



ANNUAL REPORT 2014/15

MAKHUDUTHAMAGA
LOCAL MUNICIPALITY

CHAPTER 1: MAYOR'S FORE WORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

1.1 MAYOR'S FOREWORD

a. Vision

A developmental Municipality that provides needs satisfying sustainable services.

b. Key Policy Developments

The Municipality is proud to report that in the penultimate year of the current Council's five year mandate it has managed to a reasonable progress of its planned targets of five years which is a clear indication that it has become efficient and effective in the past four years of its existence. The above achievements give the Municipality confidence that it would be able to surpass its set targets or mandates. The Municipality also experienced challenges of staff turnover particularly at Senior Management level and could not fill all posts in the organisational structure due to limited office space.

Despite all these challenges the Municipality continued rendering high quality services to our communities during 2014/2015 financial year. The Municipality committed itself to the principles of hard work and improved service delivery to take us forward into the future. It managed to obtain unqualified audit opinions (with matters) during the 2013/2014 and also in 2014/2015, which makes it two consecutive financial years. This is one of the highest achievements since the beginning of the Municipality in 2000. This is as result of concerted and collective effort amongst all stakeholders.

c. Key Service Delivery Improvements

In the year under review the Municipality successfully completed the following capital projects:

- 1) Upgrading of Masemola Sport Ground
- 2) Rietfontein Storm Water Control Phase 1
- 3) Vierfontein to Rietfontein Link Road Phase 3
- 4) Jane Furse Police Station to Marangrang Access Road
- 5) Rietfontein Storm Water Control Phase 2
- 6) Construction of Moripane/Mogorwane Access Bridge
- 7) Construction of Moripane/Riverside Pedestrian Bridge
- 8) Access Roads to Peter Nchabeleng Sports Field Phase 2
- 9) Construction of Makhutso Access Bridge
- 10) Construction of Skotiphola Access Bridge
- 11) Construction of Access Road to Seopela Tribal Office
- 12) Construction of Access Road to Tjatane Tribal Office Phase 2

Due to concerted efforts of both political and administrative leadership, the Municipality also achieved the following:

- It has awarded 10 University bursaries to deserving students to ensure the improvement of the skills base within Makhuduthamaga.
- It has also supported 20 SMMES in various sectors especially on, food security and agriculture related projects.

d. Public Participation

The Municipality continued to develop and improve mechanisms to ensure a culture of participative governance as a priority. Cluster- Based consultation has been adopted as a form of participatory community action linked to the Annual Report, Integrated Development Planning (IDP) processes and other municipal activities. The Office of the Speaker facilitated the training of all 171 Ward Committee members; Ward Committees enhances a more effective communication between Council, communities and the various stakeholders.

Training for hundred and twenty five (125) Ward Committee members was conducted by LGSETA in collaboration with Sekhukhune TVET College which was conducted through a service provider. Ward Committee conference was held for two days from the 4th of May 2015 at Belabela.

e. Future Actions

The Speaker's office facilitated constant interaction with communities through quarterly Ward Committee meetings with their constituencies, to identify challenges, problems and development priorities in their wards. The Mayor's office also embarked on the mayoral outreach programs focusing on focal groups, i.e. women, children, disabilities, the elderly and ward 6-Eenzaam & wards 11 Molepane where he distributed blankets to the elderly.

f. Agreements / Partnerships (announcements on special partnerships initiated)

Makhuduthamaga Municipality participated in a partnership with the Productivity SA, LEDA for SMME training in financial Management, and SEDA provided training on project management. Motsepe Foundation provided funding for sports activities during the period under review. This is part of our program to interact with other State Owned Enterprises and Private Sector organisations, to form meaningful partnerships that will be beneficial to both our municipalities and communities.

g. Conclusion

Whilst we acknowledge the progress made, we are also very conscious about the fact that some segments of communities are still living in abject poverty, we remain committed and determined to realising the key focus areas that Council adopted in the IDP 2012- 2017. In terms of our Vision, the Municipality wants to thank the communities of Makhuduthamaga as well as all other stakeholders for their commitment to participate in the affairs of the Municipality. We appeal to all our stakeholders to

continue to join hands with the Municipality in an effort to make Makhuduthamaga “**A developmental Municipality that provides need satisfying sustainable services**”.

Comparison of the two financial years: 2013/2014 and 2014/2015

1ST YEAR: 2013/2014

KPA NO.	KPA NAME	TARGET	TARGETS ACHIEVED	TARGETS NOT ACHIEVED	% ACHIEVEMENT
KPA 1	Spatial Rationale	24	18	06	75%
KPA 2	Basic Services	42	09	33	21.4%
KPA 3	Local Economic Development	14	13	01	93%
KPA 4	Financial Viability	22	17	05	77.3%
KPA 5	Good Governance And Public Participation	25	19	06	76.00%
KPA 6	Municipal Transformation	10	05	05	50.00%
TOTAL		137	81	56	59.1%

2ND YEAR: 2014/2015

2014/15	KPA	TARGETS PLANNED	TARGETS ACHIEVED	TARGETS NOT ACHIEVED	% ACHIEVED
KPA 1	Spatial Rationale	08	06	02	75%
KPA 2:	Basic Service	47	31	16	65%
KPA 3:	Local Economic Development	09	06	03	67%

KPA 4:	Financial Viability	19	18	01	95%
KPA 5	Good Governance And Public Participation	13	13	0	100%
KPA 6	Municipal Transformation	12	11	01	95%
TOTAL	06	108	84	24	77%

The Municipality has improved its performance from 59, 1% in 2013/2014 financial year to 77% in the 2014/2015 financial year. This shows greater commitment and effort by all involved, thus improvement in the audit opinion.

All gratitude goes to the team (Executive Committee, Speaker, Chief Whip, and all Councillors), the Municipal Manager and Senior Managers, as well as the rest of the staff. Without their determination and commitment shown, Makhuduthamaga's vision would never be realised.

(Signed by :) _____

Mayor

COMPONENT B: EXECUTIVE SUMMARY:

1.1 MUNICIPAL MANAGER'S OVERVIEW

The Municipality's IDP has been rated as credible and high over the unbroken period of three consecutive financial years from 2012/2013 to 2014/2015 by COGHSTA. The commitment of the Audit and Performance Committees has enhanced the effectiveness of the Municipality's internal audit as well as the external audit outcomes.

The performance of the Municipality was further improved by the appointment of the Risk Management Committee which assisted the development of the Risk Management Strategy which assisted in the mitigating and addressing risks identified, thus an improved audit opinion.

The Municipality has established oversight in the form of MPAC which has been rated as most functional in Sekhukhune District. It has for the duration of the current Council consistently reviewed and submitted Workplace Skills Plans to LGSETA annually and on time. This has led to the development in capacity of both Councillors and staff members, thus leading to an improved interface between governance and administrative functions.

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

- Makhuduthamaga Municipality is a category B Municipality located within Sekhukhune District Municipality in Limpopo Province. It is comprised of 189 settlements with a population of 274 358 people and 65 217 households which amounts to more than 24% of the District 1 076 840. It is characterized by a weak economic base, poor infrastructure, service delivery backlogs, dispersed human settlements, high unemployment and illiteracy and high poverty levels.
- Makhuduthamaga is one of the five municipalities within Sekhukhune District. It comprises of rural settlements. There are 31 Ward Councillors and 30 PR Councillors and 10 Magoshi.

Makhuduthamaga is established to perform the following functions:

- Spatial rationale.
- Basic services and infrastructure.
- Local economic development.
- Financial viability.
- Municipal transformation and public participation.
- Good governance.

NATURAL RESOURCES

Major Natural Resources	Relevance to community
Agriculture	Wheat and Maize –Olifants River Scheme Sorghum-Tshehlwaneng and Jane Furse areas.
Tourism	Hlako Tisana, Manche Masemola route, etc Municipality participated in the International tourism Indaba held at Durban and had its own stall that showcased tourism opportunities within

	its jurisdiction.
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1.3 SERVICE DELIVERY OVERVIEW

The Municipality's core business is to provide safe and sound road infrastructure network and uninterrupted electricity network to its communities.

Water and sanitation are provided by Sekhukhune District Municipality and electricity is provided by Eskom.

THE BACKLOG ON SERVICES (WATER AND SANITATION)

Water

MLM	Households	Households with Water up to RDP Standard	Backlog
	65 217	47 801	17 416

Sanitation

MLM	Households	Households with Sanitation up to RDP Standard	Backlog	%Backlog
	65 217	5 329	59 888	82%

ELECTRICITY

MLM	Households	Backlog
	65 217	9 901

WASTE MANAGEMENT

The waste management function is performed by the Municipality. There is a partial but formal refuse removal service rendered by the Municipality. The waste management program was a pilot project by LEDET for which the Municipality at a later stage has taken full responsibility of performing the task. The project covers the developmental nodes which are as follows; Phokoane, Glen Cowie, Jane Furse and Schoonoord. Skip bins are placed at Phokoane, Glen Cowie, Riverside, Jane Furse, Tshehlwaneng and Schoonoord. There is a permitted land fill site in Jane Furse. MOU is signed between the Sekhukhune District Municipality and Makhuduthamaga Municipality. An assessment was done at Apel Cross sub-growth point that covers Apel Cross, Marishane and Phaahla for the extension of waste removal points. The Department Of Environmental Affairs has appointed service provider to assist the Municipality with waste management at landfill side and do environmental awareness, they also managed to appoint 133 personnel through EPWP. Most of the community members create their own waste disposal sites which is a challenge to the Municipality. These illegal dumping sites are usually located within the individual household property or on the outskirts of some villages. One waste truck and three (03) skip loader and fifty five (55) skip bins were bought and distributed. Two (2) wards have recycling projects which ward 29 and 30.

Refuse disposal for Households within Makhuduthamaga and Backlogs(STATSA)

Removed by local authority at least once a week	1 314
Removed by local authority/private company less often	325
Communal refuse dump	661
Own refuse dump	57 975
No rubbish disposal	4 631
Other	311
Grand Total	65 217

ROADS

Kutupu Road and Stormwater	R1 399 252.77
Reitfontein Stormwater	R3 208 459.97
Jane Furse Police Station to Marangrang Access Road	R7 024 476.95
Access Road to Peter Nchabeleng Sport Facility Phase 2	R3 351 251.10
Upgrading of Masemola Sports Facility	R4 733 326.00
Construction of Moripane/Mogorwane Access Bridge	R4 003 345.13
Construction of Lobethal/Phaahla Access Bridge	R6 000 000.00
Moripane/Riverside Pedestrian Bridge	R3 473 651.25
Construction of Skotiphola Access Bridge	R3 000 000.00
Construction of Moretsele /Dichoeong road link	R5 500 000.00
Construction of Makhutso Access Bridge	R4 700 000.00
Vierfontein to Rietfontein Link Road	R5 869 613.59
Reitfontein Stormwater PH 2	R4 530 000.00
Construction of access road to Madibaneng Mohlala Tribal Office	R3 900 000.00
Construction of access road to Maila Segolo Tribal Office	R 3 500 000.00

Construction of access road to Mathibeng Tribal office	R5 804 467.60
Access road to Sekwati tribal office 2012/13 (IGF)	R1 400 000.00
Access bridge Seopele tribal office 2013/14	R371 110.04
Access road to Masemola tribal office (IGF)	R1 775 493.59
Construction of access road to Seopela tribal office (1.1 km)	R4 000 000.00
Access roads to Nkosi Dlamini (1km)	R3 500 000.00
Construction of new stand/moloi access Bridge	R5 000 000.00
Construction of Thusong Centre	R300 000.00
Construction of road from Jane Furse Comprehensive to New Jane Furse Hospital PH 2(0.8km)	R3 500 000.00
Design and Construction of access road to Mashegoana/Legare/Tswaledi tribal offices PH1 (1.2km)	R2 000 000.00
Design and Construction of access road to Mashegoana/Legare/Tswaledi tribal offices PH2 (1.2km)	R 5 000 000.00
Construction of access road to Tisane tribal office Phase 2	R2 2000.00
Construction of access road to Tisane tribal office(1.3KM) Phase 3	R3 500 000.00

Construction of access road to ga-Mampane tribal office (IGF) Phase 2	R4 216 742.00
Construction of access road to ga-Mampane tribal office (IGF) Phase 3	R3 500 000.00
Rehab Of R579 Jane Furse To Nebo (IGF)	R5 200 000.00
Construction of access road to Mogashoa Manamane and Dithlakaneng tribal offices (ES) Phase 3	R3 000 000.00
Construction of access road to Maila Mapitsane tribal office (ES) Phase 2	R1 500 000.00
Construction of access road to Maila Mapitsane tribal office (ES) Phase 3	R3 500 000.00
Construction of access road to Tjatane Tribal Office Phase 1	R3 000 000.00
Construction of access road to Tjatane Tribal Office PH 2	R6 000 000.00
Refurbishment and Renovation on municipal Building	R3 500 000.00

MIG EXPENDITURES

MIG Expenditure for 2014/15 is 95%

1.4 FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW – 2013/2014			
Details	Original Budget	Adjustment Budget	Actual
Income	15,504,711.16	22,260,531.36	25,964,581.00
Grants	215,310,000.00	234,602,236.03	203,683,107.00
Taxes, levies and tariffs	28,813,348.56	32,378,458.70	43,986,731.00
Other	9,013,400.00	1,300,000.00	577,000.00
Sub-Total	268,641,459.72	290,541,226.00	274,211,419.00
Less Expenditure	(198,198,184.85)	(191,487,343.00)	(149,790,724.00)
Net Total	70,443,274.87	99,053,883.00	124,420,695.00

Operating Ratios:

DETAIL	%
Employee Costs	95.77
Repairs & maintenance	79.82
Finance charges and Depreciation	99.34

1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

Human Resources Overview: 2013/2014

Total posts on the organogram	167
Total number of employees	125

Total number of vacancies	42
Number of terminations	13
Number of retirements	02
Resignations	05
Death	02
Contract ended	04
Retention/Promotions	0

Approved and reviewed policies:

NO.	POLICY NAME	Approved	Reviewed	Resolution Number
1	HRM.1. Attendance and Punctuality Policy	Yes	No	No. 07 of 2013/14 Financial Year
2	HRM.2. Employment Equity Policy	Yes	No	No. 07 of 2013/14 Financial Year
3	HRM.3. Employment Practice Policy	Yes	No	No. 07 of 2013/14 Financial Year.
4	HRM.4. HIV/AIDS Policy	Yes	No	No. 07 of 2013/14 Financial Year.
5	HRM.5. Incapacity due till health/injury Policy	Yes	No	No. 07 of 2013/14 Financial Year.
6	HRM.6. Incapacity due to Poor Work Performance Policy	Yes	No	No. 07 of 2013/14 Financial Year
7	HRD.1. Internal Bursary Policy	Yes	No	No. 07 of 2013/14 Financial Year
8	HRM.7. Employees under the influence of Intoxicating Substances Policy	Yes	No	No. 07 of 2013/14 Financial Year
9	LRA.1. Legal Aid Policy	Yes	No	No. 07 of 2013/14 Financial Year
10	HRM.8. Occupational Health and Safety Policy	Yes	No	No. 07 of 2013/14 Financial Year
11	HRM.9. Private Work and Declaration of Interest/s Policy	NO	No	N/A
12	HRM.10. Relocation Policy	Yes	No	No. 07 of 2013/14 Financial Year
13	HRM.11. Sexual Harassment Policy	Yes	No	No. 07 of 2013/14 Financial Year
14	HRM.12. Smoking Policy	Yes	No	No. 07 of 2013/14 Financial Year
15	HRM.13. Succession Planning Policy	Yes	No	No. 07 of 2013/14 Financial Year
16	HRD.2. Training and Development Policy	Yes	No	No. 07 of 2013/14 Financial Year
17	HRM.14. Transport Allowance Policy	NO	No	N/A

18	LRA.2. Whistle Blowing Policy	Yes	No	No. 07 of 2013/14 Financial Year
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COMMITTEES ESTABLISHED TO STRENGTHEN HUMAN RESOURCE MANAGEMENT

- Local Labour Forum (LLF)
- Bursary Committee
- Training Committee
- Occupational Health and Safety Committee (OHS)
- Employment Equity Committee
- IT Steering Committee
- Policy Development Committee

MAKHUDUTHAMAGA BURSARY HOLDERS FOR 2014/15 FINANCIAL YEAR

No.	Name & Surname	Gender	Institution	Degree	Duration	Annual Fees
1.	Mr. Mamogobo JM	Male	SMU	MBCHB	4 yrs	R 100 514.90
2.	Ms. Malaka AM	Female	SMU	MBCHB	1 yr	R 80 363.26
3.	Ms. Madingwane EM	Female	SMU	MBCHB	4 yrs	R 100 503.75
4.	Ms. Choeu LL	Female	WITS	Bsc Geo Science	1 yr	R 99 004,78
5.	Mr. Maphutha TA	Male	CPU	Mechanical Engineering	Third semester	R 23 500.00
6.	Mr. Masemola KJ	Male	UKZN	Mechanical Engineering	1 yr	R 91 410,28
7.	Ms. Choeu MC	Female	UKZN	MBCHB	1 yr	R 91 805 68
8.	Mr. Matibidi MA	Male	TUT	Mechanical Engineering	Third semester	R 14 272.64
9.	Mr. Letageng TM	Male	UP	IT	4 yrs	R 106 789.20
10.	Mr. Senong MS	Male	SMU	MBCHB	2 yrs	R 99 696.50
11.	Mr. Ramogayana S.K	Male	UCT	MBCHB	1 yr	R 112 215,00
12.	Ms. Lebotsa PM	Female	WITS	B Com Accounting	2 yrs	R 102 322,84
13.	Mr. Dikotope JM	Male	U.P	Bsc in Chemical Engineering	2 yrs	R 86 040.30
14.	Mr. Motubatse PL	Male	WITS	MBCHB	1 yr	R 80 103,86
15.	Ms. Ramushu SJ	Female	WITS	B Com	1 yr	R 64 969.24 /

				Accounting		32950.00
16.	Ms. Maila LB	Female	WITS	B Acc Science	1 yr	R 72 739,89
17.	Ms. Malatsi M	Female	WITS	B Com Accounting	1yr	R 97 380.00

WORKPLACE SKILLS PLAN (WSP)

INTRODUCTION

Makhuduthamaga Municipality has in terms of MSA 2000 S 68(1) endeavoured to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way, by identifying training focused to improve service delivery and also fulfilling SALGA training priorities for Section 57 and Finance officials. Achievements are 33% of employees, 33% of councillors and 55% of Ward Committees trained during this financial year. This has been addressed by the appointment of Section 57 Managers whose responsibility is to ensure that training is service focused.

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE

The Municipality was able to prepare and submit Workplace Skills Plan for 2014/15 to LGSETA on time. The Municipality has appointed Skill Development Facilitator who ensures that the WSP is adhered to. The following milestones were achieved to build capacity within the structures of the Municipality:

- Councillors trained through workshops and training sessions were 33%,
- Employees achieved 33% whereas
- Ward Committees achieved 55%.
- Budget spend was R 2 153 318 00 which is 88% of the budget allocation (R 3 400 000.00). Variance was as a result of SCM processes and lack of Training Committee which was not appointed for this current year.

The Municipality is still in the process of complying with the minimum MFMA competency regulations requirements for its Section 57 and Finance officials. .

The following are currently undergoing training:

- The Municipal Manager
- The Director Corporate Services
- The Chief Financial Officer
- Finance officials x 16
- Finance Interns x 6
- Managers x 5

However the total number of people who have been trained in line with the minimum MFMA competency regulations requirements are six (6).

AUDITOR GENERAL REPORT

The Municipality has obtained unqualified audit opinions for the year under review for two consecutive financial years that is 2013/14 and 2014/2015. See Chapter 6: Auditor-General Report 2013/14 on page 60.

MOROPA M .E
MUNICIPAL MANAGER

CHAPTER 2:

GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1. Political Governance

The political governance consists of the Mayor Cllr. Matlala M.A, Speaker Cllr. Makaleng M.M and 10 Executive committee members and other Councillors. There are also Section 80 & 79 committees that process all the issues before they go to Council.

INFORMATION ON MAKHUDUTHAMAGA COUNCILLORS

The Municipality has 61 Councillors excluding 10 Traditional Leaders during 2014/15 financial year. Of the total Councillors, 31 are Ward Councillors, while 30 have been appointed on a proportional basis. A full list of Councillors is attached as Appendix A, while appendix B sets out committees and their purposes.

