

2013/14

ANNUAL REPORT



GREATER TZANEEN MUNICIPALITY

OFFICE OF THE MUNICIPAL MANAGER

Civic Centre

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Tzaneen

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Contents

CONTENTS

CONTENTS	2
LIST OF ABBREVIATIONS	6
CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY	9
COMPONENT A: MAYOR’S FOREWORD	9
COMPONENT B: EXECUTIVE SUMMARY	11
1.1. MUNICIPAL MANAGER’S OVERVIEW	11
1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW	13
1.3. SERVICE DELIVERY OVERVIEW	16
1.4. FINANCIAL HEALTH OVERVIEW	19
1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW	21
1.6. AUDITOR GENERAL REPORT (2013/14)	22
1.7. STATUTORY ANNUAL REPORT PROCESS	23
CHAPTER 2 – GOVERNANCE	24
COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE	24
2.1 POLITICAL GOVERNANCE	26
2.2 ADMINISTRATIVE GOVERNANCE	29
COMPONENT B: INTERGOVERNMENTAL RELATIONS	31
2.3 INTERGOVERNMENTAL RELATIONS	32
COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION	33
2.4 PUBLIC MEETINGS	33
2.5 IDP PARTICIPATION AND ALIGNMENT	42
COMPONENT D: CORPORATE GOVERNANCE	43
2.6 RISK MANAGEMENT	43
2.7 ANTI-CORRUPTION AND FRAUD	45
2.8 SUPPLY CHAIN MANAGEMENT	45
2.9 BY-LAWS	46

Contents

2.10	WEBSITES	48
2.11	PUBLIC SATISFACTION ON MUNICIPAL SERVICES	49
CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)		50
COMPONENT A: BASIC SERVICES 50		
3.1.	WATER PROVISION	50
3.2	WASTE WATER (SANITATION) PROVISION.....	57
3.3	ELECTRICITY.....	60
3.4	SOLID WASTE MANAGEMENT.....	72
3.5	HOUSING & BUILDING CONTROL.....	83
3.6	FREE BASIC SERVICES AND INDIGENT SUPPORT	91
COMPONENT B: ROADS & STORMWATER 94		
3.7	ROADS & STORMWATER.....	94
3.8	LICENSING	105
COMPONENT C: PLANNING AND DEVELOPMENT 110		
3.9	LAND MANAGEMENT.....	110
3.10	LOCAL ECONOMIC DEVELOPMENT	116
COMPONENT D: COMMUNITY & SOCIAL SERVICES 129		
3.10	LIBRARIES; MUSEUM; COMMUNITY FACILITIES.....	129
3.11	CEMETERIES	139
3.12	CHILD CARE; AGED CARE; SOCIAL PROGRAMMES.....	142
COMPONENT E: ENVIRONMENTAL HEALTH SERVICES 148		
3.13	ENVIRONMENTAL HEALTH SERVICES.....	148
COMPONENT G: SECURITY AND SAFETY 154		
3.14	TRAFFIC LAW ENFORCEMENT.....	154
3.15	DISASTER MANAGEMENT	159
COMPONENT H: SPORT AND RECREATION 164		
3.16	SPORT, RECREATION, ARTS and CULTURE	164

Contents

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES	168
3.17 EXECUTIVE AND COUNCIL	168
3.18 FINANCIAL SERVICES	171
3.19 HUMAN RESOURCE SERVICES	180
3.20 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES	185
3.21 LEGAL SERVICES	188
COMPONENT J: ORGANISATIONAL PERFORMANCE SCORECARD	193
CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE	194
COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL	194
4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES	195
COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE	197
4.2 POLICIES	198
4.3 INJURIES, SICKNESS AND SUSPENSIONS	200
4.4 PERFORMANCE REWARDS	203
COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE	204
4.5 SKILLS DEVELOPMENT AND TRAINING	207
COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE	210
4.6 EMPLOYEE EXPENDITURE	211
CHAPTER 5 – FINANCIAL PERFORMANCE	222
COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE	222
5.1 FINANCIAL SUMMARY	223
5.2 GRANTS	226
5.3 ASSET MANAGEMENT	229
5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS	232
COMPONENT B: SPENDING AGAINST CAPITAL BUDGET	237
5.5 CAPITAL EXPENDITURE	237
5.6 SOURCES OF FINANCE	238

Contents

5.7	CAPITAL SPENDING ON 5 LARGEST PROJECTS	240
5.8	BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW	241
COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS		243
5.9	CASH FLOW	243
5.10	BORROWING AND INVESTMENTS.....	244
5.11	PUBLIC PRIVATE PARTNERSHIPS	247
COMPONENT D: OTHER FINANCIAL MATTERS		247
5.12	SUPPLY CHAIN MANAGEMENT	247
5.13	GRAP COMPLIANCE.....	247
CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS		248
COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2012/13 & 2013/14		248
6.1	AUDITOR GENERAL REPORTS 2012/13.....	248
COMPONENT B: AUDITOR-GENERAL OPINION 2013/14		250
6.2	AUDITOR GENERAL REPORT 2013/14.....	250
GLOSSARY		253
ADDENDUMS.....		256
ADDENDUM A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE		256
ADDENDUM B – COMMITTEES AND COMMITTEE PURPOSES		260
ADDENDUM C –THIRD TIER ADMINISTRATIVE STRUCTURE		261
ADDENDUM D – FUNCTIONS OF MUNICIPALITY / ENTITY		263
ADDENDUM E – WARD REPORTING		265
ADDENDUM F – WARD INFORMATION		277
ADDENDUM G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2013/14		278
ADDENDUM H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS		279
ADDENDUM I: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE		280
ADDENDUM I (I): REVENUE COLLECTION PERFORMANCE BY VOTE		280
ADDENDUM I (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE		281

Contents

ADDENDUM J: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES	282
ADDENDUM J (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME	282
ADDENDUM J (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME	286
ADDENDUM K – CAPITAL PROGRAMME BY PROJECT 2013/14	287
ADDENDUM L – CAPITAL PROGRAMME BY PROJECT BY WARD 2013/14	293
ADDENDUM M – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS	295
ADDENDUM N – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION	296
ADDENDUM O – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY	297
ADDENDUM P – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71	297
VOLUME II: ANNUAL FINANCIAL STATEMENTS	298

LIST OF ABBREVIATIONS

ABET	Adult Basic Education and Training
AFS	Annual Financial Statements
APR	Annual Performance Report
BDS	Blue Drop Status
CBO	Community Based Organisation
CCMA	Council for Conciliation, Mediation and Arbitration
CDW	Community Development Worker
CFO	Chief Financial Officer
COGHSTA	Department of Cooperative Governance, Housing, Settlements and Traditional Affairs
COIDA	Compensation for Injury Act
CPMD	Certificate Programme in Management Development
DEAT	Department of Environmental Affairs and Tourism
DLTC	Driver License Testing Centre

Contents

DoC	Drop off Centre (waste)
DSAC	Department of Sports, Arts and Culture
EPWP	Expanded Public Works Programme
ESD	Engineering Services Department
EXCO	Executive Committee
GAMAP	Generally Accepted Municipal Account Principles
GTEDA	Greater Tzaneen Economic Development Agency
GTM	Greater Tzaneen Municipality
GRAP	Generally Recognised Accounting Principles
HDA	Housing Development Agency
HIV	Human Immunodeficiency Virus
IDP	Integrated Development Plan
KPI	Key Performance Indicator
LED	Local Economic Development
LTA	Local Tourism Association
MDM	Mopani District Municipality
MEC	Member of the Executive Committee
MFMA	Municipal Finance Management Act
MFMP	Municipal Finance Management Programme
MIG	Municipal Infrastructure Grant
MPAC	Municipal Public Accounts Committee
MSA	Municipal Systems Act
NDPG	Neighbourhood Development Partnership Grant
NERSA	National Energy Regulator of South Africa

Contents

NGO	Non Governmental Organisation
NMC	National Moderation Committee
NYDA	National Youth Development Agency
OHS	Occupational Health and Safety
PA	Personal Assistant
PMS	Performance Management System
PDP	Professional Drivers Permit
PTH	Personal to Holder
RDP	Reconstruction and Development Programme
SAIMSA	Southern African Inter Municipal Sport Association
SALGA	South African Local Government Association
SALGBC	South African Local Government Bargaining Council
SANS	South African National Standards
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
VIP	Ventilated Improved Pit (toilet)
WACCA	Wage Curve Collective Agreement
WSA	Water Service Authority
WSP	Water Service Provider
YGD	Youth Gender and Disability (Programme/ office)

Chapter 1

CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

I am pleased to present the Greater Tzaneen Municipality’s 2013/14 Annual Report covering the period 1 July 2013 to 30 June 2014. This report provides a measure of our progress in line with our Integrated Developmental Plan (IDP) which is product of high quality consultation between the Municipality and residents. In this report we share our successes and challenges during the year. We also use this report as a tool to deepening our communications with our stakeholders. I would like to take this opportunity to thank the Municipality’s leadership both politically and administratively for their effort in advancing the will of the people. I want to thank all officials from the most junior to the most senior one for your patience, perseverance, dedication and commitment to our strategic objectives. Your hard work, blood and sweat helped us cement our place as one of the province’s best run municipality.

During the 2013/14 financial year the Greater Tzaneen Municipality continued to deliver equitable services to our residents. We have focused on delivering sustainable infrastructure to our communities especially the rural section of our municipality. We continued with the implementation of infrastructure projects. The bulk of which are roads upgrades. We are upgrading roads in various villages from gravel to tar to facilitate effective convenient economic participation for our people. Although we have met challenges along the way, we are extremely confident that all these projects will reach conclusion in no time. I urge our people to exercise patience as they will soon enjoy the benefits of these projects.

Since 1994, GTM in conjunction with Eskom and the Department of Energy has ensured that every village/town in the GTM has access to electricity. In the 2013/14 financial year we continued to connect thousands of households to electricity in villages like Lekgwareng, Mbekwana, Lwandlamuni, Muhlava Cross, Khujwana, Dan ext 2 and many other areas. It is worth noting that these connections are for new extensions and that every village that existed in 1994 has access to electricity.

With our financial and human resources stretched we try to stretch every cent to reach more people and attain more value from money. Growing the economy is one of our strategic priorities. We

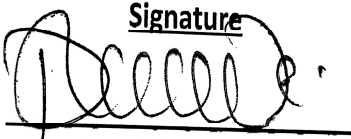
Chapter 1

continually seek partnerships in the development of our municipality both in the public and the private sector. We appreciate the need to foster strong partnerships across all spheres of government and to nurture our partnerships with our stakeholders and communities and to remain relevant and accessible to these stakeholders. We seek to create a platform where community issues, such as new ideas for development or service delivery challenges can be addressed. We are committed to principles of good governance and our goal is to remain transparent in the process of executing our responsibilities. We are also committed to the enhancement our governance process and we wish to translate this into tangible results. These results will include strong financial controls, improved financial performance and most importantly the attainment of an unqualified audit Opinion. To achieve all the above, we require improved performance both politically and administratively, strict adherence to government policy, effective implementation of Council resolutions from administration and unwavering support from our communities. It is every citizen's civic duty to ensure that the greater good of society is protected, harnessed and nurtured. It is in the best interest of each member of the Greater Tzaneen community to unite behind a common purpose of seeing rapid economic growth which results in the creation of new jobs, new business opportunities and safe communities to live in. In conclusion, I want to assure our residents that GTM is still committed to its vision of becoming the most prosperous economy in the country where communities are integrated and have access to sustainable basic services".

Mayor

Her Worship,

Cllr. DJ Mmetle

Signature


Chapter 1

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

During the 2013/14 financial year the importance of inter-governmental relations was clear in the manner in which the performance of the municipality was affected by cooperation and support from other spheres of government. The Integrated Development Planning (IDP) process of GTM suffered due to the non-attendance of Sectoral Departments in the IDP Representative Forum. Although GTM managed to improve the alignment between the Budget and the IDP the implementation of the IDP remains at risk if the municipality cannot integrate and align services with that of the Mopani District Municipality and other Provincial Departments.

Concerning basic service provision the community of Greater Tzaneen has once again indicated that the availability of water is their most important priority. In this regard GTM is working with the Mopani District Municipality (as the Water Service Authority) to improve the delivery of water to those areas that are still without 24 hours access to clean drinking water. GTM has also, once again, secured Blue Drop Certification for water in Tzaneen thereby proving our ability to manage the water service function. GTM experienced a difficult year where the construction of roads is concerned with litigations hampering project implementation. GTM has progressed exceedingly well with the electrification of villages with 91% of households having access to electricity by 30 June '14. The installation of prepaid electricity meters in Tzaneen Town is a new development which is beneficial to the Council and the community. The management of solid waste (refuse) by GTM remained excellent with no disruptions of the service provided to urban households. The minimisation of waste in the rural areas also received attention with the support from the Extended Public Works Programme.

Chapter 1

In terms of good governance GTM had a challenging year but managed to secure a Qualified Audit Opinion from the Auditor General. The municipality experienced cashflow constraints and struggled to streamline the process of procuring goods and services both of which hampered the implementation of planned projects.

Chapter 1

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

Greater Tzaneen Municipality has functions bestowed upon it by the Constitution of the Republic of South Africa (Act no 108 of 1996). Our functions are amongst others as follows:

- As a water service provider, the authority being Mopani District Municipality, Greater Tzaneen Municipality provides water through tankers to villages and areas where there is a shortage. The Municipality also assists with the refurbishment of boreholes in order to provide water to communities.
- The Municipality also provides refuse removal services.
- Provision of electricity.
- Provision of sanitation, in partnership with Mopani District Municipality.
- Provision of road and storm water infrastructure.
- Considering building plans and town planning applications

According to the Statistics South Africa (Census 2011), the Greater Tzaneen Municipality has increased its population from **375 588** to **390, 092** (an increase of 14 504) comprising of **181 558** males (Census 2001, **171 119**) and **208 536** females (Census 2001, **204 469**). Females still outnumber males as they comprise 53% of the population (54% during Census 2001). Young people between the ages of 14 – 35 constitute 40% (**156 900**) of the total population of the Municipality (See **Table 1**).

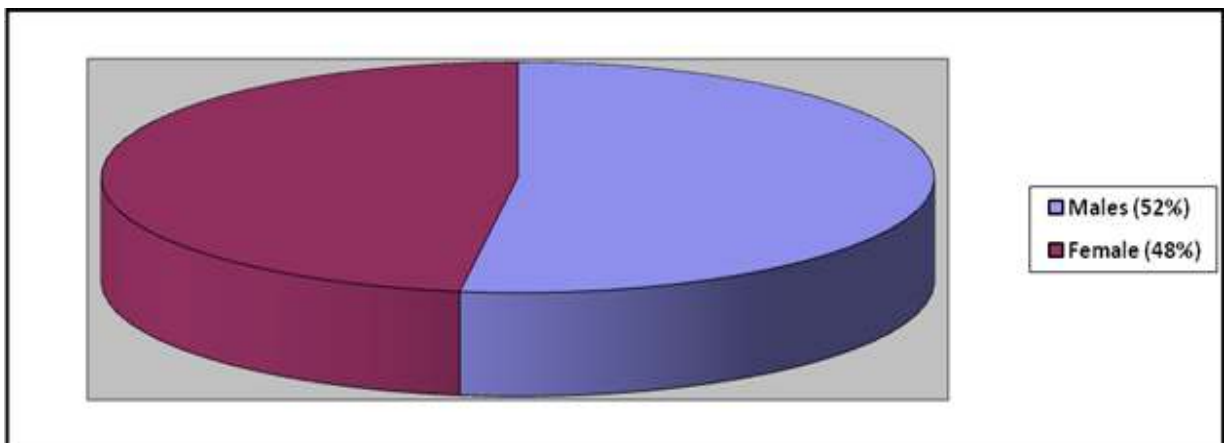
Age Group	2001			2011		
	Male	Female	% of Total	Male	Female	% of Total
Age 0-4	19086	19489	10.3%	24007	24002	13%
Age 5-9	23135	23624	12.4%	18877	18989	10%
Age 10-19	48442	49172	26.0%	40526	39299	21%
Age 20-29	29315	35811	17.3%	35280	37141	19%
Age 30-39	19388	28009	12.6%	20795	26950	13%

Chapter 1

Table 1: GTM Population by gender and age						
	2001			2011		
Age Group	Male	Female	% of Total	Male	Female	% of Total
Age 40-49	13766	19780	8.9%	15236	22583	10%
Age 50-59	9142	10854	5.3%	10241	14761	7%
Age 60-69	4892	8936	3.7%	6220	8763	4%
Age 70-79	3956	8784	3.4%	2856	6335	2.4%
Total	171122	204459	100%	174038	198823	100%

The graph below, **Figure 1**, represents the gender heads of households within the Municipality. According to the Statistics South Africa Census 2011, the Municipality comprises of 108 926 households (Stats Census 2001, 89,831), this represents an increase of 19 092. Males constitute 56 884 heads of households whereas females constituted 52 052. The above information shows a move in the of gender heads of households from females to males.

Figure 1: Household heads by gender, 2011



Source: Stats SA Census 2011

Chapter 1

Year	Housing backlog as proportion of current demand	Unemployment rate	% of Households with no income	% of Population in low-skilled employment	HIV/AIDS prevalence	Illiteracy rate for people older than 14
2008	14 101	20%	29%	Not known	13.00%	Not known
2009	14 145	20%	29%	Not known	28.50%	Not known
2010	13 688	20%	29%	Not known	Not known	Not known
2011	12 590	20%	29%	Not known	Not known	Not known
2012	12590	36%	13.37%	Not known	Not known	Not known

Settlement Type	Households	Population
Towns: (Tzaneen, Letsitele, Lenyenye, Nkowankowa & Haenertsburg)	16433	65734
Villages		
Total of 131 villages	63 468	317 344
Informal settlements	0	0
Total	79 901	383 078

Major Natural Resource	Relevance to the Community
Land	Agricultural development Mining and quarrying Property development Grazing land for domestic and wild animals
Rivers, waterfalls and dams	Water for agriculture Human consumption Tourism development/promotion
Forests	Manufacturing/sawmills Improve biodiversity and biosphere Soil conservation
Nature Reserves	Environmental management Improvement of the eco-system Preservation of indigenous species and animals Tourism

Chapter 1

1.3. SERVICE DELIVERY OVERVIEW

Greater Tzaneen Municipality has a responsibility to provide services to its people. During the 2012/2013 financial year, projects aimed at improving the lives of the local people were implemented in various wards and the Municipality; these are presented in Table 5.

Table 5: Service delivery initiatives 2013/14

Service	Activities
1. Water	<ul style="list-style-type: none"> ✓ An average of 94 villages supplied with water through tankers ✓ More than 75% of the schools in rural areas supplied with water through tankers ✓ 82 new water meters installed ✓ 676 burst water pipes reported and attended ✓ 2000 stands in Dan Village received sewer distribution network
2. Sanitation	<ul style="list-style-type: none"> ✓ 1211 sewer blockages attended ✓ 1 835 m³ of sewer influent treated at Tzaneen wastewater works ✓ 2000 houses at Dan Village reticulated with sewer ✓ 1854 households benefitted from VIP's (this include 36 special VIP for disabled people) ✓ 1200 stands in Tzaneen Extension 70 and 78 were reticulated with water and sewer
3. Electricity	<ul style="list-style-type: none"> ✓ 91% (99 541) of households have access to electricity ✓ 662 households with pre-paid connections
4. Roads and Storm water	<ul style="list-style-type: none"> ✓ Motupa Low Level bridge completed ✓ Thako to Sefolwe low level bridge completed ✓ Nkowankowa Ringroad completed
5. Fleet Management	<ul style="list-style-type: none"> ✓ Purchase of the speakers Car ✓ General repairs and maintenance of all council vehicles within allocated budget.
6. Waste Management	<ul style="list-style-type: none"> ✓ 8 766 urban households serviced weekly ✓ 3 219 rural households serviced periodically
7. Building and Maintenance	<ul style="list-style-type: none"> ✓ Construction of a new carport at the museum. ✓ Provision of additional parking at waste management offices. ✓ Convert HCRW storeroom into offices.

Chapter 1

Service	Activities	
8. Land, Property and Housing	<ul style="list-style-type: none"> ✓ Procurement of land at Politsi for residential development ✓ Extension of Nkowankowa Cemetery 	
9. Library Services	<ul style="list-style-type: none"> ✓ 95, 000 users were assisted at GTM libraries ✓ 75,347 books were circulated ✓ 67 School groups visited the libraries ✓ 513 assignment topics assisted with ✓ 14 Book related events ✓ 3 Holiday programmes hosted ✓ Construction of the Shilovane & Molati Libraries 	
10. Licensing Services	Service	Number/ Value
	Vehicle registration	12333
	Vehicle renewal	52768
	Traffic fine payment	R19 565 630
	Issuing of driving license	18441
	Issuing of learners license	8608
	Issuing of public driver's license	3569

A summary of access to basic services is presented in Table 6:

Financial Year	Service			
	Electricity	Water	Sanitation	Waste collection
2008/2009	70%	53%	13%	9%
2009/2010	81%	76.30%	32.90%	10.20%
2010/2011	82.80%	80%	40.20%	11%
2011/2012	85%	80%	42.02%	12%
2012/2013	89%	72%	44.6%	12%
2013/14	91%	49%	26.22	8%

Ensuring universal access to basic services is entrenched in the Vision of GTM however, budget constraints does not allow for these services to be extended as would be ideal. It is especially in the case of waste collection that the municipal budget is insufficient to fund

Chapter 1

waste removal services in large, sparsely populated rural areas, especially since cost recovery is not yet workable. Mopani District Municipality is the Water Service Authority (WSA) and therefore has authority over water and sanitation service expansion, while GTM is only the Water Service Provider in the 5 formal towns within the our area of jurisdiction. This limits our ability to address the water and sanitation backlogs which are a priority to our rural communities.

Chapter 1

1.4. FINANCIAL HEALTH OVERVIEW

Like many other municipalities in our country Greater Tzaneen Municipality also experience challenges with the provision of service to our community. Sound financial management principals have however been adhered to, to ensure that services are provided economically, sustainably and equitably to all communities. To promote sustainable service delivery Council embarked on the implementation of a range of revenue collection strategies which also optimized the collection of outstanding debts. An amount of R86 million has been levied by way of property tax and R363 million was sourced from services charges. 91.2% of the total service charges were billed during the financial year of which 103.5% was collected.

Apart from revenue collection the Municipality also placed high emphases on the delivery of basic service and the maintaining of infrastructure. An amount R804 million has been spent on operating activities of which 12% or R93 million was used to maintain Council's assets. Council ended the financial year with a cash book balance of R23.8 million, but conditional grant allocations to the amount of R44 million have not been spent during the financial year. It must however be mentioned that a loan (R30 million), budgeted for the financing capital projects, is in progress but has not been taken up yet and that all capital projects have been financed through own funds or grants

Details	Original budget	Adjustment budget	Actual
<i>Income</i>			
Grants	319 159	339 509	464 361
Taxes, Levies and tariffs	457 395	457 395	434 299
Other	74 508	107 756	65 610
Sub Total	851 062	904 660	964 270
<i>Less Expenditure</i>	781 354	794 025	812 178
Net Total*	69 708	110 635	152 092
*Note: surplus/deficit			

Chapter 1

It is evident from the figures contained in Table 7 that there are variances between the budgeted and actual figures. The total budgeted and actual income differs with only 5.4%. With regard to the expenditure, it is confirmed that employee related cost exceeded the budget by R35 million, due to the overspending on overtime payments and leave payments. The provision for bad debt was also overspend by R11 million. This overspending is accommodated by savings on repairs and maintenance, grants and subsidies paid and general expenses. The difference between total budget and total actual expenditure amounts to R10 million or 1.3%.

Detail	2012/13	2013/14
Employee Cost ¹	28.9%	33.7%
Repairs and Maintenance	3.06%	2.61%
Finance Charges and Depreciation	16.0%	12.6%

As presented in Table 8, employee cost represents 33.7% of the total Expenditure which is below the acceptable norm of 35%. Repairs and maintenance represents only 2.61% of the total expenditure, this is due to the fact that the employee cost allocated to operating activities has been taken out of repairs and maintenance cost. If the labour cost is included in the repairs and maintenance cost it represents 9.8% of the total actual expenditure. Finance charges and depreciation represents 12.6% of the total expenditure which is acceptable.

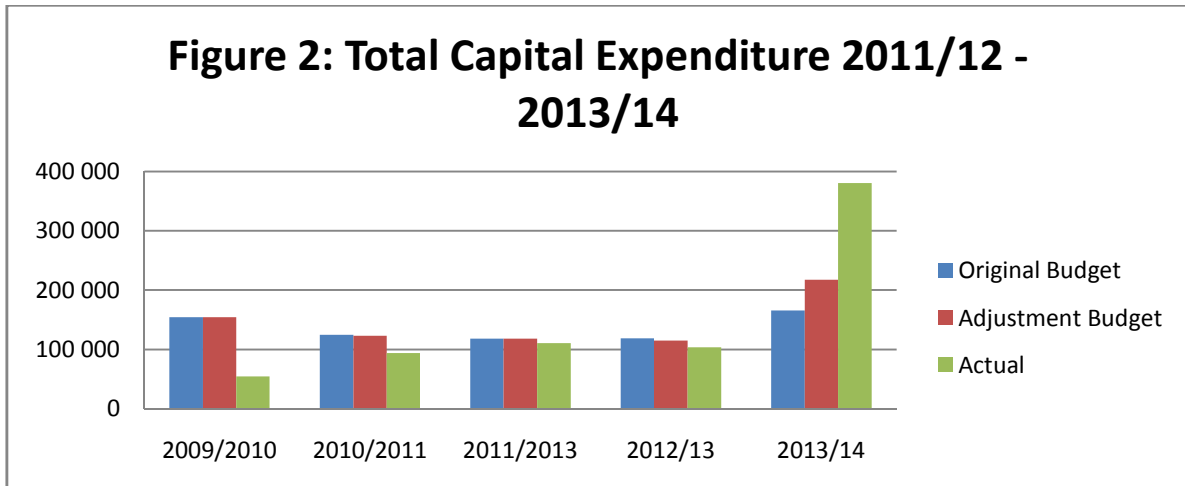
Detail	2009/2010	2010/2011	2011/12	2012/13	2013/14
Original Budget	154 704	124 553	118 376	118 655	165 630
Adjustment Budget	154 704	122 763	118 376	115 091	217 482
Actual	54 627	94 017	111 074	103 550	380 673

The 2013/2014 financial year ended with an actual capital expenditure of R380 673 million, compared to the budget of 165 630 million (also see **Figure 2**), due to the roll-over of

¹ Salaries as percentage of Total Revenue

Chapter 1

projects and also the donated assets as per Gazette no 2372. National Treasury approved a request for roll-over of some of the capital projects, which have not been finalized during the 2012/2013 financial year.



1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

The latest Organizational Design took place during the beginning of 2011 and the Organisational Structure was approved by Council to ensure that it is aligned to the powers and functions to be conducted by the Greater Tzaneen Municipality as well as for the smooth execution of the IDP. However, positions that were not initially part of 2011 Organisational Structure approval were submitted on an ad hoc approval by Council. As on 30 June 2014 a total of 1415 positions were approved of which 690 were filled with 725 vacancies. A comprehensive explanation of this matter can be found in **Chapter 4**. The organisational structure (attached as **Annexure A**) for 2013/2014 was not adopted by Council, as the Municipality is still addressing Salary Disparities dispute, however the proposed Organisational Structure has been finalised at Management level and is therefore awaiting consultation with the Trade Unions (SAMWU and IMATU). In order to for the Municipality to comply with Section 66 of the Municipal System Act (Act 32 of 2000), the Organisational Structure will be approved as soon as the Salary Disparities dispute has been resolved.

Chapter 1

1.6. AUDITOR GENERAL REPORT (2013/14)

The Council is responsible for the preparation of the Annual Financial Statement for each financial year which fairly presents the state of affairs of Council. The 2013/14 Annual Financial Statements of Council were prepared in accordance with Generally Recognised Accounting Practice (GRAP) prescribed in terms of section 91(1)(b) of the Public Financial Management Act.

The Annual Financial Statement as well as the consolidated Annual Financial Statements for 2013/2014 Financial year has been Audited by the Auditor General and their Audit report (attached as [Annexure E\(i\)](#)) was issued to the Mayor and Municipal Manager of Council during December 2014. The GTM received a Qualified Audit opinion which is based on the following:

A. Cash flow statement:

The municipality did not correctly prepare and present the cash flow statement in accordance with GRAP2

B. Revenue:

The municipality did not fully recognise revenue from fines issued amounting to R14 million on a gross Basis as required by GRAP1

C. Receivables :

- Appropriate audit evidence that the municipality assessed individual significant receivable for impairment could not be provided
- The municipality did not have adequate system in place to maintain records of water and sewer transactions performed on behalf of Mopani District Municipality

D. Contingent liabilities

- The municipality did not submit appropriate audit evidence to substantiate contingent liabilities amounting to R28 million

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.	
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise 4 th quarter SDBIP Report for previous financial year	
4	Submit draft Annual Performance Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual performance reports to MM	
6	Audit/Performance Committee considers draft Annual Performance Report of Municipality and entities (where relevant)	July
8	Mayor tables the unaudited Annual Performance Report	August
9	Municipality submits draft Annual Performance Report including consolidated annual financial statements 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 Performance Report including consolidated Annual Financial Statements and Performance data	
12	Municipalities receive and start to address the Auditor General's comments	September - October
13	Mayor tables Audited Financial Statements to Council complete with the Auditor-General's Report	November
14	Audited Annual Report is tabled to Council by the Mayor made public	January
15	Annual Report is made public and inputs/comments are invited	
16	Municipal Public Accounts Committee (MPAC) assesses Annual Report	February
17	Council adopts Oversight report from MPAC	March
18	Oversight report is made public	
19	Oversight report is submitted to relevant provincial Council	

Chapter 2

CHAPTER 2 – GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Municipal Structures Act defines a Municipality amongst other as a structure with political office bearers and administration components; a geographic area; and the community of the Municipality.

In other words, a Municipality consists of a municipal institution (political and administrative structures), and the people who live in the local area. The term can also be used to refer to a local area which falls within a municipal boundary.

Roles

The roles of these two components can briefly be defined by generally outlining key responsibilities mandated by various legislations thereto, without specifically dealing with the provisions of these pieces of law.

Rights and duties of municipal Councils (political component):

The Council of a Municipality has the right to govern, on its own initiative, the local government affairs of our local communities; and to exercise the Municipality's executive and legislative authority without interference. Councils must respect the rights of citizens in the way in which they exercise their powers. Council may finance the affairs of the Municipality by charging fees for services, imposing surcharges on fees or property rates, and (when allowed by national legislation) imposing surcharges on other taxes, levies and duties.

