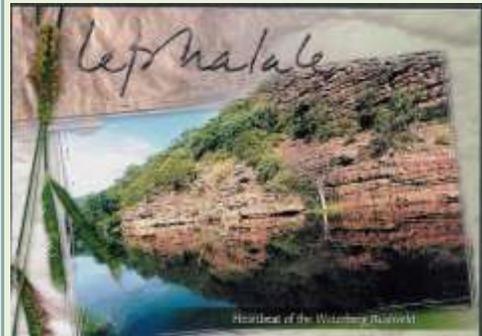




2011/2012

ANNUAL REPORT

Volume I



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PREFACE

INTRODUCING THE ANNUAL REPORT 2011/2012 FINANCIAL PERIOD

Chapter 1: of the Annual Report provides an introduction and overview of the Municipality's geographic profile, its vision and mission as well as some general information about the Municipal area.

Chapter 2: Governance. The purpose of the annual report is to promote accountability to a local community for decisions made by Municipal Political and administrative structures throughout a fiscal year. This chapter reviews governance structures, intergovernmental relations; public accountability and participation and Corporate Governance.

Chapter 3: focuses on service delivery by service delivery basis. The purpose of the chapter is to demonstrate what is being attempted in terms of service delivery, what is being achieved and what remains outstanding.

Chapter 4: provides insight into human resources and organizational management. It focuses on staff profile, remuneration, benefits, personnel expenditure, skills development, labor relations, termination of service, performance management, etc.

Chapter 5: Financial Performance. The aim of this chapter is to provide an overview of the financial performance of the municipality with the aim of measuring results. Information included in this chapter covers statement of financial performance, spending against capital budget, cash flow management and investment and other financial matters.

Chapter 6: Auditor General's Findings. This chapter provides an overview of the Auditor General Report of the previous financial year. It provides details on issues raised during the previous financial period pertaining to non-compliance with legislative requirements; as well as remedial action to address non-compliance issues.

Appendices are added to ensure that the Annual Report complies with the requirements of various Legislation.

Volume II: AFS

The Annual Report review and reflects s the performance of the Municipality for the period I July 2011 to 30 June 2012.

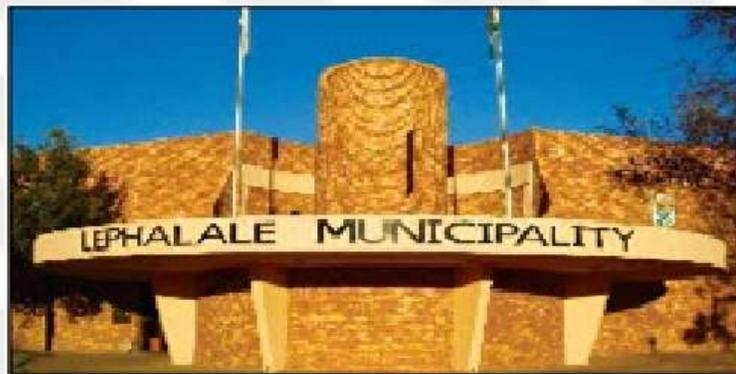
Lephalale municipality Profile 2011/12



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MJ MAEKO



MUNICIPAL MANAGER
AS Naidoo



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Vision

To build a vibrant city and be the' energy hub of Africa

Mission "We are committed to rural development, provision of quality, sustainable and affordable services, financial viability and good governance, local economic development and job creation

Ethos (Culture)

RELATIONSHIP BETWEEN COUNCILLORS

We believe in:

- Interactive teamwork achieved through mutual trust, respect and information sharing thus ensuring transparency and accountability.
- Leading by example through self-development and pro-active, innovative thinking and action thus accepting responsibility for service delivery while being prepared to delegate such responsibility to achieve maximum results.
- Building an understanding of the different roles and responsibilities of politicians while being perceptive to new ideas and an early resolution of conflict.

RELATIONSHIPS AMONGST OFFICIALS

We believe:

- In respect for authority and actively preventing the undermining of authority by implementing council resolutions.
- That being co-operative and following the right communication channels will promote trust, information sharing, Honesty and work ethics.
- In being committed, dedicated and having a passion for our work which will take us beyond a silo mentality to achieve synergy and team work.
- In developing our shared knowledge to ensure the implementation of holistic, integrated and sustainable solutions to challenges.

RELATIONSHIPS BETWEEN COUNCILLORS AND OFFICIALS

We believe that:

- We should stand together and serve together and be part of a cohesive working relationship based on mutual respect, trust and support which can be achieved through a clear definition of our different roles and responsibilities and the establishment of communication channels which are conducive to the sharing of timely, correct information thus enabling team work.
- Together we must build our knowledge base of legislation, realities and challenges and act as a team in complying to and addressing these.
- Respect for and adherence to the Codes of Conduct for Councilors and Officials will provide a healthy foundation for a good working relationship.

RELATIONSHIPS OF COUNCILLORS AND OFFICIALS TOWARDS THE PUBLIC

We believe:

- In living *Batho Pele* and, in doing so, treating our public with respect, courtesy, friendliness and attentiveness.
- In projecting a unified institution which serves one client, makes realistic promises and undertakings, is transparent, accountable and responsive through proper consultation and delivers a clear message of credibility and trustworthiness but being intolerant towards community actions which are to the detriment of development and growth.



Lephale Municipality



SUN
Eternal source - never ending
Power - Master of the planets
Heat - Climate



ANIMALS
Local game - Kudu/Warthog etc
Main farming - cattle



MINERALS
Source of civilization
Cause of development
Landmark in Lephale



BOOKROLL
Education
Future



DOVES
Sign of peace
Freedom - in flight - not caged in
White - Purity



SKY
Dawn of a new day
New generation
Typical Bushveld attraction



SPEARS
Struggle against poverty
Cultural weaponry



SHIELD
Cultural emblem (weapon)
Protection
African Identification



RIVER
Source of life
Local identification - Mogol river



FIELD
Green - Bushveld scene
Open atmosphere

CHAPTER 1

1.1 MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

MAYOR'S FOREWORD

a. Vision

Lephalale Local Municipality has been identified by LEGDP as a Petrochemical Cluster and has attained the status of National Development Node; This makes our Municipality to be the fastest growing Municipality in the whole country.

In last State of the Nation Address by the President this Municipality was mentioned in more than one occasion, and I believe it will continue to be the Economical focal point of the country.

Nestled at the Spur of the Waterberg Mountains, Lephalale is a place of peace and breath-taking beauty and appropriately called "the heartbeat of the Waterberg bushveld". As part of the Waterberg biosphere, Lephalale area is richly blessed with pristine natural beauty and an abundance of fauna and flora. Lephalale offers an infinite variety of scenic contrasts and encompass the unique Waterberg wilderness with its extraordinary beauty which boasts superb vistas, mountain gorges, clear streams and rolling hills. Rich in geological sites and rock art is a strong draw-card for the region, suggesting its links to many previous generations. Lephalale Municipality is 75% rural and farmlands and the current Council are more focused on rural development in Infrastructure and Economic Development. Lephalale as geographical area was cited in the state of the nation's address by the State President due Socio-economic growth its shows.

It is against this background that the vision of Lephalale Local Municipality shows our dedication to upliftment and welfare in the community through growth opportunities:

"To build a vibrant city and be the' energy hub of Africa".

The mission of the Lephalale Local Municipality is

"We are committed to rural development, provision of quality, sustainable and affordable services, financial viability and good governance, local economic development and job creation".

The value system includes the following:

- **Community orientation:** Provide and deliver sustainable services and activities for the whole community
- **Transparency:** Invite and encourage public sharing and democratic participation in council's activities
- **Commitment:** Focus and concentrate on council's core activities in a consistent manner
- **Business orientation:** Subscribe to, and comply with, the best business practices
- **Integrity:** Conduct council's business in a fair, responsible, flexible, equitable and honest manner

- **Accountability:** Report regularly to all stakeholders regarding council's actual performance
- **Environmental care:** with all the development in Lephalale, the municipality will focus on taking care of the environment.
- **Empowerment:** to be seen empowering our people and knowledge is power.

Lephalale has been identified by Limpopo Employment Growth and Development Plan as a Petrochemical Cluster and has attained the status of National Development Node. The Waterberg Coal Fields which boast more than 40% of the total coal reserve of South Africa is located in Lephalale. The Municipality is on the verge of huge economic development related to Mining and Energy Generation due to the recent announcement of a new Power Station and expansion of Mining activities. **The key projects are**

- ❖ Medupi Power Station
- ❖ Projected Sasol Plant – Proposed Sasol coal mine
- ❖ Mabula Coal Project in Botswana
- ❖ GMEP- Opening of New Coal Mines, e.g. Boikarabelo and Mmamabula.

(Lephalale Municipality is going the direction of becoming the first city to be built in democratic South Africa, this we envisage to be the results the Economic break through from the above mentioned projects. The expansion of Grootegeluk Exxaro mine to supply coal to the new Power Station Medupi is a major change to existing business infrastructure.

This changes are bringing an influx of people from other Municipalities in pursuit of better job opportunities which in turn increase the population of Lephalale Municipality and the mushrooming of informal settlements,

These major changes are straining the capacity to render services to the Community.

b. Key Policy Developments

None of the by-laws were brought to council for discussion.

New policies were developed. The IDP is aligned to outcomes based delivery approach. When developing policies the Millennium goals, the 12 National outcomes and the Provincial growth and Development strategy was taken in to consideration.

c. Key Service Delivery Improvements

Public Participation: Our Municipality follows a development-communication approach, which means that our public participation programmes are responsive to the needs of the community within the context of government's mandated programme to improve lives of all community members.

Our Public Participation Programme is implemented as per Implementation Principles and Protocol for Public Participation Programme as adopted by Cabinet at its meeting of 24 March 2010. Unlike before, when it was still called "*Imbizo*" and had *Imbizo* focus week, our new Outreach approach has a minimum of ten Public Participation events spread throughout the year. Beside the large size mass meetings, we have sectorial or stakeholder meetings, walk about

engagements, community meetings as well as projects visit. We also prioritize designated groups like women, Youth, Children, the elderly and People living with disabilities. There was an improvement of infrastructure services for Marapong township. Basic services were also improved for better in both rural area with water schemes and sanitation reticulation in urban areas.

d. Future Actions

The Municipality is embarking on consultation process with communities about their needs and Ward committees are to be closely monitored. Establishment of courtesy centre and the Community participation unit within the Municipality.

The Municipality has plans to involve the local communities to build the new city and the first city to be built in the democratic dispensation.

e. Agreements and Partnerships

The municipality has a partnership with both Eskom and Exxaro for the delivery of basic commodity-water. The expansion of the Nelson Mandela drive and the road to Marapong township was a joint venture between Municipality and Exxaro.

f. Conclusion

The year 2011/12 has been a year of improvement on quality of lives of the people of Lephalale, The Economic growth projects improves the GDP and the earning ability of community. The social standards have improved, and infrastructure development has improved. Unemployment levels have reduced drastically however this change is converse to the levels of HIV/AIDS pandemic. Lephalale Municipality will continue its mandate of delivering quality services to its community.

(Signed by :) _____

Mayor/Executive Mayor

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

The five year long term plan is contained in the IDP (Integrated Development Plan) which is the Master Plan for service delivery within local government sphere. From the IDP we derive an Annual Budget Implementation Plan called the Service Delivery and Budget Implementation Plan (SDBIP) and similarly the Performance Plans for Management are derived from the SDBIP. These strategic documents are fully aligned. The Annual report looks back at the SDBIP and IDP for a period of one year and the outcomes help with the Annual Planning and results in changes to the five year Master Plan (IDP).

This Annual Report provides feedback in terms of our Actual Performance against the milestones and targets as set for the period under review, being the 2011/2012 financial year.

The current National government measures itself against the following five priority areas:

- ▶ Job Creation
- ▶ Education and Skills Development
- ▶ Health Care
- ▶ Rural Development
- ▶ Fight against Crime.

As a Municipality, we measure ourselves against our IDP Priority List.

Section 152 (1) of the Constitution sets out the objectives of Local government as follows:

- (a) To provide democratic and accountable local government for local communities;
- (b) To ensure the provision of services to communities in a sustainable manner;
- (c) To promote social and economic development;
- (d) To promote a safe and healthy environment; and
- (e) To encourage the involvement of communities and community organizations in the matters of local government.

Section 152 (2) states that a Municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1).

Section 153 of the Constitution sets out the Developmental duties of Municipalities as follows:
A Municipality –

- (a) Structure and manage its administrative and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community, and
- (b) Participate in national and provincial development programs.

The Constitution requires us to prioritize the delivery of basic services. It is widely accepted that basic needs and basic services refer to the same set of functions/services being water, electricity, sanitation and refuse removal.

Our Municipality is one of the fastest economically growing Municipality in the country, if not in the Continent. The economic boom brought many challenges to us. Administratively, we oiled our service delivery machinery to meet both the Infrastructure and Human Resources challenges. The report will outline projects undertaken to meet water, sanitation and other infrastructure challenges.

This report will reflect on our actual performance, identifies our key successes and some of the issues faced during the 2011/2012 financial year.

The **Office of the Municipal Manager** is responsible for ensuring the smooth running of the Municipality. It provides guidance and advice on compliance with certain Acts that governing the Municipality to the political structures; political office-bearers and officials. The Office of the Municipal Manager consists of the following administrative units, namely:

- ▶ Strategic Management
- ▶ Internal Audit
- ▶ Performance Management

The key functions of the Office are:

- ▶ To provide the management of Municipality's administration in accordance with Municipal Legislation and other legislation applicable to the Municipality, including management, discipline and development of staff;
- ▶ To formulate and develop of an economical, effective, efficient and accountable administration that is equipped to carry out the task of implementing the municipality Integrated Development Plan (IDP) and responsible to the needs of the local community;
- ▶ To provide the management and monitoring of Municipal services provided to local community in a sustainable and equitable manner;
- ▶ To provide the administration and implementation of the Municipality's by-laws and other legislation, includes the implementation of National and Provincial directives, policies and legislation;



-
-
- ▶ To exercise powers delegated to the Municipal Manager by the Municipal Council and other authorities of the Municipality;
 - ▶ To render administrative and strategic support to the Executive Mayor and other political structures in Council; and
 - ▶ To manage income and expenditure of the municipality to ensure sound financial management of Council.

The Department achieved an overall score of **3.23 (108%)** for the financial year. The Department has remained consistently over target throughout the course of the year. Some of the key achievements were as follows;

- ▶ A total of 633 permanent jobs were created, far exceeding the annual target of 88 jobs. A total of 388 permanent positions were created in the 2010/2011 financial year.
- ▶ All (100%) of the audit queries received from the Auditor General were addressed.
- ▶ The audited Annual report and Oversight report were adopted by Council on the 27th of March 2012.
- ▶ The Integrated Development Plan was adopted by Council on the 29th of May 2012 and received a medium rating following assessment.
- ▶ The SDBIP was adopted and signed by the Mayor on the 14th of June 2012.
- ▶ The risk assessment was concluded in March 2012.
- ▶ Out of a total of 32 positions in the three highest levels of management, 29 comply with the requirements of the Employment Equity Plan. This reflects a marked increase from the 18 positions that complied in the 2010/2011 financial year. All of the critical positions were filled.

Challenges were faced in that although the review of the Internal Audit Charter and the Audit Committee Charter has been completed, they still await review by the Audit Committee. This has been impacted as only two of the four Audit Committee meetings were actually held. The Internal Audit Plan has not been approved by the Audit Committee as a number of minor changes are required as recommended by the Committee. Currently only 69.42% of indigents are actually registered. The total number of indigents could now be higher due to the Medupi project and therefore action needs to be taken to increase registrations to allow proper assessment of service delivery to these households.

Community Services is responsible for Recreational Facilities, Solid Waste Management and Environmental Management, Housing, Library, Arts and Culture, Safety and Security, Fire and Rescue Services, Disaster Management, Traffic Control, Licensing Authority, Safety and Risk Management. The department has the following units:



-
-
- ▶ Traffic and Registration
 - ▶ Housing
 - ▶ Waste Management
 - ▶ Parks
 - ▶ Libraries

The key functions of the Department are:

- ▶ To provide the management of Municipality's administration in accordance with Municipal legislation and other legislation applicable to the Municipality, includes management, discipline and development of staff;
- ▶ Through Environmental management, ensuring clean, safe and quality water, pollution free environment and the appropriate disposal of the dead and refuse;
- ▶ Through Environmental Health Management, ensuring healthy and safe premises;
- ▶ To coordinate Health programmes ensuring healthy communities, productive workforce and economic growth;
- ▶ To manage the provision of fire and rescue services in saving lives, the prevention of fires, safeguarding of property, humans and animals;
- ▶ To facilitate a crime free environment;
- ▶ To monitor the provision of adequate housing and the restoration of dignity;
- ▶ To provide the promotion of Sports, Arts and Culture for purposes of wellness, preserved and diverse culture and a society with high morals; and
- ▶ To provide the endorsement of literacy, economic growth, enrichment of minds, job security and safe schools.

The Department achieved an overall score of **2.82 (94%)** for the financial year. Some of the key achievements were as follows;

- ▶ The Licensing program was on target with revenue from drivers licenses paid over to Prodiba and the Department of Transport (DoT) on time. The Municipality has signed a Service Level Agreement outlining the frequency of these transfers, and is done on a daily basis. All (4/4) of the quarterly contract management meetings were held with the DoT.
- ▶ The Road Traffic and Safety program was on target with a total of four (4) road safety awareness campaigns being held during the course of the financial year, exceeding the annual target of three (3). These were part of joint operations with other law enforcement agencies.
- ▶ The Integrated Waste Management Plan was approved by Council and has now been submitted to the MEC¹ for Environmental Affairs at LEDET² for approval. During the course of the financial year, 25 waste awareness campaigns were held and 110 clean up campaigns adopt a street

¹ Member of the Executive Committee

² Limpopo Department of Economic Development, Environment and Tourism

campaigns and municipal clean-up campaigns. In addition, 36 food-for-waste campaigns were included in this number. A total of 25 recycling clubs in rural areas (villages) were established and 32 school recycling clubs were established. A total of 34 Environmental clubs were also established.

- ▶ A total of 10 000 trees were planted as part of the Limpopo Greening Project which has been co-sponsored by Exxaro and Eskom.

The main challenges faced were related to project implementation. Capital projects were re-advertised during the course of the year which led to an expenditure variance against the capital budget of 57.53%. In addition, only nine (9) of the twelve read for fun programmes held at libraries were held due to the available funds and general budgetary constraints.

Development Planning is responsible for Land Use Management, Building Control, Local Economic Development, Tourism Development, Municipal Marketing and International relations as well as coordinating SMME development. The department has the following units:

- ▶ Building Control
- ▶ Economic Development and International Relations
- ▶ Land Use Management
- ▶ GIS (Geographical Information System)



The key functions of the Department are:

- ▶ To facilitate of Local Economic Development for the purposes of poverty reduction, economic growth, improved beneficiation for all members of the community, integration of markets and establishment of partnerships;
- ▶ To promote eco - tourism and marketing and branding of the Municipality - International Relations;
- ▶ To facilitate investment in the Municipal for purposes of economic growth;
- ▶ To promote tourism attractiveness and popularization of Local tourism products;
- ▶ To provide the coordination of spatial planning and responsible land use; and
- ▶ To provide the coordination of building control and management
- ▶ To perform the coordination of activities associated with preparation, capturing, storing and maintaining of data and, presentation of information using database procedures, application and tools to ensure the Geographic Information System provides comprehensive and complete information supporting analysis, queries and decision making processes.

The Department achieved an overall score of **2.83 (94%)** for the financial year. Some of the key achievements were as follows;

- ▶ In total, 923 temporary jobs were created through the Project Management Unit far exceeding the annual target of 15 jobs.
- ▶ The Marketing and Branding program performed well with a total of ten exhibitions being attended during the year, exceeding the annual target of eight (8). In addition, eight (8) publications were made meeting the annual target.
- ▶ A total of nine strategic economic partnerships were established, exceeding the annual target of six (6).
- ▶ In relation to Tourism Development, a total of forty-one (75%) tourism product owners were supported through the CTA³. This exceeded the annual target of 60%.
- ▶ A total of ten (10) workshops were conducted related to building control. These were held in house with the building inspectors. Stakeholder based training sessions will be implemented in the next financial year.
- ▶ All (100%) building contraventions were attended to within one month of detection and all (100%) scheduled building inspections were conducted within 24 hours. Performance has remained consistent throughout the course of the financial year.
- ▶ All (100%) of land use applications related to township establishment were considered by Council within three months of receipt and all land use contraventions were attended to within one month of detection.

Challenges were faced in that only one international twinning partnership was facilitated (TETE municipality in Mozambique). Only 70% of building plans (residential 2, 3, 4 and commercial) were processed within one month of receipt. There is a need for training to be provided to draughtsman and architects in relation to requirements and standards compliance issues. Only 39.40% of building plans for residential 1 and only 64.71% of plans related to minor construction were assessed within two weeks of receipt. Neither of the two planned workshops regarding land use was held. Training needs to be provided to the Mayoral planning Committee on land use matters. In addition, no non-compliant outdoor advertising boards were removed within one month of detection. RAL issues approvals and it is unclear as to which are legal or illegal. A meeting will be arranged with RAL in relation to the approvals issues versus the areas of municipal input and jurisdiction.

Budget and Treasury is responsible for budget compilation and control, Debtor management (Credit Control, Debt collection), Accounting Services (Cash flow management, Cost accounts), Treasury management (Loans, Investments) and Inventory (Procurement & Provisioning). The department has the following units:



▶

³ Community Tourism Association

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- ▶ Budget and Reporting
 - ▶ Expenditure
 - ▶ Income
 - ▶ Supply Chain Management

The key functions of the Department are:

- ▶ To direct a value for money finance function that promotes effective financial management policies and practices in a Municipality;
- ▶ To ensure adequate and effective systems for accounting records and control systems;
- ▶ To ensure effective and efficient financial reporting, as required by Municipal Finance Management Act;
- ▶ To ensure proper monitoring and implementation support systems are put in place to ensure that all duties are executed in accordance with budget allocation and within legislative requirements;
- ▶ To maintain sufficient working capital by managing assets, investments, liabilities, borrowings and cash flow effectively;
- ▶ To identify and monitor processes and procedures for financial and regulatory risks; and

The Department achieved an overall score of **2.44 (81%)** for the financial year. Some of the key achievements were as follows;

- ▶ All of the monthly Finance Management Grant and Municipal Systems Improvement Grant reports were submitted to the relevant treasuries and the Municipal Manager within ten working days of the end of each month.
- ▶ The budget for the 2012/2013 financial year was adopted by Council on the 29th of May 2012.
- ▶ In total, 171.06% of debt was collected as a percentage of money owed to the municipality and well above the annual target of 95%. All (100%) creditors were paid within 30 days of invoice during the course of the year with the exception of the first quarter where 95% were paid within the stipulated timeframes. This was however still above the targeted 90%.
- ▶ A total of 104.33% (R 28,878,829 / R 27,681,130) of the budgeted revenue from property rates was collected, exceeding the annual target of 85%.

Challenges were faced in that the variance against the capital budget for the financial year stood at 30% being in excess of the targeted maximum of 10% however this equated to a saving due to lower vehicle costs from what was budgeted. Outstanding service debtors to revenue stood at 40% being far in excess of the annual target of 5%, although reflecting a slight improvement over the 46% at the end of the 2010/2011 financial year. Debtors with accounts in excess of 90 days stand at 60.97%. A total of R 1,141,297.27 was written off for bad debt. This comprises of an amount of R 418,000 as prescribed by the act and R 723,000 for the deceased without an estate. In addition, only 61.12% (55/70) of bids were adjudicated within 90 days of tender closure.

Infrastructure Services is responsible for Water services, Electrical services, Sanitation services, Public Works, Roads and Storm water, and Municipal Workshop. The department has the following units:

- Water
- Sewerage
- Project Management Unit
- Electrical
- Roads and Storm water

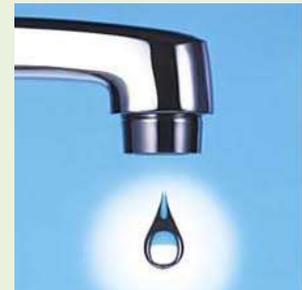
The key functions of the Department are:



- To provide the management of the Technical services department's administration in accordance with Municipal legislation and other legislation applicable to the municipality, including management, discipline and development of staff;
- To ensure the provision of cost effective management of department's budget and the timely implementation of resolutions and projects related to the department;
- To ensure the provision of Basic Water and Hygienic Sanitation systems;
- To ensure the construction of municipal roads for safe accessible roads;
- To ensure cost effective project management of infrastructure development; and
- To ensure compliance to national building regulations act.

The Department received an overall score of **2.93 (98%)** for the financial year. Some of the key achievements were as follows;

- The blue drop water quality standard was met with a 93% rating being far in excess of the annual target of a 55% rating and also showing an improvement over the 83% rating achieved in the 2010/2011 financial year.
- A total of 4.4km of gravel roads were upgraded to tar, exceeding the annual target of 0.4km.
- A total of 8.5ML of new water storage capacity was put in place, exceeding the target of 8ML.



Challenges were faced in that only a rating of 20% was achieved in relation to the green drop water quality standard against the targeted 55%. Water loss stood at 22%, being in excess of the targeted 8.5% and considerably higher than the 12% loss in the 2010/2011 financial year. Only 1.5km of open storm water channels were upgraded against the target of 7km. In addition, only 484 new households were provided with electricity in villages against the target of 1 705 but did reflect a slight increase over the 438 new households in the previous financial year. Capacity needs to be checked with ESKOM earlier in the year. In addition, only 2 950 households have access to both free basic water and free basic electricity against the annual target of 14 944 from the IDP.

Corporate Services is responsible for Administrative Support, Legal and Secretariat as well as Human Resources Management. It provides support services, provided based on specialized knowledge, best practices and technology to serve internal (and sometimes external) customers and stakeholders. The department has the following units:

- ▶ Administration and Secretariats
- ▶ Human Resources
- ▶ Legal Services

The key functions of the Department are:



- ▶ Provide general office services including telecommunication services, switchboard and receptions, office space provisioning, office cleaning services;
- ▶ Provide administrative support to council and its committees through the implementation of the standing rules of order of council;
- ▶ Records management and registry through the implementation of the records management policy and the central registry manual and ensure adherence to the National Archives of South Africa Act;
- ▶ Provide personnel administration and organizational design services to the municipality through implementation of municipal policies and collective agreements as well as adherence to the national labor legislation;
- ▶ Ensure that the Skills Development and Equity Acts are implemented through the development and implementation of the workplace skills plan and the equity plan as well as facilitate training and development for staff and councilors;
- ▶ Establish and maintain good employee relations;
- ▶ Develop and implement the strategies for employee health and safety as well as employee wellness; and
- ▶ Provide information and technology support to the municipality.

The Department achieved an overall score of **2.53 (84%)** for the financial year. Some of the key achievements were as follows;

- ▶ Two workshops were held in the second half of the financial year to create awareness on labor relations for supervisors exceeding the annual target of only one workshop.
- ▶ There were no disciplinary cases throughout the course of the year and no persons were suspended.
- ▶ As per the annual target, 33% (2/6) of the critical positions have signed performance agreements in place.
- ▶ All (100%) new staff members underwent induction training within one month of being appointed.

▶ The Skills Development Plan was developed and submitted to SETA⁴ on the 29th of June 2012. Challenges were faced in that the variance against the capital budget for the financial year stood at 93.68% (R 74,836 / R 1,183,939) being far in excess of the targeted maximum of 10% and the operational budget variance stood at 16.07%. Only 75% (6/8) of the internal audit queries were resolved within the agreed timeframes and only 62.5% (5/8) of the risks identified in the Risk Plan were addressed. In total, only 39.2% (29/74) of the budgeted vacant positions were filled during the course of the year. This was negatively impacted by the hiring moratorium and the removal of a Manager in Human Resources.

The **Strategic Management** is responsible for strategic planning and provides support to the office of the municipal manager on strategic management issues. The department has the following units:

- ▶ Integrated Development Planning
- ▶ Special Programmes (Youth, elderly, disabled, gender and HIV/AIDS)
- ▶ Internal and external communication
- ▶ Office of the Mayor
- ▶ Offices of the Speaker and Chief Whip
- ▶ Public Participation

The key functions of the Department are:

- ▶ To render administrative and strategic support to the Office of the Mayor, Speaker's Office and the Chief Whip.
- ▶ The coordination of Youth, Elderly, Children, Disabled and Gender activities and programmes
- ▶ The coordination of Public Participation and Intergovernmental Relations activities and programmes
- ▶ Provide strategic direction to the development and review of credible Integrated Development Plans

The Department achieved an overall score of **2.26 (75%)** for the financial year. It is to be noted however that the Department was only established at mid-year. Some of the key achievements were as follows;

- ▶ All (100%) of the internal audit queries related to the Department were resolved.
- ▶ As planned, four external newsletters were published.
- ▶ A total of four disability awareness, four youth and four gender campaigns were held, meeting the annual target.

⁴ Sector Education and Training Authority

- ▶ All (100%) of the Council and Management Committee resolutions related to the Department were implemented within the required timeframes.
- ▶ The training needs analysis for the Department was submitted by the end of February as required.

Challenges were faced in that only 90% of the audit queries received from the Auditor General related to the Department were resolved and only 80% of the presidential hotline queries were addressed within one month.

In terms of general project implementation a total of 22 of the 47 projects were completed and a further six (6) were nearly complete. Some challenges were faced in relation to Supply Chain Management with the non-appointment and the late appointment of service providers. The restructuring on the Project Management Unit also impacted. However funds have been secured for the next financial year to implement a number of the incomplete projects.

MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

The powers and functions that are performed by local authorities in South Africa are defined primarily in section 156 and 229 of the constitution (Act 108 of 1996). Section 156 states that the Municipality has executive authority in respect of, and has the right to administer the following areas: Lephalale Local Municipality reviewed its organizational structure in the year 2010 to respond closely to its mandate, as well as how the municipality has organized its resources and competencies, for the purpose of delivering on core responsibilities. The powers and functions are as follows;

Function	Authority	Capacity	Personnel	Department	Budget	Comments
Air pollution	No	Limited	0	Social services	No	District function.
Building regulation	Yes	Yes	5	Development Planning	Yes	Municipality has capacity and budget, function performed by building control & LED
Bulk supply of Electricity	Yes	Yes	39	Infrastructure services	Yes	Municipality provides electricity in urban area and eastern part of Lephalale town
Fire fighting	No	No	11	Social services	Yes	District function performed by the municipality as agent of WDM.
Local tourism & LED	Yes	Yes	1	Development planning	Yes	Perform function in collaboration with local tourism association
Municipal planning	Yes	Yes	3	Development planning	Yes	With spatial development and land use and building control
Municipal health services	No	No	N/A	Department of health & social development	N/A	District function.

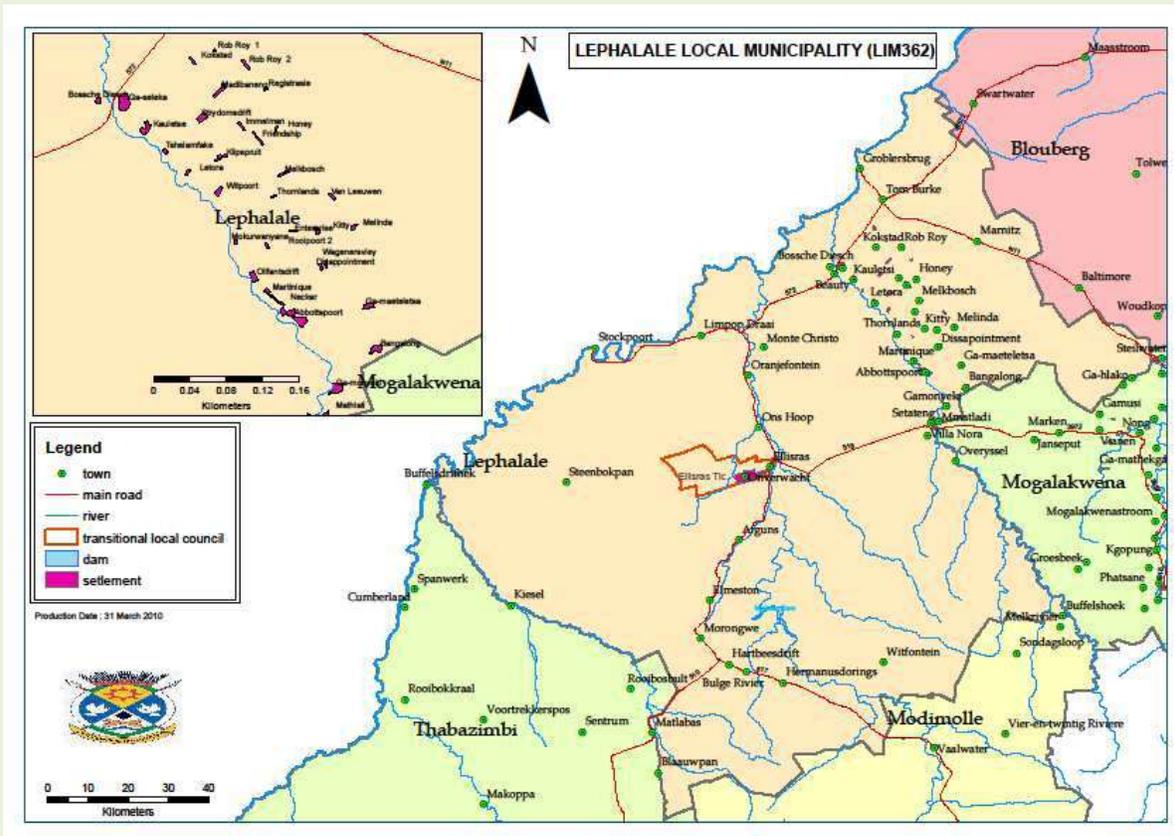
Function	Authority	Capacity	Personnel	Department	Budget	Comments
Municipal public transport	Yes	Limited	1	Social services	No	Municipality is currently responsible for coordination of transport related activities.
Municipal roads and storm water	Yes	Yes	42	Infrastructure services	Yes	Municipality only responsible for access roads and still waiting for road classification
Trading regulation	Yes	No	No	Function not performed	No	No service level agreement (not clear who is responsible to perform function)
Bulk supply of water	Yes	Yes	44	Infrastructure services	Yes	Municipality only provides water for residential areas and small, medium business
Sanitation	Yes	Yes	36	Infrastructure services	Yes	Function performed through infrastructure services
Billboards & the display	Yes	Yes	11	Development planning	Yes	No service level agreement in place
Cemetery, funeral parlors & crematoria	Yes	Yes	9	Social services	Yes	Rendered through social services in urban areas and Steenbok pan
Street cleansing	Yes	Yes	18	Social services	Yes	Rendered through social services
Control of public nuisance	Yes	Yes	11	Social services	Yes	Function performed in collaboration with SAPS
Control of undertakings that sell liquor to the public	Yes	No	N/A	Liquor board (social services)	No	Social service has authority but no budget and service level agreement. SAPS are currently responsible for law enforcement.
Licensing & undertakings to sell food to the public	Yes	No	N/A	WDM function	No	No service level agreement and district not performing the function
Municipal parks & recreation	Yes	Yes	40	Social services	Yes	Function performed through social services
Noise pollution	Yes	No	0	Social services	No	No service level agreement in place
Refuse removal, refuse dump & solid waste disposal	Yes	Yes	35	Social service	Yes	Service available in urban areas only. In rural areas only cleaning campaigns embarked upon on interval.
Street trading	Yes	Yes	11	Social services	Yes	No service level agreement in place, Development planning should also play a role
Traffic and parking	Yes	Yes	11	Social services	Yes	Performed by social services

Function	Authority	Capacity	Personnel	Department	Budget	Comments
Occupational health & safety	Yes	Yes	1	Social services	Yes	Performed by social services

Additional Functions Performed						
Housing	No	Yes	6	Social services& DPLG&H	Yes	Department of local government & housing as per agreement with the municipality
Library, Arts & Culture	No	Yes	13	Social services& DSAC	Yes	Department of sport, arts & culture with the municipality as per agreement.
Registering Authority	No	Yes	11	Department of Transport & Social service	Yes	Department of Transport with the municipality as per agreement.

The Municipality is located in the north western part of the Waterberg District of Limpopo Province of the Republic of South Africa. It borders with four local municipalities (Blouberg, Modimolle, Mogalakwena and Thabazimbi). Its north-western border is also part of the international border between South Africa and Botswana. The Lephalale municipality is the biggest municipality in the Limpopo province (covering 14 000km²). The town of Lephalale is located a mere 280 km from Tshwane and is a recognized gateway to Botswana and other Southern African Countries. The town Lephalale (Ellisras/Onverwacht/Marapong) is located approximately 40 km from the border of Botswana. It is situated between 23°30' and 24°00' south latitude 27°30' and 28°00' east longitude.

BACKGROUND DATA



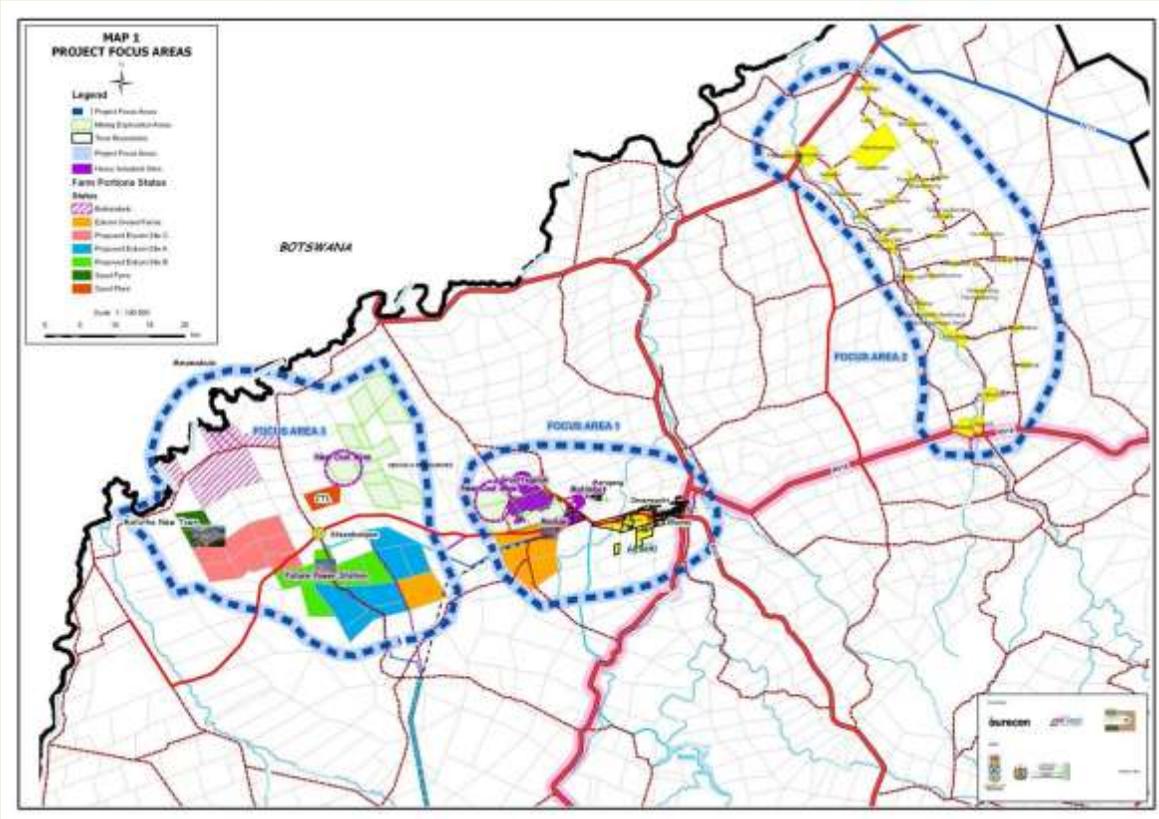
Lephalele Municipal area's contribution of mining to GDP is significant at 59.21%. Electricity contributes 11.33% to the GDP and its contribution to the Waterberg electricity sector is at 69.65%. Other sectors that have a significant contribution to the Waterberg GDP per sector include agriculture, mining, and manufacturing. Agriculture (38.85%) is the sector that employs the largest part of the workforce and is followed by community services (15.71%).