Below is a table that categorised the Councillors within their specific political parties and wards for the 2014/2015 financial year:

No.	Name of Councillor	Initials	Gender	Capacity	Political Party	Ward / Proportional Representation
1	Cllr. Mohlala	M.J	M	Ward Councillor -1	ANC	Ward
2	Cllr. Boshielo	T.J	M	Ward Councillor - 2	ANC	Ward
3	Cllr. Leshalabe	M.M	F	Ward Councillor -3	ANC	Ward
4	Cllr. Mabitla	P	M	Ward Councillor -4	ANC	Ward
5	Cllr. Mankge	N. H	M	Ward Councillor -5	ANC	Ward
6	Cllr.Thokwane	K.Z	M	Ward Councillor -6	ANC	Ward
7	Cllr. Mapitsing	T. J	M	Ward Councillor -7	ANC	Ward
8	Cllr. Malaka	M. J	M	Ward Councillor -8	ANC	Ward
9	Cllr. Maphanga	T. D	M	Ward Councillor -9	ANC	Ward
10	Cllr. Nkadimeng	E	F	Ward Councillor -10	ANC	Ward
11	Cllr. Chego	K. D	M	Ward Councillor -11	ANC	Ward
12	Cllr. Rankoe	T. P	M	Ward Councillor -12	ANC	Ward
13	Cllr. Mohloba	S. J	F	Ward Councillor -13	ANC	Ward
14	Cllr. Tshehla	N. B	M	Ward Councillor -14	ANC	Ward
15	Cllr. Mashilo	M. M	F	Ward Councillor -15	ANC	Ward
16	Cllr. Seopela	M.J	M	Ward Councillor -16	ANC	Ward

No.	Name of Councillor	Initials	Gender	Capacity	Political Party	Ward Proportional Representation /
17	Cllr. Nkadimeng	S. P	F	Ward Councillor -17	ANC	Ward
18	Cllr. Mashigo	N. L	F	Ward Councillor -18	ANC	Ward
19	Cllr. Mabatane	M. K	M	Ward Councillor -19	ANC	Ward
20	Cllr. Manaleng	M. J	F	Ward Councillor -20	ANC	Ward
21	Cllr. Maapea	S.R	M	Ward Councillor -21	ANC	Ward
22	Cllr. Selala	M. J	M	Ward Councillor -22	ANC	Ward
23	Cllr. Ntobeng	M. M	M	Ward Councillor -23	ANC	Ward
24	Cllr. Manchidi	M. J	M	Ward Councillor -24	ANC	Ward
25	Cllr. Diketane	S.P	M	Ward Councillor -25	ANC	Ward
26	Cllr. Lethuba	M. P	M	Ward Councillor -26	ANC	Ward
27	Cllr. Diale	K.E	F	Ward Councillor -27	ANC	Ward
28	Cllr. Marutle	P. J	M	Ward Councillor -28	ANC	Ward
29	Cllr. Mosehla	M. L	F	Ward Councillor -29	ANC	Ward
30	Cllr. Boshielo	M. L	F	Ward Councillor -30	ANC	Ward
31	Cllr. Sefoka	M. N	M	Ward Councillor -31	ANC	Ward
Name of Councillor		Gender		Capacity	Political Party	Proportional Representation
32	Cllr. Nkadimeng	S. M	F		ANC	Proportional
33	Cllr Matlala	M.A	M		ANC	Proportional
34	Cllr Mahlase	M.M	F		ANC	Proportional
35	Cllr Monakedi	M.J	M		ANC	Proportional
36	Cllr Maisela	K.R	F		ANC	Proportional
37	Cllr Phogole	M.I	M		ANC	Proportional
38	Cllr Maserumule	M.O	F		ANC	Proportional
39	Cllr Matjomane	N.M	M		ANC	Proportional
40	Cllr Makgoga	N.H	F		ANC	Proportional
41	Cllr Malaka	M.S	M		ANC	Proportional

No.	Name of Councillor	Initials	Gender	Capacity	Political Party	Ward Proportional Representation /
42	Cllr Mndebele	M.E	F		ANC	Proportional
43	Cllr Mampana	M.A	M		ANC	Proportional
44	Cllr Maleka	B.P	F		ANC	Proportional
45	Cllr Masemola	R.H	M		ANC	Proportional
46	Cllr Maitula	M.B	F		ANC	Proportional
47	Cllr Mamogobo	T.P	M		ANC	Proportional
48	Cllr Makaleng	M.M	F		ANC	Proportional
49	Cllr Masemola	J	F		ANC	Proportional
50	Cllr Lerobane	M.P	F		ANC	Proportional
51	Cllr Tala	M.A	M		ANC	Proportional
52	Cllr Kgaphola	M.G	M		ANC	Proportional
53	Cllr Madiba	M.F	M		COPE	Proportional
54	Cllr Mohlala	M.G	M		COPE	Proportional
55	Cllr Maabane	D.K	M		COPE	Proportional
56	Cllr Madingwana	R	M		AZAPO	Proportional
57	Cllr Thokoane	M.J	M		AZAPO	Proportional
58	Cllr Mashianoke	M.F	M		DA	Proportional
59	Cllr Manchidi	M	M		PAC	Proportional
60	Cllr Tladi	M.R	F		APC	Proportional
61	Cllr Machaba	M.G	M		SAMEPA	Proportional
	TOTAL				Males	Females
					39	22

EXECUTIVE COMMITTEE

The Mayor of the Municipality, **Cllr. Matlala M.A**, assisted by the Executive Committee, heads the executive arm of the Municipality. Although accountable for the strategic direction and performance of the Municipality, the Mayor operates in collaboration with the Executive Committee.

The name and portfolio of each Member of the Executive Committee is listed in the table below for the period 01 July 2014 – 30 June 2015.

NAME OF MEMBER	GENDER	CAPACITY
Cllr. Matlala M.A.	M	Mayor
Cllr. Maitula M.M	F	Infrastructure Services
Cllr. Maserumule M.O	F	Corporate Services
Cllr. Chego K.D	M	Budget and Treasury
Cllr. Nkadimeng S.P	F	Community Services
Cllr. Matjomane N.M	M	Economic Development and Planning
Cllr. Lerobane M.P	F	Deputy Head Infrastructure
Cllr. Madiba M.F	M	Deputy Head Corporate services
Cllr. Maisela K R	F	Deputy Head Budget and Treasury
Cllr. Tala M.A	M	Deputy Head Economic Development and Planning

PORTFOLIO COMMITTEES

Section 79 & 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 depending on whether delegations have been granted to them. They are appointed to advise the Mayor on policy matters and any other matters to be considered by the Mayor or any matter deferred by Council.

The Portfolio Committees for the 2014/2015 Mayoral term and their Chairpersons are as follows:

Committee	Chairperson	Head	Section 79 or 80
Budget and Treasury	Cllr. Lethuba MP	Cllr. Chego KD	79
Community Services	Cllr. Motseni NL	Cllr. Nkadimeng SP	79
Corporate Services	Vacant	Cllr. Maserumule MO	79
Economic Development and Planning	Vacant	Cllr. Matjomane NM	79
Infrastructure Services	Cllr. Mahlase MM	Cllr. Maitula MM	79
Municipal Public Accounts Committee	Cllr. Rankoe TP		79
Council Whippers	Cllr. Malaka MS		79
Ethics Committee	Cllr. Makaleng MM		79
Portfolio Chairpersons	Cllr. Ntobeng MM		79
Geographical Names Committee	Cllr. Makaleng MM		79
Budget and Treasury Cluster	Cllr. Chego KD		80

Corporate Services Cluster	Cllr. Maserumule MO		80
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2.2. ADMINISTRATIVE GOVERNANCE

INFORMATION FOR MAKHUDUTHAMAGA TOP MANAGEMENT

DESIGNATION	INITIALS & SURNAME	GENDER
Municipal Manager	Mr Moropa ME	M
Director Corporate Services	Mr Matlala MK	M
Acting Chief Financial Officer	Ms Lamola R M	F
Acting Director Economic Development and Planning	Mr Phasha DA	M
Director Infrastructure Services	Ms Komape S M	F
Acting Director Community Services	Ms Make MM	F

The following Department positions were vacant since the financial year:

- 1) Director Community Services from July 2014.
- 2) Director Finance from October 2014.
- 3) Director Economic Development & Planning from March 2014.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3. INTERGOVERNMENTAL RELATIONS

2.3.1. DISTRICT INTERGOVERNMENTAL STRUCTURES

- District Monitoring and Evaluation Forum
- Mayor's Forum
- Municipal Manager's Forum
- Debt Forum
- CFO's Forum
- IDP Forum

2.3.2. PROVINCIAL INTERGOVERNMENTAL STRUCTURES

- Provincial Monitoring and Evaluation Forum
- Premier 's Intergovernmental Forum
- Municipal Manager's Forum
- Debt Forum
- CFO's Forum
- IDP Forum,
- Provincial Communicator's Forum.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4. PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4. OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4.1 PUBLIC MEETINGS

The Council performs the legislative 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 development programs in the municipal area.

2.4.1.1 COMMUNICATION, PARTICIPATION AND FORUMS

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 No. 106 of 1996 and other statutory enactments, all impose an obligation on Local Government communicators and require high level of transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.

The communities, on the other hand, have a right and a responsibility to participate in local government affairs and decision-making and ample provision is made in the above-mentioned legislation for them to exercise their right in this respect. Our democratic government is committed to the principle of **Batho Pele** and this, means that those we elect to represent us (Councillors at the municipal level) and those who are employed to serve us (municipal administration) must always put people first in their official engagements.

South Africa has adopted a system of developmental local government, which addresses the inequalities, and backlogs of the past while ensuring that everyone has access to basic services, to opportunities and an improved quality of life. To be successful, communications must focus on the issues that are shown to impact on the residents' perceptions, quality of service, and value for money and efficiency and effectiveness. They should ideally look to close the communication-consultation loop.

Good customer care is 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 with communication requirements:

COMMUNICATION ACTIVITY	Yes/No
Communication Unit	Yes
Communication Strategy	Yes
Communication Policy	Yes
Customer Satisfaction Surveys	Yes

Functional Complaint Management Systems	Yes
Newsletters distributed at least quarterly	Yes

Section 16 of the Municipal Systems Act No: 32 of (MSA) refer 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 Municipality. Such participation is required in terms of:

- Public consultation on Annual Report
- 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.

During the 2014/2015 financial year, the Office of the Speaker facilitated the capacitating of Ward Committees in all of the 31 wards in Makhuduthamaga. To ensure functionality, training of the Ward Committee members was provided by SALGA/LGSETA facilitators, guidelines on operational matters were issued by the Speaker and oversight at Ward Committee meetings provided by personal attendances by the Speaker and/or his authorised personnel. By constant supervision from the Office of the Speaker it was ensured that Ward Committee meetings and report back at public meetings were held in each ward in addition to the IDP related meetings and budgetary consultative meetings held in clustered wards.

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the Municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

COMPONENT D: CORPORATE GOVERNANCE

2.6 CORPORATE GOVERNANCE

2.6.1 OVERVIEW OF CORPORATE GOVERNANCE

Makhuduthamaga Local Municipality is having an organizational structure that was approved by Council during the adoption of the IDP and budget. The structure has approved posts as follows:

- Created/ approved post =167

- Filled posts = 125
- Vacant = 42

Council has delegated its administration duties to the Municipal Manager who has five departmental heads in charge of the following departments:

- Corporate Services.
- Economic Development and Planning
- Community Services
- Infrastructure Development , and
- Budget and Treasury

There are supportive functions that are attached to the office of the Municipal Manager, whose main aim is to ensure compliance and efficiency of systems and processes. They are as follows:

- Risk Management and Internal Audit.
- Legal services.
- Audit and performance Committee.

2.6.2 RISK MANAGEMENT

Risk management forms part of Makhuduthamaga management's core responsibilities and it is an integral part of the internal processes of the municipality. It is a systematic process to identify, evaluate and address risks on a continuous basis before such risks can impact negatively on the Municipality's service delivery capacity. When properly executed risk management provides reasonable, but not absolute assurance, that the Municipality will be successful in achieving its goals and objectives.

The Municipality have appointed an independent Risk Management Committee Chairperson as required by Council approved terms of reference for MLM Risk Management Committee.

Note: MFMA S62 (i) (c) requires a Municipality to have and maintain an effective, efficient and transparent system of risk management. Makhuduthamaga Local Municipality is aware of the impact of risk on service delivery; as such it has developed extensive risk mitigating measures for both strategic and operational risks that have been identified.

South Africa's codes of corporate governance have consistently identified risk management as one of the key pillars of good-governance practice and this, as a continuous process, enables constant improvement in strategy design and strategy implementation as well as an organization's systems and operations. The King III report on corporate governance has identified risk governance as one of the cornerstones that if successfully implemented, can create and sustain stakeholder value.

The top risks that were identified during strategic risk assessment are:

Risks	Risk Category	Risk Description	Risk Root Cause
To build a sustainable revenue base for the municipality	Financial Risk	1.Non payment of services	1.The existing culture of free services 2.Inadequate basic services rendered 3.Reluctant debtors
Promote local economic development (LED)	Service Delivery	2.Lack of Economic infrastructure	1.Disintegrated and reactive planning 2.Migration of revenue

in municipal area			source 3.Inadequate Capital funding 4.Inability to acquire land
To ensure greater investment in infrastructure and provide better services to Makhuduthamaga residents and business	Financial Risk	3.Budget Constrains	1. Poor Planning 2 .Inadequate revenue 3. Inadequate Source of funding 4. Exponential population growth
To build institutional capacity through re engineering (By way of raising institutional efficiency, effectiveness, competence, targeted training, recruitment inculcating organisational culture of service and responsive)	Human Resource Risk	4.High level of inefficiency and ineffective	Staff misplacement due non adherence to recruitment policy

2.7 ANTI-CORRUPTION AND FRAUD

Section 83(c) of the MSA 32 of 2003 provides for the implementation of effective bidding structures to minimise the possibility of fraud and corruption. The Municipal Finance Management Act (MFMA), section 112(1) (m)(i) identify supply chain measures to be enforced to combat fraud and corruption, favouritism 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 minimise the likelihood of corruption and fraud. The Anti-corruption and fraud policy is in place.

AUDIT COMMITTEE

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.

In the financial year under review the Audit Committee also performed the Performance Audit Function. The Audit committee had a Council-approved charter.

In terms of the Audit Charter, the Audit Committee is also appointed as the Performance Audit Committee. In terms of the Audit Charter and subject to relevant legislation, the Audit Committee has the following roles with regards to performance management:

- To advise Council on the functionality of the performance management system;
- To advise Council whether the PMS complies with the Act;
- To advise Council on the extent to which the Municipality's performance measures are reliable in measuring performance;

The Audit Committee has the following functions as prescribed in section 166(2) (a-e) of the Municipal Finance Management Act, 2003, Local Government Municipal and Performance Management Regulation, 2001:

- To advise the Council on all matters related to compliance and effective governance.
- To review the annual financial statements, to provide Council with an authoritative and credible view of the financial position of the Municipality, its efficiency and its overall level of compliance with the MFMA, the annual DORA and other applicable legislation.
- Respond to the council on any issues raised by the Auditor-General in the audit report.
- Carry out such investigations into the financial affairs of the Municipality as Council may request.
- To perform such other functions as may be prescribed to it by Council.
- To review the quarterly reports submitted to it by the internal audit unit.
- To evaluate audit reports pertaining to financial, administrative and technical systems.
- To evaluate the compliance to existing policies and relevant legislation.
- To evaluate audited financial statements and reports with regard to the procurement of items and services.
- The compilation of reports to Council, at least twice during a financial year.
- To assess whether the performance indicators are sufficient.
- To determine possible reasons for discrepancies between performance and targets.
- To identify major risks to which Council is exposed and determine the extent to which risks have been minimised.
- To review significant transactions that does not normally form part of Council's business.
- To review the annual report of the Municipality.
- Investigating cases of fraud, misbehaviour and conflict of interest involving employees
- To focus on and review changes in the accounting policies.
- Making recommendations to council and also carrying out its responsibility to implement the recommendations.
- Investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.
- On a regular basis, review its own effectiveness against pre-set criteria.
- Review the plans of the Internal Audit function and; ensure that the plan addresses the high-risk areas and ensure that adequate resources are available.

- Provide support to the Internal Audit Function.
- Ensure that no restrictions or limitations are placed on the Internal Audit Unit.
- Evaluate the activities of the Internal Audit function in terms of their role as prescribed by legislation.
- Provide council with comments and recommendations with regard to the proposed budget for the following year.

Name	Capacity	Meeting Dates
Mr. Gafane L A T	Chairperson	30/07/14, 26/08/14, 28/10/14 09/03/15, 02/06/15, 11/06/15 Number of meetings held(06)
Ms. Ndadana L M	Member	
Mr Mashala K E	Member	
Mr. Makaba G M	Member(Resigned)	
Mr Chuene V K	Member	

INTERNAL AUDIT UNIT

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

The internal audit unit of a Municipality must–

- Prepare a risk based audit plan and an internal audit programme for each financial year; and
- Advise the accounting officer and report to the audit committee on the implementation on the internal audit plan and matters relating to:
- Risk and risk management.

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

FUNCTION	COMMENT
Risk analysis completed/reviewed.	Done
Risk based audit plan approved for 2013/2014 financial year.	Done on 17 January 2014
Internal Audit Programme drafted and approved.	Yes, part of the Audit Plan
Audit reports included the key following areas Completion Status	
Payroll Management	Yes
Leave Management	Yes
Infrastructure Project Management	Yes
Supply Chain Management	Yes
HR Management	Yes
Records Management	Yes
AOPO Q1 and Q2	Yes

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW OF SUPPLY CHAIN MANAGEMENT

SCM Processes and Procedures

The following processes mentioned here under will be summarised in stages. i.e. from requisition stage up to the final stage of appointment of a service provider.

Need or a Demand

- The user department identifies a need for a particular goods and/ service.
- The need will be aligned to the SDBIP and the adopted Budget.

Requisitions

- The user department will raise a requisition on the financial System (ACCPAC).
- The requisition gets approved by the Head of Department (HOD)

Bid Specification Committee

- The Committee is established in terms of sec. 27 of the Supply Chain Management regulation and the policy of the Municipality.
- The Committee performs their tasks as required in terms of sec. 27 of the Supply Chain Management regulation and the policy of the Municipality.
- An advert is then placed with the specification from the said Committee on the Municipal website and notice board.

Bid Evaluation Committee

- The Committee is established in terms of sec. 28 of the Supply Chain Management regulation and the policy of the Municipality.
- The Committee performs their tasks as required in terms of sec. 28 of the Supply Chain Management regulation and the policy of the Municipality.
- The Committee prepares a report with recommendation(s) to the Bid Adjudication committee.

Bid Adjudication Committee

- The Committee is established in terms of sec. 29 of the Supply Chain Management regulation and the policy of the Municipality.
- The Committee performs their tasks as required in terms of sec. 29 of the Supply Chain Management regulation and the policy of the Municipality.
- The committee analyse the report from the Bid evaluation committee and make recommendation(s) to the Accounting Officer

Appointment Stage

-The Accounting officer may, after due consideration of the reports from the said committees, accept or reject recommendations from the Bid Adjudication Committee as in terms of sec. 29 (5) (b) of the Supply Chain Management regulation and the policy of the Municipality.

-The Municipality has adopted a Supply Chain Management Policy which is in line with the Regulation. The Municipality acquires goods and services through the processes as stated in the policy. No Councillor is a member of any bid committees, and the Municipality is adhering to sec. 117 of MFMA as well as circular No.40.

2.9 BY-LAWS

07 By laws- were published and promulgated:

1. Matlala

2.10 MUNICIPAL WEBSITE

The municipal website is 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. The Municipality has a service level agreement with State Information Technology Agency (SITA) for website maintenance.

2.11. PUBLIC SATISFACTION ON MUNICIPAL SERVICES

Community satisfaction survey conducted has highlighted important challenges facing the Municipality. Among the challenges facing the Municipality is to confront the issues in certain villages which made it impossible for survey to take place. A large number of the residents' have indicated their dissatisfaction about service delivery. These residents complain about traffic control and motor vehicle licensing, streets and storm water, housing and libraries. These issues could results with negative image and untenable consequences to the Municipality. However they credit the Municipality and are happy with the overall performance of the Municipality as a reflection of the current government.

The results of the survey should be read in conjunction with Sekhukhune District Municipality Customer Survey. The intention should be to link the two and identify similar issues that have to be pursued by the Municipality via the District Intergovernmental Structures. Moreover, the survey results link with planning instruments like IDP, Ward Based Plans and Service Standards. In certain cases the results may imply revision of certain important planning documents. Addressing the issues raised will improve the rating of the Municipality as one of the top performers in local government.

CHAPTER 3

SERVICE DELIVERY

COMPONENT A: BASIC SERVICES

INTRODUCTION TO BASIC SERVICES

The Municipality performs the following functions in relation to the provision of basic services:

- Electricity

- Roads and storm water
- Repair and maintenance of existing infrastructure
- Provision of free basic electricity

3.1 WATER PROVISION

This is a District function.

3.2 WASTE WATER (SANITATION) PROVISION

This is a District function

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

The Municipality has entered into a Service Level Agreement (SLA) with the National Department of Energy for the provision of household connections. These are handed over for maintenance to Eskom after the completion of the projects. The Municipality is experiencing challenges with household electrification in the major part of Makhuduthamaga due to the following challenges:

- o Illegal connections to households.
- o Limited capacity.
- o New extensions of residential sites for post connections.
- o Budgetary constraints.

The Municipality had a target of 987 units in the post connection priority list and backlogs for the reporting period. This target will not be met due to limited or an absence of capacity.

