

Emthanjeni Municipality Final Draft Annual Report 2010/11



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MAYOR'S FOREWORD



18 May 2011 local government election has once more presented me with an opportunity not only as a Councillor but also as a new Mayor of Emthanjeni Municipality to service the community and lead a collective of 14 Councillors to respond to social and economic challenges faced by Emthanjeni residents. Towards local government election, as individual Councillors we had an opportunity to engage residents through door to door as we were campaigning for our different political parties. This process provided us with an opportunity to learn and understand the daily social and economic challenges faced by our society. Key issues to be mention from what we have learned is but not limited, the high number of unemployment more specially among young people, demand of economic freedom by youth, need for housing, infrastructure conditions etc.

During Council inauguration I pledged my commitment for 2014 clean audit by the municipality, creating a conducive business environment which will assist with economic emancipation for the poor communities. We further pledged to have frequent interaction with communities, improve infrastructure conditions recruitment of female senior managers, and introducing bursaries for external students within the municipality boundaries in a way to address the shortage of scarce skills within the institution.

It is with great pleasure to be introducing 2010/2011 annual report which coves activities that unfolds under the leadership of my predecessor, Councillor BK Markman and his collective, a man who in the past 10 years has brought financial stability and transformation in the institution. Under his leadership, Council has introduced ward based project funds, transformation of senior management, introduction of street cleaners in all communities, changing the face of the municipality by introducing a new logo and improving community and stakeholders relations.

This report presents an opportunity for the new Council to be informed of the last financial year activities, take stock of what has been achieved and areas of concern. This opportunity will help us learn best practices from the previous Council and improve areas of concern. The report is not only an adherence to the System Act but is also used as a communication tool for all our stakeholders on Council performance.

The 2010/2011 annual report reflects an improved public participation process, increase on a number of community consultations on Council decisions, engagement of different stakeholders for inputs in IDP and budgeting processes. The report also reflects work done in improving infrastructure and the progress made so

far in improving our audit opinion, the role played by the municipality in creating decent jobs, fighting crime in partnership with stakeholders and upgrading of sporting facilities.

It is our commitment that we will continue to work hard in order to ensure that our communities have access to all the basic services. We further commit that in order to fulfill the responsibilities towards the society we will work transparently and engage all those involved. We have challenges ahead that will need to be addressed, however in order to do that successfully we need to work together with all communities for smart, fast and better service delivery.



ST Sthonga

Mayor

FINAL DRAFT

MUNICIPAL MANAGER'S FOREWORD



The year 2010/11 witnessed a tremendous improvement in the running of the Municipality both politically and administratively.

I want to state emphatically that the hard work and dedication by both the management team and the political leadership has produced good results. On the negative side, we received a disclaimer of an audit opinion in the previous financial year (2009/2010). This is a massive challenge for the Municipality and the target of 2010/11 financial year is geared towards an improved audit opinion.

The implication for Emthanjeni Municipality is enormous and manifold:

- It demonstrates and emphasizes strong leadership and sound financial management
- It emphasizes commitment and dedication which is due partly to the continuity of the top management team;

GOVERNANCE

The Emthanjeni Municipality continued to encourage citizen participation in its business and successfully conducted a political outreach programme to ascertain the needs of the communities. The purpose of the exercise was to develop the municipal IDP, informed by the needs of our people. The municipal IDP, which is a strategic document, guides Council in its decision and is not a desk top study but a well-researched document which reflects the real needs of the community.

TRANSPARENCY

The Municipality is transparent in all its business undertakings and places crucial documents on its website for public scrutiny. Through its open door policy the Municipality discourages nepotism and follows strict processes and procedures on issues regarding Supply Chain Management and staff appointments. Notwithstanding this, the Municipality encourages appointment of local residents while not compromising quality in order to reduce unemployment in the area. The strategy targets local unemployed graduates/holders of diplomas.

PERFORMANCE MANAGEMENT SYSTEM

The Municipality has an adopted a PMS which articulates strong monitoring and reporting requirements.

CAPACITY BUILDING MECHANISM

The system is currently working well at the top management level but still has to be cascaded to employees below s57 managers. Performance agreements linked to the municipal IDP, PMS and SDBIP were entered into by

top managers. The Employee Wellness Programme is progressing very well. For a third year in a row workers of this Municipality were privileged to attend the Southern Africa Inter-Municipal Games. Through these programmes we try to boost the morale of our workers, which in turn will lead to higher productivity and better service delivery.

POLICIES

Various policies were either developed or reviewed to meet the administrative challenges of the Municipality. There are on-going capacity building initiatives to skill municipal officials to perform their tasks and responsibilities as per our work place skills plan.

SERVICE DELIVERY

Much was achieved in service delivery around road construction to open up our rural economy, yet electricity theft continues to be a major source of concern as losses of more than 22.67% have been registered. Corrective measures are currently underway to address this endemic problem.

It is my fervent plea to both political and administrative legs to work together to provide the much needed services to our communities.

Appended below is a full account of the services rendered by each respective Directorate .I submit this overview in appreciation of support rendered by the community, the staff of Emthanjeni Municipality for their unequivocal support, cooperation and hard work and lastly, the Councillors for their political guidance.



Isak Visser

Municipal Manager

CHAPTER 1

MUNICIPAL OVERVIEW



CHAPTER 1: INTRODUCTION AND MUNICIPAL OVERVIEW

1.1 MUNICIPAL OVERVIEW

This report addresses the performance of the Emthanjeni Municipality in the Northern Cape in respect of its core legislative obligations. Local government must create the participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the council of the municipality provides regular and predictable reporting on programme performance and the general state of affairs in their locality.

The 2010/11 Annual Report reflects on the performance of the Emthanjeni Municipality for the period 1 July 2010 to 30 June 2011. The Annual Report is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA), in terms of which the Municipality must prepare an Annual Report for each financial year.

1.1.1 VISION AND MISSION

The Emthanjeni Municipality committed itself to the vision and mission of:

Vision:

“We, Emthanjeni Municipality, commit ourselves to a humane and caring society, living in a healthy and secure environment, conducive to sustainable economic development.”

Mission:

***“We strive to: -
Deliver quality services and promote development in our municipal area in a non-sexist, non-racial and non-discriminating manner. We do this by creating a climate of co-operative governance with meaningful partnerships with all stakeholders, especially the members of the general public”***

1.1.2 DEMOGRAPHIC INFORMATION

A) MUNICIPAL GEOGRAPHICAL INFORMATION

Emthanjeni, and especially De Aar, is renowned for its central location on the main railway line between Johannesburg, Cape Town, Port Elizabeth and Namibia. De Aar is situated in the Northern Cape Province that has a population of approximately 991 919 people (census 2001). The Municipality forms part of the Pixley ka

Seme District Municipal area with an approximate population of 164 412 people (census 2001), this represents 16,92% of the Northern Cape population. Emthanjeni is approximately 300km south west of Kimberley, 440 km south east of Upington, 300 km north east of Beaufort-West and 300 km south west of Bloemfontein.

Of the main towns that fall within the municipal area, Hanover lies approximately 65 km east of De Aar on N1 main north to south route and Britstown is situated about 55 km west of De Aar on the N12 route. Both these main routes link Johannesburg and Cape Town. These areas are extensive stock farming areas with the emphasis on sheep, mutton and wool farming, especially Merino's.

Emthanjeni Municipality, specifically De Aar, is the seat of Pixley ka Seme District Municipality and hosts all government departments. The Municipality covers an area of approximately 11 390km and represent approximately 23% of the district's population.

Below is a map of the Northern Cape that indicates the location of the Emthanjeni Municipality in the Pixley Ka Seme District area:

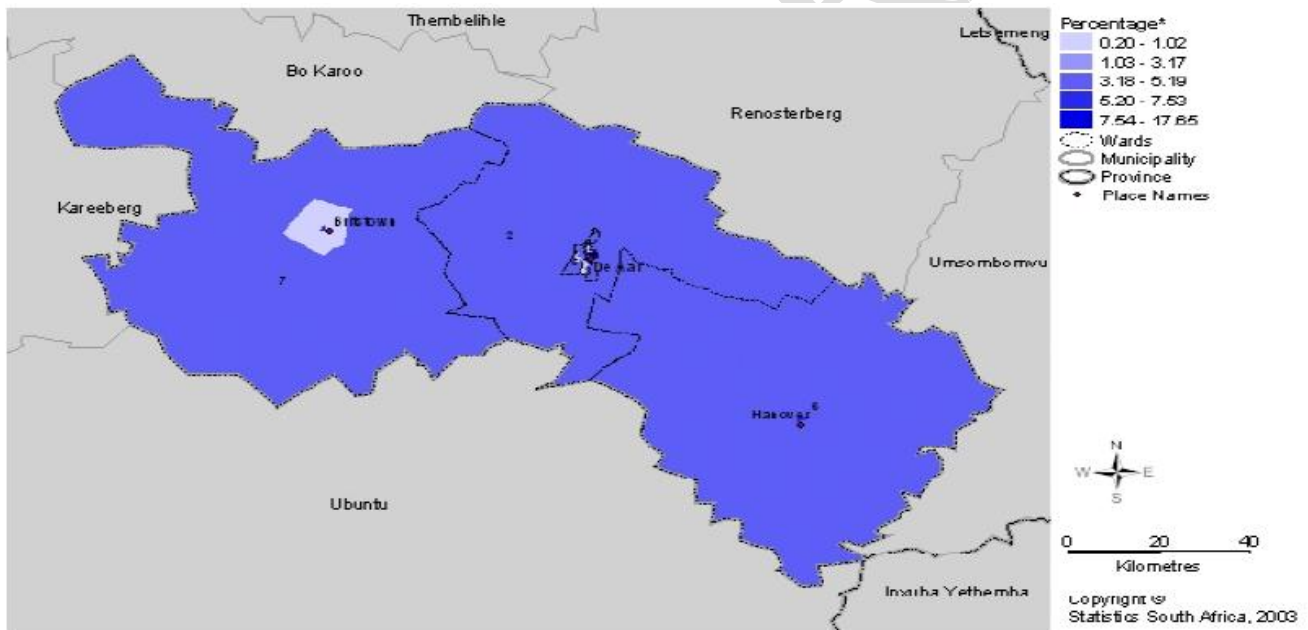


Figure 1: Northern Cape Area map

Wards

The Municipality was structured into the following 7 Wards before the Election of 18 May 2011:

WARD	AREAS
1	Leeuwenshof, Residensia, New bright, Happy Valley, Extension 20, Klein Kareeville , Extension 7, Macarena
2	Barcelona, , Malay camp, Portion of Nonzwakazi and the Farms
3	Nonzwakazi, Portion of Waterdal
4	Louisville, Montana, Kareeville, Sunrise
5	Town Area
6	Kwezi, Nompumelelo, Joe Slovo Park, Tornadoville, Hanover(town)
7	Jansenville, Mziwabantu, Britstown(town), Proteaville

Table 1: Municipal Wards

The Municipality is currently structured into the following 7 Wards after the Election of 18 May 2011:

WARD	AREAS
1	Louisville, Montana, Kareeville, Sunrise
2	Leeuwenshof, Residensia, New bright, Happy Valley, Extension 20, Klein Kareeville , Extension 7
3	Nonzwakazi, Portion of Waterdal
4	Barcelona, Macarena, Malay camp, Portion of Nonzwakazi
5	Waterdal, Town Area
6	Kwezi, Nompumelelo, Joe Slovo Park, Tornadoville, Hanover(town)
7	Jansenville, Mziwabantu, Britstown(town), Proteaville

Table 2: Municipal Wards

De Aar

De Aar means "the artery", and in many senses this town is the lifeblood of the Karoo. It's the head office of the Emthanjeni Municipality and Pixley Ka Seme District Municipality; home to many artists; there's an important weather station that can be toured by visitors, and it's the second most important railway junction in the country. The significance of its situation on the railway line is because it's central to Gauteng, Cape Town, Port Elizabeth and Namibia.

There are about 110km of railway lines, including 29 rail-tracks in De Aar's precincts. However, "De Aar" founded in 1904, was so named because of the many water-bearing arteries that occur underground. Unlike many other Karoo towns, it did not start around the Dutch Reformed Church, but in fact started around the railway line. De

Aar has the largest abattoir in the Southern Hemisphere and supplies all the major centres throughout the entire country with the famous "Karoo" lamb and mutton. Apart from meat production, the sheep farms around De Aar are also major suppliers of wool. All the water used in the town comes from boreholes – which is why the town is known for its large number of wind pumps. The town is easily accessible by tarred road, two airfields serve it – one is an all-weather runway that can accommodate any type of aircraft and it's only 52km away from the national bus route.

Hanover

This attractive and historic little town on the N1 lies more or less halfway between Cape Town, Gauteng and Kwazulu-Natal. It was established in 1854 at the base of some rocky hills on the farm Petrusvallei, which was bought from Gert Gous. He requested that the town be called Hanover, after his great grandfather's town in Germany.

When declared a magisterial district in 1876, the town was very fortunate to be appointed with a far-seeing magistrate, Richard Beere. He insisted that trees be planted so that resident's descendants would have shade. Due to the increase in water consumption caused by an increase in residents, the spring that Hanover was built around dried up, and the number of trees seen in the town today is far less than 100 years ago. Beere loved the Karoo and spent a lot of time on the summit of Trappieskop, where a stone pyramid honouring his contribution to the town was erected when he died.

The older houses were all built right on the road edge – as per authority's instructions at the time – and when, in later years, homeowners built on verandas, they had to pay a one shilling tax for this privilege. Today, they are still paying this tax, which is now R17, 00. Hanover was home to Olive Schreiner – well known South African author – who lived here from 1900 to 1907, and referred to it as "the prettiest little village I have ever seen". Her husband, Cron, was an agent in town and today his offices are used as a small guest house. Like many small Karoo towns, most of the streets are not tarred and the residential areas are very quiet. However, behind garden walls and front doors there's plenty of activity going on as the industrious residents carry out their daily business.

The town is home to a variety of artists and craftspeople, as well as having several restaurants, a delightful bookshop, coffee shop and a museum. Interesting Karoo architecture is to be seen and many gardens have a wind pump standing sentinel in one corner. Surrounding farms are principally Merino sheep farms, with many of the country's best breeders farming in the Hanover district. Lesser Kestrels, from Europe and Central Asia, come to nest in trees around town, and can be seen gliding in the dawn and dusk sky from late October to the end of summer.

Britstown

It was in the heady days of The Great Diamond rush in the year of 1877 that Britstown came into being. Fortune hunters paused here in their frenzied dash to the fabulous diamond field, and a settlement mushroomed to provide fresh horses, fodder, refreshment and accommodation. Soon even a concertina virtuoso made music for happy dancers lubricated by the local brew. First the Fuller and Gibson coaches and then others stopped here. But by the time Britstown gained municipal status in January, 1889, a railway line already snaked across the Karoo plains to carry would-be diamond diggers through to Kimberley.

B) POPULATION

The table below indicates the total population within the municipal area:

Number of Households	Total Population	African	Coloured	Indian	White
8 621	35 549	10 413	20 662	38	4 426

Table 3: Demographic information of the municipal area – Total population

Source: Census 2001

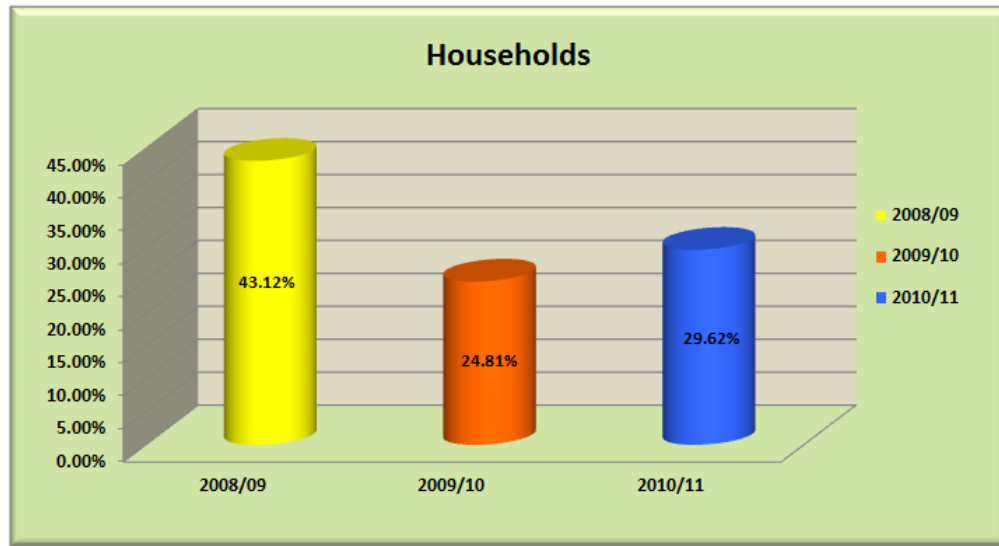
C) HOUSEHOLDS

The total number of households within the municipal area increased from **11 650** households in 2008/09 financial year to a total of **12 100** households in 2010/11 financial year. This indicates an increase in the total number of households within the municipal area over the two years. The average household size in the Emthanjeni Municipal area is 4.

Households	2008/09	2009/10	2010/11
Number of households accounts in municipal area	11 650	12 100	12 400
Number of indigent households in municipal area	3 318	1 913	2 333

Table 4: Total number of households

The graph below shows that the total number of indigent households decreased from **3 318** in 2008/09 to **2 333** in 2010/11 financial year.



Graph 1: Total % indigent households within the municipal area

D) KEY ECONOMIC ACTIVITIES

Agriculture forms the backbone of Emthanjeni economy and accounts for the largest labour to date. Despite the harsh climate and poor carrying capacity of the veldt, it still offers opportunities for growth and employment creation. The Municipality is dependent upon the following economic activities:

Key Economic Activities	Description
Services Sector (Community)	The services sector consist of the various government institutions, NGO;s, CBO's and NPO's that resides within our area of jurisdiction. ABSA, FNB, STANDARD BANK and CAPITEC
Manufacturing	Stone crushers who specialize in the manufacturing of sand, bricks, cements and rocks
	Rocla, Green Akker, Vleis Sentraal for meat processing
Retail	Purchasing of goods and services
	Checkers, Shoprite, Mr Price, Ackermans, Sheet Street, Fashion Express etc.
Agriculture	Game Farming
	Sheep, goat, pig and cattle farming
Transport	Rail Infrastructure
	Road Infrastructure
Tourism	To market Emthanjeni as a tourism destination
	To speed up the restoration of existing attractions and the development of new attractions

Table 5: Key Economic activities

1.1.3 SOCIO ECONOMIC INFORMATION

A) SOCIO ECONOMIC GROWTH

The socio-economic information for the municipal area is as follows:

Housing Backlog	Unemployment Rate (%)	Households with No Income (%)	People older than 14 years illiterate (%)
4 114	23	43.5	15

Table 6: Socio Economic information

B) POPULATION BY GENDER

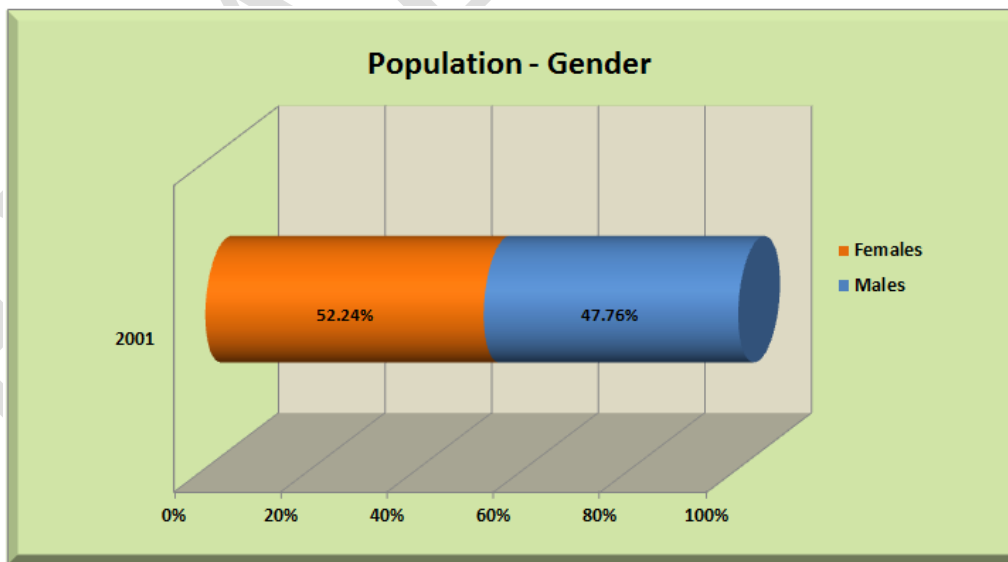
In 2001 the Emthanjeni population showed that females represent **18 572 (52%)** and males **16 977 (48%)**.

Population - Gender	2001
Females	18 572
Males	16 977
Total	35 549

Table 7: Demographic information of the municipal area – Gender

Source: Census 2001

The following graph displays the female to male ratio.



Graph 2: Gender Population

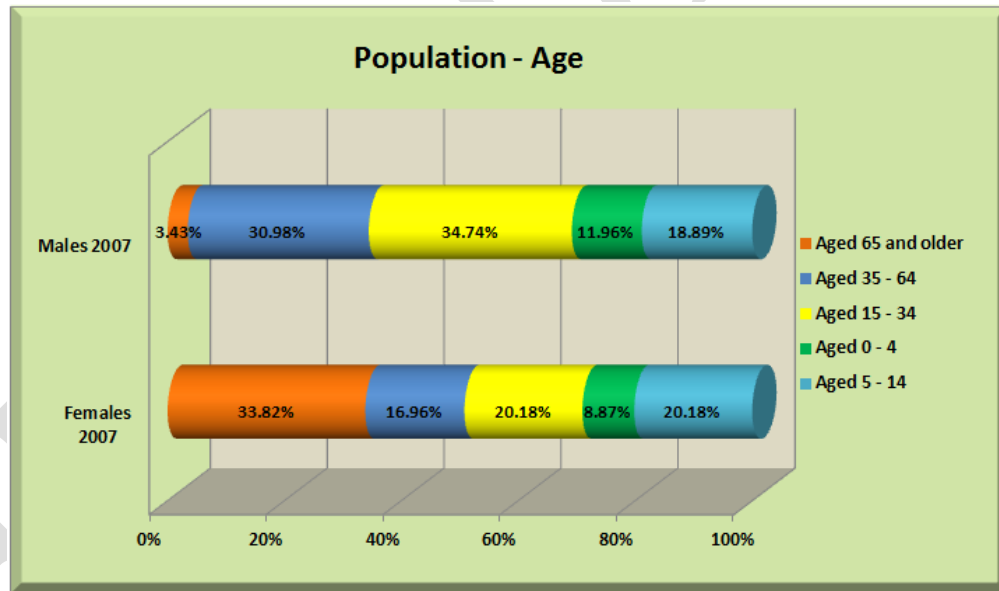
c) POPULATION BY AGE

Population - Gender/Age	2007
Females aged 0 - 4	1 781
Males aged 0 - 4	2 156
Females aged 5 - 14	4 052
Males aged 5 - 14	3 406
Females aged 15 - 34	6 791
Males aged 15 - 34	6 262
Females aged 35 - 64	6 284
Males aged 35 - 64	5 584
Females aged 65 and older	1 295
Males aged 65 and older	619

Table 8: Population by age

Source: Community Survey 2007

The following graph displays the population by age.