Council has duties as well as rights that, amongst others, include the duties to:

- Exercise their powers and use their resources in the best interests of our communities;
- Provide, without favour or prejudice, democratic and accountable government
- Encourage the participation of the communities;

Chapter 2

- Ensure that municipal services are provided to the communities in an equitable, and financially and environmentally sustainable manner;
- Promote development in the Municipality;
- Promote gender equity;
- Promote a safe and healthy environment in the Municipality; and
- Contribute to the progressive realisation of the fundamental rights contained in the Constitution.

The Municipal Systems Act obliges Council to consult the local community about municipal services. Communities should have a say in the way in which services are delivered; the level of services; the quality of services; and the range of services which are provided.

Duties of Municipal Administrations

The Municipal administration has a number of duties towards our communities, which could be summarised as follows:

- Being responsible for the general administration and accounting of the functionaries of the Municipality;
- Being responsive to the needs of the local community;
- Establishing clear channels of communication with all sectors of the society and governance;
- Informing the local communities about the services which they are entitled to receive; and
- Informing the local community how the Municipality is managed, what it spends its money on, and who is in charge.

The Municipal administration also has the duty to facilitate a culture of public service and accountability amongst staff, and taking measures to prevent corruption. It is therefore expected that the Municipality must fulfil these duties as far as possible, taking into account the budget and capacity they have available.

Chapter 2

2.1 POLITICAL GOVERNANCE

The key functions of the political component in the administration of the Municipality are as briefly explained above.

Oversight Function.

Over and above other legislative requirements that provides for specific actions towards municipal oversight, a Municipal Council remains responsible for the specific oversight of the general administrative work of the Municipality. In as far as specific requirements is concerned, the Municipality did establish the following Committees to play an oversight role on various matters of Municipal work, particularly on fiscal matters:

1. Executive Committee
2. Finance Committee
3. Municipal Public Account Committee (MPAC)
4. Audit Committee



POLITICAL STRUCTURE

MAYOR

Mrs. DJ Mmetle

Function

The Mayor provides political guidance, monitor and oversee the exercise of responsibilities assigned to the Municipal Manager (accounting officer) and the Chief Financial Officer without interfering in the exercise of those responsibilities. Take the reasonable steps to ensure that the Municipality performs its constitutional and statutory functions within the limits of the Municipality's approved budget.



SPEAKER

Mr. Phetole Percy
Machete

The Speaker presides over meetings of the Council, perform the duties and exercise the powers delegated in terms of Section 59 of the Municipal System Act. Ensure that the Council meets at least quarterly, maintain order during meetings. Ensure

Chapter 2

compliance in the Council and Council Committees with the Code of Conduct set out in Schedule 1 of the Municipal System Act, and ensure that Council meetings are conducted in accordance with the rules and orders of Council.



CHIEF WHIP

Mr. Napoleon
Mboweni

The Chief Whip ensures that the strategic direction adopted by the Municipality is in line with the mandate and policy directives of the ruling party. Discuss with the Office of the Speaker the order of the Council. Arrange caucus for the EXCO and Council meetings. Receive and consider applications for leave of absence by Councillors for caucus meetings. Ensures that majority party Councillors submit their programmes to the office of the Speaker and of the Chief Whip for monitoring purposes. Provide political support for the Committee Chairs, to carry out Party political functions in Committees.

EXECUTIVE COMMITTEE

1. Cassius Machimana
2. Rirhandzu Selomo
3. Samson Maunatlala
4. Charlotte Nkhwashu
5. Richard Shingange
6. Sevengwane Nkuna
7. Buku Jack Sekgotodi
8. Morepiwa
Makgomole
9. Rene Pohl

The Executive Committee gives political direction to the executive management team. Provide recommendation to Council in respective of its executive and legislative powers. Work closely in a co-ordinated and co-operative relation with the Municipal Manager. The EXCO and Mayor, within the legislative framework provided by the Municipal Structures Act, the Municipal Systems Act, the Municipal Finance Management Act and subject to Council resolutions, direct and drive the transformation and development of the Municipality.

Greater Tzaneen Municipality has 68 Councillors, 34 Ward Councillors who are directly elected and 34 proportional representation Councillors. The ANC has 59 seats, the DA 5

Chapter 2

seats; Cope 2, ACDP and APC each have a seat. The ANC is in charge of 32 of the 34 wards and the rest is led by the DA. The Executive Committee consists of 10 members, which is chaired by the Mayor. 8 members of the Committee chairs a Portfolio Committee made up of other Councillors and officials. The Mayor, Speaker, Chief Whip, MPAC Chairperson and four other Councillors, who are also part of EXCO, are fulltime Councillors. The Members of the MPAC are as follows:

Cllr. S Mbhalati (Chairperson)

Cllr. G Mabuza

Cllr. TS Manyama

Cllr. M Sibiya

Cllr. J Mokgoloboto

Cllr. S Mahori

Cllr. A van Vuuren

Cllr. G Ghondzweni

Cllr. H Zandamela

Cllr. N Nkwashu

Cllr. D Maake

Cllr. L Mohale

Chapter 2

2.2 ADMINISTRATIVE GOVERNANCE

The Municipal Manager of a Municipality is the Accounting Officer of the Municipality for the purposes of the MFMA 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. GTM had 8 directorates during 2013/14 being:

- Office of the Municipal Manager
- Office of the Budget and Treasury
- Corporate Services
- Community Services
- Electrical Engineering
- Engineering Services
- Planning and Economic Development
- Office of the Mayor

In order to synergize the activities of the political functions in Council an 8th Department, namely, that of the Office of the Mayor was created during the 13/14 organizational review process. This Department was resourced and become operational with effect from 1 July 2013; currently the functions are managed by the Corporate Services Director. It is headed by a Manager (Office of the Mayor) with divisions for Councillor Support and special programs. In the Councillor Support leg the functions of PA, Secretary, Clerk, Mayoral Driver, etc will be found; whilst on the special programs leg, the functions for HIV/AIDS, Gender, Disability and Youth are catered for. The latter is all cross-cutting issues that impacts on all programs/projects of Council.

Chapter 2

TOP ADMINISTRATIVE STRUCTURE



TIER 1

MUNICIPAL MANAGER

Mr. ME Mankabidi

Function

Accounting Officer, Also managing, Integrated Development Planning, Performance Management, Disaster Management, Internal Audit and Risk Management.

TIERS 2 AND 3



CHIEF FINANCIAL OFFICER

Mrs. N Lion

Manage Revenue, Expenditure, Supply Chain and Financial Services, Assets Management and Reporting, Budgeting



DIRECTOR: COMMUNITY SERVICES

Mr OZ Mkhombo

Manage Environmental Health, Cleaning services, waste removal, licensing and testing, law enforcement, parks, cemeteries, recreational facilities, libraries and sports, art and culture



DIRECTOR: ELECTRICAL ENGINEERING

Mr. P van den Heever

Manage Electricity service provision and infrastructure maintenance in service area

VACANT

DIRECTOR: PLANNING & ECONOMIC DEVELOPMENT

Vacant

Manage Town Planning, Housing, Land development, Local Economic Development and tourism



DIRECTOR: CORPORATE SERVICES

Mr. EL Mugar

Manage Legal services, Human Resource, Public Participation, Communication, Administration and Record Management, Marketing, IT and Special Programmes

Chapter 2



DIRECTOR: ENGINEERING SERVICES

Ms. D Malatji

Manage Water, Sanitation, Roads and storm water service provision and maintenance, fleet and municipal buildings.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

The MSA Section 3 (Act 32 of 2000) requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisaged in the Constitution S41. The Municipality, as a third sphere of government, continues to work and cooperate with the other spheres of government in the country. The Municipality, through various representatives from administration and the political wing, attend District and Provincial intergovernmental forums. These forums play an important role in enhancing

Chapter 2

cooperative governance and intergovernmental relations within the three spheres of government. Through these forums, a sphere of government are able to integrate plans and programmes to ensure that service delivery is improved and challenges are addressed in time.

2.3 INTERGOVERNMENTAL RELATIONS

The enactment of the Intergovernmental Relations Act, Act no. 13 of 2005, has ushered in the era of cooperative governance in our country. It is in light of this that the Greater Tzaneen Municipality participated and/or was represented in the forums at different levels, i.e. National, Provincial, District and Locally. The forums such as the National SALGA Membership Assembly, the National Municipal Managers' forum were attended in order to share and keep abreast of strategic information regarding local government. Greater Tzaneen Municipality also participated in the provincial intergovernmental structures such as the Premier's IGF, Provincial Municipal Managers' forums, CFO's forums, Planning and Economic Development forum.

The Municipality, through various representatives from administration and the political wing, was also able to attend district forums such as the District Intergovernmental Forums, District Mayor's Forum, District Municipal Managers Forum, District Speaker's Forums and the District Development Planning Forum. Through these forums, the Municipality was able to benefit by learning from other municipalities in terms of best practice and also to guide the district in terms of service delivery priorities and priority areas in Greater Tzaneen Municipality.

Chapter 2

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4 PUBLIC MEETINGS

The Municipality is obliged through amongst other legislation such as the Municipal Systems Act, act no. 32 of 2000, to involve communities and community stakeholders in the affairs of the Municipality. Therefore, municipalities are stakeholder driven in character and nature.

It is against this backdrop that the Greater Tzaneen Municipality has developed a system of community participation and communication in order to achieve its objective of public accountability and transparency. Critical service delivery units were established in order to realize this task namely, Council Support, Public Participation, Communication and IDP. The following are public participation and communication avenues that are available;

- Quarterly Community report back meetings by Ward Councillors
- IDP/Budget
- Ward Committee monthly assessment meetings
- Annual Mayoral Address
- Half year Progress Report by the Mayor
- Annual IDP/Budget community and focused groups' consultation meetings

To this end, our Municipality has never received a negative reaction from the MEC COGHSTA, the MEC Treasury, Minister Treasury, stakeholders, or the community in general on the processes required for the adopting of the IDP/Budget or any other policy of Council. Key to our public communications and participatory initiatives, we have established and produce the following interactive mediums:

- Face book Page – Greater Tzaneen Municipality
- GTM Website – www.tzaneen.gov.za, updated weekly
- Complaints and Compliments Box – at the foyer of the Municipal offices

Chapter 2

- Report from Presidential and Premier's Hotlines

The impact that this medium has had was that it put our Municipality in direct, daily contact with our communities and stakeholders, hence receiving information when it matters most, where it matters most. The participatory system of Greater Tzaneen has further changed because ward Committees were established from community stake holders. In this instance the stakeholder forum cluster forums which are responsible to draft ward Committee programmes, interrogate monthly ward reports and also monitor the issues from ward Committees to the community. The accountability of the participatory Committee now is improved. The clusters are also managed by political heads, who are full time Councillors, to manage issues from community directly.

Greater Tzaneen Municipality has also established a Representative Forum consisting of Councillors, representatives from Ward Committees, NGO's, CBO's, Sector Departments. According to the IDP/Budget and PMS process plan (which is reviewed annually) this forum must meet at least once per quarter to consider the IDP, service delivery progress reports and make inputs into these three processes. During 2013/14 this forum convened 4 times throughout the year. It must however be mentioned that, in order to strengthen the participatory process 2 other participatory processes are embarked on, on an annual basis:

- Ward needs analysis conducted on a ward level during the Analysis phase of the IDP
- Ward based budget contact sessions where the draft budget is presented to the wards with an opportunity for community members to make inputs into the budget prior to finalisation.
- MPAC Public Hearings on the Annual Report

The IDP Representative forum is not as effective as we would like it to be, since documentation is usually not available to forum members prior to meetings. Service Delivery reports are also not submitted to this forum on a regular basis. This is something that GTM wants to improve on. It must further be noted that the IDP, Budget, SDBIP and

Chapter 2

Annual Report of Council is placed on the GTM website: www.tzaneen.gov.za for the public to view. Hard copies of these documents are also made available at Thusong Centres, Libraries and Traditional Authority offices.

The participatory system of Greater Tzaneen has changed because ward Committees was established from community stakeholders. In this instance the stakeholders forms cluster forums which are responsible to draft ward Committee programmes, interrogate monthly ward reports and also monitor the issues from Ward Committee to the community. The accountability of the participatory Committee has now improved. The clusters are also managed by a political head who manage issues direct from community on a fulltime basis.

Chapter 2

Table 11: Public meetings held during 2013/14

Nature & purpose of meeting	Date	Number of Councillors in attendance	Number of Municipal Officials in attendance	Number of Community Members in attendance	Dates and manner of feedback given to the community
Mayoral Public Participation					
None (Programme Developed but not implemented due to political changes)					
IDP/Budget Consultative Meetings					
Cluster level consultative sessions to get community input mainly on the Draft Budget and IDP.	15/04/2014	5	14	115	IDP/Budget Public Participation. Nkowankowa community hall
	15/04/2014	10	9	61	IDP/Budget Public Participation. Senopelwa Assemblies of God
	16/04/2014	9	13	56	IDP/Budget Public Participation. N'wamitwa TA
	22/04/2014	7	11	57	IDP/Budget Public Participation. Nkowankowa community hall
	22/04/2014	1	11	118	IDP/Budget Public Participation. Lenyenye community hall
	15/05/2014	10	9	154	IDP/Budget Public Participation. Bulamahlo TSC
IDP Representative Forum (MM)					
To serve as a platform for stakeholders to input and	22/08/2013	15	12	65	IDP/Budget Process Plan (Phase 0 and Analysis phase), Nkowankowa community hall

Chapter 2

Table 11: Public meetings held during 2013/14

Nature & purpose of meeting	Date	Number of Councillors in attendance	Number of Municipal Officials in attendance	Number of Community Members in attendance	Dates and manner of feedback given to the community
comment on matters of development planning and resource allocation	06/11/2013	9	6	64	IDP/Budget Strategies and Project Phases, Lenyenye community hall
	06/03/2014	20	18	99	Presentation of the 2014/15 IDP Draft (Integration phase), Nkowakowa community hall
	26/05/2014	33	16	50	Presentation of the 2014/15 IDP Final (Approval phase), Lenyenye community hall
COMMUNITY OUTREACH PROGRAMME					
None					

Chapter 2

The four clusters of GTM being Lesedi, Bulamahlo, Runnymede and Relela have each established a cluster forum which will deal specifically with communities in and around the clusters with regard to the service rendered by the Municipality. These clusters also play an oversight role while strengthening the participation of these communities in service delivery. Service delivery priorities as identified through participatory processes are presented in **Table 12** below:

Table 12: Service Delivery priorities per ward (Highest Priority first)		
Ward	Priority name and detail	Progress during 2013/14
1	Provision of water and grading of Internal streets	Water remains a challenge; however, the Municipality is delivering water through tankers as a way to alleviate the problem. Streets are being graded through a municipal wide ward programme
2	Provision of water and a construction of a clinic	Water remains a challenge; however, the Municipality is delivering water through tankers as a way to alleviate the problem. A clinic has not yet been constructed. The priority has been submitted to the Department of Health as it falls within their function.
3	Provision of water pipelines at Ga-Wally and Radoo, grading of internal streets at Ga-Wally, provision of bridge on Radoo graveyard road and tarring of road from Xihoko to Radoo	Water remains a challenge; however, the Municipality is delivering water through tankers as a way to alleviate the problem. Streets are being graded through a municipal wide ward programme. The bridge has not yet been constructed and the road from Xihoko to Radoo not yet tarred.
4	Provision of Water	Water remains a challenge; however, the Municipality is delivering water through tankers as a way to alleviate the problem.
5	Provision of water and grading of Internal streets	Water remains a challenge; however, the Municipality is delivering water through tankers as a way to alleviate the problem. Some streets have been graded through a municipal wide ward programme.
6	Provision of water	Water remains a challenge; however, the Municipality is delivering water through tankers as a way to alleviate the problem.
7	Provision of water at Kheopeng and Moruji, grading of internal streets and the tarring of Mavele to Moruji road	Water remains a challenge; however, the Municipality is delivering water through tankers as a way to alleviate the problem. Some streets have been graded through a municipal wide ward programme. The Mavele to Moruji road has been budgeted for by the Mopani District Municipality for implementation during the 2013/14 financial year. Phase one has been completed.
8	Provision of water	Water remains a challenge; however, the Municipality is delivering water through tankers as a way to alleviate the problem.

Chapter 2

Table 12: Service Delivery priorities per ward (Highest Priority first)		
Ward	Priority name and detail	Progress during 2013/14
9	Provision of water, grading of internal streets and construction of a bridge	Water remains a challenge; however, the Municipality is delivering water through tankers as a way to alleviate the problem. Some streets have been graded through a municipal wide ward programme. The bridge is budgeted for implementation during the 2015/2016 financial year
10	Provision of water	Water remains a challenge; however, the Municipality is delivering water through tankers as a way to alleviate the problem.
11	Provision of water and the tarring of Thapane to Moruji road	Water remains a challenge; however, the Municipality is delivering water through tankers as a way to alleviate the problem. The Thapane to Moruji Road planned for 2013/14 and the first portion has been tarred.
12	Construction of a bridge to Lwandlamuni school, speed humps and provision of water	The Khubu to Lwandlamuni low level bridge is budgeted for implementation during the 2014/15 and 2015/16 financial years ,Speed humps has been constructed and water remains challenge, however, Municipality is delivering water through tankers as a way to alleviate the problem
13	Provision of houses	Farm houses have not yet been provided to Mieliekloof and Tarentaal communities
14	Tarring of road from Tzaneen/Modjadjiskloof to Politsi, Electricity, water and Houses at Maribethema and Politsi	The road from Tzaneen/ Modjadjiskloof to Politsi is under construction, Water remains a challenge, and however, Municipality is delivering water through tankers as a way to alleviate the problem. Maribethema has been electrified in during 2013
15	Water & Electricity Supply capacity	The issue of water remains a challenge in town and in terms of electricity capacity; the Municipality has budgeted about R 75 million for the upgrading of electricity network over the next three years, until the 2015/16 financial year.
16	Provision of water	Water remains a challenge; however, Municipality is delivering water through tankers as a way to alleviate the problem.
17	Provision of water at Mokgoloboto and grading of internal streets at Dan	Water remains a challenge; however, Municipality is delivering water through tankers as a way to alleviate the problem. Internal streets in Dan have been graded through a municipal wide ward programme
18	Provision of water and the connection of tar road to R36 road	Water remains a challenge; however, Municipality is delivering water through tankers as a way to alleviate the problem. The road has not yet been connected to R36 road
19	Tar road to graveyard	Tar road to graveyard constructed.
20	Tar road from TEBA to Dan Clinic and the grading of internal streets.	Tar road constructed. Streets are being graded through a municipal wide ward programme.
21	Tarring of internal streets.	Internal streets not yet tarred.
22	Construction of Gavaza to Mafarana tar road and the grading of internal streets	Gavaza to Mafarana tar road is budgeted for implementation during the 2014/15 financial year. Streets are being graded through a municipal wide ward programme.
23	Provision of water, houses	Road to Shipungu regravelled and its now in good condition. Water remains a

Chapter 2

Table 12: Service Delivery priorities per ward (Highest Priority first)		
Ward	Priority name and detail	Progress during 2013/14
	and grading of internal streets	challenge; however, Municipality is delivering water through tankers as a way to alleviate the problem. Hundred (100) houses constructed in Mariveni and streets are being graded through a municipal wide ward programme
24	Provision of water and tar road from Khopo to Letsitele	Water remains challenge, however, the Municipality is delivering water through tankers as a way to alleviate the problem and the road from Khopo to Letsitele tar road is budgeted for implementation during the 2014/15 and 2015/16 financial years.
25	Provision of water	Water remains a challenge; however, the Municipality is delivering water through tankers as a way to alleviate the problem.
26	Provision of water	Water remains a challenge; however, the Municipality is delivering water through tankers as a way to alleviate the problem.
27	Grading Makhubidung to Sekoto internal street tar and Serututung via Makhubidung to Shoromong tar road.	Internal streets are being graded through a municipal wide ward programme and the road from Serututung via Makhubidung to Shoromong has not been tarred.
28	Dr CN Phatudi via Pharare to Mokgapeng tar road and provision of water at Gavaza, Burgersdorp and Mineview	The road from Dr CN Phatudi via Pharare to Mokgapeng not tarred. Water remains challenge; however, the Municipality is delivering water through tankers as a way to alleviate the problem.
29	Provision of water	Water remains a challenge; however, the Municipality is delivering water through tankers as a way to alleviate the problem.
30	Construction of a bridge between Nabane and Tickyline and the grading of internal streets	Bridge not yet constructed and Streets are being graded through a municipal wide ward programme.
31	Development of a new Lenyenye cemetery and supply of water 24 hours a day	The cemetery has been constructed and is operational although the site is too small. The supply of water, 24 hours a day, remains a challenge.
32	Provision of water and grading of Internal streets	Water remains a challenge; however, the Municipality is delivering water through tankers as a way to alleviate the problem. Internal streets are being graded through a municipal wide ward programme
33	Bokgakga to Mogoboya tar road, Internal street, provision of water (Bokgakga) and Houses	The tar road from Bokgakga to Mogoboya has been completed. Streets are being graded through a municipal wide ward programme. Water remains a challenge; however, the Municipality is delivering water through tankers as a way to alleviate the problem. Houses not yet constructed.

Chapter 2

Table 12: Service Delivery priorities per ward (Highest Priority first)		
Ward	Priority name and detail	Progress during 2013/14
34	Provision of water and the construction of tar road on the Lephepane to Khujwane road	Water remains a challenge, however, the Municipality is delivering water through tankers as a way to alleviate the problem and the road from Lephepane to Khujwane has been completed

Chapter 2

2.5 IDP PARTICIPATION AND ALIGNMENT

Table 13: IDP participation and alignment criteria	
Criteria	Yes/no
Does the Municipality have impact, outcome, input and output indicators?	Partially
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?	No
Does the budget align directly to the KPIs in the strategic plan?	No
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 the stipulated timeframes?	No

The participation of the public in the IDP is the key to ensuring community buy-in into the processes of planning and budgeting, the functionality of the IDP Representative forum is however of concern since major stakeholders such as sectoral departments fail to attend. GTM also has to improve on the logistical arrangements and provide training for community representatives. The alignment of the SDBIP and IDP for 2013/14 has shown a marked improvement from the previous year with hardly any non-alignment issues highlighted by COGHSTA. The Auditor General did however highlight challenges in relation to the measurability of performance measures, which has to be improved on.

Chapter 2

COMPONENT D: CORPORATE GOVERNANCE

Corporate Governance has a broad scope. It includes both social and institutional aspects. Corporate Governance encourages a trustworthy, moral, as well as ethical environment. Corporate Governance ensures transparency which guarantees strong and balanced economic development. This also ensures that the interests of all stakeholders are safeguarded and that all stakeholders fully exercise their rights since, the organization fully recognizes these rights.

2.6 RISK MANAGEMENT

Risk management is an essential component of good governance which every institution should have and manage. Section 62(1) (c) (1) of the MFMA (Act 56 OF 2003) requires that the accounting officer must maintain effective, efficient and transparent system of financial and risk management and internal control. Risks can be maintained effectively if institutions establish risk units and appoint risk officers who can take charge of the risks and report to the Risk Committee timorously. A risk unit was established in April 2013. The unit developed policies and facilitated Risk Assessment Workshops from April to June 2013. Service departments play an important role in Risk Management as it is their responsibility to manage risks. This must be done by developing an effective system of internal controls to minimise risks within their sphere of operations. They are invited to participate in the risk assessment process on an annual basis, by identifying risks within their departments. The strategic risks identified for 2013/14 is presented in **Table 13** below:

	Risks	Root Cause	Mitigation/Required Action	Department Responsible
1	Insufficient maintenance of roads and storm water	Shortage of staff, inadequate machinery	Filling of vacant posts and acquiring more machinery	Engineering Services-Roads and Storm water

Chapter 2

Table 13: Strategic Risks for 2013/14

	Risks	Root Cause	Mitigation/Required Action	Department Responsible
	infrastructure			
2	Non existence of infrastructure master plans	Budget constraints and capacity	GTM to engage MISA (a unit at COGHSTA) to assist in developing the plan	All Departments
3	Lack of financial resource to acquire privately owned land	Privately owned land overpriced	GTM to budget or request assistance from Housing Development Agency (HDA) or COGHSTA to upgrade existing settlements	PED-Housing
4	Electrical explosion due to outdated electrical equipments	Budget Constraints	Servicing and replacement of electrical equipments to be done and be included in 2014/2015 budget.	Electrical Engineering
5	Lack of marketing strategies to attract investors	Inadequate capacity in LED	Development of marketing strategies to attract investors	PED: LED & GTEDA
6	Failure to discover Municipality data	Lack of Disaster Recovery & Business Continuity Plans	Development of DRP and BCP. Management to identify Disaster Recovery site.	Corporate Services: Information Technology
7	High legal fees paid	Lack of control to prevent the flow of litigations and other legal related fees at the Municipality	Payments of legal fees must be made in line with scales from Law society, Attorney's Act and Advocate's Act.	Corporate Services: Legal

Quarterly progress reports, based on the strategic and operational risk registers are submitted to the Risk Committee and Council.

Chapter 2

2.7 ANTI-CORRUPTION AND FRAUD

Fraud and anti-corruption strategies and policies are also component of good governance. The Municipality has a fraud and anti-corruption policy, which was approved in June 2013 and although an Anti-Corruption committee was established in November 2013 it was not effective. GTM also has a Supply Chain Management Policy, which provides for the separation of Committees such as the Specification Committee, Evaluation Committee, Adjudication Committee and eventually the approval by the accounting officer. Councillors are excluded from participating in any of the above mentioned Committees. The Municipality also has an established internal audit unit and a shared Audit Committee with the Mopani District Municipality, of which the members are non municipal employees or Councillors. Recommendations of audit Committee are contained in [ADDENDUM G.](#)

2.8 SUPPLY CHAIN MANAGEMENT

The Constitution, MFMA Chapter 11, SCM Regulations 2011, PPPFA as incorporated by BBBBEEA 2011 and relevant Treasury practice notes and circulars as set out are used by the institution to comply with the prescripts. They all contributes to the successful procurement of goods and services, and minimizes the opportunities for fraud and corruption. In the financial year 2013/2014 the Council has approved the SCM Policy (May of 2014) as required by prescripts, and will annually review and implement the Policy. It should also be noted that the Policy covers all aspects required by prescripts relevant to the same. The Policy covers all elements that should form part of the policy, these include:

- Demand Management
- Acquisition Management
- Logistics Management
- Disposal Management
- Risk Management and
- Performance Management

Chapter 2

It should further be noted that in terms of corporate governance the unit is compliant and that during 2013/14 the policy will be subjected to a review.

Other Financial Matters

- The Unit is currently outsourcing a database system, which will contribute to full compliance with the set prescripts and ensure that the unit is well functioning. This, in itself, will have a financial impact.
- The function of requesting for quotations has been centralised within the SCM Unit to avoid abuse of the system
- The training of bid Committees and SCM officials were implemented during 2013/14 and during 2014/15 Municipality will train both SCM official and committee members to capacitate the members and officials in the daily running of the SCM processes.

2.9 BY-LAWS

During the year under review, no By-Law was revised due to Budget Constraints; however, provision will be made for the 2013/2014 financial year.

Table 14: By-laws introduced during 2013/14

By-law	Revised	Newly Developed	Public participation conducted prior to adoption (yes/no)	Date of public participation	By-Law gazetted	Date of publication
Advertisement By Law	n/a	Yes	No	n/a	No	n/a
Aerodrome By Laws	n/a	Yes	No	n/a	No	n/a
Cemetery By Laws	n/a	Yes	No	n/a	No	n/a

Chapter 2

Table 14: By-laws introduced during 2013/14

By-law	Revised	Newly Developed	Public participation conducted prior to adoption (yes/no)	Date of public participation	By-Law gazetted	Date of publication
Fire Brigade By Laws	n/a	Yes	No	n/a	No	n/a
Education Loans By-Law -	n/a	Yes	No	n/a	No	n/a
Environmental By-Law	n/a	Yes	No	n/a	No	n/a
Nuisance By-Law 20 December 2013	n/a	Yes	No	n/a	No	n/a
Outdoor Advertising Signage By law	n/a	Yes	No	n/a	No	n/a
Public Transport By-laws	n/a	Yes	No	n/a	No	n/a
Credit and Debt Collection By-Law	n/a	Yes	No	n/a	No	n/a
Dog Licence By laws Draft 1	n/a	Yes	No	n/a	No	n/a
Drainage By Laws	n/a	Yes	No	n/a	No	n/a
Electricity By Laws	n/a	Yes	No	n/a	No	n/a
Financial By Laws	n/a	Yes	No	n/a	No	n/a
Flammable Liquids Draft 1	n/a	Yes	No	n/a	No	n/a
Health for Pre-Schools By-laws 07 January 2014	n/a	Yes	No	n/a	No	n/a
Keeping of Animals By-laws Draft 1	n/a	Yes	No	n/a	No	n/a
Library By Law	n/a	Yes	No	n/a	No	n/a
Public Amenities By Law Draft 1	n/a	Yes	No	n/a	No	n/a
Refuse By Laws	n/a	Yes	No	n/a	No	n/a
Rules of Order v3	n/a	Yes	No	n/a	No	n/a

Chapter 2

Table 14: By-laws introduced during 2013/14

By-law	Revised	Newly Developed	Public participation conducted prior to adoption (yes/no)	Date of public participation	By-Law gazetted	Date of publication
Street Trading By Law	n/a	Yes	No	n/a	No	n/a
Tariff By Laws	n/a	Yes	No	n/a	No	n/a

2.10 WEBSITES

The website was revamped following the guidelines of the MFMA (Section 75). Documents and pages are updated regularly. Compliance with the MFMA is ensured by continuously liaising with all divisions which are responsible for posting information in the website.

Table 15: Municipal Website: Content and Currency of Material

Documents published on GTM website	Yes/No	Publishing date
Current and annual adjustment budget related documents	Yes	2 June '13
All current budget related documents	Yes	2 June '13
2012/13 Annual Report	Yes	10 Feb '14
2013/14 performance agreements and plans for Section 57 Managers	Yes	20 May 2014
All service delivery agreements for 2013/14	No	n/a
All long-term borrowing contracts for 2013/14	No	n/a
All Supply Chain Management contracts above a prescribed value (given value) for 2013/14	No	n/a
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 2013/14	No	n/a
Contracts agreed on in 2013/14 to which subsection (1) of Section 33 apply, subject to Subsection (3) of that Section	No	n/a
Public-private partnership agreements referred to in Section 120 made in 2013/14	No	n/a

Chapter 2

Table 15: Municipal Website: Content and Currency of Material

Documents published on GTM website	Yes/No	Publishing date
All quarterly reports tabled in Council in terms of Section 52(d) during 2013/14	Yes	18 June '13

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

No customer satisfaction survey was conducted during 2013/14 due to financial constraints; therefore the level of public satisfaction is not certain.

