors such as availability of material, financial flow, weather etc.	
To review the Human Settlements Sector Plan	4 workshops	No workshops were held for the review of HSP during the previous financial year. But the plan was reviewed based on the inputs that were given by the municipality to the service provider to finally come up with the final draft of the plan	The plan was adopted by the	The appointed consultant to do the HSP could not submit the finalised plan with all the inputs on time for the review.	
To review the Spatial Development Framework	4 participatory workshops with communities in Kestell, Tshiame, Harrismith, and	The review is currently under way, and the decision was taken for focus to be on the cost of infrastructure on all planned townships to allow for fiscal planning.	The review that is currently underway is for the previous financial year and the Council did not have the opportunity to	The decision was taken in the directorate to handle the review internally, but this could not happen due to the untimely	0

	Phuthaditjhaba		adopt the review for the year under review	death of the Chief Town Planner. Me Hleli was overloaded with the Chief Town Planner's duties as well and decided to outsource the review using the savings on the consultants' fees.	
To enforce and update the Land Use Management Scheme	75 Processed town planning applications	A total of 285 applications were handled during the financial year under review.	Approval of the LUMS still pending at the Province due to the dispute between COGTA and Dept. Of Agriculture. In the meantime, the Harrismith Town Planning Scheme is still being used to regulate the use of land on formally promulgated areas within MAP. Town Planning Schemes still used for processing of town planning applications.		
To implement Building Control Regulations	4 workshops for ward councillors 5 workshops for the	All 4 workshops were successfully carried out in June			

	community members				
To generate revenue	5	12 Townlands advertised for lease in July 2011, but still with the Bid Committees. However, 30 leases of townlands are currently active	The 12 townlands are not optimally utilised.	Delay in supply chain processes	70
To sell sites within MaP	1 500 ± 300	Received sites money for the 2500 BNG allocation. Sold 156 sites in Tshiame D. Four (4) permission letters have been granted for the sale of residential sites at Wilge Park Harrismith based on the advert to sell sites placed on newspapers in June. Council resolved to sell four sites directly to the applicants based on the information given for the need to buy the sites.			2 700 000
To control outdoor advertisement	60 Billboards 40 posters	24 billboards and 408 posters were approved during the financial year under review. The number of posters includes banners for informal clubs etc.	Some applicants wish to enter into a five year contract with the municipality for easy administration and their contracts have not been signed by the municipality		190 000
To plan and survey 2000 erven in Rural QwaQwa	3000	A total of ±8000 erven were covered during the financial year 2010/11 and the service provider could not be paid as the budgeted amount was less. These were paid during the financial year under review, and the payment was made for ±1200 erven (ton planning and	Internal funds are not sufficient to cover the planned number of erven in one financial year and this has resulted in the	Budget flow and budget adjustments as well as non approval of the applications due to queries by other stakeholders who	1 200 706 00

		Geotech) and ±3000 erven (Floodline and Slopes Analysis) in line with the budget. The outstanding erven already done have been budgeted for during the financial year 2012/13. The municipality however needs to decide on whether to continue with the process after addressing all the current challenges and appoint a service provider as the contract of the one that was appointed has expired	project stretching over a number of years over and above the initially planned period. At this pace, it will take another 15 years to cover the outstanding areas. The other challenges are with regard to by-in by all relevant stakeholders, their understanding of the project and the implementation of the final product of the process.	do not have a thorough understanding of the project.	
To establish townships	1990 erven Three townships	Draft layout for 534 sites Weltevrede verified and approved for continuity. Layout for 730 Lotusville still under scrutiny. Opening of the Township register for 690 erven in Intabazwe not awarded to the service provider	In Lotusville, only 712 sites instead of 800 were planned due to the topography of the area. In Weltevrede however, additional 29 sites over 500 were accommodated by the consultant.	Because we have had to cut the budget during adjustment, opening of a township register for the 690 sites in Intabazwe could not be done. Note should be taken that a township establishment approval is a lengthy process that takes a minimum of two	545 832

				years.	

5. Local Economic Development and Tourism

5.1 Local Economic Development and Tourism projects

OBJECTIVES	KPI	PROGRESS ACHIEVED	CHALLENGES	REASON FOR NOT ACHIEVING	EXPENDITURE
To draw new investment in the area	No. of new investments attracted	The first stakeholder meeting was held on the 26 April 2012 to discuss the planned INDUSTRIQWA INDUSTRIAL PARK DEVELOPMENT. Currently, BMW, NISSAN and MacCains have shown interest in investing at Industriqwa. Sites were identified where these new developments will take place.	The projects are currently behind the schedule due to the fact that the AIH Technical team is busy with infrastructure and service designs and reviewing the drawings.	Harrismith Logistics Hub remains the challenge as it is still not clear as to which provincial department is responsible and the contact person.	None to the Municipality
Expand agriculture sector in the region	No. of farming activities and agro-processing projects implemented	The department of Agriculture provided seeds and assisted with the implements to emerging farmers at Thibella (Tsheseng), Thaba-Bosiu, Monontsha and farms such as Tlhalefo.	The shortage of water is affecting the quality of the crops and the standard of living within the farming communities. Electricity is also the biggest challenge especially to the milk farmers.	Agro-processing will not be possible until the mentioned challenges are addressed.	None to the Municipality
To expand the Mining and minerals beneficiation sector	No. of emerging and small scale Miners formalized	Meetings with GIZ, AHI, National COGTA, Department of Social Development and the beneficiaries from Harrismith youth were held to discuss the possibility of establishing the brick making plant at Harrismith. Attempts were also made to identify the suitable place for the SMME's,	The challenges is that there are two groups with the same intention and both of those groups are being financially assisted by the Government Departments and they are pursuing the same goal. LED departments from the Local and the District Municipalities have intervened to resolve the existing problem between the two groups. A suitable place could not be found as MINTEK advised that the quality of the soil in	The conflicting intentions created an impediment. The unavailability of land obstructed efforts that	None to the Municipality

		from where they would operate from in a formalized manner	identified areas was not suitable for the intended purpose	were put in place to realize this.	
	Established quarry project	There is one Company that is mining quarry at this stage.	Feasibility Study will have to be conducted to determine the sustainability of this project	Most identified sites belong to private individuals and they are mostly farms.	None to the Municipality
	Establish viable clay bricks mining project.	A site was identified below the old parliament building as the site that will be suitable for this project, as well as another one that is situated at Makoane village.	The Municipality disapproved the site below the old parliament building due to the number of reasons ranging from criminal activities to the environmental impact that project of mining will have.	The alternative site that has been identified at Makoane Village has discouraged the project implementers to relocate to that site due to the quality of the clay that is found there	None to the Municipality
	Facilitate research for the possibility of other minerals.	The LED strategy has revealed that the minerals such as uranium are existing in this locality.	The small deposits of minerals that have been discovered do not warrant the mining thereof.	Mining operations require greater quantities of minerals to be present that would justify the mining thereof.	None to the Municipality
To expand the manufacturing sector	No. of retained companies and new entrants into this sector.	There are manufacturing companies that have been retained in this area such as Box-More.	The incentive policies have not been developed and they are essential to lure the potential manufacturing companies to the area.	Attempts to persuade the Mayoral Committee previously to outsource the development of the incentive policy to a reputable service provider proved to be in vain as approval was not granted. The Director LED&Tourism has developed a structure, which, if approved would make it possible for the development of incentive policies to be done internal.	This will depend on the type of approval that will be granted.
To strengthen the institutional capacity of the SMMEs and increase the number of emerging businesses	No. of workshops and informal sessions conducted.	They were four workshops that were successfully organized by DTI, ILO, BankSeta and SEDA.	Transporting SMMEs to the respective venues where training was conducted was a major challenge.	All the trainings that were arranged were successful and accordingly there is no reason that can be advanced for not archiving as success was attained.	None to the Municipality

