

2011-12

DRAFT ANNUAL
REPORT
BELA BELA MUNICIPALITY



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Preface

PROPOSED REVISED ANNUAL REPORT TEMPLATE

The purpose of this revised Annual Report template is to address the need expressed by a number of municipalities for assistance in the preparation and development of improved content and quality of Municipal Annual Reports. It replaces a template dating back to August 2003.

This template gives effect to the legal framework requirement, concepts and principals espoused in the White Paper on Local Government and Improving Government Performance. It reflects the ethos of public accountability. The content gives effect to information required for better monitoring and evaluation of government programmes in support of policy decision making. The template provides an improved overview of municipal affairs by combining the performance report data required under Municipal Systems Act Section 46 with annual report data referred to in that Act and in the MFMA.

The revised template makes its contribution by forging linkages with the Integrated Development Plan, Service Delivery and Budget Implementation Plan, Budget Reforms, In-year Reports, Annual Financial Statements and Performance Management information in municipalities. This coverage and coherence is achieved by the use of interlocking processes and formats.

The revised template relates to the Medium Term Strategic Framework particularly through the IDP strategic objectives; cross cutting nature of services offered by different spheres of government, municipal service outcome indicators; and the contextual material as set out in Chapters 3, 4 & 5. It also provides information on good management practice in Chapter 4; risk management in Chapter 2; and Supply Chain Management in Chapter 5; and addresses the Auditor-General's Report, dealing with Financial and Performance Management arrangements in Chapter 6. This opens up greater possibilities for financial and non financial comparisons between municipalities and improved value for money.

The revised template provides information on probity, including: anti-corruption strategies; disclosure of financial interests by officials and councillors; disclosure of grants by external parties, disclosure of loans and grants by municipalities. The appendices talk to greater detail including disaggregated information on municipal wards, among others.

Notes are included throughout the format to assist the compiler to understand the various information requirements. Once the draft has been finalised, training will be provided to facilitate the implementation of this initiative, and separate additional guidance may be issued if necessary.

We wish to express our gratitude to the members of the Annual Report Reference Group, consisting of national, provincial and municipal officials for their inputs and support throughout the development of this document.

Preface

MFMA Implementation Unit, National Treasury

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CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

MAYOR'S FOREWORD

a. Vision

To be a tourist destination

b. Key Policy Developments

Outputs	Key spending programmes (National)	Role of Local Government	Priorities of BBLM	Challenges/Issues within BB
1. Differentiate approach to municipal financing, planning and support 2. Community work programme 3. Support for human settlements	☐ Municipal capacity-building grants: ☐ Systems improvement ☐ Financial management (target: 100% unqualified audits) ☐ Municipal infrastructure Grant	☐ Adopt IDP planning processes appropriate to the capacity and sophistication of the municipality ☐ Implement the community work programme ☐ Ensure ward committees	Good Governance; Municipal Financial Viability; Municipal Transformation and Institutional Development	• Most of municipal officials not practice customer – and batho – pele principle • Establish internal and external communication system: intranet and newsletters • Proper planned Imbizo's

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4. Refine ward committee model to deepen democracy	☑ Electrification programme	are representative and fully involved in community consultation processes around the IDP, budget and other		• No strong relation with BBusiness Forum, CTA, NGOs, CBO, CDWs, and other structures
5. Improve municipal financial administrative capability	☑ Public transport & systems grant			• Implementation of GAMAP/GRAP
6. Single coordination window	☑ Bulk infrastructure & water grants	strategic service delivery issues		• Development of Debt Recovery Plan • Development of Cost Recovery Plan
	☑ Neighbourhood development partnership grant			• Implementation of Work Skills Plan
	☑ Increase urban densities	☑ Improve municipal financial and administrative capacity by implementing competency norms and standards and acting against incompetence and corruption		• Implementation of the employment equity • Annual review of the Organizational arrangement and development • Audit queries are not addressed adequately
	☑ Informal settlements upgrades			

c. Key Service Delivery Improvements

The year, 2011/12 was of significant importance in more ways than one. It was the fifth and final year for Municipal Councils in the country, as it was the year of local government elections. It was also a year when municipalities, as part and parcel of the country, continued to struggle to recover from the economic slowdown.

It is during this period that we look back at more than just the year that had gone by, but the term that the Council spent in the service of the residents. We are indeed proud to report that inspite of the setbacks that had befallen us from time to time, we are generally within the targets we set ourselves both in

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respect of the term of Council, and the annual targets. We pride ourselves with the services that we extended to residents. We provided shelter to communities and supplied them with water and electricity. We eliminated the backlog on water and significantly reduced those on services such as electricity, sanitation and refuse removal. For the backlog on basic services that we still have, we believe we have plans to eradicate them and if things go according to the schedule, we should be able to complete the work within the targets of Millennium Development Goals(MDG) .

It is through the services that we render that we remain visible on the ground and prove our commitment to the service of residents. We acknowledge that our effectiveness in service delivery is inevitably based on our capacity to discharge the functions assigned to us. We are required not only to grow institutionally but to improve in the way we account to residents. Partnership and engagement with communities are therefore key to good governance.

The year under review was characterized by the following priorities:

- Eradication of backlog on basic services.
- Improvement in the institutional capacity particularly on water of the municipality to deliver on services and good governance.
- Expansion and rehabilitation of bulk infrastructure
- Stimulation of the local economy in an effort to contribute towards job creation.

We are optimistic that with the progress we have made we are on track with regard to our mandate for a better life for all.

I wish to take this opportunity to thank fellow members of Council for the support and vision they have demonstrated during their term. We could not have come this far had it not been for their leadership and commitment to the service of residents. Discipline, unity and focus even through trying times, are vital for the success of an institution.

I also wish to express our appreciation to the efforts made by management. It was the guidance and advice from administration that kept us on the right track with regard to the decisions we made from time to time.

I also wish to thank the community, the various community structures such as the Ward Committees, for their understanding and patience. On our part, we did the best we could under the circumstances but they remain the judge on the extent to which we held their mandate. We thank the community in all eight wards, for the trust they put in us until the end of term.

d. Public Participation

The Municipality held one Mayoral Imbizo. Three IDP/Budget Rep Fora were held. 9 IDP/Budget roadshows were held in all nine wards.

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e. Future Actions

- Eradication of backlog on basic services.
- Improvement in the institutional capacity particularly on water of the municipality to deliver on services and good governance.
- Expansion and rehabilitation of bulk infrastructure
- Stimulation of the local economy in an effort to contribute towards job creation

f. Agreements / Partnerships

No flagship agreements/partnerships were entered in to during 2011/12 financial year.

g. Conclusion

I wish to take this opportunity to thank fellow members of Council for the support and vision they have demonstrated during their term. We could not have come this far had it not been for their leadership and commitment to the service of residents. Discipline, unity and focus even through trying times, are vital for the success of an institution.

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(Signed by :) _____

Mayor/Executive Mayor

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MUNICIPAL MISSION STATEMENT

Bela Bela Municipality commits itself to the following mission in pursuit of the above – mentioned vision and developmental agenda. The mission of Bela Bela can be generally outlined in below:-

Mission Statement:

- # Through commitment to effective and efficient service delivery;
- # By exploiting opportunities in development and tourism;
- # By striving for economic growth and job creation;
- # Promoting a safe, healthy and sustainable environment;
- # Fostering active community participation and stakeholder involvement.

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

MUNICIPAL MANAGER'S OVERVIEW

Bela-Bela is a category B Municipality, applying a collective Executive Committee System. For the year under review (2011/2012), the Municipality has not been assigned additional functions by either of the other spheres of government. Unfunded mandates, however, remain a challenge, where the municipality finds itself having to perform functions outside those officially assigned to it.

In relation to the Millennium Development Goals, the Municipality is confident to reach its targets in respect of all three basic services, namely; water services, electricity and sanitation. If all goes according to plan, the municipality should have no service backlog by the end of the financial year, 2014/15. There is currently

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no backlog on water services already.

The biggest challenges in as far as infrastructure is concerned, are on bulk supply, roads and stormwater, as well as maintained and upgrading of the existing network. It is for this reason that the municipality experiences a constant year on year increase of capital budget in these areas.

The upgrading of the sewer purification plant has now been completed and phase 1 of the storm water drainage system as well. Accumulated shortfalls on maintenance budget over many years have resulted in huge amounts being required to restore the normal maintenance and operations. Our recently-completed Masterplan for Electricity Reticulation, for instance, reveals that the municipality requires +- R80m to restore and upgrade the current electricity network alone.

The economic conditions have had a negative effect on the implementation of projects funded from own sources with the result that some of them had to be rolled over to 2012/13 financial year and 2013/14 financial year.

For the year 2010/11, the municipality's position with regard to the audit opinion, has regressed from unqualified in 2009/10 to adverse. This was largely as a result of the introduction of new standards on accounting for property plan and equipment. Consequently the efforts of the municipality during the year 2011/12 have been on addressing queries relating to assets as well as Supply Chain Management.

The financial health of the municipality is a cause for concern. Although the municipality is able to apply expenditure control measures and succeeds in rounding off the year with a positive bank balance, there is concern about a growing debt book, a general decline in payment levels by consumers as well as the previous year's liabilities being carried into the next year.

Efforts have been made by the municipality during the year under review, to further tighten expenditure on non-essential activities on the one hand, while promoting service payment levels and expanding the revenue base. The municipality is experiencing a fluctuation in the number of indigents it has to serve but has generally been able to cope with provision of free basic services to all indigents on its register. A rise in the number of indigents is a signal of a rise in unemployment and an increase in the demand for subsidized services.

While the municipality was able to apply control measures to curb expenditure, from R206m to R157m, this inevitably comes at the expense of services, including maintenance and operations. An adjustment on expenditure has been informed by a downward trend in projected revenue. Trading services remain our main source of revenue, followed by grants and subsidies, and property rates.

The immediate risk the municipality is faced with is the knock on effect of liabilities (commitments) from the previous years. This, the municipality has started addressing, and should eventually be eliminated with the promotion of economic growth and expansion of the revenue base for the municipality. Measures aimed at stimulating the economy, e.g. facilitation of land development, funding of economic infrastructure, the Flea Market and the Annual Tourism Festivals like the Triathlon and Caribbean Mas Feeva, are a case in point.

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The performance of the municipality, however, hinges around a stable administration. Stability is a source of institutional memory and lesson learning. The municipality has been most unstable in the Budget & Treasury Office where the average period of stay by a Chief Financial Officer is two (2) years. Over the past six years, the post of the CFO changed hands twice and had at different intervals stayed vacant for more than thirty-six months. For the year under review the post has been vacant since September 2011, to the end of the financial year (June 2012). This does not auger well for stable financial management.

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

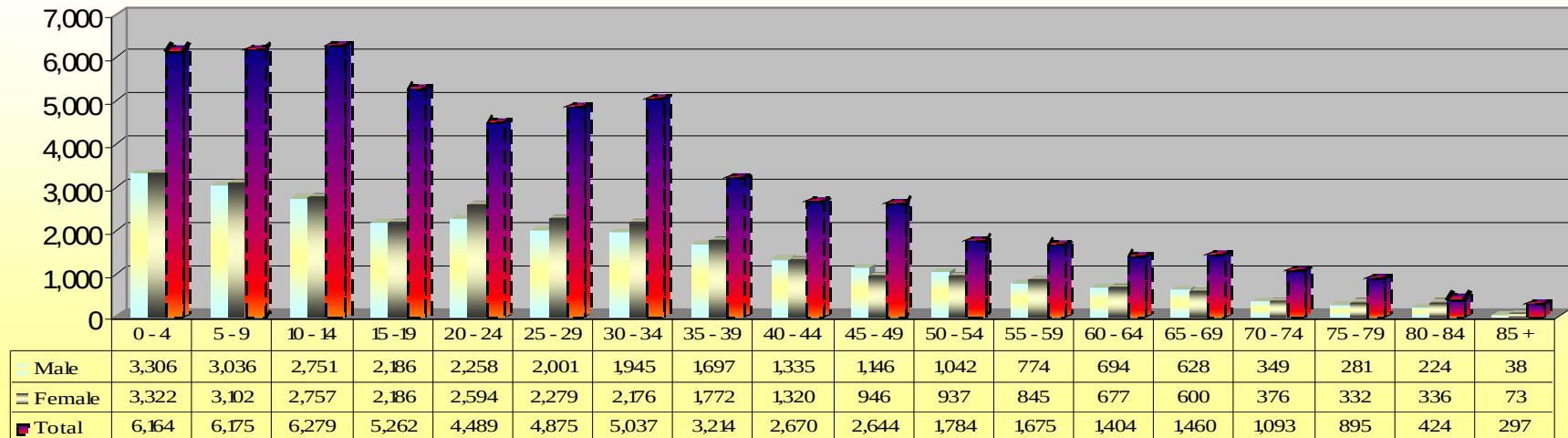
INTRODUCTION TO BACKGROUND DATA

In relation to the Millennium Development Goals, the Municipality is confident to reach its targets in respect of all three basic services, namely; water services, electricity and sanitation. If all goes according to plan, the municipality should have no service backlog by the end of the financial year, 2014/15. There is currently no backlog on water services already.

The biggest challenges in as far as infrastructure is concerned, are on bulk supply, roads and storm-water, as well as maintained and upgrading of the existing network. It is for this reason that the municipality experiences a constant year on year increase of capital budget in these areas.

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Population Breakdown By Age



Source: STATSSA, COMMUNITY SURVEY, 2007

This trend in age composition obliges the government departments and the municipality to ensure that a large percentage of the budget is allocated to social development facilities in order to meet the needs of a youthful population and ensuring that people falling within this age acquire relevant skills and grow up to become responsible adults. The creation of more job opportunities should also be one of the key aspects of the developmental agenda by the municipality in partnership with the sector departments such as the Department of Education.

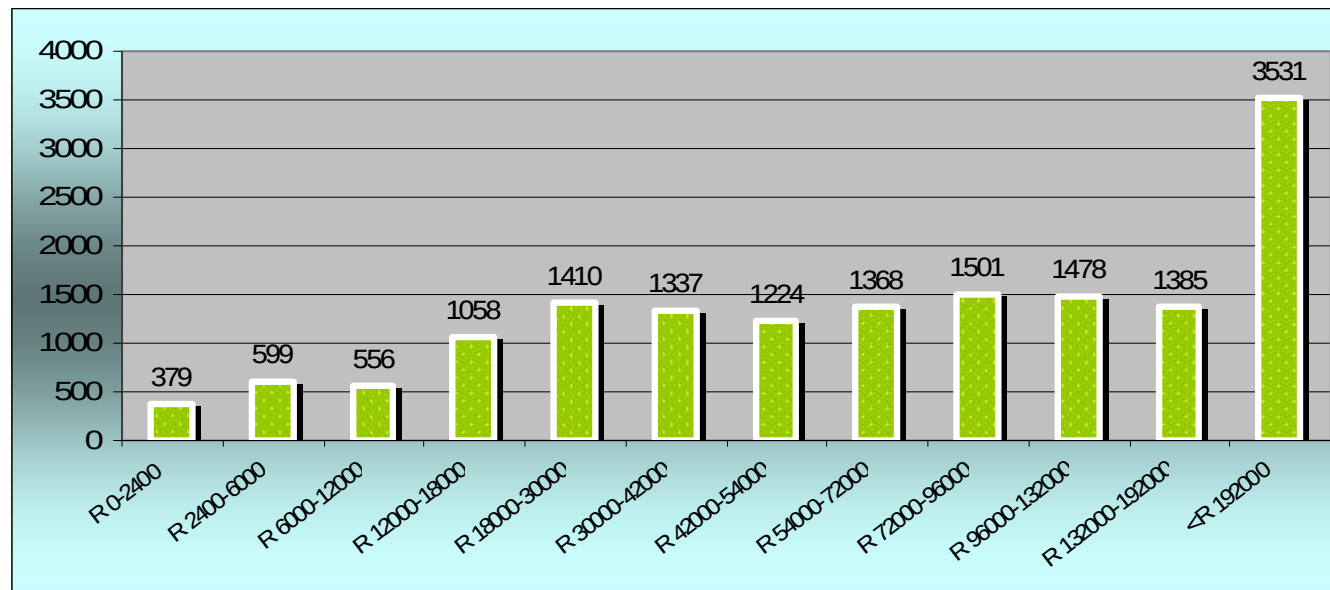
With reference to figure 4 below, the gender composition within Bela Bela indicates a slight imbalance between the males and females. The Census 2007 revealed that approximately 51% (28 304) of the population within Bela Bela comprises of females while

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49% (27 546) comprises of males. Nevertheless this confirms with the national trends that a higher proportion of women are found in the rural areas than men. This in many instances, especially amongst the African communities is attributed by the fact that men are generally attracted to places such as the bigger cities (i.e. Johannesburg etc.) that presents the employment opportunities sometimes regardless of the nature of work involved.

In addition to the above, it can also be suggested that there is a need for a developmental agenda that should pro – actively target women empowerment within Bela Bela Municipal Area.

Annual Household Income



Source: Bela Bela LED Strategy, 2008

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The municipality has an indigent policy in place and the households that qualify to be registered as the indigents must have an income that does not exceed R 1 100 pm (R 13 200 per annum). The policy is currently benefiting 3 732 households. The above graph (3 732HH) is substantially higher than the demographic quantification (1 534HH) and this indicates that the poverty levels on the ground are more than what has been projected.

SOCIO ECONOMIC STATUS					
Housing backlog as proportion of current demand	Unemployment rate	Proportion of households with no income	Proportion of population in low-skilled employment	HIV/AIDS	Illiterate people older than 14 years
1287	31%	11%	25%	Approximately 14 333 individuals were infected in Bela Bela in 2006	5659

The Bela-Bela Local Municipal area is situated on the southern side of the Waterberg District Municipality in the Limpopo Province. It borders the Gauteng Province on the south and south-east, the Northwest Province on the west, Mookgophong Local Municipality on the north-east and Modimolle Local Municipality on the northern side.

The total area of the Bela-Bela Local Municipality is approximately 337 605.55 ha in extent. It is the smallest Local Municipality in the Waterberg District and represents $\pm 6.8\%$ of the total Waterberg District area.

The Bela-Bela Municipal Area includes two formal towns, namely Bela-Bela Town and Pienaarsrivier as well as other smaller settlements such as Settlers, Radium/Masakhane, Rapotokwane, Vingerkraal and Tsakane.

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The Limpopo Spatial Development Framework and existing SDF identified the following nodal areas in the Bela-Bela Municipality Area namely:

- 1 Provincial Growth Point (PGP) i.e. Bela-Bela Town; and
- 1 Municipal Growth Point (MGP) i.e. Pienaarsrivier.

REVIEW OF NEIGHBOURHOODS WITHIN BELA BELA LOCAL MUNICIPALITY	
Settlement Type	Households
Towns and townships	
Bela Bela Town and Township(Growth Point)	12 000
Sub-total	12 000
Small Towns	
Pienaarsriver	500
Radium, Vingerkraal & Tsakane	500
Rust de Winter, Mabula, Settlers & Farming Areas	2000
Sub-Total	3 000
Rural settlements	
Rapotokwane	600
Sub-Total	600
Informal settlements	
Jacob Zuma	600

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Bela bela ext 9	600
Spa park(proposed warmbath extension 25)	252
Vingerkraal	250
Eersbewoon/tsakane	80
Masakhane	50
Rapotokwane	30
Sub-total	1862
Total	17 462

Source; Community Survey, 2007 & Bela Bela Municipality, 2012

Natural Resources	
Major Natural Resource	Relevance to Community
Agricultural Arable land and the Bush veld	Commercial Farming and tourism
Rivers	Irrigation schemes
Nature Conservation Areas	Tourism

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1.3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

In relation to the Millennium Development Goals, the Municipality is confident to reach its targets in respect of all three basic services, namely; water services (100%) , electricity (95%) and sanitation (93%). If all goes according to plan, the municipality should have no service backlog by the end of the financial year, 2014/15. There is currently no backlog on water services already.

The biggest challenges in as far as infrastructure is concerned, are on bulk supply, roads and stormwater, as well as maintained and upgrading of the existing network. It is for this reason that the municipality experiences a constant year on year increase of capital budget in these areas.

The upgrading of the sewer purification plant has now been completed and phase 1 of the storm water drainage system as well. Accumulated shortfalls on maintenance budget over many years have resulted in huge amounts being required to restore the normal maintenance and operations. Our recently-completed Masterplan for Electricity Reticulation, for instance, reveals that the municipality requires +- R80m to restore and upgrade the current electricity network alone.

The municipality provides free basic services to the disadvantaged members of the community. In terms of the 2011/12 Indigent Policy, 3027 households qualified to be registered as indigents during the 2011/12 financial year.

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1.4. FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

The main functions of 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 Budget and Treasury under the leadership of the Acting Chief Financial Officer has been able to support the Municipal Manager in assisting him in the administration of municipal bank accounts and in the preparation and implementation of the municipality's budget. The Department have also been in a position to advise other senior managers in carrying out their delegated powers in terms of the Municipal Finance Management Act. Over and above that, the department have been able to discharge fiduciary duties such as accounting, analysis, financial reporting, cash management, financial management.

The Municipality was able to maintain the level of expenditure to the maximum revenue collected and as such had a favourable bank balance at the end of the 2011/12 financial year. Payments to creditors within 30 days of receipt of an invoice were in some instances affected due to cash flow challenges. A separate account for grants was opened during the financial year.

With regard to Revenue Management, we were able to achieve 71% payment rate for the year but the outstanding debts is still at unsatisfactory level and as such maximum effort need to be done in order to reduce these debts. There has also been constant engagement with the Government departments and they have indicated the willingness to pay for outstanding amounts. We had a total number of 2 733 indigents who were subsidised for the basic services such as water, refuse, rates and sewerage (R 1 038 892.45) and Electricity - (R 3 498 375.00) as funded from the equitable share.

- The Valuation Roll was completed in 2011/12 financial year. However, other process that need to follow such as objections, establishment of appeal board etc will be completed during the 1st quarter of 2012/13 financial year.
- Unbundling of infrastructure project was referred back in the 2011/12 due to Audit Queries and will be finalized in May 2012. It is currently being re-audited by Auditor General.

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FINANCIAL OVERVIEW – 2011/12

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									
<u>Financial Performance</u>									
Property rates	37 782	37 938	37 938	3 021	37 397	31 615	5 782	18%	37 938
Service charges	74 983	84 278	84 278	6 837	99 225	70 232	28 993	41%	84 278
Investment revenue	6 567	8 710	8 710	1 057	8 822	7 258	1 564	22%	8 710
Transfers recognised - operational	50 393	41 961	42 107	–	42 074	34 968	7 107 (4 581)	20%	41 961
Other own revenue	10 109	21 034	21 058	631	12 947	17 528	581)	-26%	21 034
Total Revenue (excluding capital transfers and contributions)	179 834	193 921	194 091	11 547	200 465	161 601	38 864	24%	193 921
Employee costs	58 640	67 823	66 623	5 189	32 027	56 519	(24 492)	-43%	67 823
Remuneration of Councillors	4 107	2 765	2 765	(182)	4 375	2 304	2 070 (5 229)	90%	2 765
Depreciation & asset impairment	35 561	7 126	34 142	–	710	5 939	229)	-88%	7 126
Finance charges	3 220	1 677	1 504	–	645	1 397	(753)	-54%	1 677
Materials and bulk purchases	55 877	52 034	53 596	9 933	65 190	43 362	21 828 (5 876)	50%	52 034
Transfers and grants	–	7 620	2 632	–	474	6 350	876)		7 620
Other expenditure	55 155	39 888	45 183	3 658	54 269	33 240	21 029	63%	39 888
Total Expenditure	212 560	178 933	206 445	18 597	157 689	149 111	8 578	6%	178 933
Surplus/(Deficit)	(32 727)	14 988	354	(7 051)	42 776	12 490	30 286	242%	14 988
Transfers recognised - capital	–	15 518	15 518	–	15 518	15 518	–		15 518
Contributions & Contributed assets	–	15 096	10 068	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	(32 727)	45 601	13 232	(7 051)	58 294	28 008	30 286	108%	30 506
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	(32 727)	45 601	13 232	(7 051)	58 294	28 008	30 286	108%	30 506
<u>Capital expenditure & funds sources</u>									
Capital expenditure	–	30 614	25 586	–	10 059	17 449	(7 390)	-42%	29 636

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Capital transfers recognised	-	15 518	-	-	8 372	15 518	(7 146)	-46%	15 518
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	15 096	10 068	-	1 687	7 551	(5 864)	-78%	10 068
Total sources of capital funds	-	30 614	10 068	-	10 059	23 069	(13 010)	-56%	25 586
<u>Financial position</u>									
Total current assets	23 679 1 471	193 921	194 091		83 988				193 921
Total non current assets	450	-	-		-				-
Total current liabilities	63 872	178 933	206 446		64 629				178 933
Total non current liabilities	29 902	-	-		-				-
Community wealth/Equity	1 389 545	14 988	(12 354)		19 359				14 988
<u>Cash flows</u>									
Net cash from (used) operating	255 474	388 372	385 904	34 197	162 321	169 368	(7 047)	-4%	357 745
Net cash from (used) investing	24 876	-	-	-	-	-	-	-	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	280 500	388 372	385 904	-	162 321	169 368	(7 047)	-4%	357 745
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
<u>Debtors Age Analysis</u>									
Total By Revenue Source	15 172	4 794	4 381	4 062	75 831	-	-	-	104 241
<u>Creditors Age Analysis</u>									
Total Creditors	18 597	-	-	-	-	-	-	-	18 597

'Employee Costs' expected to be approximately 30% to total operating cost; 'Repairs and maintenance' 20%; Finance Charges and Depreciation 10%.

Chapter 1

TOTAL CAPITAL EXPENDITURE

2009/10			2010/11			2011/12		
Budget	Adjusted Budget	Actual Spent	Budget	Adjusted Budget	Actual Spent	Budget	Adjusted Budget	Actual Spent
19 569 000	19 569 000	19 569 000	25 403 000	25 403 000	25 403 000	25 585 799	25 585 799	20 849 745

Chapter 1

1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

The Municipality decided to adopt the Balanced Scorecard as its performance management model. The Balanced Scorecard has proved to be the most popular performance and strategic management tool used by both public and private organisations. The benefits of implementing the Balanced Scorecard are that it brings strategic focus and direction to the organisation, improves governance and accountability, promotes alignment and transparency, and improves management effectiveness. A strategic and an institutional Balanced Scorecard take into account service delivery indicators and perspectives of the IDP and SDBIP. The strategic and institutional Balanced Scorecard will be cascaded to all levels of the municipality (top, functional and operational management). The objectives of cascading the Balanced Scorecard are to achieve synergy across the municipality, maximise internal business process efficiencies (e.g. supply chain, information technology, human resources, etc), and maximise efficient allocation of resources (financial and human) across the municipality. The design approach of the Balanced Scorecard was customised to meet the needs of the Municipality. With an emphasis on the word “balanced”, the municipal Scorecard is intended to follow the traditional design approach promulgated by Kaplan and Norton, Financial, Customer, Internal Processes and Learning and Growth. The measurement of developmental outcomes will be useful in informing the municipality whether policies and strategies are having the desired development impact, as per the following perspectives:

1. Customer (electorate, citizens, communities) Perspective – Managers must know if the Municipality is meeting the electorate's needs. This relates to services and products (outcomes and outputs) the Municipality should achieve. They must determine the answer to the question: Is the Municipality delivering the services the electorate wants?
2. Financial Perspective – Managers must focus on how to meet service delivery needs in an economic, efficient and effective manner. They must answer the question: Is the service delivered at a good price?
3. Internal Processes Perspective – Managers need to focus on those critical operations that enable them to satisfy the electorate, citizens and community. Managers must answer the question: Can the Municipality improve upon a service by changing the way a service is delivered?
4. Learning and Growth (Employee Development) Perspective – An organisation's ability to improve and meet community demands ties directly to the employees' ability to meet those demands. Managers must answer the question: Is the municipality maintaining technology and employee training for continuous improvement?

Chapter 1

The strategic balanced scorecard will provide an overall picture of performance for the Municipality as a whole, reflecting performance on its strategic (IDP) priorities. The Municipal Manager and Section 56 Managers will use it after review, as a basis for reporting to the Executive Committee, Council, and the public.

The municipality undertook the Strategic Planning for the 2011/21 financial year and that process was also linked to the finalization of 2011/12 IDP Review and Budget process. The 2011/12 Revised IDP was adopted on 28 April 2011 as per Circular 54 from National Treasury. The municipality also started with the review of the Performance Management System (PMS) Policy Framework. At the end of December 2009 the PMS Policy Framework was approved and adopted by council. The framework attempts to cascade the implementation of the PMS to the lower levels during 2011/12 financial year as the efforts were made to benchmark with Fetakgomo Municipality, since the implementation of individual performance has always been limited to section 56 managers.

Chapter 1

1.6. AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT 10/11

The municipality received an adverse opinion, based on the prior year balances, asset register and irregular expenditure. Below is the brief list of issues leading to adverse opinion:

- Property, plant and equipment;
- Trade and other payables from exchange transactions;
- Commitments;
- Expenditure
- Irregular expenditure
- Accrued leave pay
- Cash-flow statement
- Cash and cash equivalents
- Distribution losses

Chapter 1

1.7. STATUTORY ANNUAL REPORT PROCESS

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 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

Chapter 1

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	December
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input.	January
T1.7.1		

The Annual Report of a municipality and every municipal entity must be tabled in the municipal council on or before 31 January each year (MFMA S127). In order to enhance oversight functions of Councils, please note that this must be interpreted as an outer deadline; hence municipalities must submit the Annual Reports as soon as possible after year end, namely, August. The entire process is concluded in the first or second week of December for all municipalities, the same year in which the financial year ends and not a year later, as is currently the case. The activities, implications, process/role-player and timeframes are described below for ease of reference and implementation. It is expected that effective management of performance will also result from this change.

Council monitors financial and non-financial performance through quarterly and mid-year reports produced by the administration and tabled in Council. Note that the mid-year report is a consolidation of the first two quarter reports. By following this framework, IDP and Budget planning and development, SDBIP development, performance management and in-year reporting can be implemented as required by legislation. Failure failures to achieve the above timescales will be considered a breach of the MFMA and MSA.

Chapter 1

Chapter 2

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

To ensure accountability and governance arrangements are in place, Section 121(2)(c) of the MFMA supports the requirements of Section 18(1)(d) of the MSA: information on matters of governance should be communicated to communities. This should, according to Sections 65(1)(a) of the MFMA and 46 of the MSA be undertaken through the compilation and publication of the Annual Report. The purpose of such an annual report is to promote accountability to communities for decisions taken by the Council and matters relating to administrative structures, throughout a financial year.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

Note: 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.

To ensure accountability and governance arrangements are in place, Section 121(2)(c) of the MFMA supports the requirements of Section 18(1)(d) of the MSA: information on matters of governance should be communicated to communities. This should, according to Sections 65(1)(a) of the MFMA and 46 of the MSA be undertaken through the compilation and publication of the Annual Report. The purpose of such an annual report is to promote accountability to communities for decisions taken by the Council and matters relating to administrative structures, throughout a financial year.

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

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

Bela Bela Local Municipality is a Category B municipality established in terms of Section 12 of the Municipal Structures Act (Act 117 of 1998) and applying a collective Executive Committee System. The Municipality has established section 80 Committees and are functional. The Committees meet on monthly basis. The recommendations of the committees are then forwarded to the Executive Committee, which also meet monthly.

The Municipality has established an Audit Committee which comprises of three members. The Committee is functional and established in terms of section 166 of MFMA (2003). The Municipality has decided to utilize the existing Audit Committee for the purpose of the Performance Audit Committee as per Municipal Performance Regulations. Municipal Public Account Committee (MPAC) is established, and performs the role of the Oversight

Chapter 2

Committee to process the annual reports. The MPAC report will be published separately in accordance with MFMA guidelines.