Chapter 3

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

This chapter contains service delivery results for 2013/14 relating to the various functions performed by GTM. For a summary of service delivery achievements refer to the Executive summary of the Municipal Manager.

COMPONENT A: BASIC SERVICES

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

3.1. WATER PROVISION

Greater Tzaneen Municipality (GTM) had signed a Water Services Provider contract with Mopani District Municipality (MDM) on the 9th of June 2011. MDM is the Water Services Authority (WSA) and according to this contract MDM will provide bulk water services to GTM while GTM will provide water services to the consumers and collect revenue. Approximately 70% of the GTM area consists of rural villages where water provision is not yet on the acceptable level. It should be noted that, since all water assets have been transferred to MDM, a detailed report regarding the expenditure on water will be contained in their Annual Report. This section will only reflect on those aspects managed by GTM, on behalf of the WSA. **Table 16** presents water service delivery output for 2013/14.

No	Water Works	Water Quota in m ³	Abstracted in m ³	Pumped in m ³	Plant loss in %	R/ m ³
1	Georges Valley	2370000	3321835	3212736	3.28	0.42
2	Tzaneen Dam	1230000	1823841	1744831	1.2	0.33
3	Letsitele	418269.96	249788	338225	3.7	0.38

Chapter 3

Table 16: Water provided during 2013/14

No	Water Works	Water Quota in m ³	Abstracted in m ³	Pumped in m ³	Plant loss in %	R/ m ³
4	Boreholes	0	101464	101464	0	0
	Total	4018270	5496928	5397256	8.18	1.1

There are eleven Water Treatment Works within the jurisdiction of Greater Tzaneen Municipality. There are also more than 300 boreholes drilled to augment the existing water sources. These are managed and operated as follows: Three (3) waterworks operated by GTM, three (3) water works operated by Lepelle Northern Water and five (5) operated by MDM. These waterworks as well as boreholes are unable to provide basic water to 108 926 households evenly in GTM. The majority of the households are in rural areas (126 villages) where water are to be supplied through boreholes and waterworks which are either dry or not receiving regular maintenance or not maintained at all. Some waterworks were designed for a small community and now, with the current growth rate, the works cannot cope with the demands. Dysfunctional boreholes and waterworks compelled GTM to provide water, especially in villages, through water tankers. This arrangement was made as a temporary measure but eventually extended as various boreholes in villages, clinics and schools were found to be dry.

GTM has been allocated 3,600,000 m³ of water from Tzaneen and Ebernezer dams. Letsitele Water works has an allocation of 418 290 m³ per annum. The growth rate from 2007 had seen the allocation being insufficient. Application for an increase to 6,000,000 m³ from both Ebernezer and Tzaneen dams had not been successful since the both dams are said to be over allocated. The capacity of the waterworks are also at their maximum. The Infrastructure Potfolio Committee had recommended, after holding cluster meetings, that the list of water and wastewater works to be upgrade be sent to Mopani District Municipality as WSA for consideration and prioritization. Five villages, Mariveni, Khujwana, Tours,

Chapter 3

Nkambako and Fobeni were recommended by the Portfolio Committee to be prioritised as households to be connected with water in the yards and be metered for cost recovery. The recommendation was backed by an understanding that the villages are close to waterworks and have consistent water supply.

Financial Year	Agriculture	Forestry	Industrial	Domestic	Water Losses
2008/2009	Not known	Not known	384653	7055971	12%
2009/2010	Not known	Not known	356720	7459927	7%
2010/2011	Not known	Not known	293122	143964	11%
2011/2012	Not known	Not known	511932	6812885	9%
2012/2013	Not known	Not known	1029166	7600712	16.3
2013/2014	Not known	Not known	1430675	4809142	11.2

Level of access	2011/2012		2012/2013		2013/14	
	Nr of Households	% of Total	Nr of Households	% of Total	Nr of Households	% of Total
Piped water inside house	13798	14	17292	15.9	17374	16
Piped water inside yard	21545	21.74	21168	19.4	21148	19
Public standpipe within 200m	18432	18.6	15315	14.1	15305	14
Public standpipe further than 200m	15790	16	23264	21.4	23248	21
Other (Below minimum level)	28930	29.2	31631	29	31601	29
No water supply	622	0.63	256	0.2	254	0
Total Households	99117	100	108926	100	108926	100
Nr of Households receiving Free Basic water	2 003		1 743		1 743	
Nr of Households receiving 24hr piped water	34 553	34.86	53 775	49.3	53857	49.44
Budget allocation for water supply	R 2 750 000		R 2 750 000		R 2 750 000 ²	

² MDM allocation to GTM

Chapter 3

Table 19: Targets for providing access to water

Year	Water Access Target (HH)	Cost
2014/15	300	R 3, 500,000
2015/16	1200	R 14, 000,000
2016/17	2000	R 35, 000,000

Figure 3: Household Access to Water (%)

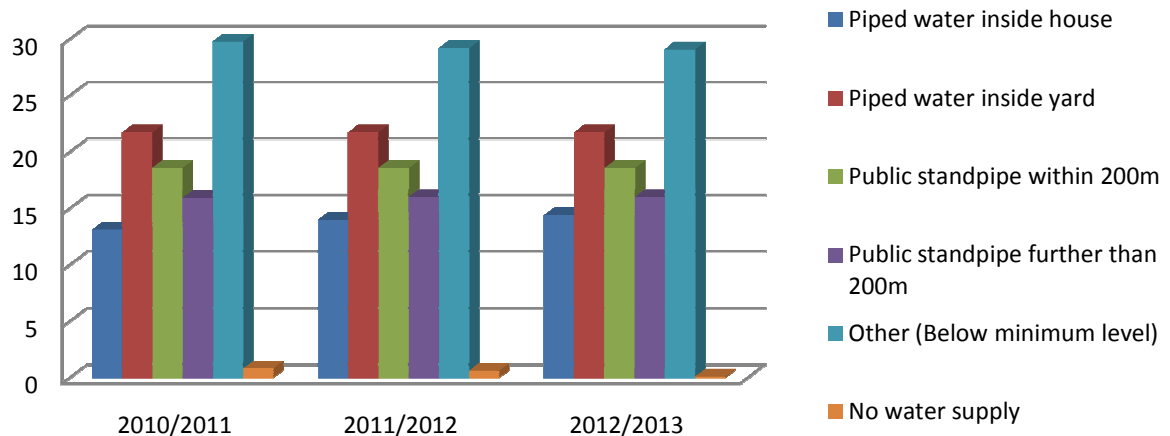
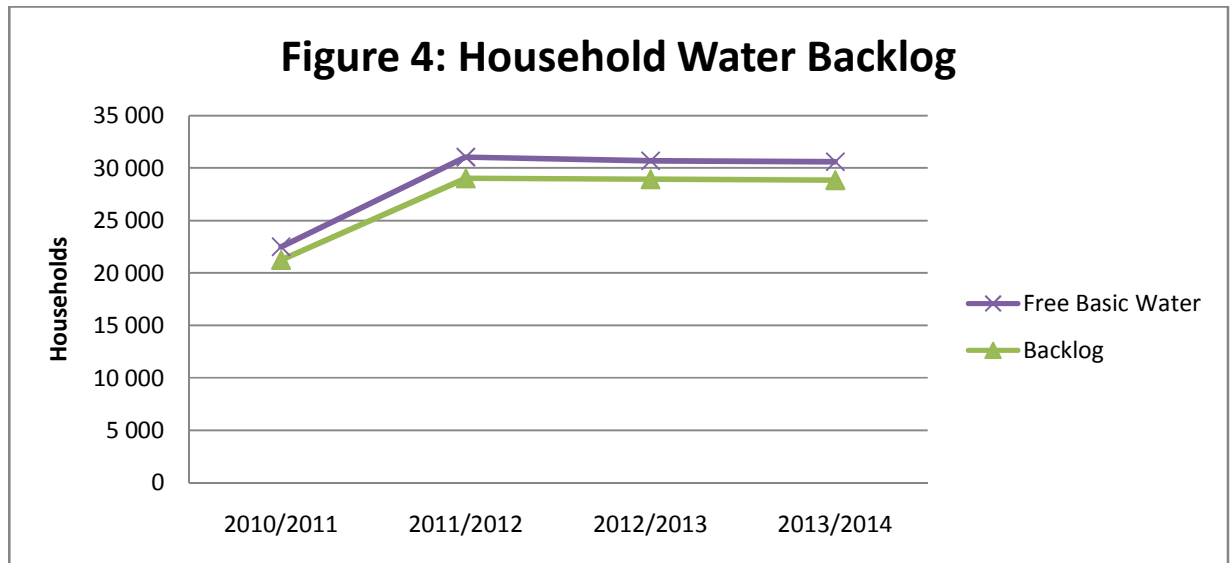


Table 20: Households receiving Free Basic Water,

Year	Total Households	Receiving Water	Backlog	Free Basic Water
2010/11	89 831	68 589	21 242	1 254
2011/12	99 117	70 092	29 025	2 003
2012/13	99 117	70 187	28 930	1 743
2013/14	108 926	80 078	28 848	1 743

Chapter 3



Greater Tzaneen Municipality had retained its Blue Drop (Drinking Water Quality) status for the third year running. The awards (Gold category) which were handed over by Deputy Minister of Water Affairs, Ms. Joyce Mabudafhasi at the Cape Town International Conventional Centre (ICC) on the 7th of May 2012 are for Tzaneen and Letsitele Water systems. GTM is one of only two local municipalities to be certified Blue Drop in Limpopo and one of only 98 nationally. The systems (starting from abstraction to the tap), which produce a combined 25 mega million litres, had to meet the following requirements.

1. Water Safety Plan Process and Incident Report Management
2. Process Control, Maintenance and Management Skill
3. Drinking Water Quality Monitoring Programme
4. Drinking Water Sample Analysis Credibility
5. Submission of Drinking Water Quality Results
6. Drinking Quality Compliance
7. Publication of Drinking Water Quality Management Performance

The awards indicate GTM's high level of professionalism, performance and compliance. They will also boost GTM's tourism prospects and investment. The Blue Drop Status (BDS) is recognized globally and has a potential to allay tourist fears of contacting Water Borne

Chapter 3

Diseases when drinking or using water. High water quality is also essential for the production of food and beverages, hence ensuring GTM's commitment in ascertaining a quality of human life.

Water and wastewater treatment works which needed upgrade were recorded, to be sent to Water Services Authority for them to include in their budget. The outcome of water samples taken for Blue Drop certification is presented in the tables below:

Chapter 3

Determinants	Tzaneen	Nkowankowa	Letsitele	Haenertsburg	Recommended-Class1
Ph (-logH)	8.56	7.8	7.45	7.43	5.0-9.5
Turbidity (NTU)	0.92	0.3	0.19	1.09	<1
Colour (as Pt)	14.42	<5	<5	20.67	<20
Conductivity (mS/m)	7.03	9	38.64	5.5	<150
Temperature °C	23.77	24.2	22.82	20.43	
Total Dissolved Solids (mg/l)	34.02	43.43	195.34	28.4	<1000
Total Alkalinity (mg/l)	25	38	212.25	20	
Total Hardness (mg/l)	53	60	275.5	50	
Calcium Hardness as CaCO ₃ (mg/l)	50.13	57.2	256.63	47.13	
Calcium as Ca (mg/l)	20.07	22.9	102.76	18.87	<150
Magnesium Hardness as CaCO ₃ (mg/l)	2.88	2.8	0.87	2.88	
Magnesium as Mg (mg/l)	0.7	0.7	0.21	0.7	<70
Sodium as (Na) (mg/l)	2.68	4.5	23.83	3.21	<200
Potassium as K (mg/l)	1.2	1.4	1.54	1.1	<50
Chloride as Cl (mg/l)	4.38	4.4	21.95	5.45	<200
Fluoride as F (mg/l)	0.4	0.1	0.27	0.29	<1
Sulphate as SO ₄ (mg/l)	0.13	1	19.75	0.5	<400
Nitrate as N (mg/l)	0.35	0.7	1.23	0.9	<10
Iron as Fe (mg/l)	0.12	0.1	0.08	0.13	<0.2
Manganese as Mn (mg/l)	0.02	0	0.02	0.01	<0.1
Ammonia as N (mg/l)	0.06	0.3	0.06	0.03	<1.0
Aluminium as Al (mg/l)	0.08	0	0.02	0.04	<300
Zinc as Zn (mg/l)	0.03	0.1	0.2	0.12	<5.0
Langelier Sat. Index	-0.46	-0.8	0.12	-1.39	
Ryznar Index	9.31	9.4	7.26	10.3	
Corrosivity Ratio	0.27	0.2	0.24	0.41	
CaCO ₃ Precipitation potential (mg/l)					
Free Res. Chlorine (mg/l)	0.4	0.77	0.27	0.65	
E.Coli (count/100ml)	0	0	0	0	0
Total Coliform Bacteria(count/100ml)	0	0	0	0	10

Chapter 3

3.2 WASTE WATER (SANITATION) PROVISION

Greater Tzaneen Municipality is a Water Services Provider, whereas Mopani District Municipality is a Water Services Authority. Mopani allocates a certain amount of VIPs (sanitation) to GTM, based on the backlog. GTM's function is to monitor the building of the VIPs. Five pump stations were constructed (three in Dan and two in Tzaneen Extension 70 and 78), funded by COGHSTA.

Level of access	2011/2012		2012/13		2013/14	
	Nr of Households	% of Total	Nr of Households	% of Total	Nr of Households	% of Total
Flush toilet (connected to sewerage)	13 514	13.6	14 276	14.4	14276	13.11
Flush toilet (with septic tank)	284	0.3	284	0.3	284	0.26
Chemical Toilet	0	0	0	0	0	0
Ventilated Pit Toilet	58 569	59	65 804	66.4	65804	60.41
Other Toilet below minimum level	0	0	0	0	0	0
No toilet provision	26 750	28	19 037	19.2	28562	26.22
Total Households	99 117	100	99 117	100	108 926	100
No of Households receiving Free Basic sanitation	1 367		1743		1743	
Budget allocation for sanitation services	R8 229 848		R 8 229 848		R 8 229 848	

Chapter 3

Figure 5: Household access to Sanitation

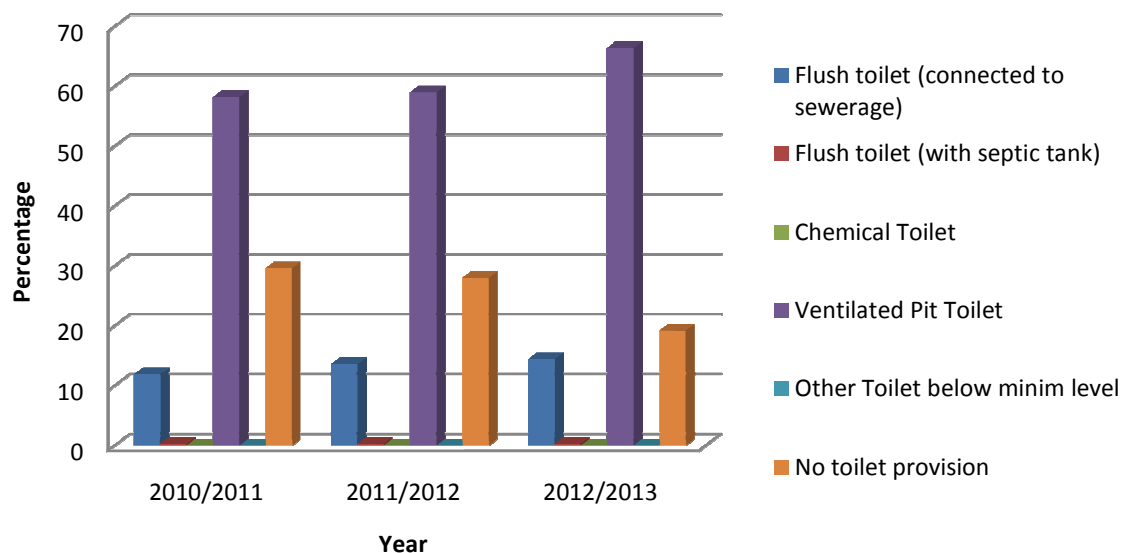


Table 23: Waste Water performance for Certification 2013/14

Performance Area	Tzaneen Sewage	Nkowankowa Sewage	Lenyenye Sewage
Technology	Biological (Trickling) Filters Anaerobic digestion	Biological (Trickling) Filters Anaerobic digestion	Anaerobic ponds/fulcatative ponds, Lagoons
Design Capacity (Ml/day)	8	4.0	1
Operational % i.t.o Design Capacity	74.38	65	151
Microbiological Compliance	91.67	25	0
Chemical Compliance	52.08	12.5	0
Physical compliance	100	25	0
Annual Average effluent quality compliance	84	24	0
Wastewater Risk Rating (%CRR/CRRmax)	45.45	58.82	94.12
Highest Risk Area	94.14	24.91	8.03

Chapter 3

Table 23: Waste Water performance for Certification 2013/14			
Performance Area	Tzaneen Sewage	Nkowankowa Sewage	Lenyenye Sewage
Risk Abatement Process	8	4.0	1
Capital & Refurbishment expenditure in 12/13	74.38	65	151
Green Drop Score + trend	91.67	25	0

Table 24: Employees - Sanitation Services 2013/14						
Job level	2012/2013			2013/14		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	0	0	0%	0	0	0%
Level 4-6	1	1	0%	1	1	0%
Level 7-9	0	0	0%	0	0	0%
Level 10-15	24	7	70%	24	6	75%
Level 16-17	0	0	0%	0	0	0%
Total	25	8	68%	25	7	72%

Chapter 3

3.3 ELECTRICITY

Our top service delivery issues are; *firstly*, insufficient capacity to support the required loads (currently being addressed), *secondly*, the dilapidated state of our distribution system, lastly and most importantly, electrification demands. Major successes were the implementation of the capacity increase project which is running over a number of years and has already seen the construction of a dual circuit 66kv overhead line and 40MVA “Western Substation”, to the value of R53 million for phase I. Phase 2 of the project has been completed which includes the laying of the ring cable up to and the building of Church Substation. Phase 3 will hopefully proceed in the 14/15 financial year by completing the cable ring up to Old SAR substation and refurbishment of the substation.

GTM is in the process of developing a complete prepaid system in the Greater Tzaneen Municipal license area. As a result, we adopted the ACTOM meter system and monitoring software together with the Contour vending system. We are currently the first in the country with this new technology and have proudly hosted other Municipalities on a ‘show and tell’ demonstration. This resulted in our original license for 1000 meters on the complete monitoring system being extended to 5000 meters without any cost as a reward for “show and tell”. We also developed the Contour vending system to integrate with the ACTOM monitoring system and the Financial Promis system. The vending system was adapted to include conventional ACTOM meters, which also could be monitored remotely. The aim is to move to an automated meter reading system in the town areas within a few years.

As at 30 June 2014 we have about 402 standard CBI prepaid meter customers left in the system. We are planning to convert all these meters to the new split meter system during the 2014/15 and 2015/16 financial years. Currently we have 260 ACTOM split prepaid meters of which 158 are installed in a village environment in lockable pole top boxes. An

Chapter 3

accumulative figure of 102 Prepaid meters were converted from conventional to prepaid meters in Tzaneen town, consisting of 25 Indigent customers with 20Amp and 77 customers on 60 Amp. The monitoring system currently consists of 90 data concentrators and a server hosting the monitoring system. The new ACTOM split prepaid meters held a 0% tampering rate for the last 4 years since the first meters were installed, which is remarkable compared to the old metering system with a tampering rate of 75%.

We developed a prepaid policy indicating prepaid connections only for domestic customers in Tzaneen town which will be extended with infrastructure to the towns of Haenertsburg, Letsitele and Gravelotte. All indigent customers in these towns, once approved by Council, will automatically be converted to a 20 Amp prepaid connection. This will help in restricting the bad debt. When in arrears with their rates and taxes, a hold will be placed on the vending system stopping a 60 Amp prepaid customer from buying electricity until an arrangement is made to pay the arrears. This Policy will be reviewed from time to time as the Department and system develop to ultimately include all customers, domestic and industrial. We started with an integration of systems in the 2013/14 financial year. The first phase, integration between the Vending and Financial system, will be completed in the 2014/15 financial year. This will enable Finance to automatically block 60 Amp Prepaid customers from buying prepaid when their accounts are in arrears with more than R500.

This is an automated process, resulting in zero prepaid customers with arrears of more than R500-00. Phase 2 will involve integration between all three, Financial, Vending and Monitoring systems, resulting in automatic reading and billing of conventional customers inside our Town areas, starting with Tzaneen. GTM has an electrification priority list that is regularly updated to ensure the full scope of needs is known. The IDP is a major tool in identifying poor communities and the appropriate allocation of funds to alleviate their plight. Service Providers are the Municipality and Eskom, each in their respective licensed areas.

Chapter 3

Table 25: Household access to electricity 2011/12 - 2013/14						
Level of access	2011/2012		2012/2013		2013/2014	
	Nr of Households	Nr of Households	Nr of Households	% of Total	Nr of Households	% of Total
Electricity connection (at least minimum level)	76 600	85.27%	97095	89%	99541	91%
Electricity connection - prepaid	0	0%	650	0,66%	662	0,71%
Electricity below minimum level	0	0	0	0	0	0
No access to electricity	13 323	14.83%	11831	11%	9385	9%
Total Households	89 923		109 576		108926	
Nr of Households receiving Free Basic Electricity	6 842	84.14%	22988	23.68%	28 354	28.49%
Budget allocation for Electricity services	R5 000 000		R13 000 000		R10 000 000	

Chapter 3

Table 26: Service Delivery Targets for Electricity as set out in the SDBIP for 2013/14				
Programme	Project/ KPI	Annual Target (2012/13)	Actual Achieved (30 June 2014)	Reason for deviation
Electricity network upgrade and maintenance	R-value electricity maintenance	R 40 387 346	R 38 932 678	Cash flow constraints
Electricity network upgrade and maintenance	Km of overhead lines rebuilt	12	0	Delayed Appointment of service providers
Electricity network upgrade and maintenance	Km of underground HT cable replaced	10	0	Funds reallocated during adjustment
Electricity Infrastructure	R-value of Free Basic Electricity to Households	R 3 500 000	R 3 452 865	None
Electricity Infrastructure	% of households with access to electricity	94% (102377 of 108926)	91% (99 541 of 108 926)	3510 households not yet energised
Electricity Infrastructure Development	Electrification of Lekgwareng (215 units)	Project completed 215 units energised	Physical Construction Completed (89%)	Awaiting Eskom Outage to do Closing span
Electricity Infrastructure Development	Electrification of Mbekwana and Lwandlamuni (570 units)	Project completed 570 units energised	Physical Construction at Lwandlamuni Completed (89%) Mbekwana at construction phase (80%)	Awaiting Eskom outage to do closing span at Lwandlamuni. Delays caused by amendment of contract due to increased

Chapter 3

Table 26: Service Delivery Targets for Electricity as set out in the SDBIP for 2013/14				
Programme	Project/ KPI	Annual Target (2012/13)	Actual Achieved (30 June 2014)	Reason for deviation
				scope at Mbekwana
Electricity Infrastructure Development	Split Meters (Mbekwana)	Project completed 438 units energised	Project at construction phase (80%)	Delays caused by amendment of contract due to increased scope
Electricity Infrastructure Development	Electrification of Mohlaba Cross and Malekeke (564 units)	Project completed 564 units energised	Project at construction phase (80%)	Delays caused by lack of capacity in Eskom's network
Electricity Infrastructure Development	Electrification of households at Khujwana (Phase 1 and 2)	Project completed units energised in Phase 1 is 418 and 674 in Phase 2	Project at construction phase (68%)	Delayed project handover and rain
Electricity Infrastructure Development	Electrification of Dan Ext 2	Electrification of 544 households completed	Project completed and energised (541 units connected) (own funds)	No deviation
Electricity Infrastructure Development	Electrification of households at Thapane	Completed and energised (395 Units)	Project at construction phase (83%)	Delayed project handover and rain
Electricity Infrastructure Development	Apollo lights at Dan village	Apollo lights in Dan Village completed	No Apollo lights erected	Estimated cost from Consultants is too high which makes the project not cost effective. Report given to MM to make contract a turnkey project
Electricity Infrastructure Development	Apollo lights at Motupa village	Apollo lights in Motupa Village completed	No Apollo lights erected	
Electricity Infrastructure	Apollo lights at Nyagelani (Radoo)	Apollo lights in Nyagelani Village completed	No Apollo lights erected	

Chapter 3

Table 26: Service Delivery Targets for Electricity as set out in the SDBIP for 2013/14				
Programme	Project/ KPI	Annual Target (2012/13)	Actual Achieved (30 June 2014)	Reason for deviation
Development	village			
Electricity Infrastructure Development	Apollo lights at Tickyline village	Apollo lights in Tickyline Village completed	No Apollo lights erected	
Electricity Infrastructure Development	Apollo lights at Moruji	Apollo lights in Moruji Village completed	No Apollo lights erected	
Electricity Infrastructure Development	Purchase electrical equipment	Procure equipment as and when required	R13412.24 was spent on equipment, including insulation testers	None
Electricity network upgrade and maintenance	Service Contribution	Ensure that service contribution funds received are allocated to projects	Funds to be rolled over to 14/15 financial year for the Capacity Project	Unavailability of funds
Electricity network upgrade and maintenance	Energy efficiency and demand	Monitor the implementation of recommendations of energy audit report. 25% of energy saving plan implemented	Contractor appointed only in June 2014	Late appointment of Service Providers (SCMU process and cash flow)
Electricity network upgrade and maintenance	Rebuilding of Lines- Atherstone sub - redbank and Enslin (12km)	Instruction to contractor and implementation	BEC evaluation was done recommendation were done waiting for appointment of service provider	Delayed Appointment of service providers
Electricity network upgrade and maintenance	Electricity capacity building - Avis old SAR to Power station	Contractor appointed and material acquired. (20% progress)	SCMU Process to appoint Contractor	Late appointment of Service Providers (SCMU process and cash flow)

Chapter 3

Table 26: Service Delivery Targets for Electricity as set out in the SDBIP for 2013/14				
Programme	Project/ KPI	Annual Target (2012/13)	Actual Achieved (30 June 2014)	Reason for deviation
Electricity network upgrade and maintenance	SAB Re-routing of HT Cable NERSA Audit	Installation of cable	All materials and equipment were procured	Waiting for availability of Back actor from civil engineering to open trench R465 000 were transferred to ESD
Electricity network upgrade and maintenance	Renewal R and M on air conditioners	Renewal of air conditioners as and when the need requires	BEC evaluation was done, recommendation were done, Contractor only appointed in June	Contractor only appointed in June
Electricity network upgrade and maintenance	Renewal Repairs and Maintenance on distribution network	Identify lines to be rebuilt and procure service provider and implement	Ongoing repairs and maintenance of overhead power lines.	No deviation
Electricity network upgrade and maintenance	Renewal, Repairs and Maintenance on pre paid meters	Replace old technology with new meters and equipment. 90 connections completed and concentrators installed	Replacing old technology, 83 Connections completed. 37 Data Concentrators to be installed in 14/15 financial year	Human Resource limitations, budgeted positions not filled
Electricity network upgrade and maintenance	Installation of New Automatic reclosers	Installation of Automatic recloser and commissioning By end March	Auto- recloser installed and commissioned	No deviation
Electricity network upgrade and maintenance	New Double garage to house protection equipment	Double garage completed	No Activities	Could not get building plan for double garage from Engineering Department and funds was later removed during the adjustment budget

Chapter 3

Job level	2012/2013			2013/2014		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	4	3	25%	4	3	25%
Level 4-6	32	17	46.16%	32	18	43.75%
Level 7-9	30	12	60%	30	11	63.33
Level 10-15	120	74	62.5%	120	74	38.33
Level 16-17	0	0	0%	0	0	0%
Total	186	106	43%	186	106	43%

Detail	2012/2013	2013/2014			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	339 091	404 524	406 524	360 086	46 438
Expenditure:					
Employees	32 702	32 514	32 514	36 312	-3 798
Repairs & Maintenance	11 605	3 192	3 281	8 418	-5 137
Other	316 278	321 333	326 432	303 454	22 978
Total Operational Expenditure	360 585	357 039	362 227	348 184	14 043
Net Operational (Service) Expenditure	-21 494	47 485	44 297	11 902	32 395

Capital Projects	2013/2014				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Apollo lights at Dan village	R 500 000	R 200 000	R 0	R 500 000	R520 000
Apollo lights at Motupa	R 500 000	R 200 000	R 0	R 500 000	R520 000

Chapter 3

Table 29: Capital Expenditure 2013/14: Electricity Services (R'000)					
Capital Projects	2013/2014				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
village					
Apollo lights at Nyagelani (Radoo) village	R 500 000	R 200 000	R 0	R 500 000	R520 000
Apollo lights at Tickylane village	R 500 000	R 200 000	R 0	R 500 000	R520 000
Apollo lights at Moruji	R 500 000	R 200 000	R 0	R 500 000	R520 000
Purchase electrical equipment	R 30 000	R 25 000	R 13 412	R16 588	R30 000
Service Contribution	R 15 000 000	R 15 000 000	R5 537 175	R9 462 825	R 30 000 000
Energy efficiency and demand	R 5 000 000	R 7 000 000	R 425 417.35	R4 574 582	R15 000 000
Rebuilding of Lines (Campsies Glen sub)	R0	R 683 773	R 683 773	R 683 773	R683 773.00
Rebuilding of Lines- Atherstone sub - redbank and Enslin (12km)	R 2 160 000	R 2 160 000	R 0	R 2 160 000	R2 160 000
Network upgrading (capacity building)	R0	R11 316 226	R 7 649 407	-R 7 649 407	R11 316 226
Capacity Project	R0	R 2 682 415	R 2 509 397	-R 2 509 397	R 2 682 415
Electricity capacity building - Avis old SAR to Power station	R 8 000 000	R 2 000 000	R 0	R 8 000 000	R10 000 000
SAB Re-routing of HT Cable NERSA Audit	R 800 000	R 800 000	R696 770	R103 230	R800 000
Renewal repairs and Maintenance on airconditioners	R 40 000	R 40 000	R 0	-R 40 000	R120 000
Renewal Repairs and Maintenance on distribution network	R 3 000 000	R 3 000 000	R 2 983 590	R16 410	R9 000 000
Renewal, Repairs and	R 500 000	R 500 000	R 496 725	R3 275	R2 466 460

Chapter 3

Table 29: Capital Expenditure 2013/14: Electricity Services (R'000)					
Capital Projects	2013/2014				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Maintenance on pre paid meters					
Installation of New Automatic reclosers	R 300 000	R 300 000	R 216 751	R83 249	R5 000 000
New Double garage to house protection equipment	R 150 000	R 150 000	R 0	R 150 000	R150 000
Splitmeters (Mbekwana electrification)	R 0	R 4 500 000	R 0	R0	R4 500 000
Electricity capacity building - Cable network renewal	R 2 000 000	R 0	R 0	R 2 000 000	R8 500 000
Total	R 39 480 000	R 51 157 414	R 21 212 417	R 19 555 128	R 57 348 875

* Including past and future expenditure as planned for the next 3 years

On the issue of available capacity, the completion of the ring around town remains a priority before the capacity issue can be declared sorted. Along with a sudden and pronounced increase in demand due to surging development, the Electrical Engineering Department has recently experienced increased power outages and customer complaints due to various reasons regarding continuous power supply and the quality of that supply. Measures were implemented to log customer complaints and power outages to determine the extent of the problem. Instructions were also given to “Maintenance” personnel to report on the state of the system.