	No. of identified funding institutions	Funding institution such as NEF,DTI,IDC have been identified.	Notwithstanding the shortage of personnel, this objective was accomplished.	The shortage of personnel did not prevent the achievement to materialize.	None to the Municipality
	Introduce SMMEs to new business opportunities	FDC and other stakeholders ie the DTI organized a session at Thabo-Mofutsanyana to inform the SMMEs about the different assistance that is available to their business.	Not all SMMEs could be reached for this opportunity as they are all not registered at the data base of the Municipality.	The reluctance and/or apathy on the part of the SMME's to register on the data-base of the Municipality make it impossible for them to be reached and informed about these opportunities.	None to the Municipality
	No. of Developed and maintained facilities that accommodate SMMEs	Tenders have been invited and procurement is underway.	Funding is not adequate to accommodate the construction of stalls in this area for all the SMMEs.	Financial constraints make it impossible for all the SMMEs to have stalls constructed for all of them.	R600.000.00
	No. of skills audit conducted	SEDA and ILO have conducted the skills audit			
To expand tourism sector in the region	No. of developed brochures.	Service provider was appointed and he is waiting for the approval from the municipality to continue printing the brochures.	Still waiting for the finalization of the foreword from the office of the Hon executive Mayor before the brochures are printed.	The foreword that is awaited has delayed the finalization of the printing of the brochures.	R566.575.00
	No. of exhibitions, events organized and attended.	The department could not attend the Indaba due to the shortage of personnel and marketing material. Other events were attended.	More personnel has to be appointed as the department is operating on skeleton staff and cannot all the events. The foreword is also awaited from the office of the executive Mayor to have this finalized.	This event could not be attended last year due to the absence of the marketing material as well as, the shortage of personnel.	R2.000.000.00
	No. of developed tourism products, services and infrastructure required to expand tourism.	Access road to Wetsie's Cave was surveyed and geo - tech is completed and construction of road has began. 1.2 km metres has been paved. QwaQwa guesthouse is 70% complete.	Funding from the department of Tourism delays the completion of this project.	Funding from the department creates an obstacle.	None to the Municipality

	Erecting first phase of tourism signage.	It has been done	None	None	R
	Funded tourism projects implemented.	Implemented all tourism projects	As per annexure A	As per annexure A	None to the Municipality

6. Sports Arts and Culture

The Directorate reported on the objectives that they were tasked with below. The Directorate also addressed the challenges that were faced during the financial year and proposed solutions to ensure better service delivery.

6.1 Sports, arts and culture

OBJECTIVES	KPI	PROGRESS ACHIEVED	CHALLENGES	REASON FOR NOT ACHIEVING	EXPENDITURE
PROVIDE CEMETERIES	Provide the Community with quality services	Land has been identified for a new cemetery in Harrismith/ Intabazwe.	Harrismith and Mohlakeng cemeteries are full to their capacity.	The project is done by Human Settlement Directorate.	None
		New land has been identified for the extension of Kestel Cemetery.	Thlolong Cemetery is full to its capacity.	The Contractor is still busy with the Infrastructure , Fencing, Construction of ablution blocks, access roads and the layout	The project is done by Human Settlement Directorate.
		New land has been identified for the extensions of Bluegumbosch Cemeteries.	None	None	The project is done by Human Settlement Directorate

	Infrastrustructure and fencing of cemeteries.	<p>a. Electrification of Bluegumbosch Cemetery. 80%</p> <p>b. Construction of toilets at Tsiambe. 33%</p> <p>c. Construction of Caretaker house Bluegumbosch cemetery. 15%</p> <p>d. Construction of toilets at intabazwe cemetery. 33%</p> <p>e. Construction of toilets at Thlolong Cemetery. 33%</p> <p>f. Renovation of Caretaker's house.</p>	<p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p>	<p>The project started in February 2012</p> <p>The project started in February 2012</p> <p>The project started in February 2012</p> <p>The project started in February 2012</p> <p>The project started in February 2012</p>	<p>The total cost of the project is R4 429 977.30 (MIG FUND)</p>
TO DEVELOP PARKS	<p>Creating new parks by December 2011</p> <p>Cutting grass at parks and open spaces every two weeks.</p> <p>Well maintained recreational areas and installed recreation equipment 31 December 2011.</p>	<p>Not achieved</p> <p>Achieved on a continuous basis.</p>	<p>Funding</p> <p>Shortage of personnel</p>	<p>Not budgeted for.</p> <p>None.</p>	<p>None</p> <p>R300 000</p>

		They are well maintained. However installation of recreational equipment is not yet achieved	Funding	The identified areas were not properly serviced	R300 000 (No expenditure incurred)
TO MAINTAIN PARKS	To create a safe environment by developing parks and open spaces. To continually provide a well maintained recreational areas.	Achieved	Misplaced personnel and shortage of resources.	None	R300 000
BEAUTIFICATION OF URBAN AREAS AND ACCESS ROADS	To enhance the beauty of urban areas and access roads.	Achieved	Misplaced personnel and shortage of resources.	Shortage of resources.	R300 000
TO DEVELOP SPORTING CODES	To develop and implement a maintenance programme for all sports facilities. Upgrading of Sports facilities. Increase the level of competitiveness by 31 December 2011. To identify the need for different sport codes and introduce them within communities.	Achieved Achieved Achieved	None Federations are not co-operative enough to further the intended purposes e.g quarterly participation of athletes. Shortage of Sports and recreation	Unavailability of yellow fleet. Shortage of Sports and recreation facilities. Shortage of Sports and recreational facilities.	R500 000 R500 000

			facilities.		
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7. Community Services

7.1 Social Development

OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	PROGRESS ACHIEVED	CHALLENGES	REASONS FOR NOT ACHIEVING	EXPENDITURE
1. To facilitate provision of Social Security Services	1.1 No. of specific indigent applicants assessed	4 – households psycho social circumstances assessed.	Raise awareness about Property Rates Act on households Psycho – Social circumstances assessment.	The no. of request for assessment of psycho social circumstances decreased this year.	
	1.2 No. of pauper burial applicants attended to	126 - Pauper burial requests attended to and approved by the Department of Finance	The policy on Pauper burials requires undertakers to take full responsibility for the burial of the deceased but some undertakers insist that the families should purchase the grave at their own expenses.	The no. of pauper burial applications received decreased in the financial year.	
2. To raise awareness with the community on social problems occurring in their specific wards and services rendered	2.1 No. of communities/wards benefited from awareness's raised on their social problems and services rendered	- Held events in preparation for the International day for Older persons.	Allocation of municipal vehicles to prepare for events and attend meetings on time.	Some meeting were attended with the assistance of other service providers and at other times the public transport was used.	
		Held together with the Department of Rural Development &		None	

		Land Reform an awareness campaign for the Elderly to commemorate “ 16 Days of Activism on No Violence against Women and Children ” and the events were held as follows: Venue : Mabilela Tribal Office Hall And attended Ward 28 Stakeholders Meeting as Date : 06 December 2011 Time : 10H00 schedules Date : 16 November 2011 Time : 09H00 Venue : Salvation Army Church Centre (Chris Hani Park)			
		Visited 28 Wards to raise awareness about Child Care and the importance of coordinated services	None	None	
		Met with Older persons , Child Care and Substance Abuse Forums to raise awareness about	28		

		our services			
		On 3 and 7 November 2011 the DosD and MAP held workshops to empower 50 people living with HIV from the following support groups: - Nahamali, Makwane, Tseki and Phuthaditjhaba Clinics	None	None	
		The Provincial Substance abuse Forum members held a consultative workshop on the review of the National Drug Master Plan on 02 November 2011 and it was conducted by Central Drug Authority	None	None	
		Held dialogue workshops to prepare for the international day for Substance abuse	None	None	
	2.2 No. of Wards benefited from National events conducted	Celebrated International day for Older persons on 07 October 2011 at Makwane	None	None	

		School Hall and 182 Older persons attended the event.			
		Celebrated Family day on 26 May 2012 at Phuthaditjhaba Hall and 600 people attended Celebrated elder abuse day on 22 June	None	None	
		The No Tobacco Day event was organized and held together with the DoH and other relevant structures on 29 May 2012. The financial expenses for the event were carried out by the DoH.	Raise awareness on substance abuse in schools and in the community meetings	None	
		Celebrated Elder abuse day on 22 June 2012 at Sedibeng Hall.	None	None	
		Celebration of International day for Substance abuse on 26 June 2012	None	It was arranged that the Provincial DoSD will be responsible for the planning and holding of International day for Substance Abuse event in Odendaalsrus. The event did not take place as it was reported that the DoSD has some financial problems.	