Nestled at the spur of the Waterberg Mountains, Lephalele is a place of peace and breath-taking beauty. As part of the Waterberg biosphere, Lephalele area is richly blessed with pristine natural beauty and an abundance of fauna and flora. Lephalele offers an infinite variety of scenic contrasts and encompass the unique Waterberg wilderness with its extraordinary beauty which boasts superb vistas, mountain gorges, clear streams and rolling hills. Rich in geological sites and rock art is a strong draw-card for the region, suggesting its links to many previous generations.

Hence, the importance of the tourism industry to the economy of the area as it is likely to continue to grow into the future. This is likely to be related to the hunting and ecotourism industries, but could also be linked to any expansion of the industrial operations and the related business tourism. Agriculture, especially red meat is one the potential economic activities which is likely to grow in the municipal area. Lephalele Local municipality has been blessed with natural resources that give it a competitive and comparative advantage in Mining, Energy, Tourism and Agriculture.

Both social infrastructure and economic infrastructure indicators show that much must still be done to improve the quality of life of the people of Lephalale. Communities are still experiencing a considerable level of unemployment, high level of illiteracy rate, HIV/AIDS and related problems.

Growth Points: data by Aurecon Status Quo Report



DEMOGRAPHICS

The population of Lephalale has grown by 3% which is higher than the natural population growth. This may be as a result of the influx of people to the Municipal area due to development currently taking place. Global Insight report depicts the total population of Lephalale as 124 891. The community survey conducted in 2007 projected the population estimate at 80 000. The Department of Water Affairs' population estimate stands at 113 200. The municipality should develop a mechanism that can produce reliable population figures in order to plan for sustainable human settlement and appropriate infrastructure network. The average household size in Lephalale municipality is 4.1 compared to Limpopo Province average of 4.3. The Municipality is using the population estimates provided by Global Insight for planning purposes.

The rural settlements are relatively small with an average household of 800 per village. The only clear deviation from this pattern is in the urban core where the settlements are large and clustered. There are no areas outside the urban core that distinguishes itself as candidates for focusing investment and to develop sustainable urban nodes.

Socio Economic Profile

ANNUAL HOUSEHOLD INCOME		
Income categories	Households	Percentage
No income	4305	15,5%
R 1- R 4 800	5.646	20,3%
R 4 801- R 9 600	6.937	25%
R 9 601- R 19 200	4.000	14.4%
R 19 201- R 38 400	2.368	8.5%
R 38 401- R 76 800	1.942	7%
R 76 801- R 153 600	1.601	5.7%
R 153 601- R 307 200	633	2.2%
R 307 201- R 614 400	148	0.5%
R 614 401- R 1 228 800	58	0.2%
R 1 228 801- R 2 457 600	53	0.18%
R 2 457 601 & more	38	0.1%
Total	27756	100%

Source: Global Insight, Aurecon and Municipality

Approximately 64% of the total households earn less than the minimum level of income, which is less than R800 a month.

More than 77% earn less than R1 600 per month. The low-income levels are a clear indication of the number of households in the municipal area, which struggle to make ends meet. The majority of the households in the low income levels are located in the rural areas. There is a definite increase in households in urban areas with low levels of income. It has a direct bearing to the level of services, which can be afforded by people in both urban and rural areas.

Table. 2

Review of Neighborhoods within Lephalale Municipality		
Settlement Type	Households	Population
Towns/townships and Big Villages		
Lephalale/Onverwacht and Marapong	9150	29000
Thabo Mbeki	1300	4300
Seleka		13200
Shongoane		15200
Townships		
Onverwacht		14000
Marapong		14430
Thabo Mbeki, CBD and 1 Village	1300	4300
Sub-Total		32730
Rural settlements		
31 rural villages	18107	33600
Seleka 3 villages		13200
Shongoane 3 villages		15200
Sub-Total		62000
Informal settlements		
farms	600	12996
Steenbok pan informal settlement		1000
informal settlement	1492	2000
Total	28557 excluding the informal settlements	110 726

The Municipality consists of 4 proclaimed townships and 38 villages and a number of service points and farm areas. All the townships are located around Lephalale town with the exception of Thabo-Mbeki which is about 85km away in the north eastern site in the location of the rural villages. The rural villages cover a range of about 600 km² scattered, settlements in a leaner pattern along the D3110 road. The three population growth points are located in Setateng, Seleka and Thabo-Mbeki area.

The presence of huge coal reserves in Lephalale is the main reason for the expected development and upswing in the economy and the resultant growth in population.

Natural Resources	
Major Natural Resource	Relevance to Community
Coal and other Minerals	Mining and Energy production
Agricultural Arable land and the Bush veld	Commercial Farming and tourism
Rivers	Mining and irrigation schemes
Waterberg Valleys	Tourism

Lephalale Municipality is currently an economical growth point in whole country because of the high density of coal deposit and other minerals. The construction of coal fired power stations and the possibility of a petro-Chemical plant being built here changes the demographics overnight. There is a high influx of people from other parts of the country set great business opportunities because the consumer market is increased. The challenge is the growth in size of the municipality and the population seeking basic services. The mushrooming of informal settlements by those looking for greener pastures is one of the challenges.

The main mineral resource is coal and there is a possibility of creation of new mining opportunities. Sekoko Coal has done prospecting and feasibility studies for coal mining. This could bring new opportunities for the local community and new service delivery challenges for the municipality.

Methane gas has been explored in the Deelkraal farms and if abundant could bring job opportunities for local people.

Game farming and Agriculture are contradicting parameters where we see active crop farming declining and tourism and game farming inclining. Municipality established a tourism office in town and it is assisting with day to day mending of the office.

1.2. SERVICE DELIVERY OVERVIEW

A full range of services are provided by the municipality through the various Departments. Indicators for service delivery in terms of departmental business plans were developed and captured in the SDBIP for 2011/2012.

Lephalale Municipality as a Water Service Authority has a duty to all customers and potential customers within its area of jurisdiction to progressively ensure efficient, affordable, economic and sustainable access to water in terms of section 11 [Water Services Act of 1997]. The Municipality has

a duty to provide water to a population estimated at 110 726 living within urban, peri-urban and rural areas of jurisdiction.

All the water for the urban area of the Lephalale municipality originates from Mokolo Dam. Grootegeluk Coal Mine originally built the main supply lines, pump station, balancing dam and water purification works in the urban area. The supply, as well as maintenance of the dam (as agent of DWA) is still done by Grootegeluk coal mine. In the case of Marapong township, which is situated near the mine/power station, purified water to the Municipality is supplied by Matimba Power Station. Even though the municipality has benefited to date from the investments made by Exxaro and Matimba there is a concern that as water service authority, and considering long term development implications, the municipality should have ownership of infrastructure required to provide water and sanitation services to Marapong area.

The Department of Water Affairs (DWA) appointed consultants to investigate alternative solutions for provision of water to the Lephalale node area 1 as a result of the development potential of the municipality. Based on water infrastructure, the current water availability and water use allows only limited spare yield existing for future allocations for the anticipated surge in economic development in the area. DWA commissioned the Mokolo- Crocodile (West) Water Augmentation project (MCWAP) to analyze the options for transferring water from the Crocodile River (West) with the intention to implement the project in two phases; “Augmentation of the supply from Mokolo Dam” and “transfer water from the Crocodile River (West) to the Lephalale area”.

The rural areas all obtain their water from groundwater sources (about 85% from boreholes and 15% from well field type boreholes in the riverbed alluvium). The four water sub schemes serve approximately 38 villages through a network of approximately 138 boreholes, which are all owned and operated by the municipality. The water is pumped to storage reservoirs and then distributed to the consumers. Chlorine dosing tanks were installed in the storage reservoir but the municipality is experiencing difficulty in maintaining the dosing equipment due to budgetary constraints and insufficient resources. The ground water from the boreholes is generally low due to poor yields and unacceptable water quality (class 3 or 4); however this does not necessarily pose a health risk to communities. Water from the well field type boreholes has however higher yields and acceptable quality. The surety of the current water supply from boreholes is not known. It is also not known what the actual volume of water is provided to the community. The municipality has commissioned a study on water volumes provided to rural villages.

Based on a RDP level of service for the existing community, an allocated water use of an average of 9kl/month per household in the rural areas and 36kl/month per household for Thabo-Mbeki & Thabo-Mbeki Ext 1 is proposed, the total theoretical current water demand calculated for the development focus area 2 amounts to 5,992kl/d and 1,692kl/d for Thabo-Mbeki and Thabo-Mbeki Ext 1, all inclusive of a water loss of 15%. A detailed study is required to determine if the current supply from boreholes and wells are sufficient to meet this demand. According to data on the sizes of the reservoirs collected in the municipality water asset register, the existing reservoirs have a capacity of

8,317kl/d but it is not clear whether the groundwater sources meets demand. The available groundwater yield and quality and storage capacity needs to be investigated as it is unsure if this resource can be expanded and to what degree.

According to the water service development plan “starter requirements” approximately 22.6% of the rural population has access to water that have to be carried/carted 0-200m, while 20.5% of the population has access to water that is 200-500m away from the point of use. This implies that 35.6% of the rural population does not have water that falls within RDP standard of maximum cartage distance of 200m from point of use (i.e. resident/house).

In Lephalale, one-third of households do not have access to water in the dwelling or yard, but have to make use of community stand pipes. In Marapong this figure is somewhat lower (20% of households make use of community stand pipes) more than half of the households have access to water inside their dwelling. In ward 3 and town Lephalale, approximately 75% of households have access to water inside their dwelling, while 20% have a tap in the yard. The remainder makes use of community stand pipes.

In relation to sanitation, the land on which Lephalale town is situated is relatively flat. Sewers are installed on slopes exceeding the slope of the natural ground level and over relatively short distances become so deep that it must be pumped. Presently there are 38 pump stations in Onverwacht and Ellisras. All land around the developed areas is privately owned. The township layouts will be prepared by or on behalf of the land owners and the design of sewerage infrastructure will be carried out by their consultants. The requirements with regard to the placement and sizing of pump stations will be the product of the planning and design work undertaken by these developers. For these reasons it is believed that each developer should be responsible for the installation of any sewage pump station(s) and pump line(s) that he may require. Where feasible, when developments take place at the same time in the same area, these developers should be encouraged, if practical to construct infrastructure that they share. Sewage discharged from Onverwacht/Ellisras area is treated at the Paarl sewage treatment works. The treatment works has been expanded to treat 7.25ML sewage per day and presently has spare capacity of 3ML.

Sewage from Marapong is discharged to an oxidation pond system with a reported capacity of 300kl/day. Theoretically the volume of sewage discharged to this treatment works exceeds its capacity and immediate upgrading of this treatment works is also required. A capacity of 4.5ML will be required by 2026. An oxidation pond will no longer suffice. Resgen and its BEE partners, through its operating company Ledjadja coal (PTY) LTD which is currently developing Boikarabelo mine about 60km west of Lephalale town has offered the Municipality a phase-in expansion of the oxidation pond to a 16ML/d waste water treatment plant for Marapong area on a 30 year; built, maintain and transfer contract. An agreement has been reached and a consulting engineering firm was appointed to do a feasibility study.

Sanitation in the rural areas consists of informal pit latrine structures or Ventilated Improved Pit Latrine. It is estimated that 6.1% of the households have no sanitation service. There is no

waterborne sanitation in the rural area. The sanitation level of service varies from no service to basic level of service. Approximately 15381 households will require an improved sanitation system. The sanitation in Thabo-Mbeki and Thabo-Mbeki Ext 1 is mostly septic tanks with French drains. The Central Business District has access to full waterborne sanitation systems that drain into oxidation ponds which have currently reached maximum capacity.

More than 50% of households in the municipality are without hygienic toilets. Sanitation backlog is estimated at 14 250 units mostly in the farms and rural village.

Lephalale Municipality is an electricity provider and has an electrical reticulation network supplying electricity to Onverwacht and the eastern region of Lephalale. The Lephalale electricity network is supplied from Eskom at 11kV via the Lephalale Main Substation next to the Onverwacht area. The Eskom supply is generated at Matimba Power Station and fed via the Matimba Substation at 132kV. The Matimba Substation feeds the Eskom Waterberg Substation (Lephalale) where it is stepped down from 132kV to 33kV. Waterberg Substation has two 132kV/33kV transformers. From Waterberg Substation the power is fed via two Wolf conductor lines (approximately 8km each) to the main substation, at Lephalale. The substation has both an Eskom section with three 33kV/11kV 10MVA transformers and a municipal distribution substation from where the primary feeders are fed into the Lephalale network. We are still waiting for allocation of extra 5MVA to make a firm 35MVA.

Due to the current maximum demand and load growth in the town and surrounding areas, the distribution network will have to be upgraded to allow for expansion. The current load growth based on applications for new connections will be approximately 10MVA per year over the next five years for the existing and planned reticulated area. The load growth from 2008 to date is about 200%.

For the area surrounding Lephalale town for which Eskom holds the supply license the load growth could be as high as 5 MVA per year for the next few years. In line with the expected load growth different scenarios will be proposed to upgrade the network. The rural villages, farm areas and Marapong are Eskom distribution area. The Villa Nora and Tom burke substations will require an additional 20MVA capacity for the next few years.

Only 484 new households were supplied with electricity in the villages. This was due to ESKOM capacity resulting in the target of 1 705 not being reached.

The municipality has no drop-off, garden sites, transfer station, material recovery facilities and buy-back centers for recycling. The municipality is relying on private companies and community programmes for recovery of the recyclables. The companies such as Nampak, Consol, Mondy, Transpaco, Collect-a-can and Consol have contracted a service provider for the recovery of K4 box, cans, plastic bottles, clear and mixed plastics, white paper and glass bottles. There are also informal recyclers in the landfill, collecting K4 box, plastics, papers and steel. The municipality has a challenge of providing refuse removal service to the rural community. The challenges range from unavailability of land to inadequate funds to provide the service. The municipality has a serious challenge of illegal dumping of garden waste in areas such as Marapong and Onverwacht, in that garden sites are

needed in the mentioned areas. All formalized townships have access to weekly refuse removal services.

1.3. FINANCIAL HEALTH OVERVIEW

The Budget and Treasury Office manages the corporate financial affairs of the Municipality to ensure that the best possible services are rendered with the available funds. The Department provides strategic financial management and financial services to internal clients and is responsible for compiling the annual municipal budget and financial statements and managements reports, to safeguard the assets of the municipality and to ensure that accurate and reliable information is produced.

The main functions of the Budget and Treasury Office are as follows:

- ▶ Revenue Management – billing of municipal services and collection of revenue
- ▶ Budget control and reporting – financial reporting and budget preparations and monitoring
- ▶ Expenditure Management – creditor payments, cash and investment management
- ▶ Supply chain management – procurement of goods and services

The strategic objectives of the Budget and Treasury Office are to:

- ▶ To ensure that sound and proper financial management processes and controls are implemented and maintained in accordance with the MFMA and GRAP, Municipal Property Rates Act and other related regulations in order to safeguard the assets of the municipality, to ensure effective and efficient use of the resources of the municipality and to provide the management and other stakeholders with relevant, accurate and reliable information on a timely basis to enable users to make better decisions.

A number of financial policies which are relevant to the powers and functions of the municipality were developed and implemented. This policies are supply chain management, debt collection (which determines that municipal accounts be paid on the date as indicated on the account and non-payment will result in debt collection) and credit control policy, fixed assets policy (to govern the fixed assets of the Municipality) and banking and investment policy (to ensure that the Municipality's cash resources are managed effectively and efficiently).

Some of the key achievements and challenges were as follows;

- ▶ Service debtors are higher than targeted (40%) although showing an improvement over the 46% in the previous financial year.
- ▶ Collection rates on property rates have increased to 104% from the 91% in the 2011/2012 financial year.
- ▶ Debt over 90 days is high at 60.97%, posing a threat to income. Steps will be taken to fast track collection of debt and to improve credit control.
- ▶ All municipal service accounts were rendered on time.

-
-
- ▶ All cash reconciliations are done on a monthly basis. This was not the case in the previous financial year.
 - ▶ All of the required financial reports were submitted within the required timeframes.
 - ▶ The budget for the 2012/2013 financial year was adopted by Council in May.

1.4. ORGANISATIONAL DEVELOPMENT OVERVIEW

In the light of the actual and potential development challenges the Municipality reviews its organizational structure in order that the structure should reflect how the municipality has organized its resources and competencies for the purpose of delivering on core responsibilities. The political structure consists of council and the executive committee. The administration consists of the office of the Municipal Manager and six departments: Corporate Service, Budget & Treasury, Development Planning, Infrastructure Services, Social Services and Strategic Management.

Current institutional capacity constraints within Lephalale municipality will impede the achievement of development targets for the Limpopo Coal and Petrochemical cluster. The most critical constraints in the context of the cluster are in technical services, both at managerial and operational levels. Specific areas of acute constraints are in water and sanitation.

1.5. AUDITOR GENERAL REPORT

The performance of Municipalities is measured in financial and non-financial terms. The performance of Municipalities to achieve good audit reports is dependent on a number of factors that include internal control systems namely; Budget, IDP, SDBIP, PMS and compliance to GRAP Standards. For the past three years the Auditor General's audit function was mostly focused on financial information with additional focus on non-financial information that also determines the extent that Municipalities are delivering services in an efficient, effective and economic manner. An audit opinion is not yet issued on non-financial information. The Municipality has received a qualified audit report for the last two years.

Past outcomes on the audit reports was thus based on the fair presentation and information disclosed in the Municipality's financial statements and not on performance of the Municipality. For the past two years performance information has been audited, but this did not affect the outcome of the audit report. Although the municipality's audit report from the auditor general has shown stagnation, there are identified areas of improvement that the municipality will implement to improve on the current state of financial management affairs. In improving the financial management status of the municipality a risk assessment is conducted annually from which a risk register is compiled and reviewed on a regular basis.

1.6. STATUTORY ANNUAL REPORT PROCESS

Lephalale complies with the statutory annual report process. The activities and related timeframes are provided below;

No	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise 4 th quarter Report for previous financial year	
4	Submit draft 10/11 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General.	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General assesses draft Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November- March
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	March
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalization for the next financial year. Annual Report and Oversight Reports to be used as input.	January

COMMENT ON THE ANNUAL REPORT PROCESS:

The outcomes approach is designed to ensure that government is focused on achieving the expected real improvements in the lives of all South Africans. The Outcomes approach clarifies what we expect to achieve, how we expect to achieve it and how we will know whether we are achieving it. During Planning we plan backwards based on the outcome approach we used the SMART method to set service delivery targets.

The 5 year long term plan is contained in the IDP (Integrated Development Plan) which is master plan for service delivery in local government sphere, from the IDP we can derived an annual budget implementation plan called the Service Delivery and Budget Implementation Plan (SDBIP) and similarly the Performance Plans for the section 56 manager and all those who are on the Performance Management system will be derived from the SDBIP. All this strategic documents are aligned. The annual report looks back at the SDBIP and IDP for a period of one year and it helps with annual planning and changing of the five year master plan (IDP) if the need arise

CHAPTER 2 GOVERNANCE

INTRODUCTION TO GOVERNANCE

Lephalale Municipality is a category B type of local governance and Council and the executive committee members are elected in accordance with the South African Electoral law. The municipal council is constituted by 24 seats for councilors which are directly elected.

T2.0.1

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Constitution S151 (3) states that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community.

The political head is the Mayor, who has an executive committee system. The municipality has established section 79 and 80 committees' to ensure effective execution of its functions. The municipal council has political clusters with chairpersons. The head of administration is the municipal manager who is the accounting officer.

T2.1.0

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

MFMA S52 (a): The Mayor must provide general political guidance over the fiscal and financial affairs of the Municipality.

The EXCO is established to assist Mayor with his/her functions. Each member of the EXCO is also a chairperson of a cluster committee. The following are the different clusters: Finance and Economic Development, Administration and Governance, Municipal Services and Community Development.

The Oversight committee and the Performance Audit Committee have also been established.

The Municipal Public Accounts Committee (MPAC) has been established and held a meeting.

A development forum (Lephalale Development Forum) has been established for leverage between big business and the municipality.

T2.1.1

POLITICAL STRUCTURE

The municipality is allocated 24 seats. All the 24 Seats are filled and no vacancy exists. The Council comprises of 24 councilors of which 12 are Proportional Representatives indirectly elected and 12 directly elected as ward councilors.

Photos

POLITICAL STRUCTURE



MAYOR
MJ Maeko



SPEAKER
MR Boloka



CHIEF WHIP
KR Molokomme

Executive Committee:

- Clr. MJ Maeko (Mayor).**
- Clr RM Moatshe (Cluster: Municipal Services)**
- Clr DE Erasmus (EXCO Member)**
- Clr. AE Basson (Cluster: Social Services)**

Ward Councillors:

Ward 1 Mr WM MOTLOKWA

Ward 2 Ms GB KOADI

Ward 3 Mr F MAGWAI

Ward 4 Mr S SNYDERS

Ward 5 Ms M.J MOJELA

Ward 6 Mr RK

MOTSHOLAKGETSE

Ward 7 Mr JA MOGOASA

Ward 8 Ms MJ SELOKELA

Ward 9 Mr M J MAJADIBODU

Ward 10 Ms C MATSHABA

Ward 11 Mr NJ MOTEBELE

Ward 12 Ms P MOLEKWA

PR Councillors:

PR1 Mr MJ MAEKO

PR 2Ms MR BOLOKA

PR 3Ms KR MOLOKOMME

PR 4 Ms SHONGWE LM

PR 5Mr DINALE ME

PR 6Ms RM MOATSHE

PR 7Ms ME MAISELA

PR 8Mr DE ERASMUS

PR 9Mr MJ MARAKALALA

PR 10 Ms AE BASSON

PR 11Mr LS MANAMELA

PR 12 Ms SJ PELOTONA

COUNCILLORS

The total number of councilors is 24, half of whom are ward councilors and the others are party proportional representatives. The names and distinctions are mentioned in the above table 2.1.1. The speaker Ms MR BOLOKA is the chairperson of council. Out of the total of 24 councilors 12 are male and 12 female.

T2.1.2

Table 8

POLITICAL DECISION-TAKING

Council is scheduled to meet at least four times per year and it is the highest decision making body in terms of governance in the municipal area. In past financial year 17 council meetings were held and 320 resolutions were taken and all resolutions were implemented. The executive committee meets on monthly basis and it delegated part of its authority to certain committees and head of directorates.

Ordinary EXCO and Dates	Ordinary Council Meeting and Dates	Special EXCO and Date	Special Council and Dates
07 SEP 2011 27 SEP 2011 25 OCT 2011	07 SEP 2011 27 SEP 2011 25 OCT 2011	22 SEP 2011	22 SEP 2011 28 OCT 2011 01 DEC 2011 08 DEC 2011
21 DEC 2011	21 DEC 2011	11 JAN 2012 17 JAN 2012	11 JAN 2012 17 JAN 2012
24 JAN 2012	24 JAN 2012		
28 FEB 2012	28 FEB 2012	13 MARCH 2012	13 MARCH 2012
27 MARCH 2012	27 MARCH 2012		30 APRIL 2012
08 MAY 2012	08 MAY 2012		
29 MAY 2012	29 MAY 2012		
Total 9 meetings	9 meetings	4 meeting	8 meetings

ATTENDANCE OF MEETINGS BY COUNCILLORS

ATTENDANCE REPORT FOR COUNCILLORS JUNE 2011 TILL JUNE 2012			
COUNCILLORS: P=Present Ab= Absent	EXCO 10	COUNCIL 9	SPECIAL 9
Clr M R Boloka [Chairperson]		P=8 Ab=1	P=9 Ab=0
Clr M J Mojela [Mayor – till end April 2012]	P=5 Ab=5	P=5 Ab=3	P=3 Ab=6
Clr A E Basson [Executive Committee]	P=10 Ab=0	P=9 Ab=0	P=8 Ab=1
Clr D E Erasmus [Executive Committee]	P=10 Ab=0	P=9 Ab=0	P=7 Ab=2
Clr M J Maeko [Executive Committee since end of April 2012]	P=10 Ab=0	P=9 Ab=0	P=9 Ab=0

Clr R K Motsholakhetshe [Executive Committee – till end February and 27 March 2012 & 29 May 2012 not Member of Executive Committee].	P=3 Ab=5	P=2 Ab=7	P=1 Ab=8
Clr D E Dinale		P=6 Ab=3	P=2 Ab=7
Clr M L Ditshilwana		P=9 Ab=0	P=9 Ab=0
Clr G B Koadi		P=7 Ab=2	P=7 Ab=2
Clr F Maisela		P=9 Ab=0	P=9 Ab=0
Clr F Magwai		P=8 Ab=1	P=7 Ab=2
Clr T C Majadibodu		P=7 Ab=2	P=8 Ab=1
Clr L S Manamela		P=9 Ab=0	P=8 Ab=1
Clr M J Marakalala		P=9 Ab=0	P=9 Ab=0
Clr M C Matshaba		P=9 Ab=0	P=6 Ab=3
Clr R M Moatshe		P=7 Ab=2	P=9 Ab=0
Clr J A Mogoasa		P=7 Ab=2	P=9 Ab=0
Clr P Molekwa		P=9 Ab=0	P=8 Ab=1
Clr K R Molokomme		P=8 Ab=1	P=6 Ab=3
Clr N J Motebele		P=9 Ab=0	P=9 Ab=0
Clr W M Motlokwa		P=9 Ab=0	P=8 Ab=1
Clr S J Peletona		P=8 Ab=1	P=7 Ab=2
Clr M J Selokela		P=8 Ab=1	P=8 Ab=1
Clr S Snyders		P=6 Ab=3	P=7 Ab=2

Number of Executive Committee meetings	-	9
Number of Council meetings	-	9
Total number of meetings	-	18

A; ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

MFMA 60(b): The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.

TOP ADMINISTRATIVE STRUCTURE

TIER 1	Function
MUNICIPAL MANAGER Mr. AS Naidoo	Strategic Support, Liaise and advise Political Structures, Internal Audit, Manage Administration
TIERS 2 *	
DIRECTOR: STRATEGIC Mr K S MOTEBELE	Overall management of offices for Mayor, Speaker and Chief whip, Responsible for correspondences from these offices. Deals with Public participation and intergovernmental co-operative governance
DIRECTOR: Finance Mr. N C Lekaka	Budget compilation and control, Debtor management (Credit Control, Debt collection), Accounting Services (Cash flow management, Cost, etc.), Treasury management (Loans, Investments), Inventory (Procurement & Provisioning).
DIRECTOR: Social Services Mrs. M Cocquyt	Recreational facilities; Solid Waste Management; Environmental Management; Housing; Library, Arts and Culture; Safety and Security; Fire and Rescue Services; Disaster Management; Traffic Control; Licensing Authority; Safety and Risk Management.
DIRECTOR: Corporate Support Services Mrs. FP Nogilana-RAPHELA	Administrative Support; Legal and Secretariat; Human Resources.

DIRECTOR:
Infrastructure Services
Mr. R NGOBELI (Acting)

Water services; Electrical services; Sanitation services; Public Works; Roads and Storm water; Municipal Workshop; Land-use and Building Control.

DIRECTOR:
Development Planning Services
Mr. L I Sole

Integrated Development Planning; Tourism, Marketing and Municipal In Relations; LED/SMME.

T2.2.2

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Lephalale municipality participates in the following forums for intergovernmental relations, The Premier/ Mayor's forum and the Municipal Manager's forum. The IDP and PMS Units are participating in the Provincial forum and district municipality's forum these forums includes sector departments operating at the grass roots level and at the face of society and communities.

T 2.3.0

2.3 INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURES

Besides Provincial forums attended by both officials and politicians, there are formal intergovernmental structures dealing directly with the national government. Interaction between national government and municipality is done through the Provincial forums. These are: the Provincial IDP forum, Premier's *Lekgotla*, Premier's Monitoring and Evaluation forum and the Monitoring and Evaluation Forum by CoGHSTA Department.

T2.3.1

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The Provincial IDP forum, Premier's Lekgotla, Premier's Monitoring and Evaluation forum and the Monitoring and Evaluation Forum by CoGHSTA Department. These forums assisted the municipality with the implementation of the PMS at municipal level and the establishments of credible IDP and SDBIP.

RELATIONSHIPS WITH MUNICIPAL ENTITIES

Lephalale Municipality shares boundaries with Blouberg Municipality, Mogalakwena municipality, Modimolle municipality and Thabazimbi municipality. Lephalale belongs to same district as last three municipalities and participates at various intergovernmental relations forum. Through the district coordination there is working relationship amongst the municipalities when interlinking roads and railway lines are planned.

T2.3.3

DISTRICT INTERGOVERNMENTAL STRUCTURES

The District co-ordinates service delivery in local municipalities the similar forums attended at provincial level are hosted at district level. Lephalale municipality is benefitting from attending the District Monitoring and Evaluation forum. The Mayor's forum and the Municipal Managers forum are also beneficial in terms of planning and execution of the functions of the municipality.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

SA S15 (b): requires a municipality to establish and organise its administration to facilitate and a culture of accountability amongst its staff. S16 (i): states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. S18 (i) (d): requires a municipality to supply its community with information concerning municipal governance, management and development.

T 2.4.0

2.4 PUBLIC MEETINGS

Table 9

Public Meetings							
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Women's month	August 2011	18 councilors	6	600	Empowerment of women for business	yes	
Traditional Lekgotla	September 2011	6	4	38	Consultation by municipality from communities	yes	
Matric Friday Launch	February 2011	5	5	600			
IDP/PMS/Budget	05 May 2012	14	18	350	Service delivery	yes	
IDP/PMS/BUDGET	21 April 2012	18	16	400	SERVICE DELIVERY	YES	
IDP/PMS/BIDGET	28 April 2012	14	16	220	SERVICES AND LAND	NO	
MAYORAL IMBIZO SEFITLHOGO	18 October 2011	20	16	800	SERVICES FOR INFORMAL SETTLEMENT	YES	07/APRIL 2012
MAYORAL IMBIZO MARAPONG	05 February 2012	19	14	500	SERVICE DELIVERY	YES	
Community consultation meeting (Mokuruanyane)	19 June 2012	10	06	100	SERVICE DELIVERY	YES	
Community consultation meeting (Seleka Com Hall)	20 June 2012	6	9	100	SERVICE DELIVERY	YES	
Community consultation meeting (Marapong)	18 June	8	6	200	SERVICE DELIVERY	YES	

COMMUNICATION, PARTICIPATION AND FORUMS

Lephalale Municipality has a newsletter which is published from the Office of the Communication Officer. In the past financial year the Communication strategy was adopted by council, where the office of the Mayor through the communication officer outlines how communication and dissemination of government information is to be accomplished.

Apart from the formal administrative meetings like the IDP/PMS forums, the Mayor and council engage on community outreach programs like Imbizos and celebrations of significant dates on the calendar year.

The table below shows the list of the participation meeting by community and forums held in the past

financial year.

PUBLIC MEETINGS

Table 10

Public Meetings							
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Programme on outreach & stakeholders awareness campaign	15/06/2011	10	5	350	Improvement of matric result	yes	
Arbor Day	07/09/2011	14	8	500	none		
Provincial heritage Day Celebration	24/09/2011	16	6	400	none		
Public enterprise portfolio committee to Medupi	05/06/2012	20	10	1000	none		

WARD COMMITTEES

Ward committees are community coordinating structures and are assisting the ward councilors in their functions in a ward. Ward committees are the key tool to community participation and representation.

The ward committee is legislatively chaired by the ward councilor; this helps the councilor to established report between the community and him/her.

12 Ward committees were established in the financial year 2010/11 at the beginning of the 5 year political circle of council and for past financial year all the 12 committees were functioning very well. Committees managed to hold a monthly meeting every month however quarterly public meetings were not held.

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

From the entire public participation meeting held the municipality was able to prioritize the needs for the community, established the satisfaction levels and be able to set key performance targets through the IDP/Budget and PMS forums.

T2.4.3.1

2.5 IDP PARTICIPATION AND ALIGNMENT

Table 11

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes, but no impact KPIS
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	
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
* Section 26 Municipal Systems Act 2000	T2.5.1

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

2.6 RISK MANAGEMENT

The Accounting Officer must ensure that the Municipality has and maintains effective, efficient and transparent system of financial, risk management and internal control.

Risk Management is a valuable management tool which increases an institution's prospects of success through minimizing negative outcomes and optimizing opportunities.

Lephalale Municipality Management had a risk identification session whereby all risks affecting the municipality were identified. Below are the top 5 risks of the Municipality

1	Link to objective	Risk category	Risk description	Background to the risk	Impact		Likelihood		Inherent risk	
1	Safeguarding of confidential information	Reputation	Leakage of confidential information	1. Personal interest 2. Political pressure	Critical	5	Common	5	Maximum	25
2	To manage debt effectively and efficiently	Financial	Inability to reduce municipal debts account	1. Poor implementation of credit control and debt collection policy 2. Non cut-off of services to non-payers	Critical	5	Common	5	Maximum	25
3	To obtain clean audit	Financial	Poor financial management and reporting of performance information	1. Lack of skills and capacity 2. None implementation of controls and non-compliance with legislative requirement	Critical	5	Common	5	Maximum	25
4	To ensure that houses are occupied by legitimate beneficiaries	Service delivery	Illegal occupation of low cost houses	Fraud and corruption by officials	Critical	5	Common	5	Maximum	25
5	Effective environmental and solid waste management	Natural environment	Illegal dumping of waste	Vacant land	Critical	5	Common	5	Maximum	25

2.7 ANTI-CORRUPTION AND FRAUD

Note: MFMA S110-119; SCM Regulations 2005; and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.

New Bid Evaluation Committee was appointed and Bid Adjudication Committee was also appointed.

Bid specification committee are appointed on ad hoc basis

90% of the advertised tenders were evaluated, adjudicated and appoints were made for tenders
Quarterly reports for the tenders were sent to the council

T2.8.1

2.9 BY-LAWS

Table 13

By-laws Introduced during 2011/12				
Newly Developed	Date Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	Date of Publication
NONE	NONE	No		
NONE	NONE	No		
NONE	NONE	No		
NONE	NONE	No		
NONE	NONE	No		
NONE	NONE	No		
NONE	NONE	No		

COMMENT ON BY-LAWS:

MSA 2000 S11 (3) (m) provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.

The by-laws for Lephalale Municipality were adopted in the 10/11 financial year , No by-laws were established during the 2011/2012 financial year.

T2.9.1.1

2.10 WEBSITES

Table 14

Municipal Website : Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	<Yes / No>	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	
All current budget-related policies	Yes	07 February 2012
The previous annual report (2010/11)	Yes	15 June 2012
The annual report (2011\12) published/to be published	Yes	February 2013
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2011/12) and resulting scorecards	Yes	15 June 2012
All service delivery agreements (2011/12)		
All long-term borrowing contracts (2011/12)		
All supply chain management contracts above a prescribed value (give value) for 2011/12		
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2011/12		
Contracts agreed in 2011/12 to which subsection (1) of section 33 apply, subject to subsection (3) of that section		
Public-private partnership agreements referred to in section 120 made in 2011/12	No	
All quarterly reports tabled in the council in terms of section 52 (d) during 2011/12	No	

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

The Lephalale Municipality has established a web site. The website is sponsored by a government SETA. Due limited capacity we have not yet placed strategic documents on the website.

A dedicated IT specialist was appointed in 2009 for servicing the website regularly.

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFCATION LEVELS

The public satisfaction survey was conducted for the financial year 11/12, because Lephalale municipality was not selected for the survey by CoGHSTA. For the purpose of this report the result for the survey conducted for financial year 10/11 will kept and it is stated below here.

The levels of satisfaction about municipal service delivery are very low for key deliverables like Road maintenance, sanitation and water supply, where as it average for services like electricity and refuse removal.

For Lephalale Municipality the satisfaction survey for the Financial Year under review was not conducted.

Table 15

Satisfaction Surveys Undertaken during 2009/10 and 2010/11				
Subject matter of survey	Survey method	Survey date	No of people included in survey	Survey results indicating satisfaction or better (%)*
Overall satisfaction with:	questionnaire	Nov 2010	196	
(a) Municipality	questionnaire	Nov 2010	196	29%
(b) Municipal Service Delivery	questionnaire	NOV 2010	196	38%
(c) Mayor	questionnaire	NOV 2010	196	44%
Satisfaction with:	questionnaire	NOV 2010		
(a) Refuse Collection	questionnaire	Nov 2010	196	53%
(b) Road Maintenance	questionnaire	Nov 2010	196	29%
(c) Electricity Supply	questionnaire	Nov 2010	196	61%
(d) Water Supply	questionnaire	Nov 2010	196	33%
(e) Sanitation	questionnaire	Nov 2010	196	28%
(f) Information supplied by municipality to the public	questionnaire	Nov 2010	196	18%
(g) Opportunities for consultation on municipal affairs	questionnaire	Nov 2010	196	18%

CHAPTER 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

INTRODUCTION

Municipal Priorities as Listed in the IDP

PRIORITIES	MUNICIPALITY	PROJECTS IDENTIFIED	BUDGET
1	LEPHALALE	Water and Sanitation	R12 623 732
2	LEPHALALE	Electricity	R1 900 000 LLM R15 371 571 DOE
3	LEPHALALE	Roads and Storm Water	R26 475 557 MIG
4	LEPHALALE	Housing	R170 000 000 CoGHSTA
5	LEPHALALE	Local Economic Development	R1 500 000
6	LEPHALALE	Land Development	N/A
7	LEPHALALE	Environmental Waste Management	R300 000
9	LEPHALALE	Health and Social Development	Sector Dept
10	LEPHALALE	Sports, Arts and Culture	Unfunded Mandate
11	LEPHALALE	Safety and Security	Sector

			Department
12	LEPHALALE	Public Transport	Unfunded Mandate

LOCALISED STRATEGIES FOR PROVISION OF BASIC SERVICES.

WATER AND SANITATION

Water provision strategies and objectives

Objective	Strategy
Render at least sustainable RDP LOS to all household by 2012	<ul style="list-style-type: none"> ❖ Providing the necessary bulk supply and reticulation infrastructure; ❖ Effective management of water supply services (cost recovery, operation and maintenance, incorporation with VWC's and supply water to poor households under (FBW) policy and extend it to farm workers by 2012
Ensure that appropriate water services are rendered to all users economically and effectively.	<ul style="list-style-type: none"> ❖ Operate and maintain the water supply system within appropriate legislation and manage water resources, develop and implement a Demand Management Plan by December 2011.

Sanitation objectives and strategies

Objectives	Strategies
Ensure a sanitation LOS at least at RDP standard for all households	<ul style="list-style-type: none"> ❖ Source funding and implement projects to provide VIP's for all indigents by 2012; and ❖ Supply sanitation services to the poor under free basic sanitation (FBS)
Operate and maintain the sewage networks and purification works at high standard	<ul style="list-style-type: none"> ❖ Provide and maintain appropriate sanitation infrastructure and compliance with health standards and financing sources



ROADS AND STORM WATER

Roads infrastructure provision strategies and objectives.