Description	2012/13	2013/14	2014/15
	Actual No.	Actual No.	Actual No.
<u>Energy: (above minimum level)</u>			
Electricity (at least minimum service level)			
Electricity - prepaid (minimum service level)			
<i>Minimum Service Level and Above sub-total</i>			
<i>Minimum Service Level and Above Percentage</i>			
<u>Energy: (below minimum level)</u>			
Electricity (<minimum service level)	0	163	0
Electricity - prepaid (< minimum service level)			
Other energy sources			
<i>Below Minimum Service Level Sub-Total</i>	0	100	0
<i>Below Minimum Service Level Percentage</i>			
Total number of households			

Electricity Service Policy Objectives Taken From IDP

Service Objectives	Outline Service Targets	2012/13		2013/14		2014/15	
		Target	Actual	Target	Actual	Target	Actual
Service Indicators			1139	100	0	0	0
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
Service Objective : to facilitate provision of electricity supply							
Provision of minimum supply of electricity	Proportional reduction in 2011/12 backlog of HH below minimum supply level	T1% reduction in HHs below the 2012/13 baseline level (a revised backlog of 4068 HHs)		T1% reduction in HHs below the 2013/14 baseline level (a revised backlog of 1269 HHs)		T1% reduction in HHs below the 2014/15 baseline level (a revised backlog of 1286 HHs)	

Villages electrified in 2012/13

Village	Number of Connections
Masemola	47-WIP
Malope	116-WIP
Total	163

Villages Electrification in progress 2013/14

Village	Number of Connections
Masemola	47-WIP
Malope	116-WIP
Total	163
Villages electrified in 2014/15	
Village	Number of Connections
Masemola	47
Malope	116
Total	163

Employees: Electricity Services		
Job Level	2013/14	2014/15

	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0%
4 – 6	0	1	0	1	0%
7 – 9	0	0	0	0	0%
10 – 12	0	0	0	0	0%
13 – 15	0	0	0	0	0%
16 – 18	0	0	0	0	0%
19 – 20	0	0	0	0	0%
Total	0	1	0	1	0%
Financial Performance 2014/15: Electricity Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	R0.00	R0.00	R0.00	R0.00	R0.00
Expenditure:					
Employees	R 47 714	R 392 312	R 130 810	R0.00	R 130 810
Repairs and Maintenance	R 132 312	R 500 000	R 1 546 863	R 1 546 863	R0.00
Other	R 3 841 170	R 4 000 000	R 5 454 137	R 3 949 433	R 1 504 704
Total Operational Expenditure	R 4 021 197	R 4 892 312	R 7 130 810	R 5 496 297	R 1 634 513
Capital Expenditure 2014/15: Electricity Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Electrification of Malope (116 Units) and Masemola Mamarutleng (47 Units)	R 1 950 000	R 3 283 663	R 3 283 663	R0.00	R 3 283 663
Total	R 1 950 000	R 3 283 663	R 3 283 663	R.00	R 3 283 663
COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:					

The projects that were initially planned for household electrification were not implemented due to lack of capacity in their respective areas. The areas with capacity were identified and projects implemented. These reported challenges may be addressed by the building of sub-stations in consultation with the electricity regulator and ESKOM.

3.4. WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL)

INTRODUCTION TO WASTE MANAGEMENT

The Waste Management function is performed by the Municipality in the following areas: Marishane, Mamone, Phaahla and Masemola. The Municipality has taken full responsibility of performing waste management function. The project covers the following villages; Phokoane, Glen Cowie, Jane Furse and Schonoord. Collection bins are placed at Phokoane, Glen Cowie, Riverside, Jane Furse, Tshehlwaneng and Schonoord. There is a permitted land fill site in Jane Furse. An assessment was done at Apel Cross sub growth point that covers Apel Cross, Marishane and Phaahla for the extension of waste removal points.

The majority of the population creates their own waste disposal for this purpose. These dumping sites are usually located within the individual household property or on the outskirts of some villages. Also existing is the Marishane recycling centre which recycles bottles, cans, plastics, papers and box which are sent to relevant recycling companies.

The appointment of 1200 General workers according to **CWP – COMMUNITY WORKS PROGRAM and EPWP- EXPANDED PUBLIC WORKS PROGRAM** has been approved by Council and commenced working on the 1st September 2013 until 2017. This shall include litter-picking, street cleaning, house to house collection and the disposal site management.

Solid Waste Service Delivery Levels				
Households				
Description	2011/12	2012/13	2013/14	2014/15
	Actual No.	Actual No.	Actual No.	Actual No.
<u>Solid Waste Removal:</u> (Minimum level) Removed at least once a week	Twice a week Street to street collection	Twice a week Street to street collection	Twice a week Street to street collection	Twice a week Street to street collection
	Established Business has private contractors to remove waste from shops daily	Established Business has private contractors to remove waste from shops daily	Established Business has private contractors to remove waste from shops daily	Established Business has private contractors to remove waste from shops daily
<u>Solid Waste Removal:</u> (Below minimum level)	None	None	Twice a week Street to street collection	Twice a week Street to street collection

Total number of households	None	None	5000	5000
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Households - Solid Waste Service Delivery Levels below the minimum						
Description	2012/13	2013/14	2014/15	2014/15		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual No.
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households	Entire Makhudutham aga Municipality	R4,5million	R6,8million			
Households below minimum service level						
Proportion of households below minimum service level						
Informal Settlements						
Total households	Entire Makhudutham aga Municipality	Entire Makhudutha maga Municipality	Entire Makhudutham aga Municipality			
Households below minimum service level						
Proportion of households below minimum service level						

Employees: Solid Waste Management Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	1	1	1	1	0%
4 – 6	0	0	0	0	0 %
7 – 9	0	0	0	0	0 %
10 – 12	1	1	0	1	100%
13 – 15	0	0	0	0	0 %
16 – 18	0	0	0	0	0 %
19 – 20	0	4	4	4	100%

Total					
Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

Employees: Waste Disposal and Other Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0%
4 – 6	0	0	0	0	0%
7 – 9	0	3	0	3	100%
Total	0	3	0	3	0%

Financial Performance 2014/15: Solid Waste Management Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R 344 578	R 793 596	R 546 942	R 374 674	R 172 268
Repairs and Maintenance	R0.00	R0.00	R0.00	R0.00	R0.00
Other	R 2 391 539	R 2 305 000	R 4 751 654	R 3 072 303	R 1 679 351
Total Operational Expenditure	2 736 117	R 3 098 596	R 4 751 654	R 3 446 977	R 1 851 619
Net Operational (Service) Expenditure					

3.5 HOUSING

This is COGHSTA function

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The Makhuduthamaga Municipality only provided Free Basic Electricity to the indigents. There is, however a need to review the indigent register and policy. The Municipality has set a target of 10000 beneficiaries to receive Free Basic Electricity in the 2014/15 financial year.

Free Basic Service Policy Objectives Taken From IDP

Service Objectives	Outline Service Targets	2012/13		2013/14		2014/15	
		Target	Actual	Target	Actual	Target	Actual
<i>Service Indicators</i>		10000	8950	100000	8950	10000	9650
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
Service Objective : to improve FBE benefit to all qualifying beneficiaries							
Provision of FBE as per approved Indigent Register		3 000 000	8950	4000 000	8950	3 000 000	9650
Financial Performance 2014/15: Cost to Municipality of Free Basic Services Delivered							
Services Delivered	2013/14	2014/15					
	Actual	Budget	Adjustment Budget	Actual	Commitments	Variance to Budget	
Water	R 0.00	R0.00	R0.00	R0.00	R0.00	R0.00	
Waste Water (Sanitation)	R 0.00	R0.00	R0.00	R0.00	R0.00	R0.00	
Electricity	R 3 841 170	R 4000 000	R 5 454 137	R 3 949 433	R0.00	R 1 504 704	
Waste Management (Solid Waste)	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	
Total							

COMPONENT B : ROAD TRANSPORT: BRIDGES AND STORM WATER

INTRODUCTION TO ROADS, BRIDGES AND STORM WATER

The Municipality has developed a Road Master Plan that specifies the conditions of the roads throughout the municipal area and further proposes a priority list for intervention. The Municipality has the following related strategic objectives for the reporting period:

- To improve access to viable roads and facilitate tarring.

- To facilitate provision of storm water drainage for passable roads

These objectives were funded from the MIG and the Equitable Share; however the Municipality needs more resources, both financial and human to be able to address the backlog as planned.

3.7 ROADS						
Kilometers						
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to asphalt		Gravel roads graded /maintained	
2012/13	310	3	7		439	
2013/14	310	3	7		439	
2014/15	310	0	8		316	
Asphalted Road Infrastructure						
Kilometers						
	Total asphalted roads	New asphalt roads	Existing asphalt roads re-asphalted	Existing asphalt roads re-sheeted	Asphalt roads maintained	
2012/13	11	11	1	0	0	
2013/14	14	14	0	1	0	
2014/15	26	8	1	1	1	
Cost of Construction/Maintenance:						
R' 000						
	Gravel			Asphalt		
	New	Gravel - Asphalt	Maintained	New	Re-worked	Maintained
2012/13	2300 000	25 000 000	8 300 000	25 000 000	1 880 000	2 300 000
2013/14	0	17 500 000	17 500 000	0	0	0
2014/15	0	28 100 000	28 100 000			

Employees: Road Services					
Job Level	2012/13	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	1	1	1		0%
4 – 6	2	2	1	0	50%
7 – 9	3	2	2		0%
10 – 12	2	1	1		0%
13 – 15	0	0	0		0%
16 – 18	4	6	5		16%

19 – 20	1	1	1	0%
Total	13	12	11	92%

Financial Performance 2014/15: Road Services					
R'000					
Details	2012/13	2013/14			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	R0.00	R0.00	R0.00	R0.00	R0.00
Expenditure:					
Employees	R 1 452 854	R 4 557 679	R 4 380 607	R 4 380 607	R0.00
Repairs and Maintenance	R 14 431 521	R 18 100 000	R 23 100 000	R 20 296 602	R 2 803 398
Other	R 2 220 729	R 2 832 000	R 3 382 000	R 2 127 918	-R 1 254 082
Total Operational Expenditure	R 18 105 104	R 24 457 679	R 30 862 607	26 805 127	R 1 549 316
Capital Expenditure 2014/15: Road Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Upgrading of Masemola sports ground (MIG)	R4 600 000.00		R4547858.00		
Rietfontein storm water control(PH1)	R2 602 695.52		R39152.10		
Kutupu road and storm water phase 2 2012/13 (MIG)	R4 748 554.26		R699252.77		
Vierfontein to Rietfontein link road phase3 (MIG)	R5 069 613.59		R4469487.14		
Rietfontein storm water control (MIG) PH2	R4 750000.00		R3208459.97		
Construction of Moripane /Mogorwane access bridge	R 3 696 000.00		R3462251.37		
Construction of Lobethal/Phaahla access bridge (MIG)	R6 000 000.00		R3859569.85		
Construction of Makhutso access bridge (MIG)	R5 000 000.00		R4 835 881.14		
Construction of Skotiphola access bridge (MIG)	R 3 000 000.00		R2 928 131.39		
Construction of access road to	R3900 000.00		R1 200 009.60		

Mohlala/Madibaneng (6km)					
Construction of access road to Seopela Tribal Office (1.1km)	R 3 500 000.00		R3 746 581.75		
Access road to Nkosi/Dlamini (1km)	R 3 500 000.00		R243 913.77		
Construction of New Stand/Moloi access bridge	R3 500 000.00		R279 737.30		
Construction of Thusong Centre	R 300 000.00		R0.00		
Construction of road from Jane Furse Comprehensive to New Jane Furse Hospital (0.8 km).	R 4 000 000.00		R781 442.40		
Design and Construction of access road to Mashegoana/Legare/ Tswaledi tribal offices phase 2(1,2KM).	R 5 000 000.00		R788 861.32		
Construction of access road to Tisane Tribal Office Phase 3 (1.3KM).	R 3 500 000.00		R3 141 598.76		
Construction of access road to Mampane Tribal Office phase 3	R 3 500 000.00		R3 248 034.78		
Construction of access road to Mogashoa Manamane and Ditlhakaneng Phase 2	R3 000 000.00		R2 343 374.62		
Construction of access road to Maila Mapitsane Tribal Office Phase 3	R3 500 000.00		R3 454 200.90		
Design and Construction of access road to Marulaneng Tribal Office Phase 2 (1.5km)	R 3 500 000.00		R4 114 733.48		
Construction of access road to Tjatane Tribal Office Phase 2	R 6 000 000.00		R6 016 280.70		
Construction of access road to Maila Segolo Tribal Office (3.7km)	R 3 500 000.00		R764 439.85		
Repairs and maintenance of the existing road and storm water	R23 100 000.00		R4 469 487.14		
Maintenance of electricity existing high-mast and street lights	R2 500 000.00		R 1 541 477.00		
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					

3.7.1 MUNICIPAL INFRASTRUCTURE GRANT EXPENDITURE

Municipal Infrastructure Grant (MIG)* Expenditure 2014/15 on Service backlogs R' 000						
Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
1.Kutupu Roads and Stormwater	R3,748,554.26	R 3,748,554.26	R 900,405.96	0	0	None
2.Access Road to Peter Nchabeleng Sport Facility	R3,525,713.91	R 3,525,713.91	R3,525,713.91	0	0	None
3.Jane Furse Police Station to Marangrang Access Road	R6,374,476.95	R 6,374,476.95	R5,804,288.70	0	0	None
4.Upgrading of Madibong Storm water	R2,000,000.00	R 2,000,000.00	R1,000,489.57	0	0	None
5.Upgrading of Masemola Sports Facility	R7,500,000.00	R 7,500,000.00	R7,431,671.40	0	0	None
6.Construction of Moripane/Mogor wane Access Bridge	R4,515,000.00	R 4,515,000.00	R4,512,969.73	0	0	None
7.Construction of Lobethal/Phaahla Access Bridge	R 4,000,000.00	R 4,000,000.00	R 3,847,934.10	0	0	None
8.Moripane/River side Pedestrian Bridge	R 3,681,694.35	R 3,681,694.35	R 2,574,863.85	0	0	None
9.Construction of Skotiphola Access Bridge	R 3,000,000.00	R 3,000,000.00	R 2,928,131.35	0	0	None
10.Construction of Makhutso	R 6,000,000.00	R 6,000,000.00	R 5,602,599.92	0	0	None

Access Bridge						
11.Vierfontein to Rietfontein Link Road	R 8,192,000.00	R 8,192,000.00	R 8,191,992.67	0	0	None
12.Reitfontein Stormwater PH 2	R 7,500,000.00	R 7,500,000.00	R 7,414,301.57	0	0	None
13.PMU Overheads	R 1,000,000.00	R 1,000,000.00	R 1,000,000.00	0	0	None

3. 8 TRANSPORT

The Municipality does not provide public transport as yet. It has two traffic licensing offices i.e. Sekhukhune and Nebo traffic stations. The main services rendered in those stations are as follow:

- Licensing of vehicles
- Roadworthiness of the vehicles and testing
- Payments of Permits
- Payments of road users tickets
- Issuing of learners and drivers licences , etc

3.9 STORM WATER Drainage (Senong

COMPONENT C: PLANNING AND DEVELOPMENT

3.7 INTRODUCTION

The Makhuduthamaga Municipality is predominantly rural under the leadership of traditional authorities. The Traditional Authorities are the custodians of land, thus the Municipality acquires land for development from Traditional Authorities, through a land acquisition process with the Department of Rural Development and Land Reform. The Municipality has a problem of acquiring land due to unrealistic rates that do not match with the valuation reports. A Land use Summit was facilitated by the Municipality to create awareness on land use management. The opportunities for economic development have been identified in the LED strategy and include the following: Agriculture, Tourism, Manufacturing, retail and arts.

In order to ascertain that LED is mainstreamed in all municipal departments an LED Manifesto is in the process of being drafted to ensure that all services that the Municipality renders are geared towards economic growth and job creation.

The Municipality hosted an LED summit in June 2015 shared ideas together with other stakeholders that can help shape the economic environment of this Municipality, so that we can later realise a better life for all. The purpose of the LED summit included:

- To build partnerships between stakeholders and to establish relationships that become the basis for continuous engagements;
- To encourage open dialogue between private and public sector on the Makhuduthamaga economic development trajectory;
- To share best practices among the various economic actors operating in and outside Makhuduthamaga; and
- To encourage local businesses to participate in local economic development and the creation of sustainable job opportunities and poverty eradication.

3.8. PLANNING OVERVIEW

Makhuduthamaga Municipality is a rural area which does not allow use of most of town planning legislations, e.g. Spatial and Land use Management Act. The area is not promulgated and issues like zoning, rezoning, sub-division, etc are not adequately addressed when people submit their applications for land use rights. Town Planning Ordinance and other planning legislations function properly in a promulgated area. The planning legislations and policies are difficult to implement because of the nature land is allocated within the Municipality. The Municipality uses the following proclamations to issue land use rights: proclamation R188 of 1968 and proclamation 45 of 1990. These proclamations are used to issue permission to occupy.

For the year 2014/15 the Municipality received 41 applications for businesses, of which 35 were approved and approval in principle and permission to occupy were issued. One application for business was withdrawn and five were outstanding by year end. Sixteen (16) applications for residential were received, and were all approved with PTOs. The Municipality also received four (4) applications for farming, three (3) were approved and approvals in principle (preliminary approval) were issued while one was outstanding by year end. The total applications received for the year 2012/13 were 61, 54 were approved and 7 are outstanding.

The Municipality currently has no active land use management scheme pending the proclamation of the Spatial Planning and Land Use Management Bill into an Act. The use of land is managed through Proclamation R188 of 1969 which allows the issuing of Permissions to Occupy (PTOs) for any piece of land.

During the reporting period, the Municipality in partnership with SALGA and the Department of Rural Development (DRDLR) conducted an evaluation of the progress and challenges facing the Municipality, regarding the implementation of the Spatial Development Framework (SDF). A report was compiled with a major recommendation of reviewing the SDF using the new national guidelines, and in the meantime using the 2007 Council approved SDF. The Municipality made an application for funding for the review of the SDF and same was acquired from DRDLR. The process of the review will be completed in the 2013/14 financial year. The top three service delivery priorities included, demarcation of sites, hosting a Land Use Summit, and acquisition of land at growth points. The Municipality managed to host the land use summit and to appoint a service provider to assist with the demarcation of sites at Makgane Ga-Ratau. With regard to the acquisition of land at the Masemola-Apel Growth point, the Municipality initiated the process, conducted a valuation and presented the

valuation reports to the Royal Council. This process was not completed as the Royal Council was still considering the valuation report by year end. The process will be concluded in the next financial year.

The applications processed since 2011/12 financial year are listed as follows:

Applications for Land Use Development						
Detail	Business		Residential		Farming	
	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Planning application received	10	41	23	16	9	4
Determination made in year of receipt	8	35	23	16	8	3
Determination made in following year	2	0	0	0	1	0
Applications withdrawn	0	1	0	0	0	0
Applications outstanding at year end	2	5	0	0	1	1

Employees: Planning Services

Job Level	2013/14	2014/15			
	Employee s	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3		-	-	-	-
4 – 6		-	-	-	-
7 – 9		9	7	3	21%
10 – 12		4	3	1	7%
13 – 15		1	0	1	7%
16 – 18		-	-	-	-
19 – 20		-	-	-	-
Total		14	10	4	35%

Financial Performance 2014/15: Planning Services						
R'000						
Details	2013/14	2014/15				
	Actual	Original Budget	Adjustment Budget	Actual	Commitments	Variance to Budget
Expenditure						
Employees	R 3 886 159	R 5 743 830	R 4 663 756.72	R 4 663 756.72	R0.00	R0.00

Repairs and Maintenance	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00
Other	R 537 536	R 3 270 500	R 1 772 763	R 1 026 702	R0.00	R 2 243 798
Total Operational Expenditure	R 4 423 695	R 9 014 330	R 6 436 520	R 5 690 459	R 0.00	

Capital Expenditure 2014/15: Planning Services

R' 000

Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Land scarping	R 100 000	R 2 300 000	R0.00	-2300 000	
Development of Municipal Park	R 650 000.00	R 650 000.00	R0.00	R 700 000	
Development Of Municipal Cemetery	R 730 000.00	R 730 000.00	R0.00	R 1000 000	

3.11 LOCAL ECONOMIC DEVELOPMENT

LOCAL ECONOMIC DEVELOPMENT

3.8 COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

The local economy is highly dependent upon agriculture, of which **14.9%** comes from vegetables and fruit as key players, followed by retail, services and manufacturing.

The Municipality coordinated four LED forum meetings where progress on the implementation of the LED strategy was discussed. The other aspect covered by the LED forum was to workshop the terms of reference of the LED Forum to ensure that roles and responsibilities are clarified. It also planned to support 10 SMMEs and has by the end of the reporting period supported 7 SMMEs. With regard to tourism development, the Municipality participated at Tourism Indaba which is the third largest international tourism show in the world. It hosted an LED summit that attracted presenters from both Provincial and National economic development organisations.