3.To reduce the spreading of HIV/AIDS through the Task Teams of the Local Aids Council (LAC)	3.1 Local Aids Council established	- Attended Thabo Mofutsanyana District AIDS Council meeting on 13 December 2012 and received report on the Proposed District Aids Council Framework - And Induction workshop on 14 February 2012.			
		- Launched LAC on 02 December 2012 at Charles Mopedi Thusong Multi Purpose Centre. 168 people attended the event. - 01 December 2012– Held event for Municipal employees.	Allocation of municipal vehicles to prepare for events and attend meetings on time.	None	
		Held two Local AIDS Council meetings on 28 March 2012 and 06 June 2012			
		On 01 December 2012 held a Candle light memorial event for municipal employees.		None	
		- LAC developed MAP - HIV/AIDS strategy plan at the workshops held on 17 and 18 August		None	

		2011 16 November 2012 06 December 2011 and 15 May 2012 and was finalized at the LAC meeting on 06 June 2012.			
		Attended workshop on National HIV/AIDS, STI TB Campaigns Coordinators Structures – Year 1 implementation Plan – 1 st April 2012 – 30 March 2013 And HIV/AIDS, TB and STI Strategic Plan 2012 – 2016 on 20 – 22 June 2012 in Bloemfontein. The workshop was organized by the DoH and facilitated by SALGA and Provincial Council on Aids.			
		Established the following Task Teams and implemented their action plans viz. - Information, Education and Communication (IEC) Task Team - Support, Care and Treatment Task Team and Orphan and		None	

		Vulnerable Children - Orphan and Vulnerable Children (OVC) Task Team And developed their Action Plan.			
		Held Workshops for people living with HIV/AIDS on 03 December 2012			
		Participated in the MAP – OVC Organization meetings monthly.		None	
		On 14 -17 November 2011 DOsD held workshops for Child Care Forums, Cluster Coordinators and service providers on reporting formats for Child Care services.		None	
		Attended and participated in the MAP Orphan and Vulnerable Children Organization monthly meetngs.		None	
		Participated in the establishment of District Aids Committee on Children affected and infected by HIV/AIDS. (DACCA) on19			

		August 2011 held a meeting to orientate Cluster facilitators on their role.			
4. Develop support networks for Older Persons	4.1 Established the Older Persons Stakeholders Forum and implemented an Action Plan	<ul style="list-style-type: none"> - Renovated Kestell – Thlolong Community Centre on Mandela Day- 18 July 2011 - Strengthened the Older Persons Forum and held by monthly meetings - Participated together with the Provincial Department of Sport, Arts and Culture in organizing and holding various sports activities for Older persons on 23 and 31 August 2011 		None	
		Established Luncheon Club in Harrismith Held games for Older persons in Harrismith and Tsiamé		None	
		- Assisted aged persons to obtain a wheel Chairs		None	
		- Makholokweng Community and Home based Care Centre held games for older persons weekly		None	

		- Thabana Tshoana and Makholokweng Community and Home based Care Centres identified a need for sewing projects		None	
5.To facilitate the development of the Local Drug Action Committee	Established the Local Drug Action Committee and implemented the Mini Drug Master Plan	- Established the Local Drug Action Committee and met by monthly to report on the implementation of the Mini Drug Master Plan . - The Provincial Substance Abuse Forum meeting was held quarterly.	Developed operational plan for the Committee.	Attended one Provincial Substance Abuse meeting. The other meetings were not held ' The Dosd had financial constraints for members to attend the meeting.	
		- Facilitated and attended Aurora Rehabilitation Centre training of 30 NGO members on substance abuse for three days in 06 – 08 September 2011. - Training the CCF Cluster Coordinators to clarify their role for three days in September 2011.	None	None	

6. To eradicate poverty	No. of poverty alleviation programs focusing on poverty alleviation.	<ul style="list-style-type: none"> - The 12 tunnels were visited. The tunnels that were installed in Lesedi and Intabazwe Clinic damaged by the snow in August. - The Department of Agriculture (Harrismith) has applied for the Disaster Fund to repair the tunnels. The tunnel in Monontsha and Kestell Clinic were destabilized by the wind. The Department of Agriculture official in Kestell said will fix it. The beneficiaries - (People living with HIV/AIDS) in the other Clinics in good conditions received the seeds. 	Develop measures to protect the tunnels from fire, snow and theft.	The tunnels were destroyed by fire and snow.	
7. To ensure the provision of the Social Development service	8.1 No. of supervision sessions held	<ul style="list-style-type: none"> - Staff meetings were held weekly. - Attended HIV/AIDS Coordinators workshop on 20 – 22 June 2012. It was organized by the Department of Health and Provincial Council on Aids (PCA). 	Local Staff Skill development / in service Training	No staff skill development plan provided in place.	

7.2 Woman, children and people with disabilities

OBJECTIVE	KPI	PROGRESS ACHIEVED	CHALLENGES	REASON FOR NOT ACHIEVING	EXPENDITURE
1 Awareness campaigns on social problems occurring in their specific wards and services rendered.	1.1No. of communities /wards benefited from awareness raised on their social problems and service rendered.	<p>Identified the following stakeholders e.g.:-</p> <ul style="list-style-type: none"> - Government departments:- - DoSD -about statutory services, funding of NPOs and Social Development. - Department of Home Affairs – Birth, Death registration, migration and immigration. - DoJ - Promote human rights - Do H – Primary Health Care - SASSA - grants food parcels and social relief of distress - Civil Society - Child Welfare SA, Save the Children, SOS and Care SA Thusanang Advice Centre - CBOs - Qholaqhwe Advice Centre 			

		<p>- Raised awareness together with relevant stakeholders on women, children and people with disabilities rights in 33 wards. Holding community meetings to raise awareness on services available to the community, working together with the relevant stakeholders. Nov 2011 to Feb 2012</p>	<p>- The Unit encountered a problem in ward 3 awareness failed due to concerns raised with the Office of the Executive Mayor. - In ward 25 was poor attendance.</p>	<p>- Lack of consistency in municipal vehicles allocation</p>	
		<p>Workshops and Life Skills Education programs:</p> <ul style="list-style-type: none"> Facilitated workshop for 50 women living with HIV and AIDS on the 03 Nov 20 and 07 Nov 2012 at Charles Mopeli stadium. Participated in the launch of Moral Regeneration Movement (MRM) 			
		<p>Celebrated/Commemorated The following National days:</p> <p>- Coordinated commemorated Of 16 days of activism on no Violence against women, children on 10 Dec 2011 Makwane village ward 35</p> <p>- Coordinated celebration of International day for people</p>			