Objectives	Strategy
To maintain and manage road infrastructure through optimal utilization of resources for efficient customer-orientated service delivery at levels which meet legislative requirements	❖ Construction of roads for all new establishments and maintain and upgrade roads using labor intensive methods where applicable as expanded public works programme.
To provide and maintain local and access roads appropriately	❖ Develop maintenance plan for local and access roads by June 2012 and implement them effectively

Storm water channels provision strategies and objectives

Objectives	Strategies
To provide and maintain storm water systems to protect properties and municipal assets from damage	❖ Water management on roads (storm water drainage)
To manage storm water systems through optimal utilization of resources for efficient, accountable and customer orientated service	❖ Develop maintenance plans for all municipal roads by 2012 and implement them effectively



ELECTRICITY

Electricity provision objectives and strategies

Objectives	Strategy
<p>To provide dependable electricity supply to all municipal customers at competitive rates.</p> <p>To ensure readiness for amalgamation with REDS in 2012</p>	<ul style="list-style-type: none"> ❖ Supply required electricity infrastructure; operate and maintain the electrical supply system and ❖ Participate and influence electricity restructuring process.
<p>To ensure that 90% of all households have access to sustainable energy supply by 2012</p>	<ul style="list-style-type: none"> ❖ Deliver electricity to the poor under the free basic electricity (FBE) policy

HOUSING

Housing strategies and objectives

Objective	Strategy
<p>To develop a sound strategy to ensure that sufficient housing, erven and options are available to prevent illegal settlement on land and/or unacceptable housing conditions;</p> <p>Conduct research, develop and implement practical financing options</p>	<ul style="list-style-type: none"> ❖ To determine the need for housing over and above households earning between R0- and R3500 per month and ❖ Develop a hierarchy of options suitable and affordable to target market that is erven minimum; basic and higher levels of service
<p>Conduct research, develop and implement practical financing options</p>	<ul style="list-style-type: none"> ❖ Develop strategies to enable people to pay for erven and conduct housing consumer education to the community



EDUCATION

Educational services related objectives and strategies

Objective	Strategy
To become more responsive to the skills needs of industry, with the implication that employment linked learning should respond to the strategic needs of enterprises or to appropriate small-scale activities that have the prospect of generating sustainable income.	<ul style="list-style-type: none"> ❖ To promote technical careers, ❖ Additional facilities; ❖ Human resources development; and ❖ Access to information

INSTITUTIONAL AND ORGANIZATIONAL DEVELOPMENT

Institutional organizational development objectives and strategies

Objectives	Strategy
<p>Competency-based recruitment and selection tools for Municipal officials.</p> <p>Creation of good harmonious employment relationship with employee representative organizations.</p> <p>Development of a comprehensive mentorship network strategy and plan for the Municipality</p>	<p>Development competency-based recruitment strategy and plan which identifies the process to be followed to source; identify and appoint best qualified candidates.</p> <p>Establishment of labor forum which meets on a regular basis.</p> <p>Development of training programme focused on in competency-based recruitment and selection tools.</p>



ENVIRONMENTAL MANAGEMENT

Environmental management and solid waste objectives and strategies

Objectives	Strategies
To reduce environmental damage	<ul style="list-style-type: none"> ❖ To compile an environmental management plan as required by the legislation by the end of December 2011 ❖ To complete an analysis of areas which need to be rehabilitated by the end of December 2011; and to reduce invader plants occupation
To establish registered solid waste disposal sites in the rural parts of Lephalale in accordance with environmental conservation act of 1989 by June 2011	<ul style="list-style-type: none"> ❖ To compile a waste management plan to control pollution, environmental damage and the risk of disease by June 2011 as per environmental conservation act of 1989; and 50% reduction of illegal dumping of waste by December 2011; and 60% of illegal reduced by December 2011
To establish formal environmental education/awareness programme	<ul style="list-style-type: none"> ❖ Initiate environmental/eco clubs in all villages and identify potential eco-guides in all wards by the end of December 2011. Initiate cleanest village or ward competition and environmental competitions in schools.
To establish effective and consistent Refuse removal service	<ul style="list-style-type: none"> ❖ Development of refuse removal policy by the end of September 2011. Develop standard operational plan for refuse removal by October 2011. Review all waste collection routes by September 2011. Purchase reliable waste collection trucks and adequate refuse receptacles by January 2012.
Reduce amount of waste disposal by 50%	<ul style="list-style-type: none"> ❖ Establish material recovery facility i.e. Buy-back and Drop-off centres. Initiate recycling clubs in villages and schools within the municipality and link them with recycling companies by December 2012
Ensure environmental justice and compliance	<ul style="list-style-type: none"> ❖ To have approved waste management by-laws by the end of July 2011 and develop implementation plan by September 2011.



GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Governance and public participation objectives and strategy

Objective	Strategy
Provide Democratic and accountable government for local communities.	Develop systems through which ward councilors constantly report back to communities.
Ensure provision of services to communities in a sustainable manner.	Promote social and economic development and a safe and healthy environment.

FINANCIAL VIABILITY

Objectives	Strategies
To ensure revenue enhancement for the municipality.	<ul style="list-style-type: none"> ❖ Develop revenue enhancement strategy by Nov 2011 ❖ Upgrading and integrating of financial management system. ❖ Increase current revenue stream by unlocking bulk infrastructure capacity to operate at maximum level.
To manage debt effectively and efficiently.	<ul style="list-style-type: none"> ❖ Recovering revenue from government owned land, farmers and residents. ❖ Reduce current debt of R45 million by 50% by October 2011.
To obtain clean audit.	<ul style="list-style-type: none"> ❖ Resolve all prior audit queries by May 2011.



LAND DEVELOPMENT

Land development strategy and objectives

Objectives	Strategy
To ensure the availability of land for development purposes throughout the next three years and to guide development in terms of proper town planning principles	<ul style="list-style-type: none">❖ Develop an SDF in accordance of the expected needs❖ Land assessment❖ Future development

PUBLIC TRANSPORT

Provision of Public transport

Objective	Strategy
To ensure that an efficient and effective transport system is operated in the municipality	<ul style="list-style-type: none">❖ Minimize the constrains on mobility of commuters and goods;❖ Ensure that economical offers of choice of mode of transport by commuters are available by 2011

HEALTH AND SOCIAL DEVELOPMENT.

Health and Social development objectives and strategies

Objectives	Strategies
90% of both urban and rural population will have access to health services that include preventative, rehabilitative and curative care	<ul style="list-style-type: none">❖ To decrease turnaround time at clinics by at least 50% by the end of June 2011;❖ To increase the number of people provided with health care by 10% by the end of June 2011;❖ To serve at least 50% of the community at a location that is closer to their



closer to their residence by June 2011 Provide grants to 99.9% of the beneficiaries who qualify for social grants by June 2011	residences than the current by June 2011. ❖ Assist children, newly born babies and their parents with necessary documents for identification to be able to apply for social grants.
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SPORTS, ARTS AND CULTURE

Sports, Arts and Culture objectives and strategies

Objective	Strategy
To provide sport and recreational facilities of 1,2ha for every 1000 residential units that will contribute to the recreation of the local communities, and provide them with opportunities to interact by the end of June 2011	<ul style="list-style-type: none">❖ To complete an analysis and recommendations of specific areas where sport facilities can be economically developed;❖ To continue to upgrade and maintain the existing recreational facilities

LOCALISED STRATEGIES FOR ECONOMIC DEVELOPMENT

Lephalale municipality has the constitutional responsibility to enhance social and economic development. To do that the municipality, inter alia, should create a conducive environment for local business to flourish through making progressive policies and by-laws which are in harmony with the National Economic Policy. To deal with the challenges of the second economy, the municipality must not only develop strategies but also implement them.

The following may be done:

- Formulate policies and by-laws.
- Co-ordinate economic development programmes.
- Provide bulk infrastructure for business.
- Develop incentives for local investment.
- Develop SMME's.
- Develop strong partnerships with local business.
- Maintain focus on rural development.

Local Economic Development

Local economic development strategies and objectives

Strategy	Objectives
To reduce unemployment rate by 5% within the municipality for the next 5 years	<ul style="list-style-type: none"> ❖ Encourage public/private sector investment; ❖ Develop small businesses; ❖ Identify and develop local key economic sectors (e.g. tourism) and encourage investment in labor intensive projects

Progress and achievements against priorities

Infrastructure WATER

- Mokuruanyane RWS; Shongoane WS village water extensions, roughly R 9m spend project almost complete. Project waiting for installation of tanks.
- Witpoort RWS and Ga-Seleka water schemes phase 2; project at final stage. Steel tanks are at installation phase.
- Marapong 8,5ML Reservoir 90 % complete
- 93% compliance to blue drop water quality standard (55% in FY 10/11)

SANITATION

- Conversion of Zongesien WWTW into Activated sludge plant, 90% of the work is done. Still to get mechanical components
- Re –engineering of Sewer network delayed

ELECTRICITY

- 6 High mast light completed at various villages
- A new cherry picker acquired
- 2950 indigents has access to free basic electricity
- 484 new households were electrified.

PUBLIC WORKS

- Marapong EXT 4 street Phase one and two completed,
- Storm water channels Band H phase1 completed
- Thusong Multipurpose center still under construction
- Resealing of roads in Town and Onverwacht is work Completed.

HOUSING

Local Economic Development Achievements

- Job Creation
 - 923 temporary jobs created through LED projects
15 created in FY 11/12
 - 633 permanent jobs created through LED projects
88 created in FY 11/12
- Public/Private Partnership
 - 9 strategic economic partnerships established (Target 6)

COMMUNITY SERVICES

- 10000 citrus trees were planted in Marapong and the Rural Villages
- 12911 urban households had access to weekly refuse removal
- 32 recycling clubs established
- 34 Echo clubs established
- 110 clean up campaigns in villages
- Graves were made available within 48 hrs of request
- 2950 households with access to free basic water

- Refuse Removal and Solid Waste Disposal
- All (100%) urban households have access to weekly refuse removal (12911 households)
- 25 re-cycling clubs established in rural villages and 32 established in rural schools
- Integrated Waste Management Plan approved
- 110 clean up campaigns conducted (12 in FY 10/11)
- 34 Eco clubs established (5 in FY 10/11)

SDBIP REPORT 2011/2012

In the 2011/2012 financial year, overall performance has decreased slightly throughout, ending the financial year achieving 91% of the set targets. This also reflects a slight decrease from the 2010/2011 financial year where 98% of the targets were achieved.

While this report is structured according to the thirteen strategic objectives, the Lephalale Municipality follows a holistic approach to achieving these objectives and the work done by the various departments is therefore highly integrated and guided by a shared and common vision for the Municipality as a whole. This therefore requires extensive collaboration and co-operation between the departments and results in a level of interdependence regarding work done toward achieving these strategic objectives. Some of the key achievements made related the strategic objectives were as follows:

Strategic Objective: *To ensure revenue enhancement for the Municipality. To manage debt effectively and efficiently.*

- ▶ In relation to the Budget and Reporting programme, all of the monthly Finance Management Grant and Municipal Systems Improvement Grant reports were submitted to the relevant treasuries and the Municipal Manager within ten working days of the end of each month. The quarterly MFMA S52 reports and the monthly MFMA S66 reports were all submitted during the course of the year. In addition, the final budget for the 2012/2013 financial year was adopted by Council on the 29th of May 2012.
- ▶ The Expenditure Management programme had success in that the cost coverage stood at 200% at the end of the financial year and all (100%) creditors were paid within 30 days of invoice with the exception of the first quarter where 95% were paid within the stipulated timeframes. This was however still above the targeted 90%.
- ▶ In relation to Revenue Management, a total of 171.06% of debt was collected as a percentage of money owed to the municipality (well above the annual target of 95%) and a total of 104.33% (R28,878,829 / R27,681,130) of the budgeted revenue from property rates was collected, exceeding the annual target of 85%. All of the monthly Municipal service accounts were rendered by the 15th of each month.

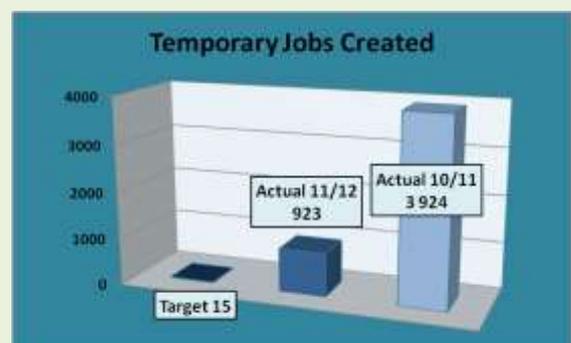
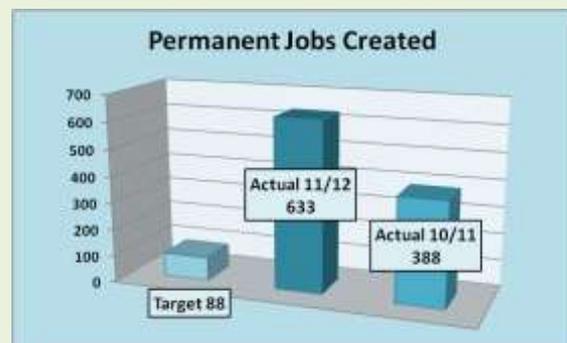
Strategic Objective: *To obtain clean audit.*

- ▶ All (100%) of the audit queries received from the Auditor General were addressed and the audited Annual report and Oversight report were adopted by Council on the 27th of March 2012.
- ▶ The Integrated Development Plan was adopted by Council on the 29th of May 2012 and received a medium rating following assessment.
- ▶ The SDBIP was adopted and signed by the Mayor on the 14th of June 2012.
- ▶ The risk assessment was concluded in March 2012.

- ▶ Out of a total of 32 positions in the three highest levels of management, 29 comply with the requirements of the Employment Equity Plan. This reflects a marked increase from the 18 positions that complied in the 2010/2011 financial year. All of the critical positions were filled and as per the annual target, 33% (2/6) of these have signed performance agreements in place. All (100%) new staff members underwent induction training within one month of being appointed.
- ▶ Two workshops were held in the second half of the financial year to create awareness on labor relations for supervisors exceeding the annual target of only one workshop. There were no disciplinary cases throughout the course of the year and no persons were suspended. In addition, there were no grievances lodged related to the Department.
- ▶ The Skills Development Plan was developed and submitted to SETA⁵ on the 29th of June 2012.
- ▶ As planned, four external newsletters were published. A total of four disability awareness, four youth and four gender campaigns were held during the course of the financial year, meeting the annual target.
- ▶ A total of 70% of the capital budget was actually spent on projects identified for the financial year. This met the targeted expenditure.

Strategic Objective: To reduce unemployment rate by 5% within the municipality for the next 5 years.

- ▶ A total of 633 permanent jobs were created during the course of the financial year, far exceeding the annual target of 88 jobs. A total of 388 permanent positions were created in the 2010/2011 financial year. An additional 923 temporary jobs were created through the Project Management Unit far exceeding the annual target of 15 jobs.
- ▶ The Marketing and Branding programme performed well with a total of ten exhibitions being attended during the year, exceeding the annual target of eight (8). In addition, eight (8) publications were made meeting the annual target.
- ▶ A total of nine strategic economic partnerships were established, exceeding the annual target of six (6).
- ▶ In relation to Tourism Development, a total of forty-one tourism product owners were support through the CTA⁶ during the course of the year equating to 75%. This exceeded the annual target of 60%.



Strategic Objective: To develop a sound strategy to ensure that sufficient housing, erven and options are available to prevent illegal settlements on land and/or unacceptable housing conditions. Conduct research, develop and implement practical financing options.

- ▶ The housing beneficiary list was updated on a monthly basis as targeted as in the previous financial year.

⁵ Sector Education and Training Authority

⁶ Community Tourism Association

Strategic Objective: Render at least sustainable RDP level of service to all households. Ensure that appropriate water services are rendered to all users economically and effectively.

- ▶ The blue drop water quality standard was met with a 93% rating being far in excess of the annual target of a 55% rating and also showing an improvement over the 83% rating achieved in the 2010/2011 financial year.
- ▶ A total of 8.5ML of new water storage capacity was put in place, exceeding the target of 8ML.
- ▶ The replacement of asbestos cement pipes project is complete.



Strategic Objective: To establish effective and consistent refuse removal service. Reduce amount of water disposal by 50%. Ensure environmental justice and compliance. To ensure safe disposal of waste within the municipal area.

- ▶ The Integrated Waste Management Plan was approved by Council and has now been submitted to the MEC⁷ for Environmental Affairs at LEDET⁸ for approval. During the course of the financial year, 25 waste awareness campaigns were held and 110 clean up campaigns adopt a street campaign and municipal clean-up campaigns. In addition, 36 food-for-waste campaigns were included in this number. A total of 25 recycling clubs in rural areas (villages) were established and 32 school recycling clubs were established. A total of 34 Environmental clubs were also established.



Strategic Objective: To ensure that an efficient and effective transport system is operated in the municipality.

- ▶ The Licensing programme was on target with revenue from drivers licenses paid over to Prodiba and DoT⁹ on time. The Municipality has signed a Service Level Agreement outlining the frequency of these transfers. These are done on a daily basis. All (4/4) of the quarterly contract management meetings were held with the DoT.
- ▶ The Road Traffic and Safety programme was on target with a total of four (4) road safety awareness campaigns being held during the course of the financial year, exceeding the annual target of three (3). These were part of joint operations with other law enforcement agencies.

Strategic Objective: To reduce environmental damage. To establish formal environmental education/awareness programmes.

- ▶ A total of 10 000 trees were planted as part of the Limpopo Greening Project which has been co-sponsored by Exxaro and Eskom.

⁷ Member of the Executive Committee

⁸ Limpopo Department of Economic Development, Environment and Tourism

⁹ Department of Transportation

- ▶ The Cemeteries programme performed well with all of the four cemeteries within the proclaimed township (Onverwacht, Marapong, Thabo Mbeki and Steenbokpan) being maintained. Graves were available within 48 hours of request in accordance with the by-laws. The Cemetery Plans for both urban and rural areas were completed.

Strategic Objective: Ensure a sanitation level of service at least at RDP standard for all households. Operate and maintain the sewage networks and purification works at high standard.

- ▶ The design report for the re-engineering of the pump stations has been approved and the project to upgrade the sewer pump station is complete.

Strategic Objective: To maintain and manage road infrastructure through optimal utilization of resources for efficient customer-orientated service delivery at levels which meet legislative requirements. To provide and maintain local and access roads appropriately.

- ▶ A total of 4.4km of gravel roads were updated to tar during the course of the year, exceeding the annual target of 0.4km and 3km of road were resealed as planned.
- ▶ The extension of the civic center project is complete.

Strategic Objective: To provide and maintain storm water systems to protect properties and municipal assets from damage. To manage storm water systems through optimal utilization of resources for efficient, accountable and customer orientated service.

- ▶ During the course of the year, 1.5km of open storm water channels were upgraded.
- ▶ The roads and public works project for Phase 1 of storm water channels is complete. Phase 2 is underway but further funding is required.

Strategic Objective: To provide dependable electricity supply to all municipal customers at competitive rates. To ensure readiness for amalgamation with REDS. To ensure that 90% of all households have access to sustainable energy supply.

- ▶ Two substations were upgraded during the financial year.
- ▶ The project for the fencing of sub-stations and transformers is complete.
- ▶ The electrification of Marapong project is complete.

Strategic Objective: To ensure the availability of land for development purposes throughout the next three years and to guide development in terms of proper town planning principles

- ▶ During the course of the year, a total of ten (10) workshops were conducted related to building control. These were held in house with the building inspectors. Stakeholder based training sessions will be implemented in the next financial year.
- ▶ All (100%) building contraventions were attended to within one month of detection and all (100%) scheduled building inspections were conducted within 24 hours. All (100%) of land use applications related to township establishment were considered by Council within three months of receipt and all land use contraventions were attended to within one month of detection.

COMPONENT A: BASIC SERVICES

The provision of basic services to the community determines a person's quality of life, and has a potential to boost socio-economic development. The supply of free basic services to all households remains a challenge. Backlogs have remained high in the delivery of water, electricity and sanitation

which has been impacted by the current infrastructure as well as the high number of rural communities.

3.1. WATER PROVISION

Water is a scarce resource in Lephalale municipality. Water quality legislation seeks to achieve water quality consistent with protection of aquatic life, wild life and safe conditions for human recreation and consumption. It therefore aims to eliminate discharges of pollutants into navigable waters which include rivers and streams. The water resources are exposed to excessive contamination of rivers/streams. One of the main contributors to water pollution is the discharge of industrial wastes into the rivers and streams and also cholera outbreaks. To curb the challenge business can improve water quality by regulating their non-point source water pollution- a situation where runoff from streets, construction sites, farmlands and animal feedlots which cause significant nutrient and toxic substances that build up in the bodies of water receiving the pollutants, thereby damaging the usability of the resources for plants, animals and humans alike. There is a need for ad-hoc water sampling of water sources. There is a need for the municipality to respond to the aforementioned challenges by doing cost benefit analysis, risk management and strategic environmental management.



The Lephalale Municipality is designated as a Water Service Authority and Water Service Provider. All the water for the urban area of the Lephalale municipality originates from Mokolo Dam. Grootegeluk Coal Mine originally built the main supply lines, pump station, balancing dam and water purification works in the urban area. The supply, as well as maintenance of the dam (as agent of DWA) is still done by Grootegeluk coal mine. In the case of Marapong township, which is situated near the mine/power station, purified water to the municipality is supplied by Matimba Power Station. Even though the municipality has benefited to date from the investments made by Exxaro and Matimba in the past there has been a concern that as a water service authority, and considering long term development implications, the municipality should have ownership of infrastructure required to provide water and sanitation services to the Marapong area. The Municipality has a Water Service Development Plan which was adopted by council in 2009 and is currently under review. The current review draft plan has been populated into a new template and presented to council for adoption in August 2011.

The Department of Water Affairs (DWA) appointed consultants to investigate alternative solutions for provision of water to the Lephalale node area 1 as a result of the development potential of the municipality. Based on water infrastructure, the current water availability and water use allows only limited spare yield existing for future allocations for the anticipated surge in economic development in the area. A project has been commissioned and funds allocated to address the expected water shortages.

The rural areas all obtain their water from groundwater sources (about 85% from boreholes and 15% from well field type boreholes in the riverbed alluvium). The four water sub schemes serve approximately 38 villages through a network of approximately 138 boreholes, which are all owned

and operated by the municipality. The water is pumped to storage reservoirs and then distributed to the consumers.

In Lephalale, one-third of households do not have access to water in the dwelling or yard, but have to make use of community stand pipes. In Marapong this figure is somewhat lower (20% of households make use of community stand pipes) more than half of the households have access to water inside their dwelling. In ward 3 and town Lephalale, approximately 75% of households have access to water inside their dwelling, while 20% have a tap in the yard. The remainder makes use of community stand pipes.

Number of household by level of water.	Piped water inside dwelling.	Piped water inside yard.	Communal piped water; less than 200m from dwelling (@ RDP level)	Communal piped water: more than 200m from dwelling (below RDP level)	No formal piped water.	Total household number.
	8387 (27, 5%)	4270 (14%)	6893 (22,6)	6253 (20, 5%)	4606 (15, %)	30 500
Share of households with piped water at or above RDP level (%).		19550 (64,4%)	N/A	N/A	N/A	N/A
Water backlog: Number of households below RDP level.		10859 (35, 6%)	N/A	N/A	N/A	N/A

Table 1: Number of households by level of access to water

Basic Water and Free Basic Water									
STATS SA Census 2001		MUNICIPAL SOURCE 2008							
Total households	Total indigents households	Total households	Total indigents households	Variance (Census vs. Municipal	Total indigent households served	Total indigent households served as %	Other households served	Total households served	Total households served as %
28,359	14,944	27,950	5,522	9,472	7,898	83,4%	9,872	17,488	97,9%

Table 2: Households with free basic water

Level of service description: Below basic = Natural source, Un-reticulation water point or communal standpipe greater than 200m walking distance.

Basic = Communal standpipe not greater than 200m walking distance. Full service = Yard connection

All households must have at least a basic level of water service by 2014, this include the housing projects. It is important that the water level of service be refined and that accurate figures are obtained in order to manage the eradication of backlog figures. Monitoring of the progress against the actual backlog figures is crucial in order to keep track of what is done and what needs to be done, as well as to monitor the water usage.

The five year targets as set out in the IDP are as follows:

Programme / Focus Area	Performance Indicators	Annual Projected Target 2011-2012	Annual Projected Target 2012-2013	Annual Projected Target 2013-2014	Annual Projected Target 2014-2015	Annual Projected Target 2015-2016
Water services	Percentage of water loss	8.5%	8.5%	8.5%	8.5%	8.5%
Water services	Number of water conservation workshops y.t.d.	5	5	5	5	5
Water services	Meeting blue drop water quality standard	55%	65%	70%	80%	90%
Water services	Number of ML new water storage capacity	8	8	8	8	8

Water services	Nr of households with access to free basic water	15000	15200	15500	15700	16000
Water services	Percentage of registered indigent household with access to free basic water	95%	95%	95%	95%	95%

Some of the key capital projects for the financial year were:

Capital Expenditure 2011/12: Water Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	R 19,375,139				
Ga-Seleka WS & Witpoort RWS (Village Water Extensions)	R 3,375,139	NONE ADJUSTED	R4 949 816	R1 574 677	R 13,875,139
Shongoane WS & Mokuruanyane RWS (Village Water Extensions)	R 13,300,000	NONE ADJUSTED	R14 244 249	R944 249	R 35,800,000
Equipping of Interim Water Supply Boreholes and linkage to existing network in Lephalale Waterkloof farm	R 1,500,000	NONE ADJUSTED	R0	R0	R 5,000,000
Erection of Standby room for urban maintenance team and furniture	R 450,000	NONE ADJUSTED	R0	R0	R 450,000
3 ton truck for water delivery (drought relief)	R 450,000	NONE ADJUSTED	R0	R0	R 450,000

Some of the successes experienced in terms of water services were as follows:

- A 93% blue drop water rating was achieved.
- A total of 8.5 Mega litres of additional water storage capacity was provided.
- The replacement of the asbestos cement pipes project is complete.
- The Ga-Seleka Water Scheme and Witpoort rural Water Scheme (Village water extensions), as well as the Shongoane Water Scheme and Mokuruanyane rural Water Scheme (Village water extensions) projects are both nearing completion. The only outstanding work is for the steel water tanks to be delivered and installed.
- The Marapong reservoir project is effectively complete.

Some of the challenges faced in terms of water services were as follows:

- Water losses stood at 22% for the financial year.
- Only 2 950 households have access to free basic water.
- Only 60% of registered indigent households have access to free basic water.
- No progress was made with the equipping of interim water supply boreholes and linkage to existing network in Lephalale Waterkloof farm project. As a result of delays with supply chain processes, the project was not advertised.

3.2 WASTE WATER (SANITATION) PROVISION

Sanitation in the rural areas consists of informal pit latrine structures or Ventilated Improved Pit Latrine. It is estimated that 6.1% of the households have no sanitation service. There is no waterborne sanitation in the rural area. The sanitation level of service varies from no service to basic level of service. Approximately 15381 households will require an improved sanitation system. The sanitation in Thabo-Mbeki and Thabo-Mbeki Ext 1 is mostly septic tanks with French drains. The Central Business District has access to full waterborne sanitation system that drains into oxidation ponds which have currently reached maximum capacity.

There is a need to redesign the existing sewer networks in Ellisras and Onverwacht to reduce the number of the current pump stations. The current total capacity of sanitation infrastructure is 10,73m³/d for the provincial growth point which covers Lephalale town, Onverwacht and Marapong. The theoretical 300kl/d volume of sewerage discharge to the oxidation ponds in Marapong has been exceeded. A capacity of 4.5 ML will be required by 2026. An expansion project is underway to increase capacity of the oxidation pond by 4.7ML/d per year until 2014 to reach a total volume of 16ML/P.

The five year targets as set out in the IDP are as follows:

Programme / Focus Area	Performance Indicators	Annual Projected Target 2011-2012	Annual Projected Target 2012-2013	Annual Projected Target 2013-2014	Annual Projected Target 2014-2015	Annual Projected Target 2015-2016
Sanitation	Number of new VIPs constructed	800	800	800	800	800
Sanitation	Meeting blue drop water quality standard	55%	65%	70%	80%	90%

Some of the key capital projects for the financial year were:

Capital Expenditure 2011/12: Sanitation Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	R 4,800,000				
4 x LDV Toyota bakkies (critical)	R 800,000	None adjusted	R622101.34	R177898.66	R 800,000
Re-engineering of sewer network	R 1,000,000	None adjusted	482,456.14	R517543.86	R 6,000,000
Supply and delivery of combination gulley sucker and jet machine truck	R 3,000,000	None adjusted	R3000000	R0.00	R 3,000,000

Some of the successes in relation to Sanitation Services were as follows:

- The design report for the re-engineering (reduction) of pump stations has been approved.
- The upgrade sewer pump station is complete.

Some of the challenges faced in relation to Sanitation Services were as follows;

- The green drop rating received was only 20%.
- No progress was made with the collection of sewerage (honey sucker) project. Awaiting adjudication of bids.

3.3 ELECTRICITY

Lephalale Municipality is an electricity provider and has an electrical reticulation network supplying electricity to Onverwacht and the eastern region of Lephalale. The Lephalale electricity network is supplied from Eskom at 11kV via the Lephalale Main Substation next to the Onverwacht area. The Eskom supply is generated at Matimba Power Station and fed via the Matimba Substation at 132kV. The Matimba Substation feeds the Eskom Waterberg Substation (Lephalale) where it is stepped down from 132kV to 33kV. Waterberg Substation has two 132kV/33kV transformers. From Waterberg Substation the power is fed via two Wolf conductor lines (approximately 8km each) to the main substation, at Lephalale. The substation has both an Eskom section with three 33kV/11kV 10MVA transformers and a municipal distribution substation from where the primary feeders are fed into the Lephalale network.

Due to the current maximum demand and load growth in the town and surrounding areas, the distribution network will have to be upgraded to allow for expansion.

For the area surrounding Lephalale town for which Eskom holds the supply license the load growth could be as high as 5 MVA per year for the next few years. In line with the expected load growth different scenarios will be proposed to upgrade the network. The rural villages, farm areas and Marapong are Eskom distribution area.

A decrease has been seen in relation to free basic electricity supply to the indigent but is partly as a result of offline vending machines being privately owned and not monitored. Indigents are charged an administration fee by private vendors when they collect free basic electricity tokens. Illegal connections have also resulted in indigents not collecting their free basic electricity tokens.

The five year targets as laid out in the IDP are:

Programme / Focus Area	Performance Indicators	Annual Projected Target 2011-2012	Annual Projected Target 2012-2013	Annual Projected Target 2013-2014	Annual Projected Target 2014-2015	Annual Projected Target 2015-2016
Electricity	Total Number of new households with Electricity in villages	1705	1705	1705	1705	1705
Electricity	Number of substations upgraded y.t.d.	2	2	2	2	2
Electricity	Number of energy conservation workshops held y.t.d.	2	2	2	2	2
Electricity	Nr of households with	15000	15200	15500	15700	16000

Program me / Focus Area	Performance Indicators	Annual Projected Target 2011-2012	Annual Projected Target 2012-2013	Annual Projected Target 2013-2014	Annual Projected Target 2014-2015	Annual Projected Target 2015-2016
	access to free basic electricity					

Some of the key capital projects for the financial year were:

Capital Expenditure 2011/12: Electricity Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	R 5,480,000				
Solar system for un reticulated areas	R 2,000,000	N/A	R 0.00	R2 000000	R 2,200,000
Five meter cherry picker	R 300,000	N/A	R270 000	R 30 000	R 300,000
Electrification of 260 households in Botshabelo, Moong and Kauletsi	R 3,180,000	N/A	R3180000	R0.00	R 3,180,000

Success was also seen in the following in relation to Electricity Services:

- The project for fencing of sub-stations and transformers is complete.
- The projects for the upgrade of the switchgear in substations 2 and 3 are complete.
- The project for the electrification of Marapong is complete.
- The high-mast light project is complete.

Challenges were faced in the following in relation to Electricity Services:

- Only 2 950 households have access to free basic electricity.
- Only 484 new households were provided with electricity during the course of the year against the annual target of 1 705 households.
- Only one of the two energy conservation workshops was held during the year.
- No progress was made with the project to upgrade power lines. This will be re-advertised.

3.4 WASTE MANAGEMENT

The municipality developed a draft waste management plan as required by NEM: Waste act and determined by its powers and function. The municipality is allocated the function of solid waste management. The function involves determination of waste disposal strategy, regulation, establishment, operation and control of waste disposal sites or facilities, refuse removal, waste minimization through recycling, re-use and waste education and awareness. In implementing its function the municipality has a role to ensure that waste management systems are in place and the systems should be in line with the hierarchy of waste management according to the national waste

management strategy. The implementation of the function is dependent of the function that is allocated to the municipality i.e. refuse removal. Currently most of the waste is collected from households followed by commercial industries.

The municipality has no drop-off, garden sites, transfer station, material recovery facilities and buy-back centers for recycling. The municipality is relying on private companies and community programmes for recovery of the recyclables. The companies such as Nampak, Consol, Mondi, Transpaco, Collect-a-can and Consol have contracted a service provider for the recovery of K4 box, cans, plastic bottles, clear and mixed plastics, white paper and glass bottles. There are also informal recyclers in the landfill, collecting K4 box, plastics, papers and steel. The municipality has a challenge of providing refuse removal service to the rural community due to the unavailability of land and inadequate funds to provide the service. A further challenge is the illegal dumping of garden waste in areas such as Marapong and Onverwacht.

The municipality has a formal waste education programme called waste wise education competition and school recycling competition. The municipality initiated environmental clubs in both rural and urban areas that are educating the community about good waste management practices in line with the National Waste Management Strategy, Municipal Waste Management by-law, NEM: Waste Act and other waste legislations. The municipality is also supporting the provincial eco-school and Limpopo schools state of environment report competition.

The municipality has one unlicensed waste disposal facility. The life expectancy of the landfill is 5 years without waste minimization programmes but with such programmes could extend to more than ten years. A service provider has been appointed to conduct the feasibility studies for the development of new landfill site.

Only 29% of the households in Lephalale municipality have access to acceptable refuse removal service level. The municipality is still faced with the challenge of illegal waste dumping in Marapong more especially next to illegal settlement areas and parts of Onverwacht as well. Generally waste collected is domestic or household mostly in urban areas especially Marapong, Onverwacht and Town. The provision of the service in rural areas is limited. Communities depend mainly on backyard dumping sites.

Some of the key capital projects for the financial year were:

Capital Expenditure 2011/12: Waste Management Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	R 5,500,000				
2 x compactor trucks	R 2,000,000	N/A	R1478989,00	R 521 011.	R 14,000,000
1 x skip loader	R 2,500,000	N/A	R000	R2500000	R 7,500,000
50 x 6 cubic meter skip bins	R 700,000	N/A	R 487 955.60	R 212 044.40	R 1,500,000
Hazmat trailer	R 350,000	N/A	R 50844.03	R 299 155. 97	R 350,000

The five year targets as laid out in the IDP are:

Programme / Focus Area	Performance Indicators	Annual Projected Target 2011-2012	Annual Projected Target 2012-2013	Annual Projected Target 2013-2014	Annual Projected Target 2014-2015	Annual Projected Target 2015-2016
Refuse removal and solid waste disposal	Number of recycling clubs in rural areas (villages) established y.t.d.	5	5	5	5	5
Refuse removal and solid waste disposal	Number of recycling clubs in rural areas (schools) established y.t.d.	5	5	5	5	5
Refuse removal and solid waste disposal	Number of waste storage receptacles acquired y.t.d.	40	40	40	40	40
Refuse removal and solid waste disposal	Integrated waste management plan approved (Percentage progress with the process of finalization)	100%	100%	100%	100%	100%
Refuse removal and solid waste disposal	Institutional environmental frameworks developed and approved (Percentage progress with the process of finalization)	100%	100%	100%	100%	100%
Refuse removal and solid waste disposal	Number of clean up campaigns held y.t.d.	12	12	12	12	12
Refuse removal and solid waste disposal	Number of Eco clubs established y.t.d.	5	5	5	5	5
Refuse removal and solid waste disposal	Number of Waste Management Forum meetings held y.t.d.	9	9	9	9	9
Refuse removal and solid waste disposal	Number of waste awareness campaigns held y.t.d.	10	10	10	10	10
Refuse removal and solid waste disposal	Percentage of urban households with access to weekly refuse removal	100%	100%	100%	100%	100%

Some of the successes in relation to Waste Management were as follows:

- 25 waste education and awareness campaigns were conducted.
- 25 recycling clubs were established in villages and 32 in schools in the rural areas.
- All urban households have access to weekly refuse removal.
- The Integrated Waste Management Plan was approved.
- 34 eco-clubs were established.
- The Weighbridge project is effectively complete. Due to security issues, night shift security personnel at the waste disposal site have been approved and the computers are expected to be installed before the end of September.

Some of the challenges faced were:

- Only five Waste Management Forum meetings were held against the annual target of nine.
- The Environmental Impact Assessment and Feasibility study for the development of a new landfill site are behind schedule as the service provider has requested an extension of time to complete the project. The extension has been approved and the project is now expected to be complete by the end of December 2012.

3.5 Housing

The sustainability of settlements is a multi-dimensional process, dealing not only with settlement dimensions, but also with spatial elements, geographical location, environmental conditions, economic viability, institutional ability/capacity and structure and social aspects.

The majority of houses in the municipal area are good quality brick structures. They are uniformly distributed across municipal settlement areas. There is no specific pattern regarding backyard dwelling detectable. These apply to both the urban core and the rural outlying areas. Land tenure and ownership is currently very difficult to assess. In rural areas the land is tribal and household have free ownership. This is as a result of the fact that land ownership in tribal areas is a sensitive issue and very complicated. However a significant number of households in rural areas own the houses they live in. Rented housing occurs only in Onverwacht, Marapong and Lephale town. Hostel type accommodation exists for Exxaro and contractors for Medupi project.

The five year targets as laid out in the IDP are:

Programme / Focus Area	Performance Indicators	Annual Projected Target 2011-2012	Annual Projected Target 2012-2013	Annual Projected Target 2013-2014	Annual Projected Target 2014-2015	Annual Projected Target 2015-2016
Housing	Beneficiary list updated on a monthly basis	100%	100%	100%	100%	100%

Some of the key capital projects for the financial year were:

Capital Expenditure 2011/12: Housing Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	R 296,510,000				
Marapong Ext 3 (CRU) construction of 150 units	R 38,115,000	N/A	R000	R38115000	R 38,115,000
Urban development 1000 units	R 71,500,000	N/A	R000	R71500000	R 71,500,000
Rural development 740 units	R 76,895,000	R40441000	R40441000	R 40 441 000	R 76,895,000
Provision of housing "gap" income	R 110,000,000	N/A	R000	R110 000 000	R 110,000,000

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

The Municipality has an Indigent Policy in place which was adopted in 2001 and is reviewed as necessary. The primary intention of the policy is to ensure that no one is completely denied access to basic services for reasons of inability to pay for such a service. Underlying this policy is the recognition that the supply of 'basic' services assists in alleviating poverty and improves level of the communities within the area. Free basic services will be implemented progressively in accordance with the ability of council to render any of the specific services in various areas within its jurisdiction, in accordance with the levels of services which are appropriate and affordable.