Graph 3: Age Population

d) POPULATION BY RACE CATEGORIES

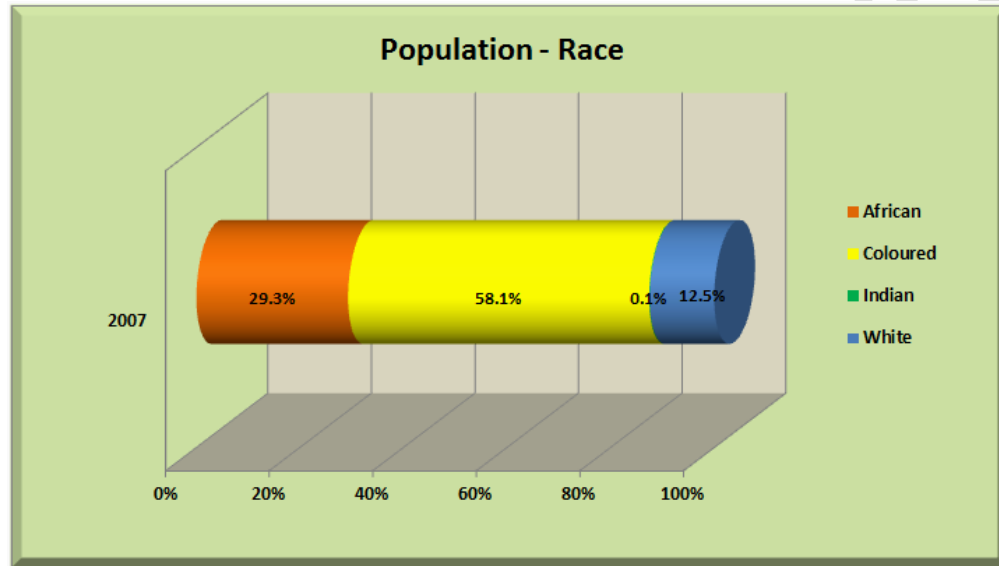
Population - Racial	2007	% Population
African	10 413	29.3
Coloured	20 662	58.1
Indian	38	0.1

Population - Racial	2007	% Population
White	4 426	12.4
Total	35 549	100

Table 9: Demographic information of the municipal area – Race categories

Source: Community Survey 2007

The graph below shows the population by race.



Graph 4: Population by race

1.1.4 MUNICIPAL CHALLENGES

The following general challenges are experienced by the municipality:

CHALLENGES	ACTIONS TO ADDRESS
High unemployment rate and poverty	Implementation of ward infrastructure development projects and other job creation initiatives
Housing needs	Implementation of Silver Solutions Turn Key Project
Limited Municipal resources	Effective budgeting and financial planning
Replacing of ageing infrastructure	Submit applications to potential funders

Table 10: Municipal Challenges

CHAPTER 2

GOVERNANCE



CHAPTER 2: GOVERNANCE

Good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

2.1 NATIONAL KEY PERFORMANCE INDICATORS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations 7146 2001 and section 43 of the MSA. This key performance indicator is linked to the National Key Performance Area - Good Governance and Public Participation.

KPA & INDICATORS	Municipal Achievement	
	2009/10	2010/11
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	98.6	100

Table 11: National KPIs - Good Governance and Public Participation Performance

2.2 PERFORMANCE HIGHLIGHTS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Highlight	Description
Good relations between the administration and the Council	Regular open discussions on service delivery matters
Continuous contact with communities through Council Meets the People programmes	<ul style="list-style-type: none"> Public meetings on Budget/IDP and Ward matters A series of Council Meets the People meetings were held

Table 12: Good Governance and Public Participation Performance Highlights

2.3 CHALLENGES - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Description	Actions to address
Non-attendance of IDP Representative Forum meetings by Sectoral Departments	Discussion of the matter at District and Provincial Level
Low rate of attendance at important Public Meetings	Reinstate the quarterly newsletter to inform the community on important issues
Functioning of ward Committees	Hosting of training workshops

Table 13: Good Governance and Public Participation Challenges

2.4 GOVERNANCE STRUCTURE

2.4.1 POLITICAL GOVERNANCE STRUCTURE

The council performs both legislative and executive functions. They focus on legislative, oversight and participatory roles, and have delegated its executive function to the Mayor and the Executive Committee. Their primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as decision makers, Councillors are also actively involved in community work and the various social programmes in the municipal area.

A) COUNCIL

Before the May 2011 local government elections, the Emthanjeni Local Municipal Council comprises of **14** elected Councillors, made up from **7** Ward Councillors and **7** Proportional Representation Councillors. The portfolio committees are made up of councillors drawn from all political parties. The party and gender representation in the Council is represented the table below:

Below is a table that categorised the councillors within their specific political parties and wards before 18 May:

Name of councillor	Capacity	Political Party	Ward representing or proportional	Meetings Attendance %
BK Markman	Mayor	ANC	Proportional	66
EP Eksteen	Speaker	ANC	Proportional	100
ST Sthonga	Councilor	ANC	Ward Councilor	85
NS Thomas	Councilor	ANC	Ward Councilor	90
GL Nyl	Councilor	ANC	Ward Councilor	90
GL Nkumbi	Councilor	ANC	Ward Councilor	90
J Jood	Councilor	ANC	Ward Councilor	80
S Max	Councilor	ANC	Proportional	95
EG Hendricks	Councilor	ANC	Ward Councilor	66
B Swanepoel	Councilor	ID	Proportional	55
M Malherbe	Councilor	DA	Ward Councilor	80
AF Japhta	Councilor	ID	Proportional	66
JJ Oberholzer	Councilor	DA	Proportional	55
G White	Councilor	DA	Proportional	66

Table 14: Council until 18 May 2011

Below is a table that categorised the councillors within their specific political parties and wards after 18 May:

Name of councillor	Capacity	Political Party	Ward representing or proportional
ST Sthonga	Mayor	ANC	Ward Councillor
MM Freddie	Speaker	ANC	Proportional
M Kivedo	Councillor	ANC	Ward Councillor
NS Thomas	Councillor	ANC	Ward Councillor
GL Nyl	Councillor	ANC	Ward Councillor
GL Nkumbi	Councillor	ANC	Proportional
J Jood	Councillor	ANC	Ward Councillor
W Witbooi	Councillor	Cope	Proportional
V G Jonas	Councillor	Independent	Ward Councillor
B Swanepoel	Councillor	DA	Proportional
M Malherbe	Councillor	DA	Proportional
AF Japhta	Councillor	DA	Proportional
W Du Plessis	Councillor	DA	Ward Councillor
J Rust	Councillor	DA	Proportional

Table 15: Council after 18 May 2011

Below is a table which indicates the Council meetings attendance for the 2010/11 financial year:

Meeting dates	Council Meetings Attendance	Apologies for non-attendance
	%	%
12 August 2010	80	20
17 September 2010	100	0
21 September 2010	70	30
15 December 2010	95	5
24 January 2011	100	0
28 February 2011	95	5
31 March 2011	95	5
05 May 2011	90	10
02 June 2011	100	0

Table 16: Council meetings

B) EXECUTIVE COMMITTEE

The Mayor of the Municipality, **Councillor BK Markman** assisted by the Executive Committee, heads the executive arm of the Municipality. The Mayor is at the centre of the system of governance, since executive powers are vested in him to manage the day-to-day affairs. This means that he has an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Mayor, delegated by the Council, and as well as the powers assigned by legislation. Although accountable for the strategic direction and performance of the Municipality, the Mayor operates in concert with the Executive Committee.

The name and portfolio of each Member of the Executive Committee is listed in the table below for the period 1 July to 18 May:

Name of member	Capacity
BK Markman	Exco & Social
G White	Exco & Social
GL Nyl	Exco and Infrastructure

Table 17: Executive Committee until 18 May 2011

The name and portfolio of each Member of the Executive Committee is listed in the table below for the period 18 May to 30 June 2011:

Name of member	Capacity
ST Sthonga	Exco & Social
J Rust	Exco & Social
GL Nyl	Exco & Infrastructure

Table 18: Executive Committee after 18 May 2011

The table below indicates the dates of the Committee meetings and the number of reports submitted to Council for the period 1 July to 18 May:

Meeting date	Number of items submitted to council
23 September 2010	25
29 October 2010	5
3 March 2011	3
10 May 2011	13

Table 19: Committee Meetings

The table below indicates the dates of the Committee meetings and the number of reports submitted to Council for the period 18 May to 30 June 2011:

Meeting date	Number of items submitted to council
23 June 2011	14

Table 20: Committee Meetings

c) PORTFOLIO COMMITTEES

Section 80 committees are permanent committees that specialise in a specific functional area of the municipality and may in some instances make decisions on specific functional issues. They advise the executive committee on policy matters and make recommendations to Council. Section 79 committees are temporary and appointed by the executive committee as needed. They are usually set up to investigate a particular issue and do not have any decision making powers. Just like Section 80 committees they can also make recommendations to Council. Once their *ad hoc* task had been completed, Section 79 committees are usually disbanded. External experts, as well as Councillors can be included on Section 79 committees.

The portfolio committees for the 2006/11 Mayoral term and their Chairpersons are as follow:

a) Social Services Committee

Name of member	Capacity
BK Markman	Chairperson
G White	Member
S Max	Member

Table 21: Social Services Portfolio Committee

Meeting dates	Number of items submitted to council
18 October 2010	12
2 December 2010	13

Table 22: Corporate Services & Social Development Portfolio Committee Meetings

b) Municipal Infrastructure Committee and Development Services Committee

Name of member	Capacity
G Nyl	Chairperson
ST Sthonga	Member
M Malherbe	Member

Table 23: Municipal Infrastructure Portfolio Committee and Development Services Committee

Meeting dates	Number of items submitted to council
11 December 2010	3

Table 24: Municipal Infrastructure Portfolio Committee and Development Services Committee Meetings

2.4.2 ADMINISTRATIVE GOVERNANCE STRUCTURE

The Municipal Manager is the Chief Accounting Officer of the Municipality. He is the head of the administration, and primarily has to serve as chief custodian of service delivery and implementation of political priorities. He is assisted by his direct reports, which constitutes the Management Team, whose structure is outlined in the table below:

Name of Official	Department	Performance agreement signed
		Yes/No
I .Visser	Municipal Manager	Yes
MF Manuel	Finance	Yes
BS Siwa (22 February 2011)	Corporate, Community, Development	Yes
FD Taljaard	Infrastructure And Housing	Yes

Table 25: Administrative Governance Structure

2.5 PUBLIC ACCOUNTABILITY

Section 16 of the Municipal Systems Act (MSA) refers specifically to the development of a culture of community participation within municipalities. It states that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance. For this purpose it must encourage and create conditions for the local community to participate in the affairs of the community. Such participation is required in terms of:

- the preparation, implementation and review of the IDP;
- establishment, implementation and review of the performance management system;
- monitoring and review of the performance, including the outcomes and impact of such performance; and
- Preparation of the municipal budget.

2.5.1 WARD COMMITTEES

The ward committees support the Ward Councillor who receives reports on development, participate in development planning processes, and facilitate wider community participation. To this end, the municipality constantly strives to ensure that all ward committees function optimally with community information provision; convening of meetings; ward planning; service delivery; IDP formulation and performance feedback to communities.

The municipality has taken the lead in establishing operational ward committees in all seven wards.

Members were elected through a nomination process by community members residing in the Wards and appointment by Council. The Ward Councillors are the Chairpersons of the various Ward Committees.

Open communication channels and interaction exist between the Ward Committee members, the various municipal organisational structures and other interested non-governmental bodies in the Emthanjeni Municipal area.

The tables below indicate the respective ward committee membership and the dates on which ward committee meetings were held during 2010/2011.

Ward 1

Name of representative	Capacity representing	Dates of quarterly public ward meetings held during the year
Petrus Booysen	Church	19 October 2010 28 October 2010
Jay-Jay Greeff	Church	
Angelina Marques	Youth	
Martha Mackay	Health/Social	
Hessie Makae	Women’s Organisation	
Lorraine Mitchell	Ordinary Member	
John Landingwe	Ordinary Member	
Dirk van Nel	Business	
Hans Joggem	Ordinary Member	

Table 26: Ward 1 Committee Meetings

Ward 2

Name of representative	Capacity representing	Dates of quarterly public ward meetings held during the year
Patricia van Wyk	Women Matters	11 August 2010 19 October 2010
Namakhosazana Madyo	Ordinary Member	
Nkosi Gqiza	Youth	
Charlotte Mmele	Ordinary Member	
Debora Mngxali	Cleansing projects	
Joseph Moyekiso	Church	
Nadia Brown	Youth	
Gideon Els	Cleansing projects	
Ria Loliwe	Women	

Table 27: Ward 2 Committee Meetings

Ward 3

Name of representative	Capacity representing	Dates of quarterly public ward meetings held during the year
Mncedisi Matthews	Ordinary member	19 October 2010 30 November 2010
Vuyo Filifani	Youth	
Paul Mahlomula	Cleansing Projects	
Khunjulwa Ninzi	Church	
Themba Dyushu	Ordinary Member	
Elizabeth Ralawe	Women	
Nozizwe Lenga	Women	
Leonard Soga	Ordinary Member	

Table 28: Ward 3 Committee Meetings

Ward 4

Name of representative	Capacity representing	Dates of quarterly public ward meetings held during the year
Heinrich Louw	Social/Health	19 October 2010 11 August 2010 21 November 2-010
Renchia Snyders	Municipal IDP Forum	
Jeffrey Adams	Youth	
William Sight	Youth	
Violet Abott	Women	
Steven van Staden	Social Health	
Arnold Mackay	Business Seaters	

Name of representative	Capacity representing	Dates of quarterly public ward meetings held during the year
Anna Olyn	Women	
Flip Goodman	Church	
Rosy Olyn	Women	

Table 29: Ward 4 Committee Meetings

Ward 5

Name of representative	Capacity representing	Dates of quarterly public ward meetings held during the year
Shalleen Booysen	Social/Health	10 March 2010 06 July 2010 19 October 2010
Erasmus Greyling	SAPS	
Willem Venter	Cleansing Projects	
Charel Marais	Social/Health	
Zelda Swarts	Women	
Leon Oliphant	Business Sector	
Willem du Plessis	Business Sector	
Maryna van der MerWA	Church	
A FouriG Louw	Social/Health	

Table 30: Ward 5 Committee Meetings

Ward 6

Name of representative	Capacity representing	Dates of quarterly public ward meetings held during the year
Daliwonga Tsaka	Social Health	15 March 2011 27 October 2010
Hens Morris	Church	
Isaac Douglas	Youth	
Lwando Rayibo	Social/Health	
Katjie Massop	Women	
Sylvester Yawa	Youth	
Nompumelelo Kwetshube	Women	
Jimmy Ntobela	Social/Health	
Nyenjiwe Ncaphayi	Cleansing Projects	
Mona Baardman	Church	

Table 31: Ward 6 Committee Meetings

Ward 7

Name of representative	Capacity representing	Dates of quarterly public ward meetings held during the year
Angeline Olivier	Ordinary Member	19 October 2010
Marthinus Lubbe	Youth	
Angelina April	Social/Health	
Roeth Buffel	Church	
Marthinus Isicks	Social/Health	
Desiree Bitterbos	Cleansing Project	
Elza Phartsoone	Ordinary Member	
Rachel Arnolds	Women	
Mxolisi Tshaliti	Ordinary Member	

Table 32: Ward 7 Committee Meetings

2.5.2 FUNCTIONALITY OF WARD COMMITTEE

The purpose of a ward committee is:

- to get better participation from the community to inform council decisions;
- to make sure that there is more effective communication between the council and the community; and
- to assist the ward councilor with consultation and report-backs to the community.

Ward committees should be elected by the community they serve. A ward committee may not have more than 10 members and women should be well represented. The ward Councillor serves on the ward committee and act as the chairperson. Although ward committees have no formal powers, they advise the ward Councillor who makes specific submissions directly to the Council. These committees play a very important role in the development and annual revision of the integrated development plan of the area.

Transport is provided, where necessary, to ward committee members to attend Ward Committee meetings and functions where public participation, through the Ward Committee system is required.

Venues have been established for the Ward meetings, and support personnel, through the Community Liaison Officers and Community Development Workers have been put at their disposal. Food and beverages are provided at the ward committee meetings.

The table below provides information on the establishment of Ward Committees and their functionality:

Ward Number	Committee established Yes / No	Number meetings held during the year	Committee functioning effectively Yes / No
1	Yes	2	No
2	Yes	2	No
3	Yes	2	No
4	Yes	3	No
5	Yes	3	No
6	Yes	2	No
7	Yes	1	No

Table 33: Functioning of Ward Committees

2.5.3 REPRESENTATIVE FORUMS

A) LABOUR FORUM

The table below specifies the members of the Labour forum for the 2010/11 financial year:

Name of representative	Capacity	Meeting dates
Clr ST Sthonga	Chair person	29 November 2010 26 June 2011
Clr NS Thomas	Member	
Clr GL Nkumbi	Member	
A Cawood	Imatu	
DJ Oliphant	Imatu	
M Jack	SAMWU	
S Qeqe	SAMWU	
C Tengwana	SAMWU	
A Fennie	SAMWU	
JRM Alexander	Admin	
BS Siwa	DCCDS	

Table 34: Labour Forum

B) IDP FORUM

Name of representative	Capacity	Meeting dates
P. Fielies	Dept of Labour	22 November 2010
F. Goodman	MRM	4 March 2011

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Name of representative	Capacity	Meeting dates
JFG Pemberton	Dept of Correctional Services	
J Vos	Provincial Treasury	
L Stolk	Provincial Treasury	
W. Adriaanse	Giggs Take Aways	
S Diokpala	Sen Professional (Pixley District Municipality)	
S Mvandaba	PMS Unit	
T Mtwana	Nafcoc (local)	
JC Kotwana	SANCO	
J Mafilika	Dept Safety & Liaison	
T.A Manamela	Dept Transport	
Supt. Du Preez	SAPS	
HR Stassen	SAPS	
E Maclean	Orion Sec School	
N Mbekushe	De Aar Farmers Union	
E Mangaliso	De Aar Farmers Union	
A Jansen	Annemarie`s Guest House	
Capt. Geel	SAPS	
G Charlies	Britstown Small Farmers	
M Fortuin	Vukuzenzela Securities	
PNG Tshangela	SAWEN	
D Pansi	Fly De Aar	
L Matlejoane	COGSTHA	
C van Rensburg	Prov. Treasury	
WH Nyl	De Aar Farmers Union	
KE Harck	Sport Arts & Culture	
T van der Walt	ESCOM	
B Davids	SEDA	
Mr. Borman	GWK	
S Makandula	Dept. of Justice	
PGN Mustuabi M van Syfer	Dept of Education	
A Cawood	IMATU	
C Maritz	SAMWU	
R Liphosa	STATS	
X Robiyana	Dept. Agriculture & Land Reform	

Name of representative	Capacity	Meeting dates
JS Reed	Social Services	
B Makehle	Taxi Association	

Table 35: IDP Forum

2.5.4 IZIMBIZO

Izimbizo gives further effect and concrete expression to participatory democracy so that communities can exercise their rights to be heard, and assist with the national effort to build a better life for all.

The table below categorise the date of events held within the different types of Izimbizo:

Type of Imbizo	Date of events	Event Purpose	Issues raised by community
Premier's Izimbizo	August 2010	Cabinet door-door	Grants, housing and unemployment
	February 2011	Announcement of Pula Nala Projects	-
Municipal/Mayoral Izimbizo	1 st Quarter	Council listen to the people quarterly event	Unemployment
	2 nd Quarter		Housing
	3 rd Quarter		Infrastructure
	4 th Quarter		Dry sanitation

Table 36: Izimbizo

2.6 CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed.

2.6.1 ANTI-CORRUPTION AND ANTI-FRAUD

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), section 112(1) (m)(i) identify supply chain measures to be enforced to combat fraud and corruption, favoritism and unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

A) DEVELOPED STRATEGIES

Name of strategy	Developed Yes/No	Date Adopted/Reviewed
Anti-corruption strategy	Yes	2009
Fraud prevention strategy	Yes	2009

Table 37: Strategies

2.6.2 AUDIT COMMITTEE/S

Section 166(2) of the MFMA states that an audit committee is an independent advisory body which must - (a) advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to –

- internal financial control;
- risk management;
- performance Management; and
- effective Governance.

A) FUNCTIONS OF THE AUDIT COMMITTEE

The Internal Audit function is performed on a shared service basis by the District Municipality and their Audit and Performance Audit Committees are utilized for Emthanjeni purposes.

The main functions of the Audit Committee are prescribed in section 166 (2) (a-e) of the Municipal Finance Management Act, 2003 and the Local Government Municipal and Performance Management Regulation.

B) MEMBERS OF THE AUDIT COMMITTEE

Name of representative	Capacity	Meeting dates
W De Bruin	Chairperson	13 April 2011 29 April 2010 6 July 2010
D Oliphant	Member	
D Fourie	Member	
C Penderis	Member	

Table 38: Members of the Audit Committee

2.6.3 INTERNAL AUDITING

Section 165 (2) (a), (b)(iv) of the MFMA requires that:

The internal audit unit of a municipality must –

- (a) prepare a risk based audit plan and an internal audit program for each financial year; and
- (b) advise the accounting officer and report to the audit committee on the implementation on the internal audit plan and matters relating to:
- (c) risk and risk management.

As mentioned before the Internal Audit function is performed on a shared service basis by the District Municipality.

Below are the functions of the Internal Audit Unit that was performed during the financial year under review:

Function	Date/Number
Risk analysis completed/reviewed	22 October 2010
Risk based audit plan approved for the 2010/11 financial year	3 November 2010
Internal audit programme drafted and approved	18 November 2010
Number of audits conducted and reported on	3 (Audit year is from October – September)
Audit reports included the following key focus areas:	
<i>Internal controls</i>	Yes
<i>Accounting procedures and practices</i>	Yes
<i>Risk and risk management</i>	Yes
<i>Performance management</i>	Yes
<i>Loss control</i>	Yes
<i>Compliance with the MFMA and other legislation</i>	Yes

Table 39: Internal Audit Functions

2.6.4 AUDITOR GENERAL

Emthanjeni Municipality was audited by the Auditor-General of South Africa in terms of section 188 of the Constitution and section 4 of the Public Audit Act and section 126 of the MFMA and the audit report for the financial year under review is in Annexure B of this report.

2.6.5 BY-LAWS AND POLICIES

Section 11 of the MSA gives municipal Councils the executive and legislative authority to pass and implement by-laws and policies.