		<p>with disabilities on the 10 Dec 2011 Makwane village ward 35.</p> <p>- Participated in the preparations for National Closing event for child protection week held on 03 June 2012 in Uniqwa. Ward 34.</p> <p>- Participated in the launching of MRM hosted by the District Council on the 24 March 2012</p>			
		<p>Meetings held and attended:</p> <p>- Held meetings in 33 wards to identify women, children and people with disability needs.</p>	<p>- In some wards we encountered a problem of no accessibility in Schools buildings for the disabled people; most of the schools buildings have stairs and no ramps.</p> <p>Bad roads - Disabled people were unable to reach their destiny.</p> <p>Deaf people were unable to understand what was said in the meeting due to lack of sign language interpreter.</p>		

		-Attended MRM plenary meetings to prepare for their Launch at the District level From the 23 Feb 2012 to 19 March 2012			
		-Attended DoSD plenary meetings for the National closing event for child protection week.			
		- Participated in the launch of MRM hosted by the district Council launched on the 24 March 2012			
2. To develop Support networks for women, children and people with disabilities	2.1 No of forums Established	- 1 External forum for disabled people established. - Women, children and people with disabilities local committees established in 33 wards. -3 local forums for women, children and people with disabilities are established.			
	2.2 % of training forums members on frame works	-No trainings were held For the forums and local committees	-No budget	-Financial Constrains, there was no Budget for this unit	
3. To initiate and Support poverty Alleviation projects	3.1 No of food security projects initiated	- For intervention and support, 9 vegetable gardens initiated working together with Agriculture Dept and Health Dept. -5 unfunded and needy ECD			

		centers in Harrismith and 4 organizations for disabled people in Phuthaditjhaba and Bolata village next to kgoptjane river.			
	3.2 No. of poverty alleviation projects identified	- For intervention and support we visited, identified and provided 4 organizations for disabled people with vegetable seeds in Phuthaditjhaba and in Bolata village as well as 5 unfunded and needy ECD centres in Harrismith to grow vegetables to alleviate poverty on the 24 May 2012 and 11 July 2012			
4. To ensure provision for personnel	4.1 No. of supervision sessions held.	-Staff meetings attended monthly. Held 8 staff meetings	-No training of staff		
		-Gender focal Person attended a capacity building workshop offered by SALGA in Bloemfontein about poverty alleviation on the 11 October 2011			
		-One Official attended the Community and Human Development meetings on the 09 Feb 2012, 15 May 2012			
		- And attended Disability workshop on the convention For the rights of disabled persons.			

7.3 Public Libraries

The municipality managed and operated the following public libraries –

- Intabazwe
- Kestell
- Children's library
- RJR Masiea library
- Tshiame library
- Harrismith library

Objectives	Key Performance Indicator	Progress Achieved	Challenges	Reasons for not achieving
1. To improve people's life skills	1.1. No. of life skills awareness programmes presented	9 Life skills programmes presented from September 2011 to June 2012		
	1.2. No. of Healthy People are Happy People programmes conducted	6 Health Programmes presented		
	1.3. No. of Cultural & Heritage	4 Cultural & Heritage programmes		

	programmes	conducted		
	1.4. No. of Be your own employer	5 Business Information programs at all six libraries		
	1.5. No. of Poverty alleviation programmes	10 Poverty alleviation programmes presented		
	1.6. No. of Moral Regeneration programmes	10 Moral Regenerations programmes presented to the community through setting up exhibitions		
2. To contribute towards the improvement of education	No. of educational programmes	9 Educational programmes presented		
	2.1. No. of Basic Computer Training classes	113 adults were trained		
	2.2. Reading Aloud session	126 Adults participated in reading aloud session		
	2.3. No. of Early Literacy	607 Children attended Early Literacy		

	programmes	programme		
	2.4. No. of Block Loan administered	2926 Loaned to Local Schools; 1270 to Farm schools; 175 to Further Education Training institutions; 7 Magazines to Hospice	Lack of transport	We were suppose to visit ten schools, but due to lack of transport we visited only four local schools, one farm and FET;
	2.5. No. of Literacy Awareness Week	One Literacy Awareness Week presented in September 2011; 3 Literacy Corners re-organized; 3 Puppet show conducted at: - Clubview Intermediate school; Khunyedi- ya-Manka Intermediate, Bluegumbosch Intermediate and Namahadi Hospice;	Transport, arrive late at the activity venues;	Need a bakkie to carry Puppets and stages;

	2.6.Readathon Awareness Week	12 – 17 /09/2011, The activity was held at Dipelaneng Primary School to the grades R to 4 learners	Creative Writing competition not held	Due to lack of staff;
3. To ensure that community have access to relevant information, and improving the functioning of libraries	3.1. Monitor suggestion book	12 Suggestions were attended, handed over to Thabo Mofutsanyana District Library		
	3.2. No. of books requested	117 Books requested received; 4,600 consignment received;		
	3.3. No. of Physically Challenged/ Blind community needs identified	In September 2011, twelve Daisy Readers machine were received, Two computers with jaw; On the 23 rd May 2012, The local Librarian, Librarian from department of Education and	Trainer for the Blind Community	The Blind library users suggested that someone with knowledge about the operation of jaw be appointed, so that he/she can be able to train the Blind unable to retrieve information from their computer;

		Deputy Director Thabo Mofutsanyana District Library met with the Thiboloha Special School personnel to inform them about the services that the library render for the Blind learners, meeting was fruitful.		
4. To ensure that community have access to libraries	4.1. No. of registered new members	Total number of members registered: 17, 613;		
	4.2. No. of people received orientation	Registered members: 17,613 Visitors: 571		
	4.3. Children's programme	1215 Attended Story Hour; 805 Reading for Pleasure ; 118 Coloring programme; 9 Play Reading;		
	4.4 National	Held from 19 to		

	Library Week	23 March 2012		
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7.4 Cemeteries

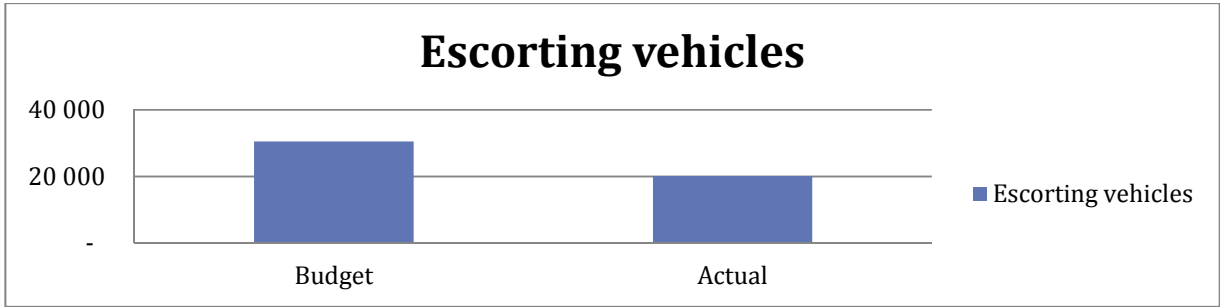
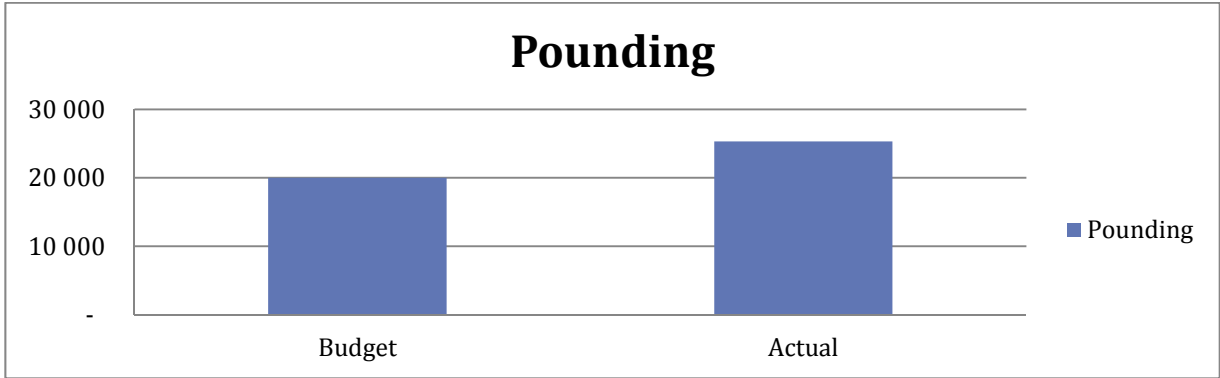
OBJECTIVES	KPI	PROGRESS ACHIEVED	CHALLENGES	REASON FOR NOT ACHIEVING	EXPENDITURE
Provide Cemeteries	Provide the Community with quality services	Land has been identified for a new cemetery in Harrismith/ Intabazwe.	Harrismith and Mohlakeng cemeteries are full to their capacity.	The project is done by Human Settlement Directorate. .	None
		New land has been identified for the extension of Kestel Cemetery.	Thlolong Cemetery is full to its capacity.	The Contractor is still busy with the Infrastructure , Fencing, Construction of ablution blocks, access roads and the layout	The project is done by Human Settlement Directorate.
		New land has been identified for the extensions of Bluegumbosch Cemeteries.	None	None	The project is done by Human Settlement Directorate