Free Basic Services To Low Income Households										
	Number of households									
	Total	Households earning less than R1,100 per month								
		Total	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
			Access	%	Access	%	Access	%	Access	%
2009/10	26 740	14 496	5 020		5 019				N/A	
2010/11	27 400	14 944	4 600		4600				N/A	
2011/12	27 756	14 944	2 950		2950-		2950		2950	

Financial Performance 2011/12: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2010/11	2011/12			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water		R 150000	N/A	R 0	R 150000
Waste Water (Sanitation)		R 118000	N/A	R 0	R 118000
Electricity		R 473276	N/A	R 649526	R 176250.60
Waste Management (Solid Waste)		R 140000	N/A	R59159.60	R 80840.40
Total	0	0	0	0	

COMPONENT B: ROAD TRANSPORT

3.7 ROADS

The roads in Lephalale are adequately connected to National, Provincial and District roads. The issues being experienced in terms of the roads are two-fold in nature. The first being the primary roads and related issues. These include the poor state of the roads due to limited maintenance which is having a detrimental effect on the distribution of goods, services and people in and through the municipality. Possible causes of this are lack of funds, human resources, equipment and capacity to maintain the existing infrastructure. The second element of this issue is the poor state of the internal circulation routes in the area (especially in the rural area). The causes of the poor state of these roads can be attributed to lack of appropriate road maintenance policies and funds.

The road network is the principal means of travel in Lephalale and the greater Waterberg district municipality. On a district scale, several provincial roads provide inter-provincial and inter-municipal connectivity for the wider district, they also serve as linkage roads that provide local connectivity and form key components of the supply chain of the local economy. Intensive road network and infrastructure planning did not precede nor has it kept pace with the significant industrial and population growth within the municipal area. To date few of the unchecked development effects visible in road transport include increased traffic through Lephalale without extended road infrastructure, significantly high freight truck traffic and high levels of road congestion during peak traffic periods.

The five year targets as laid out in the IDP are:

Programme / Focus Area	Performance Indicators	Annual Projected Target 2011-2012	Annual Projected Target 2012-2013	Annual Projected Target 2013-2014	Annual Projected Target 2014-2015	Annual Projected Target 2015-2016
Roads and Storm Water	Percentage of scholar patrols monitored per month	95%	95%	95%	95%	95%
Roads and Storm Water	Number of km's of gravel roads upgraded to tar	6.290 km	9.000 km	11.71 km	13.42 km	15.13 km
Roads	Number of km of roads resealed	5 786.09 km	4 821.61km	7 714.79 km	8679.14 km	9 643.48km

Gravel Road Infrastructure					Kilometers
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to asphalt	Gravel roads graded /maintained	
2009/10	357 856.0km	2.5 km	0.7 km	395.8 km	
2010/11	358 858.5 km	4.6 km	0 .km	398.8 km	
2011/12	358 863.1 km	8.5km	6.290 km	400.0 km	

Asphalted Road Infrastructure						Kilometers
	Total asphalted roads	New asphalt roads	Existing asphalt roads re-asphalted(resealed)	Existing asphalt roads re-sheeted(fog sprayed)	Asphalt roads maintained	
2009/10	137 260 km	0.7 km	0km	0.7 km	137.96 km	
2010/11	137 960 km	0 km	1.274 km	11.309 km	137.96 km	
2011/12	137 960 km	6 290 km	3 376.09 km	2 410 km	143 550 km	

Capital Expenditure 2011/12: Road Services						R' 000
Capital Projects	2011/12					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All						
POhase 2 storm water channel	R 1,000,000	N/A	R 598 849.64	R401 150.36	R 6,000,000	
Marapong internal roads phase 2	R 14,867,967	N/A	R 14 867967	R000	R 14,867,967	
Multi-purpose traffic center	R 16,000,000	N/A	R000	R16 000000	R 16,000,000	
Abbotspoort clinic staff accommodation	R 4,122,132	N/A	R 4 122 132	R 000	R 4,122,132	

Some of the successes in relation to roads were:

- An average of +- 10 km is bladed on the 40 sites(38 villages including marapong, Mamojela park and Steembokpan) and that is the reason we have 400 km on gravel roads maintained. We estimated roughly around 350 000 km for all the villages but this is a rough figure.

- A total of 6. 290 km were upgraded on the 2011/2012 on the municipality (5.590 km on phase 1 and 2 on Marapong ext 4 and 0.7 km in Mokuruanyane MPCC)
- A total of 9 km is anticipated to be done on the 2012/2013 year which comprise of 2km Gaseleka, 2.5 km Shongoane 2, 3.5 km Maletswai and a kilometre in Marapong (Phulufudi street)
- New gravel roads were developed in new extensions in Maletswai, Steve Biko and Kauletsi.
- Calculations on projected roads for the coming years is done based on the difference between the previous and current approved financial year data, and on reaseling and fog spraying done on a 0.39 % of km done or R250 000.00 increament on the amount allocated.
- This financial year 2012/13 an amount of R500 000.00 has been approved for road widening in some roads in Marapong and that is why projected target for current year is less .

3.8 TRANSPORT

The municipality has a constitutional obligation to ensure that accessible, safe, efficient, adequate and affordable public transport is provided to the community. The geographical location of the villages and work opportunities in Lephalale is one of the determining factors in understanding transport demand problems. There are 38 rural villages in Lephalale, many of them located 40 km or more from the CBD of Lephalale. The CBD and town are located close to the coal mines and power stations, whereas the villages developed historically along Lephalale River. Approximately 65% or more of the Lephalale population live on farms or rural villages.

There are three formal taxi ranks in Lephalale, two informal taxi ranks and one bus rank. Bus shelters provided by the Municipality at some of the villages are only able to accommodate five people. Public Transport facilities are inadequate and in some cases far from the people they are supposed to serve.

The current economic development in Lephalale has most certainly brought about the increase in demand for provision of public transport although it is not clear as to what an extent. Problem faced by the Municipality regarding public transport are multi-faceted. Problems include poor road conditions, lack of infrastructure such as lay-bys, inadequate taxi and bus ranks, taxis and buses that are not user friendly to people with disability, poor customer service, too many pick-up points per route resulting in passengers having to travel for a long time before reaching their destinations, poor conditions of taxis and buses etc. These problems can only be addressed through preparation of a number of Statutory Plans such as Current Public Transport Record (CPTR), Operating Licensing Strategy (OLS), Rationalization Plan (Rat Plan) and Integrated Transport Plan (ITP).

Lephalale's main conduit to the mines and the power station, Nelson Mandela road is currently experiencing high traffic volumes. The problem is further accentuated by the fact that the design specifications were not for a high freight corridor and as such, it is bound to short live its life span. The intensive road network and infrastructure planning did not precede nor has it kept pace with the significant industrial and population growth. To date few of the unchecked development effects visible in road transport include amongst other, increased traffic through Lephalale without extended road infrastructure consisting of high freight traffic and high levels of congestion during peak traffic periods.

Lephalale airfield is an uncertified and unmanned aerodrome posing high risk to passengers and aircraft currently utilizing the aerodrome. The reality is that the situation is paramount to an accident or major disaster waiting to happen if no immediate intervention is found. The airfield is currently processing more than 5 scheduled flights per day and up to 20 movements a day making it busier than Polokwane International Airport on aircraft and helicopter movements. Some of the problems identified include, unmonitored and uncontrolled non-aviation use of the landing strip by the general public and unregulated use of the airport including illegal construction of structures

within the airport precinct. . Subsequently initiation of a detailed thorough long term road transport needs analysis and airport plan will be outlined through the provincial sponsored Integrated Transport Plan and Lephalale Airport feasibility study.

The Municipality has appointed a service provider for compilation of an Integrated Transport Plan for Lephalale.

Public transport services are predominately private owned in Lephalale leading to uncoordinated service within the area. No provincial or municipal scheduled bus service is operating within the municipal area. Job opportunities and areas of residents are dispersed and leads to extensive travel times to and from jobs and businesses due to unscheduled services. Five taxi associations are operating in Lephalale Municipality with a total vehicle fleet of 566 vehicles. Three of these associations provide local service, the rest cross border and long-distance services.

Four Bus operators are operating in Lephalale municipality with a total bus fleet of 155 vehicles. The majority of operators provide local services, with one bus operator providing cross border and long-distance services.

The five year targets as laid out in the IDP are:

Programme / Focus Area	Performance Indicators	Annual Projected Target 2011-2012	Annual Projected Target 2012-2013	Annual Projected Target 2013-2014	Annual Projected Target 2014-2015	Annual Projected Target 2015-2016
Road Traffic and Safety	Number of Road safety awareness campaigns held y.t.d.	3	3	3	3	3
Road Traffic and Safety	Number of Warrant of arrest issued /Number of summons not paid after 14 days of the court date as Percentage	80%	80%	80%	80%	80%
Road Traffic and Safety	Percentage of scholar patrols monitored per month	95%	95%	95%	95%	95%

Some of the key capital projects for the financial year were:

Capital Expenditure 2011/12: Transport Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	R 16,060,000				
Enhancement of eNatis security for registering authority	R 50,000	N/A	R19 354 000	R30 646	R 100,000
Kitchen for registering authority	R 10,000	N/A	R 9975.00	R25	R 10,000
Multipurpose traffic center	R 16,000,000	N/A	R 6 461 000	R 9 538 304.	R 19,142,000

Sucesses related to Transport were:

- Daily transfers of required revenue received from drivers licenses are done to the Department of Transport and Prodiba.
- All of the quarterly contract meetings were held with the Department of Transport.
- A total of four road safety awareness campaigns were conducted during the year. These were joint operations with other law enforcement agencies.
- All scholar patrols were monitored on a daily basis.

3.9 WASTE WATER (STORMWATER DRAINAGE)

Just as the municipal road network is mainly rural in character, so are the related storm water drainage facilities. With the exception of most of the paved residential streets in Onverwacht and Ellisras which have kerbs, side channels, inlets and sub-surface drain pipe or open collector channels network. The majority of municipal roads in and between the rural villages carry storm water drainage at surface level in open lateral channels, in and across the roadways and occasionally in culverts under the road.

The five year targets as laid out in the IDP are:

Programme / Focus Area	Performance Indicators	Annual Projected Target 2011-2012	Annual Projected Target 2012-2013	Annual Projected Target 2013-2014	Annual Projected Target 2014-2015	Annual Projected Target 2015-2016
Roads and Storm Water	Number of km's open storm water channel upgraded y.t.d.	1.5 km	2 km	2.5 km	3km	3.5 km

Storm water Infrastructure				
	Total Storm water measures	New storm water measures	Storm water measures upgraded	Kilometers Storm water measures maintained
2009/10	41.2 km	Re-leveling and lining of	0km	41.2 km
2010/11	41.2 km	Existing open earth	0.12km	41.2 km
2011/12	41.2 Km	Channels and elongating them there-off	1.5 Km	41.2 Km

Storm water comments

Successes related to storm water were:

- A total of 1.5km of storm water (Mopani estate) channel was upgraded as targeted for the year. Phase 1 of the Mopani estate storm water channel project is complete.
- We then have 27.1 km of open earth channels in both town including Onverwacht and Marapong. We also have a lot of natural waterways/ open channels in the villages that we have to maintain from time to time; having to install culverts , put in gabions and Reno mattresses for erosion protection and generally clean, shape and grass line.

Challenges related to storm water were:

- Minimal progress was made with phase 2 of the storm water channels project due to insufficient funding.
- Littering, dumping on storm water channel network causing blockages.
- Limited underground network in Marapong.
- No prior services development (e.g. storm water, sewer etc) for villages and informal settlements resulting in huge challenges to communities especially during rainy seasons.

COMPONENT C: PLANNING AND DEVELOPMENT

3.10 PLANNING

The central question that all urban and regional planners and development managers grapple with is how to ensure the development of sustainable cities, towns, and rural areas in a climate where the immediate needs of poverty and lack of basic needs overshadows the development agenda. The Spatial Development Framework (SDF) for Lephalale Municipality will ensure that the development of sustainable urban and rural environment create an enabling environment for the implementation of the developmental agenda of national government. The National Spatial Perspective states that “the challenges and opportunities posed by and in urban settlements whether they are declining or expanding necessitates a targeted response by government to achieve better urban management”. The purpose of a Spatial Development Framework is to provide general direction to guide integrated development planning and decision making as well as actions over multi-year period, and to create a strategic framework for the formulation of an appropriate land use management system.

The reviewed Spatial Development Framework for Lephalale Municipality was adopted by council in June 2009, and the current review process of the SDF is progressing well since the appointment of a second service provider.

The five year targets as detailed in the IDP are as follows:

Programme / Focus Area	Performance Indicators	Annual Projected Target 2011-2012	Annual Projected Target 2012-2013	Annual Projected Target 2013-2014	Annual Projected Target 2014-2015	Annual Projected Target 2015-2016
Building control	Percentage of building plans (res 1) assessed within 2 weeks of receipt of building plan	90%	90%	90%	90%	90%
Building control	Percentage of building plans (res 2, 3, 4 and commercial) processed within 1 month of receipt of building plan	90%	90%	90%	90%	90%
Building control	Percentage of building plans for minor building construction assessed within 2 weeks from receipt	90%	90%	90%	90%	90%
Building control	Number of workshops conducted regarding building control y.t.d.	2	2	2	2	2
Building control	Percentage of building contraventions attended to within 1 month from detection	90%	90%	90%	90%	90%
Building control	Percentage of scheduled building inspections conducted within 24 hours	90%	90%	90%	90%	90%
GIS	Number of monthly GIS updates conducted	12	12	12	12	12
Integrated Planning	Timeous adoption of IDP (Percentage progress with the process of finalization)	100%	100%	100%	100%	100%
Integrated planning	Reliable and credible IDP rating acquired through MEC assessment	85% (Rated Medium)	130% (Rated High)	130% (Rated High)	130% (Rated High)	130% (Rated High)

Programme / Focus Area	Performance Indicators	Annual Projected Target 2011-2012	Annual Projected Target 2012-2013	Annual Projected Target 2013-2014	Annual Projected Target 2014-2015	Annual Projected Target 2015-2016
Land use	Percentage of land use (rezoning, special consent for other uses) applications considered by EXCO within 2 months of receipt of application	90%	90%	90%	90%	90%
Land use	Percentage of land use (township establishment) applications considered by Council within 3 months of receipt of application	90%	90%	90%	90%	90%
Land use	Percentage of land use (consolidations, special consent for second building unit, building line relaxation) applications considered within 1 month of receipt of application	90%	90%	90%	90%	90%
Land use	Percentage of land use contraventions attended to within 1 month of detection	90%	90%	90%	90%	90%
Land use	Number of workshops conducted regarding land use y.t.d.	2	2	2	2	2

Some of the successes seen in relation to Planning were:

- 10 workshops were conducted for building inspectors. Stakeholder based training will be introduced in the next financial year.
- All scheduled building inspections were conducted within 24 hours.
- All building contraventions were attended to within one month of detection.
- All land use applications for township establishment were considered by Council within three months of receipt.
- All land use contraventions were attended to within one month of detection.
- All land use applications in relation to rezoning as well as special consent for other uses were considered by the Executive Committee within two months of receipt.
- All land use applications in relation to consolidations, special consent for second building unit as well as building line relaxation were considered within one month of receipt.

Some of the challenges faced in relation to Planning were:

- Only 70% of the building plans classified as residential 2, 3, 4 and commercial were processed within one month of receipt. Training needs to be provided to draughtsman and architects in terms of the requirements and standards compliance issues.
- Only 39.4% of building plans classified as residential 1 were assessed within two weeks of receipt.
- Only 64.71% of building plans for minor building construction were assessed within two weeks of receipt.
- Not all of the monthly GIS updates were done (10/12) due to the resignation of the responsible Officer. This will resume following a new appointment to the position.
- None of the planned land use workshops (0/2) were held.

- None (0%) of the non-compliant outdoor advertising boards were removed. A meeting will be convened with RAL to resolve the questions around approvals issued and the areas of Municipal jurisdiction.

3.11 LOCAL ECONOMIC DEVELOPMENT

The success of local economic development is tied to the provision of basic and other types of infrastructure services to the people. The provision of these services has the potential to boost socio-economic development (as per LED). Infrastructure analysis focuses on the status quo regarding water supply, sanitation facilities, energy, housing provision, roads and public transport, waste management and telecommunications – all of which underpin socio-economic development and determine a people’s quality of life.

Lephalale is defined by Limpopo Growth and Development Strategy as a coal mining and petrochemical cluster. The area is currently experiencing growth driven by mining expansion and construction of Medupi power station. The coal to liquid project that is currently being investigated by Sasol could broaden the opportunities for cluster formation. The local economy is dominated by the coal mine and the power station. Three clusters that are most relevant to Lephalale are firstly Coal and Petrochemical, secondly red meat and thirdly Tourism. Lephalale is currently in the second stage of considerable public sector investment, estimated at R140 billion over six years, for the construction of Medupi power station. One of government’s key priorities is to increase economic growth and to promote social inclusion.



Unemployment in Lephalale at 22.9% is below the provincial average, due to all the local developments relating to the new Eskom (Medupi) power station and the expansion of coal production from the mine. The labor force participation rate in Lephalale is above the provincial average, which indicates the high incidence of workers who originates from other places.

Sector	%	R' million
Agriculture, forestry and fishing	5.0	200.0
Mining and Quarrying	30.0	1200.0
Manufacturing	3.0	120.0
Electricity, gas and water	20.0	800.0
Construction	5.0	200.0
Wholesale and retail trade, catering and accommodation	8.0	320.0
Transport, storage and communication	7.0	280.0
Finance, insurance, real estate and business services	10.0	400.0
Community, social and personal services	2.0	80.0
General government	10.0	400.0
Total	100.0	4000.0

Table 3: Estimated sector contributions to GVA in Lephalale at current prices for 2009 (Source: Estimated by Glen Steyn and Associates based on statistics provided by Global Insight and Quantec)

Mining and Quarrying is the largest employer in Lephalale. The trade and accommodation sector is the second biggest employer. It responds to the consumption needs of the local workforce, but also includes game lodges and accommodation for hunters on game farms. Employment in the electricity sector is likely to improve when Medupi power station becomes operational towards the end of 2012.

Number of Economically Active Population, official definition.			
2007	2008	2009	2010
51 880	53 401	51 844	52 165

Economically Active Population as a % of the total population.			
2007	2008	2009	2010
	46.5%	41%	38.3%
Number of People unemployed.			
2007	2008	2009	2010
7 541	7 486	7 449	5 973
Unemployment rate, official definition.			
2007	2008	2009	2010
20.3%	14.0%	14.4%	11.4%
Number of formally employed people.			
2007	2008	2009	2010
30 270	31 712	30 774	29 222

Informal Employment.			
2007	2008	2009	2010
6 388	7 083	6 840	7 891
Total Employment: formal and Informal.			
36 658	38 795	37 614	37 114

Number of people living in poverty.			
2007	2008	2009	2010
74 717	76 820	70 957	78 363
Number of household living with less than 1 \$ per day.			
2 820	2 203	1 316	267
2.3%	1.7%	1.0%	0.20%
Number of people living with less than 2 \$ per day.			
2007	2008	2009	2010
11 897	9 690	8 250	8 372
Percentage of people living with less than 2 \$ per day.			
9.6%	7.6%	6.3%	6.1%

The importance of tourism industry to the economy of the area is likely to continue to grow into the future. This is likely to be related to the hunting and ecotourism industries, but could also be linked to any expansion of the industrial operations and the related business tourism. The existing importance of the business tourism sector, and its strong links to the mine and power station are also viewed as important. The challenge faced by the tourism industry in the area is to increase leisure/ecotourism visitors in the summer seasons. This would rather relate to ecotourism rather than hunting. There is the opportunity to increase tourism in the area through tours to the power station (s) and/or mine.

The location of the Lephalale municipality provides unique opportunities for economic development and tourism in particular. The area is renowned for hunting, wildlife and scenic beauty and nature reserves, sports and adventure. Five routes have been developed in the municipal area and include the following:

- the Mokolo Route
- Marula Route
- Limpopo Route
- Waterberg Route; and
- Heritage Route.



The Waterberg Savannah Biosphere, and the UNESCO declared Biosphere covers a large portion of the Waterberg District Municipality namely, Lephalale, Mogalakwena, Thabazimbi and Modimolle municipalities.

The biggest part of the Waterberg Biosphere is located within the Lephalale municipality and the entire biosphere measures 15 000 square meters. The central vision of the Waterberg Biosphere reserve is to maximize the area's potential for conservation, sustainable development and social upliftment.



Tourism and especially eco-tourism has shown considerable growth in recent years. It is a good example of sustainable use of opportunities and resources, and offers the benefit of a range of employment options for local people. A negative factor in the Lephalale economy is the lack of economic activity in the rural village areas. This is where the majority of the current population lives. The very high rate of unemployment implies that opportunities for the establishment of small industries or businesses which are labor intensive should be pursued in order to make use of the potential workforce.

The five year targets as laid out in the IDP are as follows:

Programme / Focus Area	Performance Indicators	Annual Projected Target 2011-2012	Annual Projected Target 2012-2013	Annual Projected Target 2013-2014	Annual Projected Target 2014-2015	Annual Projected Target 2015-2016
Job creation	Number of permanent jobs created through LED Projects y.t.d.	88	88	88	88	88
Job creation	Number of temporary jobs created through LED Projects y.t.d.	15	15	15	15	15
Marketing and Branding	Percentage of MFMA required information updated on website within 2 weeks of receiving from departments	90%	90%	90%	90%	90%
Marketing and Branding	Number of twinning (international) partnerships facilitated	2	2	2	2	2
Marketing and Branding	Number of exhibitions held y.t.d.	2	2	2	2	2
Marketing and Branding	Number of exhibitions attended y.t.d.	8	8	8	8	8
Marketing and Branding	Number of publications made y.t.d.	8	8	8	8	8
Public/private partnership	Number of strategic economic partnerships established y.t.d.	6	6	6	6	6
SMME's	Total Number of SMMEs support workshops per annum y.t.d.	12	12	12	12	12
Tourism Development	Number of Tourism Owners supported/ number of tourism product (50) as a Percentage	60%	60%	60%	60%	60%

Some of the key capital projects for the financial year were:

Capital Expenditure 2011/12: Local Economic Development Services					
					R' 000
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Tswelopele Dinoko	R 750,000	N/A	R000	R 750 000	R 750,000
Cattle handling facility	R 160,000	N/A	R000	R 160 000	R 160,000
Claremont farm (feedlot)	R 750,000	N/A	R000	R 750 000	R 750,000
Division of grazing land	R 552,000	N/A	R000	R 552 000	R 552,000
Hawkers stalls	R 1,500,000	N/A	R000	R1500000	R 1,500,000

Some of the successes seen in relation to Local Economic Development are:

- Four Youth Awareness campaigns were held.
- 633 permanent jobs were created.
- 923 temporary jobs were created.
- 9 strategic economic partnerships were established.
- 12 monthly SMME support workshops were held.
- 41 (75%) tourism product owners were support through the CTA.

For marketing purposes:

- Two exhibitions were held during the year and a further ten were attended.
- Eight publications were made.

Some of the challenges faced in relation to Local Economic Development were:

- Only one international twinning agreement was facilitated although two were targeted.
- Minimal progress was made with the Hawkerc stalls development project due to Project Management restructuring.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

LIBRARIES, Arts and Culture

Library and Information Sources advocate and support the provision of efficient, user-oriented and excellent library and information services that inspire equal access to information for the whole community.

Sports facilities in schools around town are zoned as “educational” and thus not accessible to the general community. In the rural villages, a number of informal football and netball field have been cleared on school premises and are mostly in poor condition. Local teams play on open spaces which are cleared in various settlements. Sports facilities in both Onverwacht and Marapong are privately owned. The Municipality is paying an annual grant to Mogol club as a contribution towards recreational facilities in the urban area. Mogol sport centre and Marapong stadium are the two facilities which are available to the community in the urban area. There are public parks with children playing equipment in the urban areas. Some of these parks are maintained although the

standard in Marapong is lower as compared to the one in Onverwacht and town. There are no parks in the entire rural villages although the majority of the population resides in those settlements. There are two enclosed sports field at Ga-Monyeki village and Thabo-Mbeki Township which cater for sporting activities for the community in rural areas. These facilities have been erected some years ago but their standard is not satisfactory. The third facility was erected at Ga-Seleka village but has since collapsed before it could even be opened for the public. The enclosed sports field in Thabo-Mbeki has been closed to the community but nevertheless it been utilized without permission.

LEPHALALE LIBRARY ANNUAL REPORT FOR THE YEAR 2011/12

ANNUAL REPORT : 1/7/2011-31/6/2012

FUNCTION : Social Services

SUB FUNCTION : Library Division

Reporting Level	Detail	2010/11	2011/12
Overview:	<p>LIBRARY:-</p> <ul style="list-style-type: none"> • Collection Development • Marketing • Reference Sources • Preservation of Library materials • Supervision and training of staff 		
Description of the Activity:	<p>LENDING SERVICES:-</p> <p>It deals with the library circulation materials borrowed by users.</p> <p>OUTGOING PUBLIC AUTOMATED LIBRARY SYSTEM (PALS) AND INCOMING SITA LIBRARY AND MANAGEMENT SYSTEM (SLIMS):-</p> <p>All the library materials including books are bar-coded, edited and linked to the system. All library materials were converted from PALS to SLIMS</p>	<p>Books: 63 886</p> <p>Periodicals: 1628</p> <p>Information sources converted: Approximately 53 000</p> <p>Bar-coded, linked & edited: 785 including manual catalogued books for Marapong: 2000</p>	<p>64 412</p> <p>2 038</p> <p>New catalogued books: Lephalale: 947 (SLIMS used)</p>

<p>Description of the Activity continues...</p>	<p>PHOTOCOPIES:-</p> <p>Users make use of library materials and their private copies.</p> <p>FAXES:-</p> <p>Users receive and send own documents</p> <p>INTERNET:-</p> <p>Users rely on this service for recent and factual information when there are no recent available sources for research and school projects.</p> <p>MEMBERSHIP:-</p> <p>Library users receive permission to loan available sources by signing to be Library users. There are renewals, withdrawals and new members.</p> <p>COLLECTION DEVELOPMENT</p> <p>Library collection is acquired through purchase and donations</p> <p>LIBRARY CAMPAIGN/PROMOTION:-</p> <p>The staff managed to recruit users, through various Library promotion programmes.</p> <p>FREE DELIVERY SERVICES:-</p> <p>Customers receive free information service such as books, magazines, film video and DVD, musical CD, reference materials, studying and reading as well as general enquiries.</p>	<p>Copies made by customers: 31407</p> <p>Sent: 8565</p> <p>Received: 800</p> <p>Users requested INTERNET: 700</p> <p>New members: 708</p> <p>Renewals: 405</p> <p>Current : 4955</p> <p>Book Purchased: 700</p> <p>Books & periodicals donated: 500</p> <p>1 x READATHON</p> <p>1 x LIBRARY PROMOTION</p> <p>9 X READ FOR FUN</p> <p>Internal use: 100000</p>	<p>Copies: 30 381</p> <p>Sent: 13 806</p> <p>Received: 709</p> <p>1002</p> <p>New members: 702</p> <p>Renewals: 400</p> <p>Current: 5861</p> <p>Book purchased: 750</p> <p>Books donated (from Library users) : 352</p> <p>6 x schools attended</p> <p>5 x schools attended</p> <p>322 x children attended</p>
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	<p>Telephone enquiries are also received</p> <p>Customers are updated for reserved books, renewals and general enquiries</p> <p>LIBRARY VISITS:-</p> <p>Pre-schools, Primary & High schools pay visits at the library on appointment</p> <p>REMINDERS:-</p> <p>Library patrons are reminded about the borrowed books to be returned and also about the payments of lost and late books.</p> <p>The strategic objectives of these functions are to:-</p> <p>LIBRARY DIVISION</p> <ul style="list-style-type: none"> • Develop accessibility and availability of Library and Information materials. • To encourage the whole community to use the Library • To promote and instill culture of reading within our society. Theme: Plan time to read. • To stimulate the community with knowledge and informational needs • To overcome the trends and challenges of information services within our society. 	<p>Phone enquiries: 150 000</p> <p>Books renewed: 280 000</p> <p>Books reserved: 300</p> <p>Schools: 10</p> <p>Sent: 150 000</p> <p>Responded: 750</p>	<p>150 000</p> <p>120 000</p> <p>29 019</p> <p>358</p> <p>20</p> <p>1872</p> <p>1754</p>
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	<ul style="list-style-type: none"> To deliver good Information services to the community at large. To encourage growth of information to our society To serve the community with high-quality services. <p>The key issues for 2011/12 are:-</p> <ul style="list-style-type: none"> To operate the new Library with efficient and sufficient professional customer service and alert Marapong community the purpose of Library Promote Read for fun project to other branch Libraries. 		<p>The key issues achieved for 2011/2012 are:</p> <ul style="list-style-type: none"> Operating new Library with efficient and sufficient professional customer service and to give Marapong community to have access to the Library Promoting “Read for fun” project to other branch Libraries
Analysis of the function	Nature and extent of facilities provided:-	Facilities	Users
	<p>LIBRARY SERVICES:</p> <p>Libraries</p> <p>Community hall</p> <p>Auditorium</p> <p>Number of employees</p> <p>cost to employer of all personnel in the</p>	<p>3</p> <p>1</p> <p>14</p>	<p>Thabo Mbeki, Lephalale and Marapong communities</p> <p>Potential and non-potential users (whole community)</p> <p>1 new personnel: (Cleaner) & 1 new and replaced (Library Helper)</p>

	Library Division		in Marapong Library: Total: 14
	Total operating cost of Social Service function	R4 ,180 014	
Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and plans to improve Performance	Current	Target
<ul style="list-style-type: none"> • Library Marketing • Weeding • Public service • New Library in Marapong • Multi-Purpose centre • Edit & Linking 	<p>Actual Performance achieved:</p> <ul style="list-style-type: none"> • Marketing of the Library through promotional programmes • Weeding-old and damaged Library materials • Commit employees on best customer services • User-reader guidance • Purchased furniture, books & opened officially by the Municipal Mayor • Planning and implementation of the multi-purpose centre in Mokuruanyane • New Library information sources purchased are edited and linked to SLIMS system. On manual catalogue for Marapong and Thabo Mbeki 	<p>We issued brochures to encourage the public to utilize the Library facilities and services</p> <p>325 : Provincial stock weeded</p> <p>Potential and non-potential users (whole community)</p> <p>All community members</p> <p>Library operation commenced on : 01 August 2011</p> <p>The centre is nearing completion</p>	<p>To inspire community members to know the importance and purpose of the Library</p> <p>Reaching all Marapong and community members to use the Library</p> <p>To cover basic needs of community members</p> <p>All books should be catalogued to meet information needs of our</p>

	<p>Plans to improve performance: Direction</p> <ul style="list-style-type: none"> To organize school debates on Library Campaign Week: 2012 about the importance of Libraries. 	<p>Lephalale: 947</p> <p>Marapong :2270</p> <p>Thabo Mbeki:196</p> <p>Schools from Ellisras circuit have been invited to debate in the Library campaign and only 4 responded. The theme was to “Develop @ your Library”</p> <p>SLIMS up and running in Lephalale, except in Marapong and Thabo Mbeki</p>	<p>daily users.</p> <p>To engage Learners to instill the culture of reading and to know the purpose of the Library into their studies.</p> <p>To communicate with the Provincial Department of Sport, Arts and Culture to launch SLIMS at our branch Libraries.</p>
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<ul style="list-style-type: none"> • Objectives 	Improvements planned for next year:2013 <ul style="list-style-type: none"> • Continue to increase Library Membership • To provide services through SLIMS System @ branch Libraries • Catalogue & Classify more Library sources • Continue with “Reading for fun” project to our branch Libraries 	<p>Increased to 6000</p> <p>SLIMS operating only in Lephalale</p> <p>Completed 4500 books</p> <p>“Reading for fun” is launched in Thabo Mbeki and Marapong Libraries and is held on monthly basis</p>	<p>To continue to promote Library activities</p>
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RECOMMENDATIONS:

LIBRARY DIVISION

- Library and Information Service management recognizes the need to manage its sources and consider the usage of information to the community at large.
- Library and Information Sources advocate and support the provision of efficient, user-oriented and excellent Library and Information Services that inspire equal access to information for the whole community.
- Recruits and encourage younger generation to read through our Library programmes such as “Read for Fun” with the aim of deviating them from social and technological networks as to acquire more knowledge and information through reading.

The five year targets as laid out in the IDP are as follows:

Programme / Focus Area	Performance Indicators	Annual Projected Target 2011-2012	Annual Projected Target 2012-2013	Annual Projected Target 2013-2014	Annual Projected Target 2014-2015	Annual Projected Target 2015-2016
Libraries	Number of library programmes implemented y.t.d.	4	4	4	4	4
Libraries	Number of read for fun programmes held	12	12	12	12	12

Some of the successes seen in relation to community facilities were:

- Nine library programmes were implemented during the course of the year.
- The Mokurunyane MPCC project is effectively complete.

Some of the challenges faced in relation to community facilities were:

- Only nine of the monthly read for fun programmes were held.

CEMETERIES, FUNERAL PARLORS AND CREMATORIUMS

There are only five zoned public burial sites in the whole Municipal area. The Municipality is providing services at the urban area, Thabo-Mbeki and Steenbokpan. Burial fees are determined on a sliding scale for Onverwacht/ Rupert Street, Marapong, Steenbokpan and Thabo-Mbeki.

The demarcated burial site in Marapong is nearly reaching its capacity and will probably be full within the next 24 months or so based on the current rate of graves erected. No feasibility has been conducted by the Municipality to identify an alternative burial site. The lack of forward planning has the potential to create challenges for the Municipality looking at the current tariffs and the distance to the nearest burial site which is in Onverwacht, taking into consideration the fact that most families in Marapong are indigent.

The municipality is not providing any burial service in the rural villages and the area is communal land controlled by traditional authorities.

The five year targets as laid out in the IDP are as follows:

Programme / Focus Area	Performance Indicators	Annual Projected Target 2011-2012	Annual Projected Target 2012-2013	Annual Projected Target 2013-2014	Annual Projected Target 2014-2015	Annual Projected Target 2015-2016
Cemeteries	Percentage of graves available in 48 hrs of application	100%	100%	100%	100%	100%
Cemeteries	Number of cemeteries maintained monthly/Number of cemeteries maintained as Percentage of	100%	100%	100%	100%	100%
Cemeteries	Completion of Cemetery Plan (urban) (Percentage progress with the process of finalization)	100%	100%	100%	100%	100%
Cemeteries	Completion of Cemetery Plan (rural) (Percentage progress with the process of finalization)	100%	100%	100%	100%	100%

Some of the successes seen in relation to Cemeteries were:

- All graves were available within 48 hours of application in accordance with the by-laws.
- All of the cemeteries within the proclaimed township were maintained on a monthly basis.
- The Cemetery Plans for both the urban and rural areas were completed.

COMPONENT E: ENVIRONMENTAL PROTECTION

POLLUTION CONTROL

The municipality has sensitive and conservation worthy areas within its jurisdiction, such as the wetlands, river systems, cultural sites, rare and endangered species and part of the Waterberg biosphere. There are also many areas that require remedial attention. i.e. the eradication of alien vegetation, soil erosion control and aspects that require special management, such as pollution control and land use management.

Air quality legislation comprises primary standards which protect human health and secondary standards which protect property, vegetation, climate and aesthetic values. The development of industries that increase air pollution through emission of gases in the atmosphere should be managed. The construction of Medupi power station and the envisaged third power station in the municipal area requires that the industries should comply with air quality standards. The Lephalale municipality has been identified as the air quality hot spot. An air quality plan should be developed in order to manage the situation. The environmental features that are found in the municipal area are affected by natural environmental challenges inter alia, ozone depletion, global warming, solid and hazardous wastes, the endangerment of biological diversity and land degradation. Environmental degradation in the form of soil erosion, overgrazing, deforestation, over exploitation and habitat destruction should be prevented to effect economic development negatively.

Water is a scarce resource in Lephalale municipality. Water quality legislation seeks to achieve water quality consistent with protection of aquatic life, wild life and safe conditions for human recreation and consumption. It therefore aims to eliminate discharges of pollutants into navigable waters which include rivers and streams. The water resources are exposed to excessive contamination of rivers/streams. One of the main contributors to water pollution is the discharge of industrial wastes into the rivers and streams and also cholera outbreaks. To curb the challenge business can improve water quality by regulating their non-point source water pollution- a situation where runoff from streets, construction sites, farmlands and animal feedlots which cause significant nutrient and toxic substances that build up in the bodies water receiving the pollutants thereby damaging the usability of the resources for plants, animals and humans alike. There is a need for ad-hoc water sampling of water sources. The municipality needs to respond to the aforementioned challenges by doing cost benefit analysis, risk management and strategic environmental management.

The five year targets as laid out in the IDP were:

Programme / Focus Area	Performance Indicators	Annual Projected Target 2011-2012	Annual Projected Target 2012-2013	Annual Projected Target 2013-2014	Annual Projected Target 2014-2015	Annual Projected Target 2015-2016
Refuse removal and solid waste disposal	Number of recycling clubs in rural areas (villages) established y.t.d.	5	5	5	5	5
Refuse removal and solid waste disposal	Number of recycling clubs in rural areas (schools) established y.t.d.	5	5	5	5	5
Refuse removal and solid waste disposal	Number of waste storage receptacles acquired y.t.d.	40	40	40	40	40
Refuse removal and solid waste disposal	Integrated waste management plan approved (Percentage progress with the process of finalization)	100%	100%	100%	100%	100%

Programme / Focus Area	Performance Indicators	Annual Projected Target 2011-2012	Annual Projected Target 2012-2013	Annual Projected Target 2013-2014	Annual Projected Target 2014-2015	Annual Projected Target 2015-2016
Refuse removal and solid waste disposal	Institutional environmental frameworks developed and approved (Percentage progress with the process of finalization)	100%	100%	100%	100%	100%
Refuse removal and solid waste disposal	Number of clean up campaigns held y.t.d.	12	12	12	12	12
Refuse removal and solid waste disposal	Number of Eco clubs established y.t.d.	5	5	5	5	5
Refuse removal and solid waste disposal	Number of Waste Management Forum meetings held y.t.d.	9	9	9	9	9
Refuse removal and solid waste disposal	Number of waste awareness campaigns held y.t.d.	10	10	10	10	10
Refuse removal and solid waste disposal	Percentage of urban households with access to weekly refuse removal	100%	100%	100%	100%	100%

COMMENT ON THE PERFORMANCE OF POLLUTION CONTROL OVERALL:

This is function performed by the district municipality.

BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

INTRODUCTION BIO-DIVERSITY AND LANDSCAPE

A big portion of Lephalale municipality forms part of the Waterberg Biosphere which was declared by UNESCO. Mokolo dam and D’Nyala Nature reserve are nature conservation destinations within Lephalale Municipality and Limpopo parks board is the agency at the heart of operation for this bio-diversity entities. There are quite a number of privately owned Game farms and nature conservation reserves like Mmama Tau, Fahad nature reserve, and many more Game farms which provide employment opportunities for the poor from the villages

SERVICE STATISTICS FOR BIO-DIVERSITY AND LANDSCAPE

The directorate social services has a parks division which deals with landscaping, however this is an added function on the normal parks work and a new development in terms of the functions of the division. Statically most the empty land space are privately owned and cannot be dealt with without the concerned of the owner.

COMMENT ON THE PERFORMANCE OF BIO-DIVERSITY; LANDSCAPE AND OTHER OVERALL:

The performance on bio-diversity is faring very well, the availability of jobs created from game farming and the eco- tourism business has a potential to enhance revenue for the municipality.



COMPONENT F: HEALTH

CLINICS

INTRODUCTION TO CLINICS

Clinics in Lephalale offer the Primary health care. There are five main clinics, equipped with mobile unit for the scattered villages and farms. Services rendered by this clinic include distribution of medicine for chronic diseases, pre-natal care for pregnant woman, and testing for chronic diseases.