It transpired from the findings that the system has deteriorated to unacceptable levels which will ultimately cause the total and imminent collapse of some parts of the network, unless drastic and immediate intervention is not undertaken. There are also increased incidences of lines falling to the ground during storms because of old and rotten poles. The implications of these problems are the following:

- Potential negative impact on development.
- Loss of revenue due to unnecessary power outages.

Chapter 3

- Possible sanctions by the NERSA for non-compliance.
- Dissatisfied customers.
- Increased power losses in the system.
- Increased maintenance costs and overheads
- De-motivated and overworked employees due to recurring breakdowns and overtimes.
- Increased wages caused by unplanned overtime due to recurring breakdowns.
- Unsafe conditions for both public and private property (fires, electrocution, etc.)

The following salient factors also need to be highlighted:

- Some parts of the network (+- 50%) exceed the end of their projected lifespan. Indicators are the rotten poles and breaking of overhead conductors due to aging. It should also be noted that rotten poles are the main cause of the need to rebuild lines.
- Sometime ago a decision was made in the Electrical Department that all 'old technology' steel earth wires used as conductors should be replaced by 0.05" ACSR (aluminium conductor steel reinforced) conductor. The reason for is that the steel wire is old and breaks easily as it has become brittle with aging and overload. The steel lines also breaks easily if a tree falls on the line during storms, a common event especially during the rainy season. The length of steel line in the system is estimated at +- 30% of the total length in the 11 kV network.
- A high percentage of existing auto reclosers (+- 40%) are not in good working condition. Not only is this due to them being old generation technology, but in most instances counters are not even working and it is therefore not possible anymore to determine their number of operations, or monitor their efficiency. Not only must the old auto reclosers be replaced, but the number of units in the system needs to be increased. It is also obvious that it is not possible to conduct follow-up investigations of power outages due to the frequency with which breakdowns occur. Recurring problems can thus not be adequately addressed and eliminated.

Chapter 3

- More than 70% of the rural personnel's man hours are used for breakdowns. Concerted efforts should be made to reverse the situation so that more than 70% is used for planned maintenance and less than 30% for breakdowns.
- Some of the distribution transformers have exceeded their life span and loading capacity and must be replaced by new transformers.

Chapter 3

3.4 SOLID WASTE MANAGEMENT

Overview

International guidelines / prescriptions for waste management are as follows:

- The Rio declaration
- The Agenda 21 principles
- Kyoto protocol
- The recent Copenhagen agreement
- 9 other International agreements

South African Legislative framework:

The following legislation is only a few of the most important ones to regulate matters relating to Waste Management in South Africa:

Legislation	Summary/Scope of Legislation
National Environmental Waste Management Act (Act 59 of 2008)	<p>a) To reform the law regulating waste management in order to protect health and the environment by providing reasonable measures for the prevention of pollution and ecological degradation and for securing ecologically sustainable development;</p> <p>b) To provide for institutional arrangements and planning matters;</p> <p>c) To provide for national norms and standards for regulating the management of waste by all spheres of government; to provide for specific waste management measures;</p> <p>d) To provide for the licensing and control of waste management activities; to provide for the remediation of contaminated land; to provide for the national waste information system; to provide for compliance and enforcement;</p>
Environmental Management Act (Act 107 of 1998)	<p>a) To provide for co-operative, environmental governance by establishing principles for decision-making on matters affecting the environment, institutions that will promote co-operative governance and procedures for co-ordinating environmental</p>

Chapter 3

Table 30: South African Waste Management Legislation

Legislation	Summary/Scope of Legislation
	functions exercised by organs of state;
Environmental Conservation Act (Act 73 of 1989)	a) To provide for effective protection and controlled utilization of the environment
Greater Tzaneen Municipality Solid Waste By-Law, Notice no 12 of 1990	a) To regulate management of storage and collection of solid waste

POWERS AND FUNCTION OF WASTE MANAGEMENT

The mandate of GTM is to provide all households with a basic removal service to protect the environment for the benefits of future and present generations through legislative and other measures to prevent pollution and ecological degradation promote conservation to secure sustainable development to achieve International and National Goals. Section 84 read with Section 85 of the Municipal Structures Act 117 of 1998; determine the division of powers and functions between and such require Landfill-site to be a district function for more than one Municipality. The Department of Environmental Affairs already resolved that a process of Landfill "REGIONALIZATION" must be pursued, which is aligned with Sec. 84 (1) (e) (iii) of the above-mentioned Act.

In addition to the above the South African context includes the following Acts to consider in terms of Waste Management Services:

- a) The Bill of Rights (Section 24) of the National Constitution provides as follows:-
“Everyone has the right to an environment that is not harmful to their health or well-being”
- b) The Environmental Management Act (Act 107 of 1998)
- c) The Environmental Waste Management Act (Act 59 of 2008)
- d) Environmental Conservation Act (Act 73 of 1989)

Chapter 3

- e) The Solid Waste By-Laws (Notice 12 of 1990)
- f) The Waste Management Policy

WASTE QUANTITIES AND CHARACTERISTICS

Residential kerbside waste collection service was provided to 10,775 households and 562 businesses were serviced. Greater Tzaneen Municipality processed the following volumes of waste during 2013/14:

- a) General Waste = 56,006 m³ (59.46 t/day)
- b) Health Care Waste = 50 m³
- c) Garden Waste = 11,264 m³

Geographic Distribution

The jurisdiction of GTM is divided by the main roads from Politsi via Tzaneen, Tarentaalrand, Letsitele and Trichardtsdal, in a Northern and Southern service region

DESCRIPTION OF THE REFUSE COLLECTION FUNCTIONS

Waste Minimization (Recycling)

Recycling at source ("yellow-bags") is undertaken in Tzaneen's residential areas by a registered service provider, however due to fluctuating market prices "cherry-picking" takes place.

Waste Minimization-Composting

All organic waste (garden-waste) that is received is treated at a basic technology composting site. Unfortunately no tub-grinder is available) and therefore bulky organic waste cannot be composted.

Waste Minimization-Rural Waste Minimization

10,767 or 12% of 108,905 households receive a full kerbside service in formal towns, where 88% of households are not serviced at present; these reside mainly in rural areas. The

Chapter 3

jurisdiction is informally demarcated into 66 Waste Service Areas (WSA) and the Waste Division at present conduct a basic waste removal service with the assistance of 14 Community Group's which are registered in terms of the Waste-Act to do voluntary basic collections in the WSA's. In terms of this ± 16,732 rural households (in the 14 WSAs) received a basic service. Also, Drop-of-Centres (DoCs) at rural Schools serve as "Primary Storage Areas" in bulk-bins from where G.T.M. removals take place to the Landfill-site and recycling is also encouraged at rural DoCs. Firewood from the Landfill site are available for re-use and also delivered to rural Drop-off Centres (DoCs) for utilisation by communities, to mitigate deforestation-practices. 98 DoCs have been erected at present, but it is anticipated that it will become "White Elephants" if dedicated intervention are not implemented i.t.o. the National Basic Refuse Removal Policy. The minimisation of waste in the rural areas is however hampered by the lack of Eco-Development-Workers (EDW), to do awareness activities at Eco-club schools.

Collection & transportation

A full collection service is rendered at following suburbs, which represents only 12% of all households in:

- Nkowankowa
- Lenyenye
- Letsitele
- Haenertsburg
- Tzaneen

160,000 m³ non-compacted solid waste (including residential, business, industrial and health care waste) is removed per annum. The removal of Health Care Waste is being done by a service provider.

88% of all households representing rural households do not receive a basic service. The cost to address the service in full (urban & rural), with immediate effect, will be approximately R140 000 000 per annum for all 129 villages.

Chapter 3

Litter Picking

Urban streets, main roads & urban taxi / bus ranks are cleaned on a regular basis from all debris and solid waste, where approximately 25,784 m³ are collected monthly. Roads and streets in rural areas are not being attended to.

Vehicle replacements

Replacement of vehicles will commence during 2014/ 15 to ensure a sustainable service.

Treatment & disposal

One 11 hectare permitted landfill site which has been classified as a GMB- site is managed in compliance with specifications. The expected life-span of the site is \pm 12 years. The landfill is being managed by a service provider in compliance with specifications from the Integrated Waste Management Plan (in accordance with construction plan – cell building method).

Drop-of Centers (DoCs) are managed by service providers and located at:

- Nkowankowa
- Lenyenye
- Letsitele
- Haenertsburg

6m³ skips utilized at the DoC and are cleaned on a daily basis at the Tzaneen Regional Landfill.

Approximately 11,264 m³ organic waste (garden) is treated at a basic technology (no tub-grinder is available) composting site. Bulky organic waste cannot be composted. Hazardous waste such as Health Care Waste is removed to a permitted and approved treatment facility and not received on the landfill-site. A major challenge is the absence of weather – proof entrance and internal roads at the Landfill Drop off centers.

Pollution control

Chapter 3

GTM has toilet facilities which are open for 12 hours daily. Cleaning and disinfecting of blocks are done every 2.5 hours and provision of toilet paper to public is free of charge. 10 public toilet blocks managed at the following locations:

- 6 blocks at Tzaneen
- 1 block at Nkowankowa
- 1 block at Letsitele
- 1 block at Haenertsburg
- 1 block at Lenyenye

Law Enforcement

Solid Waste Law Enforcement is not effective due to the fact that dedicated officials have not been appointed.

Level of access	2011/2012		2012/2013		2013/2014	
	Nr of Households	% of Total	Nr of Households	% of Total	Nr of Households	% of Total
Solid waste removal once a week	10775	12%	10775	10%	8,766	8%
Removal less frequently than once a week	0	0%	0	0%	3,219	3%
Using communal dump + own refuse dump	79,134	88%	98,151	90%	100,196	89%
Using own refuse dump	above	Above	above	Above	Above	Above
Other disposal	0	0%	0	0%	0	0%
No waste disposal	0	0%	0	0%	0	0%
Total Households	89926	100%	108,926	100%	108,926	100%
Nr of Households receiving Free Basic Waste services	13377		13377		13377	
Budget allocation for Solid waste collection services	R 47,200,000		R 47,200,000		R 53,900,000	

Chapter 3

Table 32: BACKLOG LEVEL OF WASTE MANAGEMENT, PLAN AND COST FOR THREE YEARS			
Programme	Backlog	Plan	Cost
Waste Minimization (Recycling)	Collection at source at present only in selected suburbs-areas	Formal recycling system must be implemented	No cost involved as Contractor must do it for his own financial benefit
Waste Minimization (Composition)	Low technology composting plant exists adjacent to the Landfill without tub-grinding as result of low tender-price	Adjustment of budget provision	1 st yr = R 6,0 m 2 nd yr = R 6,6 m 3 rd yr = R 6,9 m
Waste Minimization (Rural waste)	On-going WISE-UP-ON-WASTE AWARENES training to be implemented at schools	Tender specifications to be advertised for:- <ul style="list-style-type: none"> • WISE-UP-ON-WASTE Awareness • Bulk-removals 	1 st year = R 7,1 m 2 nd year = R 13,3 m 3 rd year = R 27,5 m
Collection and Transportation (Vehicle replacements)	Backlogs yet due to old vehicles and replacements must start in 2014//15	Needs analyses is submitted to Engineering Services annually during budget cycle	1st year = R 5,0 m 2nd year = R 6,7 m 3 rd year = R 9,2 m
Treatment and Disposal (New Landfill development)	No site selections being done yet	Involve MDM in development of future Regional Site	1st year = R 7,0 m 2nd year = R 10,0 m 3 rd year = R 16,0 m
Treatment and Disposal (Closure of Landfill)	No closure investigations done [permit issued 1/12/2004] until the construction & design plan will be finalized	Finalization of design & construction plan to determine the remaining life-span	1st year = R 0,9 m 2nd year = R 3,0 m 3 rd year = R 4,0 m

Chapter 3

Table 32: BACKLOG LEVEL OF WASTE MANAGEMENT, PLAN AND COST FOR THREE YEARS			
Programme	Backlog	Plan	Cost
Treatment and Disposal (Landfill operations)	Insufficient budget for new tender allocations	Awarding of new tender & costing on landfill budget	1st year = R 12,0 m 2nd year = R12,6 m 3rd year = R 14,9 m
Treatment and Disposal (Roads and storm water maintenance at access roads)	Insufficient budget for roads and storm water maintenance	Annual needs analyses to ESD during budget cycle	By C.E.M.
(Toilet block management)	Shortage of toilet blocks at urban taxi-& bus stops as per annual stats report	Needs analyses to ESD annually during budget cycle	Cost for construction:- By ESD Cost for operations:- 1st year = R 8,0 m 2nd year = R 10,6 m 3rd year = R 12,9 m
Pollution Control (Enforcement actions)	2 vacancies for “Green Scorpions” at Traffic Division	Filling of vacancies	By Traffic Division
Pollution Control (Awareness Actions @ Schools)	No institutional capacity to implement the Rural Waste Programme	Filling of vacancies	1st year = R 7,1 m 2nd year = R 13,3 m 3rd year = R 27,5 m
Management & I.C.T. – System	G.I.S. Lack of operational software Telephones at sub-offices IT at remote-offices	Budget provision	Budget support [grants and funds]

Chapter 3

Programme	Backlog	Plan	Cost
Waste Minimization (Recycling)	Collection at source at present only in selected suburbs-areas	Formal recycling system must be implemented	No cost involved as Contractor must do it for his own financial benefit
Waste Minimization (Composition)	Low technology composting plant exists adjacent at the Landfill without tub-grinding as result of low tender-price	Adjustment of budget provision	1 st yr = R 6,0 m 2 nd yr = R 6,6 m 3 rd yr = R 6,9 m
Waste Minimization (Rural waste)	On-going WISE-UP-ON-WASTE AWARENES training to be implemented at schools	Tender specifications to be advertised for:- <ul style="list-style-type: none"> • WISE-UP-ON-WASTE Awareness • Bulk-removals 	1 st year = R 7,1 m 2 nd year = R 13,3 m 3 rd year = R 27,5 m
Collection and Transportation (Vehicle replacements)	Backlogs yet due to old vehicles and replacements must start @ 2014//15	Needs analyses is submitted to C.E.M. annually during budget cycle	1st year = R 5.0 m 2nd year = R 6,7 m 3 rd year = R 9,2 m

Programme	Project/ KPI	Annual Target (2012/13)	Actual Achieved (30 June 2014)	Reason for deviation
Waste Management	R-value spent on waste management	R 54 079 624.22	R 50 599 965	Due to "Cash-flow" constraints expenditure was controlled

Chapter 3

Table 33: Service Delivery targets for Waste as set out in SDBIP for 2013/14

Programme	Project/ KPI	Annual Target (2012/13)	Actual Achieved (30 June 2014)	Reason for deviation
Waste Management	<i>% Households with access to basic level of solid waste management services</i>	12%	11%	Stats SA 2011 was reconciled
Waste Management	<i># of service areas (rural waste) serviced (EPWP)</i>	7	7	None
Waste management	<i>Waste Management Service in rural areas</i>	Ensure that Waste Management in rural areas is implemented. Report progress monthly	Waste Management in rural areas is only implemented by means of CBPs (Community Based Projects registered i.t.o. Sec. 25 as "Transporters of Waste") in 7 Rural WSAs (Waste Service Areas)	Unfunded & non-prioritized I.D.P. projects relates to hap-hazard kerbside collection in rural W.S.A.'s
Waste management	<i>Waste Management Services (Urban)</i>	Ensure that Waste Management in urban areas is implemented. Report progress monthly	Waste Management in urban areas is being implemented continuously as per schedules in all 5 urban suburbs	None

Chapter 3

Table 34: Employees - Solid Waste Services						
Job level	2012/2013			2013/2014		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0	1	1	0%
Level 4-6	3	2	33.3%	3	3	0%
Level 7-9	12	1	91.6%	1	1	0%
Level 10-15	136	103	24.2%	136	103	24.2
Level 16-17	0	0	0%	0	0	0%
Total	152	107	29.6%	141	108	23.4

Table 35: Financial Performance 2012/13: Solid Waste Services (R'000)					
Detail	2012/2013	2013/2014			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	31 642	31 208	31 208	23 746	7 462
Expenditure:					
Employees	10 425	10 592	10 592	13 360	-2 768
Repairs & Maintenance	2 552	3 713	3 604	4 122	-409
Other	19 360	16 272	16 517	17 167	-895
Total Operational Expenditure	32 337	30 577	30 713	34 649	-4 072
Net Operational (Service) Expenditure	-695	631	495	-10 903	11 534

No capital projects were implemented for Waste Collection during 2013/14.

Chapter 3

3.5 HOUSING & BUILDING CONTROL

3.5.1 HOUSING

All projects are developed in terms of the approved Integrated Residential Development Programme. Rural projects are implemented in terms of the Rural Housing Subsidy Programme. The Greater Tzaneen Municipality prioritize the development areas for wards with least low cost housing subsidy/RDP houses. The following Villages were prioritized for 2013/14: Mbekwana (64), Fofeza (36), Mphatasediba (16), Ramphelo (9), Semarela (19), Setheene (18), Relela (19), Sethone (19), JB Mohlaba cross (50), Khujwana (50), Shikwambana (50), Nyanyukani (50), Rhulani (50), Hoveni (50), Hweetjie (50), Solani (50). The total allocation was 600 units for 2013/14 financial year, no emergency units was allocated. See **Table 38** for the progress with regard to the implementation of RDP houses.

Year	Total Households	Households in informal houses	% of HH in formal settlements
2010/2011	89 844	20 000	22%
2011/2012*	108 926*	7 729	7.01%
2012/2013	108 926*	7 729	7.01%
2013/2014	108 926	7 729**	7.01%

*Number of Households as established through Census 2011 (Stats SA, 2011)

**GTM is a predominantly rural municipality, the definition of informal houses in a rural context has not been clarified and therefore figure represents the Stats SA definition which only includes houses with an informal structure (not referring to the town planning context thereof)

Chapter 3

Table 37: Housing Service Delivery targets for 2013/14 as set out in the SDBIP

Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Integrated Human Settlements	<i>IHSSP approved by 30 June '13</i>	30 June 2014	Not done	PED requested COGHSTA and HDA to conduct urban appraisal and informal settlements upgrading. Due to lack of cashflow. The report must still be approved by Council
Integrated Human Settlements	<i># of RDP housing units facilitated, coordinated and complied</i>	600	0	COGHSTA rolled the project to 2014/15 financial year.
Integrated Human Settlements	<i>Ha of land acquired for development</i>	7 ha	7 ha	None
Human settlements	Emergency Housing (44 units)	Monitor implementation and report progress	44 units completed	None
Human settlements	<i>Housing coordination (600 RDP units)</i>	Monitor Project implementation and report progress on the building of houses at the allocated villages	COGHSTA rolled the project to 2014/15 financial year	COGHSTA responsibility, beyond the control of GTM

Chapter 3

Table 38: RDP Housing projects 2013/14				
Village (Location)	Commencement date	Nr of Unit allocated	Number completed	Challenges/Achievements
Mbekwana	None	64	None	The projects were rollover to 2014/15 due to challenges experienced by COGHSTA.
Fofoza	None	36	None	
Mphatasediba	None	16	None	
Ramphelo	None	09	None	
Semarela	None	19	None	
Setsheene	None	18	None	
Relela	None	19	None	
Sethoni	None	19	None	
JB-Mohlaba cross	None	50	None	
Khujwana	None	50	None	
Shikwambana	None	50	None	
Nyanyukani	None	50	None	
Rhulani	None	50	None	
Hoveni	None	50	None	
Hweetjie	None	50	None	
Solani	None	50	None	
Mbekwana	None	64	None	
Fofoza	None	36	None	
Mphatasediba	None	16	None	
Ramphelo	None	09	None	
Semarela	None	19	None	
Setsheene	None	18	None	
Relela	None	19	None	
Sethoni	None	19	None	
JB-Mohlaba cross	None	50	None	
Khujwana	None	50	None	
Shikwambana	None	50	None	
Nyanyukani	None	50	None	
Rhulani	None	50	None	
Hoveni	None	50	None	
Hweetjie	None	50	None	
Solani	None	50	None	

Chapter 3

Challenges Experienced on RDP Housing Beneficiary Lists

- Backlog figures are not reflected in terms of income levels and special needs.
- Waiting lists are not in accordance to the National Criteria, no Housing Subsidy System (HSS)
- Not all stakeholders involved in the identification of beneficiaries are familiar with the National requirements to qualify for a housing subsidy.
- The public complain about identified beneficiaries but do not submit comments or objections during publication of lists.
- Selling and demolishing of RDP units.
- Emergency lists submitted are scattered and this has a negative cost implication.
- Minimal participation of beneficiaries/ownership of projects.

Challenges Experienced on Institutional Matters

- Allocation of houses from the does not meet the demands by the Municipality
- No delegated powers for the Municipality on the provision of housing
- Greater Tzaneen Municipality has only been engaged in few a housing programmes.
- Housing funds are controlled and allocated by Cooperative Governance Human Settlements and Traditional Affairs.
- Greater Tzaneen Municipality is predominantly rural and this poses problems in balancing backlogs vs. spatial growth patterns through the provision of low cost housing.
- Scarce land for development in the townships and some villages.
- An integrated approach in addressing the needs of communities is still lacking
- Stand numbers in some villages cannot be detected clearly.

Challenges Experienced on LED/Quality Issues

- No database for skilled people, qualified construction, within Municipal area.

Chapter 3

- Locally manufactured building materials seldom qualify for SABS.
- Sustainability of existing skills.

Housing Consumer Education

- Housing Consumer Education was conducted to all wards which benefited for 2012/13 financial year and 2013/14 financial year though the project was rolled to 2014/15 financial year. The total number of beneficiaries targeted was 933.
- Two officials from National Department of Human Settlement visited the province and Municipal officials conducted the workshop.
- The first workshop was conducted at Xihoko Tribal Authority on the 30th October 2012 for 50 beneficiaries. On the 31st October 2012 it was held at Bulamahlo Cluster Hall for beneficiaries from ward 27 and 42 beneficiaries were trained. On the 01st of November 2012 and 14 August 2013 was conducted at Relela Community Hall 124 beneficiaries trained. Second round of workshop was held at Mamitwa Tribal hall and the target number of beneficiaries was 100, at Khujwana Nduna Magwaza for 100 beneficiaries and the last one was held at ward 26 from the 19th to 22nd of August 2014 and 306 beneficiaries were trained.
- 333 beneficiaries were trained in Housing Consumer Education for 2012/13 financial year.
- In 2013/14 financial year 591 beneficiaries were trained though there was no allocation.
- Total number of people trained is 924.

Housing Backlog

- The Municipal housing backlog is standing at twelve thousands five hundred and ninety (12590) pending the review of beneficiaries for 2013 to 2015.
- Middle income backlog is standing at one thousand seven hundred and forty six (1746).

Chapter 3

3.5.2 BUILDING CONTROL

The Building and Maintenance Unit is responsible for providing Building control services as Legislated in the National Building Regulations act of (1977) as amended. The unit must also maintain all Council owned buildings to ensure that they comply with the Occupational Health and Safety Act (Reg. 1039 of 2005) as amended. The unit is also responsible for fleet management for the entire GTM to ensure that vehicles are available for user departments including maintenance of all Council owned vehicle. Lastly the division is also responsible for approving building plans and the unit is receiving ± 40 building plans per month and half of them are returned for corrections. The Municipality is approving ± 20 building plans per month, which are being approved within the 30 day period, as stipulated in the building regulations.

Table 39: Square meters and value of building plans approved 2010/11 - 2013/14

	2011/12		2012/13		2013/14	
	Area (m ²)	Value (R)	Area (m ²)	Value (R)	Area (m ²)	Value (R)
New houses approved	16 957	67 828 000	15190	65 139 000	18836	84 762 000
Additions to existing houses approved	5 849	23 396 000	4505	19 135 000	3733	16 798 500
New shops approved	538	2 152 000	490	2 205 000	0	0
Additions to existing shops approved	0	0	0	0	1445	6 502 500
Additions to existing industrial	6 152	24 608 000	6752	30 384 000	5521	24 844500

Chapter 3

Table 39: Square meters and value of building plans approved 2010/11 - 2013/14

	2011/12		2012/13		2013/14	
	Area (m ²)	Value (R)	Area (m ²)	Value (R)	Area (m ²)	Value (R)
approved						
New churches approved	0	0	782	3 519 000	0	0
New townhouses approved	2 691	10 764 000	1233	4 932 000	0	0
New other (cell phone towers) approved	0	0	896	4 032 000	0	0

Generally there's a decline in number of building plans approved this is mainly due to banks and other financial institutions not granting 100% loans. Consumers are therefore struggling to raise exorbitant deposits that are expected of them. Also, to a certain extent the effects of the global economic meltdown in European countries and the recession including interest rate increases in South Africa also have a bearing on affordability by consumers. The staff compliment of the division is presented below in **Table 40** below:

Chapter 3

Table 40: Employees – Building and Maintenance (2012/13)						
Job level	2012/2013			2013/14		
	Nr of Posts	Nr of Posts	Nr of Posts	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	13	12	7.6%	13	10	23%
Level 7-9	3	3	0%	3	3	0%
Level 10-15	28	17	39.2%	28	18	35%
Level 16-17	0	0	0%	0	0	0%
Total	45	33	26.6%	45	32	58%

The Capital allocation for Building and Maintenance is presented in **Table 41** below:

Table 41: Capital Project Expenditure 2013/14: Building and Maintenance (R'000)					
Capital Projects	2013/2014				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Purchase a vehicle for the Speaker	R 480 000	R 480 000	R 480 000	R 0	R 480 000
Construction of a new carport at the Museum	R 100 000	R 100 000	R 0	R 100 000	R 100 000
Provision of parking at Waste Management offices	R 10 000	R 10 000	R 0	R 10 000	R 10 000
Expansion of storage facility at Nkowankowa Testing Station and shelves	R 40 000	R 40 000	R 0	R 40 000	R 40 000
Convert H.C.R.W. storeroom into office/conference room in Tzaneen	R 100 000	R 100 000	R 0	R 100 000	R 100 000
Upgrading and extension of trade license office	R 40 000	R 40 000	R 0	R 40 000	R 40 000
Partitioning of Tourism Centre	R 250 000	R 250 000	R 0	R 250 000	R 250 000
Total	R 1 020 000	R 1 020 000	R 480 000	R 540 000	R 1 020 000

The financial performance of the Building and Maintenance Division is presented in **Table 42**.

Chapter 3

Table 42: Financial Performance 2012/13: Building and Maintenance (R'000)					
Detail	2012/2013	2013/2014			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	1 662	462	462	1 495	-1 033
Expenditure:					
Employees	8 408	9 702	9 702	9 726	-24
Repairs & Maintenance	1 117	2 100	2 040	845	1 195
Other	4 630	3 629	3 684	942	2 742
Total Operational Expenditure	14 155	15 431	15 426	11 513	3 913
Net Operational (Service) Expenditure	-12 493	-14 969	-14 964	-10 018	-4 946

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

The Municipal Council gives priority to the basic needs of the community, promote the social and economic development of the community and ensure that all residents and communities in the Municipality have access to at least the minimum level of basic municipal services, in terms of Section 152 (1) (b) and 153 (b) of the Constitution. Basic services are generally regarded as to be access to electricity, clean water within reasonable distance, basic sanitation, solid waste removal and access to and availability of roads.

The key purpose of an Indigent Subsidy Policy is to ensure that households with no or a low income are not denied a reasonable service, and on the contrary the Local Authority is not financially burdened with non-payment of services. Provided that grants are received and funds are available, the Indigent Subsidy Policy should remain intact. To achieve this, a threshold income level of a maximum of the approved pension amount for old age i.e. R1 260 per individual or R2 520 per household applies. The consumer, in order to qualify as an indigent, needs to complete the necessary documentation as required and agree to regulations and restrictions stipulated by Greater Tzaneen Municipality.

Chapter 3

Table 43: Financial Performance 2013/14: Cost to the Municipality of Free Basic Services Delivered (R'000)

Service	2012/2013	2013/2014			
	Actual Expenditure	Budget	Adjustment Budget	Actual Exp	Variance to budget
Electricity	3 560	3500	0	3594	-594
Waste Collection	1 357	1500	1500	1034	466
Total	4 917	5000	1500	4628	372

Council has adopted an Indigent Subsidy Policy which provides for households earning less than R1 260.00 per individual per household to have access to basic services through specially subsidized tariffs. Provision is also made on our Credit Control and Debt Collection Policy for indigent debtors consistently with our rates and tariffs and any national policies on indigents. The Equitable Share and the free basic electrical grant assist in financing the benefits that the registered indigents are to receive in the form of discounted tariffs for services consumed.

Chapter 3

Table 44: Free Basic Services provision to Low Income Households*

Year	Registered Indigents	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Waste Removal	
	Total HH	HH Receiving	% of indigents[1]	HH Receiving	% of indigents	HH Receiving	% of indigents	HH Receiving	% of indigents
2008/2009	32 009	2 090	MDM	2 090	MDM	5 862	18%	5 862	18%
2009/2010	30 000	905	MDM	905	MDM	7 173	24%	7 173	24%
2010/2011	23 089	919	MDM	919	MDM	9 700	42%	9 700	42%
2011/2012	11 161	1 560	MDM	1 367	MDM	7 350	66%	1 385	12%
2012/2013	22 998	1 549	MDM	1 357	MDM	7 231	31%	1 377	6%
2013/2014	31129	1666	MDM	861	MDM	5565	18%	917	3%

Table 45: Free Basic Service Delivery targets as contained in the SDBIP for 2013/14

Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Free Basic Services	% of households earning less than R1100 (indigent) served with <u>free basic</u> electricity	100% (20000)	100% (28354)	New applicants
Free Basic Services	% households earning less than R1100 with access to free basic waste removal (registered as indigents)	15%	13%	Number of Households adjusted according to Census 2011
Free Basic Services	Total number of registered indigent households who received free basic water and sanitation (5 formal towns)	2654	2527	Limited number of registered indigents in formal towns

It should be noted that GTM is not a Water Service Authority and therefore not providing water and sanitation in the entire municipal area, making it impossible to provide figures on the provision of free basic services in this regard.