POLITICAL STRUCTURE

MAYOR



(Cllr F Hlongwane – Ward 4)

SPEAKER



(Cllr M Mononyane – Ward 3)

CHIEF WHIP



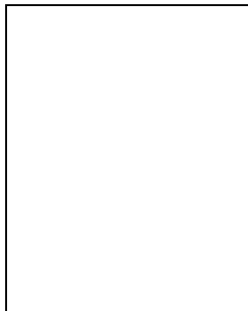
(Cllr S Maluleka – Ward 2)

Chapter 2

EXECUTIVE COMMITTEE



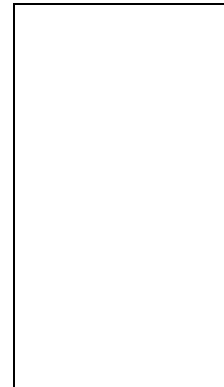
(Cllr L Nhlapo – PR Councillor)



Cllr J Van der Merwe – Ward 1

Delete Directive note once change is complete - Delete Mayoral/Executive Committee as appropriate

T2.1.1

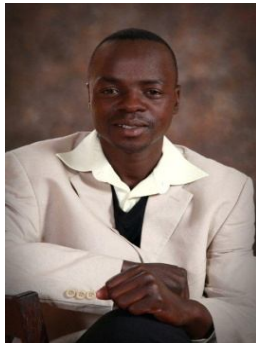


Chapter 2

PR AND WARD COUNCILLORS



Cllr H Ledwaba – Ward 5



Cllr J Ngobeni – Ward 6



Cllr J Sesane – Ward 7



Cllr P Aphane – Ward 8



Cllr W Mokgethoa – Ward 9



Cllr T Mokonyane PR



Cllr Seleka PR



Cllr R Radebe PR



Cllr P Mahlangu PR

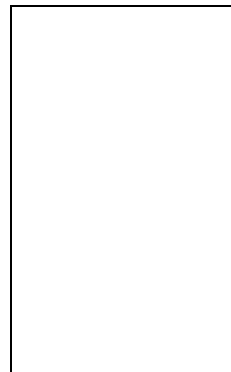
Chapter 2



Cllr C Boshoff PR



Cllr K Alberts PR



Cllr W Fourie PR

Bela Bela Municipal Council has a total number of 17 Councillors, with the African National Congress being the majority party. Out of 17 Councillors, 9 are ward councilors and 8 are councilors appointed on a proportional basis.

POLITICAL DECISION-TAKING

Bela Bela Local Municipality has established section 80 committees. The committees are structured as follows:

- Planning and Economic Development/Infrastructure Sub Committee
- Social and Community Services Sub committee
- Governance & Transformation /Budget & Treasury

The committees sit every month. All recommendations are then forwarded to the Executive Committee for consideration. The Executive Committee has the authority to approve delegated functions and the remaining are resolved at Council meetings. During 2011/12 financial year, 4 ordinary Council meetings and 2 Special Council Meetings took place. Below is a table indicating the number of resolution taken, implemented and/or not implemented during 2011/12 financial year:

Number of Council Resolutions	Number of Implemented Council Resolutions	Number of not Implemented Council Resolutions
27	27	0

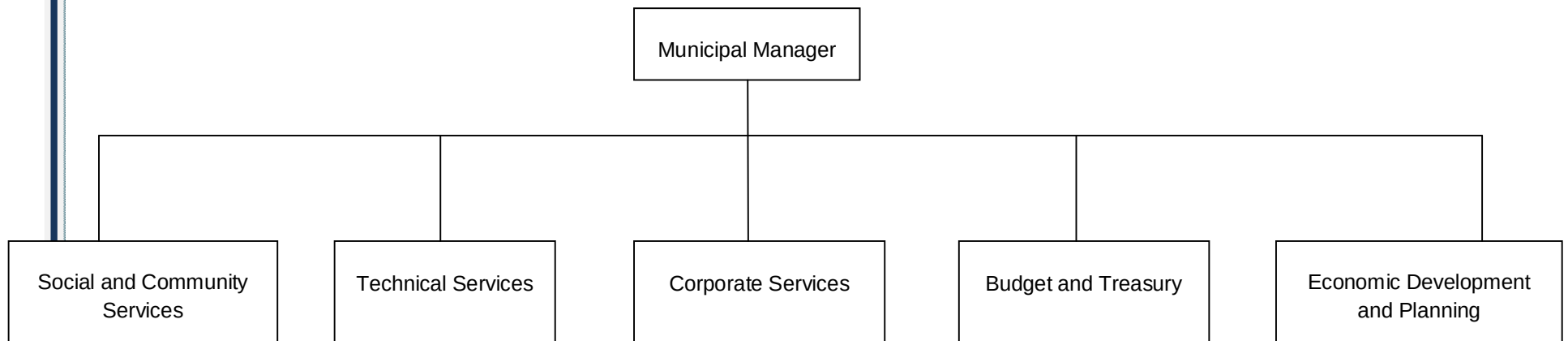
Chapter 2

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

Note: 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.

The Organisational Structure of Bela Bela Local Municipality makes provision for a Municipal Manager and five Section 56 managers. This indicates that there are five Head of Departments reporting to the Municipal Manager thematically depicted as follows:



Chapter 2

TOP ADMINISTRATIVE STRUCTURE



Mr N.S Bambo (Municipal Manager)



Mr L Matwalane



Mr W Ramogale



Adv A Ramolotja



Mr N Nyambeni



Mafa D

Acting CFO	Manager: Development	Manager: Corporate Services	Manager: Technical Services	Manager: Social AND Community Services
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Chapter 2

MANAGEMENT CAPACITY FOR EXECUTING THE MUNICIPAL POWERS AND FUNCTIONS

Managerial Level	Management Accountability	Subordinate Management (Divisional Heads/ Managers)
Municipal Manager	Head of Administration	I Communications II Internal Auditing
Head of Departments (4) (Section 57 Managers)	1. Budget and Treasury	I Budgeting and Financial Reporting II Expenditure III Revenue
	2. Technical Services	I Water and Sanitation II Roads and Storm-water III Electrical Services
	3. Social and Community Services	I Parks, Cemeteries and Community Facilities II Protection and Emergency Services III Waste Management and Cleansing Services
	4. Economic Development and Planning	I Integrated Development Planning II Local Economic Development III Town Planning and Housing
	5. Corporate Services	I Human Resources

Chapter 2

		II Information Management
		III Council Administration and Legal Services

Chapter 2

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Note: MSA S3 requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisaged in the Constitution S41.

Bela Bela Municipality participates in forums for intergovernmental relations, The Premier Mayor's forum and the Municipal Manager's forum. The IDP/PMS Unit is always participates in the Provincial and district municipality's Fora. These forums include sector departments operating at cold face of society and communities. The presidential hotline is established and deals with queries effectively.

2.3 INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURES

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

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The Provincial Planning forum, Premier's Lekgotla, Premeir's Monitoring and Evaluation forum and the Monitoring and Evaluation Forum by CoGSHTA. These forums assist with implementation of the PMS at municipal level and the establishments of credible IDP and SDBIP and ensuring that municipalities are on the road to Clean Audit, 2014.

RELATIONSHIPS WITH MUNICIPAL ENTITIES

There are no municipal entities in Bela Bela Local Municipality.

DISTRICT INTERGOVERNMENTAL STRUCTURES

The Waterberg District Municipality is the only district Limpopo Province that does not have powers and functions on service delivery. Its role is coordination and facilitation. Bela Bela Local Municipality is benefitting from attending the District Monitoring and Evaluation forum, the District Planning Forum the Mayor's forum and the Municipal Managers forum.

Chapter 2

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

MSA 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.

The Mayor

The Mayor is the public face of the municipality and is used in big public meetings, municipal stakeholder forums and media.

Ward councillors

Ward councillors are the representatives of specific geographic areas and are ideally placed to be the link between the people and the municipality. They should bring people's needs and problems to the municipality and consult and inform the community around municipal services and programmes. Ward councillors' public participation programmes are coordinated by the Council's Speaker.

Ward committees

Ward committees are from different sectors in communities. Ten members are elected in each ward to assist and advise the ward councillor and increase community participation. They are very useful for spreading information, assessing needs, building partnerships, consulting the community and picking up local problems with service delivery.

Community development workers (CDWs)

Community development workers are deployed by government to work in communities to make sure that people can access government services. They have to give advice, help people with problems, assess needs and work with local organisations to build partnerships with government. They usually know the community well, have good contacts with organisations and can help to do consultation, do research, spread information and monitor implementation. CDWs work closely with ward councillors and ward committees.

Stakeholder bodies

At national, provincial and local level many key stakeholders and potential development partners are already organised into representative bodies. Examples are business organisations, unions, welfare organisations, community organisations, faith-based organisations, sport and cultural bodies.

Bela Bela Municipality builds ongoing partnerships with these bodies and use them to enrich IDP/Budget Review, assess programmes and improve delivery.

Chapter 2

Local stakeholder forums

Many different local forums already exist – for example IDP forums. Other forums that are made up of stakeholders should be set up for specific projects and programmes. Forums are very useful for quick and ongoing consultation as well as for building partnerships between the community and government. They often represent a number of stakeholders and are also useful for resolving disputes and avoiding local conflicts over resource allocation.

Media

Bela Bela Municipality have access to their own media, for example notice boards, rates and water bills, etc. This is used for spreading information about prices, new plans, budget priorities, etc.

The commercial media as well as radio are some more communication tools used to inform and consult people.

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

BELA BELA MUNICIPALITY'S APPROACH TO PUBLIC PARTICIPATION

WARD COMMITTEES

Meetings will be held with ward committees to inform local community about the IDP Review process, provide report back on the progression of the implementation of the review process as well as on projects that are currently being implemented in the municipal area, review the existing IDP project list and identify new projects.

IDP REP FORUM MEETINGS

The forum should be restructured so as to include the recently established ward committees, service providers and other community – based organizations. There are three proposed IDP Forum meetings to be held during the review process.

IDP ROAD SHOWS

STRATEGIC PLANNING

Strategic planning will be undertaken in the form of the workshop with Senior, Middle Management, Municipal Mayor, EC Members and the rest of the Councilors. This Strategic Framework should indicate the strategic direction of the municipality, and form the basis for updating the Vision, Mission, Values, Objectives and Strategies. Furthermore, the most important aspect here is the formulation of key performance indicators.

Chapter 2

Chapter 2

WARD COMMITTEES

Roles of ward committees

- Increase the participation of local residents in municipal decision-making, as they are a direct and unique link with the council;
- Are representative of the local ward, and are not politically aligned;
- Should be involved in matters such as the IDP process, municipal performance management, the annual budget, council projects and other key activities and programmes as all these things impact on local people; Can identify and initiate local projects to improve the lives of people in the ward;
- Can support the councillor in dispute resolutions, providing information about municipal Operations;
- Can monitor the performance of the municipality and raise issues of concern to the local Ward;
- Can help with community awareness campaigns e.g. waste, water and sewage, payment of fees and charges, as members know their local communities and their needs.

Ward committee training

An initial round of training was conducted for ward committee members after the March 2011 municipal elections, which consisted of a one day induction workshop followed by two further days of training with clusters of committees during 2011/12 financial year. The need for further training was identified by all respondents as an immediate priority. In particular, ward committees need training on the IDP and budget, and on the powers and functions of the different spheres of government.

Typically, ward committees raise issues with their ward councillor, who then takes the issues to the Speaker, who then notifies the relevant portfolio committee to have the issue addressed. It was noted that ward committees do not take issues directly to Council. An important point raised is that there is not enough follow up from councillors with the Speaker regarding issues that are raised by the ward committees. Communities then do not receive feedback from the municipality about the concerns they register with the ward committee.

Public Meetings							
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	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
2011/12 IDP/Budget Roadshows in all 9 Wards	23 March 2011 – 03 April 2011	9	13	750	155	Yes (those relevant to municipal functions, however, other issues were referred to sector departments)	No feedback session was arranged in 2011-12 financial year
3 IDP Rep Fora	20 August 2010	4	9	72	26	Yes	2 nd IDP Rep forum held on the 22/10/2010

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	22 October 2010	3	10	86	12	Yes	3 rd IDP Rep forum held on the 14/02/2011
	14 February 2011	4	10	56	0		Community was proposing the projects/programmes for 2011/12 financial year.

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

The public meetings are very effective as they guide the development of programmes by the Municipality. However, budgetary constraints sometimes hinder the programmes. The community also gets informed about the powers and functions of the municipality, the role of all three spheres of government in providing service delivery.

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	

Chapter 2

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

The council

- retains full control over the municipality, its plans and strategy;
- acknowledges its responsibilities as to strategy, compliance with internal policies, external laws and regulations, effective risk management and performance measurement, transparency and effective communication both internally and externally by the municipality;
- is of a unitary structure comprising:
 - o full-time and part time councillors

Fruitless and wasteful expenditure

During the 2011/12 financial year, payments to the value of R 685 784.84 meant for Magalies water were fraudulently made to a differently bank account number. The matter was investigated internally and a case opened with the South African Police Service. The case number is 425/01/2012 and is still pending.

Remuneration

The remuneration of the Accounting Officer and section 57 managers are determined by the Council.

Executive meetings

Non-executive councillors have access to all members of management of the municipality.

Audit and risk committee

Mr. M.A. Mashego was the chairperson of the audit committee for the year.

In terms of Section 166 of the Municipal Finance Management Act, municipality must appoint members of the Audit Committee. National Treasury policy requires that municipalities should appoint further members of the municipality's audit committees who are not councillors of the municipal entity onto the audit committee.

Internal audit

The municipality has an independent internal audit function. This is in compliance with the Municipal Finance Management Act, 2003.

The chief internal auditor is Mr. M.C. Kabe.

2.6 RISK MANAGEMENT

RISK MANAGEMENT

Note: MFMA S62 (i) (c) requires a municipality to have and maintain an effective, efficient and transparent system of risk management.

Capital risk management

The municipality's objectives when managing capital are to safeguard the municipality's ability to continue as a going concern in order to provide returns for members and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

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The capital structure of the municipality consists of debt, which includes the borrowings (excluding derivative financial liabilities) disclosed in cash and cash equivalents disclosed in note 5 of the 2011/12 AFS, and equity as disclosed in the statement of financial position.

In order to maintain or adjust the capital structure, the municipality may adjust the amount of dividends paid to members, return capital to members, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the municipality monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt. There are no externally imposed capital requirements. There have been no changes to what the municipality manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Interest rate risk

As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party. Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

Notes: See Chapter 4 details of Disciplinary Action taken on cases of financial mismanagement (T4.3.6). MSA 2000 S83(c) requires providers to be chosen through a process which minimizes the possibility of fraud and corruption.

The municipality must emphasis fraud prevention rather than fraud investigation and this will lead to reducing the opportunities for fraud and corruption. Management should take the following measures to reduce motives, reduce opportunities, increasing the chances of and reduce the criticality of losses to create a fraud adverse environment:

Reactive and Pro-active method

1. Reactive methods are employed when fraud is discovered to exist and steps are taken to control the impact and effect, as well as to identify the guilty parties.

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2. The pro-active approach is used to create a fraud aware environment and to stop fraud in its infancy

These two methods fit hand in glove and a combination of the two methods is the best approach to prevent and detect fraud in the workplace.

Types of reactive methods:

- Forensic investigations into alleged acts of fraud and corruption.
- Asset tracing and the recovery of loss through civil litigation.
- Visible disciplinary action taken against offenders.
- Laying of criminal charges where applicable.

This will enhance the stand point of the municipality in the eyes of its employees with regard to fraud. It would also discourage possible fraudsters to take part in acts of fraud in future as they would have observed management's reaction to fraud.

Types of pro-active methods:

- Ensuring adequate internal controls – preventative and detective controls. This may entail rotating staff on a continual basis and ensuring a separation of duties.
- Management involvement to show that management is in control.
- Placing a responsibility on employees to be involved and to report suspicious behavior. Take steps to combat an unwillingness to take action.
- Regular anti-fraud and corruption training programmes.
- Encouraging the use of the hotline facility and providing whistle blowers with support.
- Undertaking staff vetting when selecting staff.
- Creating and applying a code of conduct and ethics.
- Undertaking regular fraud risk assessments in critical areas.

This would assist management to manage and reduce fraud and corruption within the municipality.

WHISTLEBLOWING

The municipality must educate staff member on the correct channel to be followed when reporting acts of fraud, corruption and theft. The municipality must encourage staff members to report acts of fraud and corruption internal within the municipality rather than externally to, for example, the media.

Staff members must be made aware of their responsibility to report acts of fraud and corruption to their senior manager or the municipal manager or the committee members. The staff members who make such disclosure should be protect from victimisation by the senior officials. Staff members who feel that they cannot report the matter to their senior officials, for fear that the senior officials are also involved may take advantage of the provision of the Protected Disclosure Act and report the matter to the South African Police Service, National Prosecuting Authority, Auditor General, Public Protector and other government bodies.

The senior officials who receive reports of fraud and corruption should handle the reports with confidentiality. Senior officials must assess the magnitude of the alleged fraud or corruption and they should conduct an initial investigation to establish whether the act did happen and whether the matter should be investigated internally

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or externally parties. For example, forensic investigation companies, the South African Police Services or other law enforcement agencies may also be called to investigate the matter depending on the nature of the concern.

Whether the matter is investigated internally or externally the investigator must be objective, thorough and act in a way that is without prejudice to the accused. The process must be fair to the parties involved.

The action that is taken by the municipality must comply with provisions of the Code of Conduct of the municipality and legislation which deal with established acts of fraud and corruption. The investigator who establishes that the fraud or corrupt act has occurred must recommend the appropriate action that must be taken.

Where the accused is found guilty after the completion of the investigation the

Following should be considered:

- Taking disciplinary action
- Instituting civil action to recover losses
- Initiating criminal prosecution by reporting the matter to SAPS or other relevant law enforcement agencies
- Any other appropriate and legal remedies available.

Disciplinary hearings

Staff members and councilors accused of fraud may also be brought before a disciplinary hearing by the Municipality with a view to internal sanctions being levied against the accused. Sentences which may be imposed include dismissal, demotion, suspension or a warning, depending on the nature and gravity of the offence committed. It is important that staff members and councilors are made aware of these consequences and the Municipality should deal with fraud in a severe and comprehensive manner.

Criminal sanctions

In terms of the common law and statute (The Prevention of Corruption Act), Criminal charges can be brought against any person who commits an act of fraud or corruption within the municipality. Where fraud is discovered, a complaint should be laid with the police who will investigate the matter.

Civil Sanctions

The Municipality can pursue civil means for the recovery of losses suffered as a result of a fraudulent act. The recovery will first take place against monies due to the Official from outstanding pay, leave and pension fund. If there is an outstanding balance after this, the Attorney General may use civil means of recovery if it is financially viable. Once again, the Municipality may also proceed to claim for civil damages suffered due to an act of fraud committed by an external service provider.

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2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

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.

ESTABLISHMENT AND IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

2. Supply chain management policy

2. (1) The Bela-Bela Local Municipality resolves in terms of section 111 of the Act to have and implement a supply chain management policy

that –

(a) gives effect to –

(i) section 217 of the Constitution; and

(ii) Part 1 of Chapter 11 and other applicable provisions of the Act;

(b) is fair, equitable, transparent, competitive and cost effective;

(c) complies with –

(i) the regulatory framework prescribed in Chapter 2 of the **Local**

Government: Municipal Supply Chain Management

Regulations; and

(ii) any minimum norms and standards that may be prescribed **by the National Treasury** in terms of section 168 of the **Local Government Municipal Financial Management Act 2003** Act;

(d) is consistent with other applicable legislation;

(e) does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and

(f) is consistent with national economic policy concerning the promotion of investments and doing business with the public sector

(2) The municipality may not act otherwise than in accordance with this Supply Chain Management Policy when

–

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- (a) procuring goods or services;
 - (b) disposing of goods no longer needed;
 - (c) selecting contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; or
 - (d) in the case of a municipality, selecting external mechanisms referred to in section 80 (1) (b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of that Act.
- (3) Subparagraphs (1) and (2) of this policy do not apply in the circumstances described in section 110 (2) of the Act except where specifically provided otherwise in this policy.

3. Adoption and amendment of the supply chain management policy

3. (1) The accounting officer must –

- (a) at least annually review the implementation of this policy; and
 - (b) when the accounting officer considers it necessary, submit proposals for the amendment of this policy to the Council.
- (2) If the accounting officer submits a draft policy to the Council that differs from the model policy, the accounting officer must ensure that such draft policy complies with the Regulations. The accounting officer must report any deviation from the model policy to the National Treasury and the relevant provincial treasury.
- (3) When amending this supply chain management policy the need for uniformity in supply chain practices, procedures and forms between organs of state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.
- (4) The accounting officer of a municipality must in terms of section 62(1) (f) (IV) of the Act, take all reasonable steps to ensure that the municipality has and implements this supply chain management policy.

4. Delegation of supply chain management powers and duties

4. (1) The council hereby delegates such additional powers and duties to the accounting officer so as to enable the accounting officer –

- (a) to discharge the supply chain management responsibilities conferred on accounting officers in terms of –

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- (i) Chapter 8 of the Act; and
 - (ii) the supply chain management policy;
 - (b) to maximize administrative and operational efficiency in the implementation of the supply chain management policy;
 - (c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favoritism and unfair and irregular practices in the implementation of the supply chain management policy; and
 - (d) to comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Act.
- (2) Sections 79 of the **Local Government: Finance Management Act 2003** applies to the sub-delegation of powers and duties delegated to an accounting officer in terms of subparagraph (1) of this policy.
- (3) The council or accounting officer may not delegate or sub-delegate any supply chain management powers or duties to a person who is not an official of the municipality or to a committee which is not exclusively composed of officials of the municipality [or municipal entity];
- (4) This paragraph may not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this policy.

5. Sub-delegations

5. (1) The accounting officer may in terms of section 79 or 106 of the Act sub-delegate any supply chain management powers and duties, including those delegated to the accounting officer in terms of this policy, but any such sub-delegation must be consistent with subparagraph (2) and paragraph 4 of this policy.

(2) The power to make a final award –

- (a) above R10 million (VAT included) may not be sub-delegated by the accounting officer;
- (b) above R2 million (VAT included), but not exceeding R10 million (VAT included), may be sub-delegated but only to –

- (i) the Chief Financial Officer;
- (ii) a senior manager; or

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- (iii) a bid adjudication committee of which the Chief Financial Officer or a senior manager is a member; or
- (c) not exceeding R2 million (VAT included) may be sub-delegated but only to –
 - (i) the Chief Financial Officer;
 - (ii) a senior manager;
 - (iii) a manager directly accountable to the Chief Financial Officer or a manager **directly accountable to the senior manager**; or
 - (iv) a bid adjudication committee.
- (3) An official or bid adjudication committee to which the power to make final awards has been sub-delegated in accordance with subparagraph (2) of this policy must within five days of the end of each month submit to the official referred to in subparagraph (4) of this paragraph a written report containing particulars of each final award made by such official or committee during that month, including–
 - (a) the amount of the award;
 - (b) the name of the person or party to whom the award was made; and
 - (c) the reason why the award was made to that person or party.
- (4) A written report referred to in subparagraph (3) of this policy must be submitted –
 - (a) to the accounting officer, in the case of an award by –
 - (i) the Chief Financial Officer;
 - (ii) a senior manager; or
 - (iii) a bid adjudication committee of which the Chief Financial Officer or a senior manager is a member; or
 - (b) to the Chief Financial Officer or the senior manager responsible for the relevant bid, in the case of an award by –
 - (i) a manager referred to in subparagraph (2) (c)(iii) of this paragraph; or
 - (ii) a bid adjudication committee of which the Chief Financial Officer or a senior manager is not a member.
- (5) Subparagraphs (3) and (4) of this paragraph do not apply to procurements out of petty cash.

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(6) This paragraph may not be interpreted as permitting an official to whom the power to make final awards has been sub-delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this policy.

(7) No supply chain management decision-making powers may be delegated to an advisor or consultant.

6. Oversight role of council

6. (1) The council must maintain oversight over the implementation of this supply chain management policy.

(2) For the purposes of such oversight the accounting officer must –

In the case of a municipality

(a) (i) within 30 days of the end of each financial year, submit a report on the implementation of the supply chain management policy of the municipality and of any municipal entity under its sole or shared control, to the council of the municipality; and

(ii) whenever there are serious and material problems in the implementation of the supply chain management policy, immediately submit a report to the council

(3) The accounting officer must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor and thereafter to council.

(4) The reports must be made public in accordance with section 21A of the Municipal Systems Act.

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2.9 BY-LAWS

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	By-laws Gazetted (Yes/No)	Date of Publication
Water Services		Yes	February 2008	Yes	21 November 2011
Indigent		Yes	February 2008	Yes	21 November 2011
Electricity		Yes	February 2008	Yes	21 November 2011
Credit control		Yes	February 2008	Yes	21 November 2011

2.10 WEBSITES

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	April 2012
All current budget-related policies	Yes	June 2012
The previous annual report (2010/11)	NO	
The annual report (2010/11) published/to be published	Yes	August 2012
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2011/12) and resulting scorecards	Yes	August 2012
All service delivery agreements (2011/12)	Yes	August 2012
All long-term borrowing contracts (2011/12)	NO	
All supply chain management contracts above a prescribed value (give value) for 2011/12	Yes	August 2012
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	Yes	August 2012

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Contracts agreed in 2011/12 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	Yes	August 2012
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	Yes	August 2012

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

The Municipality is currently not fully compliant with the requirement for Municipal websites as set out in MFMA section 75. However, efforts have been made to ensure that a monthly update on the web-site is done. The other challenge arising is that although the web-site is coordinated at a provincial level, sometimes is very difficult to ensure that the required information is placed on the web-site since there is a standard format. The Municipality has not made any progress in placing PC's in accessible locations to the public so that Council web based information can be accessed.

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFACTION LEVELS

During the 2010/11 and 2011/12 financial years, the municipality did not conduct a Satisfaction Survey. However, The levels of satisfaction about municipal service delivery is very low for key deliverables like Road maintenance, sanitation and water supply, whereas it is average for services like electricity and refuse removal.

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CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

INTRODUCTION

The municipality provides free basic services to the disadvantaged members of the community. In terms of the Indigent policy the households who qualified to be registered as indigents during the 2011/12 financial year are those that with an income of R0 –to– R 1 500 per month.

INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION – CORPORATE SERVICES

The department experienced a bleak year in the recruitment process. This was so as a result of the moratorium placed on recruitment. However, the cascading of PMS was given a boost by the appointment of a service provider. The IT Division managed to implement one of the three intended projects due to financial constraints.

COMPLETED PROJECTS

- Electronic Security System

DIFFERED PROJECTS TO 2012/13 FINANCIAL YEAR AND OUTER YEARS

- 4X Servers
- Firewall Solution
- Wireless Network Solution

POTENTIAL FRUITLESS EXPENDITURE

No potential fruitless expenditure identified due to discontinuation of the capital projects in this department.

SOCIAL AND COMMUNITY SERVICES

The performance of the department generally was satisfactorily because of all the identified projects only two projects were referred to the outer financial years due to cash flow problems. The other two are still in progress as they are the multi year project whilst other four have been completed.

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Generally the department was able to undertake its activities and provide the services as planned

HIGHLIGHTS

100% completion of four Capital Projects within the department i.e. Provision of refuse bins, roadblock trailer, tree and grass cutting machinery, tables and chairs for community halls

The completion of two trainee Traffic officers through the initiated program had led to increased Traffic Office visibility and improved law enforcement activities

The ability to collect refuse on 98% of municipal areas weekly without failure as planned.

The general performance on operational activities has been satisfactory. Ability to host Abor Day celebration and awareness campaigns with limited resources.

CHALLENGES

The municipal cash-flow problem has led to two of the projects to be taken to the outer financial years i.e. Bela-Bela Sport Courts and Sport fields next to Bela-Bela High

The other two projects were converted to multi-year due to cash-flow problems i.e. IWMP/EMP and Pienaarsrivier/Masakhane cemetery Shortage of staff was affecting the general operations.

COMPLETED PROJECTS

- Provision of refuse bins
- Roadblock trailer
- Tree and grass cutting machinery
- Tables and chairs for community halls

DEFERRED PROJECTS TO 2012/13 FINANCIAL YEAR AND OUTER YEARS

- Bela-Bela Sport Courts

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- Sport fields next to Bela-Bela High
- IWMP/EMP
- Pienaarsrivier/Masakhane cemetery

POTENTIAL FRUITLESS EXPENDITURE

PROJECT NAME	BUDGET	EXPENDITURE	REASON
Bela-Bela Sport Courts	R400 000	R2 250	Cash – flow constraints
Sport fields next to Bela-Bela High	R72 063	R72 063	Cash – flow constraints

TECHNICAL SERVICES

CAPITAL PROJECTS – MIG

The council approved the implementation of the following projects as multi-year projects in order to balance the MIG cash flow and they are planned to be implemented in 2011/12 and 2012/13 financial years respectively:

UPGRADING OF INTERNAL STREETS IN BELA BELA – PHASE 2 (BELA-BELA AND RADIUM)

The target was to commence with the construction in the fourth quarter of 2011/12 and complete in the 2012/13 FY.

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The contractor was appointed in the fourth quarter and the project is under construction to be completed by the 10th September 2012.

CONSTRUCTION OF DRIVERS LICENSE TESTING GROUND – OFFICES

The target was to commence with the construction in the fourth quarter of 2011/12 and complete in the 2012/13 FY.

The contractor was appointed and the project is planned to be completed by February 2012.

However, the contractor has not yet established the site.

This is due to the change of project location resolved by council.

We are therefore waiting for a geotechnical report from the Consultant for the new location in order to ascertain whether the current foundation design will still be suitable.

ROAD PAVING - PHASE 3B

The target was to commence with the construction in the fourth quarter of 2011/12 and complete in the 2012/13 FY.

The contractor was appointed in the fourth quarter and the project is under construction to be completed November 2012.

BULK INFRASTRUCTURE BB X9

The target was to commence with the construction in the fourth quarter of 2011/12 and complete in the 2012/13 FY.

The project is at the Evaluation Stage to appoint the contractor. There is a slight delay, but the first phase of this project is planned to be in December 2012.

COMPLETED PROJECTS

The following projects were completed during 2011/2012 FY:

DEVELOPMENT OF INFRASTRUCTURE MASTER PLAN (ELECTRICAL AND ROADS & STORM WATER)

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The target was to develop the Electrical and Roads & Storm Water Master Plan The project is completed and both plans are adopted by council.

REPLACEMENT OF OBSOLETE CABLES

The target was to replace 1,1 km of obsolete cable from the Main Sub-station to Brandweer Substation 1.6km of cable was replaced from Bela-Bela Main Sub-Station to Brandweer Substation

INSTALLATION OF HIGHMUST LIGHT AT MASAKHANE AND BELA-BELA

The target was installing 2 high masts light in Masakhane and one in Bela-Bela Township. 2 high mast light in Masakhane and one in Bela-Bela Township were installed and energized.

SUPPLY AND DELIVERY OF AUTO RE-CLOSERS

The Electrical Infrastructure Master Plan Study recommended that the replacement of auto re-closers be prioritized. The council approved the change of the project of servicing of minisubstation based on this recommendation. The Service Provider was appointed for the supply and delivery of the Auto re-closers. The installation to be done internally.

DEFERRED PROJECTS TO 2012/13 FINANCIAL YEAR AND OUTER YEARS

- Resealing Streets In CBD
- Refurbish old section WTP
- Cleaning of Storm water open channels
- Cleaning of streets
- Servicing mini-sub (replaced by the purchase of Auto re-closers)

POTENTIAL FRUITLESS EXPENDITURE

PROJECT NAME	BUDGET	EXPENDITURE	REASON
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Flea Market - Phase 2	R510 372.98	R510 360	Council resolved that the project be discontinued
Construction of Drivers License Testing Ground – Offices	R2 800 000	R854 255.03	Change of project location resolved by council.