Below is a list of all the by-laws developed and reviewed during the financial year:

By-laws developed/revised	Date adopted	Public Participation conducted prior to adoption of By-Laws Yes/No	Date of Publication
Municipal Tariff By-Law	31 May 2011	Yes	Provincial Gazette 38 of 2011

Table 40: By-laws

Below is a list of all the policies developed and reviewed during the financial year:

Policies developed/ revised	Date adopted
Recruitment & Selection Policy	29 November 2010
Whistle Blowing	29 November 2010
Nepotism Policy	29 November 2010
Induction	29 November 2010
Sexual Harassment	29 November 2010
Chronic Illness	29 November 2010
Substance Abuse	29 November 2010
Internet & E –Mail	29 November 2010
Uniforms & Protective Clothing	29 November 2010
Smoking	29 November 2010
Staff Statements to the Media	29 November 2010
Occupational Health & Safety	29 November 2010
Telecommunications	29 November 2010
Confidentiality	29 November 2010
Private Work	29 November 2010
Attendance and Punctuality	29 November 2010
Use of Official Vehicle	29 November 2010
Education, Training and Development	29 November 2010
Succession Planning Career Pathing	29 November 2010
Student Assistance	29 November 2010
Unpaid Leave	29 November 2010
Travel and Removal Expenses	29 November 2010
Work- Related Functions	29 November 2010

Policies developed/ revised	Date adopted
Legal Aid Policy for Councilors and Employees	29 November 2010
Housing Allowance	29 November 2010
Employment Equity	29 November 2010
Performance Management	27 January 2011
Financial Procedures	5 May 2011
Budget Policy	5 May 2011

Table 41: Policies

2.6.6 COMMUNICATION

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996 and other statutory enactments all impose an obligation on local government communicators and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.

Good customer care is clearly of fundamental importance to any organisation, and analysis here shows that local residents view the municipality's people relations in a negative light. A successful communication strategy therefore links the people to the municipality's programme for the year.

Below is a communication checklist of the compliance to the communication requirements:

Communication activities	Yes/No
Communication unit	No
Communication strategy	No
Communication Policy	Yes
Customer satisfaction surveys	No
Functional complaint management systems	Yes
Newsletters distributed at least quarterly	No

Table 42: Communication Activities

2.6.7 WEBSITES

A municipal website should be an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that the municipalities

place key documents and information on their website, including the IDP, the annual budget, adjustments budgets and budget related documents and policies.

Below is a website checklist to indicate the compliance to Section 75 of the MFMA:

Documents published on the Municipal website	Date Published
Current annual and adjustments budgets and all budget-related documents	29 March 2011
Budget implementation policy: Tariff policy	29 March 2011
Budget implementation policy: Credit control policy	29 March 2011
Budget implementation policy: Rates policy	29 March 2011
Budget implementation policy: SCM policy	29 March 2011
Annual report (09/10)	31 January 2011
Performance agreements required in terms of section 57 (1) (b) of the Municipal Systems Act (10/11)	15 October 2010
Information statement containing a list of assets over a prescribed period that have been disposed of in terms of section 14 (2) or (4) of the MFMA during 10/11	2 June 2011
Contracts agreed in 10/11 to which subsection (1) of section 33 of the MFMA apply, subject to subsection (3) of that section	n/a
Public-private partnership agreements referred to in section 120 of the MFMA made in 10/11	No
All quarterly reports tabled in the council in terms of section 52 (d) of the MFMA during 10/11	No

Table 43: Website Checklist

FINAL DRAFT

CHAPTER 3

ORGANISATIONAL DEVELOPMENT PERFORMANCE



CHAPTER 3: ORGANISATIONAL DEVELOPMENT PERFORMANCE

3.1 NATIONAL KEY PERFORMANCE INDICATORS – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area – Municipal Transformation and Organisational Development.

KPA & INDICATORS	Municipal Achievement		
	2008/09	2009/10	2010/11
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	1	2	2
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	100	100	100

Table 44: National KPIs– Municipal Transformation and Organisational Development

3.2 PERFORMANCE HIGHLIGHTS – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

Highlight	Description
Equity Targets	Appointment of Female in Senior Management position
Training	Training of supervisors in Project Management and artisanship in Electricity
Employee Assistance Program	Implementation of programme to support employees
Relocation of Traffic Office	Relocating of Traffic Services to One Stop Facility
Upgrading of Town Hall	Refurbishment of Hall exterior

Table 45: Performance Highlights– Municipal Transformation and Organisational Development

3.3 CHALLENGES – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

Challenge	Actions to address
Organizational Design	Development of new Organizational Structure and Staff Establishment
HR Training	Specific targeted HR Training
Attracting Scars Skills	Develop a head hunting Policy

Challenge	Actions to address
Absenteeism	Enforcement of Collective Agreement on Disciplinary Code Referral to EAP

Table 46: Challenges – Municipal Transformation and Organisational Development

3.4 INTRODUCTION TO THE MUNICIPAL WORKFORCE

The Emthanjeni Municipality currently employs **348** (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of Municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

3.4.1 EMPLOYMENT EQUITY

The Employment Equity Act (1998) Chapter 3, Section 15 (1) states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan"

A) EMPLOYMENT EQUITY TARGETS/ACTUAL

African			Coloured			Indian			White		
Target June	Actual June	Target reach	Target June	Actual June	Target reach	Target June	Actual June	Target reach	Target June	Actual June	Target reach
174	152	87%	174	184	106%	0	0	-	19	12	63%

Table 47: 2010/11 EE targets/Actual by racial classification

Male			Female			Disability		
Target June	Actual June	Target reach	Target June	Actual June	Target reach	Target June	Actual June	Target reach
243	236	97%	100	110	110%	5	2	40%

Table 48: 2010/11 EE targets/actual by gender classification

B) EMPLOYMENT EQUITY VS. POPULATION

Description	African	Coloured	Indian	White	Total
Population numbers	13 507	21 989	31	2 703	38 240

Description	African	Coloured	Indian	White	Total
% Population	35	58	0	7	100
Number for positions filled	132	200	0	16	348
% for Positions filled	41	54	0	5	100

Table 49: EE population 2010/11

c) OCCUPATIONAL CATEGORIES - RACE

Below is a table that indicate the number of employees by race within the specific occupational categories:

Posts filled									
Occupational categories	Male				Female				Total
	A	C	I	W	A	C	I	W	
Legislators, senior officials and managers	4	12	0	4	1	3	0	1	25
Professionals	3	7	0	3	2	4	0	1	20
Technicians and associate professionals	2	3	0	0	0	4	0	4	13
Clerks	3	3	0	0	6	3	0	1	16
Service and sales workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	3	5	0	2	0	0	0	0	10
Plant and machine operators and assemblers	9	8	0	0	0	0	0	0	17
Elementary occupations	74	125	0	0	25	23	0	0	247
Total permanent	98	163	0	9	34	37	0	7	348
Non- permanent	8	10	0	0	14	5	0	0	37
Grand total	106	173	0	9	48	42	0	7	385

Table 50: Occupational Categories

d) OCCUPATIONAL LEVELS - RACE

The table below categories the number of employees by race within the occupational levels:

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management	0	2	0	1	1	0	0	0	4
Senior management	4	2	0	2	0	0	0	0	8
Professionally qualified and experienced specialists and mid- management	3	8	0	2	1	4	0	2	20
Skilled technical and academically qualified workers, junior management,	5	9	0	2	14	9	0	2	41

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
supervisors, foremen and superintendents									
Semi-skilled and discretionary decision making	18	35	0	1	9	8	0	0	71
Unskilled and defined decision making	68	89	0	0	18	29	0	0	204
Total permanent	98	145	0	8	43	50	0	4	348
Non- permanent employees	8	10	0	0	14	5	0	0	37
Grand total	106	155	0	8	57	55	0	4	385

Table 51: Occupational Levels

E) DEPARTMENTS - RACE

The following table categories the number of employees by race within the different departments:

Department	Male				Female				Total
	A	C	I	W	A	C	I	W	
Municipal Manager	0	1	0	0	1	0	0	0	2
Corporate, Community and Development Services	8	11	0	0	21	31	0	2	73
Financial Services	8	14	0	2	6	10	0	2	42
Infrastructure, Housing and Project Management Services	82	118	0	7	16	8	0	0	231
Total permanent	98	144	0	9	44	49	0	4	348
Non- permanent	8	10	0	0	14	5	0	0	37
Grand total	106	154	0	9	58	54	0	4	385

Table 52: Department - Race

3.4.2 VACANCY RATE

The approved organogram for the municipality had **348** posts for the 2010/11 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. **9** Posts were vacant at the end of 2010/11, resulting in a vacancy rate of **3%**.

Below is a table that indicates the vacancies within the municipality:

PER POST LEVEL		
Post level	Filled	Vacant
MM & MSA section 57 & 56	4	0
Middle management	8	0

PER POST LEVEL		
Post level	Filled	Vacant
Admin Officers	2	1
General Workers	334	7
Total	348	8
PER FUNCTIONAL LEVEL		
Functional area	Filled	Vacant
Municipal Manager Office	2	0
Corporate, Community and Development Services	81	1
Financial Services	55	0
Infrastructure, Housing and Project Management Services	210	7
Total	348	8

Table 53: Vacancy rate per post and functional level

The table below indicates the number of staff per level expressed as total positions and current vacancies expressed as full time staff equivalents:

Salary Level	Number of current critical vacancies	Number total posts as per organogram	Vacancy job title	Vacancies (as a proportion of total posts per category)
Municipal Manager	0	1	0	0
Chief Financial Officer	0	1	0	0
Other Section 57 Managers	0	2	0	0
Senior management	0	8	0	0
Highly skilled supervision	0	10	0	0
Total	0	22	0	0

Table 54: Vacancy rate per salary level

3.4.3 TURNOVER RATE

A high turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organizational knowledge. Below is a table that shows the turnover rate within the municipality.

The table below indicates the turn-over rate over the last three years:

Financial year	No total appointments as of beginning of Financial year	New appointments	No Terminations during the year	Staff Turn-over Rate
2008/09	No records	58	58	-
2009/10	No records	28	28	-
2010/11	348	44	44	12.64%

Table 55: Turnover Rate

3.5 MANAGING THE MUNICIPAL WORKFORCE

Managing the municipal workforce refers to analyzing and coordinating employee behavior.

3.5.1 INJURIES

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.

The injury rate shows a slight decrease for the 2010/11 financial year from **6** employees injured against **3** employees in the 2009/10 financial year.

The table below indicates the total number of injuries within the different directorates:

Directorates	2008/09	2009/10	2010/11
Municipal manager's office	0	0	0
Corporate, Community and Development Services	0	0	0
Financial Services	1	2	2
Infrastructure, Housing and Project Management Services	5	3	1
Total	6	5	3

Table 56: Injuries

3.5.2 SICK LEAVE

The number of day's sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The total number of employees that have taken sick leave during the 2010/11 financial year shows an **increase** when comparing it with the 2009/10 financial year.

The table below indicates the total number sick leave days taken within the different directorates:

Department	2008/09	2009/10	2010/11
Municipal manager's office	0	7	6
Corporate, Community and Development Services	10	430	855
Financial Services	106	403	571
Infrastructure, Housing and Project Management Services	876	1 299	2 384
Total	992	2 139	3 816

Table 57: Sick Leave

3.5.3 HR POLICIES AND PLANS

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the managing of staff.

The table below shows the HR policies and plans that are approved and that still needs to be developed:

Approved policies	
Name of policy	Date approved/ revised
Recruitment & Selection Policy	29 November 2010
Whistle Blowing	29 November 2010
Nepotism Policy	29 November 2010
Induction	29 November 2010
Sexual Harassment	29 November 2010
Chronic Illness	29 November 2010
Substance Abuse	29 November 2010
Internet & E –Mail	29 November 2010
Uniforms & Protective Clothing	29 November 2010
Smoking	29 November 2010

Name of policy	Date approved/ revised
Staff Statements to the Media	29 November 2010
Occupational Health & Safety	29 November 2010
Telecommunications	29 November 2010
Confidentiality	29 November 2010
Private Work	29 November 2010
Attendance and Punctuality	29 November 2010
Use of Official Vehicle	29 November 2010
Education, Training and Development	29 November 2010
Succession Planning Career Pathing	29 November 2010
Student Assistance	29 November 2010
Unpaid Leave	29 November 2010
Travel and Removal Expenses	29 November 2010
Work- Related Functions	29 November 2010
Legal Aid Policy for Councilors and Employees	29 November 2010
Housing Allowance	29 November 2010
Employment Equity	29 November 2010
Performance Management	29 November 2010
Policies still to be developed	
Name of policy	Proposed date of approval
Scarce Skills	2011/12
Skill Retention Policy	2011/12

Table 58: HR policies and plans

3.5.4 EMPLOYEE PERFORMANCE REWARDS

In accordance with regulation 32, a performance bonus, based on affordability, may be paid to an employee, after -

- (1) the annual report for the financial year under review has been tabled and adopted by the municipal council;
- (2) an evaluation of performance in accordance with the provisions of regulation 23; and
- (3) approval of such evaluation by the municipal council as a reward for outstanding performance.

The evaluation of the performance of Section 57 managers forms the basis for rewarding outstanding performance.

The table below shows the total number of S57 that received performance rewards:

Race	Gender	Number of beneficiaries	Total number of employees received performance rewards	% Employees received performance rewards
African	Female	1	1	100
	Male	0	0	100
Asian	Female	0	0	100
	Male	0	0	100
Coloured	Female	0	0	100
	Male	2	2	100
White	Female	0	0	100
	Male	1	1	100
Disability	Female	0	0	100
	Male	0	0	100
Total		4	4	100

Table 59: Performance Rewards

3.6 CAPACITATING THE MUNICIPAL WORKFORCE

Section 68(1) of the MSA states that municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

3.6.1 SKILLS MATRIX

The table below indicates the number of employees that received training in the year under review:

Management level	Gender	Number of employees identified for training at start of the year	Number of Employees that received training
MM and S57	Female	1	0
	Male	10	1
Legislators, senior officials and managers	Female	6	0
	Male	17	9
Associate professionals and Technicians	Female	0	0
	Male	1	1
Professionals	Female	0	0
	Male	0	0
Clerks	Female	17	17

Management level	Gender	Number of employees identified for training at start of the year	Number of Employees that received training
	Male	1	1
Service and sales workers	Female	0	0
	Male	0	0
Craft and related trade workers	Female	0	0
	Male	0	0
Plant and machine operators and assemblers	Female	0	0
	Male	6	6
Elementary occupations	Female	0	0
	Male	0	0
Sub total	Female	24	17
	Male	35	17
Total		59	34

Table 60: Skills Matrix

3.6.3 SKILLS DEVELOPMENT - BUDGET ALLOCATION

The table below indicates that a total amount of **R 612 000** was allocated to the workplace skills plan and that **94%** of the total amount was spent in the 2010/11 financial year:

Total personnel budget	Total Allocated	Total Spend	% Spend
R'000	R'000	R'000	
42 860	612	573	94

Table 61: Budget allocated and spent for skills development

3.7 MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE

Section 66 of the MSA states that the accounting officer of a municipality must report to the Council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations, (2002), as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

3.7.1 PERSONNEL EXPENDITURE

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past three financial years and that the municipality is well within the national norm of between 35 to 40%:

Financial year	Total Expenditure salary and allowances	Total Operating Expenditure (R'000)	Percentage (%)
	R'000	R'000	
2008/09	34 538	152 967	22.58
2009/10	44 944	162 598	27.64
2010/11	51 444	183 693	28.00

Table 62: Personnel Expenditure

Below is a summary of Councilor and staff benefits for the year under review:

Financial year	2008/09	2009/10	2010/11		
Description	Actual	Actual	Original Budget	Adjusted Budget	Actual
Councillors (Political Office Bearers plus Other)					
Salary	2 371	2 179	2 413	2 411	2 116
Pension Contributions	0	164	0	0	151
Medical Aid Contributions	0	0	0	0	0
Motor vehicle allowance	664	606	779	779	762
Cell phone allowance	177	127	167	168	167
Housing allowance	0	0	0	0	0
Other benefits or allowances	0	0	35	35	27
In-kind benefits	0	0	0	0	0
Sub Total	3 212	3 076	3 394	3 393	3 223
% increase/(decrease)	-	(4)	10	0	(0.5)
Senior Managers of the Municipality					
Salary	1 516	1 673	1 872	1 857	1 897
Pension Contributions	230	290	311	308	316
Medical Aid Contributions	45	0	58	58	16
Motor vehicle allowance	445	475	505	505	479
Cell phone allowance	0	0	0	0	0

Financial year	2008/09	2009/10	2010/11		
Description	Actual	Actual	Original Budget	Adjusted Budget	Actual
Housing allowance	0	0	0	0	0
Performance Bonus	258	0	236	0	239
Other benefits or allowances	347	284	260	291	207
In-kind benefits	0	0	0	0	0
Sub Total	2 841	2 722	3 242	3 020	3 153
% increase/(decrease)	-	(4)	19	(7)	0.4
Other Municipal Staff					
Basic Salaries and Wages	23 511	26 355	30 878	30 495	30 536
Pension Contributions	3 734	4 454	4 953	4 950	4 430
Medical Aid Contributions	1 480	2 147	1 904	1 994	2 953
Motor vehicle allowance	386	1 005	883	790	1 430
Cell phone allowance	0	0	0	0	0
Housing allowance	0	132	0	0	111
Overtime	611	1 154	390	389	1 331
Performance Bonus	303	0	0	0	0
Other benefits or allowances	1 645	1 161	1 698	1 222	2 499
Define Benefits Plan Expense	0	5 814	0	0	5 001
Sub Total	31 670	42 222	40 706	39 840	48 291
% increase/(decrease)	-	29	(0.1)	(2.13)	17.50
Total Municipality	34 511	44 944	43 948	42 860	51 444
% increase/(decrease)	-	27	(0.1)	(0.2)	13

Table 63: Personnel Expenditure

CHAPTER 4

STRATEGIC PERFORMANCE



CHAPTER 4: STRATEGIC PERFORMANCE

This chapter will provide information on the strategic performance of the municipality and will indicate how well the municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop strategic plans and allocate resources for the implementation. The implementation must be monitored on an ongoing basis and the results must be reported on during the financial year to various role-players to enable them to timeously implement corrective measures where required.

This chapter speaks to the strategic performance highlights in terms of the Municipality's IDP, performance on basic service delivery and backlogs addressed the MIG projects as well as the spending priorities for the following year. It addresses the communication and public participation processes of the Municipality to give a holistic view of how the Municipality communicates performance to its stakeholders.

The Strategy map below specifies the strategic link of the focus areas of the Emthanjeni municipality aligned with the National Key Performance Areas. The National Key Performance Areas is aligned with the Strategic Objectives that were identified in the 2010/11 reviewed IDP. The strategic objectives are linked to the outcomes for 2010/11. These alignments are directly link to the Emthanjeni municipality's vision and mission.

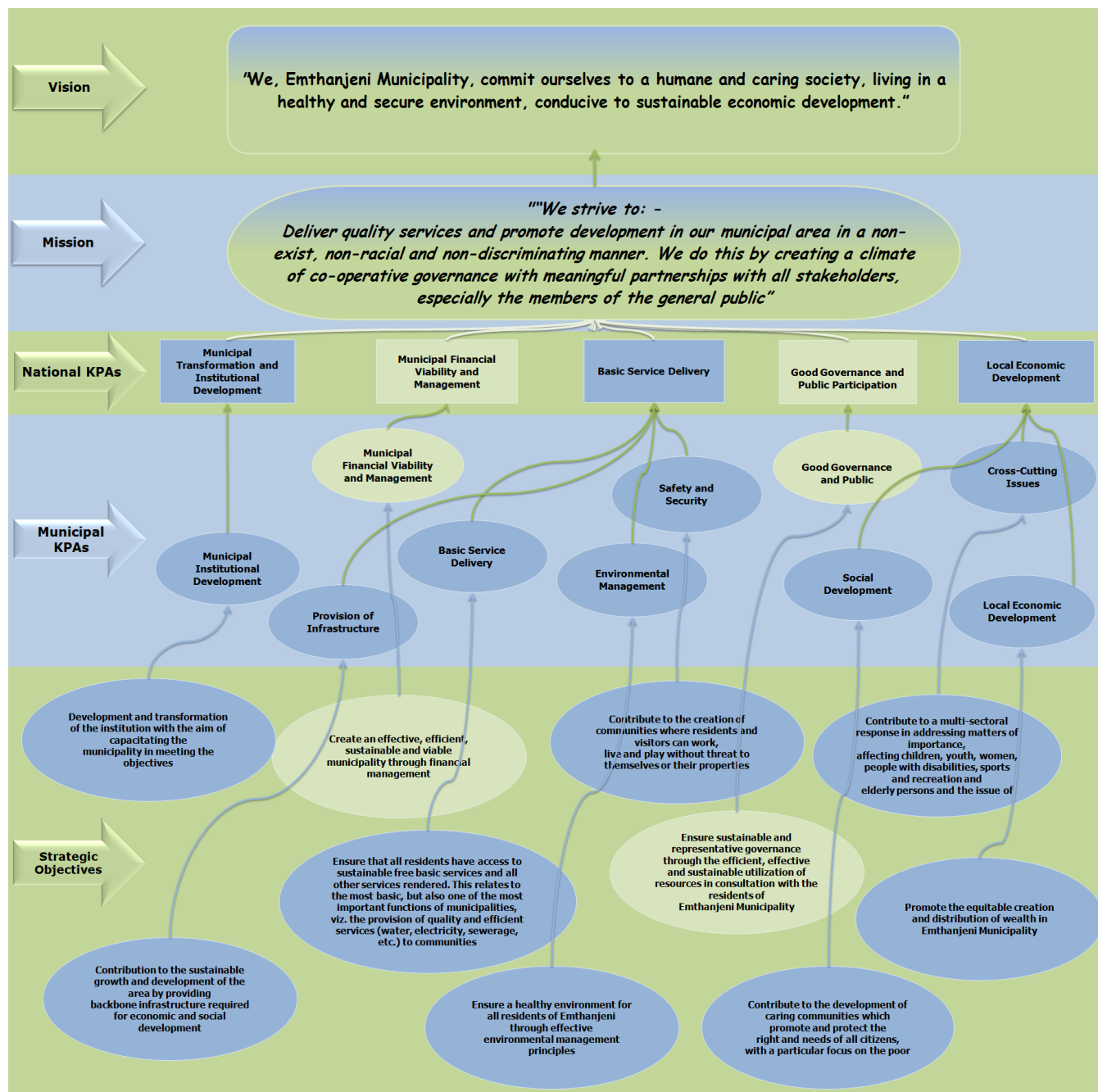


Figure 2: Strategy Map

The Municipal Systems Act, 2000 (Act 32 of 2000) and the Local Government: Municipal Planning and the Performance Management Regulations 2001 require municipalities to adopt a performance management system. Once the IDP and budget have been prepared and approved, the Municipality prepared their Service Delivery and Budget Implementation Plan (SDBIP) in accordance with the MFMA and MFMA Circular 13. The SDBIP indicates monthly performance targets, financial performance targets and assigns responsibility to execute the respective performance targets. The Municipality assessed its performance on a monthly basis and reported progress on

performance against targets set to Council quarterly and ultimately presents the annual performance results in this annual report.

4.1 NATIONAL KEY PERFORMANCE INDICATORS – BASIC SERVICE DELIVERY AND LOCAL ECONOMIC DEVELOPMENT

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the following two National Key Performance Areas: Basic Service Delivery and Local Economic Development.