	Infrastructure and fencing of cemeteries.	<p>a. Electrification of Bluegumbosch Cemetery. 80%</p> <p>b. Construction of toilets at Tsiambe. 33%</p> <p>c. Construction of Caretaker house Bluegumbosch cemetery. 15%</p> <p>d. Construction of toilets at intabazwe cemetery. 33%</p> <p>e. Construction of toilets at Thlong Cemetery. 33%</p> <p>f. Renovation of Caretaker's house.</p>	<p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p>	<p>The project started in February 2012</p> <p>The project started in February 2012</p> <p>The project started in February 2012</p> <p>The project started in February 2012</p> <p>The project started in February 2012</p>	<p>The total cost of the project is R4 429 977.30 (MIG FUND)</p>

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8. Public Safety and Transport

The following table sets out the financial achievements of the public safety and transport directorate:



The following achievements and challenges were reported on by the Directorate.

8.1 Public safety, roads and transport

OBJECTIVES	KPI	PROGRESS ACHIEVED	Annual target	CHALLENGES	REASON FOR NOT ACHIEVING	EXPENDITURE
To increase personnel	No staff to be employed	0	45 staff to be employed	None implemented	No approval granted by office(MM)	R 00.00
To purchase equipment	No of equipment purchased	10	10 Machines to be trained	None	None	R 129 000.00
To train personnel	No of personnel trained	92	30 Personnel to be trained	Some of the programs were never approved by training committee		R135 000.00 (only for fire technology) others were free of charge
	No of drivers and operators to be workshoped	20	60 Drivers to be work shopped	Lack of staff to conduct trainings	Two staff members are unable to reach targeted number	R 00.00 (operational)
To increase municipal fleet	No of fleet to be purchased	15	35 Vehicles to be procured	Delay by department of	Orders were submitted but	R

				transport(service provider)	service provider delayed	
To maintain correct equipment & fleet in a good working conditions	No of vehicle inspections to be conducted	02	4 Inspection to be conducted	Shortage of staff	Two members are unable to process the program fully	R 00.00 (operational)
	No of monitoring service to service providers	07	12 Monitoring service to service providers	Incomplete systems of vehicle tracking	Delay by supply chain management to complete adjudication to appoint suitable service provider(s)	
	No of queries resolved in fleet management committee meetings	02	4 Queries	Lack of staff	Only staff and fuel misuse queries were attended to	R 00.00 (Operational)
To create a safe environment	No of road blocks	27	12 roadblocks to be held	Some of the roadblocks are unplanned due to National	None	R 00.00 (Operational)

				requirements		
	No of scholar patrol to be monitored	352	220 scholar patrols to be held	Lack of staff	Current staff cannot cover all areas within MAP	R 00.00
	Decrease of road accident	0	5%	6.5%	Shifts system does not cover 24hrs	Conditions of service by Bargaining council
To improve he payment of fines	No of warrant of arrests executed	547	200 warrants to be executed	Outside warrants are unable to be served	None	R 00.00 (Operational)
To ensure control of livestock	No animals impounded	329	50 animals to be impounded	Feeding and medication		R 00.00 (operational)
To improve response time on emergency services	Percentage on response time requirement as per national standard	65%	100% of response time as per legislation	Regular defectiveness of fire engines and response vehicles due to life span (spent)	Delay due to defectiveness of motor vehicles	R 00.00
	Percentage on	75%	100% of	Fitness of	Most of personnel	R 00.00

	emergency communication as per national standard		communication as per national standard	personnel in terms of response	are not physically fit due to age	(operational)
To improve response efficiency of emergency service	No of equipment to be maintained	0	10 equipment to be maintained	Equipment has been recently purchased	None	R 00.00
To manage disaster management capacity at the municipality	No of disaster structures which are functional	4	4 disaster structures meetings	Other municipal departments are not participating	None	R 00.00
To increase public safety awareness	No of awareness to be held	09	4 awareness to be held	Poor attendance by expected attendees		R 00.00
To accelerate the delivery of infrastructure services	Total of roads to be paved	9km	9km	Delay in approval of requests	None	R 37 532 892.00
	Total km of roads re-	35km	35km	Late payment to service provider(s)	None	R 18 606 321.00

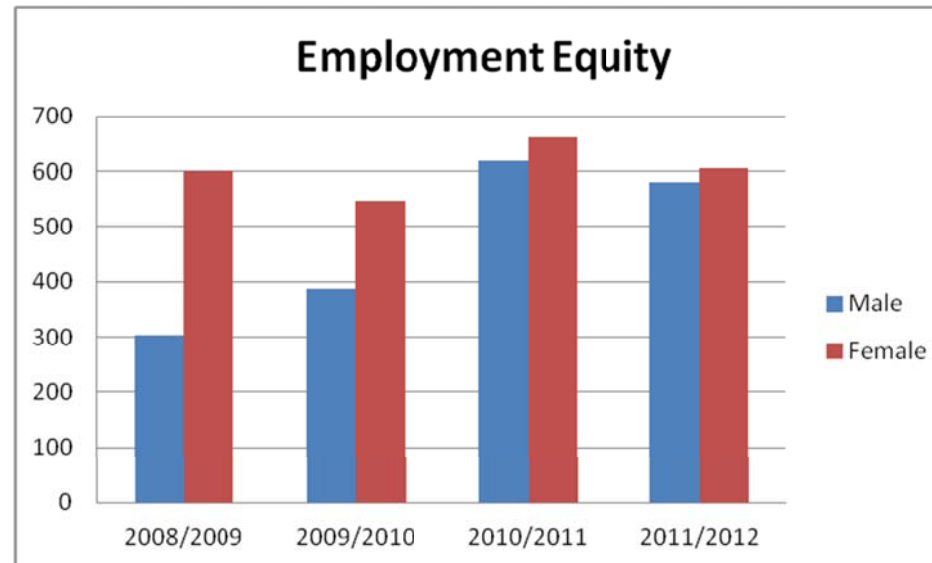
	gravelled with storm water					
	Total number of roads resurfaced	1km	20km	Withdrawal of funds to cater the project	Budget cut by 25% during budget adjustment	R00.00
	Number of foot bridges to be constructed	11	11	Delay in delivering of steel structures by service provider(s)	None	R 10 435 607.00
To improve the payment of traffic fines	Amount to be collected through partnership with service provider	R 5 213 589.50		Non implementation due to technical problems by service provider	Anticipated speed checking devices were not installed	R 00.00 (operational)

10. Corporate Services

10.1 Skills Development

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.

Designated employees (African, Indian, Coloured, Females and Disabled persons) make out 99% 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.