T3.62.1

Service Data for incise				
Details	2009/10	2010/11		2011/12
	Actual No.	Estimate No.	Actual No.	Estimate No.
1 Average number of Patient visits on an average day				
2 Total Medical Staff available on an average day			4	5
3 Average Patient waiting time	30mins	40mins	30mins	30mins
4 Number of HIV/AIDS tests undertaken in the year				
5 Number of tests in 4 above that proved positive				
6 Number of children that are immunized at less than 1 year of Age				
7 Child immunization s above compared with the child Population under 1 year of age		%	%	%

T3.62.2

AMBULANCE SERVICES

INTRODUCTION TO AMBULANCE SERVICES

The ambulance service within the municipality is rendered by the Provincial Department of Health and Social Development and it is co-coordinated at the District. There are two Ambulance centers in the municipality, located and based at the two hospitals within the municipal boundaries.

COMMENT ON THE PERFORMANCE OF AMBULANCE SERVICES OVERALL:

The reaction times for the Ambulance service is between 30mins to 1hour and all the ambulances are equipped with first aid services. T3.63.7

HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

INTRODUCTION TO HEALTH INSPECTIONS; FOOD AND ABBATOIR LICENSING AND INSPECTIONS, ETC

This is function performed by the District municipality, however the deployed members to municipalities. In Lephalale municipality there four members from the district deployed to service the local municipality with monitoring of water quality, food control, waste management, health surveillance of premises, chemical safety, disposal of the deceased and environmental pollution

T3.64.1

SERVICE STATISTICS FOR HEALTH INSPECTION, e.tc.

COMMENT ON THE PERFORMANCE OF HEALTH INSPECTIONS, Etc OVERALL:

This is function performed at provincial department, and there is no statistics at local level.

COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

INTRODUCTION TO SECURITY & SAFETY

The Safety and security objectives as per the IDP are the following:

- ❖ To prevent and decrease crime in general.
- ❖ To provide a safe and secure environment for the whole community.
- ❖ To utilize available resources optimally.

The Safety and security strategy involves:

- ❖ High police visibility in specific areas.
- ❖ Conducting of road blocks and vehicle search.
- ❖ Conduct schools, business and house visits.
- ❖ Crime prevention campaigns and information operation.

POLICE

INTRODUCTION TO POLICE

There are six police stations around Lephalale Municipality, a mobile station in Marapong and two border policing points at Stockpoort and Groblersbrug. Crime in general is showing trends of increment, this is as a result of more people flocking to Lephalale to look for economic opportunities. In our view this has potential to lead into more serious and or organized crime. The South African Police Service (SAPS), with the input of various stakeholders, are working hard to combat crime in and around to make Lephalale a safe place for the community. Some of the joint efforts relate to the combined operations that the police, private security and traffic departments often conduct in order to combat crime and to maximize the outputs and outcomes of the available scarce resources. Community policing and crime prevention human resource is equivalent to 1:350 per officer, which depicts a well spread ratio across the Municipal area. The sparsely located settlements create a major challenge for resources to be deployed evenly to cover all areas of the municipality during specific times.

COMMENT ON THE PERFORMANCE OF POLICE OVERALL:

Safety and security is provided by SAPS from the Provincial department the performance is fair relative to other municipality, although the crime statistics shows an exponential curve due to influx of people looking for greener pastures.

FIRE

INTRODUCTION TO FIRE SERVICES

The function of fire fighting services is handled at district municipality level. In Lephalale Local Municipality the fire station was opened in 10/11 financial year by Waterberg district municipality.

For urban settlements and air strip at defunct army base the fire fighting service has been in closer vicinity and its service readily available. The rural settlement in Lephalale are situated over 55km from the fire station and it is challenge to afford swift service in this regard.

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

The firefighting service and performance cannot be measured from the local municipality as the administration is at the district municipality.



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

INTRODUCTION TO DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES, ETC

The aim of the **Disaster Management** Plan is to enhance the capacity of Lephalale Municipality to prevent and deal with disasters and to avoid developments that are subject to a high risk of disaster. The local Disaster Management Center has officially been opened recently. The Lephalale Municipality adopted its disaster management plan in 2006, which should be followed during an emergency/disaster in the area. Furthermore, the local authority does not have the capacity to deal with any large-scale disaster within the Municipality. The Social Services Directorate of the Municipality has established various “associations” within the local community to facilitate, that the action groups are informed about their roles and responsibilities in the case of an emergency or a disaster.

With reference to the institutional arrangements, the Social Services Directorate of the Municipality has completed the process of establishing the required links with the District Municipality and other local role-players. It is critically important to involve the local communities who are at risk of disaster. The involvement of communities will ensure that all likely types of disasters are identified and to prepare localized disaster management strategies according to the local circumstances. The disaster management strategies should be developed in such a manner to facilitate and ensure maximum emergency preparedness.

The local authority does not have the resource capacity to act as sole responsible agent for the implementation of the different disaster management strategies and it is therefore crucial that the district and provincial authorities be involved during the planning of the strategies. This will ensure that the role and responsibilities of the different spheres of government and local role-players are adequately delineated and clear. This will ensure a smooth implementation of the disaster management strategy if and when the time requires it.

The objectives for disaster management are:

- ❖ To prevent and deal with disasters and to avoid developments which are subject to a high risk.
- ❖ To facilitate and ensure maximum emergency preparedness.
- ❖ To ensure that the role and responsibility of different spheres of government and local role-players are adequately delineated and clear.

T3.67.1

COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL OF PUBLIC NUISANCES, ETC OVERALL:

Disaster management is a cross-sectorial task which relates to a wide range of sectors and aspects such as avoiding settlements or investment in high risk locations, construction technologies, water management, health services etc. It is therefore not an issue that can be dealt with by a special project, but it requires compliance of any development's measures with basic principles of disaster prevention and mitigation. Rather than taking any possible disaster into consideration, one has to focus on risks which are very likely and which justify the efforts of preparedness. Lephalale Municipality is prone to disasters that emanate from veldt and informal settlements fires, floods, drought epidemics and crime.

The following is regarding as Disaster Management challenges:

- ❖ Potential risk of some households in rural villages which are located in the flood line area.
- ❖ State of readiness by the Municipal disaster Centre in case of any large-scale disaster occurrence.
- ❖ Level of training for the current personnel to deal with disaster occurrence of high magnitude.



COMPONENT H: SPORTS AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

INTRODUCTION TO SPORT AND RECREATION

General planning standards applicable to the provision of recreational facilities and open spaces can be summarized as follow:

- Sports field of 1.2ha be provided for every 1000 residential units;
- Regional sport facilities of 5ha for every 20 000 residential units; and
- Show grounds- 1:20 000 units.

The last two services can be regarded as regional functions, thus the need should be determined within the region not just within the urban area.

Sports facilities in schools around town are zoned as “educational” and thus not accessible to the general community. In the rural villages, a number of informal football and netball field have been cleared on school premises and are mostly in poor condition. Local teams play on open spaces which are cleared in various settlements. Sports facilities in both Onverwacht and Marapong are privately owned. The Municipality is paying an annual grant to Mogol club as a contribution towards recreational facilities in the urban area. Mogol sport centre and Marapong stadium are the two facilities which are available to the community in the urban area. There are public parks with children playing equipment in the urban areas. Some of these parks are maintained although the standard in Marapong is lower as compared to the one in Onverwacht and town. There are no parks in the entire rural villages although the majority of the population resides in those settlements.

There are two enclosed sports field at Ga-Monyeki village and Thabo-Mbeki Township which cater for sporting activities for the community in rural areas. These facilities have been erected some years ago but their standard is not satisfactory. The third facility was erected at Ga-Seleka village but has since collapsed before it could even be opened for the public. The enclosed sports field in Thabo-Mbeki has been closed to the community but nevertheless it been utilized without permission.

All (100%) *Sport Facilities* were maintained on a monthly basis throughout the year with the maintenance schedule being executed 100%. Grass cutting, weed control, fertilization and general cleaning were executed as planned. Salty water at Reuben Mogashoa was a problem.

An alternative water source or desalination needs to be explored. In addition, vandalism at the Reuben Mogashoa stadium remained a concern. Security personnel were deployed to safeguard the property. The annual targets of 90% for both these KPIs were exceeded by the end of the fourth quarter

SERVICE STATISTICS FOR SPORT AND RECREATION

COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

Sport is function performed at provincial level; Municipality is assisting with co-ordination of sporting activities and events like the OR Tambo games. The municipality is providing sporting facilities like the two stadia under the maintenance plan of the municipality. A maintenance fee for sporting facilities in Marapong and Onverwacht is paid annually from municipal funds. This facility in turn gives employment opportunity to communities around and the opportunity for those communities to participate in sports.



COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

The municipality has a corporate support service department which houses the divisions, Legal and Property services, Human resources management and administration. ITC services are located in the Office of the Municipal Manager. The Budget and Treasury department is also available within the municipality and it houses divisions responsible for Budget and Reporting, Revenue Income, Revenue Expenditure, Asset Management as well as procurement. These departments are led by competent managers who are complying with all the legislative requirements of the function of the departments.

EXECUTIVE AND COUNCIL

The five year targets as laid out in the IDP are:

Programme / Focus Area	Performance Indicators	Annual Projected Target 2011-2012	Annual Projected Target 2012-2013	Annual Projected Target 2013-2014	Annual Projected Target 2014-2015	Annual Projected Target 2015-2016
Administration	Percentage of Council Agendas delivered 7 days before Council sitting	90%	90%	90%	90%	90%
Administration	Percentage of Portfolio Agendas delivered 4 days before meetings	90%	90%	90%	90%	90%
Administration	Percentage of Ward Committee Agendas delivered 4 days before sitting	90%	90%	90%	90%	90%
Administration	Percentage of mail received and sent processed daily	100%	100%	100%	100%	100%
Legal services	Number of Buy laws undergone public participation y.t.d.	10	10	10	10	10
Legal services	Percentage of delegations of authority reviewed and approved	100	100	100	100	100
Public Participation	Percentage of Presidential hotline queries addressed within 1 month	90%	90%	90%	90%	90%
Public Participation	Percentage of Premier's hotline queries addressed within 1 month	90%	90%	90%	90%	90%
Auditing	Unqualified audit report	100% (Unqualified Report)				
Auditing	Average Percentage of AG audit queries addressed	100%	100%	100%	100%	100%
Auditing	Audited Annual Report adopted by Council by end March	100%	100%	100%	100%	100%
Governance	Percentage of All Council resolutions implemented within timeframes	90%	90%	90%	90%	90%
Governance	Number of management meetings held	10	10	10	10	10

Success was seen in the following:

- All Council agendas were delivered at least seven days prior to a sitting.
- All Ward Committee agendas were delivered at least four days prior to a sitting.
- The audited Annual Report for the 2010/2011 financial year was adopted by Council before the end of March.
- All of the Council resolutions were implemented within the required timeframes.
- Twelve management meetings were held during the course of the financial year.
- The SDBIP for the 2012/2013 financial year was adopted timeously.
- The Oversight Report was adopted by Council before the end of March.
- A total of 90% of the Premier's Hotline queries were addressed within one month as targeted.
- The Risk Assessment was concluded in March.
- All of the MFMA required information was updated to the website within two weeks of receipt from the Departments.
- A medium rating was received for the Integrated Development Plan.
- The Integrated Development Plan for the 2012/2013 financial year was adopted by Council on the 29th of May.

Challenges were faced in that:

- Only two of the four quarterly performance reports were drafted and submitted to Council, this did however include the mid-year report.
- Only 80% of the Presidential Hotline queries were addressed within one month.
- Only 90% of the risks identified were addressed.

FINANCIAL SERVICES

Financial Services are mandated to handle all functions to ensure the ongoing financial viability within the Municipality. The key objectives are:

- To ensure revenue enhancement for the municipality
- To manage debt effectively and efficiently.
- To obtain a clean audit.

A number of related strategies were put in place to support the achievement of these objectives:

- Develop revenue enhancement strategy by November 2011.
- Upgrading and integrating of financial management system.
- Increase current revenue stream by unlocking bulk infrastructure capacity to operate at maximum level.
- Recovering revenue from government owned land, famers and residents.
- Resolve all prior audit queries by June 2011.

Successes were seen in that:

- All of the monthly (12/12) cash reconciliation reports were submitted timeously.
- All four quarterly Section 52 reports were submitted.
- All monthly (12/12) Section 66 reports were submitted.

- All monthly (12/12) Finance Management Grant reports were submitted by the 10th of each month.
- All monthly (12/12) Municipal Systems Improvement Grant reports were submitted by the 10th of each month.
- The final budget for the 2012/2013 financial year was adopted by Council on the 29th of May.
- Cost coverage stood at 200% at the end of the financial year.
- All creditors were paid within 30 days of invoice.
- The monthly collection rate on billings stood at 104% at the end of the year.
- All municipal service accounts were rendered by the 15th of each month.

Challenges were faced in that:

- The outstanding service debtors to revenue stood at 40% at the end of the financial year.
- An amount of R 1,141,297.27 was written off as bad debt.
- 60.97% of debt has been outstanding for more than 90 days.

HUMAN RESOURCE SERVICES

The objective of this division is to facilitate the implementation of the organizational goals for the Municipality as well as handling the day to day processes and tasks related to the hiring and ongoing support of our employees.

Success was seen in the following:

- The Skills Development Plan was developed and submitted to SETA by the end of June.
- Two workshops were held to create awareness on labor relations for supervisors.
- All new staff members underwent induction training within one month of being appointed.

Challenges were faced in that:

- Only 29 of the 74 budgeted positions were actually filled.
- Only six of the ten Local Labor Forum meetings were actually held although all ten were coordinated.

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Information Communication is very important in the municipality, as almost everyone uses a computer to perform their duties and for communicating with the rest of the world including members of the community. In actuality, information technology is the use of computers and software to manage information. The information technology unit is responsible for storing information, protecting information, processing the information, transmitting the information, and later retrieving information as necessary.

Making sure that all our satellite offices operate as they should when coming to ICT is one of our service delivery priorities and making sure that members of the public has unlimited access to computer and internet facilities in their communities.

Successes were seen in that:

- The ICT Risk criteria were determined and the log register was developed.

- By the end of the financial year, all operational high risk area problems were being responded to within 60 minutes of the query being logged.
- By the end of the financial year, all operational medium risk area problems were being responded to within three hours of the query being logged.
- By the end of the financial year, all operational low risk area problems were being responded to within eight hours of the query being logged.

PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

The main activity of the legal Division is to provide legal services to the broader Lephalale Municipality and manage the general overall compliance of activities in the Municipality.

The strategy of the division is to provide appropriate legal services to the broader Lephalale Municipality and manage the general overall compliance of activities in the municipality so as to meet the following objectives:

- Minimize unwarranted litigations from various citizenry
- Compliance with required legal stipulations governing Municipalities
- Provide legal advice to different divisions of the municipality so as to enhance the fulfillment of the municipality's objectives

In managing compliance of activities the Division of Legal and Property must ensure that appropriate legislations are in place to guide officials in performing their duties. The division should ensure that appropriate by-laws are developed in order to enable proper regulation of the area of Lephalale.

Activities include the following:

- To provide legal opinions/advices to the Municipality in general.
- To institute or defend claims and actions in the name of or against the municipality:
- To obtain legal opinions from the attorneys of the Municipality.
- To instruct attorneys to enter appearance on behalf of the Council in any matter instituted by or against the Municipality and to sign all necessary documents for this purpose, and to authorize the briefing of advocates.
- To conduct any necessary action in any matter instituted by or against the Municipality, including the signature of the prescribed powers of attorney, affidavits and other documents in order to conduct the matter to its end
- To appoint attorneys to institute or defend any legal action in a competent court in order to protect the interests of the Municipality.
- To appoint Conveyances and notaries to register or de-register servitudes on behalf of Council or even the moving of the Municipality's servitudes to other locations
- To appoint attorneys to apply in terms of section 28(4) of the National Building Regulations and Building Standards Act, 1977 (Act 103 of 1977), for a court order in any magistrate's court in terms of section 21 of the Act and in general to do everything or anything deemed necessary to finalise the application in the best interests of the Municipality.
- To draft agreements on behalf of the Municipality regarding sale of land or any property owned or to be owned by Council.

Successes were seen in that:

- All of the monthly (12/12) Supply Chain reports were submitted timeously.

- All Service Level Agreements were signed within two weeks of the appointment of a contractor.
- The Risk Assessment was concluded in March 2012.

Challenges were faced in that:

- Only 61.12% of bids were adjudicated within 90 days of closure of tender.
- Only 90% of the identified risks were actually addressed.

COMPONENT J: MISCELLANEOUS

This includes the provision of Airports, Abattoirs and Forestry as Municipal enterprises

INTRODUCTION TO MISCELLANEOUS

Lephalale municipality has small airport which caters for medium and smaller air crafts. The airport is part of the former military base, SA Infantry Battalion 118 which now defunct.

No abattoirs are municipal enterprises, all abattoirs are privately owned. T3.75.0

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the 2011/2012 financial year.

The Score in the following pages depicts the organizational and departmental performance score card for Lephalale Municipality

From the left hand side of the score card the first column caters for the Strategic Objective followed by the identity number (ID) for the key performance indicator (KPI) in columns 2&3 respectively, column 4 caters for actual notes about performance and how it was achieved. In the event of non-performance the corrective notes must be given in column 5. Column 6 shows Baseline from the previous year, column 7 annual target for 11/12 financial year and column 8 shows performance towards target that actual performance information. The last column gives the score based on 1-5 scale where 1-1,99 poor, 2-2,99 is fair, 3-3,99 good or target achieved, 4-4,99 target exceeded and 5 represents excellent performance.

The Departments are in the following order, and the department with Capital projects will be followed by those capital projects.

1. Office of the Municipal Manager
2. Department of Community Social Services with projects
3. Department of Planning and Development and projects
4. Department of Budget and Treasury and the project
5. Infrastructure department and the projects
6. Department of Corporate Support Services and the projects
7. Department of Strategic Services

Office of the Municipal Manager – Key Performance Indicators

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
To ensure revenue enhancement for the municipality. To manage debt effectively and efficiently.	M_01	Percentage of Cost coverage (R-value all cash at a particular time plus R-value investments, divided by R-value monthly fixed operating expenditure)			200.00	200.00	196.00	2.96
	M_04	Unqualified Audit Report			90.00	100.00	80.00	1.67
To obtain clean audit.	M_05	Average Percentage of AG audit queries addressed	All audit queries from the AG were addressed		90.00	100.00	100.00	3.00
	M_06	Audited Annual Report adopted by Council by end March			100.00	100.00	100.00	3.00
	M_21	Annually review Internal Audit charter	The charter has been prepared and awaits review by the Audit committee	A schedule for meetings for Financial year 2012/13 has been prepared to avoid meetings failing.	0.00	100.00	80.00	1.67
	M_22	Annually review Audit Committee charter (Percentage progress with the process of finalization)	The charter has been prepared and awaits review by the Audit committee	A schedule for meetings for Financial year 2012/13 has been prepared to avoid meetings failing.	0.00	100.00	80.00	1.67
	M_27	Number of Audit Committee meetings held successfully	2 meetings held in august 2011 and September 2011 and the 3rd was cancelled due to commitments of the Municipal Manager	A schedule for meetings for Financial year 2012/13 has been prepared to avoid meetings failing.	0.00	4.00	2.00	1.33
	M_32	Number of Quarterly performance reports audited internally within 30 days of completion of information by departments	Only 3 quarters were audited: the 1st, 2nd and 3rd quarters were audited	Managers who submit the performance and POE information late are not given performance scores during performance assessment	0.00	4.00	3.00	1.67
	M_36	Internal Audit plan approved by Audit Committee	The plan is complete and audit committee recommended minor changes before signing	The Changes recommended by The Audit committee to be made on the plan	0.00	100.00	90.00	2.83
	M_07	Percentage of All Council resolutions implemented within timeframes	All resolutions implemented timeously		80.00	90.00	100.00	3.20
	M_08	Number of management meetings held	12 management meetings held in the past financial year		12.00	10.00	12.00	4.33
	M_02	ICT Risk criteria determined and log register developed by end July 2011 (Percentage progress with the process of finalization)	The risk criteria was developed in time	None	0.00	100.00	100.00	3.00
	M_03	Percentage of times operational high risk area problems were responded to within 60	All telephonic queries are responded to with immediate effect		0.00	90.00	100.00	3.20

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
To obtain clean audit.		minutes of logging of query						
	M_13	Percentage of times operational medium risk area problem within 3-hrs	All service delivery complaints are attended immediately		0.00	90.00	100.00	3.20
	M_18	Percentage of Response to operational low risk area problem within 8-hrs	All emergencies are attended to immediately		0.00	90.00	100.00	3.20
	M_39	Percentage of S57 performance plans signed and submitted to DLG&H on time			0.00	100.00	100.00	3.00
	M_40	Number of quarterly performance reports drafted and submitted to Council	1st and 2nd quarter reports were submitted to council however the 3rd quarter report was drafted but was not submitted to council and the 4th is still being prepared and will be submitted by the end of July 2012	Managers who submit the performance and POE information late are not given performance scores during performance assessment	0.00	4.00	2.00	1.33
	M_43	Timeous adoption of SDBIP (Percentage progress with the process of finalization)	The Mayor signed the SDBIP on the 14th June 2012		0.00	100.00	100.00	3.00
	M_44	Mid-year performance reports drafted and submitted to Council			0.00	100.00	100.00	3.00
	M_48	Timeous submission of annual reports (Percentage progress with the process of finalization)	Oversight report was adopted by the end of march 2012		0.00	100.00	100.00	3.00
	M_49	Average Percentage of identified risks addressed	Out of 46 risks 41 were addressed		0.00	100.00	89.13	2.82
	M_50	Risk assessment concluded	The Risk assessment was concluded in march 2012		0.00	100.00	100.00	3.00
	M_09	Percentage of Capital budget actually spent on capital projects identified for financial year i.t.o. IDP	Actual expenditure R346 123.00 against the budget of R460 000		90.00	70.00	75.25	3.13
	M_12	Reliable and credible IDP rating acquired through MEC assessment	The IDP was not credible and it was medium rated	IDP officer consulting with the district for assistance with the IDP	100.00	85.00	85.00	3.00
	M_52	Timeous adoption of IDP	IDP was adopted by council on the 29th may 2012		0.00	100.00	100.00	3.00
	M_14	Number of people from employment equity groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan	Out of 32 positions 29 are complying to the requirements of the employment equity plan	There was a council resolution in August to place a moratorium in filling of all positions and subsequent to that the HR:DH was removed from performing recruitment duties by the MM	18.00	29.00	29.00	3.00
	M_54	Percentage of critical posts filled	All critical positions are filled		0.00	100.00	100.00	3.00
M_15	Percentage of municipality's budget (salary	Actual expenditure of R9 711 241	The positions of the Inquiry	0.60	0.20	0.19	2.95	

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
		budget) actually spent on implementing its workplace skills plan	against the budget of R10 307 273	Clerk, SCM officer to be filled in the current financial year				
To reduce unemployment rate by 5% within the municipality for the next 5 years	M_51	Number of permanent jobs created through LED Projects year to date	PMU unit at municipality employed 156 and Eskom project employed 399 and Hitachi employed 78 and Hawkers stall is delayed due to land acquisition problems.		0.00	88.00	633.00	5.00
Render at least sustainable RDP level of service to all household. Ensure that appropriate water services are rendered to all users economically and effectively.	M_10	Percentage of registered indigent household with access to free basic water	There are currently 3854 indigents on the register. The IDP shows a total of 5552 indigents in the whole of Lephalale municipality. Although the figure in the IDP may be outdated due to the Medupi project	The vehicle used for this function was involved in an accident and was a write off. A new vehicle has been bought and will assist the officers to travel and register the indigents	100.00	95.00	69.42	1.53
To establish effective and consistent Refuse removal service. Reduce amount of waste disposal by 50%. Ensure environmental justice and compliance. To ensure safe disposal of waste within the municipal area	M_11	Percentage of urban households with access to weekly refuse removal	All urban households have access to refuse removal on a weekly basis		100.00	100.00	100.00	3.00

Community and Social Services – Key Performance Indicators

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
To ensure revenue enhancement for the municipality. To manage debt effectively and efficiently.	M_78	Percentage variance between operational budget projections and expenditure related to department year to date	R40 806 978 R-value operating budget actually spent by the department year to date ,R 45 908 450 R-value operating budget		0.00	10.00	11.11	2.96
	M_79	Percentage variance between capital budget projections and expenditure related to department year to date	R10 588 061R-value capital budget actually spent by the department year to date ,R24 933 458 R-value capital budget		0.00	10.00	57.53	1.00
	M_16	Percentage of AG audit queries related to	None. No queries lodged by the AG.	None. No queries lodged by	100.00	100.00	100.00	3.00

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
To obtain clean audit.	0	department resolved		the AG.				
	M_16_1	Percentage of internal audit queries resolved within agreed timeframes	There were 2 queries which were resolved within agreed timeframes		100.00	100.00	100.00	3.00
	M_16_3	Percentage of reported service delivery complaints related to department addressed within 30 calendar days after reporting	2 telephonic queries lodged regarding waste not collected at Tenet Flats. This was resolved within an hour.	A supervisor was requested to follow the query which was resolved within an hour.	100.00	100.00	100.00	3.00
	M_16_4	Percentage of Council resolutions related to department implemented within timeframe	All resolutions implemented.	N/A On target	100.00	90.00	100.00	3.20
	M_16_5	Number of Departmental meetings held year to date	2	N/A	4.00	4.00	6.00	4.67
	M_80	Percentage of risks related to department that were identified in the Risk Plan that were attended to successfully year to date	2 out of 3 risks identified were attended to successfully	Need land acquisition for human settlement, beyond my control as it is the responsibility of Ministry of COGSTA	0.00	100.00	66.66	1.43
	M_10_3	Percentage of grievances related to department responded to within 2 weeks of grievance lodged	No grievance lodged for period under review. Held communication and consultative meetings to ensure no grievances.	N/A. No grievance lodged.	0.00	100.00	100.00	3.00
	M_19_9	Training needs analysis submitted by end February every year per department (Percentage progress with the process of finalization)	Training needs submitted	N/A	100.00	100.00	100.00	3.00
To develop a sound strategy to ensure that sufficient housing, erven and options are available to prevent illegal settlement on land and/or unacceptable housing conditions. Conduct research, develop and implement practical financing options	M_18_6	Beneficiary list updated on monthly basis	Updated monthly	N/A On target	100.00	100.00	100.00	3.00
To ensure that an efficient and effective transport system is operated in the municipality	M_89	Percentage of times that 75% of revenue was paid over from drivers licenses to Prodiba on time	100%. The LLM has signed an SLA with the DoT. The transfers are done daily.	N/A. On target	0.00	100.00	100.00	3.00
	M_90	Percentage of times that 20% of revenue was paid over from drivers licenses to DoT on time	The LLM has signed an SLA outlining the frequency of these transfers. These are affected daily.	N/A On target	0.00	100.00	100.00	3.00
	M_92	Number of contract management meetings held with DoT	On target	N/A On target	0.00	4.00	4.00	3.00

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
	M_19_5	Number of Road safety awareness campaigns held year to date	1. Part of joint operations with other law enforcement agencies. Part of national security. Details on a need to know basis. No consensus on what is acceptable as PoE. Difficult to submit PoE.	Need guidance into of what could be accepted as PoE for this KPI.	3.00	3.00	4.00	4.50
	M_19_6	Number of Warrant of arrest issued /Number of summons not paid after 14 days of the court date as Percentage	0 warrants of arrests were issued against 2340 Summons not paid after 14 days of the court date. The Province is in the process of rolling out AARTO which will change the management of traffic offences.	The local magistrate has authority to cancel/withdraw charges. This has a negative impact on summons issued.	100.00	80.00	80.00	3.00
	M_19_7	Percentage of scholar patrols monitored per month	Scholar patrols daily at Laerskool Ellisras, Bosveld Primary and Nelsonskop Primary.	N/A On target. Need guidance on what could be accepted by IA as PoE.	100.00	95.00	100.00	3.09
To establish effective and consistent Refuse removal service. Reduce amount of waste disposal by 50%. Ensure environmental justice and compliance. To ensure safe disposal of waste within the municipal area	M_10_2	Number of waste awareness campaigns held year to date	25 Education and awareness campaigns. Number of recycling clubs established is preceded by education & awareness campaigns.	N/A. Target exceeded.	0.00	10.00	25.00	5.00
	M_18_7	Number of recycling clubs in rural areas (villages) established year to date	25	N/A. Target exceeded.	10.00	5.00	25.00	5.00
	M_18_9	Number of waste storage receptacles acquired year to date	80. Acquired additional 40x 210 L swivel drums donated by Consol & Eskom Matimba Power Station	N/A. Target exceeded.	200.00	40.00	80.00	5.00
	M_19_0	Integrated waste management plan approved	Approved by council. Submitted to MEC: environmental Affairs for approval.	N/A	0.00	100.00	100.00	3.00
	M_19_1	Institutional environmental frameworks developed and approved	Draft report completed and submitted to LLM. PSP embarked on public participation process for the state of the environment. Inputs from process will be incorporated in the draft report to be submitted to council for approval.	N/A	0.00	100.00	100.00	3.00
	M_19_2	Number of clean up campaigns held year to date	110 Cleaning campaigns. Adopt a Street cleaning Campaign. (36 Food-for-waste campaigns).	N/A. Target exceeded	12.00	12.00	110.00	5.00
	M_19_3	Number of Eco clubs established year to date	34 Eco-clubs established. Same as recycling clubs. Part of Lephalale Waste Wise Education competition.		10.00	5.00	34.00	5.00
To establish effective and	M_19	Number of Waste Management Forum	5xEducation &awareness interest	N/A	3.00	9.00	5.00	1.20

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
consistent Refuse removal service. Reduce amount of waste disposal by 50%. Ensure environmental justice and compliance. To ensure safe disposal of waste within the municipal area	4	meetings held year to date	group meeting.					
	M_99	Number of recycling clubs in rural areas (schools) established year to date	Morwex4, Sefitlhogo x2, Morukhukung, Motlhasedi x2, Seleka x3, Immelman x1, Phegelelo School, Tielelo School & Marapong, Nku P. School, Seoketseng H. School, Lerekhureng Combined School, Madibaneng Pre-school	N/A. Target exceeded.	0.00	5.00	32.00	5.00
To reduce environmental damage. To establish formal environmental education/awareness programme	M_167	Percentage of graves available in 48 hrs of application	100% of all graves within the proclaimed townships available within 48hrs in accordance with by-laws	N/A On target	100.00	100.00	100.00	3.00
	M_168	Number of cemeteries maintained monthly/Number of cemeteries maintained as Percentage of	All 4 cemeteries within the proclaimed township maintained. Onverwacht; Marapong, Thabo Mbeki & Steenbokpan.	N/A On target	100.00	100.00	100.00	3.00
	M_169	Completion of Cemetery Plan (urban)	Cemetery Plan completed	N/A	60.00	100.00	100.00	3.00
	M_84	Completion of Cemetery Plan (rural) (Percentage progress with the process of finalization)	Final report submitted to the LLM.	N/A On target	0.00	100.00	100.00	3.00
	M_170	Number of trees planted per year, year to date (operational budget)	10 000 trees planted as part of provincial greening campaign. Project co-sponsored by Exxaro & Eskom	N/A Target exceeded.	1000.00	1 000.00	10 000.00	5.00
	M_86	Number of trees planted per year, year to date (provincial greening programme)	Planted 10000 trees. Part of provincial greening programme co-sponsored by Eskom & Exxaro.	N/A Target exceeded.	0.00	8 000.00	10 000.00	4.42
To reduce unemployment rate by 5% within the municipality for the next 5 years	M_172	Number of library programmes implemented year to date	3: 1x Marapong Library & 2x Main Library	N/A On target	3.00	4.00	9.00	5.00
	M_87	Number of read for fun programmes held	9 read for fun programmes held	We have revised target for new financial year to 9, as it is achievable in relation to the available funds, budgetary constraints plans or target was ambitious for money available	0.00	12.00	9.00	1.57

Community and Social Services – Projects

Programme	ID	Project	Actual Notes	Corrective Action	Financial Year 2011/2012									
					Activity (Q1)	Activity (Q2)	Activity (Q3)	Activity (Q4)	Budget	Actual Spent	% Spent	Target	% Complete	Score
Objective: To obtain clean audit														
Municipal Buildings	P_56	Extension of civic centre - safe RO	We submitted specification and also met with divisional head buildings and public works and SCM with regard to design, contacted architectures and even after that SCM could not make progress	SCM failed to procure the service provider to do the work	Not applicable prior to budget adjustment	Not applicable prior to budget adjustment	Not applicable this quarter	100% Completed	463 939.00	30.00	0.01	100.00		0W
Municipal furniture and equipment	P_23	Equipments for Safe			Not applicable this quarter	35% Progress. TOR, adjudication	50% Progress. Orders placed	100% Purchased 2 printers, asset verification	200 000.00			100.00		1.00
	P_24	General Equipment	All equipments were purchased by 30 June 2012		5% Progress. Specifications	20% Progress. SCM to advertise	100% Order placed and purchased	100% Completed	150 000.00	74 836.00	49.89	100.00	100.00	3.00
	P_25	Furniture for Admin Ass	All furniture for Admin Assistant was purchased by 30 June 2012		100% Quotation and purchasing	100% Completed	100% Completed	100% Completed	20 000.00			100.00	100.00	3.00
	P_26	Replacement of Council Furniture		All specifications were submitted to SCM and to date it was not advertised	5% Progress. Specifications	20% Progress. SCM to advertise and all SCM processes to be completed and appointment of the service provider.	75% Progress. Refurbishment commence	100% Project completed	350 000.00			100.00	30.00	0W

Development Planning – Key Performance Indicators

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
To ensure revenue enhancement for the municipality. To manage debt effectively and efficiently.	M_128	Percentage variance between operational budget projections and expenditure related to department year to date	Actual variance as supplied by Divisional Head Budget and Reporting Maggie Ntwampe 01 Aug 2012 to IPM.	B&T to issue Quarterly reports on budget variance	0.00	10.00	67.00	1.00
	M_131	Percentage variance between capital budget projections and expenditure related to department year to date	No capital projects were implemented. See attached memo. Actual variance as supplied by Divisional Head Budget and Reporting Maggie Ntwampe 01 Aug 2012 to IPM.	N/A	0.00	10.00	0.00	4.33
To obtain clean audit.	M_100	Percentage of AG audit queries related to department resolved	No AG queries raised	N/A	100.00	100.00	100.00	3.00
	M_101	Percentage of internal audit queries resolved within agreed timeframes	No internal audit queries were raised	N/A	100.00	100.00	100.00	3.00
	M_104	Percentage of Council resolutions related to department implemented within timeframe	All council resolutions were implemented within time frame	MCSS to develop a rooster that tracks decision per directorate implemented in each quarter	90.00	90.00	100.00	3.20
	M_105	Percentage of management committee resolutions related to department implemented within timeframes	All resolutions implemented timeously. No outstanding management resolutions to be implemented	N/A	90.00	90.00	100.00	3.20
	M_106	Number of Departmental meetings held year to date	Two divisional meetings held	Ensure that each division holds monthly meetings	4.00	4.00	4.00	3.00
	M_140	Percentage of risks related to department that were identified in the Risk Plan that were attended to successfully year to date	All risks were attended to but could not be concluded in FY of reporting. Other stakeholders contributed to this performance indicator	To be measured only on projects that is to be implemented by municipal funding. Quick relocation of funds by B&T.	0.00	100.00	100.00	3.00
	M_149	Percentage of grievances related to department responded to within 2 weeks of grievance lodged	No grievances were raised	N/A	0.00	100.00	100.00	3.00
	M_121	Training needs analysis submitted by end February every year per department (Percentage progress with the process of finalization)	Training needs submitted timeously, except LUSP division	Arrange a special session with LUSP division and solicit external support for training	40.00	100.00	90.00	2.83
	M_132	Number of temporary jobs created through LED Projects year to date			0.00	15.00	923.00	5.00
	M_137	Percentage of MFMA required information updated on website within 2 weeks of receiving from departments	Twenty seven items updated on the website	N/A	0.00	90.00	100.00	3.20

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
To reduce unemployment rate by 5% within the municipality for the next 5 years	M_91	Number of twinning (international) partnerships facilitated	Facilitated amendments to the TETE twinning agreement	Revisited the KPI in the new FY	1.00	2.00	1.00	1.50
	M_93	Number of exhibitions held year to date	No exhibition held for the quarter under reporting	N/A	4.00	2.00	2.00	3.00
	M_94	Number of exhibitions attended year to date	Two exhibitions attended for the quarter under reporting	N/A	10.00	8.00	10.00	4.40
	M_95	Number of publications made year to date	No Publications issued during this quarter	N/A	10.00	8.00	8.00	3.00
	M_96	Number of strategic economic partnerships established year to date	No new partnership established during this quarter	N/A	10.00	6.00	9.00	5.00
	M_97	Total Number of SMMEs support workshops per annum year to date	One SMME support workshop held	N/A	12.00	12.00	12.00	3.00
	M_98	Number of Tourism Owners supported/ number of tourism product (50) as a Percentage	Forty-one tourism product owners supported through CTA	N/A	100.00	60.00	75.00	4.42
To ensure the availability of land for development purposes throughout the next three years and to guide development in terms of proper town planning principles	M_112	Percentage of building plans (res 2, 3, 4 and commercial) processed within 1 month of receipt of building plan	14 of 20 plans processed	training with draughtsman and architects on requirements and standard compliance issues	90.00	90.00	70.00	1.60
	M_113	Number of workshops conducted regarding building control year to date	10 in house training sessions conducted with building inspectors	implementation of stakeholder based training session for the next financial year	1.00	2.00	10.00	5.00
	M_114	Percentage of building contraventions attended to within 1 month from detection	Twenty seven building contraventions notices issued	N/A	90.00	90.00	100.00	3.20
	M_141	Percentage of building plans (res 1) assessed within 2 weeks of receipt of building plan	13 of 33 plans assessed	Arrange meeting with relevant departments to prioritize plan assessment	0.00	90.00	39.40	1.00
	M_142	Percentage of building plans for minor building construction assessed within 2 weeks from receipt	11 of 17 building plans assessed	Arrange meeting with relevant departments to prioritize plan assessment	0.00	90.00	64.71	1.49
	M_143	Percentage of scheduled building inspections conducted within 24 hours	169 scheduled inspections conducted	N/A	0.00	90.00	100.00	3.20
	M_115	Number of monthly GIS updates conducted	Update done for only April month. GIS officer resigned thereafter and no suitable replacement has been sought yet	Appoint GIS officer and temporary data capturer	12.00	12.00	10.00	2.71
	M_116	Percentage of land use (township establishment) applications considered by Council within 3 months of receipt of application	Two township phasing applications were processed to council	N/A	90.00	90.00	100.00	3.20
	M_117	Percentage of land use contraventions	Five contravention notices issued	Beef up staff complement	90.00	90.00	100.00	3.20

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
To ensure the availability of land for development purposes throughout the next three years and to guide development in terms of proper town planning principles		attended to within 1 month of detection						
	M_118	Number of workshops conducted regarding land use year to date	No workshops were conducted	Training of mayoral planning committee members on land use matters	1.00	2.00	0.00	1.00
	M_144	Percentage of land use (rezoning, special consent for other uses) applications considered by EXCO within 2 months of receipt of application	32 Special use consent applications processed during this period	N/A	0.00	90.00	100.00	3.20
	M_146	Percentage of land use (consolidations, special consent for second building unit, building line relaxation) applications considered within 1 month of receipt of application	05 Special consent applications for granny flats and sixteen applications for building line relaxations were approved	N/A	0.00	90.00	100.00	3.20
	M_119	Percentage of none compliant outdoor advertising boards removed within 1 month of detection of none compliance	No boards were removed. RAL issue approvals and it is uncertain which are legal or illegal	Arrange a meeting with RAL on approvals issued v/s areas of municipal input and jurisdiction	50.00	90.00	0.00	1.00