KPA & INDICATORS	Municipal Achievement		
	2008/09	2009/10	2010/11
Basic Service Delivery			
The percentage of households earning less than R 1 100 per month with access to free basic services	100	100	100
The percentage of households with access to basic level of water	100	100	100
The percentage of households with access to basic level of sanitation	100	100	100
The percentage of households with access to basic level of electricity	100	100	100
The percentage of households with access to basic level of solid waste removal	100	100	100
Local economic development			
The number of jobs created through municipality's local economic development initiatives including capital projects	No records	No records	242

Table 64: National KPIs – Basic Service Delivery and Local Economic Development

4.2 DEVELOPMENT AND SERVICE DELIVERY PRIORITIES FOR 2011/12

National KPA	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Annual Target
Good Governance and Public Participation	Ensure sustainable and representative governance through the efficient, effective and sustainable utilization of resources in consultation with the residents of Emthanjeni Municipality	Good Governance and Public Participation	Facilitate youth development in the municipality by establishing a youth council by the end of September	Youth council established	100%
Local Economic Development	Promote the equitable creation and distribution of wealth in Emthanjeni Municipality	Local Economic Development	No of initiatives implemented in terms of the approved LED strategy	No of initiatives	2
Basic Service Delivery	Contribute to the creation of communities where residents and visitors can work, live and	Safety and Security	Develop and implement a comprehensive law	Strategy completed by the end of June	100%

National KPA	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Annual Target
	play without threat to themselves or their properties		enforcement strategy to decrease high risk violations		
Basic Service Delivery	Contribution to the sustainable growth and development of the area by providing backbone infrastructure required for economic and social development	Provision of Infrastructure	Provision of electricity that are connected to the national grid to all formal areas	No of formal areas that meet agreed service standards	7500
Basic Service Delivery	Contribution to the sustainable growth and development of the area by providing backbone infrastructure required for economic and social development	Provision of Infrastructure	Provision of refuse removal, refuse dumps and solid waste disposal to all areas	No of HH for which refuse is removed at least once a week	7500
Basic Service Delivery	Contribution to the sustainable growth and development of the area by providing backbone infrastructure required for economic and social development	Provision of Infrastructure	Provision of sanitation systems limited to domestic waste water and sewerage disposal to formal HH	No of formal HH that have at least VIP on site	7500
Basic Service Delivery	Contribution to the sustainable growth and development of the area by providing backbone infrastructure required for economic and social development	Provision of Infrastructure	Provision of cleaned piped water to all formal HH within 200m from the household	No of formal HH that meet agreed service standards for piped water	7500
Basic Service Delivery	Contribution to the sustainable growth and development of the area by providing backbone infrastructure required for economic and social development	Provision of Infrastructure	Develop a business plan for the provision of sufficient street lights for dark areas	Completed business plan by the end of September 2011	1
Basic Service Delivery	Contribution to the sustainable growth and development of the area by providing backbone infrastructure required for economic and social development	Provision of Infrastructure	Completion of the High voltage power capacity in De Aar to improve distribution capacity	% completed	30%
Basic Service Delivery	Contribution to the sustainable growth and development of the area by providing backbone infrastructure required for economic and social development	Provision of Infrastructure	Effective management of electricity provisioning systems	% of electricity unaccounted for	20%
Basic Service Delivery	Contribution to the sustainable growth and development of the area by providing backbone infrastructure required for economic and social development	Provision of Infrastructure	Implementation of Integrated Human Settlement Strategy measured by the no of projects complying with approved strategy by the end of June	No of houses built by the end of June 2012	115
Basic Service Delivery	Contribution to the sustainable growth and development of the area by providing backbone infrastructure required for	Provision of Infrastructure	Provision of municipal roads measured by the km of new road for	No of kilometres	1

National KPA	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Annual Target
	economic and social development		previously un-served areas		
Basic Service Delivery	Ensure a healthy environment for all residents of Emthanjeni through effective environmental management principles	Environmental Management	Improvement of refuse sites' capacity by the end of June ensuring that all sites have a permit	No of sites with permits	2
Basic Service Delivery	Contribution to the sustainable growth and development of the area by providing backbone infrastructure required for economic and social development	Provision of Infrastructure	Implementation of a Stormwater Master Plan by the end of June	No of works completed in terms of the business plan by June 2012	2
Basic Service Delivery	Contribution to the sustainable growth and development of the area by providing backbone infrastructure required for economic and social development	Provision of Infrastructure	Upgrade current sanitation systems for domestic waste water and sewerage disposal in Britstown from the bucket system to a full sanitation system	Completion of an approved business plan by the end of December	100%
Basic Service Delivery	Ensure a healthy environment for all residents of Emthanjeni through effective environmental management principles	Environmental Management	Quality of waste water discharge measured by the % water quality level	% water quality level of waste water discharge	75%
Basic Service Delivery	Contribution to the sustainable growth and development of the area by providing backbone infrastructure required for economic and social development	Provision of Infrastructure	Effective management of water provisioning systems to limit unaccounted water	% of water unaccounted for	19.4%
Basic Service Delivery	Contribution to the sustainable growth and development of the area by providing backbone infrastructure required for economic and social development	Provision of Infrastructure	Implement the water feasibility study to ensure sustainable water provision in the municipality	Appointment of appropriate service providers by the of September 2011	100%
Basic Service Delivery	Contribution to the sustainable growth and development of the area by providing backbone infrastructure required for economic and social development	Provision of Infrastructure	Implementation of the Water Conservation Demand Management plan by the end of June	No of water saving initiative implemented in terms of the plan	4
Basic Service Delivery	Ensure a healthy environment for all residents of Emthanjeni through effective environmental management principles	Environmental Management	Excellent water quality measured by the quality of water as per blue drop	% water quality level	75%

Table 65: Services Delivery Priorities for 2011/12

4.3 BASIC SERVICE DELIVERY

4.3.1 BASIC SERVICES DELIVERY PERFORMANCE HIGHLIGHTS

Highlight	Description
Housing	Revitalisation of 88 RDP houses
	Building of 3 new houses in Hanover
	76 New houses were built
Sanitation	Provision of public toilet facilities in Britstown
Streets	Installation of 75 new streetlights in Hanover and De Aar
	Tarring/paving of 1.1km of new roads
	Resealing of 2.1km roads
Stormwater	Completion of 440 Meter stormwater channel in Britstown
Sport	Rehabilitation of two tennis courts and one basketball court at Nonzwakazi sport grounds
Waste Management	Various cleaning projects implemented
Job creation	179 Jobs created
Basic Services	100% Of households with access to electricity, sanitation, water and refuse removal
MIG funds	Municipality spent 100% of funding received for capital projects (MIG, LOTTO)

Table 66: Basic Services Delivery Highlights

4.3.2 BASIC SERVICES DELIVERY CHALLENGES

Description	Actions to address
The municipality has in the past installed dry sanitation toilets (UDS) in Britstown and Hanover but these have been the source of much dissatisfaction among the residents. Britstown has by far the largest problem where the dry sanitation has been installed but rejected by the community who has reverted to the use of buckets.	Application for additional funding from other spheres of government
At present 65% of all roads are still gravel roads and major problems are experienced with dust and stormwater problems.	
The tarred roads are in urgent need of resealing and problems are experienced with potholes especially after rain. During the past year potholes were repair on a regular basis.	
Although the municipality tries to prevent illegal dumping by providing facilities around the towns for the disposal of waste the dumping of waste on public or private properties still occurs.	
Electricity and sewerage master plans. Master plans are very	

Description	Actions to address
important to provide guidance and direction for future extensions, network upgrading and application for funding.	
Upgrading of electrical networks in De Aar East, Nonzwakazi and Britstown.	
Improving the potable water quality to "Blue drop" standards.	

Table 67: Basic Services Delivery Challenges

4.3.3 ACCESS TO FREE BASIC SERVICES

The following table indicates the percentage of indigent households that have access to free basic municipal services. In accordance with the approved indigent policy of the municipality, all households earning less than **R 2 100** per month receive the free basic services as prescribed by national policy.

The table below indicates that **43%** of the total number of households received free basic services in 2008/09 that decreased to **30%** in the 2010/11 financial year:

Financial year	Number of households								
	Total no of HH	Free Basic Electricity		Free Basic Water		Free Basic Sanitation		Free Basic Refuse Removal	
		No. Access	%	No. Access	%	No. Access	%	No. Access	%
2008/09	7 694	3 318	43.12	7 694	100	3 318	43.12	3 318	43.12
2009/10	7 712	1 913	24.81	7 712	100	1 913	24.81	1 913	24.81
2010/11	7 877	2 333	29.62	7 877	100	2 333	29.62	2 333	29.62

Table 68: Free basic services to indigent households

The access to free basic services is summarised into the different services as specified in the following table:

Electricity									
Financial year	Indigent Households			Non-indigent households			Households in Eskom areas		
	No of HH	Unit per HH (kwh)	Value	No of HH	Unit per HH (kwh)	Value	No of HH	Unit per HH (kwh)	Value
			R'000			R'000			R'000
2008/09	3 318	50	1 237	3 666	0	0	710	50	0
2009/10	1 913	50	643	5 074	0	0	725	50	0
2010/11	2 333	50	742	4 719	0	0	825	50	0

Table 69: Free basic Electricity services to indigent households

Water						
Financial year	Indigent Households			Non-indigent households		
	No of HH	Unit per HH (kl)	Value	No of HH	Unit per HH (kl)	Value
			R'000			R'000
2008/09	3 318	6	1 480	4 376	6	0
2009/10	1 913	6	922	5 799	6	0
2010/11	2 333	6	1 219	5 544	6	0

Table 70: Free basic Water services to indigent households

Sanitation						
Financial year	Indigent Households			Non-indigent households		
	No of HH	R value per HH pm	Value	No of HH	Unit per HH per month	Value
			R'000			R'000
2008/09	3 318	91.63	3 648	4 376	0	0
2009/10	1 913	102.62	2 356	5 799	0	0
2010/11	2 333	110.83	3 103	5 544	0	0

Table 71: Free basic Sanitation services to indigent households

Refuse Removal						
Financial year	Indigent Households			Non-indigent households		
	No of HH	Service per HH per week	Value	No of HH	Unit per HH per month	Value
			R'000			R'000
2008/09	3 318	1	2 275	4 379	0	0
2009/10	1 913	1	1 470	5 799	0	0
2010/11	2 333	1	1 935	5 544	0	0

Table 72: Free basic Refuse Removal services to indigent households per type of service

4.3.4 ACCESS TO BASIC LEVEL OF SERVICES

The following table indicates the number of households that gained access for the first time to the different types of basic services during the 2010/11 financial year:

Type of service	2008/09	2009/10	2010/11
Housing	136	94	76
Water	88	69	33
Sanitation	30	52	76

Type of service	2008/09	2009/10	2010/11
Refuse removal	88	69	76
Electricity	73	81	0
Streets & Storm Water	n/a	n/a	n/a

Table 73: Access to basic level of services

A) CAPITAL BUDGET SPENT ON MUNICIPAL SERVICES

The percentage (%) of the total approved capital budget spent on each municipal service respectively for the 2008/09, 2009/10 and 2010/11 financial years respectively are as follows:

Financial Year	Housing	Water	Sanitation	Refuse Removal	Electricity	Streets & Storm Water	Community facilities
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
2008/09	5.1	1	49.2	6.5	2.5	30.2	5.6
2009/10	0.3	0	30.9	20.9	16.3	16.8	14.8
2010/11	0.2	25.6	5.7	26.6	8.5	23.9	9.5

Table 74: Capex

The following table indicates the total amount of capital expenditure on assets by asset class for the past three financial years:

Description	2007/08	2008/09	2009/10	2010/11		
	Actual	Actual	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure
Capital expenditure on new assets by Asset Class/Sub-class						
Infrastructure	9 189	8 156	13 892	22 625	18 696	11 665
Infrastructure - Road transport	231	2 845	0	3 907	3 907	2 302
<i>Roads, Pavements & Bridges</i>	231	2 845	0	3 907	3 907	2 302
<i>Storm water</i>	0	0	0	0	0	314
Infrastructure – Electricity	476	43	5 343	2 690	1 350	123
<i>Transmission & Reticulation</i>	476	43	4 536	2 690	1 350	123
<i>Street Lighting</i>	0	8	807	0	0	0
Infrastructure - Water	6	8	0	11 382	8 797	6 252
<i>Reticulation</i>	6	8	0	11 382	8 797	6 252
Infrastructure - Sanitation	8 470	4 646	5 096	2 400	2 400	1 385
<i>Reticulation</i>	8 470	4 646	5 096	2 400	2 400	1 385
Infrastructure - Other	0	614	3 453	2 246	2 242	1 603

Description	2007/08	2008/09	2009/10	2010/11		
	Actual	Actual	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure
<i>Waste Management</i>	0	614	2 999	2 246	2 242	1 603
<i>Other</i>	0	0	454	0	0	0
<u>Community</u>	426	849	721	2 024	2 024	1 153
Parks & gardens	0	126	0	140	140	0
Sports fields & stadia	0	64	92	1 384	1 384	839
Community halls	15	0	0	0	0	314
Libraries	28	3	0	0	0	0
Recreational facilities	0	0	0	0	0	0
Other	383	659	629	500	500	110
<u>Heritage assets</u>	0	0	0	0	0	0
<u>Investment properties</u>	0	0	0	0	0	0
<u>Other assets</u>	405	438	1 897	1 810	1 804	11 404
General vehicles	0	111	109	530	512	4 905
Plant & equipment	0	0	413	1 064	1 072	4 328
Computers - hardware/equipment	217	302	157	0	0	542
Furniture and other office equipment	188	25	789	0	0	673
Civic Land and Buildings	0	0	0	0	0	0
Other Building	0	0	0	0	0	147
Other Land	0	0	0	0	0	279
Surplus Assets - (Investment or Inventory)	0	0	0	0	0	0
Other	0	0	429	216	220	530
<u>Agricultural assets</u>	0	0	0	0	0	0
<u>Biological assets</u>	0	0	0	0	0	0
<u>Intangibles</u>	0	0	0	0	0	52
Total Capital Expenditure on new assets	10 014	9 446	16 510	26 459	22 524	24 384

Table 75: Total capital expenditure on assets

B) PERCENTAGE SPENDING ON TOTAL CAPITAL BUDGET

The total percentage (%) of the capital budget for the past three years is indicated in the table below:

Financial year	% of Capital budget spent	Reasons for under spending
2009/10	98.6	n/a
2010/11	100.85	n/a

Table 76: Total capital expenditure

4.3.5 WATER AND SANITATION

Water is probably the most fundamental and indispensable of natural resources – fundamental to life, the environment, food production, hygiene and power generation. Poverty reduction and improved water management are inextricably linked. Section 4B of the Constitution lists water and sanitation services limited to potable water supply systems and domestic wastewater and sewerage disposal systems as a local government function. Basic water is defined as 25 liters of potable water per day supplied within 200 meters of a household.

A) WATER SERVICE DELIVERY LEVELS

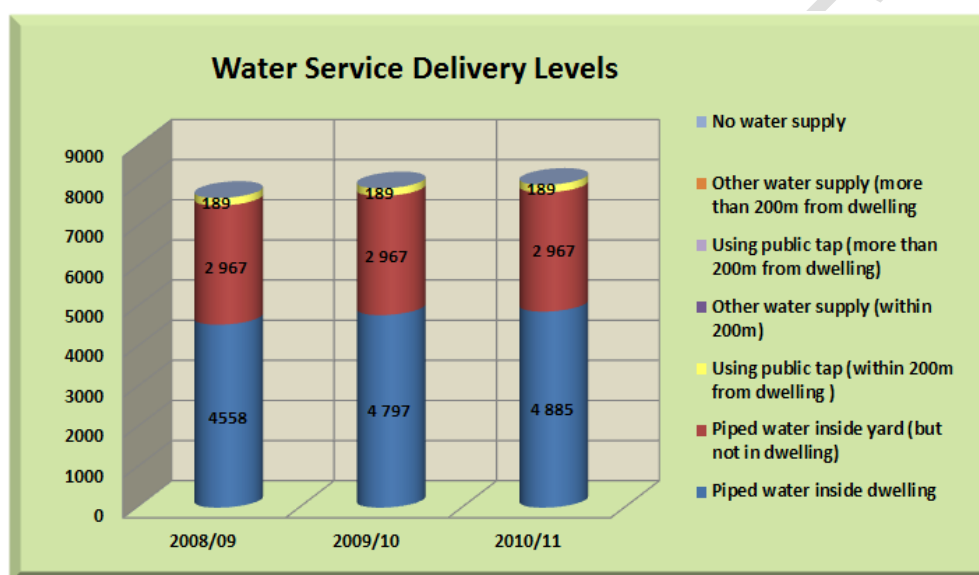
Water un-accounted for remained the same on **19.5%** for 2009/10 as well as 2010/11 financial year. Below are a table that specifies the different water service delivery levels per households for the financial years 2008/09, 2009/10 and 2010/11:

Description	2008/09	2009/10	2010/11
		Actual	Actual
Household			
<u>Water: (above minimum level)</u>			
Piped water inside dwelling	4 558	4 797	4 885
Piped water inside yard (but not in dwelling)	2 967	2 967	2 967
Using public tap (within 200m from dwelling)	189	189	189
Other water supply (within 200m)	0	0	0
Minimum Service Level and Above sub-total	7 714	7 953	8 041
Minimum Service Level and Above Percentage	100	100	100
<u>Water: (below minimum level)</u>			
Using public tap (more than 200m from dwelling)	0	0	0
Other water supply (more than 200m from dwelling)	0	0	0
No water supply	0	0	0
Below Minimum Service Level sub-total	0	0	0

Description	2008/09	2009/10	2010/11
		Actual	Actual
Below Minimum Service Level Percentage	0	0	0
Total number of households (formal and informal)	7 714	7 953	8 041

Table 77: Water service delivery levels

The graph below shows the different water service delivery levels per total households and the progress per year



Graph 5: Water service delivery levels

B) SANITATION SERVICE DELIVERY LEVELS

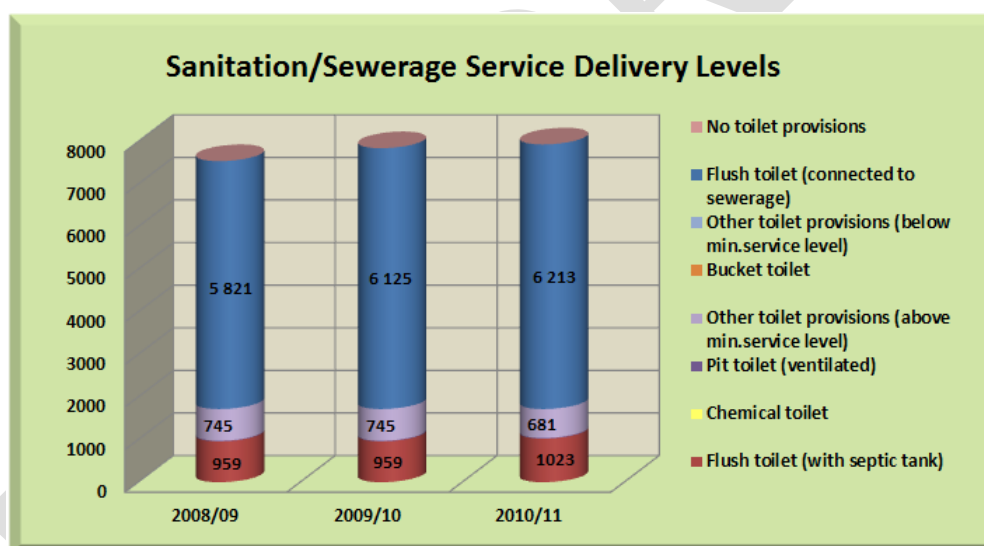
Below are a table that specifies the different sanitation service delivery levels per households for the financial years 2007/08, 2008/09, 2009/10 and 2010/11:

Description	2008/09	2009/10	2010/11
	Actual	Actual	
Household			
<i>Sanitation/sewerage: (above minimum level)</i>			
Flush toilet (connected to sewerage)	5 821	6 125	6 213
Flush toilet (with septic tank)	959	959	1023
Chemical toilet	0	0	0
Pit toilet (ventilated)	14	14	14
Other toilet provisions (above minimum service level)	745	745	681

Description	2008/09	2009/10	2010/11
	Actual	Actual	
Minimum Service Level and Above sub-total	7 539	7 843	7 931
Minimum Service Level and Above Percentage	100	100	100
<i>Sanitation/sewerage: (below minimum level)</i>			
Bucket toilet	0	0	0
Other toilet provisions (below minimum service level)	0	0	0
No toilet provisions	0	0	0
Below Minimum Service Level sub-total	0	0	0
Below Minimum Service Level Percentage	0	0	0
Total number of households	7 539	7 843	7 931

Table 78: Sanitation service delivery levels

The graph below shows the different sanitation/sewerage service delivery levels per total households and the progress per year.



Graph 6: Sanitation/Sewerage Service Delivery Levels

4.3.6 ELECTRICITY

Local Government plays a very important role in the provision of electricity. Section 153 of the Constitution places the responsibility on municipalities to ensure the provision of services to communities in a sustainable manner for economic and social support. The table below indicates the different service delivery level standards for electricity in all formal areas within the municipality:

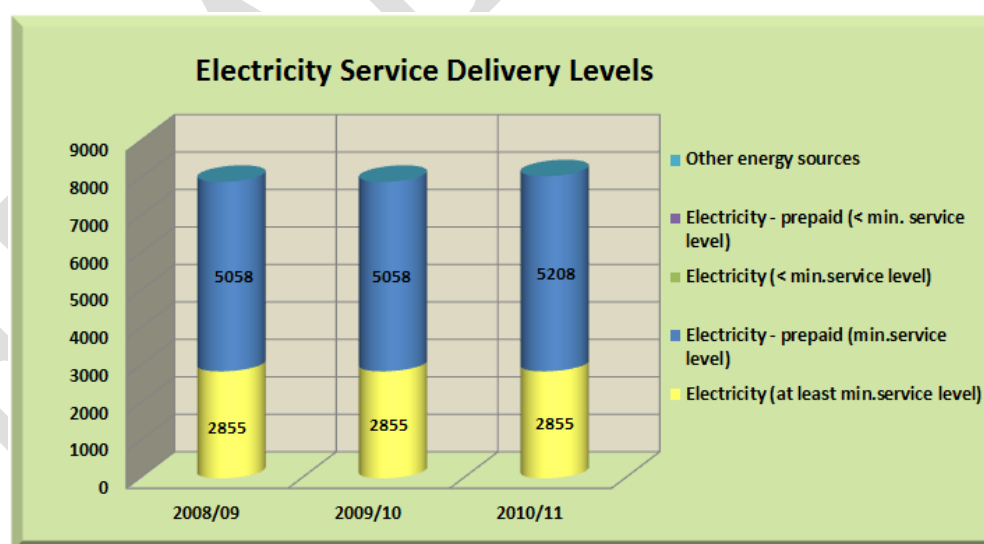
The Energy Losses for the 2009/10 financial year was **22.67%** and decreased to only **21.24%** in the 2010/2011 financial year.

The table below indicates the different service delivery level standards for electricity within the municipality:

Description	2008/09	2009/10	2010/11
	Actual	Actual	Actual
Household			
<i>Electricity: (above minimum level)</i>			
Electricity (at least minimum service level)	1 954	1 954	1 841
Electricity - prepaid (minimum service level)	5 760	5 999	6 200
<i>Minimum Service Level and Above sub-total</i>	7 714	7 953	8 041
<i>Minimum Service Level and Above Percentage</i>	100	100	100
<i>Energy: (below minimum level)</i>			
Electricity (< minimum service level)	0	0	0
Electricity - prepaid (< min. service level)	0	0	0
Other energy sources	0	0	0
<i>Below Minimum Service Level sub-total</i>	0	0	0
<i>Below Minimum Service Level Percentage</i>	0	0	0
Total number of households	7 714	7 953	8 041

Table 79: Electricity service delivery levels

The graph shows the number of households categorised into the different service levels.