WATER AND SANITATION (MAINTENANCE AND OPERATIONS)

Maintenance

Water treatment at the water purification plant – the annual target was to purify 244 mega litres of raw water and we were able to purify 250.98 mega liters of raw water.

Reliable Water Supply to the community - the annual target was ensure that the Interruption of water supply does not occur for more than more than 24hrs. All water supply interruptions were addressed within 24 hours.

ELECTRICAL SERVICES

Maintenance

New connections – the annual target was to process all application of new connections received and makes connection to the approved department. All applications were received and processed.

ROADS AND STORM WATER

Maintenance

Grading of unpaved roads – the annual target was to grade 15km of roads and 23.85km of roads were graded

Repair of roads pavement – the annual target was to repair defects on roads pavement within 3 working days after being reported/identified through routine inspection. 1193 m2 of roads pavement were repaired

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

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As per the prescripts of the law, the municipality has established eight (08) Ward Committees out of 09. Only the establishment of ward 07 is pending. As part of the municipal Public Participation practice, the municipality facilitates regular ward meetings and ward committee meetings. To date 47 ward committees have been held. Methods used are laud hailing, publication of notices in the media and website as well as door-to-door

Municipal Website was developed, it is functional and it is being updated on a periodic basis (<http://www.belabela.gov.za>). The Fraud Prevention and Anti – corruption policies and plans are being implemented.

PLANNING AND ECONOMIC DEVELOPMENT

HOUSING DELIVERY

During the year under review the Municipality in collaboration with the Department of Cooperative Governance Human Settlement and Traditional Affairs (COGHSTA) engaged in the RDP project to build **100 RDP** houses, being 50 at Rapotokwane and 50 at Leseding and Hostelview. The 50 units at Lesding and Hostelview was part of the Department to assist in unblocking of Blocked projects. At the end of the financial year, that is, at the end of June 2012, 91 units were completed, while 9 wre still outstanding due to contractual challenges between the contractor and the Department. The outstanding units are however included in the project for the following financial year (2012/13) at Leseding which is targeting 100 RDP units. At the end of the financial year under review (2012/13) the contractor was already on site and it is anticipated that the project will be finalized before end of December 2012.

■ The Municipality together with DLGH also facilitated the issuing of **title deeds** through the Enhanced Extended Discount Benefit Scheme(EEDBS), on properties that were allocated to individuals but were not given full ownership as well applications for lost copies of title deeds on properties whose title deeds which were destroyed through fire during 2005. At the end of the financial year about 881 **title deeds** were issued by the Registrar of Deeds to COGHSTA and were delivered to the Bela-Bela Municipality on 23 May 2012 where the MEC for Cooperative Governance handed over 20 title deeds to elderly beneficiaries. The remainder of the title deeds were handed over to the Municipality for further handing over to the affected beneficiaries. The affected areas are Bela-Bela proper, Bela-Bela Extension 1 and Spa Park townships. Acquisition of title deeds will go a long way in ensuring security of tenure to those people who occupied and stayed in government houses and stands without title deeds or any form of recognised form of ownership.

LOCAL ECONOMIC DEVELOPMENT

One of the indicator targets was to **support SMMEs** (Small Medium Micro Enterprises). The Municipality put as its target training of **100 SMMEs** during the year under review. At the end of the financial year over 88 **SMMEs/Individuals** had received some training or workshops relating to business and related skills as follows: 10 local youth trained through tourism ambassador learnership(8-26 Augaust 2011) ; 20 local people trained through water reticulation learnership(January 2012); 24 SMMEs trained on income tax(15-16 February 2012); 15 SMME trained on cashflow management (17-18 April 2012); and 19 local people attended training on Tourism Safety(28 May – 01 June 2012).

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LIBSA also offered advisory/ consultations services to over **59** local SMMEs on different Business Development and related services. .

Under **Promotion and Marketing of Tourism**, the municipality facilitated the hosting of the Triathlon (Ironman Bela-Bela 5150 Triathlon,) which attracted over 500 triathletes during August 2011. Among the participants were triathletes from 12 overseas countries. This translates into direct spent of over **R3.4m** in the economy of Bela-Bela during the weekend of the event. This is taking into account the estimation by the South African Tourism Index during 2010 which indicated that an average tourist spend approximately R1350.00 per day; and the observation by Ironman that on average one athlete is accompanied by 2 family members and or supporter.

The event also included participation by kids in the Pitt Ironkids event which also attracted over 400 kids from local schools.

The Municipality also supported the launching of the Carnival Festival(Bela-Bela Mas Feeva) with the company called Dare to Discover during December 2011.

The two events were adequately covered in the various media including local newspapers, websites; and television (e.g Supersport channel). These events will assist in further promoting and the marketing of the Municipality. The impact of these and other promotion initiatives embarked by the municipality in the past(Publication in the Commonwealth during the last 2 financial years) is evident from the recognition that the Municipality is starting to receive from overseas countries(recent invitation of Bela-Bela by the Swiss Government to receive an award in recognition of its tourism destination(s). This recognitions will help in attracting investments and therefore assist in job creation and economic growth.

On **monitoring of job creation** the municipality is able to report that over **181 temporary jobs** were created by private sector as follows:

Forever resorts (**12** in July 2011 and **15** in December 2011); Dave Construction on renovation of Bothavilla woonstelle(**20** from August to October 2011); Mabalingwe(**20** in January 2012); Pick and Pay(**17** from Dec 2011 to March 2012); Zebula(**10** from Dec 2011 to January 2012).; Construction of Nedbank offices at Pick and Pay Complex(**30** from January to April 2012); Klein Kariba **10** during January-March 2012); Bonwaphala Game Lodge(**15** in April 2012); Electrical Cable Project at Van Der Merwe Street(**15** from May to July 2012; Mokgotho Housing Project (**17** started in June 2012 expected to be completed in December 2012.

50 Permanent jobs were created by private sector as follows:

Bela-Bela Metro Cash ans Carry (**42** from October and November 2011) and Klein Kariba(**8** during the period January and March 2012.

Job Creation by the Municipality was as follows:

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- **7 permanent jobs** were created by the municipality through appointment of staff in new positions.
- **48 temporary jobs** from Municipal projects as follows:
- Masakhane Road Paving Project (**42** from July to October 2011) and Cleaning of Reservoir (**6** from January to February 2012)

Job creation by other spheres of government or agencies was as follows:

- 195 temporary job opportunities created by STATS SA for Collection of information from September to November 2011.

The Town Planning and Housing Unit had a number of operational activities (i.e. processing of building plans, processing of town planning applications, co-ordinating housing development) that were executed fairly well during the 2011/ 12 financial year. These activities are well outlined and the performance is quantified in Functional Service Delivery section of this report.

However from Local Economic Development point of view, it can be reported that the impact in terms of the value of the building plans processed during the year under review amounts to over R96 million.

The Municipality also processed or commended on other applications by other spheres of government, including applications in terms of Development Facilitation Act, 1995, where the Municipality commented on 4 applications, namely The Expansion of Klein Kariba Resort, Aruba Resort, Noodhulp Farmstyle Estate (Agrivillage); and Irrigasie Filling Station Services and Rest Area. The economic impact study of the Klein Kariba development concludes that the total economic impact of the proposed new development in Klein Kariba will have on Bela-Bela Economy is between **R1.8 – R2.1 billion**. It is also expected to create over **80 additional permanent job** opportunities for its operations and **391 temporary job opportunities** during the construction.

Whilst no economic impact study have been done on the other 3 developments, they range between half to a quarter of the Klein Kariba Development and it might be concluded that combined they might have the same impact.

These developments and others that are being submitted and processed contribute to the long term economic growth of the municipality and will expand the revenue base of the Municipality as well as sustainable jobs.

COMPLETED PROJECTS

No capital projects were completed in this department.

DEFERRED PROJECTS TO 2012/13 FINANCIAL YEAR AND OUTER YEARS

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- Township establishment on remainder the farm BELABELA 611KR
- Plotter & Scanner

POTENTIAL FRUITLESS EXPENDITURE

No potential fruitless expenditure identified due to discontinuation of the capital projects in this department.

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COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

INTRODUCTION TO BASIC SERVICES

The Municipality's challenge regarding provision of basic needs is cash flow constraints.

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3.1. WATER PROVISION

INTRODUCTION TO WATER PROVISION

Note: Recent legislation includes the Water Services Act 1997 and the General Enabling Act 2005.

It can be reported that 100% (14 290HH) of Bela Bela households do have access water with effect from 2008 since water supply was expanded to the informal settlements within that period. This then means that there are no households within Bela – Bela that make use of other water sources (including Dam/ Pool, Water Vendor and Water Rain Tanker). It can however be noted that the provision of water to the informal settlements is only a temporally solution, the permanent arrangement to address the water supply needs by the community is to move the informally settled households to the new housing projects which are more suitable for human habitation. The annual target for 2010/11 Financial year was to purify 244 mega litres of raw water. The municipality was able to supply reliable water to consumers.

BLUE & GREEN DROP CERTIFICATION

Drinking Water Quality was placed squarely under the spotlight with the introduction of the Blue Drop Certification Programme, ensuring that municipalities and water service providers are held accountable to provide tap water of safe quality to its constituencies.

BLUE DROP		GREEN DROP
2010	2011	2010/11
61.4%	71.01%	16.9%

TOTAL USE OF WATER BY SECTOR (KILOLITER)

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Description	Number	Units	Amount
Residential	11039	149593	R1 318 555.45
Business	246	28197	R236 854.80
Aventura	5	1277	R10 726.80
Small Holdings	116	3123	R39 280.56
Business Outer Mun B	2	48	R461.92
Internal Departments	5	1541	R1 183.34
Renaissance	4	4110	R28 975.50
Tuin Tiuste 1	1	28	R197.40
Tuin Tiuste 2	2	389	R2 742.45
Palmeras	3	865	R6 496.50
Caritas	2	1098	R7 740.90
Security Villages AN	24	437	R4 568.23

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Double Flash Investment	4	947	R7 355.31
B/B Residential	2847	28047	R234 253.55
Industrial	1	11	R92.40
Flats	76	889	R7 693.97
Schools	13	3467	R26 799.91
5 L Flats 1 Meter	4	351	R2 779.23
Places of Worship	39	2407	R18 606.11
Flats 6 units	1	6	R42.30
Flats 10 units	1	2	R14.10
Free Indigent Households	709	9159	R83 057.97

WATER DISTRIBUTION LOSSES

Chapter 3

Date	Kilolitres Purchased	Own source - resevoirs	Total Water available	Kiloliters Billed	Not billed	Total water used	Total Kilolitres loss	% loss
Jul-11	116 024	127 960	243 984	166 764	6 554	173 318	70 666	28.96%
Aug-11	126 095	167 730	293 825	137 062	45 323	182 385	156 763	37.93%
Sep-11	124 183	189 200	313 383	172 229	8 241	180 470	141 154	42.41%
Oct-11	120 021	172 010	292 031	165 785	9 213	174 998	126 246	40.08%
Nov-11	134 639	307 048	441 687	214 104	43 257	257 361	227 583	41.73%
Dec-11	103 106	180 400	283 506	327 242	10 211	337 453	-43 736	-19.03%
Jan-12	131 177	413 082	544 259	618 174	12 111	630 285	-73 915	-15.81%
Feb-12	119 211	183 040	302 251	114 145	25 436	139 581	188 106	53.82%
Mar-12	114 287	189 199	303 486	139 095	27 865	166 960	164 391	44.99%
Apr-12	138 344	155 190	293 534	157 409	12 324	169 733	136 125	42.18%
May-12	123 692	184 170	307 862	185 216	15 423	200 639	122 646	34.83%
Jun-12	132 060	176 970	309 030	207 991	23 124	231 115	101 039	25.21%
TOTAL FINANCIAL YEAR	1 482 839	2 445 999	3 928 838	2 605 216	239 082	2 844 298	1 317 068	27.60%

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Total no. of HH		Piped water inside the yard		Piped water from access point outside the yard		Piped water inside the dwelling		No access to piped water		N/A & Other	
2001	2007	2001	2007	2001	2007	2001	2007	2001	2007	2001	2007
12336	14293	7375	2462	1544	1078	3004	8911	275	1425	138	417

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Water Service Policy Objectives Taken From IDP								
Improved access to safe and healthy water, sanitation and environment for the residents of Bela Bela.								
Service Objectives /Service Indicators	Outline Service Targets	2010/2011		2011/2012		2011/12	2012/13	
		Target	Actual	Target	Actual		Target	
(i) % of hh with access to level of water	(i) To provide basic level of water to all 14 900 households by 2011	0	0	0	0	0	14900	(i) Water Service Master Plans
(ii) % reduction in water losses	(ii) To decrease water losses by 5% per annum	0	0	4x quarterly reports	0	4x quarterly reports submitted		(ii) 14 @ 200m pipe stand to be installed in Rapotokwane (iii) 1000 meters to be replaced at Pienaarsrivier, Masakhane and Bela Bela Town and township

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WATER SERVICES

JOB LEVEL	2010/2011	POSTS	2011/12 EMPLOYEES	VACANCIES	VACANCIES %
0-3	1	1	1	0	0%
4-6	2	2	2	0	0%
7-9	2	2	2	0	0%
10-12	3	3	3	0	0
13-15	36	42	36	6	16%
16-18	27	30	27	3	
19-20					
TOTAL	71	80	71	9	12%

Financial Performance 2011/12: Water Services

Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R8 776 286.99	R9 844 550.08	R0	R9 844 550.08	R42.71
Repairs and Maintenance		R1 284 054.71	R0	R1 137 687.27	• R146 367.44
Total Operational Expenditure		R11 128 604.79	R0	R11 128 604.79	• R146 324.73

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COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

Bela Bela Local Municipality does not have backlog regarding provision of water to the 14900 households within the municipal area. As a result, no capital project in water priority was identified for 2011/12 financial year. However, the challenge remains with the quality of water at some service points, particularly the informal settlements.

3.2 WASTE WATER (SANITATION) PROVISION

INTRODUCTION TO SANITATION PROVISION

Sanitation is about dignity. The availability of sanitation facilities do not only improves the dignity of people, but also promotes their health. Areas without proper sanitation systems give rise to water borne diseases like cholera, diarrhea, typhoid, etc. it is therefore important that as a municipality, prioritization should be given to this service, particularly taking into account the backlog (rural sanitation) and the national target. The backlog as estimated by the municipality is approximately 615 households which do not have access to the sanitation facilities at the appropriate standard. Water treatment at the water purification plant – the annual target was to purify 244 mega litres of raw water and we were able to purify 250.98 mega liters of raw water.

Total no. of HH		Flush toilet (connected to sewerage system)		Flush toilet (with septic tank)		Dry toilet facility		Pit toilet with ventilation (VIP)		Pit toilet without ventilation		Chemical toilet	
2001	2007	2001	2007	2001	2007	2001	2007	2001	2007	2001	2007	2001	2007
12336	14293	8611	10939	390	524	1853	92	274	56	1853	1835	90	25

In terms of sanitation 13 874HH of Bela Bela household have access to sanitation at the appropriate standard. The remaining 6715HH do not currently have the appropriate sanitation facilities. The backlog as estimated by the municipality is approximately 1 000 households which do not have access to the sanitation facilities at the appropriate standard.

There was no sanitation project or programme identified in 2011/12 financial year.

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WATSE WATER (SANITATION) SERVICES

JOB LEVEL	2010/2011	POSTS	2011/12 EMPLOYEES	VACANCIES	VACANCIES %
0-3	1	1	1	0	0%
4-6	2	2	2	0	0%
7-9	2	2	2	0	0%
10-12	3	3	3	0	0
13-15	36	42	36	6	16%
16-18	27	30	27	3	
19-20					
TOTAL	71	80	71	9	12%

Financial Performance 2011/12: Sanitation Services

Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R712 846.03	R203 664.6	R0	R203 664.6	•
Repairs and Maintenance		R531 347.23	R0	R367 484.91	•
Total Operational Expenditure		R735 011.83	R0	R571 149.51	•

3.3 ELECTRICITY

Chapter 3

INTRODUCTION TO ELECTRICITY

Note: Recent legislation includes the Electricity Amendment Acts 1989; 1994; 1995; and the Electricity Regulation Act 2006.

Approximately 79% (11 789HH) of Bela Bela households have access to electrical services at the appropriate standard. Even though this census (2007) data reflect a backlog of 21% (3 000HH), the records from the municipality indicates that the actual backlog is currently estimated at 1 300HH who mainly in the informal settlements. However, taking into account the electricity shortage facing the country, as well as the principles of sustainable development, it is important for the municipality to develop its Energy/Electricity Plan. This plan would explore various energy sources to be used/developed. The plan should, among others, ensure that the physical environment is protected for future generations. The development of an Energy/Electricity Plan that considers renewable and non-renewable energy sources is therefore very critical.

Total no. of HH		Electricity		Gas		Paraffin		Candles		Solar		Other	
2001	2007	2001	2007	2001	2007	2001	2007	2001	2007	2001	2007	2001	2007
12336	14293	8879	11308	17	0	232	409	3144	2550	24	0	38	24

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Electricity Service Policy Objectives Taken From IDP							
To provide electricity to all household in formal settlements by 2014							
Service Objectives /Service Indicators	Outline Service Targets	2010/2011		2011/2012			2012/13
		Target	Actual	Target	Actual		
(i) % of households with access to basic levels of electricity by 2014	(i) 100% of households with access to basic levels of electricity	Installation of 1 Highmust light at Masakhane	1 high-mast light installed in Masakhane	2 high mast lights at Ext 8 Replace 1.1km of obsolete cable 5 auto reclosers	2 high-mast light installed in Ext 8 1.1 km obsolete cables replaced 5 auto reclosers installed		Replacement Electrical Meter replacement Conversion of meters to prepaid meters Replacement of Transformers Replaced 1.5m MV Switch Gear Upgraded 0.3m HT line Bela Bela Township Standby Generators for Aventura Pump Station and Municipal Building in place
		Replace 2.5 KM of HT cables	2.5 km HT cables replaced				
		Upgrade 18 panels of Switchgear s at the main substation	18 panels of switchgear upgraded				
		Electrification of the remaining 332 of new houses in Bela Bela Extension	332hh electrified at Ext 8 and 50 in Rapotokwane				

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	8 and 50 Houses at Rapotokwane					
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Chapter 3

ELECTRICAL

JOB LEVEL	2010/2011	POSTS	2011/12 EMPLOYEES	VACANCIES	VACANCIES %
0-3	1	1	1	0	0%
4-6	8	8	8	0	0%
7-9	3	3	3	0	0%
10-12	3	3	3	0	0%
13-15	7	7	5	2	40%
16-18	14	14	12	2	16%
19-20					
TOTAL	36	36	32	4	12%

Financial Performance 2011/12: Electricity Services

Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R5 678 501.09	R6 177 337.82	R0	R6 177 337.82	•
Repairs and Maintenance		R1 717 464.05	R0	R3 623 920.30	R1 911 948.89
Total Operational Expenditure		R7 894 801.87	R0	R9 801 258.12	•

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Capital Expenditure 2011/12: Electricity Services					
ELECTRICITY SERVICES	Original Budget	Adjustments Budget	Actual Expenditure	Variance %	Total project value
	R	R	R		
2X High-mast lights at Ext 8 (MIG)	R300 000	R0	R131 578	0	R300 000
High-mast light – Masakhane (MIG)		R285 000	R285 000	129	R367 458
Servicing Mini Subs	R500 000	R300 000	R599 000	75	R800 000
Replace Obsolete Cables	R1 500 000	R0	R1 155 465	77	R1 500 000

3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

INTRODUCTION TO WASTE MANAGEMENT

Approximately 96% (13 718HH) of Bela Bela households use the appropriate means in terms of refuse removal such that 77% of the households refuse is removed by the municipality and 19% use their own refuse dump. Approximately 4% (571HH) are considered to have no refuse removal. Based on the municipal information the households that encounter the backlog are estimated at approximately 1000HH.

Total no. of HH		Removed by local authority/private company at least once a week		Removed by local authority/private company at less often		Communal Refuse Dump		Own Refuse Dump		No Rubbish Disposal		Other	
2001	2007	2001	2007	2001	2007	2001	2007	2001	2007	2001	2007	2001	2007
12336	14293	8380	10883	72	112	129	73	3098	2645	654	554	3	24
NUMBER OF LAND FILL SITES								PERMITTED SITES					

Chapter 3

1	1
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Waste Management Service Policy Objectives Taken From IDP							
To provide refuse removal services to all households in formal settlements.							
Service Objectives /Service Indicators	Outline Service Targets	2010/2011		2011/2012			2012/13
		Target	Actual	Target	Actual		Target
(i) % of households with access to basic levels Of solid waste removal	(i) 100% of households with access to basic levels of solid waste removal	0	0	Provision of : 10 Skip mass containers; 30 pole bins;100 swinging side walk bins;500 household 85 liter bins	Provided: 10 Skip mass containers;30 pole bins;100 swinging side walk bins;500 household 85 liter bins		Development of Waste Management Plan

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WASTE MANAGEMENT

JOB LEVEL	2010/2011	POSTS	2011/12 EMPLOYEES	VACANCIES	VACANCIES %
0-3	1	1	1	0	0%
4-6	1	1	1	0	0
7-9	1	1	1	0	0%
10-12	11	11	9	2	
13-15	2	2	2	0	0%
16-18	32	32	35	7	
19-20					
TOTAL	48	48	49	9	18%

Financial Performance 2011/12: Sanitation Services

Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R3 094 372.48	R3 183 838.54	R0	R3 183 838.54	•

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Repairs and Maintenance		R1 992 496.89	R0	R1 525 772.42	•
Total Operational Expenditure		R5 176 335.43	R0	R4 709 610.96	•

Capital Expenditure 2011/12: Waste Management Services					
ELECTRICITY SERVICES	Original Budget	Adjustments Budget	Actual Expenditure	Variance %	Total project value
	R	R	R		
Refuse bins % awareness campaigns	R600 000	R0	R307 711	51	R600 000
Waste Management Plan	R1 000 000	R500 000	R311 205	62	R500 000

COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

- The ability to collect refuse on 98% of municipal areas weekly without failure as planned.

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3.5 HOUSING

INTRODUCTION TO HOUSING

Housing function is a competency of department of Corporate Governance, Human Settlement and Traditional Affairs. The Municipality is limited to coordination and facilitation role.

	Total no. of HH	
	2001	2007
12336		
14293		
8048	2001	
7632	2007	
467	2001	
41	2007	
176	2001	
617	2007	
180	2001	
691	2007	
953	2001	
1007	2007	
738	2001	
1775	2007	
1298	2001	
1417	2007	
426	2001	
678	2007	
38	2001	
0	2007	
5	2001	
73	2007	

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3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The municipality provides free basic services to the disadvantaged members of the community. In terms of the Indigent policy the households who qualified to be registered as indigents during the 2011/12 financial year are those that with an income of R0 –to– R 1 500 per month. The number of households who are subsidised by the free basic services can be indicated as follows:-

MONTH 2011/2012	WATER		REFUSE		RATES		ELECTRICITY		SEWERAGE		PREPAID ELECTRICITY		TOTAL
	no		no		no		no		no		no		
Jul-11													
Aug-11													
Sep-11		R 70 067.73	2687	R 116 860.84	2004	94 506.35	0	R 0.00	2672	108269.88	2780	347500	R 737 204.80
Oct-11	2670	R 85 397.73	2679	R 111 651.39	2000	94 597.76	6	R 1 808.36	2664	107593.89	2783	347875	R 748 924.13
Nov-11	2672	R 79 397.73	2680	R 115 560.23	2004	94 506.35	6	R 1 808.36	2672	108269.88	2783	347875	R 747 417.55
Dec-11	2670	R 85 397.73	2679	R 111 651.39	2000	94 597.76	6	R 1 808.36	2664	107593.89	2783	347875	R 748 924.13
Jan-12	2645	R 128 908.08	2756	R 106 480.45	2049	128 454.40	26	R 1 871.35	2734	98761.28	2805	347875	R 812 350.56

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	Feb-12	2618	R 21 823.00	2792	R 108 657.13	2153	153 899.46	25	R 2 147.25	2677	101051.2	2815	351 875.00	R 739 453.04
	Mar-12	2618	R 21 823.00	2819	R 110 578.21	2109	29 391.60	25	R 5 183.00	2794	103054.88	2815	351 875.00	R 621 905.69
	Apr-12	3323	R 242 297.00	2821	R 110 710.13	2112	155 011.15	25	R 5 183.00	2797	103293.42	2815	351 875.00	R 968 369.70
	May-12	2098	R 147 909.00	2822	R 110 776.09	2113	155 210.15	25	R 5 183.00	2799	102314.73	2815	351 875.00	R 873 267.97
	Jun-12	1997	R 109 535.85	2688	R 102 597.05	21130	155 210.15	25	R 5 183.00	2749	98689.4	2815	351 875.00	R 823 090.45
Total			R 992 556.85		R 1 105 522.91		R 1 155 385.13		R 30 175.68		R 1 038 892.45		R 3 498 375.00	R 7 820 908.02

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COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (stormwater drainage).

INTRODUCTION TO ROAD TRANSPORT

Public transport within Bela Bela Municipality is not effective due to locality of the town and the township. Outskirts areas are Pienaarsrivier, Masakhane, and Rapotokwane. However, a formal taxi rank in town has been built to accommodate future impact of public transport.

3.7 ROADS

INTRODUCTION TO ROADS

Car ownership within the Bela Bela Municipal area is low and commuters on public transportation. Even though most of people walk to/from work, mobility of communities is a serious concern. Bela Bela municipality has **13 total number of taxi routes** within one formal taxi rank in town.

Roads Agency Limpopo (RAL) is the institution responsible for provincial and district roads. Bela Bela Local Municipality is responsible for local roads. The information provided in this document is to assist the municipality to confirm the need for road upgrading and ultimately identify projects required to address the backlog/needs.

The roads play a pivotal role in terms of economic development such that all major economic developments are located along the roads of strategic importance and thus they provide a key link between consumers and suppliers as well as between components parts manufactured and finished product manufactures. The road hierarchy within Bela Bela can be classified in four categories and it is through this hierarchy that one can be able to rank the strategic importance of the roads as well as their impact on the economy. This identification of roads that are of strategic importance should ultimately inform the level of commitment that local and provincial government should have in terms allocating the budget in order meet the infrastructure needs for these roads since this is in line with the government mandate of creating an enabling environment for economic development. The road hierarchy within Bela Bela can be broadly classified as follows:-

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- Principal Trunk Distributors – the national (N1) route is the most dominant road within the municipal area. It can be considered as the principal distributor in terms of the volume of traffic it carries and linkages that Bela Bela has with bigger cities (i.e. Gauteng, Polokwane) due to its existence. The N1 route is in a relatively good condition. The National Department of Transport is responsible for managing and maintaining this route.
- Major Arterial Distributors – these include P1/ 4 (R101) which is mainly used by tourist and it link Bela Bela with Modimolle, Radium, Pienaarsriver and Gauteng; P20/ 1 links Bela Bela with Thabazimbi; and P85/ 1 (R516) which link the town of Bela Bela with Settlers. These routes provide linkages between the economic growth points within the municipality as well as to other economic growth points that fall out of the municipal jurisdiction. A major concern can be noted with regards to the condition (very bad) of these major arterial routes which include parts of P85/ 1 (R516), P1/ 4 (R101) and P20/1. These routes are managed by Provincial (Limpopo) Department of Roads and Transport.
- District Distributor Routes – these include D936 which links with P85/ 1 (R 516) from Codrington to Settlers, D626 which links Piernaarsriver and Rust de Winter Dam to Rapotokwane. These routes provide linkages between the emerging growth points. The major concern was raised regarding the condition of D626 route which link Rapotokwane to Rust De Winter and other villages within Mpumalanga Province. Some of these routes are managed by the Provincial (Limpopo) Department of Roads and Transport while the rest are managed by Waterberg District Municipality.
- Local Access Routes (i.e. often referred to as the internal roads) – are the lowest order of small access roads that provide direct access to the settlements and properties within the municipal area. The majority of these roads are a competency of Bela Bela Local Municipality in terms of maintenance and upgrade. The state of the local access roads (internal roads) that require attention of the municipality due to poor condition can be highlighted as follows:-

State of Bela Bela Municipal Roads (2009)

Settlement	Length (km)		Type of Upgrading
	Total Road Length	Length Requiring Upgrading	
Bela Bela Town	30km	20km	Resealing
Bela Bela Township	38km	18km	Upgrading, Tarring and Paving

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Radium (Masakhane)	4,3km	4,3km	Tarring, Paving and Regravelling
Pienaarsriver	6,4km	6,4km	Paving and Tarring
Rapotokwane (KwaLitho)	19km	19km	Tarring, Paving and Regravelling
Total	97,7km	67,7km	

In terms of storm water drainage, there are four parts of Bela – Bela Township which were developed without sufficient infrastructure for stormwater drainage and this prone these areas to the excessive water surface run – off or even flooding during the heavy rains. These areas are Bela Bela Township Extension 2 (“Leseding”), 5 (Mandela Village), 6 and 7. These areas accommodate approximately 23% [3 343HH (i.e. Ext. 2 = 836HH, Ext. 5 = 1098HH, Ext. 6 = 1084HH and Ext. 7 = 325HH)] of the total population within Bela – Bela. The municipality should also ensure that the future settlements (i.e. Bela Bela Extension 8 and 9) are well provided with sufficient stormwater infrastructure at the early stages to avoid future backlogs occurrence.

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Roads Service Policy Objectives Taken From IDP							
Well developed, upgraded, improved and maintained Roads and Stormwater infrastructure within Bela Bela.							
Service Objectives /Service Indicators	Outline Service Targets	2010/2011		2011/2012		2012/13	
		Target	Actual	Target	Actual	Target	
(i) Km of roads and stormwater upgraded	(i) 2.5 km of roads and stormwater upgraded	0	0	(i) 2 Km of earth berm channel constructed at Ext 8 & Moloto street	(i) 2 Km of earth berm channel constructed at Ext 8 & Moloto street	(i) Road Paving Phase 3 (1.2km (Moloisane; Ngobeni to Kutu; Mathebe – Ext 1; Mashapa – Kgosana – Mothokoa); Limpopo – Ext 8; SUNFA – Limpopo)	
				(ii) 0.6 km of concrete lined channel	(ii) 0.6 km of concrete lined channel		
				(ii) Upgrading Of 2km Internal Streets In Bela Bela – Phase 2 (Bela-Bela and Radium)	(ii) Upgrading Of 2km Internal Streets In Bela Bela – Phase 2 (Bela-Bela and Radium)		
				(iv) Road Paving - Phase 3b (1.2km)	(iv) Project converted into a multi-year – to be completed in 2012/13 fy		

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				(v) Resealing of 0.8km Streets In CBD (vi) Upgrading Of 1.5km of Internal Streets In Rapotokw ane	(v) Project deferred to 2012/13 fy due to cash-flow constraints (vi) Upgraded 1.5km of Internal Streets In Rapotokwane		
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Employees: ROADS

JOB LEVEL	2010/2011	POSTS	2011/12 EMPLOYEES	VACANCIES	VACANCIES %
0-3	1	1	1	0	0%
4-6	4	4	3	1	33%
7-9	1	1	1	0	0%
10-12	8	8	8	0	0
13-15					
16-18	20	23	20	3	15%
19-20					
TOTAL	34	37	33	4	12%

Financial Performance 2011/12: Roads & Storm-water Services

Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R4 099 404,28	R4 044 948.16	R0	R4 044 948.16	•
Repairs and Maintenance		R1 854 887.38	R0	R2 575 092.97	•
Total Operational Expenditure		R5 899 835.54	R0	R6 620 041.13	•

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Capital Expenditure 2011/12: Roads & Storm-water Services					
Roads & Storm-water Services	Original Budget	Adjustments Budget	Actual Expenditure	Variance %	Total project value
	R	R	R		
Road Paving phase 3	R2 684 000	• R1 799 00	R1 020 989	0	R885 000
Storm-water	R1 000 000	R0	R332 296	0	R1 000 000
Upgrading internal roads	R2 000 000	R0	R314 980	0	R2 000 000
Upgrading of roads: Rapotokwane	R1 000 000	R0	R5 236	1	R1 000 000
Bela Bela storm-water	R0	R958 270	958 270	100	R958 270
Road paving phase 3	R0	R1 848 953	R4 432 091	240	R1 848 953
Rehabilitation of streets: Spa Park	R0	R1 256 531	R1 191 882	95	R1 256 531
Upgrading of streets	R0	R984 618	984 618	100	R984 618

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

CAPITAL PROJECTS: MIG

The council approved the implementation of the following projects as multi-year projects in order to balance the MIG cash flow and they are planned to be implemented in 2011/12 and 2012/13 financial years respectively:

UPGRADING OF INTERNAL STREETS IN BELA BELA – PHASE 2 (BELA-BELA AND RADIUM)

The target was to commence with the construction in the fourth quarter of 2011/12 and complete in the 2012/13 FY. The contractor was appointed in the fourth quarter and the project is under construction to be completed by the 10th September 2012.