Development Planning – Projects

Programme	ID	Project	Actual Notes	Corrective Action	Financial Year 2011/2012									
					Activity (Q1)	Activity (Q2)	Activity (Q3)	Activity (Q4)	Budget	Actual Spent	% Spent	Target	% Complete	Score
Objective: To obtain clean audit														
Inter-governmental relations	P_45	International Affairs	Wrong vote was utilized against this line item. Budget was relocated to other votes	International visits to be facilitated through DIRCO and not OTP as initially done.	Confirmed twinning partners by Council	0% Progress. Prepared logistics for visit to one of identified twinning partners	80% Progress. Visited one twinning partner and signed twinning agreement	100% Project complete	25 000.00	11 042.00	44.17	100.00	44.00	1.44
Objective: To reduce unemployment rate by 5% within the municipality for the next 5 years														
Job Creation	P_51	Rooigoud Farm	Repairing of damaged boundary fence	N/A	48% Progress. Repairs and maintenance	100% Repairs and maintenance	100% Repairs and maintenance	100% Repairs and maintenance	100 000.00	20 661.00	20.66	100.00	21.00	1.21
	P_52	LED Strategy	Led Working Group meeting	N/A	70% Progress. Advertisement, appointment of service provider	100% Reviewed LED strategy	100% Project complete	100% Project complete	100 000.00	3 600.00	3.60	100.00	4.00	1.04

Programme	ID	Project	Actual Notes	Corrective Action	Financial Year 2011/2012									
					Activity (Q1)	Activity (Q2)	Activity (Q3)	Activity (Q4)	Budget	Actual Spent	% Spent	Target	% Complete	Score
	P_53	Hawkers stalls development	Project Management restructured. See attached memo	Arrange meeting with affected stakeholders	Advertisement, appointment of service provider	20% Progress. Construction and training of labor	66% Construction progress	100% Project complete	1 500 000.00	0.00	0.00	100.00	15.00	1.15
Marketing and Branding	P_47	Promotional Items	T-shirts and other promotional items for Getaway Show	N/A	57% Progress. Quotation for golf shirts, caps, pens, vehicle license holders, etc	100% Delivery and distribution of promotional material	100% Project complete	100% Project complete	50 000.00	10 684.00	21.37	100.00	21.30	1.21
	P_48	Publicity	No publications done for this quarter. Funds consumed during third quarter	N/A	39% Progress. Subscribed to two spring tourism publications	42% Progress. Subscribed to two half yearly LED publications	66% Progress. Subscribed to additional two tourism publications	100% Subscribed to two winter tourism publications	150 000.00	147 355.00	98.24	100.00	98.20	2.98
	P_50	Municipal Branding - Marketing	Design and supply of municipal banners	N/A	20% Progress. Designs and quotation for promotional material. Viz municipal sign boards, video material and half yearly municipal bulletin(Lephalale In Perspective)	70% Progress. Developed half yearly bulletin, installed municipal sign boards	Not applicable after budget adjustment. No budget provision made in the adjustments budget	Not applicable after budget adjustment. No budget provision made in the adjustments budget	0.00	29 880.00		100.00	20.00	
SMME's	P_46	Municipal Arrangements	SMME Workshop Support-Productivity Capacity Building Programme - LEDET	N/A	40% Progress. 10 SMME s supported regarding training workshops-provision of training venue, catering and other related logistics	53% Progress. 10 (total of 20 year to date) SMME s supported regarding training workshops-provision of training venue, catering and	80% Progress. 10 (total of 30 year to date) SMME s supported regarding training workshops-provision of training venue,	100% Project complete	80 000.00	72 933.00	91.17	100.00	91.00	2.91

Programme	ID	Project	Actual Notes	Corrective Action	Financial Year 2011/2012										
					Activity (Q1)	Activity (Q2)	Activity (Q3)	Activity (Q4)	Budget	Actual Spent	% Spent	Target	% Complete	Score	
						other related logistics	catering and other related logistics								
Tourism Development	P_49	Tourist Info Centre	Rental for office space by CTA	Review agreement to include other support areas to the CTA	Signed partnership arrangements with at least two interested stakeholders, secured additional funding for centre	42% Progress. Amended land use rights on identified land, developed TOR for architectural designs, Advertisement	Not applicable after budget adjustment. No budget provision made in the adjustments budget	Not applicable after budget adjustment. No budget provision made in the adjustments budget	0.00	84 000.00		100.00	70.00	NA	
Objective: To ensure the availability of land for development purposes throughout the next three years and to guide development in terms of proper town planning principles															
Building Control	P_44	Building Plan Software Upgrade	TOR were developed and approved. Memo for virement of votes prepared. Funds were not transferred to appropriate vote. Project not executed	Reallocation of funds during budget adjustment	100% Procurement of service provider, installed software upgrade	100% Project complete	Not applicable after budget adjustment. No budget provision made in the adjustments budget	Not applicable after budget adjustment. No budget provision made in the adjustments budget	0.00	0.00		100.00	10.00	NA	
Land use	P_43	Land Use Policies	Policies and bylaws developed under operating vote of Corporate Services	Allocate sufficient budget to line item on by laws and policies and MCSS to deal with all policy related matters	Developed TOR, Advertisement, Procurement of service provider	100% Draft Policy, Approved policy	Not applicable after budget adjustment. No budget provision made in the adjustments budget	Not applicable after budget adjustment. No budget provision made in the adjustments budget	0.00	0.00		100.00	10.00	NA	

Budget and Treasury – Key Performance Indicators

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
To ensure revenue enhancement for the municipality. To manage debt effectively and efficiently.	M_23	Timeous submission of Financial Statements to AG			100.00	100.00	100.00	3.00
	M_24	Number of monthly cash reconciliation report submitted timely	All 12 recons submitted		0.00	12.00	12.00	3.00
	M_25	Number of MFMA S52 reports submitted year to date	All report submitted except the fourth one which is due on the 13 July 2012		4.00	4.00	4.00	3.00
	M_26	Number of MFMA S66 reports submitted year to date	All reports submitted except the June one which is due on the 13 July 2012		12.00	12.00	12.00	3.00
	M_28	Number of Monthly Finance Management Grant reports submitted by the 10th of each month (within 10 working days after the end of each month) year to date	All reports submitted except the June one which is due on the 13 July 2012		12.00	12.00	12.00	3.00
	M_29	Number of Monthly Municipal Systems Improvement Grant reports submitted by 10th (within 10 working days after the end of each month) each month year to date	All reports submitted except the June one which is due on the 13 July 2012		12.00	12.00	12.00	3.00
	M_57	Timeous adoption of Final Budget by Council	Budget adopted by council on 29th May 2012		0.00	100.00	100.00	3.00
	M_30	Percentage of MSIG allocated to BTO utilized	A total of R 188 876 76 allocated to BTO has been spent		100.00	100.00	100.00	3.00
	M_31	Percentage of creditors paid within 30 days of invoice	All creditors have been paid within 30 days		100.00	90.00	100.00	3.20
To ensure revenue enhancement for the municipality. To manage debt effectively and efficiently	M_58	Percentage variance between operational budget projections and expenditure related to department year to date	Actual expenditure of R17 million against the budget of R19 million		0.00	10.00	10.00	3.00
	M_61	Percentage variance between capital budget projections and expenditure related to department year to date	The variance is due to the fact that the vehicles were budgeted at R 200 000 per vehicle and the purchase price was R157 000 which is 30% less	The variance is due to the fact that the vehicles were budgeted at R 200 000 per vehicle and the purchase price was R157 000 which is 30% less	0.00	10.00	30.00	1.33
	M_62	Updated and credible indigent register	Register in place	Purchased a vehicle to enable the officer to capture the indigent by visiting their areas	0.00	100.00	80.00	1.67

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
	M_16	Percentage of outstanding service debtors to revenue (R debtors outstanding as a Percentage of own revenue)			46.00	5.00	40.00	1.00
	M_33	Monthly collection rate on billings			91.00	95.00	104.00	3.16
	M_34	R-value bad debt written off annually	Debtors which prescribed as per act of R418 000 and for the deceased without an estate of R723 000 have been written off		762799.66	4 000 000.00	1 141 297.27	1.26
	M_35	Percentage of monthly municipal service accounts rendered on time (15th each month)	All accounts posted before the 15th of the Month		50.00	100.00	100.00	3.00
	M_66	Percentage of budgeted revenue for property rates collected (Implementation of the Municipal Property Rates Act, 2004 (Act no. 6 of 2004))	Collected R28 878 829 of the total billing of R 27 681 130		0.00	85.00	104.33	4.38
	M_67	Percentage of debt over 90 days	R60 520 138.58 of the total debt of R 99 264 100.48 is above 90days	Establish proper credit control section and implement prepaid meter system	0.00	5.00	60.97	1.00
	M_68	Debt collected as a percentage of money owed to the municipality	Money collected is R 169 800 816 and debtors as at 30 June 2012 is R99 264 100.48		0.00	95.00	171.06	5.00
To obtain clean audit.	M_17	Number of physical asset verifications conducted per annum year to date	Only year end verification done	Due to lack of manpower, only one verification was done. To deploy more resources especially Interns to be appointed to help with verification	2.00	2.00	1.00	1.50
	M_19	Percentage of new assets insured within 1 month of acquisition	All assets purchased insured within a month		100.00	100.00	100.00	3.00
	M_20	Percentage of damaged, lost or stolen assets reported to insurance company within 14 days of discovery	All reported incidents reported to insurance within 14 days		100.00	100.00	100.00	3.00
	M_56	Percentage of redundant assets are disposed of annually	in future the verification will be done twice a year	in future the verification will be done twice a year	0.00	100.00	33.00	1.00
	M_37	Percentage of Bids adjudicated within 90 days of closure of tender per department	55 bids out of seventy were evaluated within 90 days of closure	Proper planning and proper scheduling of the meetings in the coming financial year will resolve the problem	0.00	90.00	61.12	1.42
	M_38	Number of Supply chain reports submitted on time year to date	All reports submitted on time		0.00	12.00	12.00	3.00

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
To obtain clean audit.	M_41	Percentage of AG audit queries related to department resolved	23 of the 27 queries resolved and the remaining 4 busy with as they relate to the AFS	The 4 remaining are being addressed and to be finalized before the submission of AFS	95.00	100.00	85.19	2.75
	M_42	Percentage of internal audit queries resolved within agreed timeframes	All queries resolved		100.00	100.00	100.00	3.00
	M_45	Percentage of Council resolutions related to department implemented within timeframe	All resolutions implemented		100.00	90.00	100.00	3.20
	M_46	Percentage of management committee resolutions related to department implemented within timeframes	All except one for the implementation of Fleet Cards have been implemented		100.00	90.00	95.00	3.10
	M_47	Number of Departmental meetings held year to date	Informal meeting held but not recorded	In future will appoint a secretary for the meetings and minutes will be taken	3.00	4.00	1.00	1.00
	M_72	Percentage of risks related to department that were identified in the Risk Plan that were attended to successfully year to date	To be continued in the next financial year. 6 of the 9 have been addressed	To be continued in the next financial year. 6 of the 9 have been addressed	0.00	100.00	66.67	1.44
	M_73	Number of Risk Committee meetings held successfully	Zero Weighted. Is not my responsibility for coordinating or organizing the meetings	Zero Weighted. Is not my responsibility for coordinating or organizing the meetings	0.00	4.00	2.00	1.33
	M_77	Percentage of grievances related to department responded to within 2 weeks of grievance lodged	Continuously in contact with subordinates and resolve issues together		0.00	100.00	100.00	3.00
	M_53	R-value of training budget spent on actual training / R-value training budget as Percentage of per department	A total of R310 084 has been spent against the budget of R554 150	There was a budget for CPMD for certain 3 officials and only one managed to attend due to lack of space. Currently on the waiting list and the 2 officials to attend in the coming financial year	95.00	95.00	55.96	1.29
	M_55	Training needs analysis submitted by end February every year per department (Percentage progress with the process of finalization)			100.00	100.00	100.00	0.00

Budget and Treasury – Projects

Programme	ID	Project	Actual Notes	Corrective Action	Financial Year 2011/2012									
					Activity (Q1)	Activity (Q2)	Activity (Q3)	Activity (Q4)	Budget	Actual Spent	% Spent	Target	% Complete	Score
Objective: To obtain clean audit														
Municipal furniture and equipment	P_28	Filling Cabinets	The cabinet were found in stores and therefore the money was used to purchase furniture and chairs for the BTO office and the whole R40 000 was used	Zero weighted refer to actual notes	100% Purchased filling cabinets by the end of September	100% Completed	100% Completed	100% Completed	40 000.00			100.00	0.00	0W
	P_29	Counting Machine			100% Purchased Counting Machine by the end of July	100% Completed	100% Completed	100% Completed	10 000.00	9 800.00	98.00	100.00	100.00	3.00
	P_30	Bar Fridge	The balance of the amount was used to purchase a fridge for the DH Revenue		100% Bar fridge being purchased by the end of July 2011	100% Completed	100% Completed	100% Completed	10 000.00	4 162.00	41.62	100.00	100.00	3.00
Municipal Vehicles	P_27	Replacement of LDV	There was a saving of R 88 716.00 on the purchase of the Vehicles		50% Progress. SCM Processes and order placed	100% Purchased 2 vehicles by end of October	100% Completed	100% Completed	400 000.00	311 284.00	77.82	100.00	100.00	3.00

Infrastructure Services – Key Performance Indicators

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
To ensure revenue enhancement for the municipality. To manage debt effectively and efficiently.	M_151	Percentage variance between operational budget projections and expenditure related to department year to date	Expenditure reports	Maintenance Plan	0.00	10.00	10.00	3.00
	M_156	Percentage variance between capital budget projections and expenditure related to department year to date	Expenditure reports	Advertise earlier	0.00	10.00	10.00	3.00
	M_157	MIG expenditure as Percentage of annual allocation	Expenditure reports	Advertise earlier	0.00	100.00	65.00	1.42
To obtain clean audit.	M_59	Percentage of AG audit queries related to department resolved	Internal Audit report	Put measures in place	100.00	100.00	90.00	2.83
	M_60	Percentage of internal audit queries resolved within agreed timeframes			100.00	100.00	100.00	3.00
	M_63	Percentage of Council resolutions related to department implemented within timeframe			70.00	90.00	100.00	3.20
	M_64	Percentage of management committee resolutions related to department implemented within timeframes	Minutes of the meeting	No need	90.00	90.00	100.00	3.20
	M_65	Number of Departmental meetings held year to date	Minutes of the meeting	No need	20.00	4.00	3.00	1.67
	M_158	Percentage of risks related to department that were identified in the Risk Plan that were attended to successfully year to date	Internal Audit report	Risk planning and mitigation	0.00	100.00	81.82	2.70
	M_174	Percentage of grievances related to department responded to within 2 weeks of grievance lodged	Complaints/Grievances reports	Make sure water and sanitation team communicates effectively	0.00	100.00	100.00	3.00
	M_88	Training needs analysis submitted by end February every year per department (Percentage progress with the process of finalization)	Submission report to HR	No need	100.00	100.00	100.00	3.00
Ensure a sanitation level of service at least at RDP standard for all households. Operate and maintain the sewage networks and purification works at high standard	M_166	Number of new VIPs constructed			0.00	800.00	0W	0W
	M_171	Meeting green drop water quality standard			0.00	55.00	20.00	1.00
Render at least sustainable RDP level of service to all household.	M_173	Number of households with access to free basic water			0.00	14 944.00	2 950.00	1.00
	M_81	Percentage of water loss	Water conservation closure report	Address the AC pipes	12.00	8.50	22.00	1.00

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
Ensure that appropriate water services are rendered to all users economically and effectively.	M_82	Number of water conservation workshops year to date	Minutes of the meeting	No need	13.00	5.00	2.00	1.00
	M_83	Meeting blue drop water quality standard	Blue drop certificate	No need	83.00	55.00	93.00	5.00
	M_85	Number of ML new water storage capacity	Completion Certificate	Advertise earlier	0.00	8.00	8.50	3.10
To maintain and manage road infrastructure through optimal utilization of resources for efficient customer-orientated service delivery at levels which meets legislative requirements. To provide and maintain local and access roads appropriately	M_162	Km of new municipal roads constructed			0.00	0.40	0W	0W
	M_74	Number of km's of gravel roads upgraded to tar (MPC access road)	Minutes of the meeting	Advertise earlier	0.00	0.40	4.40	5.00
	M_75	Number of km's roads resealed	Completion Certificate	Advertise earlier	0.00	3.00	3.00	3.00
To provide and maintain storm water systems to protect properties and municipal assets from damage. To manage storm water systems through optimal utilization of resources for efficient, accountable and customer orientated service	M_76	Number of km's open storm water channel upgraded year to date	Completion Certificate	No need	0.60	7.00	1.50	1.00
To provide dependable electricity supply to all municipal customers at competitive rates. To ensure readiness for amalgamation with REDS. To ensure that 90% of all households have access to sustainable energy supply	M_159	Number of households with access to free basic electricity	Financial Reports	No need	0.00	14 944.00	2 950.00	1.00
	M_69	Total Number of new households with Electricity in villages	Completion Certificate	Check capacity with ESKOM earlier	438.00	1 705.00	484.00	1.00
	M_70	Number of substations upgraded year to date	Completion Certificate	Early advert	1.00	2.00	2.00	3.00
	M_71	Number of energy conservation workshops held year to date	Minutes of the meeting	No need	3.00	2.00	1.00	1.50

Infrastructure Services – Projects

Programme	ID	Project	Actual Notes	Corrective Action	Financial Year 2011/2012									
					Activity (Q1)	Activity (Q2)	Activity (Q3)	Activity (Q4)	Budget	Actual Spent	% Spent	Target	% Complete	Score
Objective: Ensure a sanitation level of service at least at RDP standard for all households. Operate and maintain the sewage networks and purification works at high standard														
Sanitation	P_13	Supply and delivery of 4 X LDV bakkies	Delivery documents	No need	Not applicable this quarter	100% 4 X LDV bakkies purchased and delivered	100% Completed	100% Completed	800 000.00	800 000.00	100.00	100.00	100.00	3.00
	P_14	Collection of Sewer (Honey Sucker)	Already evaluated waiting for adjudication	Early advert	Not applicable this quarter	100% Honey Sucker delivered	100% Completed	100% Completed	3 000 000.00	0.00	0.00	100.00	0.00	1.00
	P_15	Re-engineering (reduction) of pump stations	Approved design report	No need	Not applicable this quarter	Not applicable this quarter	100% Designs completed	100% Completed	1 000 000.00	550 000.00	55.00	100.00	100.00	3.00
	P_16	Zongesien waste water treatment plant - roll over	Meetings and Correspondence minutes	Pushing the service provider	80% Progress. Construction of buildings, inlet works, inoxic aerations	90% Progress. 2 X Clarifiers, RAS completed	Not applicable following budget adjustment. Completed during previous financial year	Not applicable following budget adjustment. Completed during previous financial year	0.00	10 584 900.47		100.00	75.00	2.75
	P_17	Refurbishment of Paarl waste water treatment works (Marapong WWTW)	Project Cancelled	Re-budget for the project	10% Progress. Designs completed	20% Progress. Site establishment	50 % Progress. Removal of sludge, old components, refurbishment of buildings	100% Completion and commissioning	10 514 806.00	0.00	0.00	100.00	0.00	1.00
	P_18	Supply and delivery of sewer mobile pump - roll over			100% Sewer mobile pump purchased and commissioning	100% Completed	Not applicable following budget adjustment. Completed during previous financial year	Not applicable following budget adjustment. Completed during previous financial year	0.00			100.00		0W
	P_64	Upgrade sewer pump station - RO	Completion certificate	No need	Not applicable prior to budget adjustment	Not applicable prior to budget adjustment	Completed	100% Completed	2 108 926.00	8 418 344.57	399.18	100.00	100.00	3.00
Objective: Render at least sustainable RDP level of service to all household. Ensure that appropriate water services are rendered to all users economically and effectively.														

Programme	ID	Project	Actual Notes	Corrective Action	Financial Year 2011/2012									
					Activity (Q1)	Activity (Q2)	Activity (Q3)	Activity (Q4)	Budget	Actual Spent	% Spent	Target	% Complete	Score
Water Services	P_01	Ga-Seleka WS & Witpoort RWS (Village Water Extensions) - Phase 2	Council Item Report on Progress	The only outstanding item is steel water tanks that have been ordered and can be delivered anytime from now	10% Progress. Site establishment, purchasing of material	48% Progress. Trench excavations, bedding, laying of pipes, blankets, back filling, erection of steel tanks, connections	100% Trench excavations, bedding, laying of pipes, blankets, back filling, erection of steel tanks, connections. Final inspections, commissioning	100% Completed	5 000 000.00	5 028 880.32	100.58	100.00	85.00	2.85
	P_02	Shongoane WS & Mokuruanyane RWS (Village Water Extensions) - Phase 2	Council Item Report on Progress	The only outstanding item is steel water tanks that have been ordered and can be delivered anytime from now	10% Progress. Site establishment, purchasing of material	48% Progress. Trench excavations, bedding, laying of pipes, blankets, back filling, erection of steel tanks, connections	100% Trench excavations, bedding, laying of pipes, blankets, back filling, erection of steel tanks, connections. Final inspections, commissioning	100% Completed	10 000 000.00	6 669 278.48	66.69	100.00	90.00	2.90
	P_03	Equipping interim water supply boreholes and linkage to existing network in Lephhalale Waterkloof farm	Not yet advertised	Improve Municipal SCM Process	Not applicable this quarter	10% Progress. Designs completed and approved. Tender advertised	20% Progress Evaluation, adjudication, appointment of contractor, site establishment	100% Equipping of boreholes. Commissioning	1 500 000.00	0.00	0.00	100.00	0.00	1.00
	P_04	Erection of standby room for urban maintenance team and furniture	Council Item Report on Progress	Re-advertise	Not applicable this quarter	10% Progress. Appointment of draftsmen, drawings completed. Tender	20% Progress. Evaluation, adjudication, appointment of contractor	100% Standby room completed. Commissioning	222 510.00	0.00	0.00	100.00	5.00	1.05

Programme	ID	Project	Actual Notes	Corrective Action	Financial Year 2011/2012										
					Activity (Q1)	Activity (Q2)	Activity (Q3)	Activity (Q4)	Budget	Actual Spent	% Spent	Target	% Complete	Score	
						advertisement									
	P_12	3 Ton Truck for water delivery (drought relief) (water tank)	Council Item Report on Progress	Put time frames internally	Not applicable this quarter	10% Progress. TOR, advertisement	100% Water tanker purchased. Delivery	100% Completed	450 000.00	0.00	0.00	100.00	0.00	1.00	
	P_61	Replacement of AC Pipes	Completion certificate	No need	Not applicable prior to budget adjustment	Not applicable prior to budget adjustment	Completed	100% Completed	1 832 658.00	2 048 123.40	111.76	100.00	100.00	3.00	
	P_62	Marapong reservoir - RO	Council Item Report on Progress	No need	Not applicable prior to budget adjustment	Not applicable prior to budget adjustment	Completed	100% Completed	6 457 413.00	9 175 777.75	142.10	100.00	95.00	2.95	
	P_63	Water extensions schemes - RO			Not applicable prior to budget adjustment	Not applicable prior to budget adjustment	90% Progress. Laying of pipes, installation of standpipes	Provision of tanks. 100% Completed	10 128 706.00			100.00		0W	
Objective: To maintain and manage road infrastructure through optimal utilization of resources for efficient customer-orientated service delivery at levels which meets legislative requirements. To provide and maintain local and access roads appropriately															
	P_07	Extension of civic centre - roll over	Completion certificate	No need	100% Designs completed and approved	100% Completed	100% Completed	100% Completed	463 939.00	528 890.00	114.00	100.00	100.00	3.00	
	P_08	3 ton truck	Delivery documents	No need	Not applicable this quarter	100% Delivery of vehicle. Commissioning	100% Completed	100% Completed	450 000.00	450 000.00	100.00	100.00	100.00	3.00	
	P_09	LDV	Delivery documents	No need	Not applicable this quarter	100% Delivery of vehicle. Commissioning	100% Completed	100% Completed	200 000.00	200 000.00	100.00	100.00	100.00	3.00	
	P_10	Marapong Extension 4 internal streets upgrading - roll over	Meetings and Correspondence minutes	Obtain a specialist report	55% Progress. Laying of storm water pipes. Preparing of road beds	100% Completed surface road. Commissioning	100% Completed	100% Completed	5 303 433.00	9 391 242.05	177.08	100.00	98.00	2.98	
	P_11	Marapong Internal road phase 2 - MIG	Council Item Report on Progress	No need	15% Progress. Site establishment, clearing of site	45% Progress. Laying of storm water pipes, prepare road bed	65% Progress. Laying of base and sub-base course	100% Completed surfaced road. Commissioning	13 954 046.00	8 932 196.14	64.01	100.00	70.00	2.70	
	P_57	EPWP - paving sidewalks - RO			Not applicable prior to budget adjustment	Not applicable prior to budget adjustment	Not applicable this quarter	100% Completed	4 425 718.00			100.00		0W	

Programme	ID	Project	Actual Notes	Corrective Action	Financial Year 2011/2012									
					Activity (Q1)	Activity (Q2)	Activity (Q3)	Activity (Q4)	Budget	Actual Spent	% Spent	Target	% Complete	Score
	P_58	Marapong Internal road phase 1 - MIG RO			Not applicable prior to budget adjustment	Not applicable prior to budget adjustment	Completed	100% Completed	5 303 433.00			100.00		0W
	P_59	Ga-Seleka Taxi Rank - RO			Not applicable prior to budget adjustment	Not applicable prior to budget adjustment	Completed	100% Completed	397 644.00			100.00		0W
	P_60	Witpoort storeroom - RO	Council Item Report on Progress	Advertise early	Not applicable prior to budget adjustment	Not applicable prior to budget adjustment	Completed	100% Completed	222 510.00	516 264.25	232.02	100.00	98.00	2.98
Objective: To provide and maintain storm water systems to protect properties and municipal assets from damage. To manage storm water systems through optimal utilization of resources for efficient, accountable and customer orientated service														
Roads and public works	P_05	Storm water channels phase 2	Council Item Report on Progress	Source additional funds	5% Progress. Appointed engineer	80% Progress. Designs completed and approved	100% Submission of detailed design report	100% Completed	1 000 000.00	682 688.59	68.27	100.00	20.00	1.20
	P_06	Storm water channels phase 1 - roll over	Completion certificate	No need	20% Progress. Designs completed. Site establishment	55% Progress. Cleaning ad prepare site. Started pouring concrete	90% Progress. Pouring of concrete and finishing off	100% Completed	3 939 516.00	5 096 854.35	129.38	100.00	100.00	3.00
Objective: To provide dependable electricity supply to all municipal customers at competitive rates. To ensure readiness for amalgamation with REDS. To ensure that 90% of all households have access to sustainable energy supply														
Electricity	P_19	Upgrade of power lines	Re-advert	Advertise early	Not applicable this quarter	60% Progress. Contractor appointment. Site establishment. Construction of poles	75% Progress. Upgrading of power lines	100% Completion and commissioning. Hand over	400 000.00	0.00	0.00	100.00	0.00	1.00
	P_20	Fencing of substations and transformers	Completion certificate	No need	10% Progress. Advertisements and appointment of contractors	45% Progress. Fencing commencing	100% Substations and transformers fenced completed	100% Completed	150 000.00	150 000.00	100.00	100.00	100.00	3.00
	P_21	5 m cherry picker	Order	Advertise early	10% Progress. Advertisements	100% Delivery of vehicle. Commissioning	100% Completed	100% Completed	300 000.00	0.00	0.00	100.00	50.00	1.50
	P_22	Upgrading of substation 2 and 3	Completion certificate	No need	100% Switchgears for substation 2	100% Completed	100% Completed	100% Completed	3 144 196.00	3 575 379.81	113.71	100.00	100.00	3.00

Programme	ID	Project	Actual Notes	Corrective Action	Financial Year 2011/2012										
					Activity (Q1)	Activity (Q2)	Activity (Q3)	Activity (Q4)	Budget	Actual Spent	% Spent	Target	% Complete	Score	
		(Switchgear) - roll over			and 3 delivered and installed										
	P_65	Electrification Marapong - RO	Completion certificate	No need	Not applicable prior to budget adjustment	Not applicable prior to budget adjustment	Completed	100% Completed	648 511.00	3 490 408.45	538.22	100.00	100.00	3.00	
	P_66	Upgrade of power line - RO			Not applicable prior to budget adjustment	Not applicable prior to budget adjustment	Not applicable this quarter	100% Completed	1 000 000.00			100.00		0W	
	P_67	High mast light - RO	Completion certificate	No need	Not applicable prior to budget adjustment	Not applicable prior to budget adjustment	Completed	100% Completed	1 271 907.00	1 243 097.63	97.73	100.00	100.00	3.00	

Corporate Support Services – Key Performance Indicators

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
To ensure revenue enhancement for the municipality. To manage debt effectively and efficiently.	M_107	Percentage variance between operational budget projections and expenditure related to department year to date	R10 553 403R-value operating budget actually spent by the department year to date , R 12 574 602 R-value planned to be spent by the department year to date in terms of forecasted projections as per Schedule A of MBRR ,		0.00	10.00	16.07	2.80
	M_108	Percentage variance between capital budget projections and expenditure related to department year to date	R74 836R-value capital budget actually spent by the department year to date , R1 183 939 R-value capital budget planned to be spent by the department year to date in terms of forecasted projections as per SDBIP		0.00	10.00	93.68	1.00
	M_124	Percentage of Council Agendas delivered 7 days before Council sitting	All agendas were delivered timeously		100.00	90.00	100.00	3.20
	M_125	Percentage of Portfolio Agendas delivered 4 days before meetings		No portfolio meetings held and coordination falls outside my scope of work we are only the support system	100.00	90.00	90.00	3.00
	M_126	Percentage of Ward Committee Agendas delivered 4 days before sitting	All agendas were delivered timeously		100.00	90.00	100.00	3.20
	M_127	Percentage of mail received and sent processed daily	Mail are processed daily		100.00	100.00	100.00	3.00

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
To obtain clean audit.	M_129	Percentage of AG audit queries related to department resolved	All queries were addressed		100.00	100.00	100.00	3.00
	M_130	Percentage of internal audit queries resolved within agreed timeframes	6 out of 8 internal audit queries were resolved within agreed timeframes		100.00	100.00	75.00	1.58
	M_133	Percentage of Council resolutions related to department implemented within timeframe	All resolutions related to the department were resolved		100.00	90.00	100.00	3.20
	M_134	Percentage of management committee resolutions related to department implemented within timeframes	All management committee resolutions related to department were implemented within timeframes		100.00	90.00	100.00	3.20
	M_135	Number of Departmental meetings held year to date	All 4 meetings were held POE available		4.00	4.00	4.00	3.00
	M_136	Percentage of SLA's signed within 2 weeks of appointment of contractor	All 4 contracts were released within two weeks of receipt from SCM		100.00	100.00	100.00	3.00
To obtain clean audit.	M_138	Number of Buy laws undergone public participation year to date		Plan was submitted to the office of the speaker however dates have not as yet been received. Public participation is dependent on the speaker.	11.00	10.00		0W
	M_139	Percentage of delegations of authority reviewed and approved			100.00	100.00	100.00	3.00
	M_109	Percentage of risks related to department that were identified in the Risk Plan that were attended to successfully year to date	5 out of 8 risks were successfully attended to	To address all risks as budget is allocated to the non addressed risks	0.00	100.00	62.50	1.38
	M_110	Percentage of grievances related to department responded to within 2 weeks of grievance lodged	there were no grievances lodged this symbolize that there is a good and harmonious relationship with communication and dispute resolution		0.00	100.00	110.00	3.17
	M_111	Percentage of critical posts with signed performance agreements	33% (2 out of 6 critical positions i.e. MM and CFO) Critical positions refer to: Municipal Manager, Town Planner, CFO, Engineer (Infrastructure), communication, HR manager		0.00	33.00	33.00	3.00
	M_120	Level of functionality of Local Labor Forum (LLF)			0.00	NA	NA	No Target
	M_122	Percentage of persons suspended for longer than 4 months	No persons have been suspended for period longer than 4 months		0.00	0.00	0.00	3.00

Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
To obtain clean audit.	M_123	Percentage of budgeted vacant positions filled		The moratorium and the removal of the DH:HR impacted negatively and slow progress in filling the position out 74 positions 29 were filled	0.00	100.00	39.20	0W
	M_145	Employment Equity report submitted to Department of Labor on time			100.00	100.00	100.00	3.00
	M_147	Percentage of disciplinary cases resolved internally within 4 months of persons being charged	There were no disciplinary cases.		100.00	90.00	100.00	3.20
	M_148	Percentage of new positions filled having job descriptions	All 29 positions that were filled had job descriptions.		100.00	100.00	100.00	3.00
	M_150	Training needs analysis submitted by end February every year per department	Training needs analysis was submitted by end February 2012 by the department.		100.00	100.00	100.00	3.00
	M_152	Skills Development Plan developed and submitted to SETA by end June	Skills Development Plan was developed and submitted to SETA by the 29th of June 2012		0.00	100.00	100.00	3.00
	M_153	Number of workshops held to create awareness on labor relations for supervisors year to date	2 workshops were held to create awareness on labor relations for supervisors year to date		1.00	1.00	2.00	5.00
	M_154	Number of Local Labor Forum Meetings	10 Local Labor Forum Meetings were coordinated.	All 10 meetings were coordinated but due to various reasons beyond our control 4 of the meetings did not materialize	10.00	10.00	6.00	0W
	M_155	Percentage of new staff undergone induction workshop within 1 month of appointment	All new staff were invited and induction workshop took place within 1 month of appointment		100.00	100.00	100.00	3.00

Corporate Support Services – Projects

Programme	ID	Project	Actual Notes	Corrective Action	Financial Year 2011/2012									
					Activity (Q1)	Activity (Q2)	Activity (Q3)	Activity (Q4)	Budget	Actual Spent	% Spent	Target	% Complete	Score
Objective: To obtain clean audit														
Municipal furniture and equipment	P_33	Supply and delivery of 40x6m3 skip bins	Delivered & supplier paid	N/A	20% Progress. Compilation of specifications; Advertise Bid; Bid Evaluation & Adjudication. Appointment of PSP	100% Delivery of skip bins	100% Completed	100% Completed	700 000.00	433 478.00	61.93	100.00	100.00	3.00
	P_35	Supply, delivery and installation of a circulation desk - Main Library	Circulation desk delivered and installed	N/A	100% Compilation of specifications; Advertise Bid for 7 days Evaluation. Appointment of PSP. Installation of circulation desk.	100% Completed	100% Completed	100% Completed	115 974.00	141 874.00	122.33	100.00	100.00	3.00
	P_37	Supply of a Metal Detector	Completed	N/A Target achieved.	100% Compilation of specifications; Request formal written quotations and place an official order. Delivery.	100% Completed	100% Completed	100% Completed	6 000.00	4 625.00	77.08	100.00	100.00	3.00
	P_38	Supply & delivery of LaserJet printer	Completed	N/A Target achieved.	100% Compilation of specifications; Request formal	100% Completed	100% Completed	100% Completed	20 000.00	6 483.00	32.42	100.00	100.00	3.00

Programme	ID	Project	Actual Notes	Corrective Action	Financial Year 2011/2012										
					Activity (Q1)	Activity (Q2)	Activity (Q3)	Activity (Q4)	Budget	Actual Spent	% Spent	Target	% Complete	Score	
					written quotations and place an official order. Installation.										
	P_39	Enhance Security @ RA - Install surveillance cameras at the RA	completed	N/A	100% Compilation of specifications; Request formal written quotations and place an official order. Installation.	100% Completed	100% Completed	100% Completed	100% Completed	50 000.00	19 351.00	38.70	100.00	100.00	3.00
	P_40	Establish kitchen at RA	Kitchen installed	N/A Target achieved.	100% Compilation of specifications; Request formal written quotations and place an official order. Installation.	100% Completed	100% Completed	100% Completed	100% Completed	10 000.00	7 374.00	73.74	100.00	100.00	3.00
Municipal Vehicles	P_32	Supply and delivery of 1x compactor truck with a maintenance plan	100% completed. Compactor delivered, registered and already in use.	N/A	20% Progress. Compilation of specifications; Advertise Tender; Evaluation & Adjudication. Appointment of PSP	100% Delivery of compactor truck	100% Completed	100% Completed	100% Completed	2 000 000.00	1 297 359.00	64.87	100.00	100.00	3.00
	P_34	Supply and delivery of a skip loader with a maintenance	Tender was re-advertised, evaluated and	MM approved roll-over of funds to the new financial	20% Progress. Compilation of specifications; Advertise Bid;	100% Delivery of skip loader	100% Completed	100% Completed	100% Completed	2 000 000.00			100.00	50.00	1.50

Programme	ID	Project	Actual Notes	Corrective Action	Financial Year 2011/2012										
					Activity (Q1)	Activity (Q2)	Activity (Q3)	Activity (Q4)	Budget	Actual Spent	% Spent	Target	% Complete	Score	
		plan	adjudicated. No appointment made. MM approved roll-over of funds to implement the project in the new financial year.	year. Request deviation from normal SCM and follow a limited bidding process in order not to lose warranties on the truck. Completion date revised to 30/09/12	Bid Evaluation & Adjudication. Appointment of PSP										
	P_36	Supply and delivery of a D/Cab Bakkie with a maintenance plan	Tender was re-advertised, evaluated and adjudicated. No appointment made. MM approved roll-over of funds to implement the project in the new financial year.	Compile a memo requesting approval for deviation from normal SCM process & follow a limited bidding process. Request for formal written quotations. Then follow the normal SCM process. Revised date for completion is now Sep '12.	20% Progress. Compilation of specifications; Advertise Bid; Bid Evaluation & Adjudication. Appointment of PSP	100% Delivery of D/Cab Bakkie	100% Completed	100% Completed	300 000.00			100.00	50.00	1.50	
	P_41	Supply & delivery of 2x	Tender was re-	Compile a memo	20% Progress. Compilation	100% Delivery of	100% Completed	100% Completed	730 000.00			100.00	0.00	1.00	

Programme	ID	Project	Actual Notes	Corrective Action	Financial Year 2011/2012										
					Activity (Q1)	Activity (Q2)	Activity (Q3)	Activity (Q4)	Budget	Actual Spent	% Spent	Target	% Complete	Score	
		trucks with a maintenance plan	advertised, evaluated and adjudicated. No appointment made. MM approved roll-over of funds to implement the project in the new financial year.	requesting approval for deviation from normal SCM process & follow a limited bidding process. Request for formal written quotations. Then follow the normal SCM process. Revised date for completion is now Sep '12.	of specifications; Advertise Bid; Bid Evaluation & Adjudication. Appointment of PSP	2x 3-Ton Trucks									
	P_42	Supply & delivery of LDV with a maintenance plan	LDV delivered, registered and in use.	N/A. Target achieved	20% Progress. Compilation of specifications; Advertise Bid for 7 days; Bid Evaluation. Appointment of PSP	100% Delivery of an LDV	100% Completed	100% Completed	200 000.00	155 525.00	77.76	100.00	100.00	3.00	
Objective: To establish effective and consistent Refuse removal service. Reduce amount of waste disposal by 50%. Ensure environmental justice and compliance. To ensure safe disposal of waste within the municipal area															
Refuse removal and solid waste disposal	P_31	Development of a new landfill site- Phases 1 & 2 EIA and Feasibility study	The service provider has requested an extension of time to complete the project. The approval has been	PSP to submit EIA Report to DEA. Thereafter DEA will issue a ROD & forward it to Licensing	20% Progress. Compilation of ToR; Advertise Tender; Evaluation & Adjudication. Appointment of PSP	40% Progress. Submission of Status quo report	70% Progress. Submission of Draft EIA & Feasibility reports;	100% Submission of final reports	2 000 000.00	245 942.00	12.30	100.00	60.00	1.60	