Graph 7: Electricity Service Delivery Levels

4.3.7 HOUSING

The following table shows the increase in the number of people on the housing waiting list:

Financial year	Nr of housing units on waiting list	% Housing waiting list increase
2009/10	3 550	-
2010/11	4 114	16%

Table 80: Housing waiting list

A total amount of **R 9 185 148.22** was allocated to build houses during the financial year under review. A summary of houses built, includes:

Financial year	Number of houses built	Number of sites serviced
2007/08	104	104
2008/09	136	136
2009/10	94	54
2010/11	76	36

Table 81: Housing

4.3.8 REFUSE REMOVAL

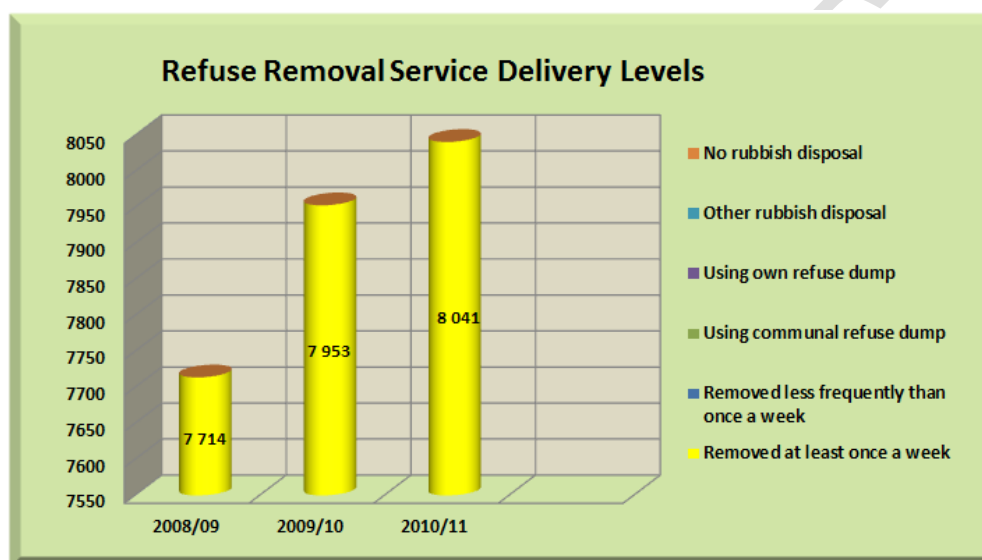
The table below indicates the different refuse removal service delivery level standards within the municipality:

Description	2008/09	2009/10	2010/11
		Actual	Actual
Household			
<i>Refuse Removal: (Minimum level)</i>			
Removed at least once a week	7 714	7 953	8 041
<i>Minimum Service Level and Above sub-total</i>	7 714	7 953	8 041
<i>Minimum Service Level and Above percentage</i>	100	100	100
<i>Refuse Removal: (Below minimum level)</i>			
Removed less frequently than once a week	0	0	0
Using communal refuse dump	0	0	0
Using own refuse dump	0	0	0
Other rubbish disposal	0	0	0
No rubbish disposal	0	0	0

Description	2008/09	2009/10	2010/11
		Actual	Actual
<i>Below Minimum Service Level sub-total</i>	0	0	0
<i>Below Minimum Service Level percentage</i>	0	0	0
Total number of households	7 714	7 953	8 041

Table 82: Refuse removal service delivery levels

The graph indicates the different refuse removal standards which the households are receiving



Graph 8: Refuse removal service delivery levels

4.3.9 ROADS

The following tables give an overview of the total kilometers of roads maintained and new roads tarred:

A) TARRED ROADS

Financial year	Total km tarred roads	Km of new tar roads	Km existing tar roads re-tarred	Km of existing tar roads re-sheeted	Km tar roads maintained
2008/09	72.05	0	0	0	71.80
2009/10	72.40	0	0	1.70	72.05
2010/11	73.42	0	0.15	2.065	72.40

Table 83: Tarred roads

B) GRAVELED ROADS

Financial year	Total km gravel roads	Km new gravel roads constructed	Km gravel roads upgraded to tar	Km gravel roads graded/maintained
2008/09	131	0	0.25	130.75
2009/10	131	0	0.35	130.65
2010/11	131	0	1.02	129.98

Table 84: Gravelled roads

4.3.10 STORMWATER

A) STORM WATER INFRASTRUCTURE

The table below shows the total kilometers of stormwater maintained and upgraded as well as the kilometers of new stormwater pipes installed:

Financial year	Km new stormwater measures	Km stormwater measures upgraded	Km stormwater measures maintained
2010/11	0	0	2km

Table 85: Stormwater infrastructure

B) COST OF CONSTRUCTION/MAINTENANCE

The table below indicates the amount of money spend on stormwater projects:

Financial year	Stormwater Measures		
	New R'000	Upgraded R'000	Maintained R'000
2010/11	0	0	350 000

Table 86: Cost of construction/maintenance of stormwater systems

4.4 MUNICIPAL INFRASTRUCTURE AND OTHER GRANTS

The Municipality had a total amount of **R 10 110 000** for infrastructure and other capital projects available that was received in the form of grants from the National and Provincial Governments during the 2010/11 financial year. The performance in the spending of these grants is summarised as follows:

Description	2007/08		2008/09		2009/10		2010/11		
	Amount Received R'000	Amount Spent R'000	Amount Received R'000	Amount Spent R'000	Amount Received R'000	Amount Spent R'000	Amount Received R'000	Amount Spent R'000	% Spent
National Government:									
MIG	8 238	8 417	2 700	2 852	10 980	9 037	9 570	9 601	100.3

Description	2007/08		2008/09		2009/10		2010/11		
	Amount Received R'000	Amount Spent R'000	Amount Received R'000	Amount Spent R'000	Amount Received R'000	Amount Spent R'000	Amount Received R'000	Amount Spent R'000	% Spent
Electrification	0	0	0	611	521	698	540	540	100.0
Provincial Government:									
Construction of Taxi Rank	0	0	2 860	2 766	0	94	0	0	0
Other grant providers:									
Lotto Funding	0	0	0	0	638	0	0	977	153.1

Table 87: Spending of grants

4.5 ADDITIONAL PERFORMANCE

The table below enclose all additional performance of the municipality:

Type of service	2008/09	2009/10	2010/11
General Law enforcement			
Learner driver licenses processed	1 480	1 296	1 426
Driver licenses processed	1 293	1 157	1 418
Driver licenses issued	1 711	1 907	1 564
Fines issued for traffic offenses	72 444	49 167	54 308
R-value of fines collected	103 242 228	10 172 530	8 107 440
Fire Services			
Operational call-outs	48	46	53
Reservists and volunteers trained	18	18	18
Awareness initiatives on fire safety	0	0	0
Town Planning and Building Control			
Building plans application processed	194	81	210
Total surface (m ²)	8 055	4 000	9 406
Approximate value	10 360 933	12 670 670	13 976 256
New residential dwellings	177	26	170
Residential extensions	15	48	39
New Business buildings	2	0	0
Business extensions	0	7	0
Land use applications processed	4	7	5
Libraries			

Type of service	2008/09	2009/10	2010/11
Library members	11 476	14 097	10 686
Books circulated	147 834	139 500	12 504
Exhibitions held	8	8	8
Internet users	250	390	270
New library service points or Wheelie Wagons	0	0	0
Children programmes	20	33	39
Visits by school groups	12	18	21
Book group meetings for adults	6	10	12
Primary and Secondary Book Education sessions	9	11	14
Social Services			
Trees planted	150	230	270
Veggie gardens established	No records	No records	5
Initiatives to increase awareness on child abuse	No records	No records	1
Youngsters educated and empowered	194	81	25
Initiatives to increase awareness on women	No records	No records	1
Women empowered	No records	No records	1
Initiatives to increase awareness on HIV/AIDS	No records	No records	1
Initiatives to increase awareness on substance abuse and high drug and alcohol related crimes	No records	No records	1
Special events hosted (World's Aids Day, World Labour day, World Disability Day, Youth Day, 16 Days of activism against women abuse)	1	1	1
Local economic development initiatives			
Small businesses assisted	6	1	5
SMME's trained	2	1	0
Community members trained for tourism	0	10	20
Local artisans and crafters assisted	0	15	1
Recycling awareness programmes	0	3	0

Table 88: Additional Performance

4.6 LED

4.6.1 HIGHLIGHTS: LED

The following performance highlights with regard to the implementation of the LED strategy are:

Highlights	Description
Systematic transformation of Emthanjeni from a bureaucratic institution to an enterprise	LED focused with regards to how the Municipality function
Deployment of successful public participation processes	Participatory Committees
Interrogation and application of continuous improvement practices in LED processes	Luring investors to the Municipal area.
Intensification of dynamic LED mentorship programme	<ul style="list-style-type: none"> The installation and maintenance of a mentorship program that purports the suitable capacity of the LED Officer and others related to the implementation of the LED Strategy Hands –on support in terms of LED
Systematic introduction of municipal Councillors to the real world of LED	Buy in with regards to how LED is perceived as importance for development

Table 89: LED Highlights

4.6.2 CHALLENGES: LED

The following challenges with regard to the implementation of the LED strategy are:

Description	Actions to address
Application and deployment of a unique Communication Strategy	<ul style="list-style-type: none"> Implementation of the Communication strategy Corporate Communication with major business
Establishment of an municipal newsletter	Incorporate newsletter on quarterly basis, focused on distribution
Deployment of a Marketing Strategy	Focused marketing strategy
Poverty alleviation and job creation	Improved LED for Municipal are creates investment opportunities

Table 90: LED Challenges

4.6.3 STRATEGIC OBJECTIVES

Local Economic Development (LED) includes all activities associated with economic development initiatives. The municipality has a mandate to provide strategic guidance to the municipality's integrated development planning and economic development matters and working in partnership with the relevant stakeholders on strategic economic issues.

The LED strategy identifies various issues and strategic areas for intervention such as:

Objectives	Strategies
The unlocking of the potential of Emthanjeni to achieve growth & development	Utilization of local expertise e.g. business people and technocrats to assist in broadening the economic base
Creating an environment in which the overall economic and social conditions of the Emthanjeni Municipality can be conducive to growth and development	The implementation and facilitation of an Integrated LED & Marketing Strategy
Installation of the job creation & job preservation desk	<ul style="list-style-type: none"> • Preservation of all present jobs in Emthanjeni • Keeping of employment / retrenchment information(data) on all employers and potential employers
Internalize the economy of Emthanjeni	<ul style="list-style-type: none"> • Increasing the trading density of Emthanjeni • Make the economy of Emthanjeni more intimate – more personal

Table 91: LED Objectives and Strategies

4.6.4 LED INITIATIVES

With a limited budget for LED Projects and one official assist with LED implementation the following initiative has been initiated as set out in the table below identifies the detail of the various LED initiatives in the municipal area:

Description of project	No of Jobs created	Total Investment	Amount spent to date
Toilet Paper Project	8	R 200 000.00	R 226 161.81
Building of wall Montana Cemetery (EPWP)	29	R 549 600.00	R 146 260.12
Construction of Zink Structures	10	R 145 845.85	R 145 845.85
Tarring of Topaas Avenue and Eland Street	10	R 1 023 050	R 2 875 427.99
Tarring of Kort Street	10	R 281 737.95	R 319 126.68
Re-sealing tennis, netball and basketball courts and palisades	6	R 857 788.00	R 857 788.00
Upgrading Tennis & Basketball Courts: Merino park	5	R 369 360.00	R369 360.00

Table 92: LED initiatives

4.7 SERVICE PROVIDERS STRATEGIC PERFORMANCE

During the year under review the municipality did not have a formal system in place to measure the performance of all service providers. The review and amendment of the performance framework will include formal measures and the implementation of a system to implement the performance of service providers. Each manager, however, regularly monitored and ensured that service providers complied with the requirements of the appointed contract. Details regarding service providers appointed will be included in the municipality's Annual Report for 2010/11.

CHAPTER 5

FUNCTIONAL PERFORMANCE



CHAPTER 5: FUNCTIONAL PERFORMANCE

This chapter provides information on the functional performance of the municipality on the implementation of the Top Layer and Departmental SDBIP for 2010/11.

The municipal functional areas are as indicated below:

Municipal Function	Municipal Function Yes / No
Constitution Schedule 4, Part B functions:	
Air pollution	No
Building regulations	Yes
Child care facilities	No
Electricity and gas reticulation	Yes
Fire fighting services	Yes
Local tourism	Yes
Municipal airports	Yes
Municipal planning	Yes
Municipal health services	No
Municipal public transport	No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	No
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Stormwater management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes
Constitution Schedule 5, Part B functions:	
Beaches and amusement facilities	No
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	No
Fencing and fences	Yes
Licensing of dogs	No
Licensing and control of undertakings that sell food to the public	No

Municipal Function	Municipal Function Yes / No
Local amenities	Yes
Local sport facilities	Yes
Markets	No
Municipal abattoirs	Yes
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

Table 93: Functional Areas

5.1 PERFORMANCE HIGHLIGHTS PER FUNCTIONAL AREAS

Directorate/ Functional area	Sub Directorate	Highlights
Council and Executive	Council	Successful implementation of ward based development Revitalization of houses in Emthanjeni
	Municipal Manager	Implementation of EAP
Corporate Services	Secretariat & Facility Management	Successful support to Council and Portfolio Committees on administrative matters Refurbishment of Britstown Town hall and Juvenes Hall
	Human Resource	Successful implementation of Learnership program Filling of all vacant funded post at elementary level
Financial Services	Income	Better revenue management control was achieved during the financial year its budgeted revenue and actual revenue
		Proper Indigent Subsidy management and receipt of grants were better managed by Revenue staff
		Continuous generation of own income contributed to the payment of commitments during the financial year
	Budget and Treasury	All MFMA reports were submitted timeously to Provincial Treasury
Annual Budget was approved by Council and completed in the new Budget Formats		
Annual Financial Statements were submitted to the Auditor General by the 31 August		
Expenditure	Most expenditure were incurred according the budget and proper expenditure control	

Directorate/ Functional area	Sub Directorate	Highlights
		was exercise throughout the financial year
		Enormous improvement in the payment of Creditors leads to the payment of all outstanding creditors at 30 June 2011
		Overall satisfaction of activities within the creditors division
	Information Technology	Most of the staff members have access to the internet, emails and fms system
		The new construction of our Website and the regular updating of information, events, newsletters, activities of Council and other developments taking place in the municipality
		Optimal utilisation of various software application interfaces to the Abakus system to create different reports
	Supply Chain	Supply Chain Unit starts to become a fully functional unit and staffs are continuously being capacitated by Provincial Treasury staff
		Various SCM Committees are functioning very well and understand their roles better
		SCM Regulations are being positively implemented by all staff members of the municipality
		No successful objections were received after awarding tenders to successful bidders
Community Services	Housing & Beaches	Completion of Britstown and Hanover Housing projects
	Library Services	Implementation of Library Development Projects
		Refurbishment of Library facilities
	Public Safety: Law Enforcement	Enforcement of By-Laws by Peace Officers
Parks and Recreation	Completion of Britstown Sport Ground Project	
Municipal Services & Infrastructure Development	Electrical & Mechanical Service	Appointment of Manager Electro Technical Services
	Roads Infrastructure	Tarring of streets in De Aar East,(Topaz Avenue) Hanover and Street 8 Nonzwakazi
Strategic Services	LED	Branding of the Municipality
		Development of LED Strategy
	Performance Management	Implementation of the PMS Systems
	Tourism	Development of Tourism Strategy

Table 94: Performance highlights per functional area

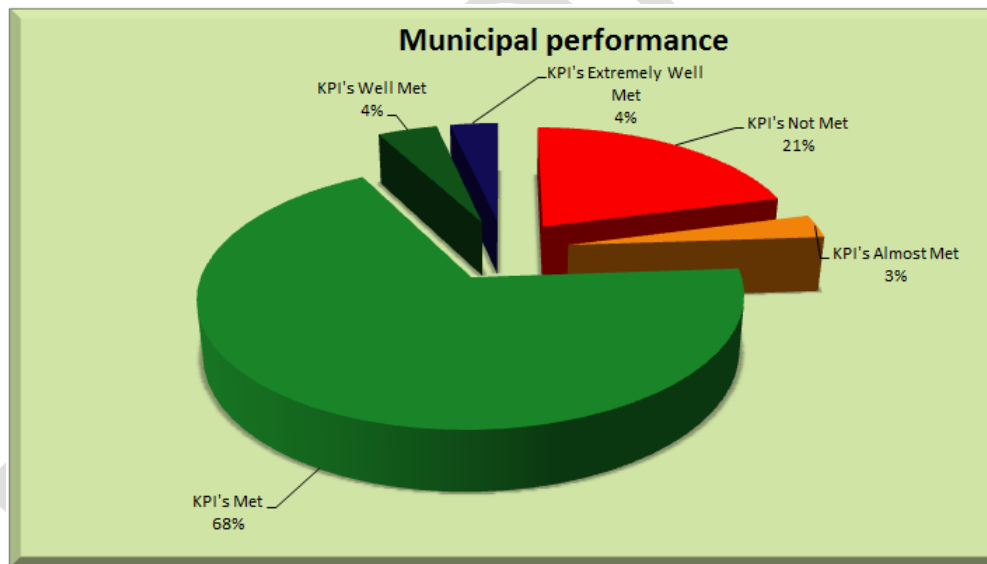
5.2 OVERVIEW OF PERFORMANCE

The performance statistics in the table below and all the graphs in the following sub paragraphs include performance in terms of the Departmental SDBIP, which measures operational performance. The graph for each directorate is an overview of the overall results of all the KPI's measured in terms of the municipal SDBIP.

Directorates	Total KPIs	KPIs Extremely Well Met	KPIs Well Met	KPIs Met	KPIs almost Met	KPIs not Met
Office of the Municipal Manager	40	2	2	21	0	15
Financial Services	54	1	0	51	1	1
Infrastructure, Housing and Project Management Services	64	4	6	44	1	9
Corporate, Community and Development Services	72	1	2	41	5	23
Emthanjeni Municipality	230	8	10	157	7	48

Table 95: Summary of total performance

The following graph indicates the overall municipal performance



Graph 9: Overall performance of directorates

5.3 PERFORMANCE PER FUNCTIONAL AREA (DEPARTMENTAL/OPERATIONAL SDBIP)

5.3.1 OFFICE OF THE MUNICIPAL MANAGER

The Office of the Municipal Manager consists of the following divisions:

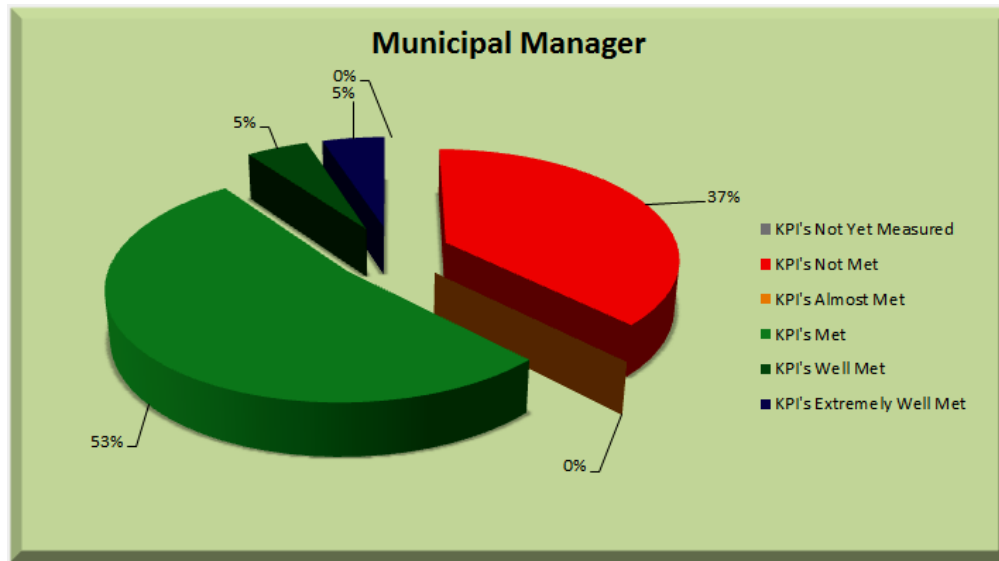
- Council
- Municipal Manager
- Internal Audit

The Operational Key Performance Indicators for Office of the Municipal Manager are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance and Public Participation	Ensure sustainable and representative governance through the efficient, effective and sustainable utilization of resources in consultation with the residents of Emthanjeni Municipality
Municipal Transformation and Organisational Development	Municipal Institutional Transformation	Development and transformation of the institution with the aim of capacitating the municipality in meeting objectives
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Create and effective, efficient, sustainable and viable municipality through financial management
Basic Service Delivery	Basic Service Delivery	Ensure that all residents have access to sustainable free basic services and all other services rendered
Local Economic Development	Local Economic Development	Promote the equitable creation and distribution of wealth in Emthanjeni Municipality

Table 96: Functional alignment – Office of the Municipal Manager

The following graph indicates the performance of the Office of the Municipal Manager



Graph 10: Office of the Municipal Manager performance

Below is the office of the Municipal Manager's Service Delivery Budget Implementation Plan:

Indicator	Unit of measurement	Actual 2009/10	Final result for 10/11		Performance Comment	Corrective measures to be taken	Score
			Target	Actual			
To effectively support internal political interfaces	Scheduled Council meetings with full preparation	5	6	4	Meetings were arranged and facilitated according to year planner, but cancelled/postponed by Council	Council will have to be implored to remain within the adopted year planner	67%
To effectively support internal political interfaces	Special Council meetings	23	12	6	Special council meetings schedule as the need arises.	A session will be arranged with Council to emphasise the importance of Council meetings	50%
To effectively support internal political interfaces	Council committee meetings	42	21	8	Meetings arranged per council schedule, but then postponed	A session will be arranged with Council to emphasise the importance of Council meetings	38%
To effectively support external political interfaces	Intergovernmental Relation Forum attended	4	3	3	n/a	n/a	100%
To effectively support external political interfaces	Percentage of Forum Decisions implemented applicable to Emthanjeni	100%	100%	100%	n/a	n/a	100%
To effectively support external political interfaces	Council meets the people	14	21	14	schedule of council was congested	adhere to programme	67%
To effectively support high level strategic and operational interfaces and activities.	Success of performance management for direct reports reviewed (quarterly review)	4	4	2	Vacant director position	acting director appointed	50%
To ensure Performance Management and	Completion of 2009/2010 Annual	1	1	1	n/a	n/a	100%