ROAD PAVING - PHASE 3B

The target was to commence with the construction in the fourth quarter of 2011/12 and complete in the 2012/13 FY. The contractor was appointed in the fourth quarter and the project is under construction to be completed November 2012.

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COMPLETED PROJECTS:

The following projects were completed during 2011/2012 FY:

DEVELOPMENT OF INFRASTRUCTURE MASTER PLAN (ROADS & STORM WATER)

The target was to develop the Roads & Storm Water Master Plan. The project is completed and the plan is adopted by council.

DEFERRED PROJECTS TO 2012/13 Y AND OUTER YEARS

- Resealing Streets In CBD
- Cleaning of Storm water open channels
- Cleaning of streets

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

INTRODUCTION TO TRANSPORT

The need for increased and drastically improved public transport across all income groups have been emphasized at the National Level. The function of Public Transport is currently residing with the District Municipality rather than Bela – Bela Local Municipality, however the municipality still have a role to play in this regard particularly around the aligning ensuring that the District Transport Plan is compatible with Spatial Planning of Bela Bela such that integrated planning is required whereby public transport corridors will be planned along areas demarcated for serious intensification and densification. In terms of the infrastructure facilities there a number of issues that have come to the attention of the municipality which require consideration and these include the following:-

- o Inadequate public transport facilities such as taxi ranks within Bela Bela Town and Township;
- o Lack of shelters and ablution facilities;
- o Lack of parking areas within the CBD;
- o Parking meters within the CBD are not functional,
- o Insufficient space for heavy vehicle loading and off-loading, and
- o The damages occurring in the local roads due to heavy vehicles (Trucks) that passes the area through R101 to Modimolle or Thabazimbi Area.

In addition to that there is a need for a pedestrian friendly environment especially in town since the majority of the residents walk by foot within the Central Business District (CBD).

Chapter 3

EMPLOYEES: PROTECTION (LICENSING)

JOB LEVEL	2010/2011	POSTS	2011/12 EMPLOYEES	VACANCIES	VACANCIES %
0-3	2	2	2	0	0%
4-6	3	3	3	0	0%
7-9	20	22	20	1	5%
10-12	3	3	5	0	0
13-15					
16-18	2	2	2	0	0
19-20					
TOTAL	30	32	32	1	3%

Financial Performance 2011/12: Protection (Licensing) Services

Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R3 722 069.48	R4 798 934.31	R0	R4 798 934.31	•
Repairs and Maintenance		R206 978.28	R0	R165 622.78	•
Total Operational Expenditure		R5 005 912.59	R0	R4 964 557.09	•

Chapter 3

Capital Expenditure 2011/12: Protection (Licensing) Services					
Protection (Licensing) Services	Original Budget	Adjustments Budget	Actual Expenditure	Variance %	Total project value
	R	R	R		
License Test ground	R2 800 000	• R746 600	R749 347	0	R2 053 400
Drivers license testing ground		R178 499	R491 101	275	R178 499
Roadblock trailer	R125 736	R0	R103 850	83	R125 736

COMMENT ON THE T PERFORMANCE OF TRANSPORT OVERALL:

CAPITAL PROJECTS: MIG

CONSTRUCTION OF DRIVERS LICENSE TESTING GROUND – OFFICES

The target was to commence with the construction in the fourth quarter of 2011/12 and complete in the 2012/13 FY. The contractor was appointed and the project is planned to be completed by February 2012. However, the contractor has not yet established the site. This is due to the change of project location resolved by council. We are therefore waiting for a geotechnical report from the Consultant for the new location in order to ascertain whether the current foundation design will still be suitable.

- 100% completion of 1 Capital Projects within the department i.e. Provision of roadblock trailer
- The completion of two trainee Traffic officers through the initiated program had led to increased Traffic Office visibility and improved law enforcement activities

Chapter 3

Chapter 3

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

INTRODUCTION TO PLANNING AND DEVELOPMENT

- Municipality has been able to adopt its IDP before end of May in the last five years (including 2011/12 Review)
- 2011/12 IDP rated high as per COGHSTA (MEC IDP Assessment).
- SDBIP for 2011/12 prepared and submitted to relevant authorities as required.
- Lack of funding to some projects identified and recommended by members of the community.
- Alignment with National and Provincial Govt. Sector Departments still a challenge.
- IDP objectives, Indicators and Targets not consistent with SDBIP.
- Objectives, Indicators and Targets not well defined (SMART).
- Performance Management System Policy Framework is in place.
- Town Branding/Outdoor Advertising function has been outsourced.
- Ongoing support to Tourism and Related Activities and Initiatives (Tourism Festival Carnival Tourism Festival).
- Hosted two events (Bela-Bela 5150 Triathlon during August 2011 and the launching of the Bela-Bela Caribbean Mas Feeva (Carnival Festival) during December 2011.
- Insufficient Monitoring of the outsourced function due to shortage of staff.
- There is no policy on Town Branding or outdoor advertising.
- No Tourism Strategy
- Limited/Inadequate financial resources to exploit the marketing of the municipality.
- Insufficient funds within the Municipality to support SMMEs.
- Building plans and Certificate of Occupancy are processed regularly as required.
- Processing of township establishment applications, rezoning, subdivisions, consolidations and consent use by private individuals are done as and when required.
- SDF reviewed and adopted by Council during the current FY.
- Waterberg District Municipality assisted the Municipality with the compilation of CBD Development Plan
- LUMS is in place and being implemented.
- Building without submission of building plans.
- Encroachments into building lines and streets.
- Illegal occupation of land.

Chapter 3

3.10 PLANNING

INTRODUCTION TO PLANNING

- Ongoing revision, implementation, monitoring, and evaluation of the Spatial Development Framework informed by current realities and policy frameworks
 - Monitor implementation of the Land Use Scheme and capture current future development
 - Development of the By-Laws to enforce the implementation of the Land Use Schemes
1. Coordinated building control activity.(Building plans, and Certificate of Occupancies, implementation of National Building Regulations)
 2. Coordinated/administered land development applications (township establishment, rezoning, consent uses, subdivision and consolidation).
 3. Facilitated and coordinated development and implementation of policy guidelines.(Spatial Development Frameworks, Land Use Scheme(LUS).

APPLICATIONS FOR LAND USE DEVELOPMENT						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12
Planning applications received	0	1	19	7	117	111
Determination in year of receipt	0	0	8	7	86	77
Determination made in following year	0	1	5	0	31	34
Application withdrawn/disapproved	0	0	0	0	0	0
Applications outstanding at year end	0	1	5	0	0	34

Chapter 3

Planning Service Policy Objectives Taken From IDP						
To create an effective system of land use management and orderly development within the whole municipal area						
Service Objectives /Service Indicators	Outline Service Targets	2010/2011		2011/2012		2012/13
		Target	Actual	Target	Actual	Target
(i) % of building plans finalized within statutory timeframe (30 days)	(i) 75% of building plans received finalized within 30 days per quarter	(i) 100% of the maximum building plans within 30 days processed	(i) A total of 117 building plans applications were received and processed. 86 were approved.	(i) 75% of building plans received finalized within 30 days per quarter	(i) 69, 3% finalized. (111 applications were received and 77 were approved.)	(i) 80% of building plans received finalized within 30 days per quarter
(ii) % of township establishment applications processed to EC within statutory timeframe (90 days)	(ii) 75% of township establishment applications processed to EC within 90 days	(ii) 100% of rezoning applications processed	(ii) 19 applications for rezoning and 8 applications for rezoning approved.	(ii) 75% of township establishment applications processed to EC within 90 days	(ii) 75% finalised. (1 application received and processed)	(ii) 80% of township establishment applications processed to EC within 90 days per quarter
(iii) % of rezoning applications processed within statutory timeframe (90 days)	(iii) 75% of rezoning applications processed within 90 days per quarter	(iii) 100% of rezoning applications received processed		(iii) 75% of rezoning applications processed within 90 days per quarter	(iii) 7 applications received and 12 applications (including those carried over from 2010/11 financial year) approved.).	(iii) 80% of rezoning applications processed within 90 days per quarter

Chapter 3

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Chapter 3

EMPLOYEE:PLANNING SERVICES

JOB LEVEL	2010/2011	POSTS	2011/12 EMPLOYEES	VACANCIES	VACANCIES %
0-3	3	3	3	0	0
4-6	6	6	12	5	41%
7-9	5	5	4	1	25%
10-12					
13-15					
16-18					
19-20					
TOTAL	14	14	19	6	31%

Financial Performance 2011/12: Planning Services

Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R3 654 304.87	R4 672 854.90	R0	R4 672 854.90	•
Repairs and Maintenance		R0	R0	R0	•
Total Operational Expenditure	R3 654 304.87	R4 672 854.90	R0	R4 672 854.90	•

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Capital Expenditure 2011/12: Planning Services					
Planning Services	Original Budget	Adjustments Budget	Actual Expenditure	Variance %	Total project value
	R	R	R		
Town planning/Township Establishment	R200 000	R30 000	R0	0	R170 000

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The Town Planning and Housing Unit had a number of operational activities (i.e. processing of building plans, processing of town planning applications, co-ordinating housing development) that were executed fairly well during the 2011/ 12 financial year. These activities are well outlined and the performance is quantified in Functional Service Delivery section of this report. However from Local Economic Development point of view, it can be reported that the impact in terms of the value of the building plans processed during the year under review amounts to over R96 million.

The Municipality also processed or commended on other applications by other spheres of government, including applications in terms of Development Facilitation Act, 1995, where the Municipality commented on 4 applications, namely The Expansion of Klein Kariba Resort, Aruba Resort, Noodhulp Farmstyle Estate (Agrivillage); and Irrigasie Filling Station Services and Rest Area. The economic impact study of the Klein Kariba development concludes that the total economic impact of the proposed new development in Klein Kariba will have on Bela-Bela Economy is between **R1.8 – R2.1billion**. It is also expected to create over **80 additional permanent job opportunities** for its operations and **391 temporary job opportunities** during the construction. Whilst no economic impact study have been done on the other 3 developments, they range between half to a quarter of the Klein Kariba Development and it might be concluded that combined they might have the same impact. These developments and others that are being submitted and processed contribute to the long term economic growth of the municipality and will expand the revenue base of the Municipality as well as sustainable jobs

Chapter 3

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

Bela-Bela's formal economy represents about 8% of the provincial economy, whereas the population represents about 9% of the provincial population and it is considered to be one of the largest contributors to the economy of Waterberg District Municipality. The sectors that have a massive contribution to the economy are the tertiary sector (i.e. which includes tourism as the most dominant sector), primary sector (i.e. agriculture which has experienced a severe decline of approximately 40% since 1980) and there are secondary sectors which has improved drastically and these includes trade, finance, real estate, commerce, manufacturing and construction. The graph below is an indication of various contributions towards the economy of Bela Bela.

It is commonly emphasized that tourism is one of the largest and fast growing industry and with the potential to become the focal point of the emerging economy. In economic terms Bela Bela is one of the success stories in tourism within Waterberg District and the rest of Limpopo. The area gained popularity mainly from its natural hot springs coupled with its strategic location with regards to its proximity to Gauteng and the massive private investments in tourism facilities and hospitality enterprises such as 68 cozy accommodations (i.e. game lodges, nature reserves, hotels, guesthouses) and other places of interest. This ultimately made Bela-Bela one of the prime inland resort destinations in South Africa.

ECONOMIC EMPLOYMENT PER SECTOR

Sector	2008	2009	2010	2010%
Agriculture, forestry and fishing	1 533	1326	1042	7
Mining and quarrying	420	447	576	4
Manufacturing	592	544	518	3
Electricity, gas and water	82	88	73	0
Construction	2494	2778	2804	18
Wholesale and retail trade, catering and accommodation	4690	4355	4342	28

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Transport, storage and communication	374	368	303	2
Finance, insurance, real estate and business services	1660	1623	1623	10
Community, social and personal services	2716	2670	2468	16
General government	1753	1787	1876	12
Total	16 314	15 985	15 625	100

ECONOMIC ACTIVITY PER SECTOR

Sector	2008	2009	2010	2010%
Agriculture, forestry and fishing	93	89	90	5
Mining and quarrying	85	82	88	4.9
Manufacturing	40	38	39	2.1
Electricity, gas and water	71	68	71	3.9
Construction	100	112	113	6.2
Wholesale and retail trade, catering and accommodation	310	284	288	15.9
Transport, storage and communication	182	176	184	10.1
Finance, insurance, real estate and business services	593	594	602	33.2
Community, social and personal services	87	84	84	4.6
General government	245	244	253	14

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Total	1807	1770	1812	100
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COMMENT ON LOCAL JOB OPPORTUNITIES:

On **monitoring of job creation** the municipality is able to report that over **181 temporary jobs** were created by private sector as follows:

Forever resorts (**12** in July 2011 and **15** in December 2011); Dave Construction on renovation of Bothavilla woonstelle(**20** from August to October 2011); Mabalingwe(**20** in January 2012); Pick and Pay(**17** from Dec 2011 to March 2012); Zebula(**10** from Dec 2011 to January 2012); Construction of Nedbank offices at Pick and Pay Complex(**30** from January to April 2012); Klein Kariba **10** during January-March 2012); Bonwaphala Game Lodge(**15** in April 2012); Electrical Cable Project at Van Der Merwe Street(**15** from May to July 2012); Mokgotho Housing Project (**17** started in June 2012 expected to be completed in December 2012).

50 Permanent jobs were created by private sector as follows:

Bela-Bela Metro Cash and Carry (**42** from October and November 2011) and Klein Kariba(**8** during the period January and March 2012).

Job Creation by the Municipality was as follows:

7 permanent jobs were created by the municipality through appointment of staff in new positions.

48 temporary jobs from Municipal projects as follows:

Masakhane Road Paving Project (**42** from July to October 2011) and Cleaning of Reservoir(**6** from January to February 2012)

Job creation by other spheres of government or agencies was as follows:

195 temporary job opportunities created by STATS SA for Collection of information from September to November 2011.

NB:

- No EPWP projects was implemented within the municipality during 211/12 Financial year.
- No Capital Project implemented during 2011/12 financial year in Local Economic Development Unit
- Employees: Local Economic Development Services – please refer to Planning Services (the figures are combined with Planning, IDP/PMS, and LED)
- Financial Performance: please refer to Planning services (the figures are combined with Planning, IDP/PMS, and LED)

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COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

One of the indicator targets was to **support SMMEs** (Small Medium Micro Enterprises). The Municipality put as its target training of **100 SMMEs** during the year under review. At the end of the financial year over 88 **SMMEs/Individuals** had received some training or workshops relating to business and related skills as follows: 10 local youth trained through tourism ambassador learnership (8-26 August 2011) ; 20 local people trained through water reticulation learnership (January 2012); 24 SMMEs trained on income tax(15-16 February 2012); 15 SMME trained on cash-flow management (17-18 April 2012); and 19 local people attended training on Tourism Safety(28 May – 01 June 2012). LIBSA also offered advisory/ consultations services to over **59** local SMMEs on different Business Development and related services. .

Under **Promotion and Marketing of Tourism**, the municipality facilitated the hosting of the Triathlon (Ironman Bela-Bela 5150 Triathlon,) which attracted over 500 triathletes during August 2011. Among the participants were triathletes from 12 overseas countries. This translates into direct spent of over **R3.4m** in the economy of Bela-Bela during the weekend of the event. This is taking into account the estimation by the South African Tourism Index during 2010 which indicated that an average tourist spend approximately R1350.00 per day; and the observation by Ironman that on average one athlete is accompanied by 2 family members and or supporter.

The event also included participation by kids in the Pitt Ironkids event which also attracted over 400 kids from local schools. The Municipality also supported the launching of the Carnival Festival (Bela-Bela Mas Feeva) with the company called Dare to Discover during December 2011. The two events were adequately covered in the various media including local newspapers, websites; and television (e.g Supersport channel). These events will assist in further promoting and the marketing of the Municipality. The impact of these and other promotion initiatives embarked by the municipality in the past (Publication in the Commonwealth during the last 2 financial years) is evident from the recognition that the Municipality is starting to receive from overseas countries (recent invitation of Bela-Bela by the Swiss Government to receive an award in recognition of its tourism destinations). These recognitions will help in attracting investments and therefore assist in job creation and economic growth.

Chapter 3

COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes: libraries and community halls; cemeteries and crematoria.

INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

Core functions of this Unit are:

- Provide, manage & maintain Parks, Cemeteries, community halls & sports facilities.
- Maintain road reserves & verges.
- Maintain open spaces.
- Render and manage library services.

Key Performance Areas of this Unit are:

- Improved access to sports, arts, culture and recreational facilities by 2012.
- Maintenance of municipal parks
- Grass cutting in open spaces, parks, sports fields, pavements, road reserves/verges, municipal building/structures and cemeteries
- Pruning of trees along streets, open spaces, parks, sports fields and cemeteries.
- Provision of graves
- Maintenance of sports field
- Maintaining potted plants and flower beddings in town
- Maintaining the community halls
- Attendance of complaints & queries to sectional services

The support given to communities is as follows:

1. Maintenance of the following facilities:

- 5 parks
- 4 community halls
- 2 protected soccer sports fields with grass pitches and ablution facilities.
- 10 soccer sports grounds.
- 3 sports courts
- 1 active cemetery.
- 1 passive cemetery.

2. Grass cutting and or pruning of trees at:

- All open spaces
- All road reserves/verges and along pavements
- Municipal buildings/structures

3. Maintenance of flower beddings in town.

4. Provision and bookings of around 90 graves.

5. Bookings of community halls and sports fields.

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3.52 LIBRARIES, SPORTS GROUNDS AND COMMUNITY FACILITIES

INTRODUCTION TO LIBRARIES, SPORTS GROUNDS AND COMMUNITY FACILITIES

The Municipality has one library which is located in Town at the Municipal Building. Furthermore, the Municipality maintains the following community facilities:

- 5 parks
- 4 community halls
- 2 protected soccer sports fields with grass pitches and ablution facilities.
- 10 soccer sports grounds.
- 3 sports courts
- 1 active cemetery.
- 1 passive cemetery.

Chapter 3

Libraries, Sports Grounds and Community Facilities Service Policy Objectives Taken From IDP

Improved access to the sport, recreational, art, cultural and community facilities within Bela Bela Municipal Area.

Service Objectives /Service Indicators	Outline Service Targets	2010/2011		2011/2012		2012/13
		Target	Actual	Target	Actual	Target
(i) number of parks maintained	(i) maintenance of 5 parks	(i) Maintenance of 4 parks	(i) Maintenance done at 4 parks.	(i) maintenance of 5 parks	(i) Maintenance carried out in all 5 parks as per program	(i) Maintenance of 5 parks
(ii) % of graves booked and provided	(ii) 100% of graves provided as booked	(ii) Provide 100% of graves as booked	(ii) Provide 100% of graves as booked	(ii) 100% of graves provided as booked	(ii) 419 graves provided	(ii) Provide 100% of graves as booked
(iii) number of sports field maintained	(iii) maintenance of 10 sports fields	(iii) maintenance of 10 sports fields	(iii) 100% maintenance of 10 sports fields done	(iii) maintenance of 10 sports fields	(iii) Maintenance done at all 10 sports grounds	(iii) maintenance of 10 sports fields
(iv) number of community halls cleaned	(iv) 4 community halls to be cleaned	(iv) maintenance of 4 community halls	(iv) 100% maintenance of 4 community halls done	(iv) 4 community halls to be cleaned	(iv) Cleaning done in all four community halls.	(iv) 4 community halls to be cleaned

Chapter 3

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Chapter 3

EMPLOYEES: Parks, Sports Grounds, Libraries, Community Facilities

JOB LEVEL	2010/2011	POSTS	2011/12 EMPLOYEES	VACANCIES	VACANCIES %
0-3	1	1	1	0	0%
4-6	2	2	2	0	0%
7-9	3	3	3	0	0%
10-12	4	4	4	0	0%
13-15	0	1	0	1	
16-18	34	37	34	8	
19-20					
TOTAL	44	48	44	9	20%

Financial Performance 2011/12: Parks, Sports Grounds, Libraries and Community Services

Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R3 381 749.73	R3 478 294.98	R0	R3 478 294.98	•
Repairs and Maintenance		R655 436.21	R0	R500 294.80	•
Total Operational Expenditure		R4 133 731.19	R0	R3 978 589.78	•

Chapter 3

Capital Expenditure 2011/12: Parks, Sports Grounds, Libraries and Community Facilities Services					
Parks, Sports Grounds, Libraries and Community Facilities Services	Original Budget	Adjustments Budget	Actual Expenditure	Variance %	Total project value
	R	R	R		
Tables & chairs Jinnah Park	R50 000	R0	R47 000	94%	R50 000
Rehabilitation of Bela Bela Sports Ground	R1 000 000	• R927 937	R72 063	100%	R72 063
Refurbish sports courts	R400 000	R0	R2 250	1%	R400 000
Pienaars/Masakhane Cemetery	R900 000	• R400 000	R57 425	11%	R500 000
Grass & Tree cutting machinery	R500 000	R0	R464 410	93%	R500 000

COMMENT ON THE PERFORMANCE OF PARKS; LIBRARIES; COMMUNITY FACILITIES OVERALL:

The performance of the department generally was satisfactory because of all the identified projects only two projects were referred to the outer financial years due to cash flow problems. The other two are still in progress as they are the multi year project whilst other four have been completed. Generally the department was able to undertake its activities and provide the services as planned.

The municipal cash-flow problem has led to two of the projects to be taken to the outer financial years i.e. Bela-Bela Sport Courts and Sport fields next to Bela-Bela High

The Pienaarsrivier/Masakhane cemetery project was converted to multi-year due to cash-flow problems .Shortage of staff was affecting the general operations.

COMPONENT E: ENVIRONMENTAL PROTECTION

3.59 POLLUTION CONTROL

Pollution control is a competency of Waterberg District Municipality.

COMPONENT F: HEALTH

Clinics and ambulance services is a competency of Department of Health, and Environmental health inspections is a competency of Waterberg District Municipality

COMPONENT G: SECURITY AND SAFETY

Police and control of public nuisances is a competency of Department of Safety and Security.

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3.66 FIRE

Fire Services is a competency of the Waterberg District Municipality.

COMPONENT H: SPORT AND RECREATION

This component included in Component D.

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

INTRODUCTION TO CORPORATE POLICY OFFICES, Etc

The department is arranged into 3 divisions as follows:

1. Human Resource

- Render acquisition of staff.
- Administer employee's benefits.
- Render administration, labour and legal relations.
- Render training and development services.
- Render organisational development services.

2. Information Management

- Render record management services.
- Render information technology services.
- Provide auxiliary services.

3. Council Administration and Legal Services

- Oversee the drafting and updating of by-laws.
- Compilation of council agendas.
- Provide legal services.

Chapter 3

3.69 EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councilors; and municipal manager).

In Bela Bela Municipality, the arrangement w.r.t this component is as follows:

- Office of the Mayor
- Office of the Municipal Manager
 - o Communications Division
 - o Internal Audit Division

Employees: The Executive and Council

JOB LEVEL	2010/2011	POSTS	2011/12 EMPLOYEES	VACANCIES	VACANCIES %
0-3	3	3	3	0	0%
4-6	6	7	6	1	33%
7-9	4	4	4	0	0%
10-12					
13-15					
16-18					
19-20					
TOTAL	14	15	13	3	44%

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Financial Performance 2011/12: The Executive and Council					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R6 997 554.28	R8 040 794.09	R0	R8 040 794.09	
Repairs and Maintenance		R184 115.89	R0	R31 494.06	
Total Operational Expenditure		R8 224 909.98	R0	R8 072 288.15	

NB: No capital project identified in this component for 2011/12 financial year.

Chapter 3

3.70 FINANCIAL SERVICES

INTRODUCTION FINANCIAL SERVICES

The Budget and Treasury under the leadership of the Acting Chief Financial Officer has been able to support the Municipal Manager in assisting him in the administration of municipal bank accounts and in the preparation and implementation of the municipality's budget. We have also been in a position to advise other senior managers in carrying out their delegated powers in terms of the Municipal Finance Management Act. Over and above that we have been able to discharge fiduciary duties such as accounting, analysis, financial reporting, cash management, financial management.

The Municipality was able to maintain the level of expenditure to the maximum revenue collected and as such we had a favourable bank balance at the end of the year. Payments to creditors within 30 days of receipt of an invoice were in some instances affected due to cash flow challenges. A separate account for grants was opened during the financial year

With regard to Revenue Management, we were able to achieve 71% payment rate for the year but the outstanding debts is still at unsatisfactory level and as such maximum effort need to be done in order to reduce these debts. There has also been constant engagement with the Government departments and they have indicated the willingness to pay for outstanding amounts. We had a total number of 2 733 indigents who were subsidised for the basic services such as water, refuse, rates and sewerage (R 1 038 892.45) and Electricity - (R 3 498 375.00) as funded from the equitable share.

Chapter 3

Financial Service Policy Objectives Taken From IDP						
To manage and use the public funds in an efficient and Accountable Manner.						
Service Objectives /Service Indicators	Outline Service Targets	2010/2011		2011/2012		2012/13
		Target	Actual	Target	Actual	Target
(i) Payment rate on current account	(i) Maximum collection of current account (90%)	(i) Maximum collection of current account (90%)	(i) Average payment rate for the past four quarters was 92, 5 %.	(i) Maximum collection of current account (90%)	(i) Average of 85% collection	(i)Maximum collection of current account (90%)
(ii) Reduction of outstanding debt	(ii) 38% reduction	(ii) 10% reduction	(ii) Outstanding debt increased to R71m as at the end of the financial year	(ii) 38% reduction	(ii) outstanding debt at R 98 million	(ii)10% reduction
(iii) timeous payment of creditors	(iii) All Creditors paid before 30 days	(iii) All Creditors paid before 30 days	(iii) MIG related invoices were not paid within 30 days due to cash-flow problems	(iii) All Creditors paid within 30 days from date of receipt of invoice	(iii) All Creditors were paid within 30 days from date of receipt of invoice	(iii) All Creditors to be paid within 30 days from date of receipt of invoice

Chapter 3

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Chapter 3

Employee: BUDGET & REPORTING

JOB LEVEL	2010/2011	POSTS	2011/12 EMPLOYEES	VACANCIES	VACANCIES %
0-3	1	1	1	0	0
4-6	1	2	1	1	50%
7-9	1	1	1	0	0
10-12					
13-15					
16-18					
19-20					
TOTAL	3	4	3	1	33%

Employee: REVENUE

JOB LEVEL	2010/2011	POSTS	2011/12 EMPLOYEES	VACANCIES	VACANCIES %
0-3	1	1	1	0	0
4-6	6	7	6	1	0
7-9	7	8	7	1	14%
10-12	5	5	5	0	
13-15					
16-18					
19-20					
TOTAL	19	21	19	2	10%

Employee: EXPENDITURE

JOB LEVEL	2010/2011	POSTS	2011/12 EMPLOYEES	VACANCIES	VACANCIES %
0-3	1	1	1	0	0
4-6	4	4	4	0	0
7-9					
10-12					
13-15					
16-18					
19-20					
TOTAL	5	5	5	0	0%

Chapter 3

Financial Performance 2011/12: Financial Services					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R8 619 198.04	R9 137 663.45	R0	R9 137 663.45	
Repairs and Maintenance		R189 552.48	R0	R9 961.98	
Total Operational Expenditure		R9 327 215.93	R0	R9 147 625.43	

Capital Expenditure 2011/12: Financial Services					
Financial Services	Original Budget	Adjustments Budget	Actual Expenditure	Variance %	Total project value
	R	R	R		
Valuation Roll	R3 500 000	R0	R582 617	17%	R3 500 000

Chapter 3

3.71 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

The main tasks being undertaken by this division includes recruitment, induction, selection and labour relations. The following were the priorities for this division in 2011/12 financial year:

1. Cascading of PMS to lower levels
2. Relocation of the mechanical workshop from technical to corporate (fleet)
 - Managers to submit leave forms within five days after approval.
 - Divisions to prepare and submit leave plans
3. Development of proper planning and management of standby duties
4. Outsourcing of vetting service to avoid risk
5. Plan & Budget for long-service personnel
 - Appointment of labour relations officer
 - Organized labour to conduct workshops in respect of their members

The department experienced a bleak year in the recruitment process. This was so as a result of the moratorium placed on recruitment. However, the cascading of PMS was given a boost by the appointment of a service provider.

Chapter 3

Financial Service Policy Objectives Taken From IDP

- To create a properly upgraded and functional workplace for Municipal Staff and Cllrs to work in.
- To perform local government service delivery functions efficiently and effectively

Service Objectives /Service Indicators	Outline Service Targets	2010/2011		2011/2012		2012/13
		Target	Actual	Target	Actual	Target
(i) Recruitment of personnel	(i) % of all budgeted posts filled	(i) 100 % of all budgeted posts filled	(i) 95% of post filled	(i) 13 of vacant positions to be filled	(i) 7 vacant positions filled for the financial year	(i) 49 of vacant position to be filled
(ii) Implementation of Employment Equity Policy	(ii) % of budgeted positions filled with targeted groups	(ii) 60% of women employed	(ii) 50% recruited from designated groups	(ii) 15% of budgeted positions filled with targeted groups	(ii) 13% of budgeted positions filled with targeted groups	(ii) 15% of 32 vacant post s
(iii) Performance Assessment	(iii) Number of performance reviews/ assessment per quarter	(iii) Completed Performance Assessment	(iii) Assessment done for 2 quarters.	(iii) All six managers to signed performance agreements	(iii) All six managers signed performance agreements	(iii) 2 performance reviews to be done

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Chapter 3

EMPLOYEES: HUMAN RESOURCE SERVICES

JOB LEVEL	2010/2011	POSTS	2011/12 EMPLOYEES	VACANCIES	VACANCIES %
0-3	1	1	1	0	0
4-6	5	5	4	1	25%
7-9	2	2	2	0	0
10-12					
13-15					
16-18					
19-20					
TOTAL	8	8	7	1	14%

Financial Performance 2011/12: Human resource Services

Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R1 946 439.45	R1 855 919.72	R0	R1 855 919.72	
Repairs and Maintenance	R0	R0	R0	R0	
Total Operational Expenditure	R1 946 439.45	R1 855 919.72	R0	R1 855 919.72	

NB: No Capital Project identified in this division for 2011/12 financial year.

Chapter 3

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

The unit experienced a bleak year in the recruitment process. This was so as a result of the moratorium placed on recruitment. However, the cascading of PMS was given a boost by the appointment of a service provider.

3.72 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The Information Management Services Division forms part of the Corporate Services Department and its key functions includes the rendering of information management for the municipality.

1. To render record management services
2. To render information technology services
3. To provide Auxillary services

The IT Division managed to implement one of the three intended projects due to financial constraints. The other two projects were differed to 2012/13 financial year due to budget constraints.