10.2 Skills Development

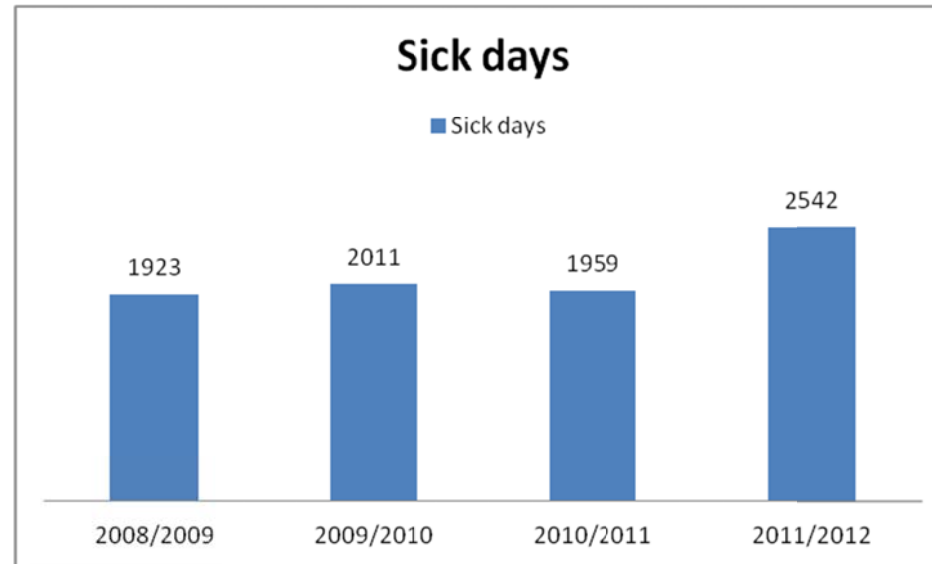
The following number of employees and councillors were trained during the year under review:

Key Performance Indicator	2008/09	2009/10	2010/11	2011/2012
Employees attending training and skills development courses	151	100	332	66
Councillors attending training and skills development courses	68	66	65	0

The number of training decreased due to obtaining approval from the Municipal Manager Office. The above numbers exclude training attended that were not organised through the Skills development department.

10.3 Effective people management

The number of employees that took sick leave during the financial year increased from the previous (2010/11) financial year. The man days lost due to employees taking sick leave increased with 30% from the 2010/11 financial year.



Key Performance Indicator	2008/09	2009/10	2010/11	2011/2012
No of employees absent from work without reason	113	110		15
No of employees on sick leave	221	226	248	249
No of man days lost due to sick leave taken	1923	2011	1959	2542

10.4 Integrated development plan:

OBJECTIVE	KPI	BASELINE	OUTCOME	MOTIVE
To Ensure Records are kept in a safe place	No of fire proof cabinets procured	12	Not done	Budget is managed by Finance Directorate.
To render Effective and Efficient record management System to Council	Compliance with Archives Act	40	Not done	Approval was not granted for official to attend some crucial training.
To Administer booking and cleaning of council building	Bookings Administered	100%	Done	Continuous programme
To provide Mayco and Council with Administrative	No of meetings held and supported	128	Done Quarterly as per schedules	Continuous programme.
Recruitment of staff	No of staff appointed	100	Some recruitment done	It was not properly coordinated since were controversies on recruitments
Training and development	No of training provided	14	Some training was done	Recommendation for training was not approved.
Labour Relations matters	Reduce cases of misconduct	20	Not achieved.	Petty labour matters resulted in many labour disputes.
Organisational development	Development of organizational structure	100\$%	Not complete	No proper coordination. Busy with organisational review.
OBJECTIVE	KPI	BASELINE	OUTCOME	MOTIVE
Wellness Programme	Development of Wellness Programme	Annual	Not Done	Delay in appointing a Service Provider
To ensure legal matters for and against the council are expeditiously done	Number of cases submitted	20	Not expeditiously done.	Some legal matters are unnecessary referred to.
To ensure that all contracts and other legal documents are kept in a safe place	No of fire proof cabinets for legal documents	01	Not Done	Budget managed by Finance Directorate.

To ensure that all contracts that are entered into are legally correct	% compliance	100%	Not done by Corporate	Finance develops contracts
Provision of professional legal services	% professional legal services	20%	Service providers contracted	CFO and MM deal with cases not Corporate Services
Provision of Customer Care Services	% of customer services provided	100	70% done	Mostly deal with electricity queries.

11 Financial Services

11.1 Expenditure

The municipality is spending on average 15 % (2010/2011: 17%) 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 5% (2010/2011: 1%) of the total income on maintenance.

Key performance indicator	2011/2012	2010/2011
Total actual Income	1,183,813,630.00	868,879,288.00
Total Expenditure	-1,001,890,951.00	-724,300,783.00
Expenditure on salaries and wages	-175,058,574	-148,392,329
Expenditure on maintenance	-48,851,417	-7,313,102
Expenditure on general expenses	-76,503,842	-41,963,741
Expenditure on bulk purchases	-321,139,312.00	-237,515,076.00

The income of the municipality increased with 35% from the previous financial year. In this financial year the municipality's expenditure was less than the income received. The actual income and expenditure for the financial year is shown below.

Total income vs Total expenses



11.2 Debt Age Analysis

The debt age analysis for the municipality is shown in the table below:

	Rates	Electricity	Water	Sewerage	Refuse	Other	Total
0-30 days	R 182,873.00	R 15,693,058.00	R 1,900,568.00	R 1,687,462.00	R 373,473.00	R 2,751,762.00	R 22,589,196.00
31-60 days	R 9,187,674.00	R 2,265,329.00	R 1,203,592.00	R 717,578.00	R 164,255.00	R 894,957.00	R 14,433,385.00
61-90 days	R 71,158,529.00	R 2,419,468.00	R 737,543.00	R 604,656.00	R 158,665.00	R 699,295.00	R 75,778,156.00
91+ days	R -	R 370,679.00	R 305,847.00		R 147,817.00	R 35,104,235.00	R 35,928,578.00
Debtors including impairment	R 80,529,076.00	R 20,748,534.00	R 4,147,550.00	R 3,009,696.00	R 844,210.00	R 39,450,249.00	R 148,729,315.00
Impairment	R 174,543,192.76	R 39,044,779.89	R 121,263,897.94	R 51,763,719.35	R 66,038,409.25	R 38,107,932.83	R 490,761,932.02
Debtor excluding impairment	R 255,072,268.76	R 59,793,313.89	R 125,411,447.94	R 54,773,415.35	R 66,882,619.25	R 77,558,181.83	R 639,491,247.02

As general guideline debtors older than 90 - 120 days is deemed to be irrecoverable. On 30 June 2012 a total of R 639 491 247 of the municipality's debtors was older than 60 days and R 490 761 932 impairment has been recognised. A total of R 494 533 317 is deemed irrecoverable.

11.3 Grants received

The municipality received R298, 434,750 (2010/2011: R218, 858,956) of grants during the year. Grant income has increased with 27 % from the 2010/2011 financial year.

11.4 Number of monthly budget statements submitted to the Executive Mayor

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).