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Indicator	Unit of measurement	Actual 2009/10	Final result for 10/11		Performance Comment	Corrective measures to be taken	Score
			Target	Actual			
Reporting	reports						
To ensure Performance Management and Reporting	Number of management Performance Reports submitted to council	4	4	2	Vacant director position	acting director appointed	50%
Ensure the development of a credible Integrated Development Plan	Approval of an MSA compliant IDP by Council (Draft March 2011, final may 2011)	1	1	1	n/a	n/a	100%
Maintenance of a database of SMME contractors in Emthanjeni municipal area and Job creation	Ensure that capital budget for LED is spent	New kpi	100%	100%	n/a	n/a	100%
Development of policies and by-laws	Number of identified policies completed (Land Management, Fleet Management, Review HR, Anti-Corruption, IT Policy, Conflict Management)	10	10	11	n/a	n/a	110%
Development of policies and by-laws	Successful implementation of the By-laws	12 reports	12	12	n/a	n/a	100%
Ensure effective customer care	Compliance with customer care policy (Number of Customer complains satisfactory attended to/resolved)	12 reports	12	6	The current complaints register maintained does not provide information to enable sufficient follow-up of complaints received and thus report on progress	Assess the existing complaints process together with the Dept of Finance and consider corrective action to improve management information and processes	50%
Ensure effective financial management	Percentage attainment of Budgetary allocations	3%	5%	12%	Vacant posts not filled, deferred payments of loans, late start of ward projects	Filling of posts	240%
Ensure effective administrative management and internal controls	SDBIP reports to Executive Committee	4	4	2	Vacant director position	acting director appointed	50%
Ensure effective administrative management and internal controls	Monthly Departmental reports	36	36	36	n/a	n/a	100%
Ensure effective technical management	Monitoring of conditional grants according to business plans - monthly reports	100%	100%	100%	n/a	n/a	100%
Ensure effective technical management	Monitoring of DBSA Loans against business plans	100%	100%	100%	n/a	n/a	100%
Ensure effective technical management	Percentage spending of Budget – O&M	100%	100%	38%	Delayed maintenance work	To be completed in next quarter	38%
Ensure effective technical management	Reduction of down time Basic Services - water	100% compliance with targets set	144 hours	8.328 hours	n/a	n/a	1729
Ensure effective technical management	Reduction of down time Basic Services - electricity	100% compliance with targets set	288	7.24	n/a	n/a	3978
Ensure effective	Review and approval of	100%	100%	100%	n/a	n/a	100%

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Indicator	Unit of measurement	Actual 2009/10	Final result for 10/11		Performance Comment	Corrective measures to be taken	Score
			Target	Actual			
Planning and Project management	LED Strategy						
Ensure effective Planning and Project management	Align of DM Spatial Development Framework with local framework	100%	100%	100%	n/a	n/a	100%
Ensure Effective Planning and Project Management	Water Services Development Plan Annual report	100%	100%	100%	n/a	n/a	100%
Human Resource Development	Review & report on Equity Plan	4	6	6	n/a	n/a	100%
Human Resource Development	Review & report Work Skills Plan	1	1	1	n/a	n/a	100%
Human Resource Development	Review and approve Organogram	1	1	1	n/a	n/a	100%
Human Resource Development	% implementation of training plan	100%	100%	100%	n/a	n/a	100%
Labour Relations	Local Labour Forum meetings	4	3	3	n/a	n/a	100%
Labour Relations	Disciplinary Cases Reported & Completed	100%	100%	60%	cases still in process, can't dictate outcomes	n/a	60%
Health, Safety and Environment	Number of Health & Safety Com. meetings	1	4	4	n/a	n/a	100%
Health, Safety and Environment	Bi-Monthly H&S reports	4	3	2	quorum not reached at all meetings	meetings would continue even if quorum not reached	67%
Health, Safety and Environment	Prepare H&S equipment schedule	1	1	1	n/a	n/a	100%
Health, Safety and Environment	Safety Equipment issued according to schedule	100%	100%	100%	n/a	n/a	100%
Public participation and good governance	Number of Ward Committees Meetings held (monthly)	Report is submitted for all wards	84	3	operations were affected by the LG elections processes limited to no operations and reports are not submitted by ward councillors	After establishment of new ward committees ensure that they trained and operational.	4%
Public participation and good governance	Number of IDP Rep meetings	2	3	2	n/a	n/a	67%
Public participation and good governance	Number of Budget Consultation meetings	14	14	14	n/a	n/a	100%
To ensure Building Control and Land use Management	Building plans approved within 30 days	100%	90%	100%	n/a	n/a	111%
Public participation and good governance	Audit Committee Meetings	4	2	0	One committee in the District	Not always in municipality's control	0%

Table 97: SDBIP – Office of the Municipal Manager

5.3.2 CORPORATE, COMMUNITY AND DEVELOPMENT SERVICES

Corporate Services consists of the following divisions:

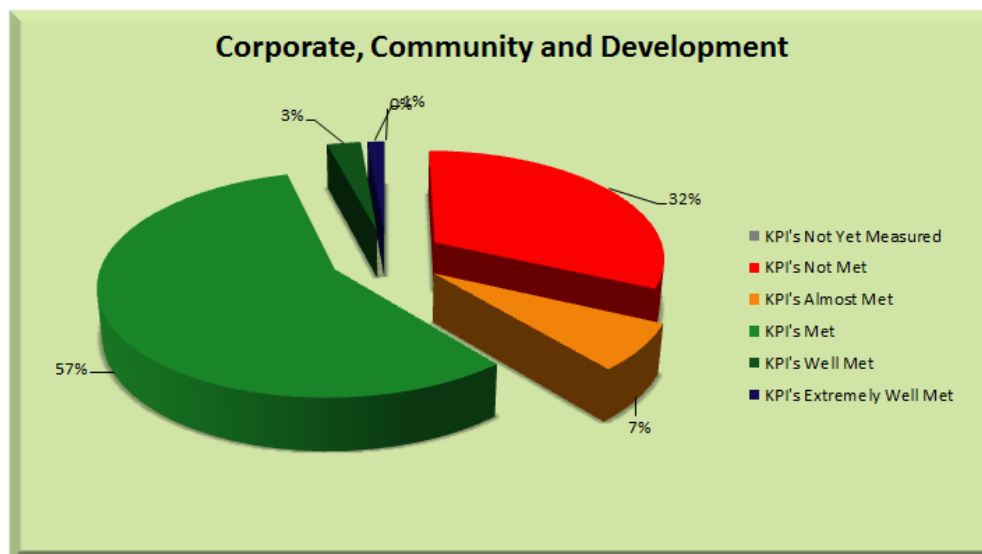
- Director: Corporate, Community and Development Services
- Corporate Services
- Development Services
- Traffic and Community Services

The Operational Key Performance Indicators for Corporate, Community and Development Services are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance and Public Participation	Ensure sustainable and representative governance through the efficient, effective and sustainable utilization of resources in consultation with the residents of Emthanjeni Municipality
Municipal Transformation and Organisational Development	Municipal Institutional Transformation	Development and transformation of the institution with the aim of capacitating the municipality in meeting objectives
Basic Service Delivery	Safety and Security	Contribute to the creation of communities where residents and visitors can work, live and play without threat to themselves or their properties
	Cross Cutting Issues	Contribute to a multi-sectoral response in addressing matters of importance, affecting children, youth, women, people with disabilities, sports and recreation and elderly persons and the issue of HIV/AIDS
Local Economic Development	Local Economic Development	Promote the equitable creation and distribution of wealth in Emthanjeni Municipality
	Environmental Management	Ensure a healthy environment for all residents of Emthanjeni through effective environmental management principles
	Cross Cutting Issues	Ensure effective Capacitation programmes are implemented

Table 98: Functional alignment – Corporate, Community and Development Services

The following graph indicates the performance of Corporate, Community and Development Services directorate



Graph 11: Corporate, Community and Development Services performance

Below is the Corporate, Community and Development Services directorate's Service Delivery Budget Implementation Plan:

Indicator	Unit of measurement	Actual 2009/10	Final result for 10/11		Performance Comment	Corrective measures to be taken	Score
			Target	Actual			
To effectively support internal political interfaces	Scheduled Council meetings with full preparation	5	6	4	Meetings were arranged and facilitated according to year planner, but cancelled/postponed by Council	Council will have to be implored to remain within the adopted year planner	67%
To effectively support internal political interfaces	Special Council meetings	23	12	6	Special council meetings schedule as the need arises.	n/a	50%
To effectively support internal political interfaces	Council committee meetings	42	21	8	Meetings arranged per council schedule, but then postponed	Adhere to Council programme of meetings	38%
To effectively support external political interfaces	Intergovernmental Relation Forum attended	New kpi	3	3	n/a	n/a	100%
To effectively support external political interfaces	Percentage of Council Decisions implemented applicable to EM	Register available	75%	60%	Spread over Directorates for implementation meaning that Directorates must execute as required	Directorates are held accountable for the implementation of Council resolutions	80%
To effectively support external political interfaces	Council meets the people	14	21	14	schedule of council was congested	adhere to programme	67%
To effectively support high level strategic and operational interfaces and activities.	Success of performance management for direct reports reviewed (quarterly review)	100%	100%	100%	n/a	n/a	100%

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Indicator	Unit of measurement	Actual 2009/10	Final result for 10/11		Performance Comment	Corrective measures to be taken	Score
			Target	Actual			
To ensure Performance Management and Reporting	Completion of Annual reports	1	1	1	n/a	n/a	100%
To ensure Performance Management and Reporting	Number of management Performance Reports submitted to MM	4	4	2	Vacant director post	Acting director appointed	50%
Development and implementation of policies and by-laws	Number of new identified policies presented to Council	8	10	11	policies adopted with budget process	n/a	110%
Development and implementation of policies and by-laws	Implementation of approved By-laws i.r.o Directorate	14	12	12	n/a	n/a	100%
Ensure effective customer care	Compliance with customer care policy (Number of Customer complains satisfactory attended to/resolved)	100%	100%	100%	n/a	n/a	100%
Ensure effective administrative management and internal controls	Monthly Departmental reports	12	12	12	n/a	n/a	100%
Human Resource Development	Review & report on Equity Plan	4	6	6	n/a	n/a	100%
Human Resource Development	Review & report Work Skills Plan	1	1	1	n/a	n/a	100%
Human Resource Development	Review and approve Organogram	1	1	1	Draft provided by the service provider - in process of finalizing organogram	finalization of organogram by September 2011	100%
Human Resource Development	% implementation of training plan	100%	100%	100%	n/a	n/a	100%
Human Resource Development	Review, workshop and finalize the Delegation of powers by September 2010	100%	100%	100%	n/a	n/a	100%
To enhance morale and commitment of employees	Review, workshop and finalize the Institutional Plan by September 2010	100%	100%	100%	n/a	n/a	100%
To enhance morale and commitment of employees	Filing of all budgeted vacant posts in the organizational structure	100%	100%	90%	post advertised but not yet filled	filling of post in new financial year	90%
To enhance morale and commitment of employees	Implementation of Employment Wellness Programme [EAP] (monthly progress from service provider)	12	12	12	n/a	n/a	100%
To enhance morale and commitment of employees	Analyse the age Cohorts of all employees and the likely impact of it on service delivery, full report and recommendations by September 2010	New kpi	100%	100%	n/a	n/a	100%
Strengthen the PMS	Strengthen the implementation of the PMS, quarterly coaching sessions to be held	4	3	1	acting director appointed, affected the normal operation of Senior Management relating to coaching session	Final Sec 57 appointment will done	33%
Labour Relations	Local Labour Forum meetings	4	3	3	n/a	n/a	100%

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Indicator	Unit of measurement	Actual 2009/10	Final result for 10/11		Performance Comment	Corrective measures to be taken	Score
			Target	Actual			
Labour Relations	Disciplinary Cases Reported & Completed	100%	100%	60%	cases still in process, can't dictate outcomes	n/a	60%
Healthy and Safe Work Environment	Number of Health & Safety Com. meetings	1	4	4	n/a	n/a	100%
Healthy and Safe Work Environment	Quarterly H&S reports	4	3	2	quorum not reached at all meetings	meetings would continue even if quorum not reached	67%
Healthy and Safe Work Environment	Prepare H&S equipment schedule	1	1	1	n/a	n/a	100%
Healthy and Safe Work Environment	Safety Equipment issued according to schedule	100%	100%	100%	n/a	n/a	100%
Public participation and good governance	Number of Ward Committee Meetings Reports Monthly	Report is submitted for all wards	84	3	operations were affected by the LG elections processes limited to no operations and reports are not submitted by ward councillors	After establishment of new ward committees ensure that they trained and operational.	4%
Public participation and good governance	The reviewed IDP to be endorsed by 31 March 2011 and ensure much more involvement by sector departments.	1	1	1	n/a	n/a	100%
Public participation and good governance	IDP representative forum to be established by 31 August 2010	1	1	1	n/a	n/a	100%
Public participation and good governance	Number of IDP Rep meetings	2	3	2	Meetings arranged and attendance poor	Meetings must be held in accordance to the IDP process plan	67%
Public participation and good governance	Monthly IDP steering committee meetings as from 31 July 2010	6	12	4	The commitment of role-players are not forthcoming	MM directly involve to ensure cooperation by all directorates	33%
Public participation and good governance	IDP review process to start by 29 October 2010	New kpi	100%	100%	n/a	n/a	100%
Public participation and good governance	Ensure that monthly reports on the implementation of the IDP are tabled at the Executive Committee	New kpi	12	8	Reports are linked to Council committee meetings, meetings must be convened to deliver reports	Table monthly reports to Municipal Manager	67%
Public participation and good governance	Number of IDP , PMS & Budget Consultation meetings	14	14	14	n/a	n/a	100%
Maintenance of a database of SMME contractors in Emthanjeni municipal area and Job creation	Provide Inst Capability to implement LED programs and training	New kpi	100%	100%	n/a	n/a	100%
Maintenance of a database of SMME contractors in Emthanjeni municipal area and Job creation	Ensure that capital budget for LED is spent	New kpi	100%	100%	n/a	n/a	100%
Maintenance of a database of SMME contractors in Emthanjeni municipal area and Job creation	Maintain a supplier database and update.	100%	100%	100%	n/a	n/a	100%
Maintenance of a database of SMME contractors in Emthanjeni municipal area and Job creation	Workshop on the Procurement processes.	1	2	2	n/a	n/a	100%

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Indicator	Unit of measurement	Actual 2009/10	Final result for 10/11		Performance Comment	Corrective measures to be taken	Score
			Target	Actual			
Maintenance of a database of SMME contractors in Emthanjeni municipal area and Job creation	2 information sessions for SMME's	2	2	2	n/a	n/a	100%
Ensure Healthy and Safe Environment	Effective Security Services by Vukuzenzele Security Services	New kpi	12	12	workload and had to provide attention to other matters in the municipality	improve planning in the department	100%
Prevention of Fire Disasters	Fire Brigade Meeting	New kpi	4	2	Insufficient funding	training is still critical for the department and will be effected	50%
Prevention of Fire Disasters	Fire Brigade Training	Internal training was provided	4	2	Insufficient funding	training is still critical for the department and will be effected	50%
Ensure Road Safety	Testing of Learners	1296	1536	1426	No control over no of applications received	n/a	93%
Ensure Road Safety	Testing of Drivers Licence	1157	1728	1418	No control over no of applications received	n/a	82%
Ensure Road Safety	Speed Traps TVS	917	500	869	n/a	n/a	174%
Ensure Road Safety	Road Marking Signs and Directions	New kpi	34	35	n/a	n/a	103%
Libraries	Effective Library Services	12	12	12	n/a	n/a	100%
Departmental Meetings (Director and Managers]	Monthly reports	12	12	12	activities were on going in directorate and Acting Director in position and handling a department	appointment of new director in process	100%
Departmental Meetings (Director and Managers]	Bi-Weekly Meetings	24	24	7	activities were on going in directorate and Acting Director in position and handling a department	appointment of new director in process	29%
Ensure effective Project Management and Tourism Development	Submission of Business Plan for Tourism Development and Promotion. Get bankable plan as per business proposal	100%	100%	100%	n/a	n/a	100%
Ensure effective Project Management and Tourism Development	Branding of Emthanjeni Municipality to attract Tourist , lure investment and strengthen our relations with Tourism Department	Phase 2 completed	100%	100%	n/a	n/a	100%
Ensure effective Project Management and Tourism Development	Ensure launch of new brand of Emthanjeni Municipality by October 2010	New kpi	100%	100%	interest levels not adequate	involve stakeholders like the tourism forum	100%
Promotion of local economic development and tourism	Canvass for the funding of guesthouses and conference centre for Emthanjeni Municipality by June 2011	New kpi	100%	40%	interest levels not adequate for the submission and formulation of plans	involve stakeholders like the tourism forum	40%
Promotion of local economic development and tourism	Strengthen our relationship with SEDA, Dept of economic	New kpi	4	3	meetings held on on-going basis, relations must be	More structured meetings must be set up.	75%

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Indicator	Unit of measurement	Actual 2009/10	Final result for 10/11		Performance Comment	Corrective measures to be taken	Score
			Target	Actual			
	affairs, Dept of agriculture, Tourism, NCEDA by June 2011				agreed to		
Promotion of local economic development and tourism	Implementation of LED Strategy objectives	Strategy approved	6	6	n/a	n/a	100%
Promotion of local economic development and tourism	LED mentorship progress reports	New kpi	12	12	n/a	n/a	100%
To coordinate/ manage the effective utilisation of commonage	To constantly assist the small farmers and report to the Development Committee.	2	12	6	assistance provided from both DCCDS and DIHS on maintenance and support	n/a	50%
To coordinate/ manage the effective utilisation of commonage	Reporting on paying for commonage land by emerging farmers, quarterly to the Director.	New kpi	3	1	busy with assessment of all farmers owing the municipality	request monthly reports from finance department on small farmers billed and monies received	33%
To coordinate/ manage the effective utilisation of commonage	Monthly coordination of Commonage Land and meetings with associations	New kpi	6	2	the commonage officer is not yet appointment and this makes it difficult for existing staff to perform all duties	ensure appointment and provide support	33%
To coordinate/ manage the effective utilisation of commonage	Establishment of Commonage Committee by August 2010	New kpi	100%	50%	the department of agriculture assisting	establish the committee based on the dept. process	50%
Ensure effective Administrative Management and Internal Controls	HOD meetings	24	24	24	n/a	n/a	100%
Ensure effective Administrative Management and Internal Controls	Annual Leave planning and control	1	1	1	n/a	n/a	100%
Ensure effective Planning and Project Management	Review and approval of LED Strategy	Strategy approved	100%	100%	n/a	n/a	100%
Ensure effective Planning and Project Management	Submission of an MSA compliant IDP to the MM (annual review) March 2011	1	1	1	n/a	n/a	100%
Ensure proper environmental programmes are undertaken and implemented	Maintenance and cleanliness of community halls	12	12	12	n/a	n/a	100%
Ensure effective Capacitation programmes are implemented	Identify 3 Youth Development Projects by June 2011	3	3	1	Carwash complete, other programs did not kick off,	ensure that projects identified are implemented	33%
Ensure effective Capacitation programmes are implemented	Formation of 2 Co-operatives	New kpi	2	0	Delays with other institutions (SEDA, Dept Agriculture, Amandla), this is to set up the entities. Processes were started already.	ensure that entities are established	0%
Ensure effective Capacitation programmes are implemented	Foreman capacitated on Project Management by September 2010	New kpi	100%	100%	n/a	n/a	100%
Ensure effective Capacitation programmes are implemented	Women mobilized to participate in women empowerment fund	New kpi	100%	0%	funds not utilized as we were waiting on the district municipality for guidance	Implement the fund at local municipality level, own criteria will be crafted for implementation	0%

Table 99: SDBIP – Corporate, Community and Development

5.3.3 FINANCIAL SERVICES

Financial Services consists of the following divisions:

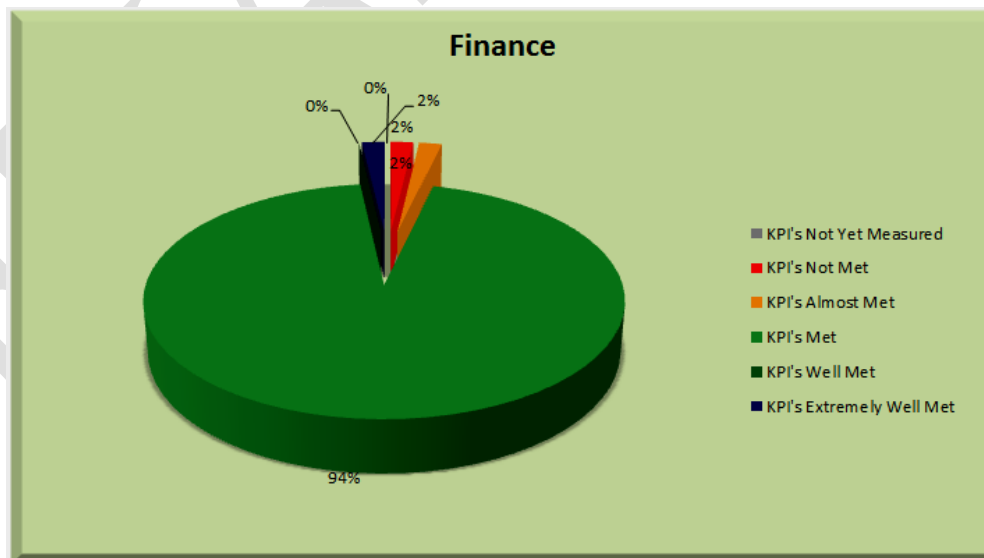
- Director: Financial Services
- Supply Chain
- Information Technology

The Operational Key Performance Indicators for Financial Services are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance and Public Participation	Ensure sustainable and representative governance through the efficient, effective and sustainable utilization of resources in consultation with the residents of Emthanjeni Municipality
Municipal Transformation and Organisational Development	Municipal Institutional Transformation	Development and transformation of the institution with the aim of capacitating the municipality in meeting objectives
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Create and effective, efficient, sustainable and viable municipality through financial management
Basic Service Delivery	Basic Service Delivery	Ensure that all residents have access to sustainable free basic services and all other services rendered

Table 100: Functional alignment – Financial Services

The following graph indicates the performance of the Financial Services directorate



Graph 12: Financial Services performance

Below is the Financial Services directorate's Service Delivery Budget Implementation Plan:

Indicator	Unit of measurement	Actual 2009/10	Final result for 10/11		Performance Comment	Corrective measures to be taken	Score
			Target	Actual			
Ensure accurate and timeously reporting and Planning	Monthly budget control. Reconciliation of general ledger accounts and report accordingly	12	12	12	n/a	n/a	100%
Ensure accurate and timeously reporting and Planning	Submission of financial statistics on payment percentage to CocTA	12	12	12	n/a	n/a	100%
Ensure accurate and timeously reporting and Planning	MFMA quarterly reports to Council, National Treasury, Provincial Treasury	4	5	5	n/a	n/a	100%
Ensure accurate and timeously reporting and Planning	MFMA section 71 reports – monthly	12	12	12	n/a	n/a	100%
Ensure accurate and timeously reporting and Planning	Timeously submission of Mid-Year report to Council. National & Provincial Treasury as per MFMA requirement	1	1	1	n/a	n/a	100%
Ensure accurate and timeously reporting and Planning	Dept: Health reports - monthly	12	12	12	n/a	n/a	100%
To develop a compliant budget as per circular 28 of the MFMA	Preparing of Timeous Budgetary schedules and meeting schedules for the preparation during the consultative processes of the Annual Budget	1 set	1	1	n/a	n/a	100%
To develop a compliant budget as per circular 28 of the MFMA	Timeously preparation and submission of Annual Draft Budget tabled by the Mayor end of March 2011	1	1	1	n/a	n/a	100%
To develop a compliant budget as per circular 28 of the MFMA	Timeously approval of Final Annual Budget at end of May 2011	1	1	1	n/a	n/a	100%
To develop a compliant budget as per circular 28 of the MFMA	Preparation and approval of Adjusted Budget	1	1	1	n/a	n/a	100%
To develop a compliant budget as per circular 28 of the MFMA	Development of Finance departmental SDBIP before end of June 2011	1	1	1	n/a	n/a	100%
Ensure effective capacity development and support in the financial unit	Acquiring of one set of Uniform for Front-line finance staff.	New KPI	100%	100%	n/a	n/a	100%
Ensure effective capacity development and support in the financial unit	Submission of reports on the progress of training programmes by junior finance staff	100%	100%	100%	n/a	n/a	100%
Ensure effective capacity development and support in the financial unit	Identification of training needs on the MFMA, SCM regulations and budgetary documents	100%	1	1	n/a	n/a	100%
To ensure Performance Management and Reporting	Completion of 2009/10 Annual reports	1	1	1	n/a	n/a	100%
To ensure Performance Management and Reporting	Number Performance Reports from CFO submitted to Municipal Manager	4	4	4	n/a	n/a	100%