Chapter 3

Information and Communication Technology Service Policy Objectives Taken From IDP

- To create a properly upgraded and functional workplace for Municipal Staff and Cllrs to work in.
- To perform local government service delivery functions efficiently and effectively

Service Objectives /Service Indicators	Outline Service Targets	2010/2011		2011/2012		2012/13
		Target	Actual	Target	Actual	Target
(i) Installation of New Telephone System	(i) fully installed New Telephone System	(i)N/A	(i) N/A	(i) fully installed New Telephone System	(i) Procurement of new telephone system is completed. Process for switch from LCR to VoIP still to be done.	(i) Fully functional IP telephone system
(ii) Liaison with service providers rendering IT Services.	(ii) All requests/ faults reported will be attended	(ii) All requests/ faults reported will be attended	(ii) All requests and reported faults were attended to as per the Service Level Agreement	(ii) 4x quarterly reports to be submitted	(ii) 4x quarterly reports submitted (All requests/ faults for Municipal Systems, Website and servers' hardware & software were attended to.)	(ii) 4x quarterly reports submitted from 4 service providers

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Chapter 3

Employees: INFORMATION MANAGEMENT SERVICE

JOB LEVEL	2010/2011	POSTS	2011/12 EMPLOYEES	VACANCIES	VACANCIES %
0-3	1	1	1	0	0
4-6	1	1	1	0	0
7-9	4	4	4	0	0
10-12	2	2	2	0	0
13-15	1	1	1	0	0
16-18	12	12	12	0	0
19-20					
TOTAL	21	21	21	0	0%

Financial Performance 2011/12:Information Management Services

Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	R3 834 407.25	R4 597 111.73	R0	R4 597 111.73	
Repairs and Maintenance		R49 921	R0	R32 889	
Total Operational Expenditure		R4 647 032.73	R0	R4 630 000.73	

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Capital Expenditure 2011/12: Information Management Services					
Financial Services	Original Budget	Adjustments Budget	Actual Expenditure	Variance %	Total project value
	R	R	R		
Firewall solution	R250 000	R0	R0	0%	R250 000

COMMENT ON THE PERFORMANCE OF INFORMATION MANAGEMENT SERVICES OVERALL:

The IT Division managed to implement one of the three intended projects due to financial constraints. The other two projects were deferred to 2012/13 financial year due to budget constraints.

3.73 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

This component includes: property; legal; risk management and procurement services.

INTRODUCTION TO PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

LEGAL

- Oversee the drafting and updating of by-laws.
- Provide legal services.

RISK MANAGEMENT

Anti – Corruption Strategy and Risk Management Strategy were adopted by Municipal Council on the 30 June 2009.

Capital risk management

The municipality's objectives when managing capital are to safeguard the municipality's ability to continue as a going concern in order to provide returns for members and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The capital structure of the municipality consists of debt, which includes the borrowings (excluding derivative financial liabilities) disclosed in cash and cash equivalents disclosed in note 5, and equity as disclosed in the statement of financial position.

In order to maintain or adjust the capital structure, the municipality may adjust the amount of dividends paid to members, return capital to members, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the municipality monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

There are no externally imposed capital requirements.

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There have been no changes to what the municipality manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Interest rate risk

As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party. Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

PROCUREMENT

Procurement service is under the Expenditure division. The division is mandated to monitor the implementation of Supply Chain Management and Procurement Policy. Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process. Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the municipality and includes a note to the annual financial statements.

Chapter 3

Legal; Risk Management And Procurement Services Policy Objectives Taken From IDP

- To Process and supply of information regarding resolutions and policies of council to management
- To monitor and ensure that the municipal resources are used in an efficient and accountable manner.
- To Monitoring the implementation of Supply Chain Management and Procurement Policy

Service Objectives /Service Indicators	Outline Service Targets	2010/2011		2011/2012		2012/13
		Target	Actual	Target	Actual	Target
(i) Conveyance and legal opinion matters	(i) 1 month per instruction (6 – 8 instructions to be issued	(i) All cases will be attended to and finalised.	(i)4 transfers	(i) 1 month per instruction (6 – 8 instructions to be issued)	(i) 6	(i) N/A
(ii) Drafting and perusal of contracts	(ii) 2 weeks to process a contract	(ii) All contracts must be finalised	(ii) All contracts finalised	(ii) 2 weeks to process a contract	(ii) 2 weeks taken to process a contract	(ii) 120 minutes to peruse a page on the contract.
(iii) Updating of by-laws of the municipality	(iii) 4 new by-laws to be drafted.	(iii) 4 By - laws to be updated	(iii) Waiting for promulgation of 4 by-laws	(iii) 4 new by-laws to be drafted.	(iii) 4 by-laws published	(iii) 4 new by-laws to be promulgated
(iv) Review of risk Register.	(iv) Reviewed Risk Register to be submitted to Council and Audit Committee.	(iv) Submission of the reviewed risk register to audit committee and Council	(iv)Reviewed risk register submitted to council and audit committee	(iv) Submission of the reviewed risk register to audit committee and audit committee	(iv)Reviewed risk register submitted to council and audit committee	(iv) Submission of the reviewed risk register to audit committee and audit committee

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(v) Implementation of Supply Chain management policy	(v) 1. 14 days taken to compile and approve specifications for Projects between R30 000 – R200 000 and 1 month for projects above R200 000. 2. 3 days taken to source quotations below R30 000 and above R30 000 – R200 000 7 days to be taken. 14 – 30 days for above R200 000. 3. 2 days to be taken for quotations below R30 000. 14 days to be taken for bids	(v) Fully compliant with all regulations and policies (100%)	(v) All projects as approved have been adjudicated up to date.	(v) 1. 14 days taken to compile and approve specifications for Projects between R30 000 – R200 000 and 1 month for projects above R200 000. 2. 3 days taken to source quotations below R30 000 and above R30 000 – R200 000 7 days to be taken. 14 – 30 days for above R200 000.	(v) Quotes up to R30 000 sourced within three days. Bids between R30 000 and R200 000 subjected to a 7-day period notice. All bids above R200 000 are subjected to a tender period, except in emergencies, where Sec.36 of the SCM applies	(v) Quotations approved as per the availability of funds. During the adjustment budget, measures were taken to cut on expenditure, due to anticipated revenue not realized..
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				3. 2 days to be taken for quotations below R30 000. 14 days to be taken for bids		
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Chapter 3

Employee: Council/Legal Services

JOB LEVEL	2010/2011	POSTS	2011/12 EMPLOYEES	VACANCIES	VACANCIES %
0-3	1	1	1	0	0
4-6	3	4	3	1	33%
7-9	3	3	3	0	0
10-12	1	1	0	1	
13-15					
16-18					
19-20					
TOTAL	8	9	7	2	28%

Employee: Procurement Services

JOB LEVEL	2010/2011	POSTS	2011/12 EMPLOYEES	VACANCIES	VACANCIES %
0-3	0	0	0	0	0
4-6	1	2	1	1	50%
7-9	1	1	1	0	0
10-12					
13-15					
16-18					
19-20					
TOTAL	3	4	3	1	33%

Employees: Internal Audit/Risk Services

JOB LEVEL	2010/2011	POSTS	2011/12 EMPLOYEES	VACANCIES	VACANCIES %
0-3	1	1	1	0	0%
4-6	1	2	1	2	50%
7-9	1	1	1	0	0%
10-12					
13-15					
16-18					
19-20					
TOTAL	3	4	3	2	50%

NB: No capital project identified in this section for 2011/12 financial year

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COMMENT ON THE PERFORMANCE OF LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES OVERALL:

LEGAL SERVICES

4 by-laws were published.

PROCUREMENT SERVICES

Quotes up to R30 000 sourced within three days. Bids between R30 000 and R200 000 subjected to a 7-day period notice. All bids above R200 000 were subjected to a tender period, except in emergencies, where Sec.36 of the SCM applies.

RISK MANAGEMENT

Risk Register reviewed and Submitted to Council and Audit Committee.

COMPONENT J: MISCELLANEOUS

Bela Bela Municipality does not provide these services i.e. the provision of Airports, Abattoirs, and Forestry as municipal enterprises.

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the current year.

TECHNICAL SERVICES

ELECTRICITY

SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation of Variance
Maintenance of Streetlights	Maintenance as and when required	Streets lights were repaired as and when reported except at Extension 5 and Leseding.	Repair all dysfunctional street lights as and when required	The street lights were repaired as and when reported. However there is still a back log in terms of addressing the street light repairs	The backlog has escalated due to the financial constrain in the 2011/2012 FY to buy material. The backlog will be reduced in the 2012/13 FY. A capital project to refurbish all street light is planned for 2013/2014
New connections	Process all application of new connections received and make connection to the approved development	4 applications were received and connections were made on 3 applications.	Process all application of new connections received and make connection to the approved development	A total of 9 applications for new connections were done. 5 applications were quotaed and payment is still outstanding for the connection to be done	
Call-outs/Service Request	Attend to all service requests /received call outs. Repair all faults within1 hr under normal circumstances.	296 call outs were received and attended to within an hour.	100 % of service request attended to within 1 hr under normal circumstances per quarter	350 calls were attend received and attended to within an hour	
Installation of Highmust light at Masakhane	1 highmast light will be installed	1 high Mast light was at 10% completion at end of June 2011.	1 High Must lights Completed	2 High must was installed at Masakhane	One light was rolled over to 2011/12 FY was completed plus the one which was planned to be installed in 2011/12 was also completed.
High Mast Light - BB X8	N/A	N/A	1 high mast light	1 high mast light were installed at Bela-Bela X8	The project is completed
Replace obsolete cables	N/A	N/A	1.1 km	1.6km of cable was replaced from Bela-Bela Main Sub-Station to Brandweer Substation.	The project is completed. The actual distance between the two connection points was discovered during the detail designs stage to be 1.6km. it was therefore included in the BOQ.
Servicing mini-sub	N/A	N/A	68 mini-substations	The project was change to the replacement of the auto re-closers	The Electrical Infrastructure Master Plan Study recommended that the replacement of auto re-closers be prioritized. The council approved the change of the project based on this recommendation.
New Auto Re-closers	N/A	N/A	Purchase 5 auto re-closers	The service provider was appointed to supply and deliver 5 auto re-closers	The installation will be done internally.

WATER & SANITATION

SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation of Variance
Development of Operations & Maintenance Plan for the network of water & sanitation	Developed Operations & Maintenance Plan for the network of water & sanitation	Done	N/A	N/A	
Bulk infrastructure BB X9	n/a	n/a	1x Reservoir, 0.5km bulk and 2km sewer	Design completed The tender is on evaluation stage	The revised SDBIP allowed the project to start in the forth quarter (2011/2012) and completed in the 2012/2013 FY.
Refurbish old section WTP	n/a	n/a	Refurbished old section WTP	postponed	This project was postponed to the outer year (2013/14) due to the lack of funding
Develop Infrastructure Master Plans	n/a	n/a	- Completed Roads and Storm Water infrastructure master plan - Completed Electrical Infrastructure Master plan	The project is completed and the master plan documents are adopted by the council.	
Water Treatment at the Water Purification Plant	Purify 244 Mega liters of raw water	84,3 mega litres of raw water purified.	Purify 244 Mega liters of raw water	250.98 Mega liters of water was purified	
Reliable Water Supply to the community	Interruption of water supply not to be more than 24hrs	No interruption of supply lasted for 24 hours	Interruption of water supply not to be more than 24hrs	No interruption of supply lasted for 24 hours	
Maintenance of water and sewer network	Reported incidents will be addressed in less than 2days	Respond and fix reported maintenance problems in less than 2days	Reported incidents will be addressed in less than 2days	500 calls were addressed during the year in less than two days	
Development of Maintenance and Operation plan of Sewer Purification Plant	Approved Maintenance and Operation plan of Sewer Purification Plant	Drinking Water operation and maintenance completed	N/A	N/A	
Registration of water /wastewater works.	meeting the legal requirement (regulation 5 of NWA)	Drinking water is done	N/A	N/A	
Drinking Water Quality Monitoring Programme	compliance with requirements to achieve the Blue/Green Drop Certificate	Done	N/A	N/A	
Drinking Water Quality Sample Analysis	12 samples per sample point per year to meet requirement to achieve the Blue/Green Drop Certificate	Done	12 samples per sample point per year to meet requirement to achieve the Blue/Green Drop Certificate	All 12 samples per sample point were tested as planned.	
Submission of Drinking Water quality Results to DWARF	BBLM to load the information on Blue Drop Water System on monthly basis	Done	BBLM to load the information on Blue Drop Water System on monthly basis	Water Quality analysis results have been loaded on the Blue Drop System monthly as planned.	
Development of Incident Protocol	Developed & approved incident protocol	Completed	N/A	N/A	
Publication of Drinking Water Quality Performance	once per year on a local newspaper	Done	once per year on a local newspaper	This water not advertised on the news paper due to financial constrains. It was then advertised on the municipal website	
Development of Water Services Customer Care Charter	Developed and approved Water Services Customer Care Charter	Completed	N/A	N/A	
Upgrading of the Sewer Purification	100% completion	90 % completion at end of June 2011	Completion of the Upgrade of the	The project is now 100% completed	

Plant			Sewer Purification Plant		
WATER PURIFICATION PLANT					
SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation of Variance
Inspections water reservoir level (3)			Daily report	Achieved	
Water Tests			3x per day report	Achieved	
Daily production of water			5 MI per day	Achieved	
Cleaning of WTP yard			Once a month inspection	Achieved	
Cleaning of filters			Weekly inspection	Achieved	
Removal of the sludge			Monthly inspection	Achieved	
Cleaning of water reservoir			Once a year inspection	Achieved	
Routine inspection of Water Pump Station (3)			Once a week	Achieved	
Inspections water reservoir level at Pienaarsrivier and Masakhane			Daily	Achieved	
Inspections of water pipeline from the dam			Weekly	Achieved	
Inspection of outlet controls at the dam			Weekly	Achieved	
Call-outs			Turn-around time of 15 min	Achieved	
Replacement of defective water meters			Turn-around time of 2 days for 20 defective water meters per month	Not Achieved	Shortage of meters due to financial constrains (budget was reduced after the adjustment budget process)
New connections			Turn-around time of 2 days	Achieved	
Inspection of boreholes (12)			Daily	Achieved	
Unaccounted water			Monthly report	Not Achieved	The unaccounted Water was not calculated as require by the legislation due to non-functional zonal meters. Department of Water Affairs was requested for assistance. However measures to reduce the unaccounted water have been implemented (e.g. locking fire hydrants to prevent stealing of water and replacing defective meters e.t.c)

SANITATION: SEWER PURIFICATION PLANT					
SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation of Variance
Cleaning of inlet grids			Daily inspection	Achieved	
Record of inflow			Daily	Achieved	
Desludging of Primary Settling Tanks			Daily inspection	Achieved	
Servicing of pumps and motors in the Plant			Weekly records	Achieved	The plant just got upgrade and the pumps are still new
Cleaning the yard of the Plant			Monthly inspection	Achieved	
Desludging of digesters			Bi-weekly records	Achieved	
SEWER PUMP STATION (9)					
SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation of Variance
Cleaning of grids			Daily inspection	Achieved	
Cleaning of sumps			Bi-weekly records	Achieved	
Cleaning of the yard for the Pump Station			Monthly inspection	Achieved	
Disposal and removal of screenings			Daily inspection	Achieved	
SANITATION NETWORK					

SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation of Variance
Preventative maintenance			Daily records	Achieved	Done as the SDBIP above
Call-outs			Turn-around time of 30 min	Achieved	Done as the SDBIP above
New connections			Turn-around time of 2 days	Achieved	Done as the SDBIP above

ROADS & STORMWATER

SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation of Variance
Regravelling of roads	10km of roads to be regravelled	15.36km of gravel roads were regravelled within the jurisdiction of Bela Bela	10km of roads to be regravelled	9.28 km of roads were graveled	The re-gravelling was not done in the fourth quarter due to the shortage of G2 material. This was due to financial constraints to hire an excavator to loosen the material and the quarry
Traffic calming measures	21 speed humps to be erected	23 speed humps were erected in Bela Bela town and township	N/A	N/A	
Maintenance of municipal buildings	100% response to the maintenance needs of the municipal buildings	100% response rate	Repair Defects/damages to municipal Building as and when required	The maintenance needs of the municipal building were done. Changing of defective locks, repair of toilet systems, painting, repair of air conditions, repair of fence, wall partitioning.	
Patching of potholes	Fix potholes within 3 working days after being reported/identified through routine inspection	Potholes were fixed at Marx Str, Cnr Pretoria and Luna, Cnr Kretchmarlaan and Chris Hani, Industrial , Van Der Merwe, Grobler, Appiesdoring, Sutter and Pretoria Streets.	Fix potholes within 3 working days after being reported/identified through routine inspection	Potholes where repaired as and when required.	In some cases the turnaround time of 3 day could not be meet especially in the 3 rd and 4 th quarter due to slow process of supply chain to acquire material
Resealing of tarred roads in the CBD	1,1km of CBD/Town roads will be resealed	20% of the work completed.	3km of roads in CBD to be resealed	This project was postponed to 2013/14 due financial constraint	The project was deferred to the outer year after the adjustment budget.
Grading of unpaved roads	15km of roads to be graded	11,3km of roads at internal streets of Pienaarsrivier, Masakhane, Bela-Bela Ext 5, and Ext 7	15km of roads to be graded	23.85km of roads were graded	The target was exceeded because the re-gravelling of roads was not done in the 4 th quarter due to the shortage of G2 material. The Grader was therefore allocated fulltime to do the grading of roads.
Cleaning of streets	Cleaning of 17 km of paved streets in the township according to the programme	Done	Cleaning of 17 km of paved streets in the township according to the programme	This activity was not done due to financial constrains	This is deferred to 2012/13 FY.

Repair of sidewalks	Repair defects on sidewalks within 3 working days after being reported/identified through routine inspection	100 m ² of defective sidewalks repaired.	Repair defects on sidewalks within 3 working days after being reported/identified through routine inspection	547 m2 of sidewalks was repaired	
Repair of roads pavement	Repair defects on roads pavement within 3 working days after being reported/identified through routine inspection	84 m ² of road pavement repaired.	Repair defects on roads pavement within 3 working days after being reported/identified through routine inspection	1193 m2 of roads pavement were repaired	
Crack sealing	n/a	n/a	Monthly inspection		
Cleaning of Storm water open channels	Clean 10.7km of concrete open channels at least twice per year	5km of open storm water channel has been cleaned at an open channel in line with Miles Str Leseding, Ext 1 and Contractor was appointed to clean 600m of open channel storm water drainage at Pendleberry and the project is completed.	2 times per year	This activity was not done due to financial constrains	This is deferred to 2012/13 FY.
Cleaning of kerb inlets	n/a	n/a	Cleaning 100 Kerb Inlets in Bela-Bela town and township	246 Kerb Inlets were cleaned	
Storm-water Extention 8			2 km		The project was delayed due to the tender documents which was taken the SIU just before the evaluation is done.
Moloto street	n/a	n/a	0.6km	The project is still under construction and the planned completion date is end of August 2012	
Upgrading Of Internal Streets In Bela Bela – Phase 2 (Bela-Bela and Radium)	n/a	n/a	2km	The construction is in progress and will be completed on the 10 th September 2012	The revised SDBIP allowed the project to start in the forth quarter (2011/2012) and completed in the 2012/2013 FY.
Drivers License Testing Ground - Offices	n/a	n/a	Completed office building	The contractor is appointed and it will be completed on the February September 2013. The council resolved the that the project be implemented at a different location. The geotechnical report is awaited be for the contractor can start.	The revised SDBIP allowed the project to start in the forth quarter (2011/2012) and completed in the 2012/2013 FY.
Road Paving - Phase 3b	n/a	n/a	1.2km	The construction is in progress and it will be completed in November 2012	The revised SDBIP allowed the project to start in the forth quarter (2011/2012) and completed in the 2012/2013 FY.
Resealing Streets In CBD	n/a	n/a	0.8km	This project was not done due to financial constrains	This is deferred to 2013/14 FY during the adjustment budget process.
Flea Market - Phase 2	n/a	n/a	Completed flea Market building	The project is postpone	The council resolved that the project be discontinued.
Upgrading Of Internal Streets In Rapotokwane	n/a	n/a	1.5km	The construction is underway and it will be completed by the end July 2012	This project was delayed due to unforeseen challenges related to the approval of the borrow pit

CORPORATE SERVICES

HUMAN RESOURCES

SDBIP Key Performance Indicator		Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation for variance
Review of the organisational structure		A revised approved Organisational structure	Organizational Structure approved by council	A reviewed 2012/13 approved Organizational structure	A reviewed 2012/13 approved Organizational structure	
Recruitment of personnel		All budgeted posts filled	95% of post filled	13 of vacant positions to be filled	7 vacant positions filled for the financial year	This is due to the moratorium placed on positions
Annual Training Report (WSP)		As reflected in the WSP (80 employees trained)	168 employees trained.	400 employees to be trained	245 employees trained in the financial year	Financial constraints of the municipality affected the training implementation for the financial year.
Consultative Platform for Occupational Health & Safety.		Four (4) Meetings to be held.	4 Meetings held	4 meetings	4 meetings held	
Review of Employment Equity Policy		n/a	n/a	Reviewed and Approved Employment Equity Plan for approval	Reviewed and approved Employment Equity Plan	
Implementation of Employment Equity Policy		60% of women employed	50% recruited from designated groups	15% of budgeted positions filled with targeted groups	13% of budgeted positions filled with targeted groups	This is due to the moratorium placed on positions
Capacity building and training of staff and Councillors & Ward Committees		n/a	n/a	Approved Workplace Skills Plan	Approved Workplace Skills Plan	
Ensure that there is a fair and equitable system of progressive discipline		100% of the reported cases attended to	All cases attended to	100% of misconduct cases attended to within 3 months per quarter	100% of reported misconduct cases attended to within 3 months	
Ensure that there is fair and equitable system to deal with grievances		100% of the grievances reported to be attended	2 Grievances reported	100% of grievance attended and resolved to within 3 months per quarter	1 grievance reported and it is still pending	
Implementation of Employee Assistant Programme		100% of the cases referred to be attended	None	4 of awareness campaigns	2Awareness campaigns	Due to the financial constraints of the municipality most of the programmes were not implemented
Local Labour Forum		8 ordinary LLF meetings	9 meetings were held, 6 were ordinary LLF meetings and 3 were special LLF meetings were held	4 ordinary LLF Meeting	3 ordinary and 2 special LLF Meetings held	
Processing of matters concluded by LLF		n/a	n/a	4 sets of minutes submitted	5 Sets of minutes for LLF	
Formulation of Human Resource Related Policies		4 policies should be in place by the end of the year	Approved policies for HIV&AIDS and Staff Retention Policy	Four policies in place (Attendance & Punctuality, Incapacity due to ill-health, Private Work & Declaration Policy, Long Service)	Four policies in place (Attendance & Punctuality, Incapacity due to ill-health, Private Work & Declaration Policy, Long Service)	
Performance Assessment	Number of performance reviews/ assessment per quarter	Completed Performance Assessment	Assessment done for 2 quarters.	All six managers signed Performance Agreements	All six managers signed Performance Agreements	
	Functional OPMS	n/a	n/a	Reviewed and approved OPMS in place	Reviewed and approved OPMS in place	

COUNCIL ADMINISTRATION

SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation for variance
Compilation and delivery of MC agendas	4 ordinary Council meetings	4 ordinary meetings held.	4 Ordinary Council meeting Agendas	4 ordinary council meeting agendas	
Compilation and delivery of EC and Sub-Committee agendas	12 Ordinary EC	12 ordinary meetings held.	11 Ordinary EC Meetings Agendas 33 Sub-committee meetings Agendas	11 ordinary ECmeetings agendas and 33 sub committee agendas	
Recording and compilation of EC/MC & Sub-Committee minutes	16 sets of Minutes should be completed	18 sets of minutes completed.	11 Ordinary EC Meetings Agendas 33 Sub-committee meetings Agendas	11 ordinary EC meeting agendas and 33 sub-committee meeting agendas	2 special MC meetings held
Provide Secretarial Support at EC & Sub-Committee meetings	12 meetings	12 meetings held	11 EC meetings 33 Sub-committees meetings	11 EC meetings and 33 sub-committee metings	
Provide Secretarial Support to the Speaker at MC meetings	4 meetings	4 meetings held	6 meetings	8 meetings	2 special MC meetings held
Manage and process resolution Management system of the Municipality	Approximately 76	76 resolution	16 batches of Resolutions processed	18 batches ofresolutions processed	2 special meetings held
Litigation Matters	All cases attended to on a regular basis	1 court case	1	1	
Matters against the municipality	N/A	N/A			
Conveyancing and legal opinion matters	All cases will be attended to and finalised.	4 transfers	1 month per instruction (6 – 8 instructions to be issued)	6	
Drafting and perusal of contracts	All contracts must be finalised		2 weeks to process a contract	2 weeks	
Updating of by-laws of the municipality	4 By - laws to be updated	Waiting for promulgation of 4 by-laws	4 new by-laws to be drafted.	4 by-laws published	
Provision of Security Services	N/A	N/A	100% compliance with the SLA	compliance	

INFORMATION TECHNOLOGY

SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation for variance
Installation of New Telephone System	N/A	N/A	Fully functional IP telephone system for main building	Procurement of new telephone system is complete. Process for switch from LCR to VoIP still to be done.	
Development of Help Desk Support Policy	N/A	N/A	Submission for approval of Help Desk Support Policy	Help Desk Support Policy was submitted to LL forum.	
Supervision of Records Office and Auxiliary services activities	4 Reports	All required reports were submitted on time	4 Reports	All 4 reports were submitted For all quarters.	
Liaison with service providers rendering IT Services.	All requests/ faults reported will be attended	All requests and reported faults were attended to as per the Service Level Agreement	4x quarterly reports to be submitted	4x quarterly reports submitted (All requests/ faults for Municipal Systems, Website and servers’ hardware & software were attended to.)	
Implementation of Firewall solution			Functional Firewall solution.	Project has been referred to the next 2012/13 Financial Year.	Financial constraints
Installation of Electronic Security Monitoring system			Functional Electronic Security	Installation of CCTV cameras is complete.	
Server infrastructure for all Municipal critical services and systems.			4 more servers	Project has been referred to the next 2012/13 Financial Year.	Financial constraints
Network Wireless Solution			Inter-linked network to two more Municipal remote sites.	Project has been referred to the next 2012/13 Financial Year.	Financial constraints

SOCIAL & COMMUNITY SERVICES

PARKS, CEMETERIES & COMMUNITY SERVICES

SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation for variance
To maintain and upgrade municipal parks	Maintenance of 4 parks	Maintenance done at 4 parks	Maintenance of 5 parks	Maintenance carried out in all parks as per program	
Grass cutting in open spaces, parks, sports fields and cemeteries	50 ha of grass cutting done 8 times per year	100% of grass cutting done	50 ha of grass cutting to be done 8 times 2011/12 FY.	Grass cutting done at all identified spots	
Pruning of trees along streets, open spaces, parks, sports fields and cemeteries.	100 ha of space Pruning of trees 4 times per year in streets, open spaces, parks, sports fields and cemeteries.	100% pruning of trees done as and when required	100 ha of space Pruning of trees 4 times per year in streets, open spaces, parks, sports fields and cemeteries in 2011/12 FY.	Pruning of trees done at all identified spots	
Provision of graves	Provide 100% of graves as booked	100% of graves provided as booked	12 monthly Quarterly reports	419 graves provided	
Maintenance of sports field	maintenance of 10 sports fields	100% maintenance of 10 sports fields done	Maintenance of 10 sports fields	Maintenance done at all sports grounds	
Cleaning of community halls	maintenance of 4 community halls	100%maintenance of 4 community halls done	4 community halls	Cleaning done in all four community halls.	
Maintaining potted plants and flower beddings in town	100% Weekly service throughout the year	100% maintenance of all the potted plants and flower bedding in the CBD done	Once a Week service	Maintenance of potted plants and flower beddings done in town weekly	
Attendance of complaints & queries to sectional services	Fallen Trees (24 hrs) Pruning of trees and grass (5 days)	 done	Fallen Trees (24 hrs) Pruning of trees and grass (5 days)	 All complaints received were attended to	
Procurement of grass & tree cutting machinery	n/a	n/a	New grass & tree cutting machinery procured	Procurement of tree and grass cutting machinery done	
Procurement of chairs and tables for Jinnah Park & Spa Park halls	n/a	n/a	400 chairs and 40 tables	Delivery of chairs and tables made. Project is completed.	
Upgrading & refurbishment of sports courts at Bela-Bela community hall	n/a	n/a	3 upgraded and refurbished sports courts	The project has been discontinued due to cash flow problems. It will be deferred to the outer financial year	
Rehabilitation and upgrading of Bela-Bela sports fields/grounds next to Bela-Bela High School	n/a	n/a	Deferred to 2012/13 Financial Year	Project deferred to next financial year now as development of sports and recreation master plan is prioritized.	
Establishment of Pienaarsrivier/ Masakhane Cemetery	n/a	n/a	Completed cemetery	Contractor on site. Work commenced. It has been turned into a multi-year project	

WASTE MANAGEMENT AND CLEANSING SERVICES

SDBIP Key Performance Indicator	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation for variance
Rendering refuse removal and attending to complains	100% weekly service throughout the year at Pienaarsriver, Raduim, Spa Park, Jinna Park, Town and Township, Ext 8, Radium/Masakhane	100% weekly service on refuse removal done	
Street Cleansing Services in the CBD and entrances	100% weekly service throughout the year	100% weekly service on street cleansing services done	
Clearing illegal refuse dumps	100% weekly service throughout the year	100% weekly service of clearing illegal dumping sites done	
Removal of bulk container	100% of mass refuse containers removed weekly	100% of mass refuse containers removed weekly	
Facilitate AG and management interaction during the Annual Audit/external audit	100% response to the audit queries raised	No audit queries received	
Awareness campaigns	8 cleaning campaigns to be held	7 cleaning campaigns held	Lack of campaign resources
Monitoring of landfill site	100% weekly Monitoring throughout the year	Weekly monitoring of landfill site for compliance is done	
Refuse Bins[Including Awareness Campaigns]	Refuse bins delivered and installed	Refuse bins have been delivered – bulk containers (10), Pole bins (), wheel bins (500), swinging bins ()	
Development Of Integrated Waste Management Plan and Environmental Management Plan	IWMP and EMP Developed	IWMP and EMP is 50% done	It has been turned into a multi-year project

PROTECTION AND EMERGENCY SERVICES

SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation for variance
Payment of services	100% payments made to LDRT before the 15th of every month		All 4 services to be paid timeously in 2011/12 FY.	100% compliance. RTMC, PRODIBA,SABS,LDRTpaid	