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

Thrust	STRATEGIES
Economic Base Development	Promote the horticulture cluster value chain. Tourism, the red meat cluster SMME development and construction & property development.
Institutional Transformation and Development	Municipal capacity building, Capacity to deal with disasters, establishment of a tertiary institution.

Infrastructure Development	Re-planning of Jane Furse intersection, Integrated infrastructure development.
Human Resource Development	Adult Basic Education and Training, Human Resource development strategy.
Spatial and Land Development	Formalisation of settlements, Growth points development, Proclamation of Jane Furse.

LED INITIATIVES

With a limited budget for LED projects (versus the need) and two officials to assist with LED implementation, the following initiatives have been identified as shown below:

DESCRIPTION OF PROJECT	TOTAL INVESTMENT	PERFORMANCE HIGHLIGHTS
Construction of market stalls	1000 000.00	60 Informal market stalls are at construction stage. Thirty 30 stalls have been completed.
SMME support	4 600 000.00	10 SMMEs benefitted from this fund the majority are from the agriculture sector
Production of tourism guide	200 000.00	Not achieved.
Revival of Cultural villages	200 000.00	This project was aimed at the revival of a cultural village in Mabedhla village that is promoting the Swazi culture and heritage.
Annual LED summit	250 000.00	The annual summit attracted presenters from both national and provincial government and was concluded with a Declaration committing various stakeholders' participation in jointly promoting Local Economic Development.

CHALLENGES: LED

CHALLENGES	PROPOSED SOLUTION
Limited capacity in terms of operational staff	Revised organ gram submitted for consideration
Limited funding for projects	Initiate partnerships with external donors and funding agencies to provide additional funding for projects.

3.11.1SERVICE PROVIDERS STRATEGIC PERFORMANCE

Section 76(b) of the Municipal Systems Act (MSA) states that KPIs should inform the indicators set for every municipal entity and service provider with whom the Municipality has entered into a service delivery agreement. According to Auditor General (AG) of South Africa:

- a) Service provider means a person or institution or any combination of persons and institutions which provide a municipal service;
- b) External service provider means an external mechanism referred to in section 76(b) which provides a municipal service for a Municipality; and
- c) Service delivery agreement means an agreement between a Municipality and an institution or person mentioned in section 76(b) in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the Municipality.

Section 121(b) of the MFMA and Section 46 of the MSA further state that a Municipality should include the following related to service providers in its annual report:

- The performance of each service provider;

- A Comparison of the performance with targets set for and performances in the previous financial year; and
- Measures taken to improve performance.

The following is an analysis of products and services procured by the Municipality for R 200, 000 and more.

The table below indicate service providers utilised according to functional areas:

COMPONENT D COMMUNITY AND SOCIAL SERVICES

3.12 LIBRARIES; ARCHAVIEVES; MUSEUMS; GALLERIES: COMMUNITY FACILITIES; OTHER (THEATRES AND ZOOS: ETC.

Makhuduthamaga Municipality renders library services on an agency basis on behalf of the Provincial Government of Sport, Arts and Culture. A three year Service Level Agreement ending in 2014/15 exist for this service. There are four Libraries in Makhuduthamaga, at Jane Furse, Ga-Phaahla and Phatantshwane and Phokwane which is at hand over stage. There are at least three Community Halls within the Municipality. Makgwabe Mogaladi and Phaahla Community halls

Employees: Libraries; Archives; Museums; Galleries; Community Facilities; Other					
Job Level	2012/13	2013/14			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	4	4	0	0%
4 – 6	0	3	3	0	0%
7 – 9	0	0	0	0	0%
10 – 12	1	1	1	0	0%
13 – 15	-	-	-	-	0%
16 – 18	-	-	-	-	0%
19 – 20	-	-	-	-	0%
Total	01	08	08	0	0%

Financial Performance 2014/15: Libraries; Archives; Museums; Galleries; Community Facilities; Other					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R2,521,741	R 3 816 516	R 3 287 100	R 2 287 818	R 999 282
Repairs and Maintenance	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00
Other	R 0.00	R 911 300	R 911 300	R152 353	R 758 947
Total Operational Expenditure	R 2 521 741	4 727 816	R 4 198 400	R 2 440 171	R 1 758 229

3.13 CEMETERIES AND CREMATIONS

Marishane lizzy

3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMME

IDP.

COMPONENT E ENVIRONMENTAL PROTECTION

3.15 POLLUTION CONTROL

This is not the Municipal function

3.16 BIO-DIVERSITY, LANDSCAPE (INCL OPEN SPACES) AND OTHER EG.COASTAL PROTECTION) Planning and Caro

COMPONENT F: HEALTH

3.17 CLINICS

3.18 AMBULANCE SERVICES

3.19. HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC.

This is not the Municipal function. It is provided by the Provincial and National department of Health.

COMPONENT G: SECURITY AND SAFETY

3.20 POLICE

3.21 FIRE

3.22 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

COMPONENT H: SPORT AND RECREATION

3.23 SPORT AND RECREATION

The municipality has 04 sports facilities which are regularly maintained and upgraded for smooth running of the sports activities those are Phokwane ,Peter Nchabeleng , Glen Cowie and Masemola which is recently completed and awaiting for official hand over to the community. The sports facilities cater all the sporting codes.

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

3.24 EXECUTIVE AND COUNCIL

The political governance consists of the Mayor Cllr. Matlala M.A, Speaker Cllr. Makaleng M.M and 10 Executive committee members and other Councillors. There are also Section 80 & 79 committees that process all the issues before they go to Council.

The Municipality has 61 Councillors excluding 10 Traditional Leaders during 2014/15 financial year. Of the total Councillors, 31 are Ward Councillors, while 30 have been appointed on a proportional basis. A full list of Councillors is attached as Appendix A, while appendix B sets out committees and their purposes.

3.25 FINANCIAL SERVICES

KPA AND INDICATOR	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT
	2012/13	2013/14	2014/15
Debt coverage (Total operating revenue – operating grants received)/ debt service payments due within a year	0.77	0.48	0.35
Service debtors to revenue –(Total outstanding service debtors/ revenue received for services)	0	0	0
Cost coverage (Available cash +investments)/ Monthly fixed operating expenditure	0.70	2.03	1.77
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	75%	49%	56%

3.26 HUMAN RESOURCE SERVICES

Makhuduthamaga Local Municipality is having an organizational structure that was approved by Council during the adoption of the IDP and budget. The structure has approved posts as follows:

- Created/ approved post =167
- Filled posts = 125
- Vacant = 42

Council has delegated its administration duties to the Municipal Manager who has five departmental heads in charge of the following departments:

- Corporate Services.
- Economic Development and Planning
- Community Services
- Infrastructure Development , and
- Budget and Treasury

There are supportive functions that are attached to the office of the Municipal Manager, whose main aim is to ensure compliance and efficiency of systems and processes. They are as follows:

- Risk Management and Internal Audit.
- Legal services.
- Audit and performance Committee.

3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Information Communication Technology(ICT) services is established to promote effective administration in order to achieve service delivery targets. It is therefore intergral to the fuctionality and efficiency of the Municipality by providing systems and tools of trade to both adminstration and Council.

Service delivery priorities for ICT are to ensure that the Municipality has effecient and effective backup systems, officials are trained on ICT, all municipal sites are connected through internet. The Municipality has , during the reporting period, identified the need to strengthen the ICT unit by creating a strategic position (ICT Manager) which has been filled and municipal ICT Strategy as well as Disaster Plan have been developed.

The Municipality has also managed to install and maintain backup system, VPN established, LAN restructured and Server room upgraded.

Service Objective :	
ICT Systems Support and Maintenance	To develop monthly maintenance plan for Municipal Backup system.

ICT Infrastructure	To procure ICT equipment.			
Website Management	To update municipal website on monthly basis.			
Internet Upgrade	To upgrade internet connectivity.			
Software Licenses	To renew software licenses on annual basis.			
Employees: ICT Services				
Job Level	2014/15			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 – 3	0	0	0	0%
4 – 6	1	1	0	0%
7 – 9	1	1	1	0%
10 – 12	1	0	1	100%
13 – 15	0	0	0	0%
16 – 18	0	0	0	0%
19 – 20	0	0	0	0%
Total	3	2	1	100%
Financial Performance 2014/15: ICT Services				
R'000				
Details	2013/14			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)				
Expenditure:				
Employees				
Repairs and Maintenance				

Other					
Total Operational Expenditure					
Net Operational (Service) Expenditure					
Capital Expenditure 2014/15: ICT Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	2 100 000.00	0			
VPN ESTABLISHMENT.	250 000.00	0			
LAN RESTRUCTURING	500 000.00	0			
INTRANET CONNECT	150 000.00	0			
UPGRADING SERVER ROOM	200 000.00	0			
ELETRONIC DOC MNGT	500 000.00	0			
ICT EQUIPMENT	150 000.00	0			
SOFTWARE LICENCE	300 000.00	0			
UPGRADING DOMAIN	100 000.00	0			

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

During the reporting period, the implemented capital projects including upgrading of the server room and the acquisition of ICT equipment, and backup system contributed to the improvement on ICT governance within Makhuduthamaga. The developed ICT strategy will strengthen municipal compliance to the legislative requirements and governance.

3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

COMPONENT J: MISCELLANEOUS

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the current year is attached as Annexure 1

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Makhuduthamaga Municipality provided capacity building services to a growing staff complement of 125 officials and 61 Councillors: Human resource management services have achieved 74.8% of filled vacancies. Amongst those filled are three posts of Section 57 Managers that is the Municipal Manager, Snr. Manager Corporate Services and Infrastructure Development. This has made the Municipality to improve its management services and its overall performance, thus an improved audit opinion.

Human resource development services also achieved 33% of employees, 33% of Councillors and 55% of Ward Committees trained/work-shopped according to their skills requirements and SALGA priorities. The Ward Committees were trained in collaboration with COGHSTA. These have built capacity within the internal stakeholders to deliver services better.

Labour relations subdivision which is also responsible for consultation between employer and employees through Local Labour Forum established through the SALGA collective agreement.

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

Human Resource Services Policy Objectives Taken From IDP			
Service Objectives	Outline Service Targets	2014/15	
Service Indicators		*Current Year	Following year
Service Objective: Human Resource Management			
	Filling of all vacant posts	Ensure realistic human resources planning through filling of posts, implementation of employment equity plan and effective human resource management. Ensure implementation of WSP through training and improve educational standards by providing bursary to the community.	Ensure realistic human resources development and effective human resource management. Ensure promotion of employment equity and skills development.

	Conduct internal survey	Conduct Bathopele internal and external customer satisfaction surveys	Ensure compliance to the principles of Bathopele and other municipal policies.
	Do staff reengineering	To conduct reengineering of available staff against competencies and skills. To align skills, qualification and competency to available approved posts.	Achieved

Employees: Human Resource Services

Job Level	2014/15			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 – 3	0	0	0	0%
4 – 6	0	0	0	0%
7 – 9	4	3	1	25%
10 – 12	1	1	0	0%
13 – 15	0	0	0	0%
16 – 18	0	0	0	0%
19 – 20	0	0	0	0%
Total	5	4	1	25%

Financial Performance 2014/15: Human Resource Services

R'000

Details	Original Budget	Adjustment Budget	Actual	Commitments	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R 8 409 644	R 7 665 467	R 7 359 762	R 0.00	R 305 705
Repairs and	R 500 000	R 657 208	R 557 983	R 0.00	R 99 225

Maintenance					
Other	R 7 800 000	R 8 120 600	R 8 772 379	R 0.00	R -651 779
Total Operational Expenditure	R 8 409 644	R 7 665 467	R 7 359 762	R 0.00	R 305 705
Capital Expenditure 2014/15: Human Resource Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Commitments	Variance to Budget
Total All					
IT Infrastructure	R 1 000 000	R 2 362 267	R 2 067 619.45	R0.00	R 294 647

Employees:					
Description	2013/14	2014/15			
	Employee s	Approve d Posts	Employee s	Varianc e	Varianc e
	No.	No.	No.	No.	%
Water	0	0	0	0	0%
Waste Water (Sanitation)	0	0	0	0	0%
Electricity	0	1	0	1	100%
Waste Management	1	1	1	0	0%
Housing	1	0	0	0	0%
Waste Water (Storm water Drainage)	0	0	0	0	0%
Roads	1	1	1	0	0%
Transport	0	0	0	0	0%
Planning	1	14	10	04	25%
Local Economic Development	1	3	3	0	0%
Planning (Strategic &Regulatory)	0	2	1	1	50%
Local Economic Development	0	0	0	0	0%
Community & Social Services	1	16	8	8	50%

Environmental Protection	0	0	0	0	0%
Health	0	0	0	0	0%
Security and Safety	0	0	0	0	0%
Sport and Recreation	1	1	0	1	100%
Corporate Policy Offices and Other	6	0	0	0	0%
Totals	13	39	24	15	38%

Vacancy Rate 2014/15			
Designations	*Total Approved Posts	*Variances (Total time that vacancies exist using fulltime equivalents)	*Variances (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	0	0%
CFO	1	9 Months	100%
Other S57 Managers (excluding Finance Posts)	5	2x 12Months	40%
Other S57 Managers (Finance posts)	6	33 Months	50%
Municipal Police	0	0	0%
Fire fighters	0	0	0%
Senior management: Levels 13-15 (excluding Finance Posts)	21	0	0%
Senior management: Levels 13-15 (Finance posts)	5	0	0%
Highly skilled supervision: levels 9-12 (excluding Finance posts)	41	0	0%
Highly skilled supervision: levels 9-12 (Finance posts)	15	0	0%
Total	39	0	0%

Turn-over Rate

Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
2013/14	133	13	09.7

COMMENT ON VACANCIES AND TURNOVER.

Only six officials left the Municipality, which amounts to low turnover rate. The challenge is that some of the terminations involve scarce skills like accountant and technicians. This has direct impact on service delivery.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

The Municipality has established policies and procedures for the management of the workforce in 2013/14. The Municipality did not review human resource policies for this reporting period because Policy Development Committee was not established.

The municipal workforce is structured as follows:

- Three (3) appointed Senior Managers, (who all meet minimum qualification NQF level 6 and competency requirements). Three vacancies exist in the following departments: Budget & Treasury, Economic Development & Planning and Community Services.
- Twenty three (23) Appointed Managers in various departments who all meet NQF level 6 Qualification.
- Appointed officers/ skilled officers.
- Semi skilled officers.

4.2. POLICIES

The Municipality has developed 18 human resources policies in 2013/14 financial year and were not reviewed in the current financial year. However Management is in the process of establishing a Policy Development Committee to review all policies in 2015/16. The Committee is comprised of both employer and employee representatives.

HR Policies and Plans				
Name of Policy		Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Affirmative Action	100	0	Policy noted by Council on the 31/08/2013.
2	Attraction and Retention	100	0	Same as above

3	Code of Conduct for employees	100	0	It forms part of the employment contract.
4	Delegations, Authorisation & Responsibility	100	0	Not reviewed
5	Disciplinary Code and Procedures	100	0	Collective agreement with SALGA
6	Essential Services	0	0	Not developed
7	Employee Assistance / Wellness	0	0	Not developed
8	Employment Equity	100	0	Policy noted by Council on the 31/08/2013.
9	Exit Management	100	0	Not developed
10	Grievance Procedures	100	0	Collective agreement from SALGA
11	HIV/Aids	100	0	Policy noted by Council on the 31/08/2013.
12	Human Resource and Development	100	0	Policy noted by Council on the 31/05/2013.
13	Information Technology	100	0	Adopted by Council on the 31/05/2012. Not reviewed.
14	Job Evaluation	100	0	Policy noted by Council on the 31/05/2013.
15	Leave	100	0	Policy noted by Council on the 31/05/2013.
16	Occupational Health and Safety	100	0	Policy noted by Council on the 31/08/2013.
17	Official Housing	0	0	Not developed
18	Official Journeys	100	0	Policy noted by Council on the 31/05/2013.
19	Official transport to attend Funerals	100	0	Policy noted by Council on the 31/05/2013.
20	Official Working Hours and Overtime	100	0	Policy noted by Council on the 31/05/2013.
21	Organisational Rights	100	0	Collective agreement from SALGA
22	Payroll Deductions	100	0	Not reviewed

23	Performance Development	Management and	100	0	Policy noted by Council on the 31/05/2013.
24	Recruitment, Appointments	Selection and	100	0	Policy noted by Council on the 31/05/2013.
25	Remuneration Allowances	Scales and	100	0	Not reviewed
26	Resettlement		0	0	Not developed
27	Sexual Harassment		100	0	Policy noted by Council on the 31/05/2013.
28	Skills Development		100	0	Policy noted by Council on the 31/08/2013.
29	Smoking		100	0	Policy noted by Council on the 31/05/2013.
30	Special Skills		0	0	Policy noted by Council on the 31/05/2013.
31	Work Organisation		0	0	Not developed
32	Uniforms and Protective Clothing		100	0	Not reviewed
33	Other: Succession Planning		0	0	Policy noted by Council on the 31/08/2013.
Use name of local policies if different from above and at any other HR policies not listed.					

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty						
Type of injury	Injury Leave Taken	Employees using injury leave	Average injury leave taken per employee	Average Injury Leave per employee	Total Estimated Cost	
	Days	No.	%	Days	R'000	
Required basic medical attention only	0	0	0%	0	0	
Temporary total disablement	0	0	0%	0	0	
Permanent	0	0	0%	0	0	

disablement						
Fatal	0	0	0%	0	0	
Total	0	0	0%	0	0	
Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	0	0	0	0	0	
Skilled (Levels 3-5)	32	2	8	43	0,137	
Highly skilled production (levels 6-8)	0	0	0	0	0,	
Highly skilled supervision (levels 9-12)	222	21	20	56	0,178	
Senior management (Levels 13-15)	57	1	9	19	0,060	
MM and S57	2	2	1	3	0,009	
Total	313	26	38	121	0,386	
* - Number of employees in post at the beginning of the year						

No cases for injury on duty were reported in the year under review.

Number and Period of Suspensions

Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Manager protocol	Alleged assault	28 January 2015	Case dismissed	October 2015

Disciplinary Action Taken on Cases of Financial Misconduct

Position	Nature of Alleged Misconduct and Rand value of any loss to the Municipality	Disciplinary action taken	Date Finalised
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4.4 PERFORMANCE REWARDS

No performance rewards had been paid as the municipality has never conducted Assessments of employees.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.5 SKILLS DEVELOPMENT AND TRAINING

cases were received for financial misconduct and therefore there were no suspensions.

4.5 CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

Makhuduthamaga Municipality has in terms of MSA 2000 S 68(1) endeavoured to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way, by identifying training focused to improve service delivery and also fulfilling SALGA training priorities for Section 57 and Finance officials. Achievements are 33% of employees, 33% of councillors and 55% of Ward Committees trained during this financial year. Challenges experienced are repeating the same people for more training and training that deviate from their skills audit. This has been addressed by the appointment of Section 57 Managers whose responsibility is to ensure that training is service focused.

SKILLS DEVELOPMENT AND TRAINING

SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

The Municipality was able to prepare and submit Workplace Skills Plan for 2013/14 to LGSETA on time. It has appointed Skills Development Facilitator who ensures that the WSP is adhered to. The following milestones were achieved to build capacity within the structures of the Municipality. Councillors trained through workshops and training sessions were 33%, employees achieved 33% whereas Ward Committees achieved 55%.

It is still in the process of complying with the minimum MFMA competency regulations requirements for its Section 57 and Finance officials.

The following are currently still undergoing training.