Programme	ID	Project	Actual Notes	Corrective Action	Financial Year 2011/2012										
					Activity (Q1)	Activity (Q2)	Activity (Q3)	Activity (Q4)	Budget	Actual Spent	% Spent	Target	% Complete	Score	
			granted. The revised date is end of December 2012.	Dept. for permit.											
	P_55	Weigh bridge - RO	Installation of PC delayed due to security risk at the disposal site. Budget for purchasing of a modular unit for installation of computers approved in the new budget.	Request for deployment of night shift security personnel at the disposal site approved. Procurement of a modular unit underway. Revised date for completion is now Sep '12.	Not applicable prior to budget adjustment	Not applicable prior to budget adjustment	90% Progress. Install solar and computers	100% Completed	600 000.00	644 638.00	107.44	100.00	95.00	2.95	
Objective: To reduce unemployment rate by 5% within the municipality for the next 5 years															
Libraries	P_54	Mokuruanyane MPCC - RO	Building work scheduled for completion end of July 2012. Engagements with other sector departments to use office space underway. Draft SLA submitted to Corporate for comment.	Schedule of completion scope change Agreement shifted to 31 July 2012. Completion of building revised to 31 July '12.	Not applicable prior to budget adjustment	Not applicable prior to budget adjustment	60% Progress. Wall plates, roofing. Curbs and paving.	100% Completed	10 837 484.00	6 501 482.00	59.99	100.00	95.00	2.95	

Strategic – Key Performance Indicators

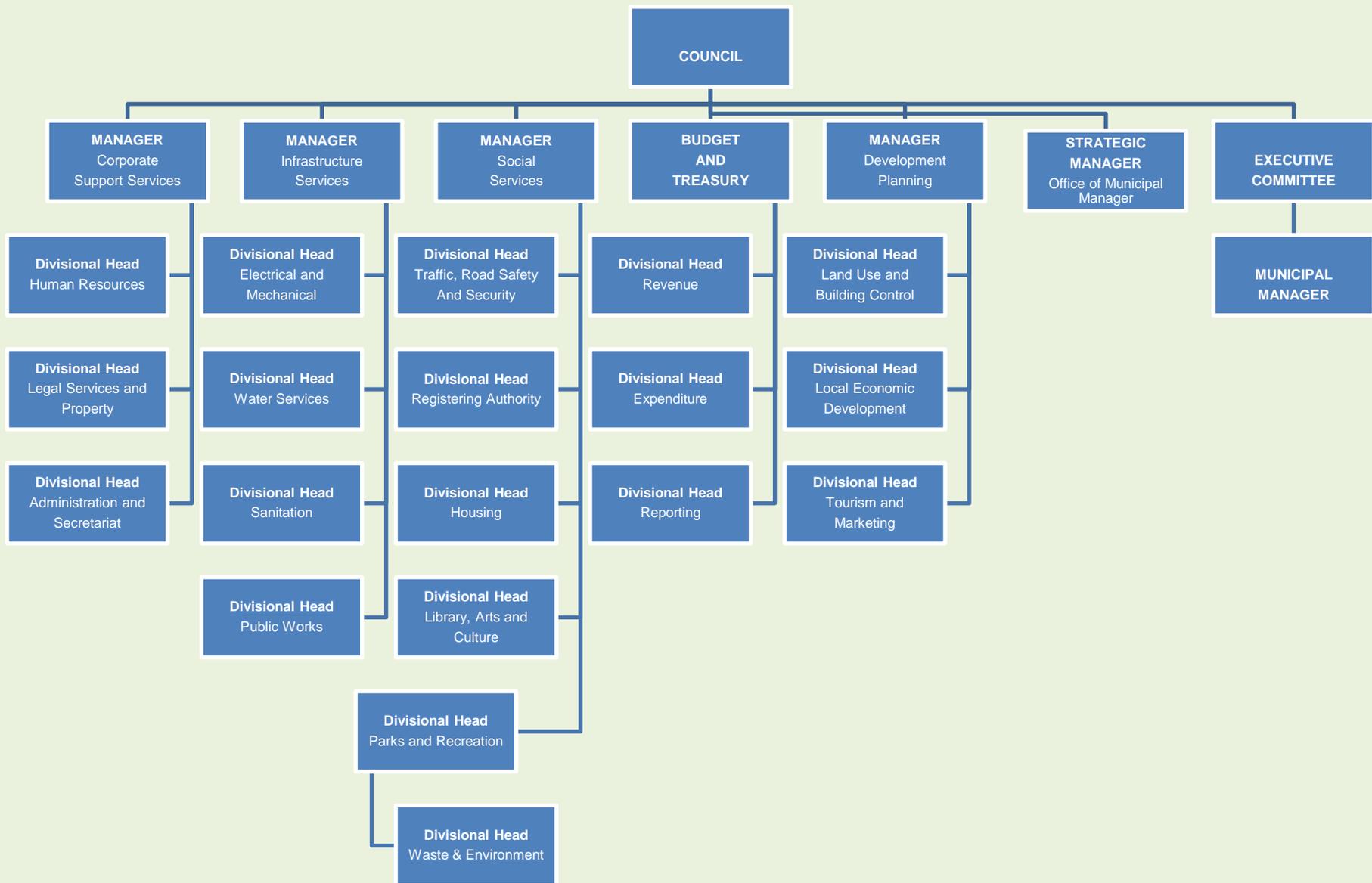
Objective	ID	KPI	Actual Notes (Q4)	Corrective Action (Q4)	Baseline 10/11 Actual	Annual Target 11/12	Annual Actual 11/12	Score 11/12
To ensure revenue enhancement for the municipality. To manage debt effectively and efficiently.	M_175	Percentage variance between operational budget projections and expenditure related to department year to date			0.00	100.00	100.00	3.00
To obtain clean audit.	M_188	Percentage of AG audit queries related to department resolved			0.00	100.00	90.00	2.83
	M_198	Percentage of internal audit queries resolved within agreed timeframes			0.00	100.00	100.00	3.00
	M_176	Number of external newsletters published			0.00	4.00	4.00	3.00
	M_177	Number of local communicators forum meetings held successfully			0.00	6.00	4.00	1.50
	M_178	Number of disability awareness campaigns held			0.00	4.00	4.00	3.00
	M_179	Number of gender awareness campaigns held			0.00	4.00	4.00	3.00
	M_180	Percentage of Council resolutions related to department implemented within timeframe			0.00	90.00	100.00	3.20
	M_181	Percentage of management committee resolutions related to department implemented within timeframes			0.00	90.00	100.00	3.20
	M_182	Number of Departmental meetings held year to date			0.00	4.00	3.00	1.67
	M_183	Percentage of Presidential hotline queries addressed within 1 month			0.00	90.00	80.00	2.80
To obtain clean audit.	M_184	Percentage of Premier's hotline queries addressed within 1 month			0.00	90.00	90.00	3.00
	M_200	Percentage of risks related to department that were identified in the Risk Plan that were attended to successfully year to date			0.00	100.00	Actual Required	1.00
	M_201	Percentage of grievances related to department responded to within 2 weeks of grievance lodged			0.00	100.00	Actual Required	1.00
	M_202	Training needs analysis submitted by end February every year per department (Percentage progress with the process of finalization)			0.00	100.00	100.00	3.00
To reduce unemployment rate by 5% within the municipality for the next 5 years	M_185	Number of youth awareness campaigns held			0.00	4.00	4.00	3.00

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

INTRODUCTION

In the light of the actual and potential development challenges the Municipality reviews its organizational structure in order that the structure should reflect how the municipality has organized its resources and competencies for the purpose of delivering on core responsibilities. The political structure consists of council and the executive committee. The administration consists of the office of the Municipal Manager and five departments: Corporate Service, Budget & Treasury, Development Planning Services, Infrastructure Services and Social Services.





COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees					
Description	2011/12	2011/12			
	Employees	Approved Posts	Employees	Variance	Variance
	No.	No.	No.	No.	%
Water	45	50	45	10	
Waste Water (Sanitation)	33	36	33	8.3	
Electricity	39	47	39	17	
Waste Management	50	58	50	13.8	
Housing	4	6	4	33.3	
Waste Water (Storm water Drainage)	48	49	48	2.1	
Roads	18	18	18	0	
Transport	18	20	18	10	
Planning	9	11	9	22.2	
Local Economic Development					
Planning (Strategic & Regulatory)	5	7	5	28.6	
Local Economic Development	1	2	1	50	
Community & Social Services	15	17	15	11.8	
Environmental Protection					
Health					
Security and Safety	1	2	1	50	
Sport and Recreation	42	43	42	2.3	
Corporate Policy Offices and Other	87	101	87	13.9	
Totals	468	415	53	11.1	

Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June.

T4.1.1

Current institutional capacity constraints within Lephalale municipality will impede the achievement of development targets for Limpopo Coal and Petrochemical cluster. The most critical constraints in the context of the cluster are in technical services, both at managerial and operational levels. Specific areas of acute constrains are in water and sanitation.

Department	Number of Positions 11/12				Total	Vacant	%Vacant
	Management	Technical	Labor	Support			
Infrastructure Services	6	48	124	7	185	16	8.6
Social Services	7	28	101	39	175	18	10.6
Corporate Support Services	4	0	15	17	37	5	13.5
Budget and Treasury	5	0	1	31	37	5	13.5
Planning and Development	4	6	0	5	15	5	33.3
Office of Municipal Manager	6	1	2	10	19	4	21.1
Total Positions	32	83	243	109	468	53	16.8

- ❖ A total of 95% of the budgeted positions on the organogram that were filled as per annual target.
- ❖ A total of 110 new vacancies as per the organogram have been filled exceeding the annual target of 75. All (100%) positions that were filled have job descriptions.



Vacancy Rate 2011/12			
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	0	0	0
CFO	0	0	0
Other S57 Managers (excluding Finance Posts)	2	2 months	
Other S57 Managers (Finance posts)	0	0	
Municipal Police	0	0	
Fire fighters	0	0	
Senior management: Levels 13-15 (excluding Finance Posts)	7	95 months	
Senior management: Levels 13-15 (Finance posts)	2	23 months	
Highly skilled supervision: levels 9-12 (excluding Finance posts)	18	208 months	
Highly skilled supervision: levels 9-12 (Finance posts)	2	3months	
Total	29		
<p>Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). 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.</p>			

T4.1.2

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
	2010/11	83	17
2011/12	26	19	0.045
<p>* Divide the number of employees who have left the organization within a year, by total number of employees who occupied posts at the beginning of the year</p>			

T4.1.3

COMMENT ON VACANCIES AND TURNOVER:

- ❖ The current organizational structure is not strategically designed nor equipped to optimally effect the execution of the current and new business imperatives that the municipality face.
- ❖ The organizational capacity and capability of the municipality is seriously deficient to meet additional service delivery demands of key industry players such as Eskom and Exxaro due to expansions of industrial operations.
- ❖ To date the draft by-laws are not implemented as the Municipality is still waiting for completion of the process of promulgation.
- ❖ The process of developing a mechanism of performance management system has not yet been concluded. At individual level only section 57 managers has signed performance contracts.
- ❖ The challenge of attraction and retention of skilled personnel to implement the powers and functions

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	00	00	00	00	00
Temporary total disablement	N/A	N/A	N/A	N/A	N/A
Permanent disablement	N/A	N/A	N/A	N/A	NONE
Fatal	N/A	N/A	N/A	N/A	NONE
Total	00	00	00	00	00
					T4.3.1

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)	N/A	1%	N/A			
Skilled (Levels 3-5)		2%				
Highly skilled production (levels 6-8)		5%				
Highly skilled supervision (levels 9-12)		8%				
Senior management (Levels 13-15)		13%				
MM and S57		1%		6		
Total	2003	30%	304	414	4.83	
* - Number of employees in post at the beginning of the year						
*Average calculated by taking sick leave in column 2 divided by total employees in column 5						

T4.3.2

The kind of system used to get the data for the table above is not functioning in a way that would not allow the capturer to disseminate the information according to levels. The information drawn from the system is as tabulated, the totals for the cost and sick leave in Lephalale Municipality for past financial year.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.2 POLICIES

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

Note: MSA 2000 S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998.

- ❖ A total of seven (7) **new** Human Resource policies have been developed at the end of the year as per target.

A HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1	Affirmative Action	100	Not yet	Incorporate in EE Policy 2011
2	Attraction and Retention	100	Not yet	Item A/40/2010
3	Code of Conduct for employees	100		Adopted by Council as amended at Bargaining Council from time to time.
4	Delegations, Authorization & Responsibility	100		A197/2012
5	Disciplinary Code and Procedures	100		B61/2010
6	Essential Services			Not yet concluded
7	Intoxication & Substance Abuse Policy	100		2010
8	Employment Equity	100		A/24/ 2011
9	Exit Management			
#	Grievance Procedures	100		Adopted by Council as amended at Bargaining Council from time to time.
#	HIV/Aids	100		A/278/2003
#	Training & Development Policy	100	2011	2011
#	Information Technology	100		A26/2010
#	Job Evaluation			Adopted by Council as amended at Bargaining Council from time to time.
#	Leave	100	2009	2010
#	Occupational Health and Safety			A 28/2010
#	Official Housing	60		Not yet adopted by Council
#	Travel and Subsistence Policy	100	2009	2009
#	Official transport to attend Funerals	100		2011
#	Official Working Hours and Overtime	100	2009	A 121/2012
#	Organizational Rights	100		Adopted by Council as amended at Bargaining Council from time to time.
#	Payroll Deductions			
#	Performance Management and Development	100		2010
#	Recruitment, Selection and Appointments	100	2011	2011
#	Remuneration Scales and	100	2011	2012

	Allowances			
#	Resettlement			
#	Sexual Harassment	100		2003
#	Skills Development	100		A178/2011
#	Smoking			
#	Special Skills			
#	Work Organization			
#	Uniforms and Protective Clothing			
#	Overtime Policy	100	2010	A121/2012
Use name of local policies if different from above and at any other HR policies not listed.				

T4.2.1

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken Days	Employees using injury leave No.	Proportion employees using sick leave %	Average Injury Leave per employee Days	Total Estimated Cost R'000
Required basic medical attention only	60	5	8.33%	12	60
Temporary total disablement					
Permanent disablement					
Fatal					
Total	60	5	8.33%	12	60

T4.3.1

The kind of system used to get the data for the table above is not functioning in a way that would not allow the capturer to disseminate the information according to levels. The information drawn from the system is as tabulated, the totals for the cost and sick leave in Lephalale Municipality for past financial year.

COMMENT ON INJURY AND SICK LEAVE:

The position of the Safety Officer remains vacant. As this is a specialized position no one was appointed as acting to execute duties of safety officer. The data is therefore not available.

T4.3.4

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

- ❖ All (100%) disciplinary cases were resolved within four months of persons being charged.

❖ 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 Finalized
Admin Assistant L7	Sold RDP houses	Charged	Resigned before hearing started

4.4 PERFORMANCE REWARDS

Performance Rewards by Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards 2008/09 R' 000	Proportion of beneficiaries within group %
Lower skilled (Levels 1-2)	Female	0	0		0%
	Male	0	0		
Skilled (Levels 3-5)	Female				
	Male				
Highly skilled production (levels 6-8)	Female				
	Male				
Highly skilled supervision (levels 9-12)	Female				
	Male				
Senior management (Levels 13-15)	Female				
	Male				
MM and S57	Female				
	Male				
Total		0	0		
Has the statutory municipal calculator been used as part of the evaluation process?					Yes/No
<p>Note: MSA 2000 S51 (d) requires that ... 'performance plans, on which rewards are based, should be aligned with the IDP'... (IDP objectives and targets are set out in Chapter 3) and that Service Delivery and Budget Implementation Plans (developed under MFMA S69 and Circular 13) should be consistent with the higher level IDP targets and must be incorporated appropriately in personal performance agreements as the basis of performance rewards. Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).</p>					

T4.4.1

COMMENT ON PERFORMANCE REWARDS:

The Performance Management System was applied to the Level of sec 56 Managers and the process of evaluation is still to be done in next financial year.
The process will determine if there is a reward to be awarded.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

Note: MSA 2000 S68 (1) requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way.

4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix														
Management level	Gender	Employees in post as at 30 June 2012	Number of skilled employees required and actual as at 30 June 2012											
			Learner ships			Skills programmes & other short courses			Other forms of training			Total		
			No.	Actual 30 June 2011	Actual 30 June 2012	Target	Actual 30 June 2011	Actual 30 June 2012	Target	Actual 30 June 2011	Actual 30 June 2012	Target	Actual 30 June 2011	Actual 30 June 2012
MM and S57	Female	2				1	1	1				1	1	1
	Male	4				1	3	4				1	3	4
Councilors, senior officials and managers	Female	19				3	12	29				3	12	29
	Male	26				9	12	26				9	12	26
Technicians and associate professionals	Female	13				4	1	29				4	1	29
	Male	66				18	4	7				18	4	7
Professionals	Female	12	1	1	1	3	7	18				3	7	18
	Male	23	4	4	4	8	11	15				8	11	15
Sub total	Female	46	1	1	1	11	21	78				11	21	78
	Male	119	4	4	4	36	30	52				36	30	52
Total		165	5	5	5	47	51	130				47	51	130

Financial Competency Development Progress Report						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
<i>Accounting officer</i>	1	0	1	1	1	1
<i>Chief financial officer</i>	1	0	1	1	1	1
<i>Senior managers</i>	5	0	5	5	5	2
<i>Any other financial officials</i>	4	0	4	3	0	3
Supply Chain Management Officials						
<i>Heads of supply chain management units</i>	1	0	1	1	1	0
<i>Supply chain management senior managers</i>	0	0	0	0	0	0
TOTAL	12	0	12	11	8	7
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)						

T4.5.2

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS: Included in Chapter 3 under corporate services.

T4.5.4

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

Skills Development Expenditure										
										R'000
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development 2010/11							
			Learner ships		Skills programs & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female	2								88533.86
	Male	3								
Legislators, senior officials and managers	Female	19								42804.00
	Male	26								
Professionals	Female	14								89333.00
	Male	25								
Technicians and associate professionals	Female	11								19540.00
	Male	50								
Clerks	Female	33								64700.00
	Male	9								
Service and sales workers	Female	4								
	Male	16								
Plant and machine operators and assemblers	Female	4								
	Male	33								
Elementary occupations	Female	33								28102.00
	Male	144								
Sub total	Female	120								333012.86
	Male	306								
Total		426								
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									*%	*R

T4.5.3

4.6 EMPLOYEE EXPENDITURE

COMMENT ON WORKFORCE EXPENDITURE

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	00
	Male	00
Skilled (Levels 3-5)	Female	00
	Male	00
Highly skilled production (Levels 6-8)	Female	00
	Male	00
Highly skilled supervision (Levels 9-12)	Female	00
	Male	00
Senior management (Levels 13-16)	Female	00
	Male	00
MM and S 57	Female	00
	Male	00
Total		
Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).		T4.6.2

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

0 post were upgraded in the 2011/12 financial year.

T4.6.5

DISCLOSURES OF FINANCIAL INTERESTS

13 financial interest declared by officials from the municipality for the financial year 2011/12.

CHAPTER 5

INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

T5.0.1

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

Note: Statements of Revenue Collection Performance by vote and by source are included in **Appendix K**.

T5.1.0

STATEMENTS OF FINANCIAL PERFORMANCE

LIM362 Lephalale - Table C1 Monthly Budget Statement Summary - M12 June

Description	2010/11	Budget Year 2011/12							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	25,401	22,627	32,407	4,724	27,124	32,407	(5,283)	-16%	-
Service charges	99,235	102,459	123,638	18,752	146,487	123,638	22,848	18%	-
Investment revenue	9,344	4,901	11,847	4,001	14,693	11,847	2,846	24%	-
Transfers recognised - operational	105,949	73,300	73,300	3,900	73,300	73,300	-		-
Other own revenue	11,846	48,785	105,988	9,017	67,365	105,988	(38,623)	-36%	-
Total Revenue (excluding capital transfers and contributions)	251,774	252,072	347,180	40,394	328,969	347,180	(18,212)	-5%	-
Employee costs	80,901	93,267	92,494	10,641	90,958	92,494	(1,536)	-2%	-
Remuneration of Councillors	5,888	6,844	7,325	(533)	5,855	7,325	(1,470)	-20%	-
Depreciation & asset impairment	47,253	8,130	52,857	8,930	53,574	52,857	717	1%	-
Finance charges	3,514	8,665	3,561	3,476	4,547	3,561	986	28%	-
Materials and bulk purchases	54,081	61,207	75,131	14,077	77,003	75,131	1,872	2%	-
Transfers and grants	930	1,123	1,000	-	1,019	1,000	19		-
Other expenditure	65,421	72,831	73,493	13,146	68,327	73,493	(5,166)	-7%	-
Total Expenditure	257,988	252,066	305,861	49,737	301,282	305,861	(4,579)	-1%	-
Surplus/(Deficit)	(6,214)	6	41,319	(9,343)	27,687	41,319	(13,633)	-33%	-
Transfers recognised - capital	-	(55,578)	(119,402)	-	-	(119,402)	119,402	-100%	-
Contributions & Contributed assets	-	55,578	78,089	-	-	78,089	(78,089)	-100%	-
Surplus/(Deficit) after capital transfers & contributions	(6,214)	6	6	(9,343)	27,687	6	27,680	441017%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-

Surplus/ (Deficit) for the year	(6,214)	6	6	(9,343)	27,687	6	27,680	441017%	-
<u>Capital expenditure & funds sources</u>									
Capital expenditure	40,945	55,578	119,402	4,835	72,124	119,402	(47,278)	-40%	-
Capital transfers recognised	12,998	35,082	59,896	4,296	37,948	59,896	(21,948)	-37%	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	27,948	20,496	59,506	539	34,175	59,506	(25,331)	-43%	-
Total sources of capital funds	40,946	55,578	119,402	4,835	72,123	119,402	(47,279)	-40%	-
<u>Financial position</u>									
Total current assets	191,898	89,328	100,244		212,374				100,244
Total non current assets	878,563	254,329	937,495		938,332				937,495
Total current liabilities	71,373	36,206	41,033		77,795				41,033
Total non current liabilities	33,514	45,441	36,030		36,188				36,030
Community wealth/Equity	965,574	262,010	960,676		1,036,722				960,676
<u>Cash flows</u>									
Net cash from (used) operating	47,716	39,754	12,518	(3,424)	54,326	12,518	41,808	334%	-
Net cash from (used) investing	(39,894)	(55,578)	(119,402)	(4,835)	(70,676)	(119,402)	48,726	-41%	-
Net cash from (used) financing	(2,229)	-	(2,435)	-	(2,435)	(2,435)	(0)	0%	-
Cash/cash equivalents at the month/year end	136,581	69,203	27,262	-	117,796	(24,292)	142,088	-585%	136,582
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dys-1 Yr	Over 1Yr	Total
<u>Debtors Age Analysis</u>									
Total By Revenue Source	16,713	11,550	5,560	4,921	4,174	15,555	21,776	#####	99,264
<u>Creditors Age Analysis</u>									
Total Creditors	-	-	-	-	-	-	-	-	-

5.2 GRANTS

LIM362 Lephalale - Supporting Table SC7 Monthly Budget Statement - transfers and grant expenditure - M12 June

Description	Ref	2010/11	Budget Year 2011/12							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
-										
Operating expenditure of Transfers and Grants										
National Government:		86,438	78,407	81,168	1,720	81,342	81,168	174	0.2%	-
Equitable share		72,053	73,330	73,330	-	73,330	73,330	-		
Finance Management grant		950	1,250	1,250	451	1,250	1,250	-		
Department of Water Affairs		13,435	3,827	6,588	1,268	6,762	6,588	174	2.6%	
0								-		
0								-		
0								-		
Other transfers and grants [insert description]								-		
Provincial Government:		-	-	-	-	-	-	-		-
0								-		
0								-		
0								-		
0								-		
Other transfers and grants [insert description]								-		
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]								-		
Total operating expenditure of Transfers and Grants:		86,438	78,407	81,168	1,720	81,342	81,168	174	0.2%	-
Capital expenditure of Transfers and Grants										
National Government:		17,106	40,528	69,867	2,506	43,383	69,867	(26,484)	-37.9%	-
Municipal Infrastructure Grant (MIG)		12,000	35,907	64,651	2,921	41,357	64,651	(23,294)	-36.0%	
MSIG		759	790	790	-	790	790	0	0.0%	

Public Works	966	3,831	4,426	42	777	4,426	(3,649)	-82.5%	
Electrification Grant	3,381			(457)	459		459	#DIV/0!	
0							-		
Other capital transfers [insert description]							-		
Provincial Government:	-	1,098	-	-	-	-	-		-
DPLG Project Funding		1,098					-		
District Municipality:	1,172	-	-	-	2,440	-	2,440	#DIV/0!	-
0	1,172				2,440		2,440	#DIV/0!	
Other grant providers:	1,233	-	-	-	489	-	489	#DIV/0!	-
0	1,233				489		489	#DIV/0!	
Total capital expenditure of Transfers and Grants	19,511	41,626	69,867	2,506	46,313	69,867	(23,554)	-33.7%	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	105,949	120,033	151,035	4,226	127,655	151,035	(23,380)	-15.5%	-

References

COMMENT ON OPERATING TRANSFERS AND GRANTS:

Under-expenditure of Municipal Infrastructure Grant (MIG) was caused by late appointment of contractors due to procurement process.

The other grants received were spent.

T5.2.2

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

Lephalale municipality has an audited asset register for the financial 2011/12, the asset management unit is reviewing and updating the register as assets after acquired, completed or purchased.

T5.3.1

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2011/12

Asset 1

Name	Lephalale Civic Centre			
Description	Municipal buildings			
Asset Type	Immovable			
Key Staff Involved				
Staff Responsibilities				
Asset Value	2007/08	2008/09	2009/10	2010/11
			10,400000	R11,000,000
Capital Implications	To Extended			
Future Purpose of Asset	Council Chamber and Offices for Operation of Municipality			
Describe Key Issues				
Policies in Place to Manage Asset				

Asset 2

Name	Paarl Sewer Treatment Plant			
Description	Sewerage Treat meant Plant			
Asset Type	immovable			
Key Staff Involved				
Staff Responsibilities				
Asset Value	2007/08	2008/09	2009/10	2010/11
				R31,600 000
Capital Implications				
Future Purpose of Asset	Treatment of raw affluent water and by products			
Describe Key Issues				
Policies in Place to Manage Asset				

Asset 3

Name	Onverwacht Palala Reservoir			
------	-----------------------------	--	--	--

Description	Water Reservoir			
Asset Type	immovable			
Key Staff Involved				
Staff Responsibilities				
	2007/08	2008/09	2009/10	2010/11
Asset Value				R16000000
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset				

COMMENT ON ASSET MANAGEMENT:

The Assets verification of the municipality was done at the end of the financial.

The unbundling of infrastructure assets was done during 2010/11 financial year. After the unbundling of assets, the depreciation increased from R48 million to R53 million which is higher than the budgeted depreciation therefore resulted in the municipality exceeding the budgeted expenditure on depreciation by R717 thousands.

T5.3.3

Repairs and Maintenance Expenditure 2011/2012				
R'000				
	Original Budget	Adjustment Budget	Actual	Budget Variance
Repairs and Maintenance Expenditure	18 473	20 082	14 496	72%

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

The under-spending on Repairs and Maintenance

T5.3.4.1

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

	2010/11	2011/12
Liquidity Ratios		
Current Ratio	3:1	3:1
Acid Test Ratio	3:1	3:1
Debtors Collection Period	73 Days	120 Days

COMMENT ON FINANCIAL RATIOS:

The Liquidity ratios are an indication of the ability of the municipality to pay its operational obligation as they become due. The municipality's current ratio is within the norm.

T5.4.9

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

T5.5.0

1.5 CAPITAL EXPENDITURE

T5.5.

5.6 SOURCES OF FINANCE

Vote Description	Ref	2010/11	Budget Year 2011/12							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<u>Capital Expenditure - Standard Classification</u>										
<i>Governance and administration</i>		1,465	1,970	2,481	109	1,244	2,481	(1,237)	-50%	–
Executive and council		94	790	837	19	796	837	(41)	-5%	
Budget and treasury office		726	460	460	30	373	460	(87)	-19%	
Corporate services		645	720	1,184	60	75	1,184	(1,109)	-94%	
<i>Community and public safety</i>		4,859	6,754	17,607	585	8,186	17,607	(9,421)	-54%	–
Community and social services		4,852	6,428	17,281	375	7,964	17,281	(9,317)	-54%	
Sport and recreation								–		
Public safety								–		
Housing		7	326	326	210	222	326	(104)	-32%	
Health								–		
<i>Economic and environmental services</i>		11,024	17,554	32,084	1,157	27,839	32,084	(4,245)	-13%	–
Planning and development		69	1,500	1,500		4	1,500	(1,496)	-100%	
Road transport		10,955	16,054	30,584	1,157	27,835	30,584	(2,749)	-9%	

Environmental protection								-		
Trading services		23,598	29,300	67,230	2,984	34,857	67,230	(32,373)	-48%	-
Electricity		3,698	850	6,915	-	4,786	6,915	(2,129)	-31%	
Water		4,381	16,950	35,591	2,773	23,943	35,591	(11,648)	-33%	
Waste water management		8,882	4,800	17,424	-	3,504	17,424	(13,920)	-80%	
Waste management		6,637	6,700	7,300	211	2,624	7,300	(4,676)	-64%	
Other								-		
Total Capital Expenditure - Standard Classification	3	40,946	55,578	119,402	4,835	72,126	119,402	(47,276)	-40%	-
Funded by:										
National Government		12,998	35,082	59,896	4,296	37,948	59,896	(21,948)	-37%	
Provincial Government							-	-		
District Municipality							-	-		
Other transfers and grants							-	-		
Transfers recognised - capital		12,998	35,082	59,896	4,296	37,948	59,896	(21,948)	-37%	-
Public contributions & donations	5							-		
Borrowing	6							-		
Internally generated funds		27,948	20,496	59,506	539	34,175	59,506	(25,331)	-43%	
Total Capital Funding		40,946	55,578	119,402	4,835	72,123	119,402	(47,279)	-40%	-

COMMENT ON SOURCES OF FUNDING:

The Under-spending on capital expenditure was due to the delays in the appointment of the contractors. The overall spending of capital is 60%

T5.6.1.1

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Name of Project	Capital Expenditure of 5 largest projects*					
	Current Year				Variance Current Year	
	Original Budget (Vat Inc.)	Awarded Amount (Vat Inc.)	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A – Marapong Internal Roads	R 19 257 479	R22 198 744.22	None	R12 764 766		None
B – Marapong 8.5ML Reservoir	R6 679 923	R8 884 704.00	None	R 7 882 319		None
C – Oxidation Ponds Conversion	R 10 514 806	R14 584 651.98	None	R 8 004 637		None
D – Refurbishment of Village Water Scheme	R 20 128 706	R27 063 543.49	None	R 8 564 105		None
E – Mokurunyane MPCC	R 16 175 484	R14 668 606.69	None	R 6 723 496		None
	* Projects with the highest capital expenditure in 2011/12					

COMMENT ON CAPITAL PROJECTS:

Project C, D & E are completed. Project A & B is still at construction stage.

The variance for project E caused by disagreement amongst community members on site allocation.

The variance for project C is caused by additional scope of work from mall site.

At the end of the financial year the Projects were not completed and there were still outstanding payments to be done, final variance from original could not be calculated.

T5.7.1.1

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The backlogs on the basic services are based on the RDP level of standard and the expression of percentage is based on the household number of 27756 within Lephalale local municipality including farms and rural homes

COMMENT ON BACKLOGS:

Municipality is comprised of 38 scattered rural settlements and farms. Provision of basic infrastructure services remains a challenge.

Provision of basic services at farms is the discretion of the owner. There is no strategy in place as yet to guide the municipality regarding the provision of services to farm dwellers and farming community in general.

Provision of basic services within the formalized town is on target. There are still some challenges at the rural areas. The details are outlined in chapters 1 and 3.

Sanitation backlog of 45.2 %

Water backlog of 18 %

Electricity backlog of 11.3 %

T5.8.4

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

The figures of the cash flow shown below are the real movement of cash excluding depreciations and other non-cash items.

T5.9.0

5.9 CASH FLOW

Cash Flow Outcomes				
Description	2009/10	Current Year 2010/11		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	182 301	144 321	135 662	136 766
Government - operating		84 929	72 052	74 400
Government - capital		29 855	48 400	39 857
Interest	9 374	3 800	3 863	8 417
Dividends				
Payments				
Suppliers and employees	(141 904)	(208 029)	(199 143)	(210 130)
Finance charges	(3 380)	(4 316)	(1 682)	(1 594)
Transfers and Grants				
NET CASH FROM/(USED) OPERATING ACTIVITIES	46 390	50 560	59 152	47 716
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	604			62
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments				
Payments				
Capital assets	(25 099)	(96 250)	(96 250)	(39 956)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(24 496)	(96 250)	(96 250)	
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans				
Borrowing long term/refinancing				
Increase (decrease) in consumer deposits	1 149			
Payments				
Repayment of borrowing				(2 229)
NET CASH FROM/(USED) FINANCING ACTIVITIES	1 149	-	-	(2 229)
NET INCREASE/ (DECREASE) IN CASH HELD	23 044	(45 690)	(37 098)	5 593
Cash/cash equivalents at the year begin:	107 943	85 027	130 987	130 988
Cash/cash equivalents at the year-end:	130 987	39 337	93 889	136 581

COMMENT ON CASH FLOW OUTCOMES:

The municipality ended the financial year with a positive bank balance of R 117m, even though there was a challenge in the debtors' collection.

T5.9.1.1

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

The long term loans which the municipality has are from Development Bank of South Africa (DBSA) and Infrastructure Corporation Limited (INCA).

The municipality has an investment of 245 shares which were valued at R9 508 on 30 June 2011. The other Investments which the municipality has are short-term investments which are transferred back to the municipality's primary bank account every year end.

T5.10.1

	2008/9	2009/10	2010/2011
Long – Term Loans	R 15 679 662	R 13 445 135	R 11 009 637
Investments		R 7 887	R 9 508

5.11 PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS

A total of ten strategic economic partnerships have been established exceeding the annual target of eight and ensuring that the program of *Public/Private Partnerships* reached target at the end of the financial year. Partnership agreements were concluded with the Pistorius Group and others are yet to be signed with Exxaro, SEDA, LIBSA and Marula Mile Developers before the end of the financial year. Draft agreements with the National Youth Development Agency and Tourism Enterprise Partnership are in place. Co-operation with DLGH on implementation of the Business survey project for Lephalale was conducted. A total of ten strategic economic partnerships have been established exceeding the annual target of eight and ensuring that the program for *Public/Private Partnerships* reached target at the end of the financial year.

T5.11.1

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

The supply chain management unit was at least 0,5capacitated in terms of staff. The unit has centralized event management logistics.

Supply chain policy was approved by council. The challenge with the policy was that it was not updated in terms of the national treasury regulations. The other challenge in supply chain management unit is that the demand management section is still lacking.

T5.12.1

5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

GRAP is the acronym for **Generally Recognized Accounting Practice** and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace progress and consider the implications.

LEPHALALE LOCAL MUNICIPALITY SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES for the year ending 30 June 2012

1 BASIS OF ACCOUNTING

1.1 BASIS OF PRESENTATION

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise.

These annual financial statements have been prepared in accordance with Generally Recognized Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003). The standards have also been prescribed by the Minister of Finance in terms of Government Notice 991 and 992 of 2005, issued in Government Gazette no. 28095 of 15 December 2005
Government Notice 516 of 2008, issued in Government Gazette no. 31021 of 9 May 2009
Government Notice 80 of 2011, issued in Government Gazette no. 33991 of 2 February 2011

The principal accounting policies adopted in the preparation of these annual financial statements are set out below.

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP.

The accounting policies applied are consistent with those used to present the previous year's financial statements, unless explicitly stated. The details of any

changes in accounting policies are explained in the relevant policy.

PRESENTATION

1.2 CURRENTY

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

GOING CONCERN

1.3 ASSUMPTION

These annual financial statements have been prepared on the assumption that the municipality will continue to operate as a going concern for at least the next 12 months.

COMPARATIVE

1.4 INFORMATION

Budget information in accordance with GRAP 1 and 24, has been provided in an annexure to these financial statements and forms part of the audited annual financial statements.

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED

1.5 BUT NOT YET EFFECTIVE

The following GRAP standards have been issued but are effective

GRAP 1 Presentation of Financial Statements
GRAP 2 Cash Flow Statements
GRAP 3 Accounting Policies, Changes in Accounting Estimates and Errors
GRAP 4 The effects of Changes in foreign Exchange Rates
GRAP 5 Borrowing Costs
GRAP 6 Consolidated and Separate Financial statements
GRAP 7 Investments in Associates
GRAP 8 Interests in Joint Ventures
GRAP 9 Revenue form Exchange transactions
GRAP 10 Financial Reporting in Hyperinflationary Economics
GRAP 11 Construction Contracts
GRAP 12 Inventories
GRAP 13 Leases
GRAP 14 Events After the Reporting Date
GRAP 16 Investment Property
GRAP 17 Property, Plant and Equipment
GRAP 19 Provisions, Contingent Liabilities and Contingent Assets
GRAP 100 Non-Current Assets Held for Sale and Discontinued Operations
GRAP 101 Agriculture

GRAP 102 Intangible Assets

The following GRAP standards have been issued but are not yet effective and have not been early adopted by the municipality:

GRAP 21 Impairment of non-cash -generating assets
GRAP 23 Revenue from non-exchange transactions
GRAP 24 Presentation of Budget Information in Financial statements
GRAP 26 Impairment of Cash generating assets
GRAP 103 Heritage Assets - issued July 2008

The following standards, amendments to standards and interpretations have been issued but are not yet effective and have not been early adopted by the municipality:

GRAP 18 Segment reporting
GRAP 20 Related Party Disclosure
GRAP 25 Employee benefits
GRAP 104 Financial Instruments
GRAP 105 Transfer of functions between entities under common control
GRAP 106 Transfer of functions between entities not under common control
GRAP 107 Mergers

Impact on the municipality's financial statements once implemented:

GRAP 18 - This does not deal with the accounting treatment of any particular transaction or events but merely with re-arrangement of information already presented and disclosed. The impact on the municipality's financial statements would be minimal.

GRAP 20 - Councilors and Board Members will be disclosed as related parties and normal supplier and /or client/recipient relationships at arm's length and within normal operating parameters will not have to be separately disclosed.

GRAP 21 - Assessment at every reporting date whether there are indicators that any assets have been impaired. The impact will be minimal as impairment testing is already being performed.

GRAP 23 - The method of recognition and measurement of revenue from non-exchange transactions, specifically taxes and transfers. The accounting policies for their disclosure and measurement of non-exchange transactions implemented currently by the municipality adhere to these requirements.

GRAP 24 - A comparison of budget and actual amounts as actual additional budget columns in the primary financial statements and disclosure note on the explanations of changes between the approved and final budget is required. The impact on the municipality's financial statements would be minimal.

GRAP 25 - The Standard on Employee benefits will have no material impact on the financial statements of the municipality as the municipality is adhering to IAS 19 and there is no material change from IAS 19 to GRAP 25 that is affecting the municipality.

GRAP 26 - The impact of this standard would be minimal as at this stage as the municipality has done the assessment of useful lives of most of the major assets. Municipality.