	100% payments of levy made to Road Traffic Management Corporation on a weekly basis				
	100% payment of levy to Prodiba of the portion for production of license cards to the relevant authority monthly				
	100% payment of levy to SABS				
Testing of learners	2160 learners to be tested	1314 learners were tested	2000 learners to be tested	1460 learners tested	Few applications received
Testing of drivers	1440 drivers tested	1104 drivers tested	1200 drivers to be tested	1592 drivers tested	<i>More applications received</i>
To comply with SABS codes for road worthy testing of vehicles to maintain Gr. A testing station	100 % compliance with SABS codes for roadworthy testing of vehicles to maintain Grade A testing station	100 % compliance with SABS codes for roadworthy testing of vehicles to maintain Grade A testing station	100 % compliance with SABS codes for roadworthy testing of vehicles to maintain Grade A testing station	100% compliance	
Compliance with K53 and testing centre manuals to maintain Gr. A testing station	100% compliance with K53 and testing manuals to maintain GRADE A	100% compliance with K53 and testing manuals to maintain GRADE A	100% compliance with K53 and testing manuals to maintain GRADE A	100% compliance	
Testing vehicles for road-worthy	100% of all applications received & processed	100% of all applications received & processed	30 minutes to taken to test a vehicle	661 Vehicles tested for roadworthy	
Registration and Licensing of vehicles	100% Of All request received & processed	100% Of All request received & processed 3 045 vehicles registered and 16 452 vehicles licensed.	15 minutes per transaction taken	15 149 vehicles registered & licensed	
Posting of the notification for collection of documents	100% of all notifications of collection	100% of all notifications of collection done	5 days to be taken in 2011/12 FY	2626 notifications posted.	
Cash up of licensing revenue	100% of All daily revenue	100% of All daily revenue collected done	Daily Cash-ups in 2011/12 FY	251 cash ups done	

	collected				
Emergency call outs	100% registration of all applications received	100% registration of all applications received done	6 rings to respond	1484 emergency call outs received	
Fire-fighting call-outs	100% of calls received & processed	100% of calls received & attended to	30 minutes to be taken in 2011/12 FY	79 fire call outs received and attended to	
Law enforcement (speed)	24 000 speed images captured	43 711 speed images captured	30 000 speed images to be captured	23047 speed images captured	
Law enforcement	1200 hand written fines to be issued	1401 hand-written fines were issued	1200 hand written fines to be issued	1216 hand written fines were issued	
Special operations (Road-blocks, Arrive Alive etc.)	100% attendance Of special operations As per roster agreed upon with other law enforcement agencies	100% attendance Of special operations As per roster agreed upon with other law enforcement agencies done	10 Special operations in 2011/12 FY	56 special operations done	
Procurement of Road block trailer	n/a	n/a	Procured roadblock trailer	Road Block Trailers is procured. Project is completed	

PLANNING & ECONOMIC DEVELOPMENT

TOWN PLANNING & HOUSING

SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation of variance
1.Process building plans	100% of the maximum building plans within 30 days processed	A total of 117 applications were received and processed. 86 were approved.	75% of building plans received finalized within 30 days per quarter	69,3% finalized.(111 applications were received and 77 were approved.)	Outstanding plans being circulated for comments while others are sent to applicants for submission of outstanding information. Awareness Campaigns to be conducted in the next financial year to assist applicants and communities on building control.
2. To inspect buildings	120 sites inspected	140 sites and buildings inspected at various stages of construction(includes 36 RDP houses and a school). 14 occupational certificates issued.	200 sites to be inspected	262 sites inspected at various stages of constructions(including 130 RDPs and 11 illegal buildings.)	Target exceeded.
3. Processing of applications for development on municipal land (planned land)	100% of applications received processed	23 applications received for sites and lease and have been attended to while some are being attended.	75% of applications processed to Council within 2 months per quarter 75% of applications (without objections) processed within 2 months after approval by Council per quarter	20%(15 applications received and 3 applications submitted to council.	Outstanding applications delayed due to incomplete documentation. Guidelines to be developed to guide applicants and applicants to be invited for presentations to clarify their applications where there is lack of clarity.
Processing applications for rezoning	100% of applications received processed	19 applications for rezoning and. 8 applications for rezoning approved.	75% of applications processed within 90 days per quarter	7 applications received and 12 applications (including those carried over from previous year) approved.).	Delays in approval within set timeframes due to incomplete applications. Awareness campaign on Land Use Scheme to improve performance.
Processing applications for consent use New: <i>Processing applications for written/special consent</i>	100% of applications received processed	26 for consent use received and 9 consent use approved	75% of applications processed within 60 days per quarter	25 applications received, 5 disapproved and 16 approved(approval and disapproval include applications received in the previous financial year(s).	Delays in approval within set timeframes due to incomplete applications. Awareness campaign on Land Use Scheme to improve performance
5. Process applications for sub-divisions and consolidations	100% of applications received processed	22 applications received and 15 approved by municipality or recommended to Dept of Agriculture.	75% of applications processed within 60 days	3 applications received and 6 approved(include applications received in the previous financial year.	Delays in approval within set timeframes due to incomplete applications. Awareness campaign on Land Use Scheme to improve performance.
6. To process applications for closure of streets,parks and other public spaces	100% of applications received processed	1 application for park closure received and it is being processed.	75% of applications processed to Council within 2 months per quarter 75% of applications (without objections) processed within 2 months after approval by Council per quarter	1 application received and approved.	Target met
10. Coordination of Housing development for Low income	100 houses to be built	100 houses completed in Rapotokwane. Contractors appointed to do additional 100 RDP houses(50 at Rapotokwane and 50 at Leseding and Hosteviev). The project is underway.	50 houses to be built in Rapotokwane. 50 houses to be built in Leseding & Hostel View.	91 houses completed	9 outstanding houses not done as contractor left site without concluding the project. The outstanding unit have been included in the new project for the next financial year.
Town Planning /Township Establishment on remainder of Bela Bela 611KR	N/a	N/a	Established township at remainder of Bela Bela 611KR	Township establishment application submitted to council.	Delays due to outstanding information such as title deed and environmental authorization. However outstanding phases of the application such as land surveying and proclamation have been deferred to the next financial year.

Scanner/Plotter	N/a	N/a	Functional Scanner/plotter	Not Achieved.	Cashflow challenges. Project deferred to the next financial
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LED

SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation for variance
Promotion and Marketing of Tourism	Development of Tourism booklets	No booklets developed since the municipality still has in excess of 2000 booklets.	Development of 2000 Tourism booklets	Not done.	Resources used to support the Triathlon Sporting Event
	n/a	n/a	Support Triathlon Sporting Event.	Triathlon Sporting Event took place in August 2011.	Target met.
	Production of Common Wealth Year Book	The municipality has subscribed to the Common Wealth Yearbook for 2011.	Publication in the Common Wealth Year Book	Not done.	Resources used to support the Triathlon Sporting Event
SMME Development	Compilation of the SMMEs Database and Township Based Tourism Activities.	Database in place and is being updated regularly.	12 Quarterly Consultation and report backs meetings.	12 consultation meetings relating to SMMEs, Tourism and big Business held.	Target met.
	Training of 100 SMMEs on both tourism related skills and general business skills.	Over 140 SMMEs trained and or attended workshop on LED and related activities including, 30 SMMEs trained on Cooperative development by SEDA(14 -17 September 2010); 55 SMME trained/worshopped on how to access finance, non-financial support, incentives and other services offered by LIBSA(28 October 2010); 30 SMMEs/Local Youth trained by IDASA on project management (22-26 Nov 2010); 25 SMMEs trained on start-up business by SEDA(16-22 March 2011)	Training of 50 SMMEs on both tourism related skills and general business skills.	88 people received some training by various government agencies as follows:10 local youth trained through tourism ambassador learnership(8-26 Augaust 2011) ; 20 local people trained through water reticulation learnership(January 2012); 24 SMMEs trained on income tax(15-16 February 2012); 15 SMME trained on cashflow management (17-18 April 2012); 19 local people attended training on Tourism Safety(28 May – 01 June 2012). LIBSA also offered advisory/ consultations services to over 59 local SMMEs on different Business Development and related services. .	Target exceeded.

	Increased number of SMMEs benefiting from the Procurement System(90% of quotations to be allocated to SMMEs/HDIs)	72 SMMEs benefitted out of 313 quotation in the second quarter; 100 SMMEs benefitted out of 325 quotations in the 3 rd Quarter while 84 SMMEs benefitted out of 298 quotations. This translates into 256 SMMEs out of 936 which means 27,35% of Quotations were allocated to SMMEs.	90% of quotations to be allocated to SMMEs/HDIs	30% as follows: 60 SMME out of total 203 quotations in the first quarter; 53 out of 228 quotations in 2 nd quarter; 32 out of 86 quotations in 3 rd quarter; and 45 out of 116 quotations, which translates into annual target of 190 SMMEs/HDIs benefiting out of 633 total quotations issued.	Excessively high quotes from SMMEs as compared to big business and inadequate understanding of Supply Chain Regulations and Policies by Municipal Staff to ensure that SMMEs/HDIs receive preferential treatment. Training of Municipal Staff and SMMEs on Supply Chain Regulations and Policy.
Monitoring of Job Creation	Recorded employment figures (Number of new jobs created by the private sector.)	45 number of temporary jobs created by private sector during construction of trading facilities next to Shell Garage (project started April and expected to end in August 2011)	150 temporary jobs to be created by private sector 50 permanent jobs to be created by private sector	181 temporary jobs created as follows Forever resorts (12 in July 2011 and 15 in December 2011); Dave Construction on renovation of Bothavilla woonstelle(20 from August to October 2011); Mabalingwe(20 in January 2012); Pick and Pay(17 from Dec 2011 to March 2012); Zebula(10 from Dec 2011 to January 2012).; Construction of Nedbank offices at Pick and Pay Complex(30 from January to April 2012); Klein Kariba 10 during January-March 2012); Bonwaphala Game Lodge(15 in April 2012); Electrical Cable Project at Van Der Merwe Street(15 from May to July 2012; Mokgotho Housing Project (17 started in June 2012 expected to be completed in December 2012. 50 Permanent jobs created as follows: Bela-Bela Metro Cash ans Carry (42 from October and November 2011) and Klein Kariba(8 during the period January – March 2012.	Target exceeded
	Recorded employment figures (Number of new jobs created by municipal capital projects)	176 temporary jobs from municipal capital projects(Testing ground(7), cleaning of Stormwater(32), cleaning of paved roads(33), Technical Services Contract workers(52); Upgrading of Voltage(10), Road paving phase 3(30),resealing of Chris Hani Drive(12) .	37 permanent vacant posts (municipality) 50 temporary jobs from municipal capital projects	7 permanent jobs by the municipality. 48 temporary jobs from Municipal projects as follows: Masakhane Road Paving Project(42from July to October 2011) and Cleaning of Reservior(6 from January to February 2012)	There was a moratorium on appointment of staff due to cashflow challenges. Most Municipal projects were delayed due to cashflow problems and were deferred to the new financial year.
	Recorded employment figures (Number of Jobs created by other Spheres of Govt.)	Department of Roads and Transport (EPWP)- 600 temporary job opportunities(Dec 2010 – Dec 2011). Local Government and Housing(construction of RDP houses at Rapotokwane) – 35 temporary jobs Department of Public Works(construction of Library at Rapotokwane) – 10 temporary jobs.	Recorded employment figures.	195 temporary job opportunities created by STATS SA for Collection of information from September to November 2011.	No specific target set for this specific indicator..
Establishment, Monitoring and Evaluation of Co – operatives	4 evaluation meetings	1 meeting held Legong Cooperative regarding facilitatng assistance with electricity connection.	1 co-operative to be established 4 evaluation meetings	1 Cooperative established (Batho le Temo Cooperative) 4 meetings related to supporting of Cooperatives held (12 July 2011 Motau Farming Project –offering advice to register as a Cooperative; 21 September 2011 – meeting with all Cooperatives in Bela-Bela and DTI about the Cooperative Incentive Scheme; 31 October 2011 with LIBSA and Batho Le Temo assisting on registration as a Cooperative; and 30 November 2011	Target met

				– Linking Batho le Temo with Stakeholders to assist in funding)	
Formalization of the Flea Market	Completion of the first phase of Flea Market	First phase of the Flea Market completed.	Completion of the 2 nd phase of Flea Market	Project postponed to the 2013/14 Financial Year.	Council requested that a comprehensive feasibility study be conducted before further commitment on the project. Waterberg District Municipality is assisting with the Feasibility Study during the 2011/12 and 2012/13 Financial years.

IDP

SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation for variance
Review of IDP.	Complete the review process and adopt the IDP document for 2011/12	The IDP for 2011/12 adopted on 28 April 2011.	Adopted IDP for 2012/13	IDP adopted on 25 June 2012	Target met
Municipal Performance reporting	4 quarterly reports, midyear, and annual reports	4 quarterly reports for 2010/11, Midyear report for 2010/11 and Annual Report for 2009/10 done and adopted with reservations by council	2011/12 4 quarterly reports.	4 quarterly reports submitted to council	Target met
			2010/11 Annual Performance Report.	Annual Performance Report submitted to Auditor General before 31 August 2011.	Target met
			2011/12 Mid-Year Report	Draft Mid-Year Report Submitted to Council.	The Mid-Year report was however referred back for updating of certain sections of the Report, mainly due to delays in finalization of the annual report.
			2010/11 Annual Report	Draft Annual Report Submitted to Council in January 2012. But has since not been adopted by council	There were delays in finalizing the final audit opinion. The AG's report has since been issued and the Annual Report is being processed by the Municipal Public Accounts Committee for purposes of compiling an Oversight Report to inform council decision on the Annual Report.
Five Year Local Government Strategic Agenda/ Municipal Turn-Around Strategy	4 Progress Reports Submitted to LG & H	3 reports submitted	4 Progress Reports Submitted to LG & H	4 reports submitted to COGHSTA	Target met
Coordination of Service Delivery, PMS, IDP, and Budget related workshops	Coordination of Service Delivery, PMS, IDP, and Budget related workshops	SDBIP and Strategic Planning sessions held during first and third quarter respectively. Council Orientation and Induction Workshop for new council held in June 2011.	2011/12 SDBIP Workshop. 2012/13 Strategic Planning Session. Special Orientation Workshop for Councillors	SDBIP Workshop held during the first quarter. Strategic Planning Session held during February 2012.	Target met

BUDGET & TREASURY

BUDGET & REPORTING

SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation for Variance
Submission of Annual Financial Statement to the Office of the Auditor General	Submission of Annual Financial Statements to the AG on the 31 August 2010.	Annual Financial Statements submitted to AG on 31 August 2010	Submission of Annual Financial Statements to the AG by the 31 August 2011.	Annual Financial Statements submitted to AG on 31 August 2011	
Submission of signed monthly and quarterly reports to relevant stakeholders (Mayor & PT).	Signed Monthly reports submitted to NT & PT by the 10th of each month 12 monthly reports 4 quarterly reports	 12 monthly reports and 4 quarterly done and submitted as required.	Signed Monthly reports submitted to Mayor & PT by the 10th working day of each month 12 monthly reports 4 quarterly reports	 12 monthly reports and 4 quarterly done and submitted as required.	
Submission of quarterly reports to Audit Committee.	4 Reports to be submitted in 2010/11.	4 Reports submitted in 2010/11.	4 Reports to be submitted in 2011/12.	4 Reports submitted in 2011/12.	
Compilation of the Budget	Budget submitted on 31 March 2011 for tabling and 31 May 2011 for approval & adoption	Budget tabled during March 2011 and adopted by Council on 28 April 2011.	Budget tabled by 31 March 2012 and to be adopted by the 31 May 2012.	Budget tabled by 31 March 2012 and adopted on the 25 June 2012.	Delay in approval of the budget was due to concerns over the anticipated revenue from property rates and amendment of a MIG approved project (New Licensing Testing ground)
Cash Flow Management	100% monthly & quarterly bank reconciliations	Monthly and quarterly reports submitted to committees of council	12 Monthly bank reconciliations	Bank reconciliations performed up to the takeover of the new financial system (30 Nov 2011). On the system recon underway, to be completed in time for the submission of the AFS (due date: 31/08/2012)	Prior years closing balances in the AFS (as queried by the A-G), which are impacting on the bank recons, are being addressed
Investment Management	%... of Return of investment	4 Quarterly reports submitted to committees of council.	Updated 2011/12 Investment Register compiled.	Updated 2011/12 Investment Register compiled.	
Grant Register	n/a	n/a	Updated 2011/12 Grant Register Compiled.	Updated 2011/12 Grant Register Compiled.	
Asset Management	n/a	n/a	Updated 2011/12 fixed asset register.	Updated 2011/12 fixed asset Register Compiled.	Fixed asset register review completed in May 2012. Office of the A-G requested to conduct an audit, which will be done during August 2012
Unbundling of Infrastructure Asset	n/a	n/a	Fully GRAP Compliant Asset Register.	Grap compliant asset register compiled.	Infrastructure asset register review completed in May 2012. Office of the A-G requested to conduct an audit, which will be done during August 2012

REVENUE

SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation of variance
Payment rate on current account	Maximum collection of current account (90%)	Average payment rate for the past four quarters was 92,5 %.	Maximum collection of current account (90%)	1 st Quarter = 108% Quarter = 69% 73% 2 nd 3 rd Quarter = 4 th Quarter = 71%	Unaffordability to pay Change in billing system Inaccurate meter readings
Reduction of outstanding debt	10% reduction	Outstanding debt increased to R71m as at the end of the quarter	38% reduction	1 st Quarter = 83.2 m 2 nd Quarter = 89.6m Quarter = 100.7m Quarter = 104.2m 3 rd 4 th	Interest accumulated due to non-payment of current accounts. Unaffordability to pay Change in billing system Inaccurate meter readings
Updating of the Financial System with new developments/properties	100% of Properties updated	100% of properties received from Planning updated.	100% of Properties updated	100% of properties received from Planning updated.	
Facilitate AG and management interaction during the Annual Audit/external audit	n/a	n/a	12 Steering Committee meetings to be held	10 steering committees held	
Review of property rates policy; credit control and debt collection policy; Asset management policy; Indigent Policy; Tariff Policy	n/a	n/a	6 policies reviewed	Property rates policy; credit control and debt collection policy; Indigent Policy; Tariff Policy; writing off of irrecoverable debts approved	
Valuation Roll	n/a	n/a	Fully developed Valuation Roll	Valuation Roll compiled	

EXPENDITURE

SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation for variance
Creditors	All Creditors paid before 30 days (100%)	MIG related invoices were not paid within 30 days due to cash-flow problems.	All Creditors paid within 30 days from date of receipt of invoice	1 st Quarter = 82% 2 nd Quarter = 64% Quarter = 100% = 98.7% 3 rd 4 th Quarter	The variance was as result of cash flow challenges, as depicted on the column “Payment rate of current accounts)
Implementation of Supply Chain management policy	Fully compliant with all regulations and policies (100%)	All projects as approved have been adjudicated up to date.	1. 14 days taken to compile and approve specifications for Projects between R30 000 – R200 000 and 1 month for projects above R200 000. 2. 3 days taken to source quotations below R30 000 and		Quotations approved as per the availability of funds. During the adjustment budget, measures were taken to cut on expenditure, due to anticipated revenue not realized..

			above R30 000 – R200 000 7 days to be taken. 14 – 30 days for above R200 000. 3. 2 days to be taken for quotations below R30 000. 14 days to be taken for bids	Quotes up to R30 000 sourced within three days. Bids between R30 000 and R200 000 subjected to a 7-day period notice. All bids above R200 000 are subjected to a tender period, except in emergencies, where Sec.36 of the SCM applies	
Salaries	n/a	n/a	All employees paid by the 25 th of each month.	All employees were paid for the months of the financial year by the 25 th of each month, except in October 2011 (26 th)	Only one month (October 2011) was there a deviation by 1 day, due to cash flow.
Capital Projects	n/a	n/a	R30 633 000 expenditure in 2011/12 FY	MIG FUNDS = 73% OWN FUNDS = 55%	The municipality experienced cashflow challenges which had an impact on the implementation of capital projects.
VAT	n/a	n/a	12 Monthly VAT 201 returns submitted.	Submission of returns done. June return due on 31/07/2012	

COMMUNICATIONS

SDBIP Key Performance Indicator	Annual Target 2010/11	Performance actual achieved and plans to improve performance 2010/11	Annual Target 2011/12	Performance actual achieved and plans to improve performance 2011/12	Explanation for variance
Development and Implementation of the Communication Strategy	Reviewed and approved the communication strategy	Done	Reviewed and approved communication strategy	Communication Strategy reviewed	Due to lack of attendance by sector departments and delayed inputs by Waterberg District Municipality and GCIS, the process of review of the strategy could not be concluded. However a new date has been scheduled in the first quarter 2012 Financial Year.
Promotion of Public Participation	4 IDP meetings, 8 Budget, 32 ward committee meetings	4 IDP meetings, 8 Budget, 32 ward committee meetings held	4x IDP Meetings; 9x IDP/Budget Road-shows	Done as per target	N/A
Secretarial Support to Management	12 ordinary management meetings	12 ordinary management meetings held	12 ordinary management meetings	12	N/A
Support to Ward Committees, Councillors and CDWs	Number of meetings	Number of meetings held	Ward committee	Established 08 ward committees with only 01 ward pending (Ward 07). About 47 ward meetings have been held in 08 wards (exception of ward 01 and 07).	One ward is not fully functional (Ward 07). The matter is been attended to by the Office of the Speaker and respective ward councilor
Organise and coordinate municipal events	1 Strategic Planning workshop, 1 SDBIP and Budget workshop, 4 Internal Imbizo, Celebration of 13 National Days,	Done (Africa day celebrations, Youth day, Freedom day april27, councilor induction)	1 Strategic Planning workshop, 1 SDBIP and Budget workshop, 2 Internal Imbizo, Celebration of 13 National Days	Strategic Planning, celebrations of national days, Mayoral Imbizo, Mayoral inauguration, Caribbean Mas Feeva, Triatlhon, Career Exhibition etc	

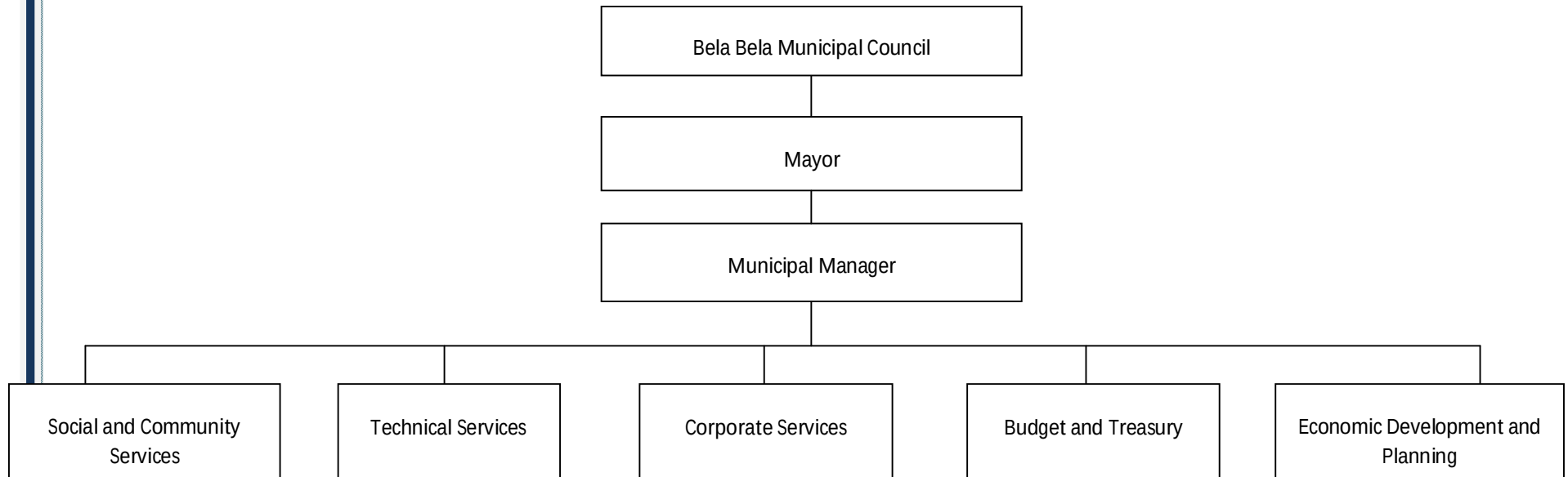
					13 events were organized and coordinated
Mayoral external Imbizo	4 Mayoral Imbizo	Not done	4 Mayoral Imbizo	01 Mayoral Imbizo	Budgetary constrains
Build sound relation with media	100% publication of all notices and advert received.	Done	4 published press statements 4 media briefing sessions	35 Articles published and 04 media statement published nationally (Sunday Times). The articles covered a wide range of issues from IDP/Budget, Celebrations of national days, substance abuse, climate change, Mayoral Inauguration, Caribbean Mas Feeva, Arbor Day, water , housing, utilization of library, Arts and culture (Jika Majika) etc. Statement covered Alienation of Land. 25 Notices and Tenders advertised with media	N/A
Local Communicator’s Forum	4 ordinary meetings	4 meetings held	4 ordinary meetings	01	None attendance by sector departments
Update Website (Monthly)	100% of updates per total changes in development within a month	Done	100% legislative compliance	Monthly	N/A
Coordination of Arts, Sports, Culture and Special Programmes	100% utilised budget on special programmes	Done	As and when requested /require	e.g Bela Bela Education Advocacy Group, Volleyball teams, Triathlon), Hosted an awareness campaign on social grants (Aged, children etc), Conducted Back to school campaign, Hosted Career Exhibition Day, register and created a database of youth organisations, hosted and facilitated meetings on Disability Council; Established Youth Council, Hosted Jika Majika competition, Hosted Substance Abuse Awareness workshop, transported local disability council to attend district conference, Hosted Executive Mayor’s Marathon. Hosted Consumer workshop.	
Presidential and Premier Hotline	N/A	N/A	14 days taken to respond per issue	29 cases were reported and resolved on the Presidential Hotline whilst 07 cases were reported and resolved on the Premier hotline within the stipulated timeframe	N/A
Customer Care/Batho-pele	N/A	N/A	4 Reports on implementation of Batho Pele	(01) Report available	Insufficient coordination.

Chapter 4

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

INTRODUCTION

The municipality had a staff compliment of 355 full time staff as provided in the revised Organogram. The municipal organogram makes provision for a Municipal Manager, 5 Senior Managers (Head of Departments) and 17 Middle Managers (Divisional Heads)



Chapter 4

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

TOTAL NUMBER OF EMPLOYEES					
Description	2010/11	2011/12			
	Employees	Approved Posts	Employees	Variance	Variance
	No.	No.	No.	No.	%
Water	28	40	33	7	82.5
Waste Water (Sanitation)	34	38	32	6	0.0
Electricity	36	41	38	3	92.7
Waste Management	41	51	39	12	76.5
Housing	6	8	6	2	75.0

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Waste Water (Storm water Drainage)	9	10	7	3	70.0
Roads	24	29	22	7	75.9
Transport	1	3	3	0	100.0
Planning	2	2	2	0	100.0
Local Economic Development	2	4	2	2	50.0
Planning (Strategic & Regulatory)	2	2	2	0	100.0
Community & Social Services	2	2	2	0	100.0
Protection & Emergency	26	30	25	5	83.3
Sport and Recreation	44	45	40	5	88.9
Corporate Policy Offices and Other	78	90	102	-13	114.4
Totals	335	395	355	39	90.1

Chapter 4

VACANCY RATE 2011/12		
Designations	*Total Approved Posts	*Variances (Total time that vacancies exist using fulltime equivalents)
	No.	No.
Municipal Manager	1	0
CFO	1	0.97
Other S57 Managers (excluding Finance Posts)	4	0
Other S57 Managers (Finance posts)	0	0
Municipal Police	0	0
Fire fighters	2	1.14
Senior management: Levels 1-3 (excluding Finance Posts)	14	0
Senior management: Levels 1-3 (Finance posts)	3	0

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Highly skilled supervision: levels 4-6 (excluding Finance posts)	7	7.10
Highly skilled supervision: levels 4-6 (Finance posts)	2	2.18
Total	34	11.39

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
2011/12	359	16	0.04

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COMMENT ON VACANCIES AND TURNOVER:

By the end of June 2012, only 4 positions out of 39 were filled. This was due to a moratorium put on all vacant positions by the Municipal Council. Most of the internal staff do not qualify for this senior position because of the under qualifications or lack of experience at the managerial positions. The CFOs position has been vacant since August 2012. Two interviews have since been held but no appointed as of end of June 2012. The main reason for the turnover rate experienced by Bela Bela municipality is the issue of municipal benefits such as locomotive allowance.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

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.

The employment equity plan intends to achieve equity in the workplace, in order to make the municipal workforce more representative and ensuring fair and equitable employment practices for employees. Furthermore it is intended to create an organisational culture that is non – discriminatory, values diversity and legitimises the input of all employees. The employment equity policy within Bela-Bela has recently been reviewed and implementation of this policy has commenced (within 2008/ 09 financial year). The gender composition within Bela-Bela Municipality by the end of June 2009 indicated that 76,4% of the municipal employees are males while only 23,6% are female. This indicates that a lot of work still needs to be done on the side of recruitment to ensure that the municipality meets its target of having 40% of the municipal employees being women. In terms of gender composition at Section 57 Management, the municipality is currently not doing well to such an extent that all section 57 managers are currently male following the resignation of one (1) female section 57 manager and the target that has been set by this equity plan in this regard is 40% of women in Section 57 position by 2012.

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4.2 POLICIES

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Disciplinary Code and Procedures			The municipality utilizes Collective Agreement
2	Grievance Procedures			The municipality utilizes Collective Agreement
3	HIV/Aids	100	100	12/05/2011
4	Job Evaluation			The municipality utilizes Collective Agreement
5	Travelling Allowance	100	100	12/05/2011
6	Performance Management and Development	100	100	Service Provider to submit final the Draft
7	Recruitment, Selection policy	100	100	12/05/2011
8	Standby and Cell-phone Allowances	100	100	12/05/2011

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

The outstanding policy/plan in 2011/12 financial year remains the Review of PMS Framework. The review of the framework is an attempt to cascade PMS to the lower levels. The Framework will be completed during 2012/13 financial year.

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4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty						
Type of injury	Injury Leave Taken	Employees using injury leave	Average injury leave taken per employee	Average Injury per employee	Total Estimated Cost	
	Days	No.	%	Days	R'000	
Required basic medical attention only	29	5	17.29	5.8	6538,68	
Temporary total disablement						
Permanent disablement						
Fatal						
Total	29	5	17.29	5.8	6538,68	

Chapter 4

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
Senior management (Levels 0-2)	138	9.42	13	17	8.12	168849.90
Highly skilled supervision (Levels 3-5)	144	5.56	19	25	5.76	123804.68
Highly skilled production (levels 6-8)	343	7.87	41	62	5.53	192280.46
Skilled (levels 9-12)	508	0.79	41	71	7.15	185522.87
Lower skilled(Levels 13-17)	1075	1.49	102	166	6.48	283258.50
MM and S57	15	0	3	5	3.0	33409.35
Total	3356.00	25.3	217	346	36.04	987125.76
* - 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						

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COMMENT ON INJURY AND SICK LEAVE:

Only 29 injury leave days taken by 5 employees injured on duty. Awareness campaigns and employee wellness programmes have been initiated by the municipality to contentious the employees. The municipality does not have its own doctor, therefore employees utilise their own doctors and submit reports. The reports are then kept in to the employees file for records. Capacity building was also identified as a means of reducing injuries on duty.

NUMBER AND PERIOD OF SUSPENSIONS

Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Creditors Clerk	Cross Dishonesty /Gross Misconduct (Change of creditor's bank account without authorization.	27 January 2012	Case still pending hearing scheduled for the 25 July 2012	25 July 2012

Disciplinary Action Taken on Cases of Financial Misconduct

Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised	
Creditors Clerk	Cross Dishonesty And Gross Misconduct (Change of creditor's bank account without authorization	Suspension with Pay	25 July 2012	

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

In a case where suspension took more than 4 months, private investigators such as police, SIU where taking place.

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4.4 PERFORMANCE REWARDS

COMMENT ON PERFORMANCE REWARDS:

No performance rewards were paid or budgeted for by the Municipality.

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.

Every financial year, the municipality prepares a Work Skills Development Plan which is guided by the skills audit conducted during the year. A Training Committee has been established and sits on quarterly basis to address the issues of capacity building within the municipality. Work Skills Development Plan is then approved together with the Budget and IDP. However, some of the programmes within Work Skills Development Plan cannot be achieved because of budget constraints.