Chapter 3

COMPONENT B: ROADS & STORMWATER

3.7 ROADS & STORMWATER

Greater Tzaneen Municipality own and manages ± 2300 km of municipal road network. This network comprises of district / connector and municipal / access roads in terms of road classification. The Municipality is tasked with the planning, design, maintenance, construction and usage of these roads. It is also required to prevent the deterioration of surfaced roads by conducting preventative maintenance, control of storm water and provision of drainage structures and to surface priority roads. Roads and stormwater cannot be separated because when there is no proper stormwater drainage system on a road, the life span of the road cannot be guaranteed.

Maintenance of tar roads are done through cleaning of catch pits, patching of potholes and road marking to prevent deterioration. Maintenance of gravel roads is through grading and construction of small bridges and stone pitching. Due to insufficient resources to get all the roads in good condition, priority is given to roads to schools, clinics, grave yards, business areas and roads which are used by public transport. In terms of Roads and Stormwater the following challenges are experienced:

- There are insufficient funds for regravelling and tarring of municipal roads.
- Many of the roads need stormwater management control.
- Most of the municipal roads and internal streets are gravel and need more machines than what is available to be maintained regularly.
- No budget for the development of Roads Master Plan
- There are not enough labourers to construct stone pitching, wing walls and other maintenance related tasks which can be done in-house.
- One old grader needs to be maintained and R200,000 is needed for its refurbishment.

Chapter 3

- GTM is sometimes forced to maintain roads which should actually be attended to by the District Municipality and the Department of Roads and Transport as they take too long to maintain them. This has a negative effect on our programme and budget.

Chapter 3

Table 46: Road infrastructure 2008/09 - 2013/14

Year	Gravel				Tar/Asphalted			
	Total km	Newly constructed	Upgraded to tar	Maintained	Total km	Newly constructed	Re-sheeted	Maintained
2008/2009	1610	13.14	0	1779	690	0	0	0
2009/2010	1610	14.73	0	1610	690	0	0	0
2010/2011	1610	0	0	1478	690	0	0	0
2011/2012	1610	0	0	1824	690	0	0	56 727 m ²
2012/2013	1610	0	0	2355	690	0	0	7594 m ²
2013/2014	1595	0	15	67.7	705	15	0	14 051 m ²

Table 47: Cost of construction & Maintenance of roads (2008/09 - 2013/14)

Year	Gravel				Tar/ Asphalt			
	Maintained (Km)	Expenditure (R'000)	Newly Constructed (Km)	Expenditure (R'000)	Maintained (m ²)	Expenditure (R'000)	Newly Constructed (Km)	Expenditure (R'000)
2008/2009	1779	8 746 580.99	13.14	12 800 287	7510.92	5 480 607.35	0	0
2009/2010	1610	7 505 839.50	14.73	15 583 206	8000	5 090 149.30	0	0
2010/2011	1478	12 116 463	0	0	42 488	12 812 238	0	0
2011/2012	1824	15,222,895	0	0	56 727	12 895 697	0	0
2012/2013	2355	5 388 907.37	0	0	7 594	5 013 946.51	0	0
2013/2014	67.7	6 517 059	0	0	14 051	4 248 879	2.55km	13 394 036.80

Chapter 3

Table 48: Service Delivery targets for Roads & Stormwater as set out in the SDBIP for 2013/14

Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Roads and Storm water Infrastructure Development	Km of roads tarred	19	15 km	Projects on arbitration
Roads and Storm water Infrastructure Development	Sasekani to Nkowankowa D Tar Road	7.2 km Tar road completed	The contractor is busy tipping for the base layer. (81% Physical Progress)	Arbitration processes
Roads and Storm water Infrastructure Development	Mafarana, Ntsako, Bonn to Sedan Tar Road (2km)	5km tar road completed. Expenditure at 100%	The contractor is busy with stabilization of base layer from cho.00 to ch3000.00, placing of base material on other section and construction of culverts. (79% Physical Progress)	Slow progress by the contractor and rain interruptions affected the progress.
Roads and Storm water Infrastructure Development	Nkowankowa C - Ring Road	Site handover	Project on practical completion	Delay due to contractor slow progress
Roads and Storm water Infrastructure Development	Agatha street (Tzaneen) Refurbishment	Investigations concluded	Investigations concluded only	Budget was redirected during budget adjustment

Chapter 3

Table 48: Service Delivery targets for Roads & Stormwater as set out in the SDBIP for 2013/14

Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Roads and Storm water Infrastructure Development	Sapekoe drive (Tzaneen) Refurbishment - phase 1	Investigations concluded	Investigations concluded only	Budget was redirected during budget adjustment
Roads and Storm water Infrastructure Development	Khayalami street (Nkowankowa) Refurbishment - phase 1	Investigations concluded	Investigations concluded only	Budget was redirected during budget adjustment
Roads and Storm water Infrastructure Development	Bankuna street (Nkowankowa) Refurbishment - phase 1	Investigations concluded	Investigations concluded only	Budget was redirected during budget adjustment
Roads and Storm water Infrastructure Development	Senakwe (Mantswe) to Morapalala Tar (Phase 2)	6.8km tar road completed, 99% expenditure	Contractor busy with layer works at the intersection and fill at the three main culverts. Rock issue has not yet been solved, waiting for management. (68% Physical Progress)	Rain delayed the progress and the rock issue has not yet been solved.
Roads and Storm water Infrastructure Development	Thapane to Moruji Tar	11,5km Tar road completed, expenditure at 99%	Contractor is 100% complete with site establishment, clearing and grubbing is 100% complete from km0.00 to km5.00 and 23% with bulk earthworks from km0.00 to km5.00. Very little progress done. (17% Physical Progress)	Slow progress by the contractor and late appointment of the contractor.

Chapter 3

Table 48: Service Delivery targets for Roads & Stormwater as set out in the SDBIP for 2013/14				
Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Roads and Storm water Infrastructure Development	Matupa Low Level bridge	Project completed	Project 98% completed contractor is busy with concrete approach slabs	On practical completion
Roads and Storm water Infrastructure Development	Thako to Sefolwe low level bridge	Project completed	Project is 98% completed contractor is busy with stone pitching	On practical completion
Roads and Storm water Infrastructure Development	Mopye Local Level bridge	Project completed	Project is 70% completed contractor is busy with back filling of the road	Slow progress by the contractor
Roads and Storm water Infrastructure Development	Politsi Low Level bridge	Mass earth works completed		Community disputing the location of the project
Roads and Storm water Infrastructure Development	Rikhotso, Khwekhwe, Mokonyane and Mawa Block 12 low level bridges	Appointment of contractor.	Designs completed Environmental Impact Assessment consultant is busy with EIA processes	Insufficient funds for completion during 13/14, scheduled for roll-over to 14/15
Roads and Storm water Infrastructure Development	Lenyenye Cemetery Road	Construction of stone pitching and regravelling	Parking, road inside the cemetery regravelling of critical section, installation of stormwater pipes and stone pitching have been done	Further improvements on the road to be completed in 14/15

Chapter 3

Table 48: Service Delivery targets for Roads & Stormwater as set out in the SDBIP for 2013/14

Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Roads and Storm water Infrastructure Development	Ramotshinyadi Road (Gravel to Tar)	12.5 km of road completed by 30 Sept	12.5km Road completed	None
Roads and Storm water Infrastructure Development	Claude Wheatly road (Refurbishment)	Road, Taxi rank shelters & Palisade fence completed	The roads is on practical completion and open for use. Construction of palisade fence has commenced and taxi roof canopies are still outstanding. (93% Physical Progress)	Approval of the VO took long and delayed the progress on site. Clarity on shelters not yet received from management.

Chapter 3

Table 49: Employees - Roads & Stormwater Services

Job level	2012/2013			2013/2014		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	100%	1	1	0%
Level 4-6	10	4	40%	10	3	70%
Level 7-9	0	0	0%	0	0	0%
Level 10-15	182	38	20.88%	182	38	79.12%
Level 16-17	0	0	0%	0	0	0%
Total	193	43	22.28%	193	42	78.23%

Table 50: Financial Performance 2013/14: Roads & storm water Services (R'000)

Detail	2012/2013		2013/2014		
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	-	150	150	155 300	-155 150
Expenditure:					
Employees	11 658	11 406	11 406	13 920	-2 514
Repairs & Maintenance	20 877	19 356	19 356	22 160	-2 804
Other	57 443	54 511	54 291	11 883	42 408
Total Operational Expenditure	89 978	85 273	85 053	47 963	37 090
Net Operational (Service) Expenditure	-89 978	-85 123	-84 903	107 337	-192 240

The expenditure on capital in terms of roads and stormwater is presented in **Table 51**.

Table 51: Capital Expenditure 2013/14: Roads and storm water Services (R'000)

Capital Projects	2013/2014				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Claude Wheatly	R0	R 181 217	R 181 216	R -181 216	R 10 453 750.98
Sasekani to Nkowankowa D	R 6 500 843	R 21 750 094	R 14 175 341	R -7 674 498	R38 246 368

Chapter 3

Table 51: Capital Expenditure 2013/14: Roads and storm water Services (R'000)					
Capital Projects	2013/2014				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Tar Road					
Mafarana, Ntsako, Bonn to Sedan Tar Road	R 16 137 152	R 25 445 601	R 15 286 204	R 850 948	R27 228 000
Nkowankowa C - Ring Road	R 13 000 000	R 3 500 000	R 9 240 985	R 3 759 015	R15 000 000
Ramotshinyadi Bridge	R 12 006 030	R 11 677 911	R 13 044 904	R -1 038 874	R22 998 463.59
Agatha street (Tzaneen) Refurbishment	R 1 500 000	R 625 000	R 0	R 1 500 000	R 8 500 000 for the two roads
Sapekoe drive (Tzaneen) Refurbishment - phase 1	R 2 500 000	R 625 000	R 0	R 2 500 000	
Khaya street (Nkowankowa) Refurbishment - phase 1	R 2 500 000	R 625 000	R 0	R 2 500 000	R 1 227 741.64
Bankuna street (Nkowankowa) Refurbishment - phase1	R 3 000 000	R 625 000	R 0	R 3 000 000	R 1 238 507.13
Senakwe (Mantswa) Tar Morapalala Tar	R 20 767 635	R 9 921 851	R 10 953 250	R 9 814 385	R36 285 000
Thapane to Moruji Tar	R 37 991 687	R 15 484 031	R 8 087 185	R 29 904 502	R52 035 000
Ramotshinyadi Road	R 0	R 12 497 615	R 11 977 672	R -11 977 672	R 56 497 380
Claude Wheatly Road	R 0	R 13 143 296	R 4 580 786	R -4 580 786	R 10 453 750.98
Matupa Low Level bridge	R 0	R 1 025 000	R 808 932	R -808 932	R 1 127 524.18
Thako to Sefolwe low level bridge	R 0	R 322 983	R 0.00	R 0	R 1 068921.16
Thako to Sefolwe low level bridge (phase 2)	R 0	R 950 000	R 1 000 694.86	R -1 000 695	See above

Chapter 3

Table 51: Capital Expenditure 2013/14: Roads and storm water Services (R'000)					
Capital Projects	2013/2014				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Mopye Local Level bridge	R 0	R 500 000	R 109 768.21	R -109 768	R 1 833 393.6
Mopye Local Level bridge (phase 2)	R 0	R 1 380 000	R 702 806.18	R -702 806	See above
Politsi Low Level bridge	R 0	R 322 983	R 256 125.85	R -256 126	R 2 200 000
Politsi Low Level bridge (phase 2)	R 0	R 2 200 000	R 829 065	R -829 065	See above
Rikhotso, Khwekhwe, Mokonyane and Mawa Block 12 low level bridges	R 0	R 2 000 000	R 87 633	R -87 633	R 5 050 000
Lenyenye Cemetery Road	R 0	R 2 000 000	R 1 587 710	R -1 587 710	R2 000 000
Total	R 115 903 347	R 126 802 582	R 92 910 278	R 22 993 069	R 293 443 801.26
* Including past and future expenditure as planned					

Chapter 3

Project name	MIG Fund	Counter Fund	Total
Thapane to Moruji: Phase 2	R20166,029	R16,385,000	R36,551,029
Refurbishment and Upgrading of Tzaneen Swimming Pool: Phase 2	R8,237,000	R2,118,060	R10,355,060
Refurbishment and Upgrading of Lenyenye Stadium: Phase 2	R10,675,030	R0	R10,675,030
Rita to Mariveni Upgrading of Road from Gravel to Tar: Phase 1	R14,571,797	R0	R14,571,797
Moruji to Kheshokolwe : Phase 1 Upgrading from gravel to tar	R14,571,797	R0	R14,571,797
Tickyline Glassworks, Myakayaka, Burgersdorp, Gavaza to Mafarana from gravel to tar: Phase 1	R14,571,797	R0	R14,571,797
Relela Community Hall	R0	R2,334,504	R2,334,504
Marumofase Pedestrian Bridge	R0	R6,120,155	R6,120,155
PMU Management	R4,289,550	R0	R4,289,550
TOTAL	R87,083,000	R26,957,719	R114,040,719

Project name	MIG Fund	Counter Fund	Total
Rita to Mariveni: Upgrading of Road from Gravel to Tar: Phase 2 of 4	R20,231,700	R2,832,438	R23,064,138
Moruji to Maswi: Upgrading of Road from Gravel to Tar: Phase 2 of 4	R27,217,596	R4,430,771	R31,648,367
Tickyline to Mafarana: Upgrading of Road from Gravel to Tar: Phase 2 of 4	R20,315,033	R2,844,105	R23,159,138
Relela Community Hall: Phase 2 of 2	R9,165,496	R0	R9,165,496
Upgrading of Runnymede Cluster Sports Facility: Phase 1 of 2	R10,550,926	R0	R10,550,926
PMU Management	R4,604,250	R0	R4,604,250
TOTAL	R92,085,001	R10,107,314	R102,192,315

Project name	MIG Fund	Counter Fund	Total
Rita to Mariveni: Upgrading of Road from Gravel to Tar: Phase 3 of 4	R22,910,751	R5,146,280	R28,057,031
Moruji to Maswi: Upgrading of Road from Gravel to Tar: Phase 3 of 4	R30,145,303	R6,744,614	R36,889,917
Tickyline to Mafarana: Upgrading of Road from	R21,443,646	R4,943,336	R26,386,982

Chapter 3

Project name	MIG Fund	Counter Fund	Total
Gravel to Tar: Phase 3 of 4			
Upgrading of Runnymede Cluster Sports Facility: Phase 2 of 2	R12,972,000	R0	R12,972,926
Upgrading of Burgersdorp Sports Ground: Phase 1 of 3	R4,000,000	R0	R4,000,000
PMU Management	R4,814,300	R0	R4,814,300
TOTAL	R96,286,000	R16,834,230	R113,120,230

In **Tables 52-54** above the three year plan - the priority list on roads is presented. Prioritisation was done by Council after needs of communities were received. Capital expenditure for 2013/2014 is very low because of the following factors:

- Supply chain processes
- Court interdict delayed construction
- Consultants appointed were very slow to produce documentation

We do not foreseen variation outside the budgets because of the ten percent contingency amounts in the existing budgets.

3.8 LICENSING

Clients are assisted at Tzaneen and Nkowankowa DLTC with the issuing of learners and drivers licenses and also the renewal of drivers' licenses. The Registration Authority at the main building assists with all vehicle licenses and registration issues. Challenges faced are:

- Insufficient parking for clients in front of the main building,
- Air conditioners at DLTC that's not working for the past 4 year and
- Telephone lines that are not working at DLTC for the past 4 years due to theft of cables
- Applicants that are flocking to the 2 testing stations to get assistance for learners and drivers licenses
- Corruption at the testing stations and the overcrowding of driving schools at the testing stations

Chapter 3

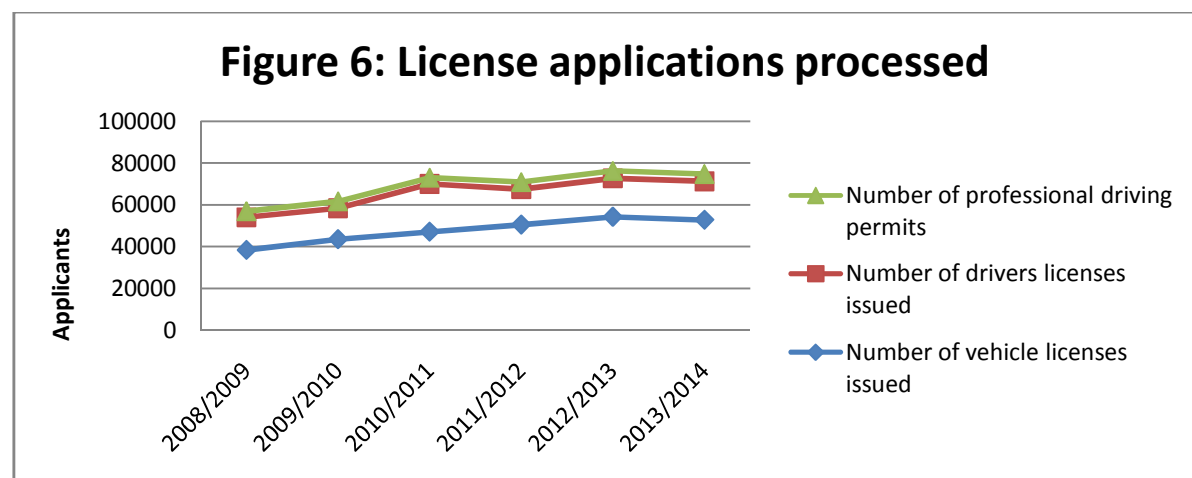
The top 3 service deliveries priorities are vehicle renewal, registration and licensing of vehicles and the issuing of learners and drivers licenses. The outline approach is that all licenses which are issued must be issued in terms of the National Road Traffic Act, procedures and K53 manuals. Initiatives introduced to improve service delivery:

- All offices are open during lunch hours and we also assist bigger companies from neighbouring Municipalities in registration and licensing issues.
- Licensing and testing services offices are also open on Saturdays
- We have also introduced the electronic booking system and the electronic learner's license system in Tzaneen DLTC only.
- Establishment of Mopani Licensing Forum where all Municipalities of Mopani District are meeting and strive that all services in the Mopani District are done the same

Table 55: Licensing and Testing services 2008/09 - 2013/14

Year	Number of vehicle licenses issued	Number of drivers licenses issued	Number of professional driving permits	Revenue collected (R)
2008/2009	38390	15646	2844	R 8 677 681
2009/2010	43531	14826	3259	R 12 424 800
2010/2011	47109	22810	3089	R 24 419 793
2011/2012	50488	16914	3453	R12 45 816
2012/2013	54202	18415	3618	R 20,463,353
2013/2014	52768	18441	3569	R32,303,810

Figure 6: License applications processed



Chapter 3

Table 56 : Number of new vehicles registered

Year	Number
2008/09	11882
2009/10	11143
2010/11	12364
2011/12	12827
2012/13	12287
2013/14	12333

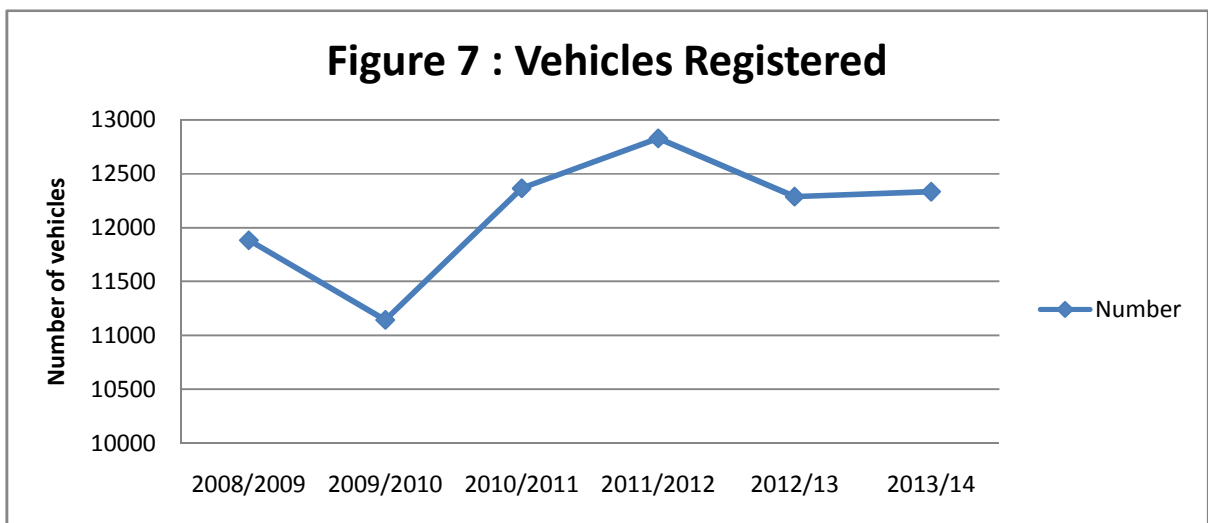


Figure 7 presents the number of vehicles registered from 2008/09 to 2013/14, showing a marked decline since 2011/12 which seem to have stabilised during the 13/14 year. This is most probably linked to the international economic slow-down, which has resulted in a reduction in the sales of new vehicles.

Chapter 3

Table 57: Licensing Service Delivery targets for 2013/14 as contained in the SDBIP				
Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
None	n/a	n/a	n/a	n/a

Chapter 3

Table 58: Employees - Licensing and Testing Services						
Job level	2012/2013			2013/2014		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	23	10	56%	23	10	56%
Level 7-9	25	12	52%	25	12	52%
Level 10-15	11	3	72.7%	11	3	72.7%
Level 16-17	0	0	0%	0	0	0%
Total	60	26	56.6%	60	26	56.6%

Table 59: Financial Performance 2013/14: Licensing and Testing Services (R'000)					
Detail	2012/2013	2013/2014			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	13 616	44 473	44 473	13 843	30 629
Expenditure:					0
Employees	11 747	11 518	11 518	15 046	-3 528
Repairs & Maintenance	8	47	47	5	42
Other	367	22 987	22 982	393	22 589
Total Operational Expenditure	12 122	34 552	34 547	15 444	19 103
Net Operational (Service) Expenditure	1 494	9 921	9 926	-1 601	11 526

5 year targets are set out in the IDP and all falls in the approved budget.

Chapter 3

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: Land Management, Town Planning and Local Economic Development issues.

3.9 LAND MANAGEMENT

Land Use and Land Claims

Approximately 66% of the total land area is privately owned while 33% of the total land area is owned by the state mainly in Traditional Authority areas. A negligible extent is municipal commonage. Land is a precious resource that forms the basis of a nation's wealth, security, pride and history. It is a major resource on which all spatial development proposals are based. Land and its ownership and use play an enormous role in shaping the political, economic and social processes.

Tribal land is not under Municipal control. Land restitution and land redistribution are all part of the Government's Policy on land reform. Land restitution is a programme to restore land to people who were dispossessed since 1913. Currently there are almost 45 claims that have been lodged with the Land Claims Commission within Greater Tzaneen Municipality. The number of these claims provides an indication of the extent and potential impact these claims may have on the SDF planning proposals. The Land & Human Settlement Division has an approved organogram of 15 positions, six of which have been filled.

JOB LEVEL	2012/2013			2013/2014			
	No of posts	Positions filled	Vacancy rate	No of posts	Positions filled	Vacancy rate	
Level 0-3	1	1	0%	1	1	0%	
Level 4-6	4	3	25%	2	2	0%	
Level 7-9	7	2	71.4%	5	3	40%	
Level 10-15	1	1	0%	2	2	0%	
Level 16-17	0	0	0%	0	0	0%	
Total	13	7	50%	10	8	20%	

Chapter 3

Table 61: Financial Performance 2013/14: Land and Human Settlements (R'000)					
Detail	2012/2013	2013/2014			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	0	0	0	16 352	-16 352
Expenditure:					
Employees	3 735	3 923	3 923	4 612	-689
Repairs & Maintenance	0	115	115	0	115
Other	439	510	235	204	31
Total Operational Expenditure	4 174	4 548	4 273	4 816	-543
Net Operational (Service) Expenditure	-4 174	-4 548	-4 273	11 536	-15 809

Challenges on Land Management

- Illegal occupation of state own land held in trust of traditional Councils
- No serviced stands to meet the demand.

Land Management

The transfer of sites through the Extended Enhanced Discount Benefit Scheme (EEDBS) at Nkowankowa Section C from Greater Tzaneen Municipality to occupants is 200 and at Dan Extension 2 are 472.

Pusela 6

New lease agreements were signed by the tenants to rent the units as family units.

Portion 292 and 293 of the farm Pusela 555LT (Talana Family Hostel and Surrounding)

The property is registered in the name of Council. A feasibility study was conducted to determine the implementation of Community residential units (CRU). The property is enrolled with COGHSTA for project pipeline.

Areas earmarked for development are presented below in **Table 62**.

Chapter 3

Table 62: Land Developments 2013/14		
Town	Developer	Progress
Dan Extension 1	Dewcon	Developers is waiting for Eskom to respond on electricity connection and prices
Tzaneen Extension 13	Phethego Project	The project is almost complete.
Tzaneen Extension 53	Phadima Holdings	Project is under litigation
Tzaneen Extension 60	Solidarity Developers	The EIA is approved and designs submitted for approval.
Tzaneen Extension 78	Ngoma Trading	Developers submitted designs for roads electricity to both department of Engineering services and Electrical Department

The Housing Development Agency (HDA) appointed a Service Provider (a Town Planner) for Urban appraisal of all projects with possibility of funding Community Residential Units (CRU) and Social Housing Projects.

Chapter 3

Table 63: Applications for Land use Development 2011/12 - 2012/13

	Formalisation of Townships			Rezoning			Built Environment		
	2011/12	2012/13	2013/14	2011/12	2012/13	2013/14	2011/12	2012/13	2013/14
Planning application received	3	1	1	14	15	19	406	628	640
Determination made in year of receipt	2	2	1	6	6	8	406	628	640
Determination made in following year	1	0	1	3	6	8	0	0	0
Applications withdrawn	0	0	0	3	1	1	0	0	0
Applications outstanding at year end	1	2	2	2		2	0	0	0

Table 64: Service Delivery targets for Town Planning as contained in the SDBIP for 2013/14

Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Integrated Development Planning	Rural Development Strategy	Submit Rural Development Strategy to Council for adoption along with the IDP.	Compilation of specifications	No budget allocated
	Rural Nodal Development Plans Bulamahlo (Community Centre)	Service Provider appointed. Draft feasibility study presented to Councillors. Approve Conditions of Establishment. Proclaimed township	Draft Plans in place	Legislation impediments
Integrated Spatial development	Review of Spatial Development Framework	SDF finalised and approved by Council	Specifications to Supply Chain Unit to conclude in 2014/15	No funding in 13/14
	Land Use Management System	Data collection, legislative compliance, public participation, socio-economic research and approval	Project on hold, legislative impediments	Awaiting approval of Provincial legislation

Chapter 3

Table 65: Employees - Town Planning services						
Job level	2012/2013			2013/2014		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	6	2	66.6%	6	3	50%
Level 7-9	1	1	0%	1	1	0%
Level 10-15	0	0	0%	0	0	0%
Level 16-17	0	0	0%	0	0	0%
Total	8	4	50%	8	4	50%

The financial performance of the Town Planning Service is presented in **Table 66** below:

Table 66: Financial Performance 2013/14 Town Planning Services (R'000)					
Detail	2012/2013	2013/2014			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	123	100	100	108	-8
Expenditure:					
Employees	2 847	2 873	2 873	4 062	-1 189
Repairs & Maintenance					
Other	505	1 328	1 323	488	835
Total Operational Expenditure	3 352	4 201	4 196	4 550	-354
Net Operational (Service) Expenditure	-3 229	-4 101	-4 096	-4 442	346

The capital expenditure for Town Planning Services is presented in **Table 67** below;

Table 67: Capital Expenditure 2013/14: Town Planning (R'000)					
Capital Projects	2013/2014				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
None	n/a	n/a	n/a	n/a	n/a
Total	n/a	n/a	n/a	n/a	n/a

* Including past and future expenditure as planned

Chapter 3

The current budget allocation for Town Planning of R1 million will be utilized to review the Spatial Development Framework. The process is currently in a procurement stage. The balances will be utilized towards the end of the financial year to review the Density and Tzaneen Nodal Policies. Other programmes such as formulation of townships include Rezoning, Built environment and Permission to Occupy applications are carried out through the Operational Budget.

The following projects were completed in the previous year namely;

- High density social resident project on Portion 6 of the Farm Pusela 555-LT
- Nkowankowa Local Area Plan

Chapter 3

3.10 LOCAL ECONOMIC DEVELOPMENT

Tourism and Marketing

While Tourism is one on the major economic developmental opportunities within GTM, a 'Tourism Landmark' still needs to be established, which will identify Tzaneen as a unique Tourism destination. GTM has managed to establish the Local Tourism Association and a sustainable relationship/partnership with local tourism product owners. In terms of the revised LED strategy, GTEDA should be the implementing agent for the Municipality in the following four keys:

- Tourism product development
- Tourism skills development
- Tourism marketing
- Events Management

The Limpopo Tourism and parks Agency, being the main marketing agency for the entire provincial tourism development, the LTA at local level together with the Municipality compliment the role during local, provincial and international trade events/publications as depicted in the table below:

Events	Publications
Marula Festival	Brochures
Indaba Trade Show	DVD's
Letaba Expo	Magazines
Getaway show	Local newspapers
Muhlaba Day	
Nwamitwa Day	
Flea markets and Arrive Alive campaigns	

Chapter 3

Since the establishment of the Local Tourism Association, tourism activities and events are well coordinated. There is a good working relation between the Municipality and other government institutions including parastatals and privately owned organization (LEDET, TEP, LTPA, Tzaneen Info). Currently the Municipality has seconded a Tourism Officer to LTPA Tourism Centre for the distribution and dissemination of tourism information and she also serves as a link between the two.

We currently have an updated database of tourism product owners, which is readily available and will be annually reviewed.