GRAP 103 - This standard will have no impact on the municipality as the municipality currently has no heritage assets.

GRAP 104 - The Standard on financial instruments will have no material impact on the financial statements of the municipality as the municipality is adhering to IAS32 and IAS 39, and the changes from IAS32 and IAS39 to GRAP 104 is not applicable to this municipality.

GRAP 105 - This standard will have no impact on the municipality as the municipality currently has no entities.

GRAP 106 - This standard will have no impact on the municipality as the municipality currently has no entities.

GRAP 107 - This standard will have no impact on the municipality.

CHAPTER 6

AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

Note: The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA S45 states that the results of performance measurement... must be audited annually by the Auditor-General

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2010/11

6.1 AUDITOR GENERAL REPORTS 2010/11

Auditor-General Report on Financial Performance 2010/11	
	Qualified
Audit Report Status*:	
	Remedial Action Taken
Non-Compliance Issues	Responding to queries on management letter
Note: *The report's status is supplied by the Auditor General and ranges from unqualified (at Best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)	
T6.1.1	

COMPONENT B: AUDITOR-GENERAL OPINION 2011/12

6.2 AUDITOR GENERAL REPORT 2011/12

Auditor General Report on Financial Performance 2011/12	
Status of audit report:	QUALIFIED
Non-compliance Issues	Remedial action taken
Asset Residual Values	Service Provider to do residual values calculation to be appointed
Long Service Award Budget	Actual valuation calculation

AND THE COUNCIL ON LEPHALALE LOCAL MUNICIPALITY

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Lephalale Local Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2012, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act, 2011 (Act No. 6 of 2011) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and

disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for qualified opinion

Property, plant and equipment

6. The municipality did not review the residual values and useful lives of assets and test for impairment at each reporting date in accordance with SA Standards of GRAP 17, *Property, plant and equipment*. Items of property, plant and equipment with a gross carrying amount of R3 263 738 are included in the financial statements at a zero and one rand net carrying amount whilst still being in use. I have not determined the correct net carrying amount of items of property, plant and equipment, stated at R938 319 315 in the financial statements, as it was impracticable to do so.

Defined benefit plan obligation

7. The municipality engaged the services of an expert to determine the post-retirement medical aid benefit and long service awards. The municipality provided incorrect data to the expert to determine the value of the obligations. Consequently, I was unable to obtain sufficient appropriate audit evidence to satisfy myself as to the valuation of the post-retirement medical aid benefit and long service awards of R26 626 942 and R3 199 681, respectively, as disclosed in note 41 to the financial statements.

Qualified opinion

8. In my opinion, except for the effects of the matters described in the Basis for qualified opinion paragraphs, the financial statements present fairly, in all material respects, the financial position of the Lephalale Local Municipality as at 30 June 2012, and its financial performance and cash flows for the year then ended in accordance with SA standards of GRAP and the requirements of the MFMA and the DoRA.

Emphasis of matter

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

Material under spending of the conditional grants

10. As disclosed in note 15 to the financial statements, the municipality has materially under spent its conditional grants to the amount of R28 479 099. This under spending relates to mainly the municipal infrastructure grant.

Additional matter

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

Unaudited supplementary schedules

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

Predetermined objectives

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

15. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury *Framework for managing programme performance information (FMPP)*.

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

16. The material findings are as follows:

Usefulness of information

Presentation

Measures taken to improve performance not supported by sufficient appropriate evidence

17. Section 46 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) requires the disclosure of measures taken to improve performance in the annual performance report where planned targets were not achieved. Adequate and reliable corroborating evidence could not be provided for all (100%) measures taken to improve performance as disclosed in the annual performance report. This was due to limitations placed on the scope of my work by the municipality. Consequently, I did not obtain sufficient appropriate audit evidence to satisfy myself as to the validity, accuracy and completeness of the measures taken to improve performance.

Reliability of information

Validity

Reported performance not valid

18. The National Treasury *FMPPI* requires that processes and systems which produce the indicator should be verifiable. A total of 41% of the actual reported performance relevant to the selected development priorities and objectives was not valid when compared to the source information and evidence provided. This was due to a lack of monitoring for the recording of actual achievements by the accounting officer, senior management and internal audit.

Accuracy

Reported performance not accurate

19. The National Treasury *FMPPI* requires that the indicator be accurate enough for its intended use and respond to changes in the level of performance. A total of 67% of the actual reported indicators relevant to development priorities and objectives for governance and administration, community and public safety and trading services were not accurate when compared to source information. This was due to a lack of monitoring for the recording of actual achievements by the accounting officer, senior management and internal audit.

Completeness

Source information supporting actual performance not complete

20. The National Treasury *FMPPI* requires that documentation addressing the systems and processes for identifying, collecting, collating, verifying and storing information be properly maintained. Source information for 41% of the actual reported performance, for the selected development priorities and objectives, was not completely recorded. This was due to an improper document management system with regard to actual performance achievements and a lack of monitoring of the recording of actual achievements by the accounting officer, senior management and internal audit

Additional matter

21. I draw attention to the following matter below. This matter does not have an impact on the predetermined objectives audit findings reported above

Achievement of planned targets

22. Of the total number of 203 targets planned, only 149 were achieved during the year under review. This represents 74% of total planned targets that were not achieved during the year under review.

This was mainly due to fact that the indicators and targets were not suitably developed during the strategic planning process and a lack of monitoring for the recording of actual achievements by the accounting officer, senior management and internal audit.

Compliance with laws and regulations

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

Audit committee

24. The audit committee did not advise the council and political office bearers on matters relating to internal financial control and internal audits, risk management, accounting policies, effective governance, performance management and performance evaluation as required by section 166(2)(a) of the MFMA.
25. The audit committee did not advise the council and political office bearers on matters relating to the adequacy, reliability and accuracy of financial reporting and information, as required by section 166(2)(a)(iv) of the MFMA.
26. The audit committee did not advise the council and political office bearers on matters relating to compliance with the MFMA, and DoRA, as required by section 166(2) (a)(vii) of the MFMA.
27. The audit committee did not review the annual financial statements to provide the council with an authoritative and credible view of the financial position of the municipality, its efficiency and effectiveness and its overall level of compliance with the MFMA and DoRA, as required by section 166(2)(b) of the MFMA.
28. The audit committee did not meet at least four times a year, as required by section 166(4)(b) of the MFMA.
29. The audit committee did not review all the quarterly internal audit reports on performance measurement, as required by Municipal Planning and Performance Management Regulation 14(4)(a)(i).
30. The audit committee did not submit, at least twice during the financial year, an audit report on the review of the performance management system to the council, as required by Municipal Planning and Performance Management Regulation 14(4)(a) (iii).

Procurement and contract management

31. The prospective providers list for procuring goods and services through quotations was not updated at least quarterly to include new suppliers that qualify for listing, and prospective providers were not invited to apply for such listing at least once a year as per the requirements of SCM regulation 14(1)(a)(ii) and 14(2).

Internal control

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

Leadership

- The municipality did not have sufficient monitoring controls to ensure the proper implementation of the overall performance management system process of reporting.
- The accounting officer and the council did not exercise oversight responsibilities in relation to promoting the audit committee as an independent advisory body for strengthening internal controls.

Financial and performance management

- The municipality did not have a proper system of record management that provides for the maintenance of information that supports the reported performance contained in the annual performance report.
- The municipality did not have internal control processes for the annual review assessment of the useful lives and residual value of items of property, plant and equipment.
- Monitoring controls have not been established to ensure correct data is provided to the management expert to prepare accurate and reliable financial information.
- The annual performance report was not supported and evidenced by reliable information. This was mainly due to staff members not fully understanding the performance information requirements.

Governance

- The audit committee did not provide oversight over the effectiveness of the internal control environment, including financial and performance reporting and compliance with laws and regulations.
- The accounting officer, council and audit committee have not established a baseline for ongoing and separate evaluations by the audit committee of internal controls in the municipality.

OTHER REPORTS

Investigations

33. An investigation is being conducted by the Public Protector into allegations of tender improprieties involving the awarding of tenders to companies. The investigation was still ongoing at the reporting date.
34. A forensic investigation is being conducted, by an independent firm into an infringement into the municipal bank account. The investigation was still ongoing at the reporting date.

Auditor-General

Polokwane

30 November 2012



AUDITOR - GENERAL
SOUTH AFRICA

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES: Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief financial officer states that these data sets have been returned according to the reporting requirements/ with the exception of those items and for those reasons given at **Appendix S** (*delete '/...'* if not applicable).

Signed (Chief financial Officer)..... Dated
T6.2.5

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.

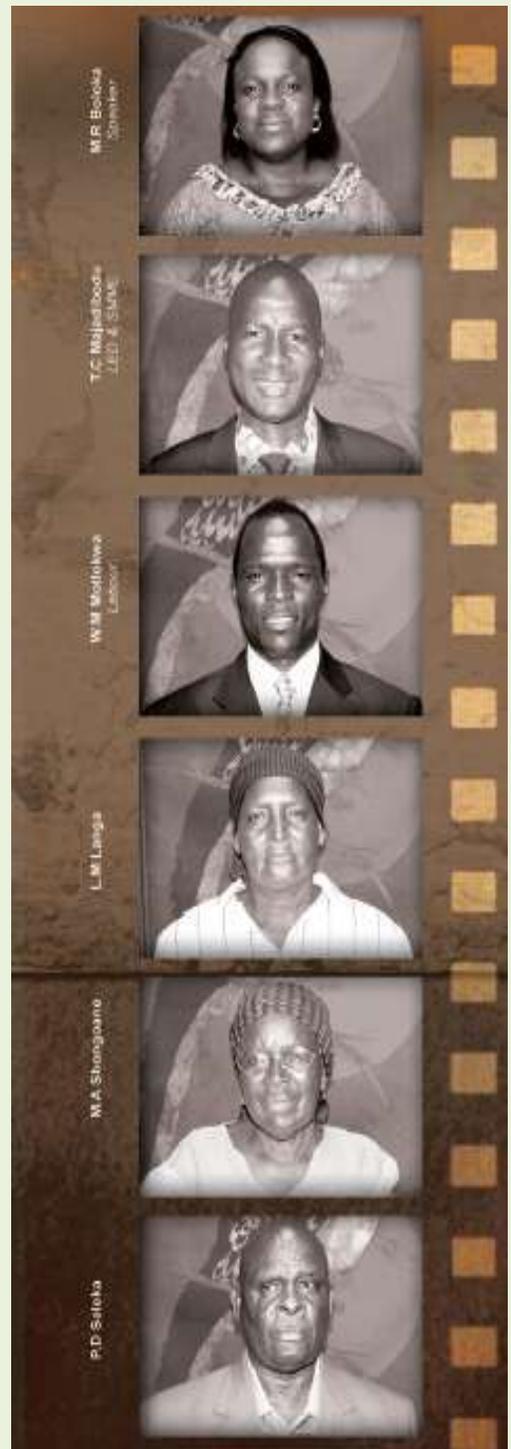
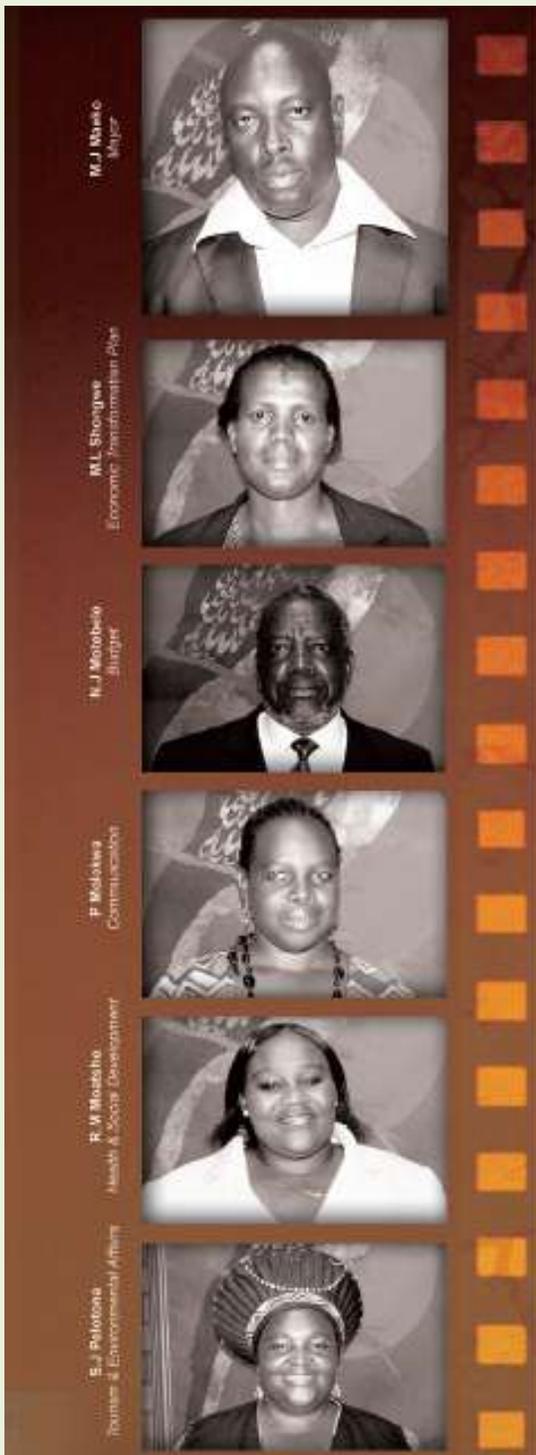
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.

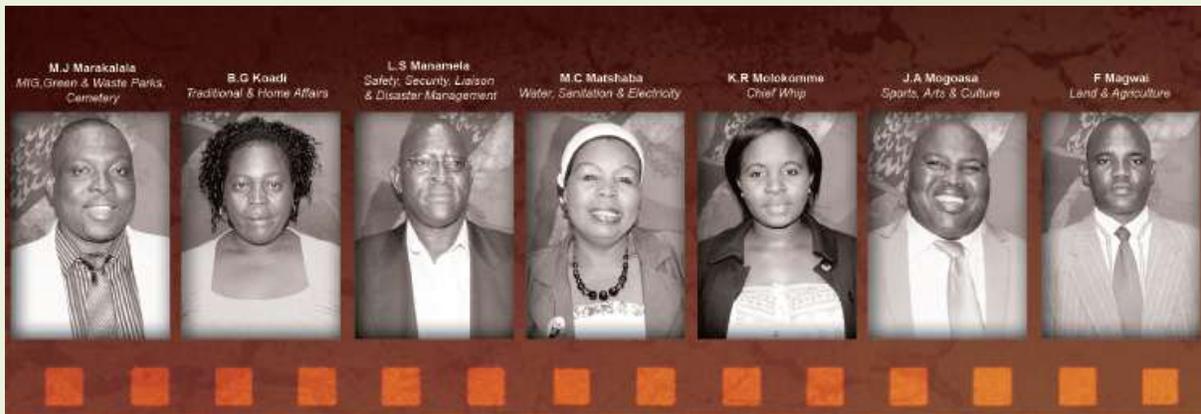
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality’s delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a “vote” as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Council Members	Full/Part Time (FT/PT)	Committees Allocated	*Ward and/or Party represented	% Council meetings attendance	% Apologies for non-attendance
Executive Leadership					
Cllr. MJ Maeko	FULL TIME	Mayor	ANC PR	100 %	0
Cllr. MR Boloka	FULL TIME	Speaker	ANC PR	95%	1
Executive Committee Members					
Cllr. AE Basson	PART TIME	Head of Cluster: Community Development.	DA PR	100%	0
Cllr. ME Dinale	PART TIME	Head of Cluster: Governance & Administration.	ANC PR	85%	3
Cllr. RM Moatshe	FULL TIME	Head of Cluster: Municipal Services.	ANC PR	90%	2
Cllr. DE Erasmus	PART TIME	Head of Cluster: Finance & Economic Development.	ANC PR	100%	0
Portfolio Council Chairpersons					
Cllr. F Magwai	PART TIME	Land and Agriculture.	ANC WARD	95 %	1
Cllr. ML Shongwe	PART TIME	Public Transport and Roads.	ANC PR	100%	0
Cllr. TC Majadibodu	PART TIME	LED/SMME.	ANC WARD	90%	2
Cllr. RM Moatshe	FULL TIME	Health and Social Development.	ANC PR	90%	2
Cllr. SJ Peletona	PART TIME	Tourism and Environment Affairs.	COPE PR	95%	1
Cllr. ME Maisela	PART TIME	Education and Pre-Schools.	ANC PR	100%	0
Cllr. MJ Mojela	PART TIME		ANC WARD	85%	3
Cllr. GB Koadi	PART TIME	Traditional and Home Affairs.	ANC WARD	90%	2
Cllr. MC Matshaba	PART TIME	Water & Sanitation.	ANC WARD	100%	0
Cllr. P Motlokwa	PART TIME	Labour.	ANC WARD	100%	0
Cllr. P Molekwa	PART TIME	Communications.	ANC WARD	100%	0
Cllr. MJ Selokela	PART TIME	Housing.	ANC WARD	95%	1
Cllr. JA Mohwasa	PART TIME	Sports, Arts and Culture.	ANC PR	90%	2
Cllr. S Snyders	PART TIME	Income and Expenditure	DA WARD	85%	3
Cllr. KR Molokomme	FULL TIME	Audit	ANC PR	90%	2
Cllr. MJ Marakalala	PART TIME	MIG, Green and Waste, Parks and Cemetery	ANC PR	100%	0
Cllr. DE Erasmus	PART TIME	Mining and Industry.	ANC PR	100%	0
Cllr. LS Manamela	PART TIME	Safety, Security, Liaison & Disaster.	DA PR	100%	0

Council Members	Full/Part Time (FT/PT)	Committees Allocated	*Ward and/or Party represented	% Council meetings attendance	% Apologies for non-attendance
Councillors' directly elected to the WDM					
Cllr. L Moremi			ANC	100%	0
Cllr. NR Mogotlane			ANC	100%	0
Traditional Leaders					
Kgoshigadi ML Laka					
Kgoshi PD Seleka					
Kgoshigadi MA Shongoane					
Note: * Councillors appointed on a proportional basis do not have wards allocated to them					





Clr. M E Dinale

**CLUSTER: BUDGET AND
ECONOMIC DEVELOPMENT:**



Clr R K Motsholakhetshe

LED AND PLANNING

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

 LEPHALALE MUNICIPALITY  Develop, Sustain, Prosper		
CLUSTER	COUNCILLORS	CONTACT NUMBER
MAYOR Special Projects, Gender, Youth and Disability	Clr. M J Maeko	071 271 7326
SPEAKER Public Participation	Clr. M R Boloka	078 398 8511
CLUSTER: BUDGET AND ECONOMIC DEVELOPMENT:	Clr. M E Dinale	078 751 7512
Portfolio: Budget	Clr N J Motebele	072 264 4754
Portfolio: Income & Expenditure	Clr S Snyders	083 304 6146
Portfolio: Audit	Clr K R Molokomme	083 659 2852
CLUSTER: GOVERNANCE AND ADMINISTRATION	Clr M J Maeko	071 271 7326
Portfolio: Traditional and Home Affairs	Clr G B Koadi	072 633 1183
Portfolio: Land and Agriculture	Clr F Magwai	079 342 2282
Portfolio: Labor	Clr W M Motlokwa	072 682 0899
Portfolio: Communication	Clr P Molekwa	072 122 7651
LED AND PLANNING	Clr R K Motsholakhetshe	073 947 5979

Mining & Industries	Clr D E Erasmus	082 561 6860
Economic Transformation Plan	Clr M L Shongwe	072 111 4033
LED & SMME	Clr T C Majadibodu	078 179 3394
Tourism & Environment Affairs	Clr S J Peletona	083 350 0287
CLUSTER: MUNICIPAL SERVICES	Clr R M Moatshe	082 306 9447
Portfolio: Water and Sanitation & Electricity	Clr M C Matshaba	073 090 9293
Portfolio: Housing	Clr M J Selokela	076 395 5619
Portfolio: Roads, Storm Water, Portfolio: Public Transport and Roads, Traffic & License	Clr M L Shongwe	072 111 4033
MIG, Green & Waste, Parks & Cemetery	Clr M J Marakalala	073 256 1379
CLUSTER: SOCIAL SERVICES	Clr AE Basson	083 350 0287
Portfolio: Health and Social Development	Clr R M Moatshe	082 306 9447
Portfolio: Education and Pre-School	Clr M E Maisela	074 652 8916
Portfolio: Sports, Arts and Culture	Clr J A Mogoasa	071 920 1198
Portfolio: Safety, Security, Liaison and Disaster Management	Clr L S Manamela	083 308 3563

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

TOP ADMINISTRATIVE STRUCTURE

TIER 1

MUNICIPAL MANAGER

Mr. AS Naidoo

TIERS 2 *

DIRECTOR: STRATEGIC

Mr KS Motebele

DIRECTOR: Finance

Mr. N C Lekaka

DIRECTOR: Social Services

Mrs. M M Cocquyt

DIRECTOR:

Corporate Support Services

Mrs. FP Nogilana-Raphela

DIRECTOR:

Infrastructure Services

Mr. R N Ngobeli (Acting)

DIRECTOR:

Development Planning Services Mr. L I Sole

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Function	Authority	Capacity	Personnel	Department	Budget	Comments
Air pollution	No	Limited	0	Social services	No	District function.
Building regulation	Yes	Yes	5	Development Planning	Yes	Municipality has capacity and budget, function performed by building control & LED
Bulk supply of Electricity	Yes	Yes	39	Infrastructure services	Yes	Municipality provides electricity in urban area and eastern part of Lephalale town
Fire fighting	No	No	11	Social services	Yes	District function performed by the municipality as agent of WDM.
Local tourism & LED	Yes	Yes	2	Development planning	Yes	Perform function in collaboration with local tourism association
Municipal planning	Yes	Yes	6	Development planning	Yes	With spatial development and land use and building control
Municipal health services	No	No	N/A	Department of health & social development	N/A	District function.
Municipal public transport	Yes	Limited	1	Social services	No	Municipality is currently responsible for coordination of transport related activities.
Municipal roads and storm water	Yes	Yes	42	Infrastructure services	Yes	Municipality only responsible for access roads and still waiting for road classification
Trading regulation	Yes	No	No	Function not performed	No	No service level agreement (not clear who is responsible to perform function)
Bulk supply of water	Yes	Yes	44	Infrastructure services	Yes	Municipality only provides water for residential areas and small, medium business
Sanitation	Yes	Yes	36	Infrastructure services	Yes	Function performed through infrastructure services
Billboards & the display	Yes	Yes	12	Development planning	Yes	No service level agreement in place
Cemetery, funeral parlors & crematoria	Yes	Yes	9	Social services	Yes	Rendered through social services in urban areas and Steenbokpan
Street cleansing	Yes	Yes	18	Social services	Yes	Rendered through social services
Control of public nuisance	Yes	Yes	11	Social services	Yes	Function performed in collaboration with SAPS
Control of undertakings that sell liquor to the public	Yes	No	N/A	Liquor board (social services)	No	Social service has authority but no budget and service level agreement. SAPS are currently responsible for law enforcement.

Function	Authority	Capacity	Personne l	Department	Budget	Comments
Licensing & undertakings to sell food to the public	Yes	No	N/A	WDM function	No	No service level agreement and district not performing the function
Local sport facilities	Yes	Limited	No	Social services	Yes	Municipality paying grant to implementing agent around urban area and adhoc staff at rural areas.
Municipal parks & recreation	Yes	Yes	40	Social services	Yes	Function performed through social services
Noise pollution	Yes	No	0	Social services	No	No service level agreement in place
Refuse removal, refuse dump & solid waste disposal	Yes	Yes	35	Social service	Yes	Service available in urban areas only. In rural areas only cleaning campaigns embarked upon on interval.
Street trading	Yes	Yes	11	Social services	Yes	No service level agreement in place, Development planning should also play a role
Traffic and parking	Yes	Yes	11	Social services	Yes	Performed by social services
Occupational health & safety	Yes	Yes	1	Social services	Yes	Performed by social services
Additional Functions Performed						
Housing	No	Yes	6	Social services& DPLG&H	Yes	Department of local government & housing as per agreement with the municipality
Library, Arts & Culture	No	Yes	13	Social services& DSAC	Yes	Department of sport, arts & culture with the municipality as per agreement.
Registering Authority	No	Yes	11	Department of Transport & Social service	Yes	Department of Transport with the municipality as per agreement.

APPENDIX E – WARD REPORTING

Functionality of ward committees					
Nam of ward (number)	Name of ward councillor and elected ward committee member	Ward committee established (Yes/No)	Number of monthly committee meetings held during the year	Number of monthly reports submitted to Speakers office on time	Number of quarterly public ward meetings held during the year
1	Clr W M Motlokwa	Yes	1	12	2
2	Clr B G Koadi	Yes	1	12	2
3	Clr F Magwai	Yes	1	12	3
4	Clr S Snyders	Yes	none	12	3
5	Clr M J Mojela	Yes	1	12	3
6	Clr R K Motsholakhetsa	Yes	1	12	3
7	Clr J A Mogoasa	Yes	1	12	2
8	Clr M J Selokela	Yes	1	12	4
9	Clr T C Majadibodu	Yes	1	12	3
10	Clr C Matshaba	Yes	none	12	3
11	Clr N J Motebele	Yes	1	12	4
12	Clr P Molekwa	Yes	1	12	4

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2010/11

REPORT OF THE AUDIT AND PERFORMANCE COMMITTEE OF THE LEPHALALE MUNICIPALITY

We are pleased to present our report for the financial year ended 30 June 2012

Audit and Risk Committee responsibility

The Audit Committee is pleased to report that it is properly constituted as required by section 166 of the MFMA and has complied with its responsibilities arising from the section and Treasury Regulations. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, and has regulated its affairs in compliance with this charter. As mandated, we hereby report on the functions of the Audit Committee for the year ended 30 June 2012.

Audit Committee meetings

The Audit Committee consists of the three members with the Chairperson resigning at end of financial year. The Committee meets at least four times per annum in line with its approved charter, three (3) meetings were held during the year under review. The attendance record of the different members is detailed below.

Effectiveness of internal control

In carrying out its mandate which is conferred by its terms of reference and section of the Treasury Regulations, the Committee confirms that taking into consideration the reports by both internal and external auditors; it has reviewed and assessed the following:

- the effectiveness of the internal control systems;
- the effectiveness of internal audit;
- the effectiveness of the risk management processes;
- the risk areas of the entity's operations to be covered in the scope of internal and external audits;
- the adequacy, reliability and accuracy of financial information provided to management and other users of such information;
- any accounting and auditing concerns identified as a result of internal and external audits;
- the entity's compliance with legal and regulatory provisions;
- the activities of the internal audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations; and
- where relevant, the independence and objectivity of the external auditors.

Based on the information and explanations given by Management, Internal Audit function and discussions with the independent external auditors on the result of their audits, the Audit Committee is of the opinion that the internal accounting controls are adequately designed and fully effective to ensure completeness, accuracy and reliability of financial records for preparing the annual financial statements, and that the accountability for assets and liabilities is maintained.

Whilst there is a notable improvement in the overall internal control systems within the organization since the previous financial year, the Audit Committee is however of the view that there are still areas where controls need to be improved. The committee is concerned about the gravity of some of the matters raised in the external auditor's management report and has thus satisfied itself of the efficacy of action plans adopted by management of the organization to resolve each matter.

Evaluation of financial statements and management reports

In terms of section of the Treasury Regulations the Committee has reviewed and evaluated the following:

- Effectiveness of internal control
- Quality of management reports
- The annual financial statements

Annual financial statements

The Audit Committee has:

- Reviewed and discussed the audited financial statements to be included in the annual report with the Auditor-General, Municipal Manager and the Chief Financial Officer;
- Reviewed the Auditor-General's management letter and the management's response thereto;
- Reviewed changes in accounting policies and practices; and
- Reviewed significant adjustments resulting from the audit.

The Audit and Performance Committee concurs and accepts the Auditor-General's conclusions on the annual financial statements, and recommends that the audited financial statements be accepted by the Council and read together with the report of the Auditor General.

Chairperson of Audit Committee

25 February 2013

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long term contracts (20 Largest Contracts Entered into 2011/12)					
Name of Service provider(Entity or Municipal Department)	The service provider	Start date of contract	Expiry date of contract	Project Manager	Contract value
ESKOM	ESKOM	01 July 2011	20 June 2012		
EXXARO	EXXARO	01 July 2011	20 June 2012		

Public Private Partnerships Entered into 2011/12					
Name and description of project	Name of Partner(s)	Initiation Date	Expiry date	Project Manager	Value
Leasing of building	Lephalale Tourism Association				
Development Altoostyd	CoGHSTA				
Provincial Greening	Exxaro				
Business Support	LIBSA				
Development Rooigoud Farm Project	Department of Agriculture				
Business Licencing	LEDET				
	SEDA				
	Doornhoek Development				

APPENDICES

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

NO SERVICES WERE OUTSOURCED

Insert table note advising municipalities to include scorecards

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Seodisa Maduma Thomas	SJ Monene Trading Enterprise
Kegobatlile Herman Tapala	Plambotie Construction Services
Magana Middlas Mabube	Plambotie Construction Services
MF Mabotja	Maphunya Trading Alinafe Design & Tailoring Chiyembekezo Trading Phetoso Trading
GE Mathebula	Delight Delicious CC Walking Tall Trading Kgotla O Mone Construction
Mothokoa Kgobe	Kgotla O Mone Construction
MG Makgamatha	Lephalale Training Placement Agency PBLMS Construction & Building
Kabelo Andrew Leseke	Wekasa Computers CC Wekasa Construction & Engineering CC
Merriam Mfisa	Seboifeng Trading
Simon Nkoe	MSNUB T & P Bathusi Develop Morothodi Development B3 Lephalale Insurance Brokers CC
Agrey Nailana	Kgotlelelo Construction and Road Maintenance Manaila Waste management and cleaning services KK security services
Feziwe Nogilana- Raphela	Hlawulekile Transport CC PF Nogilana Inc Lubabalo brick Nogilana catering services
E Jacobs	Hippo Drankwinkel Phomolong restaurant Castle corner

. APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (I): REVENUE COLLECTION PERFORMANCE BY VOTE

Vote Description [Insert departmental structure etc 3.] R thousands	Ref	2010/11	Budget Year 2011/12							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 2 - Council General		1,225	24,873	63,819	349	3,809	63,819	(60,010)	-94.0%	-
Vote 3 - Budget & Treasury		45,513	36,732	48,318	12,258	51,681	48,318	3,362	7.0%	-
Vote 4 - Corporate Services		-	720	720	-	-	720	(720)	-100.0%	-
Vote 5 - Social Services		23,819	38,987	35,497	3,776	35,387	35,497	(109)	-0.3%	-
Vote 6 - Infrastructure Services		180,730	204,403	196,777	18,084	419	196,777	36,541	18.6%	-
Vote 7 - Planning Services		485	1,935	1,950	60	673	1,950	(1,277)	-65.5%	-
Vote 8 - Example 8		-	-	-	-	-	-	-	-	-
Vote 9 - Example 9		-	-	-	-	-	-	-	-	-
Vote 10 - Example 10		-	-	-	-	-	-	-	-	-
Vote 11 - Example 11		-	-	-	-	-	-	-	-	-
Vote 12 - Example 12		-	-	-	-	-	-	-	-	-
Vote 13 - Example 13		-	-	-	-	-	-	-	-	-
Vote 14 - Example 14		-	-	-	-	-	-	-	-	-
Vote 15 - Example 15		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	251,773	307,650	347,081	34,527	969	347,081	(22,213)	-6.4%	-

APPENDIX K (II): REVENUE COLLECTION PERFORMANCE BY SOURCE

Description	Ref	2010/11	Budget Year 2011/12							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		25,401	22,627	32,407	4,724	27,124	32,407	(5,283)	-16%	
Property rates - penalties & collection charges								-		
Service charges - electricity revenue		63,786	66,885	86,124	11,207	101,668	86,124	15,544	18%	
Service charges - water revenue		19,117	17,904	19,377	2,737	23,189	19,377	3,813	20%	
Service charges - sanitation revenue		10,312	10,568	11,393	4,260	14,876	11,393	3,483	31%	
Service charges - refuse revenue		6,020	6,720	6,500	548	6,500	6,500	0	0%	
Service charges - other			382	246	-	254	246	8	3%	
Rental of facilities and equipment		271	123	805	(47)	913	805	108	13%	
Interest earned - external investments		8,417	3,801	5,201	3,528	8,982	5,201	3,781	73%	
Interest earned - outstanding debtors		927	1,100	6,646	473	5,711	6,646	(935)	-14%	
Dividends received				0	-		0	(0)	-100%	
Fines		166	493	149	5	90	149	(59)	-39%	
Licences and permits		4,111	4,780	6,200	(847)	6,944	6,200	744	12%	
Agency services					-			-		
Transfers recognised - operational		105,949	73,300	73,300	3,900	73,300	73,300	-		
Other revenue		7,299	43,389	98,833	9,905	59,417	98,833	(39,416)	-40%	
Gains on disposal of PPE								-		
Total Revenue (excluding capital transfers and contributions)		251,774	252,072	347,180	40,394	328,969	347,180	(18,212)	-5%	-

Included In Chapter 5

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Description	Ref	2010/11	Budget Year 2011/12							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
-										
Operating Transfers and Grants										
National Government:		86,438	78,407	81,168	3,099	80,771	81,168	(397)	-0.5%	-
Equitable share		72,053	73,330	73,330	3,900	73,300	73,330	(30)	0.0%	
Finance Management grant	3	950	1,250	1,250	-	1,250	1,250	-	-5.6%	
Department of Water Affairs		13,435	3,827	6,588	(801)	6,221	6,588	(367)		
Other transfers and grants [insert description]										
Provincial Government:		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]	4									
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-		-

[insert description]								-		
								-		
Total Operating Transfers and Grants	5	86,438	78,407	81,168	3,099	80,771	81,168	(397)	-0.5%	-
Capital Transfers and Grants										
National Government:		17,106	40,528	69,867	(3,100)	34,774	69,867	(35,093)	-50.2%	-
Municipal Infrastructure Grant (MIG)		12,000	35,907	64,651	(3,100)	32,807	64,651	(31,844)	-49.3%	
MSIG		759	790	790	-	790	790	-	-73.4%	
Public Works		966	3,831	4,426	-	1,177	4,426	(3,249)		
Electrification Grant		3,381						-		
Other capital transfers [insert description]								-		
Provincial Government:		-	1,098	-	-	-	-	-		-
								-		
DPLG Project Funding			1,098					-		
District Municipality:		1,172	-	-	-	-	-	-		-
Waterberg		1,172						-		
Other grant providers:		1,233	-	-	-	-	-	-		-
Seta and Other Grants								-		

		1,233								
Total Capital Transfers and Grants	5	19,511	41,626	69,867	(3,100)	34,774	69,867	(35,093)	-50.2%	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	105,949	120,033	151,035	(1)	115,545	151,035	(35,490)	-23.5%	-

COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:
 The Delay in the appointment of financial management interns resulted in under spending of the Financial Management Grant(FMG)
 TL.1

APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

APPENDIX M (I): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

<u>Capital Expenditure - Standard Classification</u>									
Governance and administration	1,465	1,970	2,481	109	1,244	2,481	(1,237)	-50%	–
Executive and council	94	790	837	19	796	837	(41)	-5%	
Budget and treasury office	726	460	460	30	373	460	(87)	-19%	
Corporate services	645	720	1,184	60	75	1,184	(1,109)	-94%	
Community and public safety	4,859	6,754	17,607	585	8,186	17,607	(9,421)	-54%	–
Community and social services	4,852	6,428	17,281	375	7,964	17,281	(9,317)	-54%	
Sport and recreation							–		
Public safety							–		
Housing	7	326	326	210	222	326	(104)	-32%	
Health							–		
Economic and environmental services	11,024	17,554	32,084	1,157	27,839	32,084	(4,245)	-13%	–
Planning and development	69	1,500	1,500		4	1,500	(1,496)	-100%	
Road transport	10,955	16,054	30,584	1,157	27,835	30,584	(2,749)	-9%	
Environmental protection							–		
Trading services	23,598	29,300	67,230	2,984	34,857	67,230	(32,373)	-48%	–
Electricity	3,698	850	6,915	–	4,786	6,915	(2,129)	-31%	
Water	4,381	16,950	35,591	2,773	23,943	35,591	(11,648)	-33%	
Waste water management	8,882	4,800	17,424	–	3,504	17,424	(13,920)	-80%	
Waste management	6,637	6,700	7,300	211	2,624	7,300	(4,676)	-64%	
Other							–		

Total Capital Expenditure - Standard Classification	3	40,946	55,578	119,402	4,835	72,126	119,402	(47,276)	-40%	-
Funded by:										
National Government		12,998	35,082	59,896	4,296	37,948	59,896	(21,948)	-37%	
Provincial Government							-	-		
District Municipality							-	-		
Other transfers and grants							-	-		
Transfers recognised - capital		12,998	35,082	59,896	4,296	37,948	59,896	(21,948)	-37%	-
Public contributions & donations	5							-		
Borrowing	6							-		
Internally generated funds		27,948	20,496	59,506	539	34,175	59,506	(25,331)	-43%	
Total Capital Funding		40,946	55,578	119,402	4,835	72,123	119,402	(47,279)	-40%	-

APPENDIX M (II): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

APPENDIX N – CAPITAL PROGRAMME BY PROJECT 2011/12

Information is included in Chapter 3

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2011/12

Part of Chapter 3 Format of reporting not ward specific, General information Provided

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service backlog at education institution.

No of schools	No of classrooms	Water needs %		Sanitation needs	Electricity needs
94	1146	Water available	No water available	Backlog	Backlog
Total no of learners	Total of teachers	40%	60%	43%	24%
26869	1290				

APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

1. Upgrading of Infrastructure of schools is the responsibility of the department of Education
2. Access of Primary health care services by farming community is a huge challenge.
3. Construction of Library and Information centres to enable farming community to access services
4. Construction of a new driver's licence testing station at Mokuruanyane is supposed to be constructed by the Provincial Department of Transport.
5. Maintenance of Road Infrastructure belonging to the District Municipality and the Provincial Department of Transport.
6. Upgrade of the sanitation facilities at Thabo Mbeki Town and Onverwacht/Marapong by the Department of CoGHSTA
7. Electrification of schools at the Rural Villages.
8. Telecommunications and Postal services at rural parts of Lephalale by South African Post and Telecommunications services still remains a huge challenge.
9. Formalization of villages by the department of CoGHSTA to extend provision of services to the rural villages.
10. Construction of RDP houses to address housing backlogs by the department of CoGHSTA.

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the municipality 2008/09				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2011/12 R' 000	Total Amount committed over previous and future years
SPCA	Prevention of cruelty to animals, Money used to care for abandoned and abused animals	Caring of animals	150	
Mogol club	Maintenance of Sports and Recreational facilities at Onverwacht	Maintenance of facilities	400	
Sports Club Marapong	Maintenance of sports and Recreational facilities at Marapong	Maintenance of facilities	400	
* Loans/Grants - whether in cash or in kind				

APPENDIX S – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

ALL SECTION 71 RETURNS WERE SUBMITTED FROM LEPHALALE MUNICIPALITY

APPENDIX T – PRESEDENTIAL OUTCOME FOR LOCAL GOVERNMENT

ON THE PRESIDENTIAL HOT LINE 31,

82% OF SERVICE DELIVERY COMPLAINTS LODGED AT THE PRESIDENTIAL HOT LINE WERE RESOLVED BY THE MUNICIPALITY

VOLUME II: ANNUAL FINANCIAL STATEMENTS

The following are the Audited Annual Financial Statements for 2011/12 in accordance with MFMA Circular 36

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volume II

AUDITED ANNUAL FINANCIAL STATEMENTS