- The Municipal Manager.
- The Director Corporate Services
- The Chief Financial Officer
- Finance officials x 16
- Finance Interns x 6

- Manager x 5

However the total numbers of people who have been trained in line with the minimum MFMA competency regulations requirements are six (6)

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.6 EMPLOYEE EXPENDITURE

Annexure E- EMPLOYEE EXPENDITURE 2014/15

DISCLOSURE OF FINANCIAL INTEREST

CHAPTER 5- FINANCIAL PERFORMANCE

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

5.2 GRANTS

5.3 ASSET MANAGEMENT

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.5 CAPITAL EXPENDITURE

5.6 SOURCES OF FINANCE

5.7 CAPITAL SPENDING ON FIVE (5) LARGEST PROJECTS

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

5.9 CASH FLOW

5.10 BORROWING AND INVESTMENTS

5.11 PUBLIC PRIVATE PARTNERSHIPS

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

5.13 GRAP COMPLIANCE

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

COMPONENT A: AUDITOR –GENERAL OPINION OF FINANCIAL STATEMENTS Year -1

6.1 AUDITOR GENERAL REPORTS Year – 1(Previous year)

COMPONENT B: AUDITOR – GENERAL REPORT YEAR (0)

CORPORATE SERVICES

Description of service Rendered	Term Of Contract	Performance Areas	Performance Rating	Performance comment	corrective measure
Back-up System	2 Years	Provision of backup system	Good	Work done satisfactory	None
Time Management(Clocking) System	3 Years	Electronic time management system	Good	Work done satisfactory	None

BUDGET AND TREASURY

Description of service Rendered	Term Of Contract	Performance Areas	Performance Rating	Performance comment	Corrective measure
Rendering of Banking Services	5 Years	Service for all banking needs.	Good	Work done satisfactory.	None
Cleaning Service	3 Years	Provision of cleaning services.	Good	Work done satisfactory.	None
Security Service	3 Years	Provision of security services.	Good	Work done satisfactory.	None
Financial System	5 Years	Provision of financial system services.	Good	Work done satisfactory.	None
Printing Services	3 Years	Provision of printing Services.	Average	There is machinery breakdown quite	Acquire machine of high capacity.

				more often.	
Supply and Delivery of Vehicles	Once –Off	Supply and delivery vehicles.	Good	Work done satisfactory.	None

COMMUNITY SERVICES

Description of service rendered	Term Of Contract	Performance Areas	Performance Rating	Performance comment	corrective measure
Supply and delivery of waste collection truck	Once –off	Supply and delivery of waste collection truck.	Good	Work done satisfactory	None
Supply and installation of CCTV cameras at DLTCs	03 Years	Supply and installation of CCTV cameras at DLTCs.	Good	Satisfactory	None

ECONOMIC DEVELOPMENT AND PLANNING

Description of service Rendered	Term Of Contract	Performance Areas	Performance Rating	Performance comment	corrective measure
Demarcation of sites.	2 years	Compliance to specifications	Completed	Good	None
		Land survey	In progress	In progress	None
		Demarcation of 500 sites	In progress	In progress	None
Provision of informal	Once off	Market Stalls completed	30 Completed	Work in progress	None

trading stalls.					
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INFRASTRUCTURE SERVICES

Description of service Rendered	Term Of Contract	Performance Areas	Performance Rating	Performance comment	corrective measure
Maintenance of roads-Loge Construction.	2 years	Compliance to specification	Excellent	Highly responsive on request.	N/A
		Supply on need basis			
		Meeting deadlines			
		Monitoring			
		Completion report			
Consultant Services-Sizeya Consulting Engineers	6 months	Compliance to specification	Good		
		Supply on need basis			
		Meeting deadlines			
		Monitoring			
		Completion Report			
Consultant Services-Lesaka Consulting Engineers	6 months	Development of Scoping report ,Preliminary Design	Good	Good in supervision, site meetings, monitoring all project Administration	N/A
		Monitoring			
		Completion Report			
Consultant Services-Engor Consulting Engineers	6 months	Development of Scoping report ,Preliminary Design	Excellent	Good in supervision, site meetings, monitoring all project Administration	N/A
		Monitoring			
		Completion			

		Report			
Consultant Services-Bawelile Consulting Engineers	5 months	Development of Scoping report ,Preliminary Design	Good	Good in supervision, site meetings, monitoring all project Administration	N/A
		Monitoring			
		Completion Report			
Consultant Services-Stone found Consulting Engineers	5 months	Development of Scoping report ,Preliminary Design	Excellent	Good in supervision, site meetings, monitoring all project Administration	N/A
		Monitoring			
		Completion Report			
Consultant Services-Calibre and Associates	6 months	Development of Scoping report ,Preliminary Design	Excellent	Good in supervision, site meetings, monitoring all project Administration	N/A
		Monitoring			
		Completion Report			
Consultant Services-Sejagobe Consulting Engineers	6 months	Development of Scoping report ,Preliminary Design	Fair	Good in supervision, site meetings, monitoring all project Administration	N/A
		Monitoring			
		Completion Report			
Consultant Services-Ntsako Tiyani Consulting Engineers	6 months	Development of Scoping report ,Preliminary Design	Excellent	Good in supervision, site meetings, monitoring all project Administration	N/A
		Monitoring			
		Completion Report			
Consultant Services-Marumo	6 months	Development of Scoping report ,Preliminary	Excellent	Good in supervision, site meetings,	N/A

Consulting Engineers		Design		monitoring all project Administration	
		Monitoring			
		Completion Report			
		Monitoring			
		Completion Report			
Consulting Services-Mapoxe Consulting Engineers	5 months	Development of Scoping report ,Preliminary Design	Excellent	Good in supervision, site meetings, monitoring all project Administration	N/A
		Monitoring			
		Completion Report			
Consulting Services-Vutani Consulting Engineers	6 months	Development of Scoping report ,Preliminary Design	Good	Good in supervision, site meetings, monitoring all project Administration	N/A
		Monitoring			
		Completion Report			
Consulting Services-Construction Consulting Engineers	5 months	Development of Scoping report ,Preliminary Design	Excellent	Fair in terms of project supervision, site meetings and monitoring all project Administration	Evaluate consultant on monthly basis
		Monitoring			
		Completion Report			
	6 months	Development of Scoping report ,Preliminary Design	Good	Fair in terms of project supervision, site meetings and monitoring all project Administration	Evaluate consultant on monthly basis
		Monitoring			
		Completion Report			
Construction of Road- Bagma	10 months	Construction of access road according to	Good	Fair construction methods and	Weekly site Meetings

		project Spec.		standards	
Construction of Road-Kgwadi ya Madiba	6 months	Construction of access road according to project Spec.	Good	Fair construction methods and standards	Weekly site Meetings
Construction of Road-Loge	5 months	Construction of access road according to project Spec.	Excellent	Fair construction methods and standards	Weekly site Meetings
Construction of Road-NMC-Katekile Construction	5 months	Construction of access road according to project Spec.	Good	Good on construction methods and standards	N/A
Construction – Mulalo business enterprise	6 months	Construction of access road according to project Spec.	Fair	Fair construction methods and standards	Weekly site Meetings
Construction of Road-Dikgabo consultant	6 months	Construction of access road according to project Spec.	Good	Good on construction methods and standards	N/A
Construction of Road-Mohlake Civils	5 months	Construction of access road according to project Spec.	Fair	Fair construction methods and standards	Weekly site Meetings
Construction of Road-Mazaxa	8 months	Construction of access road according to project Spec.	Good	Fair construction methods and standards	Weekly site Meetings
Consulting Services-Mogoba Maphuthi Consulting Engineers	8 months	Development of Scoping report ,Preliminary Design	Fair	Fair construction methods and standards	Weekly site Meetings
		Monitoring			
		Completion			
		Report			

PERFORMANCE ON NATIONAL PERFORMANCE INDICATORS

The following table indicate 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 were linked to the National Key Performance Areas.

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

KPA AND INDICATOR	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT
	2012/13	2013/14	2014/15
Debt coverage (Total operating revenue – operating grants received)/ debt service payments due within a year	0.77	0.48	0.35
Service debtors to revenue –(Total outstanding service debtors/ revenue received for services)	0	0	0
Cost coverage (Available cash +investments)/ Monthly fixed operating expenditure	0.70	2.03	1.77
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	75%	49%	56%

Jobs Created during 2014/15 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created	Jobs lost/displaced by other initiatives	Net total jobs created in year	Method of validating jobs created/lost
	No.	No.	No.	
Total (all initiatives)				
Initiative A (12/13)	1120	3	1117	Register of employees
Initiative B (12/13)				
Initiative C (12/13)				
Job creation through EPWP* projects				
Year	EPWP Implemented Projects	Jobs created through EPWP projects		
	No.	No.		

10/11	0	0	
11/12	19	318	
12/13	12	159	
13/14	8	242	

Employees: Local Economic Development Services					
Job Level	2014/15				
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	0%	
0 – 3	2	2	0	0%	
4 – 6	0	2	0	0%	
Total	2	4	0	0%	
Financial Performance 2014/15: Local Economic Development Services					
R'000					
Details	2014/15				
	Original Budget	Adjustment Budget	Actual	Commitments	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R 1 358 291	R 1 358 175	R 264 879	R 0.00	R 1 093 296
Repairs and Maintenance					
Other	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00
Total Operational Expenditure	R 2 871 750	R 3 550 750	R 3 497 845	R0.00	R 52 905

CHAPTER 4

ORGANIZATIONAL DEVELOPMENT PERFORMANCE

4.1 HUMAN RESOURCE MANAGEMENT

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Makhuduthamaga Municipality provided capacity building services to a growing staff complement of 125 officials and 61 Councillors: Human resource management services have achieved 74.8% of filled vacancies. Amongst those filled are three posts of Section 57 Managers that is the Municipal Manager, Snr. Manager Corporate Services and Infrastructure Development. This has made the Municipality to improve its management services and its overall performance, thus an improved audit opinion.

Human resource development services also achieved 33% of employees, 33% of Councillors and 55% of Ward Committees trained/work-shopped according to their skills requirements and SALGA priorities. The Ward Committees were trained in collaboration with COGHSTA. These have built capacity within the internal stakeholders to deliver services better.

Labour relations subdivision which is also responsible for consultation between employer and employees through Local Labour Forum established through the SALGA collective agreement.

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

Service Objective: Human Resource Services			
Human Resource Services Policy Objectives Taken From IDP			
Service Objectives	Outline Service Targets	2014/15	
Service Indicators		*Current Year	Following year
Service Objective: Human Resource Management			
	Filling of all vacant posts	Ensure realistic human resources planning through filling of posts, implementation of	Ensure realistic human resources development and effective human

		employment equity plan and effective human resource management. Ensure implementation of WSP through training and improve educational standards by providing bursary to the community.	resource management. Ensure promotion of employment equity and skills development.
	Conduct internal survey	Conduct Bathopele internal and external customer satisfaction surveys	Ensure compliance to the principles of Bathopele and other municipal policies.
	Do staff reengineering	To conduct reengineering of available staff against competencies and skills. To align skills, qualification and competency to available approved posts.	Achieved

Employees: Human Resource Services

Job Level	2014/15			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 – 3	0	0	0	0%
4 – 6	0	0	0	0%
7 – 9	4	3	1	25%
10 – 12	1	1	0	0%
13 – 15	0	0	0	0%
16 – 18	0	0	0	0%
19 – 20	0	0	0	0%
Total	5	4	1	25%

Financial Performance 2014/15: Human Resource Services

R'000

Details	Original Budget	Adjustment Budget	Actual	Commitments	Variance to Budget
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Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R 8 409 644	R 7 665 467	R 7 359 762	R 0.00	R 305 705
Repairs and Maintenance	R 500 000	R 657 208	R 557 983	R 0.00	R 99 225
Other	R 7 800 000	R 8 120 600	R 8 772 379	R 0.00	R -651 779
Total Operational Expenditure	R 8 409 644	R 7 665 467	R 7 359 762	R 0.00	R 305 705
Capital Expenditure 2014/15: Human Resource Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Commitments	Variance to Budget
Total All					
IT Infrastructure	R 1 000 000	R 2 362 267	R 2 067 619.45	R0.00	R 294 647

5.2 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Information Communication Technology(ICT) services is established to promote effective administration in order to achieve service delivery targets. It is therefore intergral to the fuctionality and efficiency of the Municipality by providing systems and tools of trade to both adminstration and Council.

Service delivery priorities for ICT are to ensure that the Municipality has effecient and effective backup systems, officials are trained on ICT, all municipal sites are connected through internet. The Municipality has , during the reporting period, identified the need to strengthen the ICT unit by creating a strategic position (ICT Manager) which has been filled and municipal ICT Strategy as well as Disaster Plan have been developed.

The Municipality has also managed to install and maintain backup system, VPN established, LAN restructured and Server room upgraded.

Service Objective :

ICT Systems Support and Maintenance	To develop monthly maintenance plan for Municipal Backup system.			
ICT Infrastructure	To procure ICT equipment.			
Website Management	To update municipal website on monthly basis.			
Internet Upgrade	To upgrade internet connectivity.			
Software Licenses	To renew software licenses on annual basis.			
Employees: ICT Services				
Job Level	2014/15			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 – 3	0	0	0	0%
4 – 6	1	1	0	0%
7 – 9	1	1	1	0%
10 – 12	1	0	1	100%
13 – 15	0	0	0	0%
16 – 18	0	0	0	0%
19 – 20	0	0	0	0%
Total	3	2	1	100%
Financial Performance 2014/15: ICT Services				
R'000				
Details	2013/14			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)				
Expenditure:				

Employees					
Repairs and Maintenance					
Other					
Total Operational Expenditure					
Net Operational (Service) Expenditure					
Capital Expenditure 2014/15: ICT Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	2 100 000.00	0			
VPN ESTABLISHMENT.	250 000.00	0			
LAN RESTRUCTURING	500 000.00	0			
INTRANET CONNECT	150 000.00	0			
UPGRADING SERVER ROOM	200 000.00	0			
ELETRONIC DOC MNGT	500 000.00	0			
ICT EQUIPMENT	150 000.00	0			
SOFTWARE LICENCE	300 000.00	0			
UPGRADING DOMAIN	100 000.00	0			

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

During the reporting period, the implemented capital projects including upgrading of the server room and the acquisition of ICT equipment, and backup system contributed to the improvement on ICT governance within Makhuduthamaga. The developed ICT strategy will strengthen municipal compliance to the legislative requirements and governance.

COMPONENT E: ORGANISATIONAL PERFORMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the current year is attached as Annexure 1.

COMPONENT F: MANAGING THE MUNICIPAL WORKFORCE

MUNICIPAL WORKFORCE MANAGEMENT

The Municipality has established policies and procedures for the management of the workforce in 2013/14. The Municipality did not review human resource policies for this reporting period because Policy Development Committee was not established.

The municipal workforce is structured as follows:

- Three (3) appointed Senior Managers, (who all meet minimum qualification NQF level 6 and competency requirements). Three vacancies exist in the following departments: Budget & Treasury, Economic Development & Planning and Community Services.
- Twenty three (23) Appointed Managers in various departments who all meet NQF level 6 Qualification.
- Appointed officers/ skilled officers.
- Semi skilled officers.

Employees:					
Description	2013/14	2014/15			
	Employee s	Approve d Posts	Employee s	Varianc e	Varianc e
	No.	No.	No.	No.	%
Water	0	0	0	0	0%
Waste Water (Sanitation)	0	0	0	0	0%
Electricity	0	1	0	1	100%
Waste Management	1	1	1	0	0%
Housing	1	0	0	0	0%
Waste Water (Storm water Drainage)	0	0	0	0	0%
Roads	1	1	1	0	0%
Transport	0	0	0	0	0%
Planning	1	14	10	04	25%
Local Economic Development	1	3	3	0	0%
Planning (Strategic &Regulatory)	0	2	1	1	50%
Local Economic Development	0	0	0	0	0%
Community & Social Services	1	16	8	8	50%
Environmental Protection	0	0	0	0	0%
Health	0	0	0	0	0%

Security and Safety	0	0	0	0	0%
Sport and Recreation	1	1	0	1	100%
Corporate Policy Offices and Other	6	0	0	0	0%
Totals	13	39	24	15	38%

Vacancy Rate 2014/15			
Designations	*Total Approved Posts	*Variances (Total time that vacancies exist using fulltime equivalents)	*Variances (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	0	0%
CFO	1	9 Months	100%
Other S57 Managers (excluding Finance Posts)	5	2x 12Months	40%
Other S57 Managers (Finance posts)	6	33 Months	50%
Municipal Police	0	0	0%
Fire fighters	0	0	0%
Senior management: Levels 13-15 (excluding Finance Posts)	21	0	0%
Senior management: Levels 13-15 (Finance posts)	5	0	0%
Highly skilled supervision: levels 9-12 (excluding Finance posts)	41	0	0%
Highly skilled supervision: levels 9-12 (Finance posts)	15	0	0%
Total	39	0	0%

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*

	No.	No.	
2013/14	133	13	09.7

COMMENT ON VACANCIES AND TURNOVER.

Only six officials left the Municipality, which amounts to low turnover rate. The challenge is that some of the terminations involve scarce skills like accountant and technicians. This has direct impact on service delivery.

4.3. POLICIES

The Municipality has developed 18 human resources policies in 2013/14 financial year and were not reviewed in the current financial year. However Management is in the process of establishing a Policy Development Committee to review all policies in 2015/16. The Committee is comprised of both employer and employee representatives.

HR Policies and Plans				
Name of Policy		Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Affirmative Action	100	0	Policy noted by Council on the 31/08/2013.
2	Attraction and Retention	100	0	Same as above
3	Code of Conduct for employees	100	0	It forms part of the employment contract.
4	Delegations, Authorisation & Responsibility	100	0	Not reviewed
5	Disciplinary Code and Procedures	100	0	Collective agreement with SALGA
6	Essential Services	0	0	Not developed
7	Employee Assistance / Wellness	0	0	Not developed
8	Employment Equity	100	0	Policy noted by Council on the 31/08/2013.
9	Exit Management	100	0	Not developed
10	Grievance Procedures	100	0	Collective agreement from SALGA
11	HIV/Aids	100	0	Policy noted by Council on the 31/08/2013.

12	Human Resource and Development	100	0	Policy noted by Council on the 31/05/2013.
13	Information Technology	100	0	Adopted by Council on the 31/05/2012. Not reviewed.
14	Job Evaluation	100	0	Policy noted by Council on the 31/05/2013.
15	Leave	100	0	Policy noted by Council on the 31/05/2013.
16	Occupational Health and Safety	100	0	Policy noted by Council on the 31/08/2013.
17	Official Housing	0	0	Not developed
18	Official Journeys	100	0	Policy noted by Council on the 31/05/2013.
19	Official transport to attend Funerals	100	0	Policy noted by Council on the 31/05/2013.
20	Official Working Hours and Overtime	100	0	Policy noted by Council on the 31/05/2013.
21	Organisational Rights	100	0	Collective agreement from SALGA
22	Payroll Deductions	100	0	Not reviewed
23	Performance Management and Development	100	0	Policy noted by Council on the 31/05/2013.
24	Recruitment, Selection and Appointments	100	0	Policy noted by Council on the 31/05/2013.
25	Remuneration Scales and Allowances	100	0	Not reviewed
26	Resettlement	0	0	Not developed
27	Sexual Harassment	100	0	Policy noted by Council on the 31/05/2013.
28	Skills Development	100	0	Policy noted by Council on the 31/08/2013.
29	Smoking	100	0	Policy noted by Council on the 31/05/2013.
30	Special Skills	0	0	Policy noted by Council on the 31/05/2013.
31	Work Organisation	0	0	Not developed

32	Uniforms and Protective Clothing	100	0	Not reviewed
33	Other: Succession Planning	0	0	Policy noted by Council on the 31/08/2013.
Use name of local policies if different from above and at any other HR policies not listed.				

4.4 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty						
Type of injury	Injury Leave Taken	Employees using injury leave	Average injury leave taken per employee	Average Injury Leave per employee	Total Estimated Cost	
	Days	No.	%	Days	R'000	
Required basic medical attention only	0	0	0%	0	0	
Temporary total disablement	0	0	0%	0	0	
Permanent disablement	0	0	0%	0	0	
Fatal	0	0	0%	0	0	
Total	0	0	0%	0	0	
Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	0	0	0	0	0	
Skilled (Levels 3-5)	32	2	8	43	0,137	
Highly skilled production (levels	0	0	0	0	0,	

6-8)						
Highly skilled supervision (levels 9-12)	222	21	20	56	0,178	
Senior management (Levels 13-15)	57	1	9	19	0,060	
MM and S57	2	2	1	3	0,009	
Total	313	26	38	121	0,386	
* - Number of employees in post at the beginning of the year						

No cases for injury on duty were reported in the year under review.

Number and Period of Suspensions

Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Manager protocol	Alleged assault	28 January 2015	Case dismissed	October 2015

Disciplinary Action Taken on Cases of Financial Misconduct

Position	Nature of Alleged Misconduct and Rand value of any loss to the Municipality	Disciplinary action taken	Date Finalised
None	None	None	None

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

No cases were received for financial misconduct and therefore there were no suspensions.

4.5 CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

Makhuduthamaga Municipality has in terms of MSA 2000 S 68(1) endeavoured to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way, by identifying training focused to improve service delivery and also fulfilling SALGA training priorities for Section 57 and Finance officials. Achievements are 33% of employees, 33% of councillors and 55% of Ward Committees

trained during this financial year. Challenges experienced are repeating the same people for more training and training that deviate from their skills audit. This has been addressed by the appointment of Section 57 Managers whose responsibility is to ensure that training is service focused.

SKILLS DEVELOPMENT AND TRAINING

SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

The Municipality was able to prepare and submit Workplace Skills Plan for 2013/14 to LGSETA on time. It has appointed Skills Development Facilitator who ensures that the WSP is adhered to. The following milestones were achieved to build capacity within the structures of the Municipality. Councillors trained through workshops and training sessions were 33%, employees achieved 33% whereas Ward Committees achieved 55%.

It is still in the process of complying with the minimum MFMA competency regulations requirements for its Section 57 and Finance officials.

The following are currently still undergoing training.