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Indicator	Unit of measurement	Actual 2009/10	Final result for 10/11		Performance Comment	Corrective measures to be taken	Score
			Target	Actual			
To ensure Performance Management and Reporting	Quarterly Reporting to the Executive Committee on the progress of SDBIP	4	4	4	n/a	n/a	100%
To ensure Performance Management and Reporting	Performance reviews conducted with Financial Personnel	1	1	1	n/a	n/a	100%
To ensure proper Leave Planning within Department	Development and maintenance of Leave register to avoid leave bottle necks	1	1	1	n/a	n/a	100%
Establish and maintain financial systems	Implement effective system of revenue collection and safe keeping of data as per MFMA requirement	100%	100%	100%	n/a	n/a	100%
Establish and maintain financial systems	Ensure 100% collection and receipt of grant funding as per DoRA allocations	100%	100%	100%	n/a	n/a	100%
Revision, maintenance and ensure proper implementation of Financial Policies and By-Laws	Annual review and implementation of approved credit control & debt collection policy	1	1	1	n/a	n/a	100%
Revision, maintenance and ensure proper implementation of Financial Policies and By-Laws	Review and implement a Property Rates policy	1	1	1	n/a	n/a	100%
Revision, maintenance and ensure proper implementation of Financial Policies and By-Laws	Preparation and implement a supplementary valuation role	1	1	1	n/a	n/a	100%
Revision, maintenance and ensure proper implementation of Financial Policies and By-Laws	Annual review and development of other applicable revenue policies required per MFMA	100%	100%	100%	n/a	n/a	100%
Revision, maintenance and ensure proper implementation of Financial Policies and By-Laws	Review and ensure implementation of the supply chain management regulations and approved policy	100%	100%	100%	n/a	n/a	100%
Revision, maintenance and ensure proper implementation of Financial Policies and By-Laws	Annual review and development of applicable expenditure policies required per MFMA	100%	100%	100%	n/a	n/a	100%
Revision, maintenance and ensure proper implementation of Financial Policies and By-Laws	Review and implement an IT policy and strategy	1	1	1	n/a	n/a	100%
Revision, maintenance and ensure proper implementation of Financial Policies and By-Laws	Implement an effective system of expenditure control in compliance with MFMA requirements	100%	100%	100%	n/a	n/a	100%
Revision, maintenance and ensure proper implementation of Financial Policies and By-Laws	Apply an effective cash flow and investment management as per approved policy requirements and reconciliations	100%	100%	100%	n/a	n/a	100%
Revision, maintenance and ensure proper implementation of Financial Policies and By-Laws	Establish an effective store and inventory system and agree with the Abakus General Ledger	100%	100%	100%	n/a	n/a	100%
Revision, maintenance and ensure proper	Ensure 100% maintenance and security in respect of	100%	100%	100%	n/a	n/a	100%

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Indicator	Unit of measurement	Actual 2009/10	Final result for 10/11		Performance Comment	Corrective measures to be taken	Score
			Target	Actual			
implementation of Financial Policies and By-Laws	general ledger accounting system						
Revision, maintenance and ensure proper implementation of Financial Policies and By-Laws	Implement an effective system of asset and risk management in compliance with MFMA	100%	100%	100%	n/a	n/a	100%
To ensure Proper functioning and improvement of Cash flow management	Reporting on meter readings and complaints on a quarterly basis	4	4	4	n/a	n/a	100%
To ensure Proper functioning and improvement of Cash flow management	Address and smooth redressing of queries and complaints received from customers to 5 day turn-over rate	90%	90%	88%	More effective complaints system not fully implemented yet	Will be fully implemented in new financial year	88%
To ensure Proper functioning and improvement of Cash flow management	Issuing of Clearance Certificates	100%	100%	100%	n/a	n/a	100%
To ensure Proper functioning and improvement of Cash flow management	Development of a proper communication revenue campaigns and awareness strategy to increase the payment levels by consumers	1	0.5	1	n/a	n/a	200%
Preparation of Annual Financial Statements in GRAP format	Maintenance of Fixed Asset Register (FAR)	100%	100%	100%	n/a	n/a	100%
Preparation of Annual Financial Statements in GRAP format	Maintenance and revision of Chart of Accounts	100%	100%	100%	n/a	n/a	100%
Preparation of Annual Financial Statements in GRAP format	Annual reviewing of Accounting Policies for GRAP AFS	1 Set	1	1	n/a	n/a	100%
Preparation of Annual Financial Statements in GRAP format	Preparations and Submission of AFS comparative figures in GRAP format	1	1	1	n/a	n/a	100%
Preparation of Annual Financial Statements in GRAP format	Compilation and Preparation of Audit working paper file for external auditors	1	2	2	n/a	n/a	100%
Ensure Fair presentation of Financial Statements by improving external audit opinions	Improve on the previous year's audit opinion(2010) received from the Office of the Auditor General	80%	80%	80%	n/a	n/a	100%
Ensure Fair presentation of Financial Statements by improving external audit opinions	Development of Audit Recovery Plan in relation to audit qualifications identify in external audit report received from AG	1	1	1	n/a	n/a	100%
Ensure effective internal communication with staff members	Finance Middle Management Meetings	12	12	12	n/a	n/a	100%
Ensure effective internal communication with staff members	Finance Staff Meeting	12	12	12	n/a	n/a	100%
Ensure establishment of Sections in the Finance Directorate as per MFMA	Appointment of new Internal Audit Committee members	1 committee	1	0	Current agreement with DM	Will be advertised in new financial year	0%
Ensure proper Customer Care and improvement in service rendering by finance	Adherence and implementation of Customer Care policy	90%	90%	90%	n/a	n/a	100%

Indicator	Unit of measurement	Actual 2009/10	Final result for 10/11		Performance Comment	Corrective measures to be taken	Score
			Target	Actual			
officials							
Ensure proper Customer Care and improvement in service rendering by finance officials	Adherence to Batho Pele Principles by all staff	90%	90%	90%	n/a	n/a	100%
Ensure proper Customer Care and improvement in service rendering by finance officials	Strategic Review Session with al Finance Staff	1	1	1	n/a	n/a	100%
Ensure that all residents have access to sustainable free basic services and all other services rendered	The percentage of households earning less than R 1100 per month with access to free basic services	100%	100%	100%	n/a	n/a	100%
To ensure Proper functioning and improvement of Cash flow management	Debt coverage ((Total operating revenue-operating grants received)/debt service payments due within the year)	2.03	2	2	n/a	n/a	100%
To ensure Proper functioning and improvement of Cash flow management	Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	52.10%	67.80%	67.80%	n/a	n/a	100%
To ensure Proper functioning and improvement of Cash flow management	Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure	1.11	1.1	1.1	n/a	n/a	100%

Table 101: SDBIP – Financial Services

5.3.4 INFRASTRUCTURE, HOUSING AND PROJECT MANAGEMENT SERVICES

Infrastructure, Housing and Project Management Services consists of the following divisions:

- Director: Infrastructure, Housing and Project Management Services
- Technical Services
- Housing
- Project Management

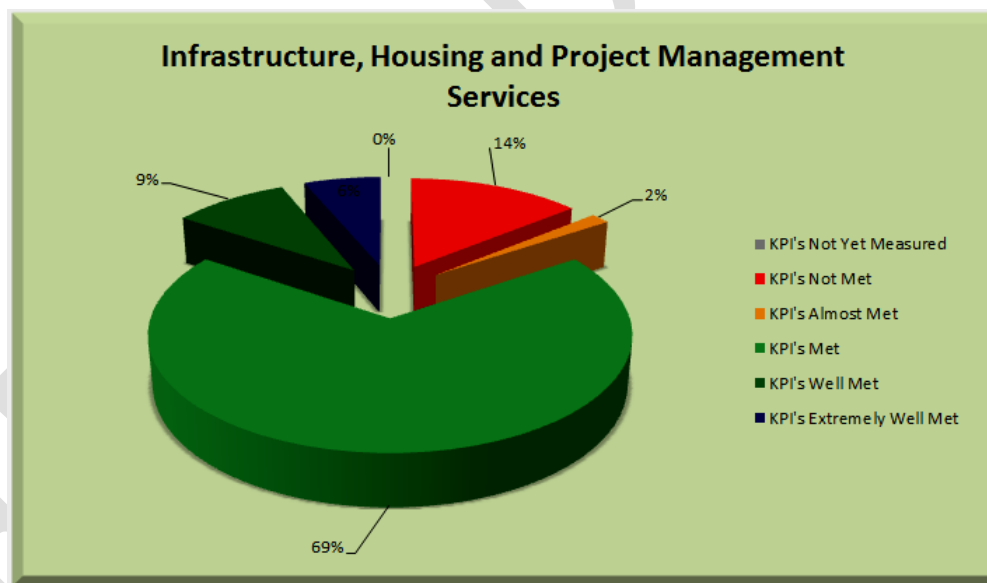
The Operational Key Performance Indicators for Infrastructure, Housing and Project Management Services are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance and Public Participation	Ensure sustainable and representative governance through the efficient, effective and sustainable utilization of resources in consultation with the residents of Emthanjeni Municipality
Municipal Transformation and	Municipal Institutional Transformation	Development and transformation of the

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Organisational Development		institution with the aim of capacitating the municipality in meeting objectives
Basic Service Delivery	Basic Service Delivery	Ensure that all residents have access to sustainable free basic services and all other services rendered
	Cross Cutting Issues	Contribute to a multi-sectoral response in addressing matters of importance, affecting children, youth, women, people with disabilities, sports and recreation and elderly persons and the issue of HIV/AIDS
	Environmental Management	Ensure a healthy environment for all residents of Emthanjeni through effective environmental management principles
	Provision of Infrastructure	Contribution to the sustainable growth and development of the area by providing backbone infrastructure required for economic and social development
Local Economic Development	Local Economic Development	Promote the equitable creation and distribution of wealth in Emthanjeni Municipality

Table 102: Functional alignment – Infrastructure, Housing and Project Management Services

The following graph indicates the performance of the Infrastructure, Housing and Project Management Services directorate



Graph 13: Infrastructure, Housing and Project Management Services performance

Below is the Infrastructure, Housing and Project Management Services directorate's Service Delivery Budget Implementation Plan:

Indicator	Unit of measurement	Actual 2009/10	Final result for 10/11		Performance Comment	Corrective measures to be taken	Score
			Target	Actual			
Provision of bulk infrastructure and reduce infrastructure backlogs	MIG funds spend by 30 June 2010	83%	100%	100%	n/a	n/a	100%
Provision of bulk infrastructure and reduce infrastructure backlogs	MIG tenders completed and contractors appointed by 31 December 2010	100%	100%	100%	n/a	n/a	100%
Provision of bulk infrastructure and reduce infrastructure backlogs	Implementation Readiness De Aar Bulk Water Supply by March 2011	New KPI	100%	100%	n/a	n/a	100%
Provision of bulk infrastructure and reduce infrastructure backlogs	Electrification Britstown 33 houses by December 2010	New KPI	100%	100%	n/a	n/a	100%
Provision of bulk infrastructure and reduce infrastructure backlogs	Upgrading of sport field (Lotto Funding) When funded by June 2011	New KPI	100%	100%	n/a	n/a	100%
Maintenance and Management of Infrastructure	Maintenance of water networks and infrastructure including repairs on receipt of complaints from office of the CFO	100%	100%	100%	n/a	n/a	100%
Maintenance and Management of Infrastructure	Maintenance of electricity networks, lighting and T.V including the development of a maintenance plan by December 2010	100%	100%	100%	n/a	n/a	100%
Maintenance and Management of Infrastructure	Maintenance of sewerage systems and purification works and spending of 90% of approved maintenance budget by June 2011	100%	100%	100%	n/a	n/a	100%
Maintenance and Manage of public facilities	Maintenance of sport fields and parks and spending of 90% of approved maintenance budget by June 2011	70%	100%	100%	n/a	n/a	100%
Maintenance and Manage of public facilities	Maintenance of council buildings and spending of 90% of approved maintenance budget by June 2011	100%	100%	100%	n/a	n/a	100%
Maintenance and Manage of public facilities	Maintenance and development of cemeteries and spending of 90% of approved maintenance budget by June 2011	100%	100%	100%	n/a	n/a	100%
Maintenance and Manage of public facilities	Maintenance of swimming pools, caravan park and spending of 90% of approved maintenance budget by June 2011	54%	100%	100%	n/a	n/a	100%
Waste Management	Manage land fill sites and refuse removal weekly according to programme	100%	100%	100%	n/a	n/a	100%

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Indicator	Unit of measurement	Actual 2009/10	Final result for 10/11		Performance Comment	Corrective measures to be taken	Score
			Target	Actual			
Waste Management	Quarterly cleaning of 7 wards	100%	100%	100%	n/a	n/a	100%
Transport management	Maintenance of municipal roads, air strip and storm water	89%	100%	100%	n/a	n/a	100%
Transport management	Paving / Tarring of roads	1.04km	1 km	1.08km	n/a	n/a	108%
Transport management	Quarterly grading of all roads	100%	100%	100%	n/a	n/a	100%
Transport management	Re-gravel roads	2.58km	5.0km	7,4km	n/a	n/a	148%
Transport management	Resealing of roads	New KPI	1.5km	2,0km	n/a	n/a	133%
To manage the housing needs and address the backlogs	Provide project management for Housing projects	100%	100%	100%	n/a	n/a	100%
To manage the housing needs and address the backlogs	Implementation of housing projects funded	100%	100%	100%	n/a	n/a	100%
To manage the housing needs and address the backlogs	Submission of housing business plans by October 2010	1	1	3	n/a	n/a	300%
To manage the housing needs and address the backlogs	Manage accreditation programme as per original business plan and report monthly on expenditure	100%	100%	100%	n/a	n/a	100%
To manage the housing needs and address the backlogs	Monthly housing reports on progress with projects and spending	12	12	12	n/a	n/a	100%
Ensure Effective Planning and Project Management	Monthly MIGMIS reporting	12	12	12	n/a	n/a	100%
Ensure Effective Planning and Project Management	Departmental reports on maintenance and capital projects	12	12	12	n/a	n/a	100%
Ensure Effective Planning and Project Management	Monitoring all infrastructure projects	100%	100%	100%	n/a	n/a	100%
Ensure Effective Planning and Project Management	Water Services Development Plan Annual report	100%	100%	100%	n/a	n/a	100%
Ensure Effective Planning and Project Management	Business Plans	8	2	3	n/a	n/a	150%
Ensure Effective Planning and Project Management	Funding application to DME	1	1	1	n/a	n/a	100%
Ensure Safe Potable Water	Sampling of Water	171	144	148	n/a	n/a	103%
Ensure Safe Potable Water	Monthly reporting eWQMs	12	12	11	District Municipality did not take the monsters for one month	In new year the municipality will take the monsters themselves	92%
Health Safety and Environment	Health and Safety rep meetings attend	1	6	4	Less meetings were arranged	n/a	67%
Health Safety and Environment	Equipment Safety certificates for electricity vehicles	4	4	4	n/a	n/a	100%
Health Safety and Environment	Safety equipment + protective clothing, issuing by end of December 2010	100%	100%	100%	n/a	n/a	100%
Public Participation and Good governance	Attend I.D.P. representative meetings when scheduled	2	4	1	Less meetings were arranged	n/a	25%
Public Participation and Good governance	Attend Budget Consulting meetings when scheduled	14	6	0	No meetings were arranged	n/a	0%
Public Participation and Good governance	Attend other public consultation meetings	100%	100%	0%	No meetings were are	n/a	0%

EMTHANJENI LOCAL MUNICIPALITY FINAL DRAFT ANNUAL REPORT 2010/11

Indicator	Unit of measurement	Actual 2009/10	Final result for 10/11		Performance Comment	Corrective measures to be taken	Score
			Target	Actual			
	when scheduled				arranged		
Ensure Effective Customer Care	Compliance with customer care policy	100%	100%	100%	n/a	n/a	100%
To ensure Building Control and Land use Management	Building Control inspections	100% as per regulations	62	78	n/a	n/a	126%
To ensure Building Control and Land use Management	Building plans approved within 30 days	100%	90%	100%	n/a	n/a	111%
To ensure Building Control and Land use Management	Land use applications inputs within 30 days	100%	100%	100%	n/a	n/a	100%
To ensure Building Control and Land use Management	Annual valuation roll update inputs	100%	100%	100%	n/a	n/a	100%
Effectively Support Political Interfaces	Attend Council meetings	5	5	1	Less meetings were arranged	n/a	20%
Effectively Support Political Interfaces	Attend Special council meetings	23	12	4	Less meetings were arranged	n/a	33%
Effectively Support Political Interfaces	Attend Council meets the people	14	21	14	Less meetings were arranged	n/a	67%
Effectively Support Political Interfaces	Attend Portfolio committee meetings	42	24	4	Less meetings were arranged	n/a	17%
Effectively Support Political Interfaces	Implementation of Ward projects	100%	100%	100%	n/a	n/a	100%
To ensure Performance Management and Reporting	Annual Report for Directorate	1	1	1	n/a	n/a	100%
To ensure Performance Management and Reporting	Inputs Annual Review of I.D.P.	100%	100%	100%	n/a	n/a	100%
To ensure Performance Management and Reporting	Annual Water Losses report	1	1	1	n/a	n/a	100%
To ensure Performance Management and Reporting	Reporting on Reds	2	1	1	n/a	n/a	100%
To ensure Performance Management and Reporting	Attend quarterly District Water Sector Forum if scheduled by District	New KPI	4	2	Less meetings were arranged	n/a	50%
To ensure Performance Management and Reporting	District Electrical forum meetings attend	New KPI	100%	100%	n/a	n/a	100%
To ensure Performance Management and Reporting	Annual Electricity Losses report	1	1	1	n/a	n/a	100%
To ensure effective administration and internal control	Monthly departmental meetings and reports	12	12	12	n/a	n/a	100%
To ensure effective administration and internal control	HOD meetings	24	24	24	n/a	n/a	100%
To ensure effective administration and internal control	Annual leave planning	1	1	1	n/a	n/a	100%
To ensure effective technical management	Monitoring of Conditional grants according to business BP	100%	100%	100%	n/a	n/a	100%
To ensure effective technical management	Reduction of down time Basic Services - water	100% compliance with targets set	144 hours	8.328 hours	n/a	n/a	1729%

Indicator	Unit of measurement	Actual 2009/10	Final result for 10/11		Performance Comment	Corrective measures to be taken	Score
			Target	Actual			
To ensure effective technical management	Reduction of down time Basic Services - electricity	100% compliance with targets set	288	7.24	n/a	n/a	3978%
Provision of bulk infrastructure and reduce infrastructure backlogs	The percentage of households with access to basic level of water & sanitation	100%	100%	100%	n/a	n/a	100%
Provision of bulk infrastructure and reduce infrastructure backlogs	The percentage of households with access to basic level of electricity	100%	100%	100%	n/a	n/a	100%
Provision of bulk infrastructure and reduce infrastructure backlogs	The percentage of households with access to basic level of solid waste removal	100%	100%	100%	n/a	n/a	100%

Table 103: SDBIP – Infrastructure, Housing and Project Management Services

FINAL DRAFT

CHAPTER 6

FINANCIAL PERFORMANCE



CHAPTER 6: FINANCIAL PERFORMANCE

6.1 NATIONAL KEY PERFORMANCE INDICATORS - MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area namely Municipal Financial Viability and Management.

KPA & INDICATOR	2008/09	2009/10	2010/11
Debt coverage ((Total operating revenue-operating grants received)/debt service payments due within the year)	35.17	64.20	59.35
Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	0.43	0.73	0.88
Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure	1.59	1.58	1.32

Table 104: National KPI's for financial viability and management

6.2 FINANCIAL VIABILITY HIGHLIGHTS

Highlights	Description
Improved cashflow position	Creditors were paid within a 30 days period after receipt of invoices Eskom account has been handled superbly
Utilisation of conditional grants	All conditional grants received during the 2010/2011 financial year was spent accordingly
Capital budget spending	100% capital spending occurred during the financial year
Staff training	Junior staff has successfully completed the AAT SAICA accredited competency training and will formally graduate during October 2011
Obtaining a vehicle loan	Acquisition of new vehicle fleet to improve service delivery within the municipality

Table 105: Financial Viability Highlights

6.3 FINANCIAL VIABILITY CHALLENGES

Challenge	Action to address
Increase of outstanding debtors	<ul style="list-style-type: none"> • Implement the Credit Control Policy more strictly • Zero tolerance towards businesses and government depts. • Seeking alternatives in order to improve the collection rate of payment
Improve Cash flow position and maintain it at acceptable levels	<ul style="list-style-type: none"> • Proper cash management by paying all commitments within 30 days period • Communicating timeously and continuously with all stakeholders relating to payment of services for and to providers
Capacity of Credit Control Unit	<ul style="list-style-type: none"> • More training and support programmes must be developed to assist the Credit Control unit • Investigating best practices within the industry to ensure that the Credit Control Unit becomes highly effective and more productive

Table 106: Financial Viability Challenges

6.4 FINANCIAL SUSTAINABILITY

6.4.1 OPERATING RESULTS

The table below shows a summary of performance against budgets

Financial Year	Revenue				Operating expenditure			
	Budget	Actual	Diff.	%	Budget	Actual	Diff.	%
	R'000	R'000	R'000		R'000	R'000	R'000	
2008/09	99 246	102 250	3 004	3.03	99 246	152 967	(53 721)	(54.1)
2009/10	126 755	127 478	723	1.01	140 485	162 598	(22 113)	(13.60)
2010/11	144 769	135 796	(8 973)	(6.61)	159 339	183 693	(24 354)	(13.26)

Table 107: Performance against budgets

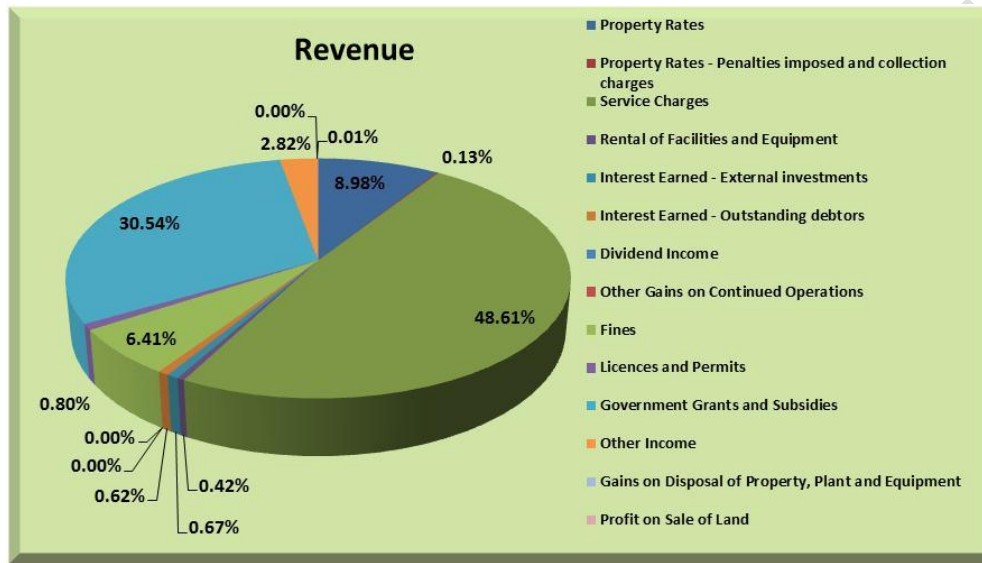
Operating Revenue

The revenue is in line with the budgeted amounts. However, more revenue must be generated for the provision of services within the municipal area. A revival of Payment Campaigns need to be instituted which will contribute to the improvement of cashflow position.