The Municipality still needs to address the following:

- Strengthen the relationship with other tourism role-players for sustainable and continuous tourism.
- To identify a Tourism Landmark which will identify Tzaneen as a unique Tourism destination
- Information on Tourism beds and coordinated tourism visitations

Agriculture

The Municipality is largely dominated by Agriculture which is also regarded as a major contributor in job creation. Due to unresolved and/or rather slow redistribution process it is now on the decline. Since there are uncoordinated agricultural activities, the Municipality therefore held a summit in June 2013 which resolved to form partnerships for support and mentorship. The Department of Agriculture and Department of Rural Development will be taking the leading role in the process, while the Municipality facilitates the processes. There is still however serious challenges which some may need higher level intervention:

- Disputes within governance structures including beneficiaries after land restoration
- Marketing and value addition processes
- Agricultural landmark for Tzaneen as a Tropical Paradise

Chapter 3

Business

Business within Greater Tzaneen plays a significant role in terms of job creation emanating from small, medium, micro enterprises (SMME). These also include the non formal sector which also contributes significantly in terms of job creation and poverty reduction, mainly within the agriculture and trade sectors. The Tzaneen Business Chamber has a good relationship with the Municipality wherein issues regarding service delivery are addressed for a healthy business environment. GTEDA currently facilitates development of shopping centres, emanating from the studies done previously. Other development agencies which support SMME's are SEDA and LEDA. The 2013/14 Annual Report for GTEDA is attached as [Annexure B](#). GTEDA received an Unqualified opinion from the Auditor General's Report and the report attached hereto as [Annexure \(E \(ii\)\)](#)

Challenges identified include:

- No policies to guides new development with economic impact (job creation, local business empowerment, etc)
- SMME consolidated database and a skills base profiling for the entire Municipal area
- Tribal Land which are earmarked for development purposes

The revised LED Strategy (2007 review) aims to create 12,500 new jobs over the next five year planning period. There are five anchor projects identified which are:

- Improved Municipal Service Delivery
- Community Development
- Nodal Development
- Unlocking Resource Potential
- Informal Sector Development Support

The implementation process as in unlocking resource potential will also look into the following as adopted with the 2012 strategy:

Chapter 3

- **Systematic Agricultural Scheme Support:** The project will seek to support 4 agricultural schemes/cooperatives with a potential to create at least 5000 jobs (1200/scheme) at a turnover of R5m per annum.
- **Revitalization of the Tours Scheme:** The revitalization process seeks to empower the 15 farmer cooperatives, considering the local shelf market in relation to vegetable and maize production. The operations will significantly change the lives of the community around Tours with an impact on poverty. It is envisaged that 240 permanent jobs will be created; this will increase to 500 seasonally.
- **Establish Agri-Business SMME Regional Centre:** The Pula-Mpfula SMME Regional Centre will focus on Research and development on small scale farming and products.
- **Greater Tzaneen Export Centre/Council:** This export potential within Greater Tzaneen Municipality lacks the necessary government support and is fragmented. In order to improve their competitiveness and growing number of exporters, particularly those in agricultural related products, a structure in the form of Export Council must be established and registered with the Department of Trade and Industry. The benefits will be:
 - ✓ Increased export and markets which will in turn create more jobs
 - ✓ Maximise foreign earnings and sustain economic growth
 - ✓ Trigger export related industry expansion
 - ✓ Mobilization of resources
- **Nkowankowa Industrial Site:** The aim is to engage LEDA through GTEDA to jointly strategise on how to bring the site to its former glory. GTEDA should design a Marketing and Investment Strategy for the site which will encourage the local market investor targeting production, backward linkages and downstream products.
- **Development of Retail Nodes:** The studies conducted previously through GTEDA recommended the development of convenient retail centres across strategic nodes in the GTM area. These will result in creating more jobs, increased sourcing of local products, ensure SMME Development and ensure local participation (equity). The

Chapter 3

retail nodes development is looking at creating 600 temporary jobs during construction while envisaged employment will be 800.

- **Tourism Landmark Project:** The study done through GTEDA on Tourism further recommended for Tourism Landmark around one of the dams in Tzaneen. This type of development seeks to create 400 new jobs and generate R5m per annum.

The table below is a representation of employment and unemployment statistics within Greater Tzaneen Municipality in proportion to gender:

	Male	Female	Grand Total
Employed	39 855	33 627	73 482
Unemployed	17 572	24 965	42 537
Discouraged work-seeker	5 147	8 274	13 421
Other not economically active	49 253	64 903	114 156
Grand Total	111 827	131 769	243 596

Source: Quantec Regional Economic Database: 2014

Communities living in abject poverty

The CWP project, as a means of poverty reduction, has been implemented in 8 wards, create ± 1800 jobs since its inception in 2009. The project ‘Research and Poverty Monitoring Tool’, implemented in Ward 1, in partnership with the University of Venda, has been completed. GTM will be rolling out the project to Ward 2 only due to limited financial resources. The skills imparted will be retained whilst the necessary interventions are facilitated in Ward 1.

Sector	2011	2012	2013	% (2013)
Agric, forestry and fishing	520	557	555	5%
Mining and quarrying	218	215	202	2%
Manufacturing	416	492	478	5%
Electricity, gas and water	523	604	664	7%
Construction	318	340	363	4%

Chapter 3

Table 70: Gross Value Added (GVA) per sector in GTM at constant 2005 Prices, R'm (Global Insight Database)

Sector	2011	2012	2013	% (2013)
Wholesale and retail trade, catering and accommodation	1 443	1553	1 667	16%
Transport, storage and communication	944	977	1 011	10%
Finance, insurance, real estate and business service	2 097	2 258	2 425	24%
Community, social and personal service	578	620	653	6%
General government	1 778	1 896	2 087	21%
Total	8 880	9 512	10 105	100%

The LED Division has facilitated various projects; the table below presents the job creation.

Table 71: Projects in the medium and long term strategy

Project	Short term	Medium term	Long term
Improved Municipal Service Delivery	<ul style="list-style-type: none"> • Prioritization of vacancies • Customer satisfaction survey • Coordination in the Public Sector • Eradication of service delivery backlogs 	<ul style="list-style-type: none"> • Source funding • Implementation 	Monitoring and evaluation
Nodal Development	<p>Urban Nodes</p> <ul style="list-style-type: none"> • Establish nodal development team • Prepare Nodal Development Framework <p>Rural Nodes</p> <ul style="list-style-type: none"> • Prepare a recommendation on the approval of rural nodes • Prepare local area plans 	<ul style="list-style-type: none"> • Source funding • Implementation 	Monitoring and Evaluation

Expanded Public Works Programme

The 2013/2014 EPWP Incentive Grant allocation was R 935 000. **Table 72** below, depicts job creation achievements.

Chapter 3

Year	Work opportunities	FTE,s	Performance by Municipality	Percentage performance per financial year
2009/2010	510	174	213	42%
2010/2011	594	203	228	38%
2011/2012	714	246	378	53%
2012/2013	960	331	566	59%
2013/2014	1 291	445	588	45%
Total	4 069	1 399	1 973	

EPWP jobs were created in the Infrastructure sector and also the Environmental and Culture sector.

Community Works Programme:

The CWP was initiated as a National Presidential programme with a view to address the challenges of unemployment and poverty. The focus is on women and they work for 3 days in a week at a rate of R65/day. The programme is currently implemented in the wards presented in **Table 73 & 74**:

Wards participating	Number of cooperatives	Number of jobs	Output (work done)
Ward 16	0	344	<ul style="list-style-type: none"> • School support programme • HIV/AIDS • Crime prevention • Construction • Cemetery cleaning • Agriculture • Road maintenance • Early childhood development
Ward 18	0	338	
Ward 22	0	98	
Ward 29	0	97	
Ward 30	0	98	
Ward 32	0	237	
Ward 33	0	119	
Ward 34	3	534	
Total no of Participants		1 865	
Total no of Coordinators		117	
Total no of site staff		8	
Total no of CWP members		1 990	

Chapter 3

Ward	Village	Ward Councilor
16	Mahlogwe, Leseke, Bvumeni and Lephepane	Cllr. R Rikhotso
18	Khujwana, Muhlaba cross and Bridgeway	Cllr. P Nghonyama
22	Rita, Lefara, Khopo, Mankweng and Mafarana	Cllr. C Makwala
29	Sunnyside, Myakayaka and Burgersdorp	Cllr. NA Masila
30	Tickyline and Matshelapata	Cllr. L Pudikabekwa
34	Rasebalana, Khopo, Lephepane and Thabina	Cllr. M Letsoalo
33	Leolo	Cllr. D Maake
32	Mhlaba and Moime	Cllr. S Raganya

Main objective

- To create jobs to address the unemployment rate
- To promote safe and healthy living environment
- To promote healthy eating amongst poor people and those infected or affected by diseases

Activities

- Awareness campaign about the risk factors of alcohol, teenage pregnancy, high rate of crime and rape.
- To establish food gardens at Public buildings (schools, churches and clinics)
- Cleaning and paving public area (clinics, schools, churches) and removing unwanted grass, weeds, shrubs etc.
- Landscaping/ Vegetation control
- Sewing
- Regravelling main roads and streets
- Pavement at schools and churches using bricks and sand.

Chapter 3

Table 75: Jobs created through CWP, 2013/14	
Village	Number of Jobs
Mahlogwe, Leseke, Bvumeni and Lephepane	344
Khujwana, Muhlaba cross and Bridgeway	338
Rita, Lefara, Khopo, Mankweng and Mafarana	98
Sunnyside, Myakayaka and Burgersdorp	97
Tickyline and Matshelapata	98
Rasebalana, Khopo, Lephepane and Thabina	534
Leolo	119
Mhlaba and Moime	237
Total	1 865

Table 76: Jobs created through CWP per section of the population (2013/14)	
Population Section	Number of Jobs
Female youth	1 095
Male youth	344
Female adult	265
Male adult	106
Male and female pensioners	7 & 48
Coordinators	117
Total	1 990

PARTNERSHIPS

GTM has in the previous financial year established partnerships with different stakeholders from Government and other organizations including parastatals. These may be either financial or non financial whilst the impact benefits both for purposes of service delivery objectives.

- SEDA – for SMME development during workshops and events
- LDA – for agricultural development and other related events
- Tzaneen Chamber – for events and marketing the area
- University of Venda – implementation of the socio economic survey
- LEDET – construction of the Hawkers esplanades
- Moshate Media – hosting the 2014 agricultural expo

Chapter 3

- Agri Letaba – during Letaba show

Greater Tzaneen Economic Development Agency (GTEDA)

The 2013/14 Annual Report for the Greater Tzaneen Economic Development Agency is herewith attached as [Annexure B](#).

Chapter 3

Table 77: Targets for LED as contained in the SDBIP for 2013/14				
Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Community Works Programme	Number of job opportunities created through the CWP	2 045	1 827	Delayed by COGHSTA to appoint Service Provider
Community Works Programme	Nr of cooperatives established and still functional in wards where the CWP is implemented	4	4	None
Marketing and Investor Targeting	# of jobs created through municipal LED initiatives including Capital Projects	600	452	Capital project implementation delayed
Tourism	# of Tourism SMMEs exposed to the market	30	12	No events for exposure held due to limited cashflow
Tourism	Tourism landmark project	Tourism Landmark project proposal finalised	No progress	Struggling to get an Investor
Agriculture	# of jobs created through agricultural value chain	250	250	None
Marketing and Investor Targeting	GTEDA Trade and Investment initiatives	Monitor GTEDA operations attend Board meetings and report progress on projects to Council	The Board term was extended till 31 December 2014. The term of office for the CEO was also extended by three months till 30 September 2014.	None
Enterprise Development (SMME support)	# of SMMEs capacitated through GTEDA	30	40	None
Enterprise Development	SMME Support	Facilitate the SMME development activities in partnership with other	Facilitated the establishment of FABCO on March 2014 and linked to SEDA for registration. Facilitated	None

Chapter 3

Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
(SMME support)		development agencies (SEDA, LDC, LEDA) SMME in Business, Agriculture, Nkowankowa Industrial and Trade	Business Association launch in all Clusters except Bulamahlo was aborted due to service delivery protests. Construction of 10 market stalls started on 20 May 2014 funded by LEDET. Exporter's workshop held on 18 June 2014. Land Reform/Support Forum on 12 June 2014.	

Chapter 3

Table 78: Employees - Local Economic Development services						
Job level	2012/2013			2013/2014		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	3	2	33.3%	3	2	33.3%
Level 7-9	1	1	0%	1	1	0%
Level 10-15	5	3	40%	5	3	40%
Level 16-17	0	0	0%	0	0	0%
Total	10	7	30%	10	7	30%

Table 79: Financial Performance 2013/14: Local Economic Development Services (R'000)					
Detail	2012/2013	2013/2014			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	897	414	414	231	183
Expenditure:					
Employees	3 313	3 628	3 628	4 047	-419
Repairs & Maintenance	-	117	117	-	117
Other	3 842	3 871	3 866	3 024	842
Total Operational Expenditure	7 155	7 616	7 611	7 071	540
Net Operational (Service) Expenditure	-6 258	-7 202	-7 197	-6 840	-357

Table 80: Capital Expenditure 2013/14: Local Economic Development Services (R'000)					
Capital Projects	2013/2014				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
None	0	0	0	0	0
Total	0	0	0	0	0

LED had no Capital allocation for 2013/14

Chapter 3

COMPONENT D: COMMUNITY & SOCIAL SERVICES

Aged Care

Although Aged Care is not a function of the Municipality, GTM has 37 bachelor housing units (Pioneer Old Aged units) that are being rented out to those aged that are dependent on social grants. There is a waiting list which is updated on a daily basis, as and when requests are received. Allocations are being managed by the Planning and Economic Development Department and maintenance on the facilities are done by the Engineering Services Department.

3.10 LIBRARIES; MUSEUM; COMMUNITY FACILITIES

Parks and Community Facilities

GTM has 3 formal parks in Tzaneen Town, 3 in Nkowankowa, 1 in Lenyenye, 1 in Letsitele and 1 in Haenertsburg. Parks in rural areas however remain limited and although the plan is to provide at least one park per Ward, funding would still be required. The Ward Committees have been tasked to identify areas for parks development in their respective Wards and no development has taken place yet. The grass cutting is done in 2 006 647m² and grass slashing is done in a area of 1 188 29 m². The gardens and parks in Tzaneen, Nkowankowa and Letsitele will be maintained through contracted service providers for the coming three years. **Table 81** outlines the parks and recreational facilities managed by GTM.

Table 81: PARKS AND RECREATION FACILITIES

Name of facility and location	Characteristics
Nkowankowa stadium and Club House 2932 B Corner Bankuna Road and Stadium Street Nkowankowa Letaba 0870	Size: The erf is 73 156 m ² (Including Pavilion, Conference hall, Clubhouse, tuck shop, ticket rooms, store-rooms, and toilets) Value: R 6 000 000 Capacity: 12000 (Seating and Sitting) Use: The stadium is used to host Sport and Recreation events, Arts and Culture events, Political Rally's, church services and conferences, festivals and all other community gatherings. Clubhouse Seating capacity: 150 (Seating) Use: During office hours the club house is used by different organisations for workshops, meetings. Every evening if used for aerobics and boxing sometimes. On Saturdays is used for funerals, graduations and meetings still. On Sundays is used for church in the mornings and meetings too in the afternoons.

Chapter 3

Table 81: PARKS AND RECREATION FACILITIES	
Name of facility and location	Characteristics
	<p>Personnel: There are 2 Security personnel who works day and night There are 5 General workers who rotates from stadium, clubhouse even to other parks and open space.</p>
<p>Lenyenye stadium 2117 Stadium Street Lenyenye (Lesedi Cluster)</p>	<p>Size: The erf is 47 243 m² (Including Pavilion, Conference hall, tuck shop, ticket rooms, store-rooms, and toilets) Capacity: 3 000 (Seating and Sitting) Use: The stadium is used to host Sport and Recreation events, Arts and Culture events, Political Rally's, church services and conferences, festivals and all other community gatherings. In the mornings and evening, the community uses it for exercises and matches. Value: R4 500 000 Reservations: All reservations are made at Town Managers office. Tariffs are determined by the type of event. Personnel: There are 2 security personnel who works day and night There 2 General Assistance who do maintenance in the surroundings. Future Developments: To undergo renovations through MIG funds in 2014/2015 financial year, R16 675 030.00.</p>
<p>Burgersdop Stadium Near Timangeni Primary School Burgersdorp</p>	<p>Size: The erf is 22 500 m² (Clubhouse, tuck shop, garage, and toilets) Rand worth: R 6 Million Capacity: 1 000 (Seating and Sitting) Use: The stadium has artificial turf and mainly meant for Soccer. Hoping to host small community gatherings such as meetings for 50 people in the clubhouse hall. Also to be used as Mopani SAFA Offices Reservations: All reservations are made at Lenyenye and Nkowankowa Town Managers offices. The plan it that they be done on site. Personnel: There two security guards for day and night. Two General workers needed to maintain the surroundings and the Clubhouse, also deal with booking of the facility. Tariffs: Are determined by the type of event as per approved tariff. In the process of requesting extension of the yard to 5 000 m² as required by SAFA for adding business into the site to sustain the facility.</p>
<p>Julesberg Stadium and is situated Near Julesburg Clinic and AFM Church</p>	<p>Size: The erf is 50 000 m² (Conference hall, tuck shop, security room, store-rooms, and toilets both flushing and long drop, tennis court, sand volleyball court and sand netball) Rand worth: R 3 million Capacity: 5 000 (Seating and Sitting) Use: The stadium is used to host Sport and Recreation events, Arts and Culture events, Political Rally's, church services and conferences and all other community gatherings. Personnel: Is comprised of 5 i.e. 2 General workers from Parks Division to maintain the surroundings. 2 Security to guards to work day and night from a private Company and 1 cleanser from the Environmental Health Division. Reservations: All reservations are made at Town Managers office at Lenyenye and Nkowankowa and also at Civic Centre. Tariffs are determined by the type of event but this facility is mostly used by development teams and Masters. Schools are not paying for using the facility.</p>
<p>Mhlaba 2 Hall 1627 A</p>	<p>Size: The erf 30 000 m² (hall, Projector room, store-rooms, Kitchen, toilets) Capacity: 250 (Seating and Sitting)</p>

Chapter 3

Table 81: PARKS AND RECREATION FACILITIES	
Name of facility and location	Characteristics
Nkowankowa Letaba 0870	Use: The Community hall is used to Arts and Culture events, Political Rally's, church services, funerals, meetings, conferences and all other community gatherings. Reservations: All reservations are made at Town Managers office. Tariffs are determined by the type of event.
New Sport Centre (Indoor and Outdoor) 345 C Nkowankowa Letaba 0870	Facilities: Artificial outdoor facilities in the form of 3 netball courts and 4 mini soccer courts Indoor Sport Centre with a multipurpose court is still under construction Rand worth: R 1 515 350.37 Note that these facilities are not yet handed over to the municipality yet. Use: It will be used for Sport and Recreation in the form of School Sport and Community games as well as the community needs it for meetings, funerals etc. Reservations: The facility will be booked on site and at Town Managers offices. Tariffs are determined by the type of event. Personnel: Four General Workers will be appointed to maintain the facility 2 Security are appointed to guard the facility. 1 cleaner will be needed to clean the Indoor sport Centre
Olympic swimming pool Thiem Street and Crown Drive	Renovations to resume in 2014/2015 through MIG at the amount of R17 247 060.00 Use: Swimming gala's will be hosted. It will also be used for individual or family use. Personnel: 2 General workers maintain the surrounding but they rotate from Area to area. 2 Life Guard's will be employed during season Reservations: Are done on site and through the Sport Office.
Thusong Centers	Rhelela Thusong Centre (about to be renovated) Runnymede Thusong Centre Bulamahlo Thusong Centre Lesedi Thusong Centre Maintenance: Maintenance needs are sent to Maintenance Division for their consideration.

GTM have three Community Halls i.e at Nkowankowa, Lenyenye, Julesburg Stadium Hall then also Mini-Tzanie Park Hall, Rhelela; Runnymede and Lesedi. These halls are booked to control access and for recording purposes and to collect some funds for sustainability. Only the three community halls are rented out, the usage of the others are free of charge. The halls surroundings are kept clean for maximum usage, to attract users and to promote safe and healthy environment. Communities living in poverty are currently utilising the halls at Rhelela, Bulamahlo, Lesedi and Julesburg for free, even though this is not sustainable, as these facilities need to be maintained. As it is, the maintenance of community halls is not done as it should be, due to budget constraints.

Chapter 3

The Museum is operational and objects are explained to visitors. The building is very small and need to be extended. Application of funds to construct a multi purpose museum is made to MIG . The Museum is currently operated by a Private Curator with his artefacts and the GTM seek to have its own collection and manage the facility, due to misunderstandings between the Private Curator and the GTM.

Libraries

Library Services, an unfunded mandate, is the joint responsibility of Municipal authorities and the Department of Sports, Arts & Culture (DSAC). The GTM has entered into a Service Level Agreement with the Limpopo Provincial Library Services, DSAC and is providing library services in the following towns:

- Tzaneen (Main library)
- Haenertsburg (Branch library)
- Letsitele (Branch library)
- Shiluvane Library (under construction)

In terms of the Service Level Agreement the Municipality is responsible for infrastructure, staff and operational costs. The Provincial Library Services is responsible for supplying furniture, equipment and reading material. The top three Library Service priorities are:

- Access to balanced book collections and lending services;
- Information services, with the emphasis on school project help and user education
- Educational holiday programmes and book-related arts and craft events, including an annual reading competition.

During 2013/2014, 95 800 people used the GTM libraries; 75 347 books were lent out; 67 school groups visited the libraries; 513 assignment topics were assisted with; 14 book related events were hosted; 3 holiday programmes were held and 2 409 learners entered the library competition. The GTM Library Services constantly strives towards building relevant collections and providing friendly and efficient services. For that reason, communities from

Chapter 3

all over the Greater Tzaneen Municipality area and beyond use the libraries. Access to the libraries, project assistance and information is free of charge.

Public Work's construction of the new libraries at Shiluvane and Mulati continued throughout 2013-2014, and the Shiluvane Library opened to the community on 16 September 2014. The DSA&C estimates that the Molati Library should be operational by June 2015 at the latest. Both libraries are funded by National Library Grant funding, through the DSA&C. The GTM's Vision for Library Services is to build new libraries accessible to all, especially in rural areas and in all clusters. The infrastructure status quo and maintenance and development requirements of the four operational GTM libraries are presented in **Tables 82**. Communities from all over the Greater Tzaneen Municipality area and beyond use the Greater Tzaneen Municipal libraries. As the Tzaneen Library is one of only two municipal libraries in the Limpopo Province that is open on Saturdays, students and learners from all over the province rely on the library for information. The high level of service at the libraries should be maintained and extended, as the demand for quality library services is high.

Table 82: Tzaneen Library details	
Facility	Characteristics
Tzaneen Library 38 Agatha Street TZANEEN 0850	<p>Size: 1019 m² (Including entrance hall, stacks, offices, store-rooms, study hall and toilets)</p> <p>Library: <i>Seating capacity:</i> 70 (Seated at tables) <i>Use:</i> The library is used to house books for information and recreation and as a study and information centre.</p> <p>Study Hall: <i>Seating capacity:</i> 42 (Seated at tables); 60 if used as lecture hall. <i>Use:</i> During office hours the study hall is used by students studying and after hours as a lecture hall, workshop room or recreational centre.</p> <p>Current Services:</p> <ol style="list-style-type: none"> 1. Access to balanced book collections 2. Lending services (Currently being computerized) 3. Access to four national daily newspapers and to two local newspapers 4. Information services, with the emphasis on school project help

Chapter 3

Table 82: Tzaneen Library details	
Facility	Characteristics
	<ol style="list-style-type: none"> 5. User education, including school group orientation and story reading 6. Informative displays 7. Holiday programmes and book-related arts and craft events 8. Annual reading competition 9. Ample comfortable seating at study tables in the Library and Study Hall 10. Air conditioning 11. Tattletape system safeguarding books
Haenertsburg Library 7 Marè Street Haenertsburg 0850	<p>Size: 235 m² including a storeroom, Finance Office, Turner Room, Kitchen, 3 toilets and a Patio, <i>Rand worth:</i> R1 057 500</p> <p>Number of books in the library: 11,384 books</p> <p>Library: <i>Seating capacity:</i> 20 (Seated at tables) <i>Use:</i> To house books for information and recreation and as a study and information centre. Internet access is available free of charge.</p> <p>Turner Room (Board room): <i>Seating capacity:</i> 12 (Seated at table) <i>Use:</i> Community meetings such as the Police Forum and for recreational activities such as library holiday programmes.</p> <p>Finance Office: <i>Seating capacity:</i> 2 Staff members. <i>Use:</i> Municipal accounts are paid at the office.</p> <p>Current Services:</p> <ol style="list-style-type: none"> 1. Access to balanced book collections 2. Lending services (Currently being computerized) 3. Information services, with the emphasis on school project help 4. User education, including school group orientation and story reading 5. Informative displays 6. Holiday programmes and book-related arts and craft events 7. Free internet to the public 8. DVD rental club operated from the library as a service to the community 9. Municipal accounts paid at the Finance Office 10. Tattletape system safeguarding books
Letsitele Library 61 Kort Street Letsitele 0850	<p>Size: 130 m² (Including library, small library store-room and finance office) <i>Rand worth:</i> R780 000</p> <p>Separate Council building, which includes offices, toilets and kitchen, not included.</p> <p>Number of books in the library: 12 690 books</p> <p>Library: <i>Seating capacity:</i> 40 (Seated at tables) <i>Use:</i> The library is used to house books for information and recreation and as a study and information centre, as well as for recreational holiday programmes.</p>

Chapter 3

Table 82: Tzaneen Library details	
Facility	Characteristics
	<p>Internet access is available free of charge.</p> <p>Finance Office: <i>Seating capacity:</i> 2 Staff members. <i>Use:</i> Municipal accounts are paid at the office and arrangements for sewerage removal in Letsitele are made via the office.</p> <p>Current services:</p> <ol style="list-style-type: none"> 1. Access to balanced book collections 2. Lending services (Computerized) 3. Access to two national daily newspapers and to two local newspapers 4. Information services, with the emphasis on school project help 5. User education, including school group orientation and story reading 6. Informative displays 7. Holiday programmes and book-related arts and craft events 8. Free internet to the public 9. Comfortable seating at study tables 10. Tattletape system safeguarding books
<p>Shiluvane Library GPS coordinates: S 24° 02.187' E 030° 16.524'</p>	<p>Size: 515 m² (Estimate)</p> <p>Includes a large open-plan space for bookcases and tables, a computer room, a study room, librarian's office, a room for processing books, children's area, toilets and a small kitchen and store-room. The building is wheelchair accessible, and includes a toilet for the disabled.</p> <p>Library: <i>Seating capacity:</i> 58 (Seated at tables) 22 (Seated at wall mounted counters) 16 Children's chairs at children's tables</p> <p><i>Use:</i> The library is used to house books and other reading material for information and recreation and as a study and information centre. Internet access is available free of charge.</p> <p>Current Services:</p> <ol style="list-style-type: none"> 1. Access to balanced book collections with the emphasis on Reference Works. 2. Information services, with the emphasis on school project help 3. User education, including school group orientation and story reading 4. Informative displays 5. Holiday programmes and book-related arts and craft events 6. Free internet to the public 7. Ample comfortable seating at study tables 8. Tattletape system safeguarding books

The main challenge with Library Services infrastructure development and maintenance is that the responsibilities between the Municipality and the DSAC are unclear. The DSAC requests municipalities to submit infrastructure and maintenance requirements annually, to

Chapter 3

be addressed by the National Library Grant, which is administered by the Limpopo Provincial Library Services, DSAC. The DSAC has to date not informed the GTM which of its requests for infrastructure and maintenance at its existing libraries it will meet, making it very difficult to plan or budget.

The building and establishment of new libraries is the responsibility of the Provincial DSAC (Library and Archives). Operational funding for new libraries is a challenge to the GTM.—At a meeting of the GTM Sports, Recreation, Arts and Culture Cluster Committee on the 19th of February 2013, Councillors agreed that, as the two new libraries built through the DSAC at Shiluvane and Mulati are situated within the Bulamahlo and Lesedi clusters, the next new libraries should be built within the remaining two cluster areas, Runnymede and Relela. A letter, requesting that new libraries be placed in Runnymede and Relela was sent to the Senior Manager, Library and Archives (DSAC Limpopo).

Chapter 3

Table 83: Library Service Delivery Targets as set out in the SDBIP for 2013/14

Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Library Services	Library management	Ensure that Libraries are well managed. Facilitate the establishment of new libraries.	95 800 Library users; 75 347 Library items circulated; 513 project themes assisted with; 113 Displays mounted; 14 Book related events and 3 holiday programmes hosted; 67 Groups of school children were hosted in the libraries; 18 Schools were visited by Library Services; 596 Donated books were processed; 362 Books were donated to schools and community libraries; 2 409 Entries to the Annual Library Competition were received; 37% Progress with linking to SLIMS on average; DSAC contract staff final assessment reports submitted; Sport, Arts and Culture Cluster updated on new libraries; Both new libraries have been connected to ESKOM; The Shiluvane Library has been furnished and books shelved; A new ablution block was built at the Letsitele Library through the DSAC through the National Library Grant.	None

Table 84: Parks service delivery targets as set out in the SDBIP for 2013/14

Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Maintenance and upgrade of parks and open spaces	Parks & open space policy development	Monitor implementation of Parks, Cemeteries and Open Space Policy	Policies not yet submitted to Council	Comments by other departments not yet received

Chapter 3

The figures in **Table 85** represent the number of posts for all GTM libraries.