11.5 Reporting against the objectives in the integrated development plan

OBJECTIVES	KPI	PROGRESS ACHIEVED	Comments
Management of key financial and governance areas such as asset and risk management	Renewal and placement of outside insurance cover.	100%	Insurance cover has been reviewed and updated
Management of key financial and governance areas such as asset and risk management	Ensure that insurance claims are done in time	100%	All insurance claims have been communicated to the Insurance providers.
Management of key financial and governance	All audit queries attended to timeously during the audit in response of the Auditor General	90%	Audit queries was attended to in the current year
Management of key financial and governance	Timeous completion of the annual financial statement for 2012/2013 financial year	100%	Annual financial statement has been prepared on time.
Management of key financial and governance	VAT return submitted by the 25 th of each month	100%	All VAT returns submitted on time every month.
	% reduction in number of unreconciled accounts	100%	All accounts have been reconciled. Suspense accounts have been cleared with Council resolution.
	Readiness and fully balanced financial information as per asset register for the disclosure in the financial statements of the council	80%	Action plan is in place to balance the asset register before 31 December 2012.
	Ratio of cost coverage maintained		See calculation above

Ensure that loans and investments are reconciled	Regular updating of loans and investments on the financial system	100%	Loans and Investments has been updated and the reconciliations have been prepared.
Management of key financial and governance	Net debtors to annual income ratio of outstanding service debtors to revenue actually received for service		See calculations above
	Facilitate annual Credit rating review	0%	No review has been done
	Percentage of operating budget spent for unit		
Management of key financial and governance areas such as payment of suppliers within the prescribed period	Percentage suppliers and vendors paid in accordance with relevant policy and procedure	98%	Eskom has not been paid in accordance with the policy
Management of key financial and governance areas such as EFT payments	Percentage of electronic payments	99%	Cash payments have been reduced the year.
Ensuring enhanced service delivery with efficient institutional arrangement	All necessary Annual reports inputs made to Finance Directorate (%)	100%	
	Percentage implementation of organisational and individual Performance Management for Finance Directorate as per Corporate principles and policies	0%	Only performance review was done for CFO.
Management of key financial and governance areas such as income received and expenditure	Percentage of operating budget spent for the unit.	99%	The amount per the budget is spent during the year.
Establish cost effective procurement systems to result value for money	To ensure goods and services are procured from registered service providers at the right time, place and quality.	100%	Goods and services have been procured on time from accredited suppliers
Management of key financial and governance	Report on monthly basis to section 80 committee on the implementation of supply	100%	Reports on a monthly basis submitted.

	chain management		
	Report on monthly basis to section 80 committee on stock movements	100%	Reports on a monthly basis submitted.
	Report on quarterly basis to executive Mayor on the implementation of supply chain management	75%	Reports submitted to Mayor for submission to council.
	Report on annual basis section 80 committee and council on stock accounts.	100%	Submitted to the Section 80
	Report on monthly basis to National and Provisional on each contract awarded exceeding R100,000.00	100%	100% submitted up to 10 December 2011 when regulations have changed that require no longer reporting to National
	Updating of the suppliers into the database on the Quarterly basis	100%	
	Verification of supplier details on annual basis	100%	
	Supply Chain Management application module (Service level agreement)	100%	Agreement in place with all suppliers
	Advertisement for potential suppliers on annual basis	100%	
	Review of supply chain management policy on annual basis.	100%	Policy was reviewed in line with new procurement regulations.
Percentage of indigent households who receive free basic water and electricity	All registered indigents receive free basic services(50kwh electricity, 6kl water, 100% refuse, sewerage and rates.	100%	All indigents have been subsidised
Management of key financial and governance	Revenue collected as a percentage of billed amount.	80%	Due to non-payment of accounts all amounts have not been received.

			Municipality is implementing the credit control policy to ensure better debt collection.
	Services timeously billed	100%	All debt have been billed
	% payments receipts and banked timeously and allocated to the correct debtors accounts	95%	Unallocated amounts are due to system issue on EFT transfers on allocation of amounts.
	Auditing of 35% of water and electricity meters faulty meters	40%	Time constraints led to 60% not being audited.
	Numbers of automated electricity and water meters installed.	3400	3400 electricity commissioned during the year under review
	Percentage of meters read	95%	
	Complaint financial policies(Financial policies reviewed annually)	100%	Financial policies have been reviewed.
	Percentage reduction in the number of queries/complaints from debtors.	50%	All complaints that were received for 2011/2012 have been resolved.
Ensure that proper budgetary processors are adhered to	Budget process plan to be approved on or before 31 August 2011	100%	The 2012/2013 Budget process was approved by Council on the 2 nd of August
	Draft budget to be adopted 90 days before the start of the new financial year	100%	The 2012 -2013 budget Draft Budget was approved by Council on the 29 th March 2012.

	Approval of the annual budget 30 days before the start of the new financial year	100%	The final budget 2012-2013 was table to Council on the 31 May 2012.
Ensure that information (preparation of expenditure & revenue , forecast, variance analysis and reason with corrective actions) is received by Council and Government institutions timeously	Provision and maintenance of fully integrated accounting system to provide management information with month end reports available on target date	100%	The section 71 reports were submitted as follows:The section 71 reports were submitted as follows: April report – 2012-05-09 May report -2012-06-08 June report -2012-07-10
Ensure that information (preparation of expenditure & revenue , forecast, variance analysis and reason with corrective actions) is received by Council and Government institutions timeously	Regular reporting, corrective action and proposal in respect of variance between budget and actual (mid-year assessment report)	100%	The Mid-year outcomes were as follows: The operating expenditure- R369,712,407. The capital expenditure – R124,592,974
Ensure that information (preparation of expenditure & revenue , forecast, variance analysis and reason with corrective actions) is received by Council and Government institutions timeously	Percentage of the municipality's operating budget spent.	99%	Only the own funding was not spent 100%

12 Executive services

12.1 Management and Accounting

Management meetings are planned to be held biweekly to monitor implementation status of and progress towards objectives. Departments also hold sectional meetings. The challenges in 2011/2012 were that management did not attend the meetings as regular as planned.

12.2 Integrated Development planning and Performance management

The process plan to review the IDP for 2012/2013 was developed and approved by council on 31st of May 2012. The 2012/2013 budget was approved by the council on the same day. The Annual report for 2010/2011 was considered on the same day and approved.

The budget monthly statements were submitted to the Executive Mayor as per the legislation.

12.3 Corporate and co-operative governance

The schedules for the mayoral committee and council meetings was developed and completed.

Schedules for the public participation for both IDP and budget processes was developed and the public was invited for participation.

12.4 Stakeholder and role player participation in municipal affairs

Participative meetings (Representative Forum) were conducted which included Government Departments, business forum, NGO's, SOE's and CBO's.

12.5 Monitor and evaluate Municipal Performance

Quarterly Performance Reports are submitted to Council for review. From the 36 reports developed but only 18 reports were submitted to the Council for consideration.

12.6 ICT

The following ICT policies and procedures were developed were developed in 2010/2011 and monitored in 2011/2012

- Back up policy
- Change control
- IT access control
- Business continuity
- Disaster recovery plan
- IT Outsourcing
- IT Security
- IT Steering Committee
- Laptop Security Policy
- Logical Policy
- MAP IT Asset Management
- Physical access to server room policy
- Segregation of duties
- Sharing of information policy
- SLA policy
- Software installation policy

No shutdown incidents on the e-mail system occurred due to server and system technical errors.

The internet system was managed throughout the period.

The links and the content of the website were updated.

IP phones were successfully installed and managed in the new municipal building, the roll out to the old municipal building was successful.

LAN/WLAN infrastructure – no major network failure occurred due to the network equipment burnt by power failures in 2011/2012. In March 2012 there was an upgrade done to the LAN/WLAN infrastructure.

No new UPS were installed to protect the data during power failures in the current year. Four were installed in 2010/2011.

12.7 Stakeholder Participation in Municipal Affairs

The municipality achieved the following in terms of the communication strategy:

- Internal newsletter published monthly.
- The information on the website is updated regularly
- Media Monitoring and analysis is done on a daily basis
- Responses to media enquiries done regularly
- Media statements and media interviews are done regularly
- Participation in communication forums
- Publicised campaigns, events and activities of different directorates in the municipality
- Support the office of the executive mayor with research and speechwriting.