Operating Expenditure

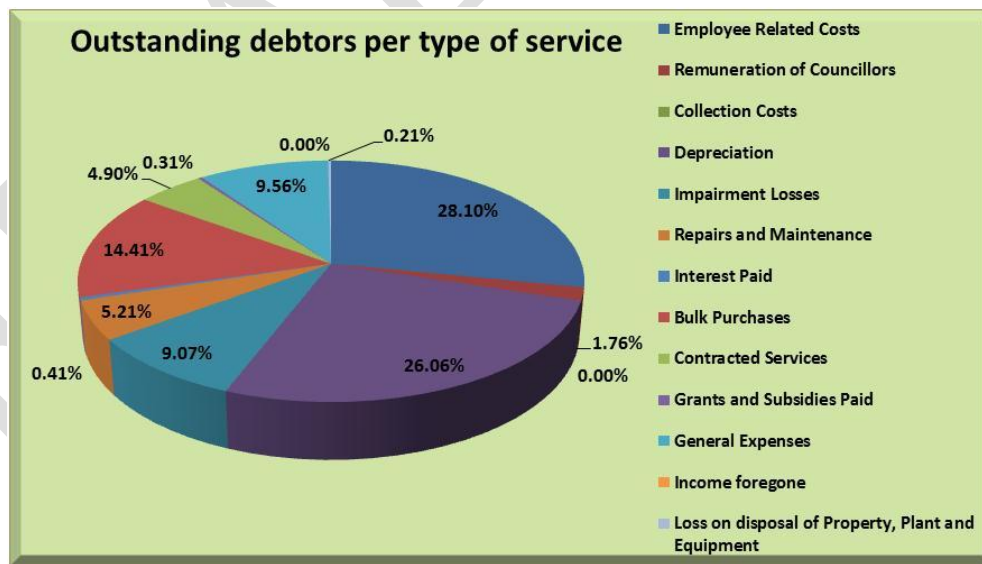
Strict expenditure control is paying dividends. The deficit over the years relates to the non-cash expenditure items such as the contributions to Doubtful Debts, Impairment losses, Actuarial Losses, Depreciations and others.

The following graph indicates the various types of revenue items in the municipal budget for 2010/11



Graph 14: Revenue

The following graph indicates the various types of expenditure items in the municipal budget for 2010/11



Graph 15: Operating expenditure

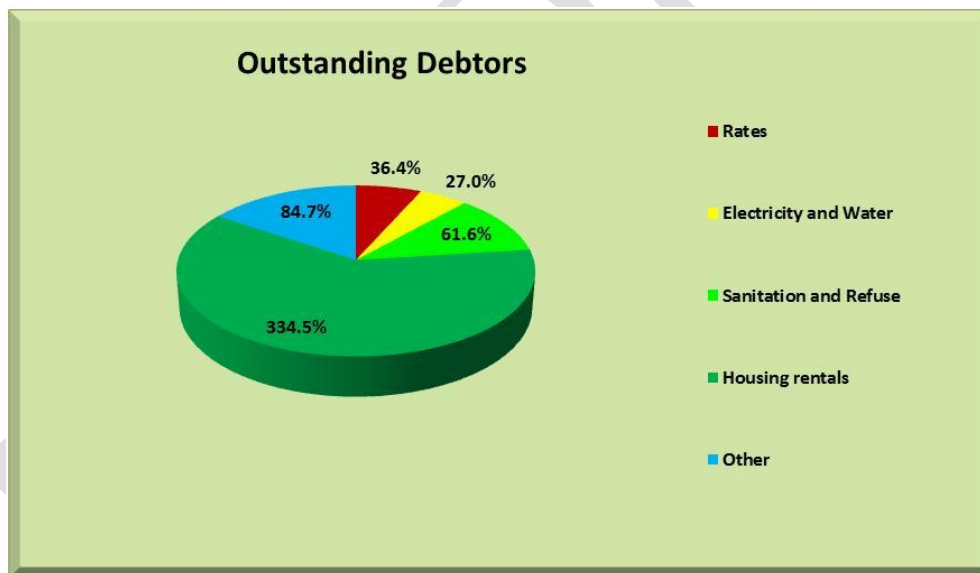
6.4.2 OUTSTANDING DEBTORS

A) GROSS OUTSTANDING DEBTORS PER SERVICE

Financial year	Rates	Trading services	Economic services	Housing rentals	Other	Total
		(Electricity and Water)	(Sanitation and Refuse)			
	R'000	R'000	R'000	R'000	R'000	R'000
2008/09	2 470	18 376	4 865	176	828	26 716
2009/10	4 530	26 119	10 383	281	910	42 223
2010/11	6 180	33 174	16 778	1 221	1 681	59 034
Difference	1 650	7055	6 395	940	771	16 811
% growth year on year	26.70	21.3	38.12	76.99	(4.74)	28.48

Table 108: Gross outstanding debtors per service

The following graph indicates the total outstanding debt per type of service for 2010/11



Graph 16: Debt per type of service

B) TOTAL DEBTORS AGE ANALYSIS

Financial year	Less than 30 days (R'000)	Between 30-60 days (R'000)	Between 60-90 days (R'000)	More than 90 days (R'000)	Total (R'000)
2008/09	5 354	1 992	2 106	17 237	26 689
2009/10	6 602	3 539	3 044	31 473	44 658
2010/11	7 613	3 304	3 087	45 028	59 034

Financial year	Less than 30 days (R'000)	Between 30-60 days (R'000)	Between 60-90 days (R'000)	More than 90 days (R'000)	Total (R'000)
Difference	1 011	(235)	43	13 555	14 376
% growth year on year	13.28	(7.1)	1.39	30.10	24.35

Table 109: Service debtor age analysis

Note: Figures exclude provision for bad debt

Outstanding debtor's amounts

This remains the biggest challenge facing the municipality. With the current challenges experienced with the collection rate, all stakeholders within the municipality must put hands and action together in order to turn around the situation. In addressing this enormous challenge, spin-offs will benefit the municipality and the communities it serves.

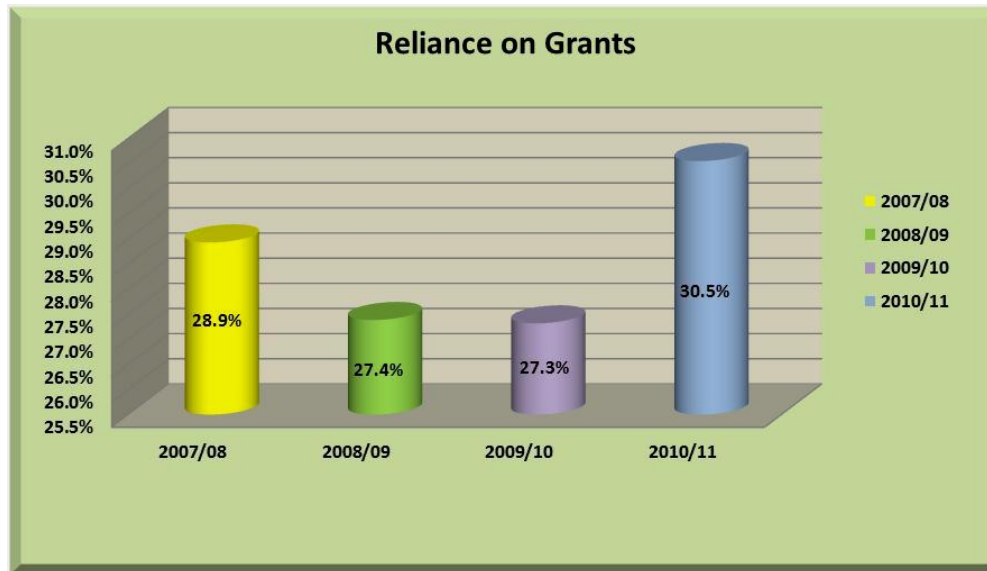
6.4.3 VIABILITY INDICATORS

Financial year	Total grants and subsidies received (R'000)	Total Operating Revenue (R'000)	Percentage (%)
	R'000	R'000	
2007/08	24 944	86 240	28.92
2008/09	27 997	102 250	27.38
2009/10	34 820	127 478	27.32
2010/11	41 478	135 796	30.54

Table 110: Reliance on grants

Grants contribute very positively to the actual revenue of the municipality. The reliance of these grants, led to the capital budget programme is executed to the fullest. Capital grants are used exclusive for the capital budget of the municipality. Operating budget is mainly utilized for the provision of Free Basic Services for the Indigent Households.

The following graph indicates the municipality's reliance on grants as percentage for the last three financial years



Graph 17: Reliance on grants as %

B) LIQUIDITY RATIO

Financial year	Net current assets (R'000)	Net current liabilities (R'000)	Ratio
2007/08	62 087	27 595	2.25:1
2008/09	26 685	17 157	1.56:1
2009/10	73 681	18 540	3.97:1
2010/11	67 593	19 324	3.5:1

Table 111: Liquidity ratio

The municipality's liquidity ratio is very favourable. The 2009/10 and 2010/11 financial years shown that the municipality can honour its commitments almost four times. This favourable ratio is mainly influenced by the Land Stock which forms almost 90% of the total amount of inventory for those years.

6.4.4 AUDITED OUTCOMES

Year	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/11
Status	Disclaimer	Disclaimer	Disclaimer	Disclaimer	Disclaimer	Qualified

Table 112: Audit outcomes

The following table provides the details on the audit outcomes for the past two financial years with the correctives steps implemented:

2008/09	
Issue raised	Corrective step implemented

2008/09	
Issue raised	Corrective step implemented
<u>Emphasis of matter:</u>	
Property, plant and equipment	Review and Assess the FAR to comply with GRAP 17. Buad Systems to correct all the findings
Revenue	Supporting documentation will be provided to the auditors timeously by the Accountant Income
Expenditure	Supporting documentation will be provided to the auditors timeously by the Accountant Expenditure
Accumulated Surplus	Sufficient supporting documentation will be handed to the auditors for further substantive testing.
Cash and cash equivalents	Sufficient supporting documentation will be handed to the auditors for further substantive testing.
Irregular Expenditure	Adherence to the SCM regulations will be followed.
<u>Other Matters</u>	
Non-compliance with applicable legislation	
Local Government: Municipal Finance Management Act, No. 56 of 2003 (MFMA)	
Noncompliance of s22 and s23	Proof of invitation will be publish and handed to the auditors
Non-compliance of s65(2)(e)	All creditors will be paid within 30 days
Local Government: Municipal Systems Act, Act No. 32 of 2000 (MSA)	
Non-compliance of s25(4)	Advertisement will be publish timeously
Non-compliance of s32(1)(a)	Correspondence will be handed to the MEC of Local Government

Table 11.3: 2008/09 Detail on audit outcomes

2009/10	
Issue raised	Corrective step implemented
<u>Emphasis of matter:</u>	
Property, plant and equipment	Ducharme Consulting (DC) was appointed to compile a new FAR that will be fully GRAP 17 compliant. DC must also complete the measurement of all assets.
Irregular Expenditure	Regular reporting to Provincial Treasury on deviations and SCM. We also approach Provincial Treasury to provide training to officials that are involved in the acquisitions process.
Other Audit qualifications	Ducharme Consulting has also been appointed to assist with the prior year audit exceptions. They will us the municipality in order to achieve Clean Audit.
<u>Other Matters</u>	
Non-compliance with applicable legislation	
Local Government: Municipal Finance Management Act, No. 56 of 2003 (MFMA)	
Non-compliance of s62(1)(c)(i)	With the review of the Organogram the Risk Unit will be

2009/10	
Issue raised	Corrective step implemented
	addressed.
Non-compliance of s43	All suppliers will be required to hand over tax clearance certificates
Local Government: Municipal Systems Act, Act No. 32 of 2000 (MSA)	
Non-compliance of s11(1)	PMS will be conducted more formally and all KPI's will be reviewed regularly.
Non-compliance of s32	Proof of copy will be submitted to the MEC of Local Government

Table 114: 2009/10 Detail on audit outcomes

2010/11	
Issue raised	Corrective step implemented
Property, Plant and Equipment	Action Plan will be developed to address the issues identified
Revenue	
Creditors from Exchange transactions	
Intangible Assets	
Irregular Expenditure	
<u>Emphasis of matter:</u>	
Significant uncertainties: Non License of Landfill Site	Action Plan will be developed to address the issues identified
Restatement of corresponding figures	
Material losses and impairment	
<u>Other Matters</u>	
Non-compliance with applicable legislation	
Local Government: Municipal Finance Management Act, No. 56 of 2003 (MFMA)	
The Audit Committee did not function as per s166, MFMA	Training and Capacitation of Audit Committee will be undertaken before the end of the 2011/2012 financial year
Local Government: Municipal Systems Act, Act No. 32 of 2000 (MSA)	
Predetermined Objectives	Action Plan will be developed to address the issues identified
Procurement and contract management	

Table 115: 2010/11 Detail on audit outcomes

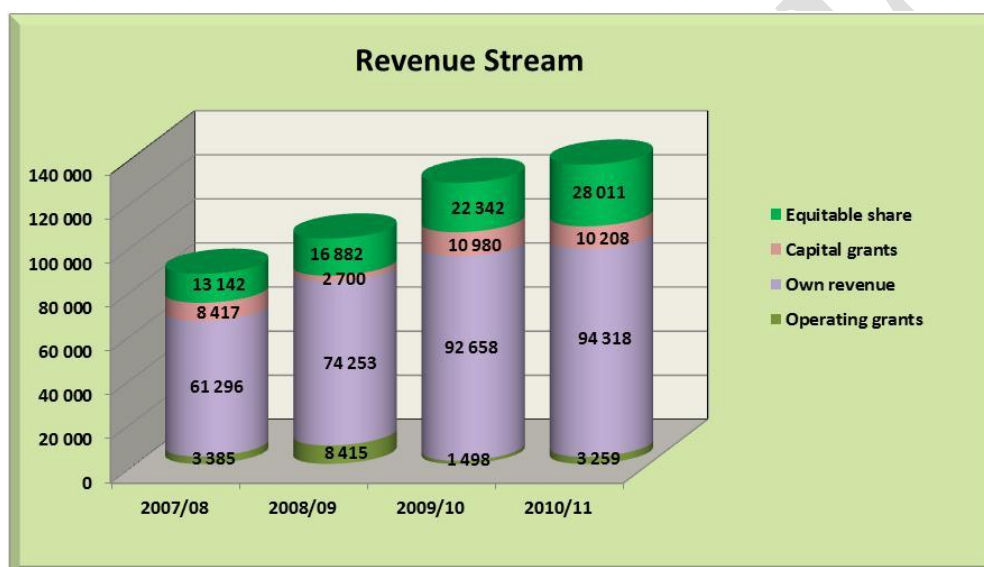
6.4.5 EQUITABLE SHARE VS TOTAL REVENUE

Description of revenue	Amount received 2007/08	Amount received 2008/09	Amount received 2009/10	Amount received 2010/11
	R'000	R'000	R'000	R'000
Equitable share	13 142	16 882	22 342	28 011
Capital grants	8 417	2 700	10 980	10 208

Description of revenue	Amount received 2007/08	Amount received 2008/09	Amount received 2009/10	Amount received 2010/11
	R'000	R'000	R'000	R'000
Operating grants	3 385	8 415	1 498	3 259
Own revenue	61 296	74 253	92 658	94 318
Total revenue	86 240	102 250	127 478	135 796

Table 116: Equitable share vs. total revenue

The following graph indicates the various revenue streams of the municipality for the past three financial years



Graph 18: Revenue streams

6.4.6 REPAIRS AND MAINTENANCE

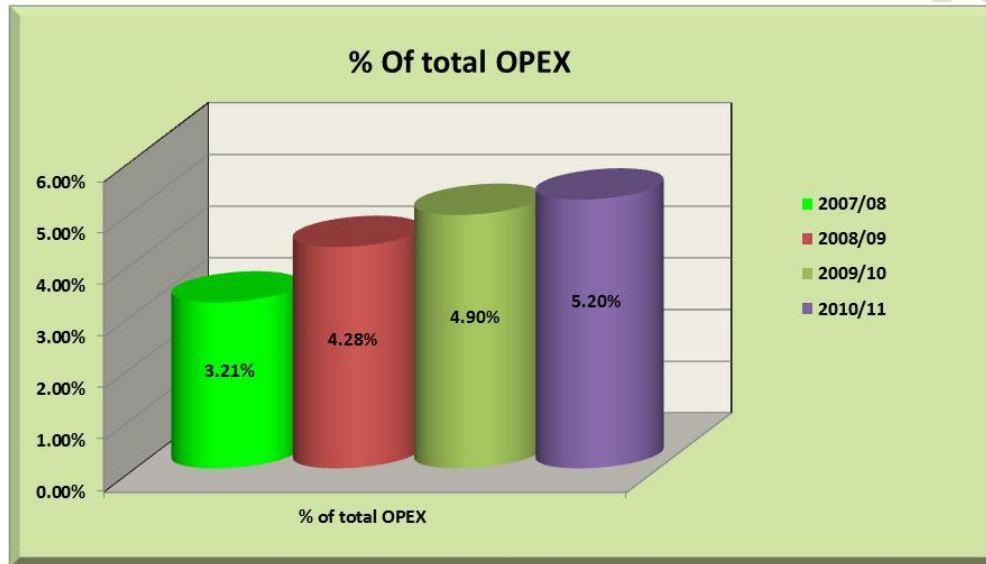
Description	2007/2008	2008/2009	2009/2010	2010/11
	R'000	R'000	R'000	R'000
Total Operating Expenditure	79 202	15 2967	162 598	183 693
Repairs and Maintenance	2 539	6 546	7 967	9 545
% of total OPEX	3.21	4.28	4.90	5.20

Table 117: Repairs & maintenance as % of total OPEX

The percentage of repair and maintenance is much higher than the percentages reflected above. The total expenditure is being boosted by the non-cash items of depreciation and impairment, actuarial losses, income forgone etc.

Council strives to spend at least 10% of its total operating budget for the repairs and maintenance of its assets. The replacement of assets which were capitalised is excluded in the figures above.

The following graph indicates the percentage of the budget that was spent on repairs & maintenance in relation to the operational budget



Graph 19: Repairs and maintenance as percentage of OPEX

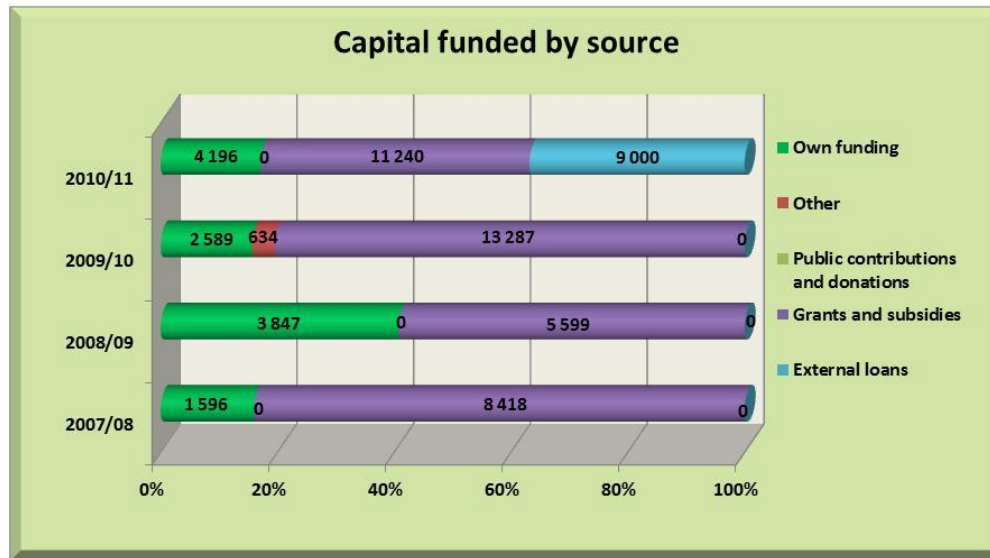
6.4.7 CAPITAL FUNDED BY SOURCE

Description Source	2007/08	2008/09	2009/10	2010/11
	R'000	R'000	R'000	R'000
External loans	0	0	0	9 000
Grants and subsidies	8 418	5 599	13 287	11 240
Public contributions and donations	0	0	0	0
Own funding	1 596	3 847	2 589	4 196
Other	0	0	634	0
Total capital expenditure	10 014	9 446	16 510	24 436

Table 118: Capital funded by source

Emthanjeni municipality is committed to spend its total capital budget. The spending percentage of the 2011 financial year is almost 100%. The new acquisitions of the Vehicle Fleet and the spending of the MIG Grants and continuous construction of streets, all contribute to the spending patterns of the capital programme.

The following graph indicates capital expenditure funded by the various sources



Graph 20: Capital funded by source

FINAL DRAFT

LIST OF ABBREVIATIONS

AG	Auditor-General
CAPEX	Capital Expenditure
CBP	Community Based Planning
CFO	Chief Financial Officer
DPLG	Department of Provincial and Local Government
DWAF	Department of Water Affairs and Forestry
EE	Employment Equity
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	Generally Recognised Accounting Practice
HR	Human Resources
IDP	Integrated Development Plan
IFRS	International Financial Reporting Standards
IMFO	Institute for Municipal finance officers
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
MFMA	Municipal Finance Management Act (Act No. 56 of 2003)
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MSA	Municipal Systems Act No. 32 of 2000
MTECH	Medium Term Expenditure Committee
NGO	Non governmental organisation
NT	National Treasury
OPEX	Operating expenditure
PMS	Performance Management System

PT	Provincial Treasury
SALGA	South African Local Government Organisation
SAMDI	South African Management Development Institute
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework

FINAL DRAFT

ANNEXURE A: FINANCIAL STATEMENTS

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ANNEXURE B: REPORT OF THE AUDITOR GENERAL

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ANNEXURE C: REPORT OF THE PERFORMANCE AUDIT COMMITTEE

FINAL DRAFT