Table 85: Employees – Libraries (2013/14)						
Job level	2012/13			2013/2014		
	Nr of Posts	Nr of Posts	Nr of Posts	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	3	0	100%	0	0	0%
Level 7-9	28	12	64.2%	28	12	64.2%
Level 10-15	2	0	100%	2	2	0%
Level 16-17	0	0	0%	0	0	0%
Total	34	13	61.76%	31	14	54.83%

Table 86: Employees – Parks & Community Facilities (2013/14)						
Job level	2012/2013			2013/2014		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	0	100%	1	1	0%
Level 4-6	4	3	25%	4	2	50%
Level 7-9	3	3	0%	3	3	0%
Level 10-15	89	80	10.1%	89	77	13.48
Level 16-17	0	0	0%	0	0	0%
Total	97	86	11.3%	97	80	17.5%

Table 87: Financial Performance 2013/14: Libraries (R'000)					
Detail	2012/2013	2013/2014			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	80	125	125	69	56
Expenditure:					
Employees	4 354	4 571	4 571	6 061	-1 490
Repairs & Maintenance	9	13	13	-	13
Other	399	541	536	204	332
Total Operational Expenditure	4 762	5 125	5 120	6 265	-1 145
Net Operational (Service) Expenditure	-4 682	-5 000	-4 995	-6 196	1 201

Chapter 3

Detail	2012/2013	2013/14			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)³	67	513	513	40	451
Expenditure:					
Employees	11 691	12 527	12 527	15 814	-3 287
Repairs & Maintenance	1 040	4 482	4 482	1 735	3 200
Other	5 079	6 647	6 646	2 947	3 699
Total Operational Expenditure	17 810	23 656	23 655	20 496	3 612
Net Operational (Service) Expenditure	-17 743	-23 143	-23 142	-20 456	-3 161

Capital Projects	2012/2013				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
None					
Total	0	0	0	0	0

Funding is limited and therefore GTM is unable to accommodate all community needs which require capital funding, such as parks development in rural areas of GTM. Funding for renovation of existing parks at Lenyenye, Nkowankowa and Haenertsburg was included in MIG for 2013/14. A service provider was appointed to supply brush cutters and bush cutters in 2012/13 but withdrew due to technicalities.

3.11 CEMETERIES

GTM have 136 cemeteries and only 6 are maintained monthly and the rest of the cemeteries are in rural areas. A Proposal for Partnership in cemetery maintenance was presented to South African Funeral Practitioners Association SAFPA members, representative of Provincial

³Payments made are deposited into a general account and not ring-fenced for parks and community facilities

Chapter 3

SAFPA and Mopani District Municipalities in but currently there is no buy in from all stakeholders. In 2012 and 2013, application for funding was sent to the Department of Environment and Tourism but GTM did receive any response. The status of the major cemeteries is as follows:

- Lenyeny Community received land from Nkuna Tribal Authority for a new cemetery, which was developed and is ready for use by the community. However, this new cemetery as it is only 2500 m² which is too small. A task team, comprising of councillors, PED and MM were appointed to deal with the matter. A G24 Rectification process is required instead of Environmental Impact Assessment, because the borders of the site are not yet known, this is however still outstanding. Nkuna Tribal Authority still has to give permission to extend the boundaries of the cemetery.
- Nkowankowa cemetery also needs to be extended as there is no longer space to dig graves, as the fence has already been moved to the parking area of the cemetery. There is however a challenge with the neighbouring farm as the agreed compensation price was increased unilaterally by the farm owner.

Agatha cemetery in Tzaneen also has a problem with burial space. The Environmental Impact Assessment for extension will be done in 2014/2015. A low level bridge is needed for Agatha cemetery to allow access to the extended area.

There is a great need for cemetery extensions, fencing, construction of ablution facilities and cemetery maintenance in the rest of GTM cemeteries. Currently there are volunteers who are cleaning cemeteries in various wards. GTM procured and handed out cemetery registers to keep record in all rural areas. There is a lack of funding for fencing, construction of ablution facilities and cemetery maintenance.

Chapter 3

Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Cemetery development	# of new cemeteries developed	2	1	Land for Nkowankowa cemetery not yet available. Lenyenye cemetery is not yet recognised as full cemetery because boundaries are still a challenge and the G24 Rectification process is still outstanding. There is no Establishment Notice. Only 2500 m ² developed

The responsibility to manage Cemeteries and Parks reside in the same division and the personnel fulfil both functions with the operating budget also covering both functions. For the number of employees allocated to parks (cemetery) refer to **Table 86** and for financial performance to **Table 88**.

Capital Projects	2013/2014				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
None	0	0	0	0	0
Total	0	0	0	0	0

Chapter 3

3.12 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

The Youth Gender & Disability Programme is part of the Mayor's Special Programmes. Its main functions include: Co-ordination, Mainstreaming, Advocacy, Development & empowerment of focal or designated groups. Its objective is to encourage public participation and inclusive project planning, implementation and monitoring. It is a function done for internal and external stakeholders. The strategic objective is good governance. The following are the key priorities achieved for Youth, Gender and Disability programmes during the year under review.

Calendar Events

- **Youth Month celebrations**

The YGD is responsible for the coordination of the provincial, district and local youth month celebrations to commemorate and celebrate the June 16, 1976 Youth Uprising. The Provincial celebration was held at Ephraim Mogale Municipality, Modimolle and we sent delegates by bus to the event. The local youth month celebration was held on the 27th of June 2014, in a full capacity hall at Runnymede Thusong centre. Several Sector Departments, e.g Department of Health, NYDA and GCIS have presented their services on the day. Councillor Machimana delivered a key note address on behalf of the Mayor. In partnership with the NYDA we held a Global Youth Day service at Mohlaba Cross and Mariveni. We also partnered with the Department of Labour who provided an online bus for job opportunities database registration (ESSA) in Lenyenye and Nkowakowa community halls.

- **Women's Month celebrations**

August is marked as the women's month; therefore the nation is faced with an enormous task to run the events and do celebrations countrywide. The municipality had an opportunity to observe the celebration through a sizable number of events.

Chapter 3

The office managed to coordinate and support the provincial event and also managed to run the local event through women in business seminar. The seminar was attended by women across our jurisdiction and managed to yield the desired results.

- **16 Days of Activism on No Violence Against Women and Children**

The 16 days of Activism on No Violence against Women and Children is part of the event that is celebrated nationally and as the municipality we also follow suit by making awareness along our jurisdiction. Upon that, the municipality has celebrated the event at Relela community hall where over 200 people managed to attend. The event was graced with the presence of the social workers who managed to outline their programme and their role in combating this scourge.

- **Annual Men's Indaba**

The office of Youth, Gender and Disability failed to host the GTM 2013 Annual Men's Indaba due to financial constraints

- **National and International Disability month celebrations.**

The YGD is responsible for the coordination of the provincial, district and local disability month celebrations to commemorate and celebrate the November National and 3 December International Day of Disabled Persons (IDDP). The Office of the Premier provided one bus for Greater Tzaneen Municipality. We co-ordinated disabled persons who were ferried by the bus to Sekhukhune District Municipality on the 3rd of December 2013.

- **Bring A Girl Child To Work campaign**

During May, South Africa has a campaign which is aimed at orientation and empowerment of a girl child. On the 29th of May 2014, the Greater Tzaneen Municipality partnered with Small Enterprise Development Agency (SEDA) Mopani to host the event. The campaign was successfully held in Hotel@Tzaneen where 5 schools from each local municipality of Mopani brought delegates. Presentations on careers were made by Nedbank, Department of Education, University of Limpopo, SEDA and GTM.

Chapter 3

Provision of Administrative support to Councils.

Various activities must be done to offer support to Community Based Councils. There is Local Youth Council and the Local Disability Council.

- **Local Youth Council:**

The Local Youth Council is the local branch of the South African Youth Council (SAYC). Its jurisdiction is the same as that of the local Municipality. Its main role is to coordinate, organize, mainstream, lobby and advocate on issues affecting youth in the Municipality in partnership with the Municipality. It is responsible and recognised as a mouth piece and representative body of civil society structures dealing with youth development. The Annual Youth Assembly was held on the 6th of December 2013 in Hotel@Tzaneen. The assembly elected its leadership, discussed reports and took resolutions on the programme of action. The youth council held three different plenaries including one which was held under the previous committee.

- **Disability Council:**

Support was provided to the local Disability Council. The Disability Council is held annually to elect a Committee, receive reports and take resolutions affecting disabled people. The Disability Council was held on the 11th of April 2014 at Ivory Tusk Lodge. It has elected its new leadership led by Austin Makumbila as a chairperson.

Mainstreaming & Advocacy

Mainstreaming is being done by conducting workshops with employees and giving inputs through day to day reports and correspondences. Mainstreaming is also done by conducting and monitoring employment equity trends, analysing policies and recommendation for an inclusive Municipality. Quarterly reports are collected from service departments to analyse job creation per focal person, they are analysed and submitted to SALGA and Department of Local Government, Housing and Traditional Affairs. The main challenge remains reviewing the Youth Policy, Gender Policy and the Disability Policy.

Chapter 3

National Youth Development Agency

The GTM has signed a Memorandum of Agreement (MOA) with NYDA in 2010. In this agreement the Municipality supports the NYDA by providing of administrative support through the Youth Office. This includes handling of walk-ins, development and management of the JOBS programme and Business Support Opportunity services to young people. A youth officer serves as the liaison between the youth and the NYDA. All youth activities are done in conjunction with the NYDA. Pamphlets and forms are distributed through the Youth office.

Chapter 3

Table 92: Youth, Gender & Disability programmes targets as set out in the SDBIP for 2013/14				
Programme	Project/ KPI	Annual Target (2012/13)	Actual Achieved (30 June 2013)	Reason for deviation
Special Programmes	Special Programmes Management	Ensure that GTM coordinates Calendar days for special programmes and are mainstreamed	<ul style="list-style-type: none"> -Youth Council plenary was held on 10/04/2014 at Lenyenye community Hall. -Disability Council was launched on 11 April 2014 at Tzaneen Travel Lodge. -Youth month celebrations were held locally at Runneymede Thusong Centre and provincially at Modimole. - 365 Days no violence against women and children was held at Relela Community Hall. 	None

Chapter 3

Job level	2012/2013			2013/2014		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	0	0	0%	0	0	0%
Level 4-6	4	2	50%	4	2	50%
Level 7-9	0	0	5%	0	0	0%
Level 10-15	0	0	0%	0	0	0%
Level 16-17	0	0	0%	0	0	0%
Total	4	2	50%	4	2	50%

Detail	2012/2013	2013/14			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	n/a	n/a	n/a	n/a	n/a
Expenditure:	n/a	n/a	n/a	n/a	n/a
Employees	n/a	n/a	n/a	n/a	n/a
Repairs & Maintenance	n/a	n/a	n/a	n/a	n/a
Other	116	250	250	271	-21
Total Operational Expenditure	116	250	250	271	-21
Net Operational (Service) Expenditure	116	250	250	271	-21

An amount of R250 000 has been budgeted for the Youth, Gender and Disability programme under Council expenditure, as line item, of which R270 514.54 was spent. Expenditure for YGD programmes are integrated into the budget for the Office of the Mayor. No capital projects were implemented for Youth, Gender and Disability programmes during 2013/14

Chapter 3

COMPONENT E: ENVIRONMENTAL HEALTH SERVICES

This section will reflect on the state of Environmental Health Service in Greater Tzaneen Municipality. This service includes the identification, evaluation, monitoring and control of environmental health hazards and risks regarding but not limited to the following:

- Water Quality monitoring;
- Food control
- Occupational hygiene
- Vector control
- Environmental management; and
- Facility cleaning services.

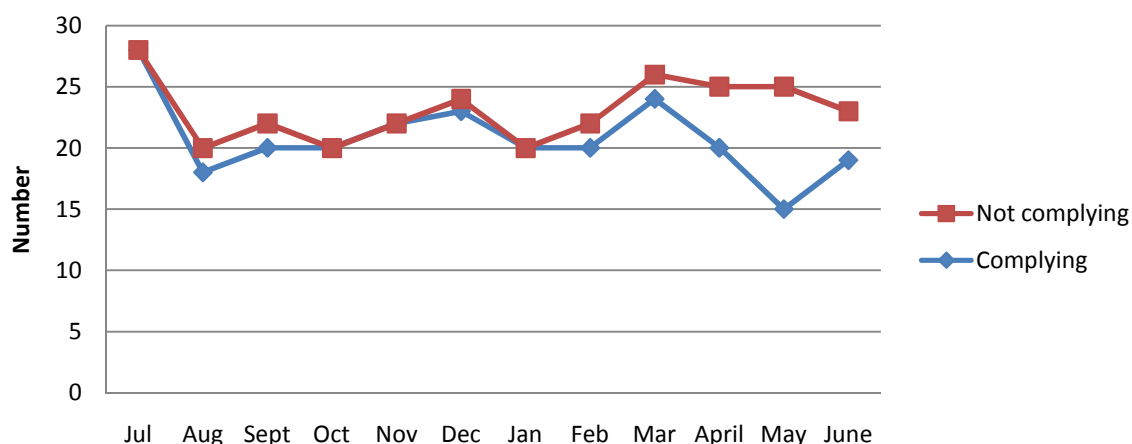
3.13 ENVIRONMENTAL HEALTH SERVICES

Water Quality Monitoring

Safe drinking-water is required for all usual domestic purposes, including drinking, food preparation and personal hygiene. Water samples are collected on a monthly basis at strategic points to ensure that water for domestic, industrial and food production is safe in respect of its microbiological, chemical and physical quality. A total of 284 water samples were taken during the period July 2013 to June 2014 with only 14.52% which was not complying, a great improvement compared to the 30% in 2012/13. The strict adherence to the sampling schedule and protocol has yielded positive results in that it provides assurance that we supply potable water which complies with minimum requirements. Results of Water Quality Monitoring for 2013/14 are illustrated in **Figure 8**.

Chapter 3

Figure 8: Outcome of water samples, 13/14



Food control

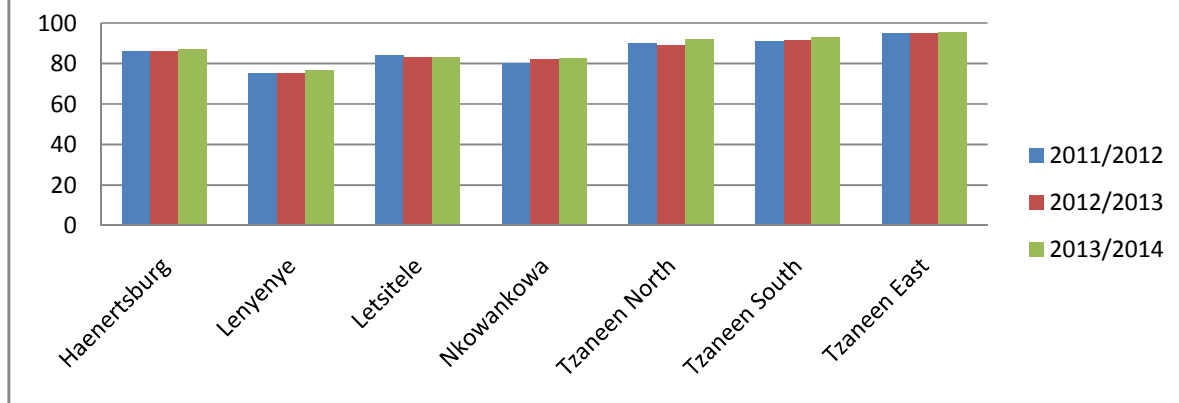
The main activities in food control entails conducting inspections, health education and the issuing of contravention notices were warranted, in both formal and informal food handling premises. The highlight for the period under review is the National Food Sample run that was conducted to monitor Aflotoxin in peanut butter. A cause for concern is the amount of food that was declared unfit for human consumption, a total of 2450 kg of various food stuffs was destroyed. We also conducted two joint operations with SAPS, SARS and Home Affairs in formal food handling premises; with non complying premises fined up to R1 500. An average of 172 formal food handling premises and 18 accommodation facilities were inspected quarterly (see **Table 96**); the average annual rating for these premises is 87.1%, as illustrated in **Figure 9**.

Table 95: Average rating for food handling premises, 2011/12 - 2013/14

	2011/12	2012/13	2013/14
Haenertsburg	86	86	87
Lenyenye	75.4	75	77
Letsitele	84	83	83.4
Nkowankowa	80	82.12	82.4
Tzaneen North	90	89.37	92
Tzaneen South	91	91.37	93
Tzaneen East	95	95	95.4

Chapter 3

Figure 9: Average rating (%) for food handling premises per area



Occupational hygiene

Occupational hygiene inspection of industries is done to identify any occupational health hazard, environmental, water and air pollution prevention. A total of 108 industrial premises were inspected to ensure that industries comply with requirements of relevant legislation. The average rating for the industries in 2012/13 was 75% and for the 2013/14 is 78%. The improvement is attributed to the refurbishment of three factories.

Vector control

Vector control includes the identification of vectors, their habitats and breeding places and instituting an integrated vector control programme. During the third quarter we experienced an increase in the number of complaints regarding vector due to the wet weather. We spray municipal work stations on a six weekly basis. Environmental control is done on mosquito larvae in identified habitats. Advice is also given to business premises in the development and implementation of a vector control programme.

Environmental management

Preserving the environment for future generations requires that we pay attention to and create a balance between development and sustainable use of natural resources.

Chapter 3

Compliance monitoring and enforcement remain one of the critical tools to ensure that we promote sustainable development. Two of our officials have been trained as Environmental Management Inspectors; and are awaiting appointment by the Minister for Environmental Affairs. In line with the Durban Climate Change Adaptation Charter, we have started a vulnerability assessment in Dan extension 2 so that we can develop a response strategy. We serve in various Committees which seek to address Environment and Environmental Health Issues: Provincial Air Quality Steering Committee, South African Institute for Environmental Health, and the Letaba Levubu Catchment Management Committee. We have also reviewed 6 Basic Assessment Reports for developments in our area. We formed part of a Joint Operation Team DEAT in attending to non compliance to Environmental Authorizations by developers resulting in the damage to sensitive environment. There is sustained interest in the Cleanest School Competition. We continue to coordinate the municipality's participation in the Greenest Municipality Competition.

Facility cleaning services

Facility cleansing entails the provision of cleaning services to maintain municipal facilities in a clean, neat and hygienic condition, to ensure that municipal employees work in an environment that is conducive for productivity. We have total staff complement of 20 responsible for this function, which is insufficient and creates a challenge providing a sustainable service. For the outlying areas, one person covers two work stations, attending to these on alternate days.

Chapter 3

Table 96: Outcome of Water samples taken during 2013/14

Result	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Complying	28	18	20	20	22	23	20	20	24	20	15	19
Not complying	0	2	2	0	0	1	0	2	2	5	10	4

* Incidental contamination of water due to motor and locomotive accidents.

Table 97: Environmental Health Service Delivery targets as set out in the SDBIP for 2013/14

Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Environmental Health management	% compliance to the environmental legislation checklist	80%	90%	High percentage achieved due to the continued improvement in the management of landfill site
	% of water samples that comply with SANS 0241	80%	86%	None
Environmental Health Services	Ensure that Environmental Health law enforcement is implemented in urban areas.		Informal sector: preparation of applications for 2014/15 permits. 2 joint operations with SAPS. Formal sector: 5 Certificates of Acceptability were issued. 22 contravention notices were issued with 12 follow up notices. 26 actions of food condemnations.	None

Chapter 3

Table 98: Employees - Environmental Health services (2013/14)						
Job level	2012/2013			2013/2014		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	6	3	50%	6	3	50%
Level 7-9	0	0	0%	0	0	0%
Level 10-15	32	19	40.6%	32	19	40.6%
Level 16-17	0	0	0%	0	0	0%
Total	39	23	41%	39	23	41%

Table 99: Financial Performance 2013/14: Environmental Health services (R'000)					
Detail	2012/2013		2013/2014		
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	31	10	10	32	-22
Expenditure:					0
Employees	5 453	5 788	5 788	6 378	-590
Repairs & Maintenance	0	26	26		26
Other	860	812	812	292	520
Total Operational Expenditure	6 313	6 626	6 626	6 670	-44
Net Operational (Service) Expenditure	-6 282	-6 616	-6 616	-6 638	22

Table 100 : Capital Expenditure 2013/14: Environmental Health services (R'000)					
Capital Projects	2013/2014				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
None	n/a	n/a	n/a	n/a	n/a
Total	n/a	n/a	n/a	n/a	n/a

Chapter 3

COMPONENT G: SECURITY AND SAFETY

GTM is responsible for Law Enforcement where by-laws are concerned. This section will look specifically at Traffic Law Enforcement as well Internal Safety concerning the securing of Council premises. The Internal Safety and Security Section work in hand with the SAPS within the jurisdiction. The Safety and Security Section is responsible for safety and security of employees and Council premises and serves as liaison with communities in social crime prevention initiatives. The division also assists with the Victim Empowerment Programme together with the Justice and Crime Prevention Cluster departments. The Community Safety Forum (SCF) has been established and is functioning well to champion the reduction of crime at the community level. Crime Prevention Campaigns has been conducted with the relevant stakeholders in the communities to help fight crime. The section should also conduct a Safety and Security Audit and design all security systems for the municipality and link with the IDP. It is also responsible for coordination of the Joint Operation Centre with the SAPS when there are events in our jurisdiction.

The Projects for 2013/2014 Financial year included the installation of a Biometrics Reader (Morpho Access) for the Municipal Stores in Tzaneen and the installation of additional surveillance cameras at the Nkowankowa Municipal Offices, Lenyenye Municipal Offices and libraries at Shiluvani, Haenertsburg, Letsitele and Mulati.

3.14 TRAFFIC LAW ENFORCEMENT

The top 3 service delivery priorities, are Roadblocks, Speed checks, Point duties. Throughout the year the three have had great successes, with reduction in accident statistics. Measures taken to improve performance include spreading the service to rural areas throughout the years, including point duties at school points and accident scenes around our rural juristic areas.

Chapter 3

Table 101: Traffic Law Enforcement service data (2011/12- 2013/14)					
	2011/2012	2012/2013		2013/2014	
	Actual no.	Estimated no	Actual No	Estimated no	Actual No
Number of road traffic accidents	102	80	79	100	69
Number of by-law infringements attended	68	80	100	125	182
Number of traffic officers in the field on an average day	15	15		15	15
Number of traffic officers on duty on an average day	16	16	13	13	12
R-value revenue from traffic fines	R1 439 910	R19 047 805	R5 559 480	R5 000 000	R19 565 630

Chapter 3

Table 102: Law Enforcement targets as set out in the SDBIP for 2013/2014

Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Traffic Services	Traffic fine collection rate [(Rand value received for fines/ R value of fines issued as (%)]	70%	70%	No cashier on site
	# of planned road blocks	52		More detailed road blocks were held
	GTM Law Enforcement	Ensure that Traffic Law Enforcement is implemented in the GTM area. Report areas covered	Areas covered are Tzaneen, Letsitele, Naphuno, Nkowankowa, Georges Valley and Magoebaskloof roads. Roadblocks, Scholar patrol duties joint with Province	None

Chapter 3

Job level	2012/2013			2013/2014		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	5	2	60%	5	2	60%
Level 7-9	30	15	50%	30	15	50%
Level 10-15	5	2	60%	5	2	60%
Level 16-17	0	0	0%	0	0	0%
Total	41	20	51.2%	41	20	51.2%

The total number of officers divided into the two shifts. The three supervisors assist in planning and supervision of their colleagues on a daily basis. Officers also perform standby duties, especially with occurrence of emergencies like accidents, etc. On average, officers work a total of 32 hours per month. The division is short staffed, taking into consideration the vast size of our policing area.

Detail	2012/2013	2013/2014			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	5559	3 001	3 001	3 215	-214
Expenditure:					
Employees	11876	12 731	12 731	15 182	-2 451
Repairs & Maintenance	25	51	51	30	21
Other (Security Services)	11 918	12 227	12 222	11 751	471
Total Operational Expenditure	23 819	25 009	25 004	26 963	-1 959
Net Operational (Service) Expenditure	-18 260	-22 008	-22 003	-23 748	1 745

No capital was available to fund projects for the Law Enforcement division. However, the top 3 service delivery priorities are:-

Chapter 3

Law Enforcement:

- *Roadblocks*: where vehicles are stopped and examined for roadworthiness and drivers are examined for their capability and Drunken driving cases also attended to.
- *Patrols*: where officers drive around or walk, identify law breaks and acts accordingly.
- *Point duties*: officers assist in control of traffic situations, accident scenes etc. and eases traffic congestions
- *Escorts* of dignitaries visiting the area, funerals, etc. for safety sake.
- *Speed checks*: an effective way of enforcement for compliance by motorists to avoid accidents.
- *Warrants of arrest*: Follow ups on unpaid written notices result in offenders being taken to court to answer for their offences.

Scholar patrols

On school days officers are tasked and deployed to selected schools, especially those adjacent to busy roads, and the work is done at specific schools including all schools with the risk of scholars crossing the roads, to and from schools. We also serve our needy and poor communities of Motupa, Tickyline/Burgersdorp, Sasekani and Khopo and Letsitele.

Road safety campaigns

- Schools are visited to conduct road safety (on how to observe rules/signs on the road).
- Kids are educated on road safety.
- Communities are sensitized on issues of road safety e.g. robots, pedestrian crossings.
- Officers have been deployed to service the school points and also to patrol our policing areas including rural areas.
- Vehicles scrapings have been extended to deep rural areas and farms
- Speed law enforcement has always been done across our policing area, including Letsitele, Lenyenye, Nkowankowa and Tzaneen.

Chapter 3

- Replacing of damaged road traffic signs and painting of scholar patrol points, especially near schools closer to main roads and checking for new places where there are needs.

3.15 DISASTER MANAGEMENT

Disaster Management is a continuous and integrated multi-sectoral and disciplinary process of planning and implementation of measures aimed at disaster prevention, mitigation, preparedness, response, recovery and rehabilitation. (Disaster Management Act no. 57 of 2002).

For disaster Management to be effective, it is important that all concerned parties be made aware of its provision and that every official, role player, departments and personnel be prepared to carry out the assigned functions and responsibilities before, arrangements in the Greater Tzaneen Municipality. Disaster Management's approach is to effectively prevent disasters from occurring and to lessen the impact of those hazards that can be avoided. Emergencies are defined as situations or threats of impending situation abnormally affecting the lives and property of societies. By the nature, or magnitudes these require a co-ordinated response by a number of role-players, both government and private, under the direction of the appropriate elected officials.

Most peace-time natural or man-made disasters/emergencies that occur in the geological areas of responsibility of the Greater Tzaneen Municipality are as follows:

- Fires (Structural and Unstructural)
- Storms (Hail, Wind and Thunder)
- Floods
- Transportation Accidents
- Air/rail crashes

Chapter 3

- Building or structural collapse
- Explosions
- Breakdown of essential services, supplies or any combination thereof

Disaster management preventative/mitigation measures

Awareness campaigns on fire, disposal nappies, floods and communicable diseases, were conducted as follows:

- **Fire awareness campaigns**
 - ✓ Schools: Motloboni Primary school (Ward 01)
 - ✓ Communities/Wards: Sunnyside village(ward 29), Tickeyline village(Ward 30), Marirone Village(ward 10), Masoma Village(ward 26)
- **Floods and communicable diseases:**
 - ✓ Thabeng Primary school, Masoma village(Ward 26), Mokomotji Village (ward 32), Hlabine Village (ward 33).
- **Disposable nappies awareness campaigns:**
 - ✓ Tickeyline Village (Ward 30), Mandhlakazi Village(ward 13), Hlabine Village (CWP) Ward 33, Muhlava Cross(CWP)Ward 18)

Training (induction on disaster management) was done to ward committee members at Relela,Runnymede,Bulamahlo and Lesedi Thusong centres.

Special Events:

Twenty seven special events were held and managed according to disaster measures. Emergency plans were prepared for the following events: Letaba Expo, NG Kerk Piesangs fees, Munghana Ionene Music and Award Ceremony, Relela Exco Imbizo, Muhlaba Day Celebrations, Voter Registrations for National and Provincial elections.

Projects attended:

Disaster management ward committees were established at all 34 wards. The purpose of establishing the disaster ward committees was to make sure that all incidents are identified,

Chapter 3

assessed and assisted with immediate effect within the relevant relief materials within 72 hours.

Disaster Relief

± 310 households were assessed and assisted with 107 blankets, 99 mattresses and 14 tents and food parcels provided by from SASSA

Challenges

Delays in the reporting of incidents by Councillors.

Chapter 3

Table 105: Disaster management targets as set out in the SDBIP for 2013/14				
Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Disaster management	# of disaster awareness campaigns conducted (wards)	15	14	Time constraints
	Annual Disaster Management report submitted to Council within legislated timeframes	31-Jul	6 Aug '13	None
	Annual Disaster Management report submitted to MDM	30-Jun	8 October '13	Annual disaster management report to be submitted to MDM by 31 July 2014
	% disaster incidences responded to (relieved) within 72-hours	100%	100%	None
	# of Event Disaster Risk and Contingency Plans developed for stakeholders	12	26	None
	Disaster response and recovery	Train departments on the implementation of the Response and recovery plan	Training has not yet been conducted	Time constraints
	Disaster Risk assessment	Consolidate risk assessment report and submit to Council	Risk assessment report not submitted to Council	Disaster risk ward committees were not established in all wards

Chapter 3

Job level	2012/2013			2013/2014		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	0	0	0%	0	0	0%
Level 4-6	4	1	75%	4	1	75%
Level 7-9	1	1	0%	1	1	0%
Level 10-15	0	0	0%	0	0	0%
Level 16-17	0	0	0%	0	0	0%
Total	5	2	60%	5	2	60%

Detail	2012/2013		2013/2014		
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	0	0	0	0	0
Expenditure:					
Employees	1 056	1 989	1 989	1 316	673
Repairs & Maintenance		1	1		1
Other	471	375	370	440	-70
Total Operational Expenditure	1 527	2 365	2 360	1 756	604
Net Operational (Service) Expenditure	1 527	2 365	2 360	1 756	604

Municipalities may not budget for uncertain activities such as a Disaster that may not occur. There is however a Council resolution which determined that 2% of the budget can be utilised in case of Disasters. All legislative requirements must also be complied with.

Chapter 3

COMPONENT H: SPORT AND RECREATION

The role of the Sports, Arts and Culture office in GTM is to facilitate, coordinate and manage sport activities. There is a Sport and Recreation Council in GTM that assist with coordinating all sport related matters in GTM communities. There is a Service Level Agreement signed between the Department of Sport Arts and Culture and the Greater Tzaneen Municipality that assist in making sure that sport development takes place in GTM from grass root levels. The Mayors Cup was renamed to GTM Sports Day and it annually takes place in December.

3.16 SPORT, RECREATION, ARTS AND CULTURE

Sports

GTM hosted a district wide farms sports day during which only people who are working on farms may participate. The programme was a Provincial initiative and hosted at Letsitele Mahahela Farm. Farms participating in the Farms Sports Programme were Letaba Estate, Letaba Citrus, Lavana DOC and Junction. They participated in both male and female football and netball. These developmental games are hosted by the Local Municipalities in the Mopani District on a rotational basis. Under club development, the GTM sports office has assisted in developing a player under Makhubidung Shinning Star (Bulamahlo cluster) called Judas Moseamedi. He is currently playing at Black Aces under the PSL first division.

GTM annually host the Mayor's cup which was held during December of 2013 featuring soccer, ladies soccer and netball. Participants came from various companies, hospitals, Checkers, Letaba Estate and Greater Tzaneen Municipality. The Bulamahlo, Lesedi, Relela and Runnymede cluster soccer teams also participated in the Mayor's cup. GTM also organised and hosted cluster Indigenous games in April 2014, Local Indigenous games in May 2014 and the District Indigenous games in June 2014.