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4.5 SKILLS DEVELOPMENT AND TRAINING

SKILLS MATRIX													
Management level	Gender	Number of skilled employees required and actual as at 30 June 2012											
		Learnership			Skills programmes & other short course			Other forms of training					
		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			
Mayor and Councillors	Female				4	27	52						
	Males				0	29	43						
MM and S57	Female				6	6	6						
	Males				17	14	17						
Technicians	Female				4	3	11						

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and trade workers	Males				5	3	12						
Professionals	Female				7	7	17						
	Males				10	10	31						
Community and personal service workers	Female				9	12	29						
	Males				9	9	26						
Clerical and administrative workers	Females				15	11	22						
	Males				4	2	11						
Machine Operators and Drivers	Females				0	16	14						
	Males				16	9	62						
Labourers	Females				21	3	43						
	Males				29	4	23						

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Total	Females				66	116	194						
	Males				90	129	325						

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>	0	0	0	0	0	0
<i>Senior managers</i>	4	0	4	4	4	4
<i>Any other financial officials</i>	3	0	3	3	0	3
Supply Chain Management Officials						
<i>Heads of supply chain</i>	0	0	0	0	0	0

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<i>management units</i>						
<i>Supply chain management senior managers</i>	0	0	0	0	0	0
TOTAL	8	0	8	8	5	8
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)						

SKILLS DEVELOPMENT EXPENDITURE

EXECUTIVE SUMMARY - ANNUAL TRAINING REPORT	2011/12
1. Total actual payroll for the year	R 66 303 948.81
1(a) Difference between anticipated and actual payroll	
2. Total actual training spend for the year	R 407 098.65
2(a) Difference between anticipated and actual training spend	
3. Total actual levy payment for the year	R 553 173.57
3(a) Difference between anticipated and actual levy payment	
4. Total Number of Employees in the Municipality	

		Race											PWD		
	Employment category	African		Coloured		Indian		White		Total		Total	M	F	Total
		M	F	M	F	M	F	M	F	M	F				
	SOC 100 Legislators	36	47	2	2	0	0	5	3	43	52	95	0	0	0
	SOC 100 Directors and Corporate Managers	15	5	0	0	0	0	1	1	16	6	22	1	0	1
	SOC 200 Professionals	4	5	0	0	0	0	0	0	4	5	9	0	0	0
	SOC 300 Technicians and Trade Workers	6	4	1	0	0	0	1	0	8	4	12	0	0	0
	SOC 400 Community and Personal Service Workers	29	11	0	0	0	0	0	0	29	11	40	0	0	0
	SOC 500 Clerical and Administrative Workers	12	17	0	1	0	1	0	2	12	21	33	1	0	1
	SOC 700 Machine Operators and Drivers	59	6	0	0	0	0	0	0	59	6	65	0	0	0
	SOC 800 Labourers	117	48	4	0	0	0	0	0	121	48	169	0	0	0

	Apprentices	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	TOTALS	278	143	7	3	0	1	7	6	292	153	445	2	0	2

Chapter 4

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

Even though the training plans are adequate, what still lacks is the post training assessment. The budget does not compliment the identified programmes for selected employees; therefore, at the end of a financial year, not all targets set out in WSDP are met.

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

The municipality's expenditure framework for the 2012/13 budget and MTREF is informed by the following:

- The infrastructure backlog eradication plan and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue – except for the non cash items) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plan no budget*. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2011/12 budget and MTREF (classified per main type of operating expenditure):

Summary of operating expenditure by standard classification item

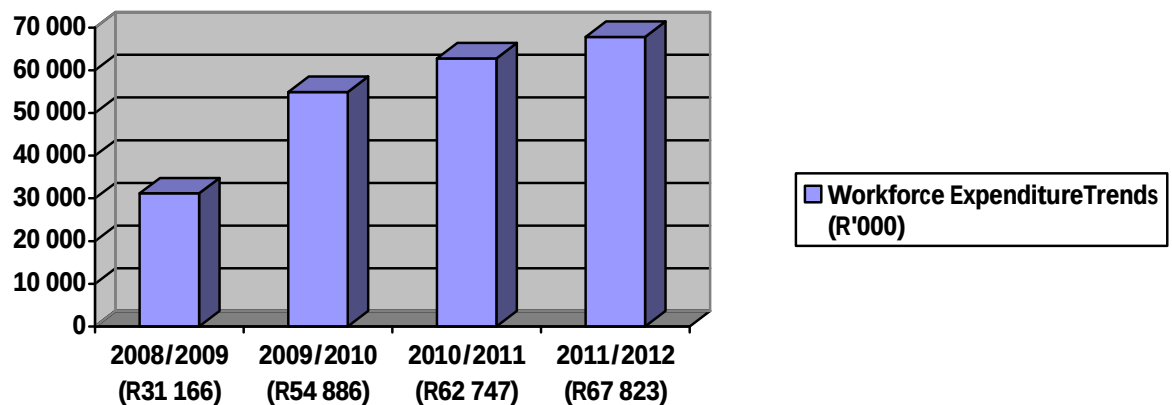
Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Expenditure By Type											
Employee related costs	2	31 165	54 886	62 747	67 823	66 623	66 623	–	76 918	80 340	85 184
Remuneration of councillors					2 765	2 765	2 765		4 698	4 933	5 180
Debt impairment	3		15 912	13 989	2 306	2 315	2 315		3 000	3 090	3 245
Depreciation & asset impairment	2	6 065	7 786	38 345	7 077	34 142	34 142	–	3 500	3 640	3 822
Finance charges			2 373	3 220	1 664	1 504	1 504		2 572	2 675	2 809
Bulk purchases	2	26 815	29 380	46 271	46 370	47 932	47 932	–	54 123	60 884	68 561
Other materials	8		7 203	9 606							
Contracted services		16 856	–	–	15 627	16 222	16 222	–	17 825	18 717	19 791
Transfers and grants		–	–	–	–	–	–	–	–	–	–
Other expenditure	4, 5	27 269	33 283	38 382	35 302	34 627	34 627	–	42 745	43 718	44 985
Loss on disposal of PPE				1							
Total Expenditure		108 170	150 823	212 562	178 933	206 131	206 131	–	205 381	217 997	233 577

The budgeted allocation for employee related costs for the 2011/12 financial year totals R67.8 million, which equals 43.0 per cent of the total operating expenditure.

Chapter 4

The Period of Salary and Wage Agreements for the 2009/10 to 2011/12 has ended and new negotiations are in place. In the absence of information from SALGA, National Treasury advises municipalities to budget for an upward 5.0 per cent cost of living adjustment with effect from 1 July 2012. In this budget, Council of Bela Bela makes a provision of 7 per cent increase to give itself a room to manoeuvre in case of an increase higher than 5.0 per cent. The budget incorporates the change in the structure which was agreed to at the Local Labour Forum (LLF). With regards to the increase in upper limit for salaries allowances and benefits of Councillors, the municipality made a provision of 5.0 per cent.

4.6 EMPLOYEE EXPENDITURE



COMMENT ON WORKFORCE EXPENDITURE:

The Operating Expenditure has been increasing in the last 4 years. Also looking at the 2012/13 financial, the expenditure has increased by more than 40%. This may be attributed to the Period of Salary and Wage Agreements. However, the municipality is able to curb the expenditure not to exceed 60%.

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

No positions were upgraded.

DISCLOSURES OF FINANCIAL INTERESTS

Municipal Manager and 2 sec 57 Managers disclosed their financial interest. The types of disclosures are mainly Land and property, and share and other financial interest. For more details, please refer to **Appendix J**.

Chapter 5

CHAPTER 5 – FINANCIAL PERFORMANCE

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

This chapter provides information on the functional performance of the municipality on the implementation of the top layer and departmental SDBIP for 2011/12. The municipal functional areas are as indicated below:

Function	Is this a Shared Service (Y/N)	Responsible Department at the Municipality
Air Pollution	N	Social and Community Services
Building Regulation	N	Economic Development and Planning
Electricity Reticulation	N	Technical Services
Fire Fighting	Y	Social and Community Services
Local Tourism	Y	Economic Development and Planning
Municipal Airports	N	Social and Community Services
Municipal Planning	Y	Economic Development and Planning
Stormwater Management Systems in Built Up Areas	N	Technical Services
Trading Regulation	N	Economic Development and Planning
Potable Water	N	Technical Services
Billboards and Display of Advertisement in Public Places	N	Economic Development and Planning/ Social and Community Services
Cemeteries and Crematoria	N	Social and Community Services
Cleansing	N	Social and Community Services
Control of Public Nuisance	N	Social and Community Services
Facilities for the accommodation, Care and Burial of Animals	N	Social and Community Services
Fencing and Fences	N	Technical Services
Local Sports Facilities	N	Social and Community Services
Municipal Parks and Recreation	N	Social and Community Services
Municipal Roads	N	Technical Services
Noise Pollution	N	Social and Community Services
Public Places	N	Social and Community Services
Refuse Removal, Refuse Dumps and Solid Waste Disposal	N	Social and Community Services
Street Trading	N	Economic Development and Planning
Street Lighting	N	Social and Community Services
Traffic and Parking	N	Social and Community Services

Chapter 5

The municipality sought to contain inflationary pressures utilising/and or ensuring the following:

- The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
- Evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
- The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be “funded”.

MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

The table below shows the key measurable financial indicators of the Bela Bla municipality. With time permitting and availability of information, these indicators will be benchmarked against the indicators of other municipalities of similar type, size and functions

Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.0%	0.8%	1.0%	0.9%	0.7%	0.7%	0.0%	1.3%	1.2%	1.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.0%	1.0%	1.7%	1.1%	1.0%	1.0%	0.0%	1.6%	1.5%	1.5%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	–	0.3	0.6	–	–	–	–	–	–	–
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	–	0.3	0.6	–	–	–	–	–	–	–
Liquidity Ratio	Monetary Assets/Current Liabilities	–	(0.0)	0.1	–	–	–	–	–	–	–
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	83.5%	86.4%	96.9%	96.9%	96.9%	0.0%	111.2%	99.9%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			0.0%	83.5%	86.4%	96.9%	96.9%	96.9%	0.0%	111.2%	99.9%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	0.0%	11.6%	12.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))				90.0%	80.0%			95.0%	95.0%	95.0%
Creditors to Cash and Investments		0.0%	1211.6%	859.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other Indicators											
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	% Volume (units purchased and own source less units sold)/Total units purchased and own source										
Employee costs	Employee costs/(Total Revenue - capital revenue)	21.0%	37.0%	36.8%	35.0%	34.3%	34.3%	0.0%	36.1%	35.5%	34.8%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	0.0%	0.0%	0.0%	36.4%	35.8%	35.8%		38.3%	37.7%	36.9%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	4.1%	6.8%	24.4%	4.5%	18.4%	18.4%	0.0%	2.8%	2.8%	2.7%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	(96.6)	(122.3)	14.9	17.5	17.5	17.5	–	18.9	18.9	20.5
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.0%	17.3%	18.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	–	0.5	0.3	1.0	1.4	1.4	–	2.2	3.0	3.9

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COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

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

5.1 STATEMENTS OF FINANCIAL PERFORMANCE 2011/12 FY

Financial Performance (revenue and 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										
Revenue By Source										
Property rates		37 782	37 938	37 938	021 3	397 37	615 31	5 782	18%	37 938
Property rates - penalties & collection charges								–		
Service charges - electricity revenue		53 440	60 901	60 901	957 4	792 67	751 50	17 041	34%	60 901
Service charges - water revenue		9 671	948	948	072 1	754 18	123 9	9 631	106%	948
Service charges - sanitation revenue		5 988	154	6 154	332 6	475 6	128 5	1 347	26%	154
Service charges - refuse revenue		5 885	892	5 892	456 5	947 5	910 4	1 037	21%	892
Service charges - other			383	383	20	255	319	(64)	-20%	383
Rental of facilities and equipment		229	363	362	66	205	303	903	298%	363
Interest earned - external investments		97	367	367	0	4	306	(302)	-99%	367
Interest earned - outstanding debtors		6 471	343	8 343	057 1	818 8	953 6	1 866	27%	343
Dividends received								–		
Fines		1 228	850	3 565	6	183	208	(2 026)	-63%	850
Licences and permits		7 201	452	8 446	540	752	043	1 708	24%	452
Agency services								–		

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Transfers recognised - operational		50 393	41 961	42 107	–	42 074	34 968	7 107	20%	41 961
Other revenue		1 451	8 369	8 685	18	1 807	6 974	(5 167)	-74%	8 369
Gains on disposal of PPE								–		
Total Revenue (excluding capital transfers and contributions)		179 834	193 921	194 091	11 547	200 465	161 601	38 864	24%	193 921
Expenditure By Type										
Employee related costs		58 640	67 823	66 623	5 189	32 027	56 519	(24 492)	-43%	67 823
Remuneration of councillors		4 107	2 765	2 765	(182)	4 375	2 304	2 070	90%	2 765
Debt impairment		13 989	2 306	2 315	–	–	1 921	(1 921)	-100%	2 306
Depreciation & asset impairment		35 561	7 126	34 142	–	710	5 939	(5 229)	-88%	7 126
Finance charges		3 220	1 677	1 504	–	645	1 397	(753)	-54%	1 677
Bulk purchases		46 271	46 370	47 932	9 015	61 511	38 641	22 869	59%	46 370
Other materials		9 606	5 664	5 664	918	3 679	4 720	(1 041)	-22%	5 664
Contracted services			18 811	19 157	1 505	9 795	15 676	(5 881)	-38%	18 811
Transfers and grants			7 620	2 632	–	474	6 350	(5 876)	-93%	7 620
Other expenditure		41 166	18 771	23 711	2 152	44 474	15 643	28 832	184%	18 771
Loss on disposal of PPE								–		
Total Expenditure		212 560	178 933	206 445	18 597	157 689	149 111	8 578	6%	178 933
Surplus/(Deficit)		(32 727)	14 988	(12 354)	(7 051)	42 776	12 490	30 286	0	14 988
Transfers recognised - capital			15 518	15 518	–	15 518	15 518	–		15 518

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Contributions recognised - capital			15 096	10 068				—		
Contributed assets								—		
Surplus/(Deficit) after capital transfers & contributions		(32 727)	45 601	13 232	(7 051)	58 294	28 008			30 506
Taxation								—		
Surplus/(Deficit) after taxation		(32 727)	45 601	13 232	(7 051)	58 294	28 008			30 506
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(32 727)	45 601	13 232	(7 051)	58 294	28 008			30 506
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(32 727)	45 601	13 232	(7 051)	58 294	28 008			30 506
<i>References</i>										
1. Material variances to be explained on Table SC1										
Total Revenue (excluding capital transfers and contributions) including capital transfers/contributions etc		179 834	224 534	219 677	11 547	215 983	177 119			209 439

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FINANCIAL PERFORMANCE OF OPERATIONAL SERVICES						
REVENUE SOURCE	BUDGETED REVENUE	BUDGETED 12 MONTHS PROJECTIONS	YTD ACTUAL REVENUE	YTD BASELINE 100%	% ACTUAL REVENUE	VARIANCE
				(E)	(F)	(E-F)
Water	10 948 000	10 948 000	18 754 337	100%	171.30%	-71.30%
Electricity****	60 901 000	60 901 000	67 792 443	100%	111.32%	-11.32%
Sanitation	6 154 000	6 154 000	6 475 453	100%	105.22%	-5.22%
Waste Removal	5 892 000	5 892 000	5 946 877	100%	100.93%	-0.93%
Assessment Rates	37 938 000	37 938 000	37 396 598	100%	98.57%	1.43%
Other Services Charges	383 000	383 000	255 393	100%	66.68%	33.32%
Interest received	8 710 000	8 710 000	8 822 210	100%	101.29%	-1.29%
Fines	3 565 118	3 565 118	1 182 806	100%	33.18%	66.82%
Operating Grants & Subsidies	42 107 000	42 107 000	42 074 225	100%	99.92%	0.08%
Grants & Subsidies Capital	15 518 000	15 518 000	15 518 000	100%	100.00%	0.00%
Rental of facilities & equipments	362 370	362 370	1 205 230	100%	332.60%	-232.60%
Vehicle Licence	8 446 471	8 446 471	8 751 856	100%	103.62%	-3.62%
Other income	8 684 540	8 684 540	1 807 135	100%	20.81%	79.19%
TOTAL INCOME	209 609 499	209 609 499	215 982 563	100%	103.04%	-3.04%

**** Electricity pre-paid meters

35 591 034

Electricity conventional method

32 201 409

67 792 443

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COMMENT ON FINANCIAL PERFORMANCE:

With regard to Revenue Management, the municipality was able to achieve 71% payment rate for the year but the outstanding debts is still at unsatisfactory level and as such maximum effort need to be done in order to reduce these debts. There has also been constant engagement with the Government departments and they have indicated the willingness to pay for outstanding amounts. We had a total number of 2 733 indigents who were subsidised for the basic services such as water, refuse, rates and sewerage (R 1 038 892.45) and Electricity - (R 3 498 375.00) as funded from the equitable share.

The Budget and Treasury under the leadership of the Acting Chief Financial Officer has been able to support the Municipal Manager in assisting him in the administration of municipal bank accounts and in the preparation and implementation of the municipality's budget. The municipality have also been in a position to advice other senior managers in carrying out their delegated powers in terms of the Municipal Finance Management Act. Over and above that the department has been able to discharge fiduciary duties such as accounting, analysis, financial reporting, cash management, financial management.

The Department was able to maintain the level of expenditure to the maximum revenue collected and as such had a favourable bank balance at the end of the year. Payments to creditors within 30 days of receipt of an invoice were in some instances affected due to cash flow challenges. A separate account for grants was opened during the 2011/12 financial year.

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5.2 GRANTS

GRANT PERFORMANCE										
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										
		37	41	42		41	42			42
National Government:		023	960	107	-	215	107	(892)	-2.1%	107
		35	39	39		38	39		-2.2%	39
Equitable share		685	790	790	-	898	790	(892)		790
			1	1		1	1			1
Finance Management grant		115	250	250	-	250	250			250
		1								
Municipal Systems Improvement		189	790	790	-	790	790			790
Department of Water Affairs		34	130	277	-	277	277			277
	3							-		
								-		
								-		
								-		
Other transfers and grants [insert description]								-		
Provincial Government:		-	-	-	-	-	-	-		-
								-		
								-		
	4							-		

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Other transfers and grants [insert description]								-		
								-		
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>								-		
								-		
Other grant providers:		-	-	-	-	-	-	-		-
<i>[insert description]</i>								-		
								-		
Total Operating Transfers and Grants	5	37 023	41 960	42 107	-	41 215	42 107	(892)	-2.1%	42 107
<u>Capital Transfers and Grants</u>										
National Government:		9 401	15 518	15 518	-	15 518	15 518	-		15 518
Municipal Infrastructure Grant (MIG)		9 401	15 518	15 518	-	15 518	15 518	-		15 518
								-		
								-		
Other capital transfers <i>[insert description]</i>								-		
Provincial Government:		-	-	-	-	-	-	-		-

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<i>[insert description]</i>								-		
								-		
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>								-		
								-		
Other grant providers:		-	-	-	-	-	-	-		-
<i>[insert description]</i>								-		
								-		
Total Capital Transfers and Grants	5	9 401	15 518	15 518	-	15 518	15 518	-		15 518
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	46 424	57 478	57 625	-	56 733	57 625	(892)	-1.5%	57 625

COMMENT ON OPERATING TRANSFERS AND GRANTS:

Equitable Share

- In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members. The municipality was able to utilise this grant in 2011/12 financial year.

Finance Management Grant

- Conditions still to be met - remain liabilities.

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Municipal Systems Improvement Grant

- Conditions still to be met - remain liabilities.

Department of Water and Forestry Grant

- Conditions still to be met - remain liabilities.

Housing Grant

- Balance unspent at beginning of year.
- Conditions still to be met - remain liabilities.

Municipal Infrastructure Grant

- Balance unspent/ (overspent) at beginning of year.
- Conditions still to be met - remain liabilities

All the unspent conditional grants have been committed for and the municipality has applied for the rollover of the 2011/12 unspent conditional grants to the 2012/13 financial year, BUT National Treasury objected. As a result, the Municipality had to pay-back R5.2 Million to the National Treasury in 2012/13 financial year.

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5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

The Asset Management Policy provides direction for the management, accounting and control of Property, Plant & Equipment (Fixed Assets) owned or controlled by the municipality.

As accounting officer of the municipality, the Municipal Manager is the principal custodian of all the municipality's fixed assets, and is responsible for ensuring that the fixed asset management policy is thoroughly applied and adhered to.

The Municipal Manager or his duly delegated representative is responsible for:

- Ensure implementation of the approved Asset Management Policy as required in terms of section 63 of the Municipal Finance Management Act (MFMA)
- Verify assets in possession of the Council regularly, during the course of the financial year
- Keep a complete and balanced record of all assets in possession of the Council
- Report in writing all asset losses, where applicable, to Council
- Ensure that assets are valued and accounted for in accordance with a statement of GRAP.

The CFO will be the custodian of the Fixed Asset Register (FAR) of the municipality, and will ensure that a complete, accurate and up-to-date computerised FAR is maintained. No amendments, deletions or additions to the FAR will be made other than by the CFO or by an official acting under the written instruction of the CFO.

Asset Control Section

- Ensure that complete records of asset items are kept, verified and balanced regularly
- Ensure that all movable assets are properly tagged and accounted for (see also 23.1)
- Conduct an annual audit inventory by scanning selected movable assets and compare this inventory with the department's asset sign offs (see also 23.2)
- The asset verification report will reflect any discrepancies between the articles found during verification and the record referred to in the point above
- Ensure that the FAR is balanced annually with the general ledger and the financial statements
- Ensure adequate bar codes to exercise the function relating to asset control are available at all times

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- Provide the Auditor-General or his personnel, on request, with the financial records relating to assets belonging to Council as recorded in the FAR
- Ensure that all audit queries are resolved in a timely manner
- Ensure that the relevant information relating to the calculation of depreciation is obtained from the departments and provided to the Finance department in the prescribed format.
- Ensure that asset acquisitions are allocated to the correct asset code
- Ensure that, before accepting an obsolete or damaged asset or asset inventory item, a completed asset disposal form, counter signed by the Asset Control Section, is presented
- Ensure that a verifiable record is kept of all obsolete, damaged and unused asset or asset inventory items received from the departments
- Compile a list of the items to be auctioned in accordance with their guidelines in the Supply Chain Management (SCM) Policy
- Compile and circulate a list of unused movable assets to enable other departments to obtain items that are of use to them
- Ensure that the Procurement section is notified of any auctioning or disposing of written-off asset or asset inventory items.

The Manager: Budgets

- Ensure that the capital budget as submitted by the departments is approved. A clear description of the funding source is also required
- Release capital funds only after receiving written authority. A clear and concise description of the item to be purchased as well as an allocated responsible person for this asset is also needed before release
- Ensure that any changes in the capital budget, with regards to funds transferred or project description changes, are communicated to the Asset Control Section.

The Manager: Expenditure section

- Ensure that invoices authorised for payment are matched to the goods received note before processing such payment
- If any doubt exists as to whether the invoice is in accordance with policy, query the payment with the relevant department and will not process a payment until the invoice meets the policy criteria.

Procurement Section

- Dispose off assets – via auction – in accordance with the provisions in the SCM Policy

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- The Bid Adjudication / Bid Specification Committee must comply with and be constituted in accordance with the SCM procurement policy

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2011/12				
Asset 1				
Name	Land			
Description	All land owned by the Municipality			
Asset Type	Fixed Assets			
Key Staff Involved	Planning & Economic Development and Budget & Treasury			
Staff Responsibilities				
Asset Value	2008/09	2009/10	2010/11	2011/12
			R276 918 612	R276 719 919
Capital Implications	Capital appreciation on land (Revaluation)			
Future Purpose of Asset	Development of the land			
Describe Key Issues				
Policies in Place to Manage Asset	Asset Management Policy in place			

Asset 2				
Name	Infrastructure			
Description	Streets			
Asset Type	Electrical, roads and storm-water, water network & sanitation			
Key Staff Involved	Technical services			
Staff Responsibilities				
Asset Value	2008/09	2009/10	2010/11	2011/12
			R476 732 633	R462 397 541
Capital Implications	Depreciation			
Future Purpose of Asset	Operation of municipality to provide basic services			

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Describe Key Issues	Maintenance of machinery, technology changes
Policies in Place to Manage Asset	Asset policies in place

Asset 3				
Name	Community facilities			
Description	All buildings held for community purposes			
Asset Type	Buildings			
Key Staff Involved	Budget & Reporting			
Staff Responsibilities				
	2008/09	2009/10	2010/11	2011/12
Asset Value			R32 054 009	R32 890 084
Capital Implications	Revaluation, Depreciation			
Future Purpose of Asset	Rentals of buildings such as halls to service the Community			
Describe Key Issues	Old, deteriorates, worn-out			
Policies in Place to Manage Asset	Asset policy in place			

Description	Ref	2010/11	Budget Year 2011/12			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		3	59	42	22	59
Call investment deposits		223	403	107	421	403
Consumer debtors		19	121	121	56	121
Other debtors		446	833	833	582	833
Current portion of long-term receivables			12	30	4	12
Inventory		955	685	152	985	685
		56				
Total current assets		23	193	194	83	193
		679	921	091	988	921

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Non current assets						
Long-term receivables						
Investments						
Investment property						
Investments in Associate						
Property, plant and equipment		1 470				
Agricultural		449				
Biological assets						
Intangible assets		175				
Other non-current assets		826				
Total non current assets		1 471 450	-	-	-	-
TOTAL ASSETS		1 495 130	193 921	194 091	83 988	193 921

COMMENT ON ASSET MANAGEMENT:

- The asset register had to be revised due to unbundling exercise and the additions in the current year were understated.
- Recalculation of depreciation and inclusion of Work-in-progress on the asset register.
- Details of major changes in the nature of the non-current assets of the municipality during the year are set out in the notes to the annual financial statements.

REPAIRS AND MAINTENANCE EXPENDITURE 2011/12		
BUDGET	IE DEBIT	VARIANCE
R9 326 627.24	R12 484 292.77	-R3 156 581.31

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

Repairs and Maintenance Expenditure is over spent as indicated in the above table.

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5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Bela Bela Municipality never calculated these ratios. Therefore, the information is not available.

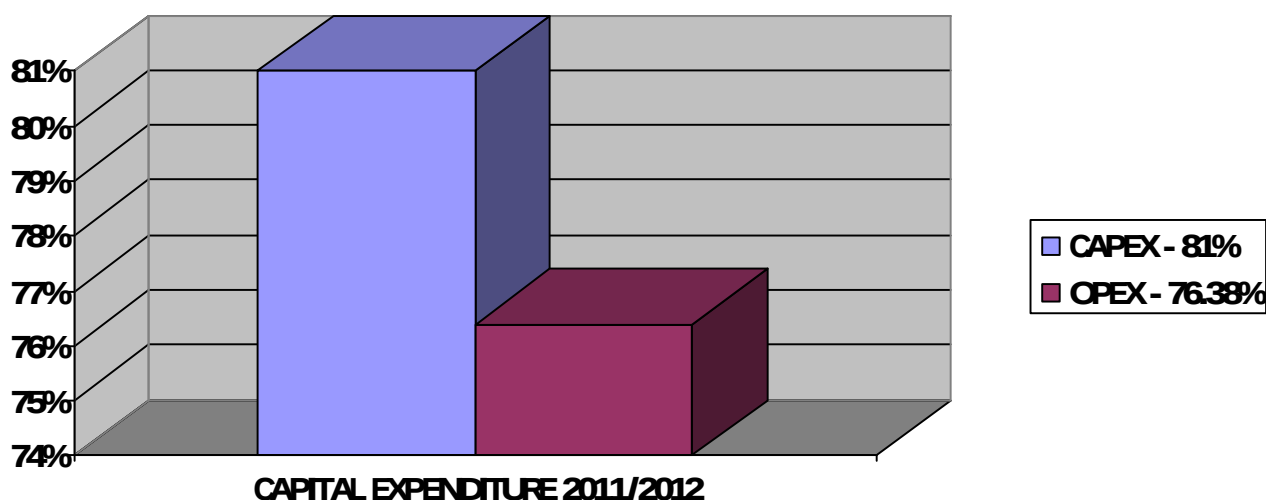
COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Capital expenditure relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from grants, borrowings and operating expenditures and surpluses. MIG funded project expenditure was at 108%. The original budget was R13 518 000, R15 518 000 after Adjustment budget. The actual expenditure is R16 711 467.

Own source funded projects expenditure was at 41%. This was caused mainly by cash-flow constraints as other projects had to be differed to 2012/13 financial year. The original budget was R12 025 736, R10 067 799 after Adjustment budget. The actual expenditure is R4 129 278. The overall capital expenditure is 81%.

5.5 CAPITAL EXPENDITURE



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5.6 SOURCES OF FINANCE

CAPITAL EXPENDITURE –FUNDING SOURCES 2011/12

REVENUE SOURCE	BUDGETED REVENUE	BUDGETED 12 MONTHS PROJECTIONS	YTD ACTUAL REVENUE	YTD BASELINE 100%	% ACTUAL REVENUE	VARIANCE
				(E)	(F)	(E-F)
Water	10 948 000	10 948 000	18 754 337	100%	171.30%	-71.30%
Electricity****	60 901 000	60 901 000	67 792 443	100%	111.32%	-11.32%
Sanitation	6 154 000	6 154 000	6 475 453	100%	105.22%	-5.22%
Waste Removal	5 892 000	5 892 000	5 946 877	100%	100.93%	-0.93%
Assessment Rates	37 938 000	37 938 000	37 396 598	100%	98.57%	1.43%
Other Services Charges	383 000	383 000	255 393	100%	66.68%	33.32%
Interest received	8 710 000	8 710 000	8 822 210	100%	101.29%	-1.29%
Fines	3 565 118	3 565 118	1 182 806	100%	33.18%	66.82%
Operating Grants & Subsidies	42 107 000	42 107 000	42 074 225	100%	99.92%	0.08%
Grants & Subsidies Capital	15 518 000	15 518 000	15 518 000	100%	100.00%	0.00%
Rental of facilities & equipments	362 370	362 370	1 205 230	100%	332.60%	-232.60%
Vehicle Licence	8 446 471	8 446 471	8 751 856	100%	103.62%	-3.62%
Other income	8 684 540	8 684 540	1 807 135	100%	20.81%	79.19%
TOTAL INCOME	209 609 499	209 609 499	215 982 563	100%	103.04%	-3.04%

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COMMENT ON SOURCES OF FUNDING:

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the municipality. For 2012/13, rates and service charge revenues comprise 63.1 per cent of the total revenue mix. In the 2011/12 adjusted budget, revenue from rates and services charges totaled R122.2 million or 63.0 per cent. This increases to R134.6 million, R147.6 million and R161.3 million in the respective financial years of the MTREF. A notable trend is the increase in the total percentage revenue generated from rates and services charges which increases by 31.9 per cent between 2011/12 and 2014/15. This growth can be mainly attributed to the increased share that the sale of electricity contributes to the total revenue mix, which in turn is due to rapid increases in the Eskom tariffs for bulk electricity. Operating grants and transfers are the second largest revenue source totaling R48.2 million or 22.6 percent of operating revenue in 2012/13. This increases to R55.1 million in 2014/15. This revenue source comprises of operating grants such as equitable share, Finance Management Grant (FMG) and Municipal Systems Improvement Grant (MSIG).