12.8 Integrated development plan

12.8.1 Office of Municipal Manager and IT

OBJECTIVES	KPI	PROGRESS ACHIEVED	CHALLENGES	REASON FOR NOT ACHIEVING
1.To ensure long term planning, knowledge management, and efficient coordination of service delivery	% implementation of Turn-Around strategy aligned to Outcome 9(Responsive, accountable, efficient and effective local government)	100%		
	% implementation of Turn-Around strategy aligned to Outcomes7(Rural development)	100%		
2.To ensure proper coordination and management of IDP and performance review	% of reviewed and completed IDP within prescribed legislative time frames.	Public participation conducted in all wards	Sector departments do not show up for meetings	
	No. of signed performance agreements within prescribed legislative time frames.	9 Performance Agreements Signed		
	No. of signed SDBIPs Implementation plans within prescribed legislative time frames.	9 SDBIPs signed		
3. To ensure effective coordination of governance processes and compliance to legislative requirements.	% compliance to governance processes and legislative requirements			
4. To encourage communities to participate in the activities of the Municipality To encourage communities to participate in the activities of the Municipality	No. of wards inclusive of stakeholders participated in IDP review	35 wards participated		
5.To ensure effective	No. of quarterly reports submitted to	36 Quarterly Reports		

administrative management and coordination of strategic issues by all managers	Council	(18 submitted to Council and 18 Developed and to be submitted to Council		
6.To ensure the compilation of the budget in terms of the budget process (MFMA)	No. of wards inclusive of stakeholders participated in the budget review	35 wards participated in IDP and Budget processes		
7.To ensure quality infrastructural development	% of reduced backlogs on electricity			
	% of reduced backlogs on roads			
8. To monitor risk management process	Increased % of monitoring risk management process	77.5%	Critical shortage of staff Incessant breakage of computers Staff turnover	
9. To ensure the reliability and integrity of financial and operating information	Increased % of reliability and integrity of financial and operating information	77.5%	Critical shortage of staff Staff turnover Incessant breakage of computers	
10. To determine compliance with policies, plans, procedures laws and regulations	Reduced % of internal audit findings	77.5%	Critical shortage of staff Incessant breakage of computers Staff turnover	
11. To review the means of safeguarding assets and as appropriate verify the existence of such assets	Reduced % of internal audit findings	77.5%	Critical shortage of staff Incessant breakage of computers Staff turnover	
12. To appraise the Effective, Economical and Efficient use of resources.	Reduce % of internal audit findings on EEEs	45.16%	Critical shortage of staff Incessant breakage of computers Staff turnover	

13. To review operations or programs to ascertain whether results are consistent with the established objectives and goals and whether the operations or programs are being carried out as planned	Reduce % of internal audit findings on Performance Information	23.23%	Critical shortage of staff Incessant breakage of computers Staff turnover	
14. To review and appraise the control systems.	Reduced % of internal audit findings	77.5%	Critical shortage of staff Incessant breakage of computers Staff turnover	
15. To ensure internal controls through effective internal auditing and accounting	Reduced % of internal audit findings	77.5%	Critical shortage of staff Incessant breakage of computers Staff turnover	
16. To protect data during power failures.	No. of Uninterruptable Power Supply (UPS) installed.	4 UPS installed in the new building	SLA with the current supplier could not be signed for maintenance and additional supply to maintain standardised environment.	
17. To manage councils e-mails and account creations.	No. of email addresses managed.	28 Created	Accounts created as per approved applications.	
	No. of account created.	100% Managed		
18. To educate users on ICT security issues	No. of users to be educated in ICT security issues	0	Shortage of staff	
19. To implement municipal website as per legislative requirement MFMA.	% of compliance to implement municipal website as per legislative requirement MFMA.	100% of all items submitted published		It takes very long to have news, articles, notices, and submissions approved for

				publishing.
20. To perform IT audit on all municipal IT infrastructure.	No. of operating computers assessed and their condition	42 PC	Exercise could not be completed timeously due to shortage off staff	Shortage of staff.
	No of printers assessed	42 PC		
21. To improve IT Service delivery	No. of IT personnel appointed	2 interns 15 Learnerships	Interns contracts expired	No new appointments were made/ approved
22. To secure and safeguard municipal data, systems and infrastructure.	No. of ICT policies complied with.	1	Shortage of staff e.g Security officer -	Security Officer to oversee the implementation.
23. To enforce ICT policies and monitor the use of municipal systems.	No. of ICT policies implemented to tighten systems securities.	1	Shortage of staff.	Security Officer to oversee the implementation.
24. To allow online accounts enquiries, download billing accounts, access to mails from the website	Reduced % of manual enquiries	0%		Insufficient budget
	Reduced % of billing accounts enquiries	0%		
	No. of employees to access mails from website.	20		
25. To standardise computing environment	No of new computers installed.	38	Major installations were done in 2009/2010 financial year	
26. To have business and data recovery point and to start from when after disaster has struck	No. of tests conducted to assess the functionality of the plan	0%	Insufficient budget	

12.8.2 Communications

OBJECTIVES	KPI	PROGRESS ACHIEVED	CHALLENGES	REASON FOR NOT ACHIEVING	EXPENDITURE
1.To facilitate better communication integration and co-ordination within the municipality	No. of internal newsletters published.	Monthly print outs of internal newsletter	Distribution date differ monthly due to cartridge shortages and insufficient printing tools for this department	<ul style="list-style-type: none"> • Waiting for procured equipment • Small printing machinery in this department 	
2.To ensure consistent communication and better liaison among directorates	No. of management road shows	Regular invites to departmental activities Continuous communication between Communications Unit and other	Lack of timely communication of events by some directorates	<ul style="list-style-type: none"> • Invites and information reach the office by last minutes • Lack of inflow information from 	

		departments		directorates	
3.To communicate activities, programmes and successes of MAP	% of local people aware of municipality activities, programmes and policies	Information sent to newspapers and radio stations	Target market not always reached and news become stall before reaching community	<ul style="list-style-type: none"> • Discontinuation of external newsletter to community • Discontinuation of air time on local radio station 	
4.To have up to date information on a well- developed website	% of well -developed and maintained website		By the time the news reach the website, the stories are out dated	<ul style="list-style-type: none"> • Permission to post online takes long as there is no communications manager to authorise • Not enough manpower to 	

				carry out this task in this department	
5.Ensuring that positive relations are maintained with the media	No. of media events	1 Media Briefing	Request to host media events turned down	<ul style="list-style-type: none"> No permission granted to host media events 	
	% of Media Coverage of Municipal Activities and Programmes	70%	Media coverage is decreasing as media houses feel that the municipality does not recognise efforts made by media houses	<ul style="list-style-type: none"> Media gives Municipality second preference of coverage as they feel that municipality does not support them, eg don't advertise on their publications. 	

	No. of media statements/advisories/commentaries/letters to the editor released/ media interviews	80%	Media houses will publish only if it suits them	<ul style="list-style-type: none"> Will give municipality second preference as the municipality advertises on certain newspapers and radio station and not necessarily to the media houses that support and promote the municipality 	
	No. of visits to media houses	2	Fruitless visits to media houses as municipality offers	<ul style="list-style-type: none"> Media houses don't benefit from our visits 	

			nothing	as they are not supported by municipality	
	% of Media Monitoring and Analysis	100%	Limited to free local newspapers	<ul style="list-style-type: none"> • Agreement to purchase national papers was limited to manager 	
6.To maintain uniform corporate identity	% Staff understanding Corporate Identity Manual	70%	Some departments create their own letterheads from the logo	Departments may not be aware that there is a unified letterhead	
	% of local people can identify municipality brand	95%	Others may not be aware of the new logo		
7. To win the support of stakeholders	% of stakeholders engagements and management	80%	Municipality engages in the activities of other department in order to get stakeholder	Initiations to engage with stakeholders are external	

			support		
8. To determine communication context and to establish the public mood	No. of environmental scanning and research activities	0	Surveys and research verbally conducted	No formal means of conducting surveys	