- The Municipal Manager.
- The Director Corporate Services
- The Chief Financial Officer
- Finance officials x 16
- Finance Interns x 6
- Manager x 5

However the total numbers of people who have been trained in line with the minimum MFMA competency regulations requirements are six (6)

MANAGING THE WORKFORCE EXPENDITURE

Annexure E- EMPLOYEE EXPENDITURE 2014/15

DISCLOSURE OF FINANCIAL INTEREST

COMPONENT E: PERFORMANCE SCORECARD

ANNUAL PERFORMANCE REPORT

KPA 1: SPATIAL RATIONALE:

Strategic Objectives:-

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2013/2014 Baseline	Original Target	Revised Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Actual Annual Spending
1	Economic Development and Planning	Demarcation of Sites	To ensure effective and efficient utilisation of space	Number of planned settlements	1 Settlement acquired	1 Settlement to be demarcated	1 Settlement to be demarcated	1 Settlement sides demarcated Target attained	None	None	General plan	R1 500 000	R1500 000	R 503 508
2	Economic Development and Planning	Implementation of LUMS	To ensure effective and efficient utilisation of space	Number of workshops with traditional authorities held	1 LUMS Awareness held	1 LUMS Awareness Seminar	4 LUMS Awareness Workshops with traditional authorities	4 LUMS Awareness Workshop with traditional authorities held Target attained	None	None	LUMS Summit report	R70 500	R104 610	R 104 610
3	Economic Development and Planning	Acquisition of land	To ensure effective and efficient utilisation of space	Number of Sites acquired	0	1 Site acquired	1 Site acquired	Target Not attained	Waiting an approval from Traditional Authority	To request intervention from politicians	Authorisation from GaMoloi Traditional Council	R 500 000	R65 890	R 0.00
4	Economic Development and Planning	Acquisition of GIS	To ensure effective and efficient	% Progress in acquisition	New	100% Acquisition of GIS	100% Acquisition of GIS	100% GIS acquired Target	None	None	Invoices and proof of	R700 000	R700 000	R 612 696

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2013/2014 Baseline	Original Target	Revised Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Actual Annual Spending
			utilisation of space	n of GIS				attained			payment			
5	Economic Development and Planning	Building Regulations Awareness	To ensure effective and efficient utilisation of space	Number of awareness seminars	New	4 Awareness seminars	4 Awareness seminars	4 Awareness seminar held Target attained	None	None	Awareness seminars reports	R200 000	R50 000	R 0
6	Economic Development and Planning	Development of municipal park	To ensure effective and efficient utilisation of space	% Progress in development of municipal park	New	100% Development of municipal park	100% Development of municipal park	30% Progress Site handed over Construction in progress Target not attained	Delay in land acquisition	Continuous monitoring of service provider to complete project by 30 September 2015.	Progress report	R500 000	R1 000 000	R 0
7	Economic Development and Planning	Development of municipal cemetery	To ensure effective and efficient utilisation of space	% Progress in development of	New	100% Development of municipal cemetery	100% Development of municipal cemetery	0% Target not attained	Difficulties from traditional authorities to release the land for	Continuous engagement with Kgoshi Madhlaba through intervention	Progress report	R 200 000	R0	R 0

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2013/2014 Baseline	Original Target	Revised Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Actual Annual Spending
				municipal cemetery					cemetery	of the Mayor				
8	Economic Development and Planning	Formalisation of Jane Furse	To ensure effective and efficient utilisation of space	% Progress in formalisation of Jane Furse.	New	100% Formalisation of Jane Furse	100% Formalisation of Jane Furse	0% Target not attained	Budget adjusted in January 2014/15	Project to be implemented during the first quarter of 2015/16	Adjusted to 2015/16	R 1 000 000	R0	R 0

KPA 2: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
9	Infrastructure Services	Upgrading of Masemola sports ground (MIG)	To ensure greater investment in infrastructure and provisioning of services to the community of Makhuduthamaga	% Progress in upgrading Masemola Sports ground	New	100% 1 Upgrading of Masemola Sports ground	100% 1 Masemola Sports ground upgraded Target attained	None	None	Quarterly progress report	R2 827 714.23	R4 600 000	R4 547 859.00
10	Infrastructure Services	Rietfontein storm water control(PH 1)	To provide sustainable accessible road and storm water infrastructure	% Progress in erecting the stormwater	New	100% Erection of 200m storm water	100% Erected of 200m storm water Target attained	None	None	Quarterly progress report	R2 602 695.52	R2 602 695.52	R2 602 695.52
11	Infrastructure Services	Kutupu road and storm water phase2 2012/13 (MIG)	To provide sustainable accessible road infrastructure	% Progress in tarring of road	4.5km Construction of Kutupu road Phase 2	100% Construction (4.5km construction of Kutupu road Phase 2)	55% Subbase and installation of stormwater pipes completed	Contract terminated due to non performance	To be implemented in the 2015/16	Quarterly progress report	R 4748554.26	R600 000.00	R201 153.00

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
							Target not attained						
12	Infrastructure Services	Vierfontein to Rietfontein Link road Phase3 (MIG)	To provide sustainable accessible road infrastructure	% Progress in repairs and Maintenance	5.8km Link road between Vierfontein and Rietfontein	100% Construction (5.8km link road between Vierfontein and Rietfontein)	100% 2km Surfaced road Target attained	None	None	Quarterly progress report.	R5 069 613.59	R5 09 613.59	R 5 069 613.59
13	Infrastructure Services	Jane Furse Police station to Marangrang access road MIG)	To provide sustainable accessible road infrastructure	% Progress in tarring of road	New	100% 3.5km Surface road. Jane Furse police Station to Marangrang	100% 3.5km Surfaced road Target attained	None	None	Quarterly progress report.	R 7 374 476.95	R 7 374 476.95	R 7 374 474.95

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
14	Infrastructure Services	Rietfontein storm water control (MIG) PH2	To provide sustainable accessible road and storm water infrastructure	% Progress in constructing stormwater drainage	200m	100% Construction Rietfontein stormwater control for 4.1km	100% Rietfontein stormwater control for 4.1km constructed Target attained	None	None	Quarterly progress report	R4 750000.00	R4 750000.00	R4 469 487.14
15	Infrastructure Services	Construction of Moretsele /Dichueoung road link	To provide sustainable accessible road infrastructure	% Progress in erecting the bridge	3km Construction of Moretsele /Dichueung road link	100% Construction (3km construction of Moretsele/Dichueung road link)	12%- Site handed over to Contractor Target not attained	Two service providers withdrawn appointment due to under pricing	New Service Provider appointed in June	Quarterly progress report	R 4 681 694 .35	R 4 681 694 .35	R0.00
16	Infrastructure Services	Construction of Moripane /Mogorwane access bridge	To provide sustainable accessible road infrastructure	% Progress in erecting the bridge	New	100% Construction (Construction of Moripane	100% Moripane /Mogorwane access bridge constructed	None	None	Quarterly progress report	R 3 696 000 .00	R 3 696 000 .00	R3 696 000.00

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
						/Mogorwane access bridge)	Target attained						
17	Infrastructure Services	Construction of Moripane/Riverside Pedestrian bridge (MIG)	To provide sustainable accessible road infrastructure	% Progress in erecting the bridge	New	100% Construction (Construction of Moripane/Riverside Pedestrian bridge)	100% Moripane/Riverside Pedestrian bridge constructed Target attained	None	None	Quarterly progress report	R3 000 000.00	R5 100 000.00	R3 462 251.37
18	Infrastructure Services	Construction of Lobethal/Phaahla access bridge (MIG)	To provide sustainable accessible road infrastructure	% Progress in erecting the bridge	New	100% Construction (Construction of Lobethal/Phaahla access bridge)	90% Foundation and pipe culverts completed Target not attained	Delays due to rains and social issues	To be rolled over to 2015/16	Quarterly progress report	R6 000 000.00	R6 000 000.00	R3 859 569.85
19	Infrastructure Services	Access roads to Peter	To provide sustainable accessible road	% Progress in tarring of	1 km	100% Construction	100% Access roads to	None	None	Quarterly progress	R 3 351 251	R 3 351 251.1	R3 351 251.10

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
		Nchabeleng sports field Phase 2(MIG)	infrastructure	road		n (Access roads to Peter Nchabeleng sports field Phase 1km surfaced road Target attained	Peter Nchabeleng sports field Phase 1km surfaced road Target attained			report.	.10	0	
20	Infrastructure Services	Construction of Makhutso access bridge (MIG)	To provide sustainable accessible road infrastructure	% in Construction	New	100% Construction (Construction of Makhutso access bridge)	100% Makhutso access bridge constructed Target attained	None	None	Quarterly progress report.	R5 000 000.00	R5 000 000.00	R4 835 881.14
21	Infrastructure Services	Construction of Skotiphola access bridge	To provide sustainable accessible road infrastructure	% Progress in erecting the bridge	New	100% Construction (Construction of	100% Skotiphola access Bridge	None	None	Quarterly progress report	R 3 000 000 .00	R 3 000 000 .00	R2 928 131.38

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
		(MIG)				Skotiphola access Bridge)	constructed 2 bridges Target attained						
22	Infrastructure Services	PMU overheads	To improve the PMU administration	% Progress in PMU administration	Business plan	PMU overheads	100% PMU Overheads spent Target attained	None	None	Quarterly progress report.	R 1 000 000 .00	R 1 000 000 .00	R1 000 000.00
23	Infrastructure Services	Construction of access road to Mohlala/Madibane ng (6km)	To provide sustainable accessible road infrastructure	% Progress in tarring of road	New	Construction of access road to Mohlala/Madibane ng (6km)	15%- Design Stage Target not attained	Delays in approval of funds by MIG	To be finalised in July 2015 and rolled over	Quarterly progress report.	R3900 00 0.00	R3900 00 0.00	R1 200 009.60
24	Infrastructure Services	Construction of access road to Seopela	To provide sustainable accessible road infrastructure	% Progress in tarring of road	New	100% Construction (Construction of access	100% Access road to Seopela	None	None	Quarterly progress report	R 3 500 000 .00	R 3 500 000 .00	R3 746 521.98

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
		Tribal Office (1.1km)				road to Seopela Tribal Office (1.1km))	Tribal Office 1.1km surfaced road Target attained						
25	Infrastructure Services	Construction of access road from Maloma to Tsopaneng	To provide sustainable accessible road infrastructure	% Progress in tarring of road	1.1km	100% Construction (Construction of access road from Maloma to Tsopaneng)	0% Target not attained	Budget reallocated	None	None	R3 000 000	R0	R0
26	Infrastructure Services	Access road to Nkosi/Dlamini (1km)	To provide sustainable accessible road infrastructure	% In Construction	New	100% Construction (Access road to Nkosi/Dlamini (1km))	30% Road bed complete Target not attained	None	None	Quarterly progress report	R 3 500 000 .00	R 3 500 000 .00	R243 913.77
27	Infrastructure Services	Construction of New Stand/	To provide sustainable accessible road	% Progress in tarring of road	New	100% Construction	15% Design Stage Target not	Delays in implementation due to	To commence in July 2015	Quarterly Progress	R3 500 000.00	R 3 500 000.00	R279 737.30

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
		Moloi access bridge	infrastructure			(Construction of New Stand/Moloi access bridge)	attained	concerns about the location by the community	and rolled over	report			
28	Infrastructure Services	Road master plan (reviewal)	To promote well informed roads and storm water design standard	% Progress	1 Road Master Plan	100% Reviewed document	0% Reviewed document Target not attained	Budget reallocated	None	None	R500 000	R0	R0
29	Infrastructure Services	Upgrading of Peter Nchabeleng sports ground	To provide sustainable accessible road infrastructure	% Progress in tarring of road	1 Sport Ground	100% Complete (Upgrading of Peter Nchabeleng sports ground)	0% Target not attained	Budget reallocated	None	None	R0	R0	R0
30	Infrastructure Services	Construction of Thusong Centre	To ensure greater investment in infrastructure and provisioning of services to the	% In Construction	New	100% Construction (Construction of Thusong	0% Target not attained	Delays in finalising plans	To be rolled over	Quarterly progress report	R 500 000.00	R300 000	R0.00

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
			community of Makhuduthamaga			Centre)							
31	Infrastructure Services	Construction of road from Jane Furse Comprehensive to New Jane Furse Hospital (0.8 km)	To provide sustainable accessible road infrastructure	% Progress in tarring of road	1km	100% Construction (Construction of road from Jane Furse Comprehensive to New Jane Furse Hospital (0.8 km))	55% Base and kerbs completed Target attained	None	None	Quarterly progress report	R 3 500 000.00	R 4 000 000.00	R781 442.30
32	Infrastructure Services	Design and construction of access road to Mashabela Tribal Office Phase 2	To provide sustainable accessible road infrastructure	% Progress in tarring of road	1km	100% Construction (Design and construction of access road to Mashabela tribal office	0% Target attained	Budget reallocated	None	Quarterly progress report	R3 340 000.00	R0	R0

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
		(1,2km)				Phase 2)							
33	Infrastructure Services	Design and Construction of access road to Mashegoana/Legare/Tswaledi Tribal Offices phase 2(1,2KM)	To provide sustainable accessible road infrastructure	% Progress in tarring of road	1km	100% Construction <i>(Design and Construction of access road to Mashegoana/Legare/Tswaledi tribal offices phase 2(1,2KM)</i>	35% Upper and Lower selected layers completed Target attained	None	None	Quarterly progress report	R 3 500 000.00	R5 000 000	R788 861.32
34	Infrastructure Services	Construction of access road to Tisane Tribal Office Phase 3 (1.3KM)	To provide sustainable accessible road infrastructure	% Progress in tarring of road	1.2km	100% Construction <i>(Construction of access road to Tisane tribal office Phase 3</i>	100% 60% Subbase and installation of pipe culverts completed Target	None	None	Quarterly progress report	R 3 500 000.00	R3 500 000	R3 141 786.98

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
						(1.3KM)	attained						
35	Infrastructure Services	Construction of access road to Mampane Tribal Office Phase 3	To provide sustainable accessible road infrastructure	% Progress in tarring of road	3.1km	100% Construction (Construction of access road to Mampane tribal office phase 3)	45% Upper and Lower selected layers completed Target attained	None	None	Quarterly progress report	R 4 008 790	R 3 500 000.00	R3 248 043.87
36	Infrastructure Services	Construction of access road to Mogashoa Manamane and Dithakane ng Phase 2	To provide sustainable accessible road infrastructure	% Progress in tarring of road	2km	100% Construction (Construction of access road to Mogashoa Manamane and Dithakaneng Phase 2)	45% Upper and Lower selected layers completed Target attained	None	None	Quarterly progress report	R3 000 000.00	R3 000 000.00	R714 835.14
37	Infrastructure	Construction	To provide	% Progress	1.7km	100%	40% Upper	None	None	Quarterly	R3	R3	R3 454

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
	Services	on of access road to Maila Mapitsane Tribal Office Phase 3	sustainable accessible road infrastructure	in tarring of road		Construction <i>(Construction of access road to Maila Mapitsane Tribal Office Phase 3)</i>	and Lowe selected layers completed Target attained			progress report	500 000.00	500 000.00	2000.78
38	Infrastructure Services	Design and Construction of access road to Marulaneng Tribal Office Phase 2 (1.5km)	To provide sustainable accessible road infrastructure	% Progress in tarring of road	1km	100% Construction <i>(Design and Construction of access road to Marulaneng Tribal Office Phase 2 (1.5km))</i>	90% Surfacing complete Target attained	None	None	Quarterly progress report	R 3 500 000.00	R3 500 000.00	R 3 500 000

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
39	Infrastructure Services	Construction of access road to Tjatane tribal office Phase 2	To provide sustainable accessible road infrastructure	% Progress in tarring of road	1km	100% Construction <i>(Construction of access road to Tjatane tribal office Phase 2)</i>	100% 600m and stormwater control Target attained	None	None	Quarterly progress report	R3 500 000	R 6 000 000 .00	R6 000 000.00
40	Infrastructure Services	Construction of access road to Mashupye village (2.6KM)	To provide sustainable accessible road infrastructure	% Progress in tarring of road	1km	100% Construction <i>(Construction of access road to Mashupye village (2.6KM))</i>	0% Target not attained	Budget reallocated	None	None	R 300 000.00	R0.00	R0.00
41	Infrastructure Services	Construction of access road to	To provide sustainable accessible road	% Progress in tarring of road	New	100% Construction	15% Design Stage Target not	Delays in approval of funds by	To be funded by ES and	Quarterly progress report	R 3 500 000 .00	R 3 500 000 .00	R 878 392.80

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
		Maila Segolo Tribal office (3.7km)	infrastructure			(Construction of access road to Maila Segolo Tribal office (3.7km))	attained	MIG	rolled over				
42	Infrastructure Services	Repairs and maintenance of the existing road and storm water	To provide sustainable accessible road infrastructure	% In Repairs and maintenance	Approved priority list	100% Construction (Repairs and maintenance of the existing road and storm water)	100% Road and storm water Maintained Target attained	None	None	Quarterly progress report	R17 500 000	R23 100 000	R 21 601 830
43	Infrastructure Services	Maintenance of electricity existing high-mast and street	To provide sustainable accessible road and storm water, electricity, high mast and	% Completed	Approved Priority list	100% Repaired (Maintenance of electricity existing)	100% Electrical infrastructure maintenance	None	None	Quarterly progress report	R1 595 429.00	R2 500 000.00	R 1 546 863

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
		lights	street lights			high-mast and street)	e Target attained						
44	Infrastructure Services	Installation of High mast at Phokwane Taxi Rank	Installed high mast light	% Progress	New	100% Complete (Installation of High mast at Phokwane Taxi Rank)	No budget Target not attained	No budget	No budget	No budget	R 650 000	R0	R 0
45	Infrastructure Services	Installation of High mast at Mamone	Installed high mast light	% Progress	New	100% Complete (Installation of High mast at Mamone)	No budget Target not attained	No budget	No budget	No budget	R 650 000	R0	R0
46	Infrastructure Services	Installation of High mast at Phaahla	Installed high mast light	% Progress	New	100% Complete (Installation of High mast at Phaahla)	No budget Target not attained	No budget	No budget	No budget	R650 000	R0	R 0

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
47	Community Services	Waste management assets	To ensure clean environment	Recorded volumes of waste disposed	1truck	1 <i>(Waste management assets)</i> Target attained	02 Waste Trucks delivered in the first quarter Target attained	None	None	Reports	R4 600 000	R3 000 000	R 2 833 024
48	Community Services	Environmental awareness and Cleanup campaigns	To ensure clean environment	Number of activities conducted	New	4 Campaigns annually(<i>Environmental awareness and Cleanup campaigns</i>) Target attained	04 Environmental awareness campaigns held. Target attained	None	None	Reports	R400 000	R375 000	R 0
49	Community Services	Wetlands and protections of environmental sensitive areas	Wetlands and protection of environmental sensitive areas	Number of wetlands fenced	02 wetlands fenced	Fencing 3 wetlands <i>(Wetlands and protections of environmental</i>	01 Wetland fenced. Target not attained	Vacant Snr. Manager position and budget constraints	Project deferred to 2015/2016 Financial year.	Reports and invoices	R 300 000	R325 000	R 325 000

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
						sensitive)							
50	Community Services	Fencing of cemeteries	Securing community cemeteries from vandals and stray animals	Number of cemeteries fenced	11 Cemeteries fenced in 2013/14	Fencing of 07 cemeteries	0% Target Not attained	Poor planning and budget constraint	Project deferred to 2015/2016 Financial year.	Reports and invoices	R 950 000	R 3 051 654	R 2 324 135
51	Community Services	Developing municipal IWMP	To provide protection on wetlands	% Of municipal IWMP	New	N/A Developing municipal IWMP	70% Progress Draft IWMP in place Target not attained	Council schedule revised Still need to go on consultation processes	Consultation will be done in the next financial year.	Reports	R500 000	R0	R 0
52	Community Services	Upgrading and maintenance of sports facilities	To be user-friendly to community	% Progress	03 Sports Facilities	100% <i>(Upgrading and maintenance of sports facilities)</i>	0% Target not attained	Poor planning. Two service providers appointed for upgrading of sports facilities.	Upgrading and maintenance will be done in the first quarter.	Reports and invoices	R200 000	R 832 600	R 332 600

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
53	Community Services	Sports Arts and Culture promotion	To promote involvement of community in sports	Number of meetings and workshops held	New	4 <i>(Sports Arts and Culture promotion)</i>	Target not attained Only 3 awareness: 01 arts and culture workshop held 02 sports workshops held	Inadequate capacity	Appoint sports officer	Reports	R400 000	R 700 000	R 619 142
	Community Services	Road safety extension of traffic lights	To improve traffic safety and property safety	Number of cameras installed	8 cameras installed at DLTCs	8						Reports and invoices	R200 000 .00
54	Community Services	Library awareness campaign	To promote education within the community	Number of activities held	New	6 Library weekly programme <i>(Library Awareness campaign)</i>	05 Library awareness campaign has been conducted Target not attained	None	None	Reports	R382 500	R382 500	R 0

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
55	Community Services	Road safety extension of traffic lights	To improve public and community services	No of traffic lights installed	2 traffic lights	2 traffic lights	3 traffic lights installed	None	None	Reports and invoices	R200 000 .000	R200 000 .00	
56	Community Services	Traffic Safety awareness	To promote safety and awareness	No. of campaigns held	New	8 traffic safety awareness campaigns (Traffic Safety Awareness)	0 Target Not attained	Inadequate capacity	The project will continue in the next financial year.	Reports	R 300 000	R300 000	R 100 180
57	Community Services	Purchase of Traffic vehicles	To improve traffic safety	Number of traffic vehicles	New	4 traffic vehicles (Purchase of Traffic vehicles)	4 traffic vehicles bought Target Attained	None	None	Reports and invoices	R1 226 045	R1 767 044	R 1 767 000
58	Community Services	Procuring alcohol measuring equipment	To improve traffic safety	Number of alcohol measuring equipments bought	New	10 (Procuring Alcohol Measuring Equipment)	Alcohol measuring equipment procured Target	None	None	Reports	R 100 000	R0	R 0