TRENDS IN EXPENDITURE

CAPITAL						OPERATIONAL					
2009/10		2010/11		2011/12		2009/10		2010/11		2011/12	
Budget	Actual Spent	Budget	Actual Spent	Budget	Actual Spent	Budget	Actual Spent	Budget	Actual Spent	Budget	Actual Spent
19 569 000	19 569 000	25 403 000	25 403 000	25 585 799	20 849 745	144 443 000	122 416 000	159 115 000	146 526 000	178 933 000	157 689 000

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5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

PROJECT NAME	ORIGINAL BUDGET	ADJUSTMENT	BUDGET	YTD ACTUAL EXPE	MONTHLY ACTUAL EXP	BASELINE100%	% ACTUAL SPENT
BULK INFRASTRUCTURE:BELA BELA EXT 9	3 734 000	-2 794 000	940 000	1 159 851	-	100%	0%
ROAD PAVING PHASE 3	2 684 000	-1 799 000	885 000	1 020 989	-	100%	0%
UPGRADING INTERNAL ROADS	2 000 000	0	2 000 000	314 980	-	100%	0%
LICENSE TESTING GROUND	2 800 000	-746 600	2 053 400	749 347	-	100%	0%
ROAD PAVING PHASE 3;		1 848 953	1 848 953	4 432 091	-	100%	240%

NAME OF THE PROJECT	BULK INFRASTRUCTURE:BELA BELA EXT 9
OBJECTIVE OF THE PROJECT	TO CONSTRUCT A RELATED BULK SERVICES FOR ESTABLISHMENT OF BELA BELA EXT 9
DELAYS	WATING FOR MIG REGISTRATION
FUTURE CHALLENGES	A REVISED TECHNICAL REPORT MUT BE SUBMITTED TO DWA
ANTICIPATED CITIZEN BENEFITS	FORMALISATION OF EXT 9 INFORMAL SETTLEMENT

NAME OF THE PROJECT	ROAD PAVING PHASE 3
OBJECTIVE OF THE PROJECT	TO CONSTRUCT A 1.4KM OF PAVED STREETS IN BELA BELA (THE LOCATION OF THE STREETS WILL BE AS PER APPROVED PROGRAM SUBMITTED TO THE SUBCOMMITTEE AND EXECUTIVE COMMITTEE.
DELAYS	PROJECT CONVERTED TO A MULT-YEAR IN TO 2012-2013 FINANCIAL YEAR
FUTURE CHALLENGES	NONE. CONTRACTOR ON SITE
ANTICIPATED CITIZEN BENEFITS	WELL MAINTAINED PAVED ROADS IN THE COMMUNITY

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NAME OF THE PROJECT	BELA BELA: UPGRADING INTERNAL ROADS
OBJECTIVE OF THE PROJECT	TO GRAVEL A 5KM STREETS IN MASAKHANE AND BELA BELA
DELAYS	NONE
FUTURE CHALLENGES	NONE
ANTICIPATED CITIZEN BENEFITS	WELL MAINTAINED GRAVELLED ROADS IN THE COMMUNITY

NAME OF THE PROJECT	LICENSE TESTING GROUND
OBJECTIVE OF THE PROJECT	TO BUILD BOTH TRAFFIC AND LICESING DEPARTMENTS' OFFICES
DELAYS	• PROJECT CONVERTED TO A MULT-YEAR IN TO 2012-2013 FINANCIAL YEAR • COUNCIL RESOLVED TO RELOCATE THE PROJECT TO THE NEW LOCATION
FUTURE CHALLENGES	NONE
ANTICIPATED CITIZEN BENEFITS	EFFECTIVE LICENSING SERVICE TO THE COMMUNITY

NAME OF THE PROJECT	SEWER PURIFICATION PLANT
OBJECTIVE OF THE PROJECT	TO REFURBISH ALL MECHANICAL AND ELECTRICAL COMPONENTS ON THE PLANT
DELAYS	NONE
FUTURE CHALLENGES	NONE
ANTICIPATED CITIZEN BENEFITS	EFFECTIVE PROVISION OF WASTE WATER SERVICES TO THE COMMUNITY

Chapter 5

COMMENT ON CAPITAL PROJECTS:

4 out of 5 identified projects were converted in to multi-years projects. This was due to the municipality experiencing cash-flow constraints. The multi-year factor came in effect during the 2011/2012 adjustment budget.

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The emergence of new settlements (e.g. Zuma, Rapotokwane etc.) population movement (migration) sometimes distorts the picture of progress made on service delivery. The lack of municipal infrastructure is regarded as a critical impediment to ensuring a dignified quality of life for the majority of the population within Bela Bela. Especially critical is the situation with regard to water, sanitation, housing, roads and storm-water.

The number of households in Bela Bela Municipality has increased by 1957 households since 2001. However, the number of households with piped water inside their dwellings has decreased from 737 in 2001 to 2462 in 2007. The accessibility to water from access point outside the yard has also decreased from 1544 in 2001 to 1078 in 2007. It is still important for the Bela Bela Municipality to encourage communities to harvest rainwater for household usage. This is very critical due to the fact that Bela Bela Municipality is water scarce.

It can be reported that 100% (14 290HH) of Bela Bela households do have access water with effect from 2008 since water supply was expanded to the informal settlements within that period. This then means that there are no households within Bela – Bela that make use of other water sources (including Dam/ Pool, Water Vendor and Water Rain Tanker). It can however be noted that the provision of water to the informal settlements is only a temporally solution, the permanent arrangement to address the water supply needs by the community is to move the informally settled households to the new housing projects which are more suitable for human habitation.

Sanitation is about dignity. The availability of sanitation facilities no only improves the dignity of people, but also promotes their health. Areas without proper sanitation systems give rise to water borne diseases like cholera, diarrhea, typhoid, etc. it is therefore important that as a municipality, prioritization should be given to this service, particularly taking into account the backlog (rural sanitation) and the national target.

13 574HH of Bela Bela household have access to sanitation at the appropriate standard. The remaining 715HH do not currently have the appropriate sanitation facilities. The backlog as estimated by the municipality is approximately 1 300 households which do not have access to the sanitation facilities at the appropriate standard.

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Approximately 79% (11 289HH) of Bela Bela households have access to electrical services at the appropriate standard. Even though this census (2007) data reflect a backlog of 21% (3 000HH), the records from the municipality indicates that the actual backlog is currently estimated at 1 300HH who mainly in the informal settlements. However, taking into account the electricity shortage facing the country, as well as the principles of sustainable development, it is important for the municipality to develop its Energy/Electricity Plan. This plan would explore various energy sources to be used/developed. The plan should, among others, ensure that the physical environment is protected for future generations. The development of an Energy/Electricity Plan that considers renewable and non-renewable energy sources is therefore very critical.

Approximately 96% (13 718HH) of Bela Bela households use the appropriate means in terms of refuse removal such that 77% of the households refuse is removed by the municipality and 19% use their own refuse dump. Approximately 4% (571HH) are considered to have no refuse removal. Based on the municipal information the households that encounter the backlog are estimated at approximately 1000HH.

The estimated housing backlog within Bela Bela is currently 2700. This figure is based on the Municipal Housing Plan (2008) and waiting list which indicated that 1 100 households are residing within the informal settlements, 1 000HH resides on backyard units within Bela Bela Town and Township and 400 for the middle (Gap Market) earners. The Department of Local Government and Housing in partnership with Bela Bela Local Municipality are currently playing an important role in terms of housing provision for the low – income group who earn between R0 – R 3 500 pm. The current housing project that is targeting to address housing backlogs for the people within this income category is Bela Bela Township Ext. 8 which comprises of 900 Units (i.e. 750 RDP + 150 Bonded).

Service	Total H/Holds	H/Holds with access	% with access	Total Backlog	% of Backlog
Water	14900	14900	100	0 (poor supply at some service points)	0
Sanitation	14900	13900	93	+1000hh	7
Electricity	14900	14100	95	+800hh	5
WASTE	14900	13 718HH	96	+571hh	4

									Actual Expenditure in the 2011/12 Financial Year on MIG funds											
Project Name	Total Project Cost	MIG Funds	Public Sector Funds	Private Sector Funds	Total Actual Expenditure in the 2008-2009 financial year on MIG funds	Total expenditure in the 2009-2010 financial year on MIG funds	Total Expenditure in the 2010-2011 financial year on MIG funds	Total Actual Expenditure in the 2011-2012 financial year on MIG funds	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12
Bela-Bela: Stormwater	R 5 503 000.00	R 5 503 000.00			R 948 270.64	R 3 318 165.85	R 278 293.69	R 958 269.82	R 749 709.15	R 208 560.67										
Bela-Bela: Extention of sewer purification plant	R 6 200 000.00	R 4 340 000.00	R 1 860 000.00		R -		R 3 216 862.79	R 1 123 137.21	R 1 123 137.21											
Bela Bela: Drivers Licence Testing Ground	R 2 169 800.00	R 1 669 800.00	R 500 000.00				R 390 511.51	R 1 214 495.03	R 178 498.92	181 741.08						R 854 255.03				
Bela Bela: Road paving Phase 3	R 12 000 000.00	R 12 000 000.00					R 2 659 619.17	R 3 076 817.51	R 1 810 783.52	R 38 169.03				R 346 264.04		R 71 288.72				R 810 312.20
Bela Bela: rehabilitation of streets - Spa park	R 1 425 000.00	R 1 425 000.00					R 168 468.75	R 1 256 531.25	R 916 907.91	R 339 623.34										
Bela Bela: Upgrading of streets	R 1 200 000.00	R 1 200 000.00						R 984 618.00	R 984 618.00											
Bela Bela: High Mast Lights Masakhane	R 285 000.00	R 285 000.00						R 285 000.00	R 285 000.00											
Bela Bela: X6,7 &8 Stormwater Ph2	R 1 140 000.00	R 1 140 000.00						R 93 671.52	R 0.00											R 93 671.52
Bela Bela: Masakhane gravel streets Ph2	R 2 280 000.00	R 2 280 000.00						R 0.00	R 0.00											
Bela Bela: Rapotokwane Gravel Streets Phase2	R 1 400 000.00	R 1 400 000.00						R 398 974.51	R 0.00											R 398 974.51

Bela Bela: High Mast Lights X8	R 370 000.00	R 370 000.00						R 222 338.57	R 0.00		R 222 338.57									
PMU management	R 773 880.00	R 773 880.00	R -		R 4 201.46			R 702 431.88	R 37 180.00	R 45 374.50	R 43 482.33	R 49 260.00	R 42 613.00	R 46 907.00	R 40 400.00	R 40 400.00	R 40 400.00	R 40 400.00	R 60 866.00	R 215 149.05
								R 10 316 285.30	R 6 085 834.71	R 813 468.62	R 265 820.90	R 49 260.00	R 42 613.00	R 393 171.04	R 40 400.00	R 965 943.75	R 40 400.00	R 40 400.00	R 60 866.00	R 1 518 107.28

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COMMENT ON BACKLOGS:

MIG was utilized for the intended projects. The Municipality was able to commit all MIG funded projects as registered to reduce backlog mainly on Roads and Storm-water, Sanitation and Electricity.

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

Chapter 5

5.9 CASH FLOW

Description	Ref	2010/11 Audited Outcome	Budget Year 2011/12 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other		93 384	143 250	113 123	8 026	39 075	59 688	(20 612)	-35%	143 250
Government - operating		48 989	41 961	42 107	10 852	28 681	17 829	10 852	61%	4 196
Government - capital			15 518	15 518	118	11 417	11 299	118	1%	15 518
Interest		97	8 710	8 710	1 041	3 340	3 629	(289)	-8%	6 551
Dividends								-		
Payments										
Suppliers and employees		109 784	169 636	198 835	14 160	78 689	73 330	(5 359)	-7%	178 933
Finance charges		3 220	1 677	1 504		645	418	(226)	-54%	1 677
Transfers and Grants			7 620	6 107		474	3 175	2 701	85%	7 620
NET CASH FROM/(USED) OPERATING ACTIVITIES		255 474	388 372	385 904	34 197	162 321	169 368	(7 047)	-4%	357 745
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		24 876						-		
Decrease (Increase) in non-current debtors								-		
Decrease (increase) other non-current receivables								-		
Decrease (increase) in non-current investments								-		
Payments										
Capital assets								-		
NET CASH FROM/(USED) INVESTING ACTIVITIES		24 876	-	-	-	-	-	-		-
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										

Chapter 5

Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits								-		
Payments										
Repayment of borrowing								-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-		-
NET INCREASE/ (DECREASE) IN CASH HELD		280 350	388 372	385 904	34 197	162 321	169 368			357 745
Cash/cash equivalents at beginning:		151					-			-
Cash/cash equivalents at month/year end:		280 500	388 372	385 904		162 321	169 368			357 745

References

1. Material variances to be explained in Table SC1

5.10 INVESTMENTS

Description	Ref	2010/11	Budget Year 2011/12			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		3 223	59 403	42 107	22 421	59 403
Call investment deposits						
Consumer debtors		19 446	121 833	121 833	56 582	121 833
Other debtors		955	12 685	30 152	4 985	12 685
Current portion of long-term receivables						
Inventory		56				
Total current assets		23 679	193 921	194 091	83 988	193 921
Non current assets						
Long-term receivables						
Investments						
Investment property						
Investments in Associate						
Property, plant and equipment		1 470 449				
Agricultural						
Biological assets						
Intangible assets		175				
Other non-current assets		826				
Total non current assets		1 471 450	-	-	-	-
TOTAL ASSETS		1 495 130	193 921	194 091	83 988	193 921
LIABILITIES						
Current liabilities	-					
Bank overdraft		1 493				
Borrowing						
Consumer deposits		3 088				
Trade and other payables		55 068	178 933	206 446	64 629	178 933
Provisions		4 223				
Total current liabilities		63 872	178 933	206 446	64 629	178 933
Non current liabilities						
Borrowing						
Provisions		29 902				
Total non current liabilities		29 902	-	-	-	-
TOTAL LIABILITIES		93 775	178 933	206 446	64 629	178 933
NET ASSETS	2	1 401 355	14 988	(12 354)	19 359	14 988
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1 389 545	14 988	(12 354)	19 359	14 988

Chapter 7(new)

Reserves						
TOTAL COMMUNITY WEALTH/EQUITY	2	1 389 545	14 988	(12 354)	19 359	14 988

5.11 PUBLIC PRIVATE PARTNERSHIPS

No Public Private Partnerships were entered to in 2011/2012 financial year.

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

Bela Bela Municipality has adopted Supply Chain Management Policy for 2011/12 financial year and was implemented according to SCM Regulations 2005. No Councillor was a member of any committee handling Supply Chain processes. Only 2 officials out of 3 reached the prescribed levels required for their positions

5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice 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 of progress and consider the implications.

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise. They are presented in South African Rand. Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP

Chapter 6

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

NB: 2011/12 AG'S PROCESS STILL UNDERWAY.

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

Delete Directive note once comment's completed - Refer to the Annual Financial Statements set out in Volume II and the timescale for the audit of these accounts and the audit of performance and the production of reports on these matters by the Auditor General as set out in this Chapter. If this is the version of the annual report presented to Council in September then the Auditor-Generals statements on this year's submissions will not be available for inclusion in this Chapter and this should be explained

T6.0.1

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2011/12

6.1 AUDITOR GENERAL REPORTS 2011/12

Auditor-General Report on Financial Performance 2007/08	
Audit Report Status*:	
Non-Compliance Issues	Remedial Action Taken
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

Chapter 6

Auditor-General Report on Service Delivery Performance 2007/08	
Audit Report Status:	
Non-Compliance Issues	Remedial Action Taken
T6.1.2	

COMPONENT B: AUDITOR-GENERAL OPINION 2011/12

6.2 AUDITOR GENERAL REPORT 2011/12

Auditor-General Report on Financial Performance 2008/09*	
Status of audit report:	
Non-Compliance Issues	Remedial Action Taken
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). This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Financial Performance 2008/09.	
T6.2.1	

Chapter 6

Auditor-General Report on Service Delivery Performance 2008/09*	
Status of audit report**:	
Non-Compliance Issues	Remedial Action Taken
* This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Service Delivery Performance 2008/09 ** Inclusion of "Status" depends on nature of AG's remarks on Performance Data.	

T6.2.2

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS 2011/12
<u>Delete Directive note once comment is complete</u> - Attach report

T6.2.3

COMMENTS ON AUDITOR-GENERAL'S OPINION 2011/12:
<u>Delete Directive note once comment's completed</u> - Provide comments from the Municipal Manager / CFO on the Auditor-General's opinion. Include comments on 2007/08 if it provides useful context.

T6.2.4

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

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.

GLOSSARY

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	• 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.

GLOSSARY

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:	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. Section 1 of the MFMA defines a "vote" as: <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> <i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i>

APPENDICES

APPENDICES

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 FS Hlongwane (Mayor)	FT	Transformation & Governance/Budget & Treasury	Ward 4 (ANC)	100	0
Cllr M Mononyane (Speaker)	FT	Planning & Economic Development/Infrastructure	Ward 3 (ANC)	100	0
Cllr S Maluleka (Chief Whip)	FT	Transformation & Governance/Budget & Treasury	Ward 2 (ANC)	100	0
Executive Committee Members					
Cllr FS Hlongwane (Mayor)	FT	Transformation & Governance/Budget & Treasury	Ward 4 (ANC)	100	0
Cllr L Nhlapo	PT	Transformation & Governance/Budget & Treasury	PR (ANC)	75	25
Cllr J Van der Merwe	PT	Social and Community Services	Ward 1 (DA)	75	25
Chairpersons of Sub-committees					
Cllr L Nhlapo	PT	Transformation & Governance/Budget & Treasury	PR (ANC)	75	25
Cllr MJ Sesane	PT	Planning & Economic Development/Infrastructure	Ward 7 (ANC)	100	0
Cllr FJ van der Merwe	PT	Social and Community Services	Ward 1 (DA)	75	25

APPENDICES

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

COMMITTEES (OTHER THAN MAYORAL/EXECUTIVE COMMITTEE) AND PURPOSES OF COMMITTEES	
Municipal Committees	Purpose of Committee
Transformation & Governance/Budget & Treasury	
Planning & Economic Development/Infrastructure	
Social and Community Services	

APPENDICES

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

[illegible]

APPENDICES

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Air pollution		
Building regulations		
Child care facilities		
Electricity and gas reticulation		
Firefighting services		
Local tourism		
Municipal airports		
Municipal planning		
Municipal health services		
Municipal public transport		
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other		
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related		
Stormwater management systems in built-up areas		
Trading regulations		
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems		
<i>Continued next page</i>		

APPENDICES

<i>Continued from previous page</i>		
Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 5, Part B functions:		
Beaches and amusement facilities		
Billboards and the display of advertisements in public places		
Cemeteries, funeral parlours and crematoria		
Cleansing		
Control of public nuisances		
Control of undertakings that sell liquor to the public		
Facilities for the accommodation, care and burial of animals		
Fencing and fences		
Licensing of dogs		
Licensing and control of undertakings that sell food to the public		
Local amenities		
Local sport facilities		
Markets		
Municipal abattoirs		
Municipal parks and recreation		
Municipal roads		
Noise pollution		
Pounds		
Public places		
Refuse removal, refuse dumps and solid waste disposal		
Street trading		
Street lighting		
Traffic and parking		
* If municipality: indicate (yes or No); * If entity: Provide name of entity		T D

APPENDICES

APPENDIX E – WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEES					
Ward no	Name of Ward Councillor and elected Ward Committee members	Committee established (Yes/No)	Number of monthly Committee meetings held during the year	Number of reports submitted to Speakers Office on time	Number of quarterly public meetings held during the year
1	Ward Cllr: Van der Merwe K Ward Committee Members 1. Molokomme C 2. Palh B				
2	Ward Cllr: E Maluleka Ward Committee Members 1. D. Kutu 2. K. Masoga 3. S. Lebego 4. E. Phasha 5. B. Mokoena 6. N. Mashaba 7. E. Maluleka 8. D. Bodiba 9. E. Moela 10. S. Nkhumishe				
3	Ward Cllr: M Monanyane Ward Committee Members 1. F. Mothokwa 2. M Lekalakala 3. G Makhubela 4. M Ndhlovu 5. J Marakalla (deceased) 6. L Baloyi 7. E Mochabane 8. S Monareng 9. M Ditsele 10. P Makhubela				

APPENDICES

4	Ward Cllr: F Hlongwane Ward Committee Members 1. E Ratjatji 2. D Mashele 3. R Mokgethle 4. B None 5. F Matsimbi 6. J Baloyi 7. M Sebelebele 8. S Nkuna 9. J Ndhlovu 10. N Takalane				
5	Ward Cllr: M Ledwaba Ward Committee Members 1. S Molefe 2. E Thiyo 3. L Thansa 4. M Maila 5. P Mosima 6. Shumba Modise 7. M Galane 8. K Baloyi 9. N Motau 10. P Mohale				
6	Ward Cllr: J Ngobeni Ward Committee Members 1. S Ngobeni 2. S Nkomo 3. D Moshidi 4. V Setshedi 5. J Phiri 6. R Suke 7. R Ngobeni 8. F Lubese 9. N Manaka 10. L Manganye				
7	Ward Cllr: M Ledwaba Ward Committee Members 1. P Makgakga 2. T Maswanganye				

APPENDICES

	3. K Makwela 4. C Mutini 5. J Nawa 6. J Maseko 7. W Matome 8. J Mathe 9. P Sephala				
8	Ward Cllr: M Ledwaba Ward Committee Members 1. J Manyaka 2. M Maswanganye 3. J Mhlanga 4. C Mokgobu 5. G Makaka 6. H Qutywa 7.				
9	Ward Cllr: M Ledwaba Ward Committee Members 1. Phakane Sepane 2. G Minyuku 3. R Motena 4. J Thobejane 5. Hilima August 6. Likhavha Samson 7. G Ngwenya 8. P Musana 9. E Gideon 10. K John				

APPENDICES

APPENDICES

APPENDIX F – WARD INFORMATION

Ward Title: Ward Name (Number)				
Capital Projects: Seven Largest in 2011/12 (Full List at Appendix N)				
				R' 000
No.	Project Name and detail	Start Date	End Date	Total Value

TF.1

Change Annexure X to Annexure N on the table heading.

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Households with minimum service delivery					
Households without minimum service delivery					
Total Households*					
Houses completed in year					
Shortfall in Housing units					
*Including informal settlements					

TF.2

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During 2008/09

TF.3

ELECTED WARD MEMBERS (STATING NUMBER OF MEETING ATTENDED – MAXIMUM 12 MEETINGS)

APPENDICES

Names: xxx (8); xxx (7)...

TF.3

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2008/09

[illegible]

APPENDICES

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

[illegible]

APPENDICES

[illegible]

APPENDICES

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

Municipal Entity/Service Provider Performance Schedule									
Name of Entity & Purpose (i)	(a) Service Indicators (b) Service Targets (ii)	2007/08		2008/09		2009/10	2012/13		
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)

Note: This statement should include no more than the top four priority indicators. * 'Previous Year' refers to the targets that were set in the 2007/08 Budget/IDP round; *'Current Year' refers to the targets set in the 2008/09 Budget/IDP round. *'Following Year' refers to the targets set in the 2009/10 Budget/IDP round. Note that all targets must be fundable within approved budget provision. In column (ii) set out the Service Indicator (*In bold italics*) then the Service Target underneath (not in bold - standard type face) to denote the difference.

Insert table note advising municipalities to include scorecards.

APPENDICES

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interest		
Period 1 July 2011 to 30 June 2012		
Position	Name	Description of Financial Interests (Nil/or details)
Municipal Manager	Mr NS Bambo	- Remunerated work outside the municipality (facilitation of Councillors Induction – SALGA) - Land and Property (31 Levubua residential – Polokwane; 36 Ludorf street – Bela Bela)
Other Sec57 officials	Ms D Mafa	- Land and Property (Townhouse Mokopane; House - Pretoria) - Shares and other financial interest (Emzana Trading and Projects cc – 100%)
	Adv MA Ramolotja	- Shares and other financial interest (Zakhele - MTN) - Directorships and Partnerships (Ramolotja Shuttles) - Consultancies and retainerships (PSC – Consultation) - Land and Property (House – remainder of 75 – Bela Bela; Flat – Erf 941 – Pretoria; Land – Erf 13 – Bela Bela; Commercial – Erf 471 – Mosimolle)

APPENDICES

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
Vote Description	2007/08	Current Year 2008/09			2008/09 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Example 1 - Vote 1						
Example 2 - Vote 2						
Example 3 - Vote 3						
Example 4 - Vote 4						
Example 5 - Vote 5						
Example 6 - Vote 6						
Example 7 - Vote 7						
Example 8 - Vote 8						
Example 9 - Vote 9						
Example 10 - Vote 10						
Example 11 - Vote 11						
Example 12 - Vote 12						
Example 13 - Vote 13						
Example 14 - Vote 14						
Example 15 - Vote 15						
Total Revenue by Vote	-	-	-	-	-	-
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3						
T K.1						

APPENDICES

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
R '000						
Description	2007/08	2008/09			2008/09 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	26,485	23,572	28,075	23,042	-2.30%	-21.84%
Property rates - penalties & collection charges	8,541	8,285	9,054	8,456	2.02%	-7.07%
Service Charges - electricity revenue	12,355	10,254	12,478	13,219	22.43%	5.61%
Service Charges - water revenue	14,232	13,235	13,662	12,097	-9.41%	-12.94%
Service Charges - sanitation revenue	6,542	5,496	5,954	6,346	13.40%	6.19%
Service Charges - refuse revenue	1,865	1,622	1,865	1,510	-7.41%	-23.46%
Service Charges - other	5,643	5,530	5,925	5,304	-4.26%	-11.70%
Rentals of facilities and equipment	5,643	5,530	5,925	5,304	-4.26%	-11.70%
Interest earned - external investments	5,322	4,470	5,747	4,630	3.45%	-24.14%
Interest earned - outstanding debtors	8,455	8,455	8,624	9,554	11.50%	9.73%
Dividends received	1,254	1,003	1,191	1,354	25.93%	12.04%
Fines	2,516	2,063	2,264	2,340	11.83%	3.23%
Licences and permits	6,846	6,230	7,256	6,640	6.19%	-9.28%
Agency services	12,546	10,413	11,793	11,542	9.78%	-2.17%
Transfers recognised - operational	2,355	2,190	2,425	2,402	8.82%	-0.98%
Other revenue	48,542	40,776	48,542	46,115	11.58%	-5.26%
Gains on disposal of PPE	4,565	3,698	4,337	4,291	13.83%	-1.06%
Environmental Protection	5,649	4,971	6,157	4,971	0.00%	-23.86%
Total Revenue (excluding capital transfers and contributions)	179,353	157,791	181,274	169,118	6.70%	-7.19%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.						
T K.2						

APPENDICES

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: excluding MIG						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Neighbourhood Development Partnership Grant				%	%	
				%	%	
				%	%	
Public Transport Infrastructure and Systems Grant				%	%	
				%	%	
				%	%	
				%	%	
Other Specify:				%	%	
				%	%	
				%	%	
				%	%	
Total				%	%	
* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						TL

COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:

Delete Directive note once comment is complete – Use this box to provide additional information on grant benefits or conditions and reasons for acceptance.

TL.1

APPENDICES

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

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

Capital Expenditure - New Assets Programme*							
							R '000
Description	2007/08	2008/09			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - Total	-	-		-	-	-	-
Infrastructure: Road transport - Total	-	-		-	-	-	-
Roads, Pavements & Bridges							
Storm water							
Infrastructure: Electricity - Total	-	-		-	-	-	-
Generation							
Transmission & Reticulation							
Street Lighting							
Infrastructure: Water - Total	-	-		-	-	-	-
Dams & Reservoirs							
Water purification							
Reticulation							
Infrastructure: Sanitation - Total	-	-		-	-	-	-
Reticulation							
Sewerage purification							
Infrastructure: Other - Total	-	-		-	-	-	-
Waste Management							
Transportation							
Gas							
Other							
Community - Total	-	-		-	-	-	-
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							

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APPENDICES

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Capital Expenditure - New Assets Programme*							
R '000							
Description	2007/08	2008/09			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Heritage assets - Total	-	-		-	-	-	-
Buildings							
Other							
Investment properties - Total	-	-		-	-	-	-
Housing development							
Other							
Other assets	-	-		-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
Agricultural assets	-	-		-	-	-	-
List sub-class							
Biological assets	-	-		-	-	-	-
List sub-class							
Intangibles	-	-		-	-	-	-
Computers - software & programming							
Other (list sub-class)							
Total Capital Expenditure on new assets	#REF!	#REF!		#REF!	#REF!	#REF!	#REF!
Specialised vehicles	-	-		-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							

* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)

T M.1

APPENDICES

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

Capital Expenditure - Upgrade/Renewal Programme*							
Description	2007/08	2008/09			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - Total	-	-		-	-	-	-
Infrastructure: Road transport -Total	-	-		-	-	-	-
Roads, Pavements & Bridges							
Storm water							
Infrastructure: Electricity - Total	-	-		-	-	-	-
Generation							
Transmission & Reticulation							
Street Lighting							
Infrastructure: Water - Total	-	-		-	-	-	-
Dams & Reservoirs							
Water purification							
Reticulation							
Infrastructure: Sanitation - Total	-	-		-	-	-	-
Reticulation							
Sewerage purification							
Infrastructure: Other - Total	-	-		-	-	-	-
Waste Management							
Transportation							
Gas							
Other							
Community	-	-		-	-	-	-
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							
Heritage assets	-	-		-	-	-	-
Buildings							
Other							

Table continued next page

APPENDICES

Table continued from previous page

Capital Expenditure - Upgrade/Renewal Programme*							
Description	2007/08	2008/09			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Investment properties	-	-		-	-	-	-
Housing development							
Other							
Other assets	-	-		-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
Agricultural assets	-	-		-	-	-	-
List sub-class							
Biological assets	-	-		-	-	-	-
List sub-class							
Intangibles	-	-		-	-	-	-
Computers - software & programming							
Other (list sub-class)							
Total Capital Expenditure on renewal of existing assets	-	-		-	-	-	-
Specialised vehicles	-	-		-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							

* Note: Information for this table may be sourced from MBRR (2009: Table SA34b)

T M.2

APPENDICES

APPENDIX N – CAPITAL PROGRAMME BY PROJECT 2008/09

Capital Programme by Project 2008/09					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Water					
"Project A"	82	85	92	8%	11%
"Project B"	82	85	92	8%	11%
"Project C"	85	90	95	5%	11%
Sanitation/Sewerage					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Electricity					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Housing					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Refuse removal					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Stormwater					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Economic development					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Sports, Arts & Culture					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Environment					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Health					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Safety and Security					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
ICT and Other					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
T N					

APPENDICES

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2008/09

Capital Programme by Project by Ward 2008/09*		
Capital Project	Ward(s) affected	Works completed (Yes/No)
Water		
"Project A"		
"Project B"		
Sanitation/Sewerage		
Electricity		
Housing		
Refuse removal		
Stormwater		
Economic development		
Sports, Arts & Culture		
Environment		
Health		
Safety and Security		
ICT and Other		
		T O

APPENDICES

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
Schools (NAMES, LOCATIONS)				
Clinics (NAMES, LOCATIONS)				
Names and locations of schools and clinics lacking one or more services. Use 'x' to mark lack of service at appropriate level for the number of people attending the school/clinic, allowing for the proper functioning of the establishment concerned.				

T P

APPENDICES

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

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Clinics:		
Housing:		
Licencing and Testing Centre:		
Reservoirs		
Schools (Primary and High):		
Sports Fields:		
		TQ

APPENDICES

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 2008/09 R' 000	Total Amount committed over previous and future years
* Loans/Grants - whether in cash or in kind				T R

APPENDICES

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

[illegible]

CONCERNING TS

Delete this Appendix if all returns have been made in accordance with reporting requirements.

Delete Directive note before publication

TS.1

APPENDICES

APPENDIX T – PRESEDENTIAL OUTCOME FOR LOCAL GOVERNMENT

Presidential Outcome for Local Government		
Outcome/Output	Progress to date	Number or Percentage Achieved
Output: Improving access to basic services		
Output: Implementation of the Community Work Programme		
Output: Deepen democracy through a refined Ward Committee model		
Output: Administrative and financial capability		
* Note: Some of the outputs detailed on this table might have been reported for in other chapters, the information thereof should correspond with previously reported information.		
		T T

VOLUME II

VOLUME II: ANNUAL FINANCIAL STATEMENTS

Provide the audited Annual Financial Statements to the Annual report for 2008/09 – This to be developed as a separate volume. Refer to MFMA Circular 36 for further guidance.

T V2