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
							attained						
59	Community Services	Phase 2 CCTV cameras	To improve traffic safety and property safety	Number of cameras installed	8 Cameras installed at DLTCs	8 (Phase 2 CCTV cameras)	CCTV camera installed and maintenance is done monthly Target attained	None	None	Reports and invoices	R 700 000	R0	R 0
60	Community Services	Speed and tracking equipment	To improve public and community services	Number of cameras purchased	1 Laser camera purchased	Speed and tracking equipment	4 Tracking cameras in place Target attained	None	None	Reports and invoices	R 500 000	R0	R 0
61	Community Services	Disaster relief	To relief families in distress	No. of availability of disaster relief	Legislative requirements	25 Shelters' 150 sleeping sponges and 150 blankets (Disaster	10 Families relieved Target attained	None	None	Reports and invoices	R 500 000	R 639 500	R 501 800

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
						Relief)							
62	Community Services	Procurement of disaster relief vehicle	Disaster vehicles to relief material transportation	No. Of Vehicle delivery purchased	New	1 Disaster vehicle <i>(Procurement of Disaster Relief vehicle)</i>	0 Target not attained	Project withdrawn during budget adjustment	Unfunded mandates	Budget adjustment	R 405 000	R0	R 0
63	Community Services	Disaster volunteers corps	Effective disaster relief	Number of disaster volunteers appointed.	New	Appointment of 35 Volunteers <i>(Disaster Volunteers Corps)</i>	0 Target not attained	Project withdrawn during budget adjustment	Unfunded mandates	Budget adjustment	R139 500	R0	R 0

KPA 3: LOCAL ECONOMIC DEVELOPMENT

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
64	Economic Development and Planning	Annual LED Summit and Forums	To promote Local economic development in the municipal area	No. Of Summit and forum meetings held	1 Summit	1 Summit 3 Forums	1 Summit held and 3 LED forums held Target attained	None	None	Report of the summit and minutes of the forum meetings	R 171 750	R171 750	R 41 492
65	Economic Development and Planning	Revival of cultural villages	To promote Local economic development in the municipal area	No. Of cultural villages revived	New	1 Revival of cultural villages	1 Cultural village revived at Hoepakrans Target attained	None	None	Progress report	R 400 000	R0	R 0
66	Economic Development and Planning	Ward 29 & 30 recycling	To promote Local economic development in the municipal area.	Number of jobs created	145 EPWP participants	To appoint 144 EPWP participants	144 EPWP participants appointed. Target attained	None	None	Progress report Appointment contracts	R 6000 000	R0	R 0
67	Economic Development and Planning	Ward 21 Mamone Cultural	To promote Local economic development	Number of cultural villages	New	To appoint 17 EPWP participants	17 EPWP participants appointed	None	None	Progress report Appointment contracts	R 200 000	R0	R 0

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
		village	t in the municipal area.	revived		ts	Target attained						
68	Economic Development and Planning	Tourism Development	To promote tourism development in the municipal	Number of tourism development initiatives undertaken Number of tourism events participated	1 Tourism Development	1 Tourism Development	Durban Tourism Indaba and international tourism at Johannesburg attended Target attained	None	None	Progress report	R 0	R0	R 0
69	Economic Development and Planning	SMME Support	To promote Local economic development in the municipal area	Number of SMMEs supported	15 supported	To support 15 SMMEs.	15 SMMEs supported Target attained	None	None	Report on supported SMMEs	R1500 000	R 3 397 000.00	R3 261 069

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
70	Economic Development and Planning	Market stalls	To promote Local economic development in the municipal area	Number of Stalls constructed	60	50 Stalls	0 Target not attained	Late appointment of Service provider Market stalls under construction .	Project committed for the new financial year and it will be completed by November 2015.	Report on construction of market stalls	R 1 000 000.00	R1 000 000	R 0
71	Economic Development and Planning	Revival of municipal cultural villages	To promote Local economic development in the municipal area	No. of cultural villages revived	New	1 Revival of Municipal Cultural Villages	1 Revival of Municipal Cultural Villages done Target attained in the first quarter	None	None	Progress report	R 0	R0	R 0
72	Economic Development and Planning	Landscaping	To enhance the municipal front portion.	% Progress in landscaping.	Design in place	50% Landscaping	5% Service provider for construction appointed	Poor planning- Late appointment of Service provider	The project is committed to be completed in October	Progress report	R100 000.00	R2 300 000.00	R 26 400

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
							<i>Target not attained</i>		2015				

KPA 4: FINANCIAL VIABILITY

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
73	Budget and Treasury Services	Implementation of Revenue enhancement strategy	To maximally harness opportunities for revenue generation	Percentage on revenue collected	100%	Implementation of Revenue enhancement strategy	100% Implementation of Revenue enhancement strategy	36% Collected revenue Target not attained	Poor collection of revenue still remain a challenge	The strategy is in the process of review and will be implemented	Report on the implementation of the revenue enhancement strategy	R 0	R0	R 0
74	Budget and Treasury Services	Review the indigent registers	To Improve access to sustainable and affordable services	% Update of indigents registers	100%	Review the indigent registers	100% Review the indigent registers	The indigent register still not reviewed Target not attained	Lack of human capacity remain a challenge	The indigent register was recently transferred to Community Services	Adjusted to 2015/16	R200 000	R0	R 0
75	Budget and Treasury Services	FMG programs	To implement FMG programmes as per FMG implementation plan from July 2014 to June 2015	Percentage of grant utilized for implementation of approved programmes.	100%	FMG Programmes	100% FMG Programmes	Received 100% amounting to R 1,600,000.00 of the grant to date. The grant recognized as income is R 1,292,085.72 which is 80.76% of	The contract for the appointment of interns expired and the municipality is currently in the process of appointing new	None	Section 71 reports/ Grants reconciliations	R 1 600 000	R1 600 000	R 1 600 000

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
								the amount received Target attained	interns					
76	Budget and Treasury Services	Unconditional Government Grants	To recognise the total amount of the equitable share	% Progress on the recognised total amount of the equitable share	100%	100% Unconditional Government Grants	100% Unconditional Government Grants	The municipality received an amount of R171,043,000.00 which is 94% of the allocated equitable share Target not achieved	The R10,727,000.00 was set off against the grant for rollover which was not achieved	None	Grant reconciliations	R 181 770 000	R181 770 000	R 178 834 410
77	Budget and Treasury Services	Conditional Government Grants	To recognise the total amount of the grants (FMG,MIG,MSIG,EPWP)	% Progress on the recognised total amount of the grants (FMG,MIG,MSIG,EPWP)	100%	100% Conditional Government Grants	100% Conditional Government Grants	The following expenditure where recognised as follows: 1.FMG 100% 2.MIG- 95% 3.MSIG- 100% 4.EPWP - 100%	None	None	Grant reconciliations	R 61 018 000	R61 018 000	R 58 302 137

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
								Target attained						
78	Budget and Treasury Services	MSIG programmes	To implement MSIG programmes as per MSIG implementation plan from July 2014 to June 2015	Percentage of grant utilized for implementation of approved programmes	100% MSIG programmes		100% MSIG programmes	The amount received amount to R934,000.00 The amount spent and recognized as revenue amounts to R 934,000.00 which is 100% spending Target attained	N/A	N/A	Section 71 reports/ grants reconciliations	R 934 000	R934 000	R 934 000
79	Budget and Treasury Services	Adherence to s65 of MFMA	To ensure effective and efficient administration	Percentage of percentage of invoices paid within 30 days	100%	100% Adherence to s65 of MFMA	100% Adherence to s65 of MFMA	All payments where paid within 30 days. Therefore 100% Target attained	None	None	Ageing analysis and the bank statement	R 0	R0	R 0
80	Budget and Treasury	Own revenue	To Improve debt collection on a monthly basis	Percentage on collected	11%	80% Own revenue	80% Own revenue	36% Collected from debtors	Poor collection on	To further engage with	Debtors Age Analysis,	R 66 943 392	R 64 130 877	R 60 936 557

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
	y Services		through the use of debt collector.	overdue debtors account				Target not attained	property rates and traffic fines	stakeholders involved and to proper ensure better monitoring of the traffic fines	Debtors Payment Report and Debtors Collector Report			
81	Budget and Treasury Services	Building of municipal offices	To extent the office space by extending municipal buildings in 2014/15 and 2015/16 financial year	Complete phase of municipal offices construction.	Building plan developed		Phase 1	None. Target adjusted during adjustment budget. Target not attained	Approval not granted by Provincial Treasury	None	Adjusted to 2015/16	R 8 295 828	R0	R 0
82	Budget and Treasury Services	Develop procurement plan for all department	To develop a procurement plan that should be approved by management in June 2014 to facilitate effective and efficient procurement/implementation of the IDP and Budget for	Procurement plan	Procurement plan available for only one department (Budget and treasury)	Develop a procurement plan for all departments before the beginning of the financial year	Develop a procurement plan for all departments before the beginning of the financial year	Approve procurement plan implemented Target attained	None	None	Approved procurement plan	R 0	R0	R 0

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
			2014/15 on a monthly basis.											
83	Budget and Treasury Services	Repairs and maintenance: Other Assets	To lengthen the life span of assets through timeous repairs and maintenance of the municipal assets that need repairs.	Percentage of assets repaired.	100% Repairs of assets	100% Repairs of assets	100% Repairs of assets	100% Of assets repaired amounting to R1,546,862.79 Target attained	N/A	None	Repairs and maintenance report.	R1 357 358.39	R 2 157 358.39	R 1 327 198
84	Budget and Treasury Services	Depreciation	To run depreciation in ACCPAC for all complete assets for each month of 2014/15 financial year.	Amount of depreciation recognized	Amount of depreciation on assets is R11 507 184	Amount of depreciation on assets is R12,407, 721.00	Amount of depreciation on assets is R12,407, 721.00	Amount of depreciation on assets is R12,001,446.07 Target attained	N/A	N/A	Asset register	R15 105 200	R 12 979 473	R 12 979 473
85	Budget and Treasury Services	Acquisition of new assets: municipal plant, vehicles x2, storage container x1	To ensure sound asset management	Number of assets acquired	1 Motor grader and 2 Skip loader trucks	1 Motor grader Acquisition of new assets: Municipal plant, vehicles x2, storage container x1	1 Motor grader Acquisition of new assets: Municipal plant, vehicles x2, storage container x1	1. Service provider appointed for the procurement of the municipal plant 2. Two Vehicles acquired	Late procurement of Motor plant. (Poor Planning)	N/A	Asset register	R 3680 665	R 11 200 000	R 3 835 547

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
								3. One Storage container acquired Target not attained						
86	Budget and Treasury Services	Acquisition of stationery	To ensure Timely replenishment of inventory per Economic Order Quantity.	Amount of stationery consumed	R1 460 380.00	Acquisition of Stationery	R906 840 .69 Acquisition of Stationery	A service provider was appointed for the procurement on inventory. Current inventory spending as at the end of the fourth quarter is R425,027 Target attained	N/A	N/A	Inventory consumption reports	R 906 840.69	R 906 840.69	R 780 932

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
87	Budget and Treasury Services	Preparation and implementation of Municipal Budget	To Prepare draft budget and Final budget for 2015/2016 through the use of MFMA timetable; Council approved process plan and MFMA circulars available by 31 May 2015.	Complete set of the draft budget and final budget to be tabled and adopted by council within due dates.	1 Draft budget tabled on 27 March 2014, 1 Final Budget approved by 31 May 2014.	1 Draft budget tabled by 31 March 2015, 1 Final Budget approved by 31 May 2015.	1 Draft budget tabled by 31 March 2015, 1 Final Budget approved by 31 May 2015.	2015/16 Annual budget approved on the 28 May 2015 Target attained	None	None	Approved Budget/ Council resolution	R 0	R0	R 0
88	Budget and Treasury Services	Preparation and implementation of Adjustment budget	To Prepare draft adjustments budget for 2014/2015 through the use of MFMA timetable; Council approved process plan and MFMA circulars available by 20 February 2015.	Complete set of the draft adjustment budget for 2014/15 to be tabled and adopted by council within due	Adjustment budget for 2013/14 approved by council on 26 February 2014.	Preparation and implementation of Adjustment budget	Preparation and implementation of Adjustment budget	1 Adjustment budget for 2014/15 approved by 28 February 2015. Target attained	None	None	Approved Adjustment budget/Council resolution	R 0	R0	R 0

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
				dates										
89	Budget and Treasury Services	Monitoring and evaluation of the budget	Effective and efficient administration	Number of section 71 reports submitted per month, Section 52 reports submitted per quarter and section 72 reports submitted by annually.	12 Section 71 Reports per month, 4 section 52 reports and 1 section 72 per year.	12 Section 71 reports and 1 section 72 report	12 Section 71 reports and 1 section 72 report.	12 Section 71 Reports and 1 section 72 report. Target attained	None	None	Acknowledgement of receipt by NT/PT/ Mayor.	R 0	R0	R 0
90	Budget and Treasury Services	Early detection of unauthorised, irregular, fruitless and wasteful expenditure	Effective and efficient administration	n/a	n/a	0 Zero	0 Zero	Irregular, fruitless and wasteful expenditure identified and reported to council. Target not attained	None	Prevent Section 32 expenditure by improving internal controls.	N/A	R 0	R0	R 0

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
91	Budget and Treasury Services	Compilation of Annual Financial Statements	To prepare and submit to AG, National Treasury and Provincial Treasury, the GRAP complying Annual financial statements for 30 June 2014, internally by 31 August 2014.	A complete set of Annual Financial Statements for 30 June 2014.	Qualified audit opinion	Compilation of Annual Financial Statements	Unqualified audit opinion	A complete set of annual financial statements were prepared and submitted to AGSA on 29 August 2014 Target attained	None	None	Complete set of signed and submitted Annual financial statements that comply with GRAP and MFMA requirements.	R 0	R0	R 0
92	Budget and Treasury Services	Submission of AFS on time	To comply with MFMA by submitting AFS to AGSA and NT on or before end of August 2014.	Submission of Annual financial Statements for June 2014 by 31 August 2014.	Qualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	A complete set of annual financial statements were prepared and submitted to AGSA on 29 August	None	None	Acknowledgement of receipt from AGSA and National Treasury.	R86 842	R86 842	R 86 842

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
								2014 Target attained						
93	Budget and Treasury Services	Coordination of external audit	To adhere to terms of audit engagement and maintain a good working relation with AGSA within the whole audit process.	Turnaround time for submission of information requested by AGSA.	2 Working days.	2 Working days.	2 Working days.	2 Days turnaround time for submission of information requested by AG Target attained	None	None	Minutes of the audit steering committee meetings and the Auditor General's report	R 2 000 000	R2 100 000	R 2 213 040

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

N o	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
94	Office of the Municipal Manager	Risk Based Internal Audit	To evaluate the effectiveness of internal controls within the Municipality	Number of Risk based audit reports as per Annual Internal Audit Plan	2	4 Risk based Internal Audit Reports	4 Risk based Internal Audit Reports	6 Risk Based Audits performed Enterprise Risk Management, Occupational Health and Safety, Telecommunication, Supply Chain, ICT Audit, Human Resources Management Target attained	None	None	Internal Audit Reports approved by Audit Committee and minutes of Audit Committee meetings	R 500 000	R500 000	R 309 003
95	Office of the Municipal	PMS Audits	To evaluate the effective	Number of PMS Audit	3 PMS Reports	3 PMS Reports	3 PMS Audit Reports	4 (1 st , 2 nd , 3 rd and 4 th Quarter)	None	None	PMS Internal Audit Reports			

N o	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
	Manager		ness of internal controls within the Municipality	report				Target attained			and minutes of Audit Committee meetings			
96	Office of the Municipal Manager	Audit Committee	To provide oversight review of the Municipality to the Council	Number of Reports by Audit Committee	Oversight support by audit committee	4 Audit Committee reports	4 Audit Committee reports	4 Audit Committee reports Target attained	No	None	Minutes of Council meetings and reports by Audit Committee	R426 000	R 576 000	R 555 061
97	Office of the Municipal Manager	Risk Assessments	To identify risk that may negatively impact on the objective	No. Of risk assessment conducted	Risk registers	2 Risks Assessments (Operational and Strategic risk)	2 Risks Assessments (Operational and Strategic risk assessment for	2 Risk Assessments Reports : 1 Operational 1 Strategic Target	None	None	Approved Risk registers	R 400 000.00	R500 000	R 141 844

N o	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
			es municipality				all the departments)	attained						
98	Corporate Services	Bathopele buildup activity	To improve service delivery through efficient customer care services	No. of Build up Activity	01	01 Bathopele Buildup activity	01 Bathopele Buildup activity	01 Bathopele build up activity held Target attained	None	None	None	R 300 000	R 300 000	R 164 340
99	Corporate Services	Management of service complaint		% Progress in managing Presidential, Premiers hotline and suggestion boxes at all tribal offices	Presidential and premiers hotlines , suggestion boxes in place		100% Management of service complaint	100% Complete Management of service complaint Target attained	None	None	Report	R 0	R0	R 0
10	Corporate	Review of service		% Progress	Service standard		100%	0%	Poor	To craft an action	Report	R 0	R0	R 0

N o	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
0	Services	standard		in review of service Standards	in place			Target not attained	planning Deferred to the new financial year 2015/16	plan for the development of service standards				
100	Corporate Services	Office name and numbering of satellites offices		No. of offices numbered at all traffic stations	MLM Satellite offices in place	Office name and numbering of satellites offices	Office name and numbering of satellites offices	02 Traffic stations upgraded Target attained	None	Project to be properly monitored for completion by 1 st quarter – August 2015.	Invoice	R 0	R0	R 0
101	Corporate Services	Public participation	To enhance public participation	Number of public participation programmes to be held	Public participation programmes held	4 Public participation programmes	4 Public participation programmes	10 IDP consultation meetings held 1 SOMA meeting held	None	None	Attendance registers, minutes and invites	R 1 998 000	R1 598 000	R 792 127

N o	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
								Target attained						
10 2	Corporate Services	Council logistics	To enhance public participation	Number Council meetings, workshops and trainings	0 Council meetings, workshops and trainings	4 Ordinary Council meetings per annum and 8 special meetings 4 Council workshop per annum 4 Training programmes per annum	4 Ordinary Council meetings per annum and 8 special meetings 4 Council workshop per annum 4 Training programmes per annum	4 Ordinary Council held 10 Special councils 4 Council workshop held 4 Training programme s held Target attained	None	None	Attendance registers, resolutions & minutes Reports Certificate s of competency	R 142 000	R 562 000.00	R 571 214

N o	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
103	Corporate Services	Ward committee support	To enhance public participation	Number of ward committee meetings and trainings	0 Ward committee meetings and training held		12 Ward committee meetings per ward per annum 4 Trainings per annum	12x31 (372) Ward Committee meetings held 4 Trainings per annum	None	None	Attendance registers & minutes Certificates of competency	R 3 720 000	R3 720 000	R 3 002 001
104	Corporate Services	Whippery support	To enhance public participation	No of Whippery programmes supported	4 Whippery programmes supported	4 Whippery programmes supported	4 Whippery programmes supported	4 Whippery programmes held Target attained	None	None	Minutes of programmes and attendance registers	R 0	R0	R 0
105	Corporate Services	Councillors welfare and support	To enhance public participation	% Progress on capacity building programmes	100%	100% Councillors welfare and support	100% Councillors welfare and support	100% Councillors welfare and support including pension fund	None	None	Attendance registers & minutes and certificates	R 0	R0	R 0

N o	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
								security concluded Target attained						
10 6	Corporate Services	Multi- media channels	Improve good governance and deepen community involvement in the affairs of the municipality Acquisition of communication equipment	To communicate with stakeholders via multi- media channels such as SMS line, facebook Procurement of (06)TV screens	SMS and Social Media System developed No. of communications equipments purchased	4 Quarterly reports	4 Quarterly reports	3 Year SMS Contract signed 06 TV screens procured Target attained	None Service provider failed to deliver on time	None Possible termination of contract	Reports None	R 500 000	R850 000	R 334 177

N o	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
107	Corporate Services	Publication	To ensure effective involvement and participation of all stakeholders	No. Of newsletters compiled.	External newsletter compiled	4 Quarterly newsletters to be published	4 Quarterly newsletters to be published	2 News letters Target not attained	Poor service delivery Contract expired	To appoint a new Service Provider	None. Awaiting delivery of newsletters	R2 500 000	R2 500 000	R 604 824
108	Corporate Services	Branding and marketing	Improving the image and the identity of the municipality	No. Of workshops on branding & marketing	Branding manual has been developed	1 Workshop Improving the image and the identity of the municipality	1 Workshop	1 Workshop held Target attained	None	None	Workshop report	R 300 000	R800 000	R 192 000
109	Corporate Services	Advertising	Improving the image and the	% Progress on advertise	Advertised programme	100% Improving the image	100% Improving the image	100% Posts and projects as	None	None	Reports	R 400 000	R 700 000	R 693 835

N o	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
			identity of the municipality	d programs	es done	and the identity of the municipality	and the identity of the municipality	requested advertised in newspapers Target attained						
110	Corporate Services	Strengthening support for Youth Council, women, disability forums, the elderly	To enhance public participation.	% Progress on mayoral outreach programmes held	100%	100% Support for Youth Council, women, disability forums, the elderly	100% Support for Youth Council, women, disability forums, the elderly	Disability Forums established , Youth Council established Women groups Established Target attained	None	None	Attendance registers, minutes or reports.	R 2000 000	R2 000 000	R 947 640
111	Corporate Services	Mayoral outreach	To enhance public participation.	% Progress on mayoral outreach program	100%		100% Mayoral outreach	100% Mayoral outreach Target	None	None	Attendance registers, minutes or reports.	R0	R0	R0

N o	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Original Annual Target	Revised Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
				mes held				attained						
11 2	Corporate Services	Develop municipal children's charter		No. Of Municipal children's charter done	Municipal children's charter done		New KPA	01 Children's charter develop and promoted Target attained	None	None	Report	R0	R0	R0
11 3	Corporate Services	Forge partnership with all stakeholders i.w HIV/AIDS	Support of HIV/Aids initiatives	No. Of municipal AIDS council meetings/ activities held	4		4	None Target not attained	Committee dysfunctional	Committee scheduled to be established by the 30 th August 2015	Attendance registers, minutes or reports.	R 200 000	R200 000	R 0

KPA 6: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
114	Economic Development and Planning	2015/16 IDP/Budget review	Improve good governance and deepen community involvement in the affairs of the municipality	No. Of IDP Process Plan to be reviewed and submitted to Council for adoption by 31 st August	2013/14 Adopted IDP	1 Process plan	2015/16 IDP/Budget Review done Target attained	None	None	Approved Draft IDP.	R0	R0	R0
115	Economic Development and Planning	Procurement of PMS system and support	To build the capacity of MLM by way of raising institutional efficiency	No. Of PMS System Purchased.	New	Assessment of Section 57 Managers	0 Target not attained	Poor planning and internal arrangements	To develop assessment process plan and complete assessments by the end of July 2015.	PMS Assessment Report	R300 000	R0	R0
116	Legal costs and development of by-laws	Improve good governance and	No. Of by-laws published	0 By-laws published	7 By-laws published	2	7 By-laws publicity flyers	None	None	By-Laws Publicity	R 600 000	R220 600	R0

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
		deepen community involvement in the affairs of the municipality	d.		ed		Target attained			flyers .			
117	Corporate Services	Installation of HR premier electronic system.	To install and implement HR Premier electronic system.	No. Of HR Premier electronic system installed.	VIP ESS system in place.	1 HR Premier electronic system in place.	1 HR system upgraded and synchronised with payroll. Target attained	None	None	A signed SLA and Invoice	R 0	R250 000	R 0
118	Corporate Services	Implementation of Employ	To monitor &	% Of equity targets	Annual EEP report	100% EEP ¹ implement	100% EEP implemented	None	None	Quarterly	R 0	R0	R 0

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
		ent Equity Plan.	impleme nt employ ment equity plan.	achieved by end of the year.	availab le.	ted.	d Target attained			reports			
119	1 WSP developedCorporate Services	Impleme nt WSP	To impleme nt municipal WSP for all internal stakeholders.	Developm ent of WSP(2014/15)	1	1	1 WSP developed. Target attained	None	None	WSP plan	R 500 000	R1000 000	R 689 594
120	Corporate Services	Councillors		No. of Councillors trained.	6 Councillors trained	61 Councillors trained.	61 Councillors trained. Target attained	None	None	Minutes of workshop and certificates	R 1000 000.00	R1000 000	R 961 115
121	Corporate Services	Ward Committees		No. of Ward Committees trained	--- Ward Committees members	220 Ward Committee members trained.	220 Ward Committee members trained Target attained	None	None		R 1 000 000	R 900 000	R 899 752

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
					trained								
122	Corporate Services	Functionality of the Training Committee in place.		No. of approved minutes for training committee.	New	4 Approved minutes for Training Committee.	None Target not attained	All Meetings didn't quorate.	Continuous engagement and restructuring of the Committee.	Minutes	R 50 000.00	R 50 000	R 0
123	Corporate Services	Functionality of the Local Labour Forum	Functional Local Labour Forums (LLF) in place.	No. of approved minutes of LLF.	--- Meetings held.	12 Approved minutes of LLF.	3 LLF meetings held Target not attained	Other meetings didn't quorate.	To re-appoint LLF members	LLF minutes and appointment letters of new members	R 0	R0	R 0
124	Corporate Services	Keep Labour cases/ grievance register		% Of cases finalised	New	100% Finalised cases.	100% (i.e Two cases) Cases finalised Target attained	None	None	Case report	R 0	R0	R 0

No	Directorate	Project	Measurable Objective	Key Performance Indicators	2014/2015 Baseline	Annual Target	Annual Actual Performance	Reason for not attaining target	Corrective Action	Evidence	Original Budget 2014/15	Revised Budget 2014/15	Annual Actual Spending
125	Corporate Services	OHS & wellness services.	To establish OHS & Wellness services	No. Of OHS post to be filled.	Committee in place.	1 OHS ⁱ post filled.	1 OHS Post filled on the 1/04/2015. Committee not place. Target not attained	None	None	Appointment letter (HR) report.	R 300 000.00	R200 000	R 42 925

CHAPTER 5

FINANCIAL

PERFORMANCE

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

5.1. STATEMENTS OF FINANCIAL PERFORMANCE

Financial Summary						
Description	2013/14 Actual	2014/15			2014/15 Variance to actual (%)	
Financial Performance		Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R	R	R	R	R	R
Rental of Facilities and Equipment	75,369	72,600	82,600	105,503	145.32%	127.73%
Licenses and Permits	4,038,872	5,565,352	4,565,352	4,400,484	79.07%	96.39%
Profit on Sale of Assets	341,641	-	-	1,717	100.00%	100.00%
Actuarial Gain	1,538,000	-	-	684,000	100.00%	100.00%
Other Income	577,000	1,430,000	1,230,000	749,059	52.38%	60.90%
Interest Received - Investment	7,827,305	11,397,643	11,547,643	8,119,268	71.24%	70.31%
Interest Earned - Outstanding Debtors	12,455,292	10,361,493	16,361,493	17,086,743	164.91%	104.43%
Property Rates	43,986,731	35,616,304	29,843,789	29,841,456	83.79%	99.99%
Traffic Fines	156,030	2,500,000	500,000	635,095	25.40%	127.02%
Donations Received	-	-	-	236,303	100.00%	100.00%

Government Grants & Subsidies - Capital	41,539,106	57,452,000	57,452,000	54,735,352	95.27%	95.27%
Government Grants & Subsidies - Operational	162,144,001	185,336,000	185,336,000	182,401,195	98.42%	98.42%
Total Revenue	274,679,347	309,731,392	306,918,877	298,996,175	96.53%	97.42%
	R	R	R	R	%	%
Personnel	43,738,747	63,224,962	54,320,812	46,859,327	74.12%	86.26%
Remuneration of Councilors	16,688,275	18,373,379	18,462,625	17,529,038	95.40%	94.94%
Administration	6,054,400	-	-	7,185,419	100.00%	100.00%
Transfer and Subsidies	4,714,587	4,404,570	4,404,570	4,883,432	110.87%	110.87%
Depreciation and Amortisation	10,721,100	15,105,200	12,407,722	13,714,802	90.80%	110.53%
Impairment Loss	-	-	-	18,442	100.00%	100.00%
Finance Costs	283,366	-	-	260,000	100.00%	100.00%
Debt Impairment	36,155,334	1,637,591	18,935,152	27,988,970	1709.16%	147.81%
Repairs and Maintenance	15,446,776	30,914,567	30,914,567	24,211,335	78.32%	78.32%
Contracted Services	13,037,163	35,712,000	45,037,860	12,761,396	35.73%	28.33%

Loss on Disposal of Assets	17,909,314	-	-	97,642,738	100.00%	100.00%
Auditor's Remuneration	2,366,967	2,100,000	2,100,000	2,213,040	105.38%	105.38%
General Expenses	28,302,262	52,088,298	52,088,298	34,165,810	65.59%	65.59%
Total Expenditure	195,418,291	223,560,567	238,671,606	289,433,749	129.47%	121.27%
Surplus/(Deficit)	79,261,056	447,121,134	477,343,212	9,562,426	2.14%	2.00%

5.2. GRANTS

Grants Performance						
Description	2013/14 Actual	2014/15			2014/15 Variance to actual (%)	
Transfers and Grants		Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R	R	R	R	R	R
National Government						
Equitable Shares	157,820,065	181,000,000	181,000,000	178,834,410	98.80%	98.80%
Municipal System Improvement Grant	890,000	934,000	934,000	934,000	100.00%	100.00%
EPWP Incentive	1,607,215	1,032,000	1,032,000	1,032,785	100.08%	100.08%
Finance Management Grant	1,550,000	1,600,000	1,600,000	1,600,000	100.00%	100.00%
Municipal Infrastructure Grant	41,539,106	57,452,000	57,452,000	54,735,352	95.27%	95.27%
Department of Energy (INEG)	276,721	-	-	-	0.00%	0.00%
Total Transfers and Grants	203,683,107	242,018,000	242,018,000	237,136,547	97.98%	97.98%

COMMENT ON CONDITIONAL GRANTS AND GRANTS RECEIVED FROM OTHER SOURCES**5.3. ASSET MANAGEMENT****Asset Management****TREATMENT OF THE LARGEST ASSETS ACQUIRED IN 2014/2015****ASSET 1**

Name of Asset	Specialized Vehicle
Description	Purchase of 09 ton Skip Loader Truck
Asset type	Vehicle
Key staff involved	Community Services
Staff responsible	Community Services
Key Issues	None

Asset Value	2014/2015
	1,200,000.00

Capital Implications	Capital Expenditure of R1 200 000
Future purpose of the Asset	To Assist in Waste Collection
Key Issues	None
Policy in place to manage the Asset	Asset Management Policy

ASSET 2

Name of Asset	Specialized Vehicle
Description	Purchase of 09 ton Skip Loader Truck
Asset type	Vehicle
Key staff involved	Community Services
Staff responsible	Community Services
Key Issues	None

Asset Value	2014/2015
	1,290,000.00

Capital Implications	Capital expenditure of R1 290 000
Future purpose of the Asset	To assist the community by collecting waste in the rubbish bins
Key Issues	None
Policy in place to manage the Asset	Asset Management Policy

ASSET 3

Name of Asset	Specialized Vehicle
Description	Purchase of 20 Skip Bins
Asset type	Loose Tools
Key staff involved	Community Services
Staff responsible	Community Services

Key Issues	None
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Asset Value	2014/2015
	489,500.00

Capital Implications	Capital expenditure of R 489 500
Future purpose of the Asset	To Assist the community by throwing in waste in the skip bins
Key Issues	None
Policy in place to manage the Asset	Asset Management Policy

ASSET 4

Name of Asset	Specialized Vehicle
Description	Purchase of Caterpillar 140k Motor Grader
Asset type	Vehicle
Key staff involved	Technical services
Staff responsible	Technical services
Key Issues	None

Asset Value	2014/2015
	3,080,665.00

Capital Implications	Capital expenditure of R3 080 665
Future purpose of the Asset	To Assist the community by grading access roads to their respective homes and workplaces
Key Issues	None
Policy in place to manage the Asset	Asset Management Policy

ASSET 5

Name of Asset	Specialized Vehicle
Description	Purchase of four (4) Traffic vehicles
Asset type	Vehicles
Key staff involved	Community Services
Staff responsible	Community Services
Key Issues	None

Asset Value	2014/2015
4 Vehicles	1,700,000.00

Capital Implications	Capital expenditure of R1 700 000
Future purpose of the Asset	To Assist the community by adhering to strict road rules
Key Issues	None
Policy in place to manage the Asset	Asset Management Policy

ASSET 6

Name of Asset	Passanger Vehicle
Description	Purchase of 22 Seater Bus

Asset type	Vehicle
Key staff involved	All employees
Staff responsible	All employees
Key Issues	None

Asset Value	2014/2015
	899,640.00

Capital Implications	Capital expenditure of R899 640
Future purpose of the Asset	To Assist all staff members with transport to different places performing their day to day duties
Key Issues	None
Policy in place to manage the Asset	Asset Management Policy

ASSET 7

Name of Asset	Delivery Vehicle
Description	Purchase of one single cab 4 x 4 bakkie and canopy
Asset type	Vehicle
Key staff involved	All employees
Staff responsible	All employees
Key Issues	None

Asset Value	2014/2015
	502,464.99

Capital Implications	Capital expenditure of R 502 464.99
Future purpose of the Asset	To Assist all staff members with transport to different places performing their day to day duties
Key Issues	None
Policy in place to manage the Asset	Asset Management Policy

ASSET 8

Name of Asset	Mobile Structure
Description	Purchase of mobile office
Asset type	Building
Key staff involved	Corporate Services
Staff responsible	Corporate Services
Key Issues	

Asset Value	2014/2015
	619,900.00

Capital Implications	Capital expenditure of R 619 900
Future purpose of the Asset	To Assist all staff members with transport to different places performing their day to day duties
Key Issues	None
Policy in place to manage the Asset	Asset Management Policy

ASSET 9

Name of Asset	Specialized Asset
Description	Purchase of Traffic Lights
Asset type	Loose Tools
Key staff involved	Community Services
Staff responsible	Community Services
Key Issues	None

Asset Value	2014/2015
	149,532.45

Capital Implications	Capital expenditure of R 149 532.45
Future purpose of the Asset	To Assist the community adhering to strict road rules
Key Issues	None
Policy in place to manage the Asset	Asset Management Policy

ASSET 10

Name of Asset	Specialized Asset
Description	Provision of GIS Software
Asset type	Computer Software
Key staff involved	All employees
Staff responsible	All employees
Key Issues	None

Asset Value	2014/2015
	612,696.84

Capital Implications	Capital expenditure of R 612 696.84
Future purpose of the Asset	To Assist staff members with competent software system
Key Issues	None
Policy in place to manage the Asset	Asset Management Policy

5.4. FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Ratio	Basis of calculation	2012/13	2013/14	2014/15
Liquidity current ratio	Current assets/current liabilities	3.26	5.04	4.57
Cost coverage	Available cash + Investments/ Monthly fixed operations	2.09	1.84	0.68
Service debtors to revenue	Total outstanding service debtors/annual revenue for services	0.13	0.12	0.39
Debt coverage	Total operating grants/debt service payment due within financial year	3.41	5.45	5.81
Capital charges to operating	Interest and principal paid/operating expenditure	0.001	0.001	-

Employee costs	Employee costs/Total revenue - capital revenue	0.27	0.26	0.26
Solvability	Total Assets/Total Liabilities	6.29	10.84	10.64

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.5. CAPITAL EXPENDITURE

5.6. SOURCES OF FINANCE

5.7. CAPITAL SPENDING ON 5 LARGEST PROJECTS

5.8. BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

Refer to chapter 3 for a detailed overview on service delivery backlogs

COMPONENT C: CASHFLOW MANAGEMENT AND INVESTMENTS

5.9. CASH FLOW

Figures in Rand	2015	2014
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Cash Flows from operating activities

Receipts

Property rates	8,425,156	1,585,421
Cash received from consumers and other sources of revenue	5,169,012	4,537,402
Grants	232,147,034	185,805,840
Interest income	8,119,268	20,044,669
	253,860,470	211,973,332

Payments

Employee costs	-46,451,327	-42,904,747
Cash paid to suppliers and other related services	-78,666,451	-66,050,896
Interest paid	-	-2,366
Councilor's allowances	-17,529,038	-16,688,275
	-142,646,816	-125,646,284
Net cash flows from operating activities	111,213,654	86,327,048

Cash flows from investing activities

Purchase of property, plant and equipment	-128,615,110	-83,208,535
Proceeds from sale of property, plant and equipment	6724	390150
Purchase of other intangible assets	-189,825	-1,121,188
Net cash flows from investing activities	-128,798,211	-83,939,573

Cash flows from financing activities

Finance lease payments	-	-80,649
Net increase/(decrease) in cash and cash equivalents	-17,584,557	2,387,475
Cash and cash equivalents at the beginning of the year	129,701,971	127,395,145
Cash and cash equivalents at the end of the year	112,117,414	129,782,620

5.10. BORROWING AND INVESTMENTS

The Municipality does not have any interest bearing borrowings and there were no long term investments made during the year under review.

5.11. PUBLIC PRIVATE PARTNERSHIPS

The Municipality has not entered into any Public Private Partnership during the period under review.

COMPONENT D: OTHER FINANCIAL MATTERS

5.12. SUPPLY CHAIN MANAGEMENT

The Municipality has established a functional Supply Chain Management Unit which is implementing the Supply Chain Management Regulations and Policy without fear or favour. The unit has 6 officials who have met the National Treasury Competency Agreements. The Municipality is implementing a 3 committee bid system of which no councillors are allowed to sit on. All committee members have been vetted.

5.13. GRAP COMPLIANCE

Makhuduthamaga Local Municipality has converted to the Generally Recognized Accounting Principles (GRAP). At least more than 30 GRAP standards are used to prepare the Annual Financial Statements. The Municipality's asset register is GRAP compliant.

CHAPTER 6

AUDITOR GENERAL'S REPORT AND FINANCIAL STATEMENTS

COMPONENT A: AUDITOR GENERAL`S OPINION OF FINANCIAL STATEMENTS

6.1. AUDITOR GENERAL`S REPORT

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 - Annexure D: Annual Financial Statements 2014/15
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GLOSSARY

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VOLUME II

ACRONYMS

BUDGET & TREASURY		COMMUNITY SERVICES	
ACCPAC	Financial System	DLTC	Drivers And Learner Testing Centre
AG	Auditor General		
CFO	Chief Financial Officer		
DORA	Division Of Revenue Act		
ES	Equitable Shares		
FMG	Financial Management Grant		
GRAP	Generally Recognised Accounting Principles		
MIG	Municipal Infrastructure Grant		
MSIG			
PH			
CORPORATE SERVICES		ECONOMIC DEVELOPMENT & PLANNING	

HIV/AIDS	Human Immunodeficiency Virus/ Acquired Immunodeficiency Syndrome	SMME	Small Micro Medium Enterprise
HRD	Human Resource Development	IDP	Integrated Development Plan
HRM	Human Resource Management	LEDA	Limpopo Economic Development Agency
HR	Human Resource	LED	Local Economic Development
LRA	Labour Relations Act	SEDA	Small Enterprise Development Agency
LLF	Local Labour Forum	KPA	Key Performance Area
OHS	Occupational Health and Safety	LEDET	Limpopo Economic Development, Environment & Tourism
TVET	Technical Vocational Education And Training	IGF	
IT	Information Technology	EPWP	Extended Public Works Program
SMU		LUMS	
MBCHB	Bachelor Medicine & Bachelor Of Surgery	GIS	Global Information System
WITS	Witwatersrand University	PMU	Project Management Unit
CPU	University of Cape Town	PMS	Performance Management System
UKZN	University of Kwa-Zulu Natal	AOPO	
TUT	Tshwane University Technology	SDBIP	Service Delivery & Budget Implementation Plan
UP	University of Pretoria		
WSP	Workplace Skills Plan		
ICT	Information And Communication Technology		
VPN	Virtual Private Network		
LAN	Local Area Network		
INTRANET	Internal network		
NQF	National Qualification Framework		
SOMA	State of the Municipality Address		
SMS	Short Messaging Services		
EEP	Employment Equity Plan		
VIP	Pay roll System		
ESS	Employee Self Service System		
AFS	Annual Financial Statement		
SCM	Supply Chain Management		
SITA	State Information Technology Agency		
SDF	Skills Development Facilitator		
CCTV	Closed Circuit Television		
INFRASTRUCTURE DEVELOPMENT		GENERAL	
IWMP		LGSETA	Local Government seta
ESKOM	Electricity Supply Commission	COGHST A	
WIP	Work In Progress	MPAC	Municipal Public Accounts Committee
FBE	Free Basic Electricity	MLM	Makhuduthamaga Local Municipality
PTO		MOU	Memorandum of Understanding
DRDLR		SA	SOUTH AFRICA
		N/A	Not applicable
		MNGT	Management
		MM	Municipal Manager
		AGSA	Auditor General of South Africa
		MFMA	Municipal Financial Management Act
		NT/PT	National Treasury/ Provincial Treasury

		SALGA	South African Local Government Association
		MSA	Municipal System Act
		CLLR	Councilor
		ANC	African National Congress
		COPE	Congress of the People
		AZAPO	Azanian Peoples Party
		DA	Democratic Alliance
		APC	
		SAMEPA	
		HOD	Head of Department
		SLA	Service Level Agreement