Chapter 3

GTM employees are encouraged to participate in sports, in collaboration with the GTM Wellness programme. Employees and Councillors partake in soccer, netball, golf, fishing, table tennis, pool, darts and volley ball. GTM teams participated in the Southern African Inter Municipal Sports Association (SAIMSA) games which were hosted by Namibia in Swakpomund during September 2013.

Arts and culture,

GTM have an annual Arts and Culture Programme which include activities such as the Cultural Music Competition in June 2013 and the Mural Encounter which took place in September 2013. GTM distributed information on possible funders to arts & culture groups.

The highlights for GTM in terms of sports, art and culture are as follows:

- GTM's internal sport participated in the Provincial and National SAIMSA games
- The Greater Tzaneen Marathon took place at Nkowankowa Stadium and the
- Hosting of the OR Tambo games
- Hosting of rugby games at the Nkowankowa stadium, following the donation of rugby poles by the Blue Bulls
- Hosting the Executive Mayors Cup event in 2013 July.

Challenges

The main challenges experienced are:

- The grading of sports grounds are not sustainable, these grounds needs proper construction and requires a bulldozer, grader, more soil if necessary and the usage of a roller. GTM however experience financial constraints and cannot cover these costs.
- The Runnymede cluster does not have formal sport facility
- Rhelela has stadium at Lerejeni Village which was started by Mopani District but not completed
- Julesburg Stadium needs to be upgraded as the soccer, netball, and cricket fields are no longer playable.

Chapter 3

- Burgersdorp Artificial Turf requires pit toilets as the water supply is not constant
- The access road to the Burgersdorp stadium needs to be upgraded to improve accessibility during the rainy season.

The Arts and Culture Council has been established but is not fully functional. This main challenge is the absence of funding. Most members are not employed and therefore do not have their own resources to attend meetings and coordinate activities.

Job level	2012/2013			2013/2014		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	0	100%	0	0	0%
Level 4-6	0	0	0%	0	0	0%
Level 7-9	3	0	0%	3	3	0%
Level 10-15	0	0	0%	0	0	0%
Level 16-17	0	0	0%	0	0	0%
Total	4	3	25%	3	3	0%

The budget for the Sport, Arts and Culture section forms part of the budget for Parks and Recreation (See **Table 87**).

Chapter 3

Table 109: Sports and recreation targets as set out in the SDBIP for 2013/14				
Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Integrated Spatial development	Indoor sports Centre (NDPG)	Construction	Construction at 23%	Contractor is struggling, rain delays, consultant delays
Integrated Spatial development	External Sports Facilities (NDPG)	Construction of synthetic turf	External Sports Facilities completed	None

Chapter 3

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

3.17 EXECUTIVE AND COUNCIL

COUNCIL

The role of Council is set out in Section 3 of the *Local Government Structures Act (Act 117 of 1998)*. The principal roles are to:

- Act as representative, informed and responsible decision makers in the interests of their communities;
- Provide and co ordinate various public services and facilities and to develop their communities and resources in a socially just and ecologically sustainable manner;
- Encourage and develop initiatives within their communities for improving the quality of life within them;
- Represent the interests of their communities to the wider community; and
- Exercise, perform and discharge the powers, functions and duties of Local Government in relation to their areas.

Purpose of the Executive Committee

To take responsibility within the Executive on the basis of individual and/or collective responsibility for a delegated portfolio of services or functions of the Council

Key Duties and Responsibilities

- To participate in the Executive and to implement agreed policies by taking responsibility individually and/or collectively for any portfolio allocated by the Leader of the Council, including providing a lead on and proposing new policy, strategy, programming, budget and service standards.
- To exercise delegated powers in accordance with the Council's constitution

Chapter 3

- To consult and communicate with members of all party groups, Council officers and key partners as appropriate to ensure decisions are well formed and that Council policies are widely understood and positively promoted.
- To ensure that the party group is briefed at the appropriate time on significant issues within the respective portfolio – i.e. those which have financial or other major resource implications will result in a change in established policy, or which are contentious or politically sensitive.
- To have the responsibility for liaison with Chief Officers and other senior officers responsible for the services within the portfolio
- To answer and account to the Council and the community for matters within the portfolio
- To respond within agreed timescales to the recommendations of relevant overview and scrutiny panels
- To seek to involve and consult non Executive members in the area of work for which they have responsibility, particularly members of the relevant overview and scrutiny panel
- To represent the Council and the political administration in the community and elsewhere as required by the Leader

Chapter 3

Table 110: Executive and Council targets as set out in the SDBIP for 2013/14				
Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Council Support	% of GTM Council resolutions implemented (actual number vs. number passed)	100%	94% (122 of 130)	Not possible to implement all the resolutions within a given time
	# of Council meetings held	4	10	None
	# of Exco meetings held	28	21	Scheduled meetings postponed due to other commitments of council by members.
	# of Cluster meetings held	108	54	Most Cluster meetings postponed due to the National election period.
	MPAC oversight report on Annual Report submitted to Council by 31 March	31 March	27-Mar	None

Chapter 3

Job level	2012/2013			2013/2014		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	0	100%	5	4	20%
Level 4-6	4	2	50%	19	9	56.63%
Level 7-9	4	1	75%	10	4	60%
Level 10-15	1	1	0%	1	1	0%
Level 16-17	0	0	0%	0	0	0%
Total	10	4	60%	35	18	48.57%

Detail	2012/2013		2013/2014		
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	-	1	1	-	1
Expenditure:					
Employees	5 619	8 322	8 322	8 321	1
Repairs & Maintenance	497	572	572	652	-80
Other	20 837	23 097	23 550	23 354	196
Total Operational Expenditure	26 954	31 991	32 444	32 327	117
Net Operational (Service) Expenditure	26 954	-31 990	-32 443	-3 2327	-116

3.18 FINANCIAL SERVICES

The three main priorities per division can be summarized as follows:

Financial Services and Reporting Division

The budget office co-ordinates the drafting of the budget through the Budget Steering Committee and facilitates the participation of all departments. This includes the calculation of cost reflective tariffs to ensure a full, funded budget. The drafting of Council's adjustment budget is also the responsibility of this division. The division is also responsible for financial reporting which includes the compilation of the Annual Financial Statements, monthly and quarterly as well as the Section 71 reports. The insurance portfolio of Council, insurance

Chapter 3

administration and claims management is also the responsibility of this Division. Short and long-term investments are also done by this division.

Revenue Division

The Revenue division is responsible for billing and rendering of Municipal accounts. The division renders Municipal accounts, which are based on metered services calculated on approved service tariffs. The Division manages revenue collection which include the receipting and balancing thereof, on a daily basis, along with credit control and debt collection. Outstanding accounts are subjected to credit control actions, which include:

- SMS
- Final notice
- Disconnection of service
- Payment arrangement where applicable

The Division further manage property rates, through the implementation of the MPRA and therefore a new valuation roll was implemented 1 July 2013. The Division is also responsible for the indigent register and review the Indigent Policy on an annual basis. The management of registration and verification of the indigents was done by Utility Management Services for the year under review.

Expenditure

The Division manage all processes for payment of creditors, direct payment and contract payment in line with the approved budget. The Division is also responsible for salary management through the financial administration of all salaries and salary related issues are also responsibilities of this Division. It includes all statutory deductions and other personnel related deductions.

Supply Chain Management

The Division is responsible for the timely planning and management processes to ensure that all goods and services required by the Municipality are quantified, budgeted for and timely

Chapter 3

and effectively delivered at the right location and at the critical delivery dates, and are of the appropriate quality and quantity at a fair cost. Also for acquisition management by ensuring that goods and services are procured by the Municipality in terms of the MFMA, SCM Policy and SCM regulations authorized processes and that the expenditure on goods and services is incurred in terms of an approved budget in terms of Section 15 of the Act. Lastly, the Division must manage an inventory kept by Council to ensure continuous supply of essential services. This includes the day to day procurement of stock items, the issuing of stock and the control of stock. Furthermore, the Unit has started implementing the procurement plan which its intention will be forecasting planning with milestones.

ASSETS MANAGEMENT

The Division is responsible for maintenance of Fixed Asset Register which includes re-assessing useful lives of assets, recording of revaluation amounts of fixed property, updating the register with addition and disposal of assets. Also, monitoring the status of records associated with the assets of the Municipality, applying internal control procedures to check, verify, update and maintain acquisition, valuation and location details. The division must also conduct the annual verification of all assets (i.e. stocktaking/ asset count) recorded in the Fixed Asset register. The division must also compile information and balance schedules relating to fixed assets for inclusion in the Annual Financial Statements notes and appendixes.

REVENUE MANAGEMENT

The payment rate for electricity is higher than that for the other services (as can be seen in Table 115) as the allocation of payment is fully set off against electricity debt. The Property rate is the only tax available to Local Authorities and the revenue is not dependant on a metered service. There is no direct relationship between the services rendered to individual ratepayers and the tax levied. The Property rate is based on the valuation of the property and the tariff is calculated as a cent in every rand of the valuation of property. There was a decrease in debt recovery due to service contracts with debt collectors expired and no new

Chapter 3

service providers were appointed in the year under review. The economic climate also contributes to the reduction in the payment rate.

Table 113: Debt Recovery (R'000)

Details of the types of account raised and recovered	2012/2013			2013/2014		
	Billed in year	Actual for accounts billed in year	% of accounts value billed that were collected in the year	Billed in year	Actual for accounts billed in year	% of accounts value billed that were collected in the year
Property Rates	59 183	50 723	85.71%	66912	51420	76.85
Electricity Consumption	324 200	336 724	103.86%	335804	372480	110.92
Refuse	21 617	20 738	95.93%	24088	20240	84.02
Other	12 350	14 241	115.31%	13302	10187	76.58

Electricity Service

The proposed revisions to the tariffs have been formulated in accordance with Section 74 of the Municipal Systems Act as well as the recommendations of the National Energy Regulator of South Africa (NERSA). Guidelines for the Municipal Electricity tariff increases in July are normally published by NERSA in the previous December. National Treasury has indicated that Municipality's must prepare their budgets using ESKOM bulk increases of 16 % on the previous year's bulk purchases and advised municipalities to structure their 2013/2014 electricity tariffs based on the 14.4 % guideline indicated in National Treasury Budget Circular no. 66 for the 2013/2014 MTREF.

Refuse Removal Service

According to the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) a Municipality must ensure a safe and healthy environment for its residents. Greater Tzaneen Municipality is therefore responsible to adequately maintain its refuse removal service. We must also maintain our refuse sites and solid waste disposal efforts. The top priority of revenue collection in all three service areas is to improve payment rate through the approved revenue enhancement strategy.

Chapter 3

Table 114: Financial Services targets as set out in the SDBIP for 2013/14				
Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Budget management	% of capital spent on projects as prioritised in IDP for specific year	100%	100%	None
	% of municipal budget spent	100%	94%	Figure not final, AFS not yet finalised
	% Capital expenditure	100%	95%	Slow Supply Chain process
	% MIG funding spent	100%	77.4%	Supply Chain delays
Budget management	Draft Budget submitted to Council by 31 March every year	31 March	07-March	None
Budget management	Annual Budget tabled by 31 May annually	31-May	27-May	None
Budget management	Annual Adjustment budget approved by Council by 28 Feb	28-Feb	26-Feb	None
Budget management	Cost coverage	1.2	1	Budget management
Budget management	Debt coverage	17.5	15.6	Budget management
Budget Management	Budget Process Plan	Monitor adherence to the budget process plan and manage deviations	Annual Budget submitted to Council within required time frame	None
Supply chain management	# of Tenders awarded that deviated from the adjudication committee recommendations	0	0	None
Supply chain management	% of Bids awarded within 2 weeks after adjudication committee resolution	100%	100%	None
Asset Management	Annual Asset verification report concluded by 30 June	30-Jun	30-Jun	None
Asset Management	Assets Management Services	Monitor asset management by the service provider and ensure skills	Verification conducted	None

Chapter 3

Table 114: Financial Services targets as set out in the SDBIP for 2013/14				
Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
		transfer		
Expenditure Management	% creditors paid within 30 days	100%	95%	Not all invoices are paid within 30 days, due to financial constraints
Expenditure Management	% of capital budget for electricity spent	100%		Late appointment of Service Providers (SCMU process and cash flow)
Financial reporting	# of Section 71 reports submitted to NT & PT by no later than 10 working days after the end of the month	12	12	None
Financial reporting	Timeouts submission of annual financial statements to AG and PT & NT	31-Aug-	02-Sep-13	None
Financial reporting	Operation Clean Audit	Implementation of the Audit Action plan. Put processes in place for audit preparation	Final Audit findings responded to. Audit Action Plan could not be drafted	Non compliance by Auditor - General with Audit report not available by 30 June
Financial viability	5 Year Financial Plan	Submit 5 Year Financial plan to the MM for inclusion in the draft IDP.	5 year financial plan drafted and submitted to the IDP office during April 2014 after the preliminary budget was approved by Council	None
Financial Viability	Cost recovery	Monitor performance of the service provider in line with the SLA.	Reports received monthly	None
Financial Viability	Cash flow management	Monitor cashflow (liquidity) and Report monthly	Cash Flow Statement prepared on a monthly basis	None
Financial Viability	Financial System improvement	Comprehensive system analysis and official training	GRAP training attended by five officials, no further activities this quarter	N/A
Revenue	# of Households billed	21800	22 667	None

Chapter 3

Table 114: Financial Services targets as set out in the SDBIP for 2013/14				
Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Management				
Revenue Management	Average % Payment rate for municipal area	92%	91%	None
Revenue Management	% increase in R-value revenue collection	4%	8%	None
Revenue Management	Outstanding service debtors to revenue	40%	37%	None
Revenue Management	% equitable share received	100%	98%	Unspent grant (NDPG) amounting to R4 million deducted from EQS
Revenue Management	# of indigents registered	24 000	28 354	None
Revenue Management	Revenue protection	Monitor revenue billing system and report to Council	Monthly reports submitted to Council	None
Revenue Management	Revenue enhancement Strategy	Monitor implementation of the revenue enhancement strategy	Monitored the implementation of Revenue enhancement strategy	None
Revenue Management	Valuation Roll	Advertise valuation roll, finalise objection process and submit to Council for approval	New valuation roll implemented, objections finalised, supplementary & advertised	None
Revenue Management	R-value revenue generated from alternative (Not GTM & IDC) sources	R 480 000	R642 888	GTEDA facilitation at SAPEKOE terminated
Revenue Management	R-value grant funding received	R 5 500 000	R 5 500 000	None
Supply chain management	% of tenders recommended to MM within 60 days after closing date of tender	100%	60%	Committees not sitting
Supply chain management	# of SCM reports submitted to national treasury	12	12	None

Chapter 3

Table 114: Financial Services targets as set out in the SDBIP for 2013/14

Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Supply chain management	Supply chain functionality improvement (MTAS)	Draft a list of criteria to measure SCM functionality. Report quarterly on progress made on improving functionality	List of criteria not developed. Reporting monthly on SCM processes	Bid Register & Contract Register use to monitor SCM

Chapter 3

Job level	2012/2013			2013/2014		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	6	5	16.6%	6	6	0%
Level 4-6	20	12	40%	20	12	40%
Level 7-9	46	37	19.5%	46	32	30.43%
Level 10-15	2	2	0%	3	2	33.33%
Level 16-17	0	0	0%	0	0	0
Total	74	56	24.3%	75	52	30.66%

Detail	2012/2013	2013/2014			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	279 101	287 832	321 080	314 354	6 726
Expenditure:					
Employees	22 887	27 275	27 275	28 238	-963
Repairs & Maintenance	229	242	242	90	152
Other	45 004	32 584	32 572	48 437	-15 864
Total Operational Expenditure	68 120	60 101	60 089	76 764	-16 675
Net Operational (Service) Expenditure	210 981	227 731	260 991	237 589	23 402

The actual operational revenue amounts to R314 million, whilst the actual operating expenditure amounts to R77 million. This represents a surplus of R238 million. It must however be mentioned that the actual income represents 98% of the budgeted amount and the actual expenditure represents 128% of the budgeted amount. The actual income includes grant allocations of R211 million and the overspending on actual total operating expenditure is mainly due to the overspending on provision for Bad Debts and loss on disposal of property, plant and equipment.

Chapter 3

3.19 HUMAN RESOURCE SERVICES

The Human Resources Division which reports to the Corporate Services Directorate's mission is to provide quality Human Resource services to attract, develop, motivate and retain a diverse workforce within a supportive work environment both internally and externally by performing the following functions:

- a) Personnel Provisioning and Employment Equity
- b) Personnel Administration
- c) Training, Education and Development
- d) Labour Relations
- e) Organizational Development
- f) Occupational Health and Safety & Employee Wellness

The top three service delivery priorities for 2013/2014 were to:

- Ensure that Job descriptions of all staff are renewed and adopted in preparation of the Job Evaluations using the Task Evaluation System.
- Review and re-align the Organisational Structure of the Greater Tzaneen Municipality in line with the reviewed job descriptions to be able to implement IDP projects
- Review of the Human Resources Policies to be in line with the amendments of the regulations to ensure compliance.

The impact the HR Division had made on the above three key service delivery issues were that:

- During the 2013/2014 financial year the organisational structure did not serve in Council. The disagreement between labour unions and management in implementing the court order ruling in favour of SALGA for the Task Evaluation System delayed all discussions. However all directors and managers discussed the organisational structure and submitted comments to review the structure. It was decided to put the process on hold until all negotiations are finalised.

Chapter 3

- In order for the job descriptions to be reviewed, a programme was approved for the project to kick start. The departments gave comments and edit the outdated information on the job descriptions to be in line with the function of the departments and IDP. The project was not concluded due to labour unions insisting they want to be party and they are not supporting the instruction of SALGA.
- The turnover of staff and other relevant statistics are being dealt with in Chapter 4 of this report.
- An ever changing environment and legislative amendments have to be accounted for in policies, procedures and practises. Therefore, policies, procedures, practises and systems have to be aligned from time to time to keep abreast of such changes. The division embarked on a policy workshop process to ensure proper consultation and ownership. The impact of such amendments can be observed in the implementation of the policies. Compliance to legislation and agreements is and still remains an important focus area for this Municipality.

Chapter 3

Table 117: Human Resource Management targets as set out in the SDBIP for 2013/14

Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Occupational Health and Safety	# OHS committee meetings	12	13	None
Organisational Design	Number of Section 57 posts vacant for more than three months	1	1	PED Position not yet filled
Organisational Development	Percentage of organogram filled (GTEDA)	100%	84%	Project Coordinator post not yet filled due to dispute
Organisational Development	Percentage of third party payments made timeously monthly (GTEDA)	100%	100%	None
Organisational Development	Number of quarterly Local Labour Forum meetings (GTEDA)	4	0	No internal LLF structure
Human Resource Management	% Staff turnover	6.6%	3.5%	None
Human Resource Management	% Employees that are female	36%	34%	None
Human Resource Management	% Employees that are youth	26.6%	28.0%	None
Human Resource Management	% Employees that are disabled	2.2%	2.2%	None
Human Resource Management	# of critical posts filled (MM, CFO, Engineer, Town Planner, Communications, CORP)	6	5	Post advertised and shortlisting completed.
Human Resource Management	# of people from employment equity target groups employed in the three highest levels of management	27	27	None
Labour Relations	Local Labour Forum	Coordinate monthly Local Labour Forum meetings.	7 LLF meetings conducted	Last meeting could not form a quorum
Labour Relations	Labour Relations management	Ensure that all employees are workshopped on Conditions of service.	22 Workshops conducted	None

Chapter 3

Table 118: Employees - Human Resource Services

Job level	2012/2013			2013/2014		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1	0%	1	1	0%
Level 4-6	7	4	42.8%	7	7	0%
Level 7-9	4	2	50%	4	2	50%
Level 10-15	3	1	66.6%	3	2	33.33%
Level 16-17	0	0	0%	0	0	0%
Total	15	8	46.6%	15	12	20%

Table 119: Financial Performance 2013/14: Human Resource Services (R'000)

Detail	2012/2013	2013/2014			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	25	-	-	-	-
Expenditure:					
Employees	10 351	6 286	6 286	14 238	-7 952
Repairs & Maintenance	4	5	5	-	5
Other	1 365	1 918	1 913	1 960	-47
Total Operational Expenditure	11 720	8 209	8 204	16 198	-7 994
Net Operational (Service) Expenditure	-11 695	-8 209	-8 204	-16 198	7 994

Despite the fact that in the HR Division only eight of the 15 positions was filled (20% vacancy). Human Resources offered excellent services because of the competent staff appointed. For the first time HR managed to conduct workshops for staff to create awareness on issues such as labour relations, leave, OHS and EAP. An audit of all personnel files was done and a control register was developed to track all personnel files to avoid loss of data.

The function of Personnel Provisioning and the Employment Equity Project is receiving the necessary attention and progress is being made in terms of demographic representation as

Chapter 3

well as gender and disability representation. However it must be noted that the moratorium posed on new appointments affected the implementation of the Employment Equity and personnel provisioning standards. It is necessary to report that the Municipality has reached its target in employing people with disabilities with 2.2% as against the target of 2% (for all government sectors in Limpopo) with a number of 15 disabled employees employed. GTM facilities do not accommodate disabled employees or external disabled clients.

The Annual Report to the Department of Labour, was reported in time. Also, the project for Employment Equity monitoring is functioning. The Employment Equity Consultative Forum meets quarterly as per regulation, consulting on issues which conflict with the Employment Equity Act such as the discrimination and unfair labour practice in the Municipality. However, the implementation of recommendations remains a challenge.

As far as the Education, Training and Development Section was concerned, the legislative requirements in terms of the submission of the WSP 2013/2014 and ATR 2013/2014 were complied with and monetary grants were received for the efforts. The ABET programme is ongoing for 39 employees and they have signed the agreement to complete the task. The overall execution of all the needs identified in the WSP was however hampered due to cash flow considerations and the MFMP programme as regulated by National Treasury. Due to the MFMP programme the bulk of the training vote allocation was directed to senior management and finance employees. As from 1 January 2013 all finance staff will have to comply with the Guidelines for Municipal Competency Levels of 1 July 2007 issued in terms of the Local Government Municipal Finance Management Act, 2003.

The Labour Relations section was established in September 2013 with the appointment of a Labour Relations Officer. Workshops were conducted wherein supervisors and employees were trained on issues relating to discipline in an effort to improve discipline and also avoid mitigations. Various HR functions were put under pressure due to the lack of support from

Chapter 3

the labour unions; these include organisational structure review process, the review of the Job Descriptions and the implementation of the project for the Task Job Evaluation.

Training for first aiders and OHS Representatives were conducted during the financial year and certificates were issued for compliance to the competent staff. The OHS and EAP are functioning extremely well however cash flow constraints makes it extremely difficult to finalise projects. The Municipality has paid over R1.2 to the Compensation Fund and it was caused by the number of incidents and accidents reported. The only solution to reduce such expenses is for GTM to comply with the Occupational Health and Safety Act (Act 85 of 1993). Council must priorities all legislations matters to avoid fines from Department of Labour for non compliance.

3.20 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

It is the responsibility of the Information Technology Division under the Corporate Services Department to ensure that policies, procedures and standards regarding computer-related items are defined and adhered to. The Information Technology Division offers the following services:

- IT End Users Support (Hardware and Software).
- End User Training (Formal-classroom situation).
- End User Support Training (informal-telephonic or individual).
- Liaise with outsourced service providers i.e. SITA, SALGA, Provincial and National Local Government department regarding all escalated problems.
- Backup services.
- Disaster recovery planning
- Procurement of all IT equipment and Computer rollout
- Audit of computer equipment.
- Computer Consumables such as Mouse, Printer, Ink and cartridges,
- Data Security.

Chapter 3

- Advisory capacity on effective business processes
- Maintenance and control of telephonic communication systems

SERVICE DELIVERY PRIORITIES

- *Rural Broadband Project* – will assist the communities to connect through the satellite offices and e-Schools (Phase 2) to access the Municipal Services and information from the townships and villages. The Phase 1 of the project which is connecting all the Satellite Offices has been completed (with 80% of the Offices connected). The following Municipal site offices were covered:
 - ✓ Tzaneen Municipality
 - ✓ Lenyenye
 - ✓ Letsitele
 - ✓ Ritavi
 - ✓ Nkowankowa Traffic
 - ✓ Runnymede
 - ✓ Relela
 - ✓ Bulamahlo
 - ✓ Tzaneen Traffic
 - ✓ Stores/Substation
- Website publications: The prescribed documents were published but general information about the municipality still needs to be improved
- Procurement of ICT equipment: 30 Laptops and 5 computers were procured
- Mayoral Hotline: Project put on hold due to budget constraints

Chapter 3

Table 120: Information Technology targets as set out in the SDBIP for 2013/14				
Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Information management	Purchase of Laptops	Procure Laptops	30 Laptops were procured in the 1st Qtr.	None

Chapter 3

Job level	2012/2013			2013/2014		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	0	0%	1	1	0%
Level 4-6	2	2	100%	2	2	0%
Level 7-9	3	2	33.3%	3	3	0%
Level 10-15	0	0	100%	0	0	0%
Level 16-17	0	0	100%	0	0	0%
Total	6	4	66.7%	6	6	0%

Detail	2012/2013	2013/2014			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	-	-	-	-	-
Expenditure:					
Employees	1 889	1 889	2 804	2 804	2 942
Repairs & Maintenance	560	560	571	571	330
Other	2 803	2 803	3 571	3 765	3 988
Total Operational Expenditure	5 252	5 252	6 946	7 140	7 260
Net Operational (Service) Expenditure	5 252	-5 252	-6 946	-7 140	-7 260

3.21 LEGAL SERVICES

The role of the Legal Services Division is to render legal services to Council. The division is responsible for Conducting Investigations, research on case law and statutes and advising Council accordingly. The division must also ensure that Council Comply with its statutory functions, law and standards. The division must also develop and maintain effective working relationship with government departments, courts and other relevant bodies. Furthermore, monitoring ongoing litigation by and/or against Council, co-ordinate the interaction between

Chapter 3

the Council and external Legal Practitioners and ensuring legislative compliance, Good Governance and that Council takes informed decisions. The Legal Division is also responsible for:

- a) Assisting with the development of Policies and By-Laws, by conducting workshops for Councillors and officials on the policies and By-Laws and facilitate the annual review of policies.
- b) Performing Contract Management functions by Drafting contracts or Service Level Agreements on behalf of the Council, studying contracts and advise Council accordingly. Facilitate appointment of Service Providers during Bid Committee Meetings.
- c) Prioritising and recommending legal firms to be appointed. Receive referrals and legal queries from stake holders and attend to them. Providing legal opinions to Council

Table 123: Litigations handled during 2013/14

Type of legal case	Name of Case	Date Registered	Status at 30 June '13	Total Cost to Council to date
Civil Litigation	Voltex PTY LTD vs GTM	2013	Finalised	Nil
Civil Litigation	Claude Wheatley Street	2013	Finalised	R 594 082
Civil Litigation	VERSATEX vs GTM	2013	Finalised	R 148 167
Civil Litigation	Quality Plant HIRE vs GTM	2013	Finalised	R 269 273
Civil Litigation	Makgetsi Construction v GTM	2013	Finalised	R 105 246
Civil Suit	Maintenance of Parking Area	2013	Pending	R 52 500
Civil Litigation	Hillary Construction (PTY) LTD v GTM	2013	Pending	Nil
Civil Litigation	Thabo Molepo vs GTM & OTHERS	2013	Pending	R 35 033
Labour Litigation	SALARY DISPARITIES	2013	Pending	R 275 356
Labour Litigation	INV : SALARY DISPARITIES	2014	Finalised	R 92 875
Civil Litigation	GTM /MAHOWA INC	2013	Pending	Nil

Chapter 3

Table 124: Contract Management for 2013/14			
Nr of Service Providers appointed	Nr of Contracts concluded	Nr of Contracts extended	Nr of Contracts Withdrawn by Service Providers
44	44	6	3

Table 125: Service Delivery protests 2013/14				
Date	Stakeholder/Ward	Reason for protest	Office Protested against	Approved / Not Approved
14 May 2014	Lenyenye Community	High level of Crime	Police Station	Approved

Chapter 3

Table 126: Legal support targets as set out in the SDBIP for 2013/14				
Programme	Project/ KPI	Annual Target (2013/14)	Actual Achieved (30 June 2014)	Reason for deviation
Legal services	% of SLAs concluded within 5 days of information provided	100%	14(92)%	Contracts in MM's office awaiting signature.
Legal services	% of SLAs signed within 10 days of receiving acceptance	100%	14(92)%	Contracts in MM's office awaiting signature.
Legal services	# of monthly contract management reports submitted	12	12	None

Chapter 3

Table 127: Employees – Legal Services (2013/14)						
Job level	2012/2013			2013/2014		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	0	100%	1	1	0%
Level 4-6	1	1	0%	1	1	0%
Level 7-9	1	1	0%	1	0	100%
Level 10-15	0	0	0%	0	0	0%
Level 16-17	0	0	0%	0	0	0%
Total	3	2	33.3%	3	2	33.3%

Table 128: Financial Performance 2013/14: Legal Services (R'000)					
Detail	2012/2013		2013/2014		
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue	-	-	-	-	-
Expenditure:					
Employees	1 818	1 912	1 912	4 850	-2 938
Repairs & Maintenance	-	-	-	-	-
Other	7 913	4 488	11 932	12 149	-217
Total Operational Expenditure	9 731	6 400	13 844	16 999	-3 155
Net Operational (Service) Expenditure	-9 731	-6 400	-13 844	-16 999	-3 155

No capital projects were planned or implemented for Legal Services during the 2013/14 financial year

Chapter 3

COMPONENT J: ORGANISATIONAL PERFORMANCE SCORECARD

The full Annual Performance Report for 2013/14 is included as [Annexure C \(i\)](#) and [Annexure C \(ii\)](#).

Chapter 4

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

The organisational development section has been established with the appointment of a Work Study Officer. There are many challenges that must be addressed by this Unit; including the full implementation and maintenance of the TASK Job Evaluation Outcome, Review of the Organisational structure in line with the IDP projects, review of the job descriptions in line with the function of the departments and division to achieve the IDP projects Plans as well as the cascading of the PMS to employees lower than job level 3.

Chapter 4

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

A comparison between the 2012/2013 and 2013/2014 financial years (as reflected in **Table 129**) show that the number of officials actually employed has increased from 660 to 690. This increase has mainly been for core functions which has a positive impact on service delivery. Highly effective mechanisms will have to be developed and implemented to address the high vacancy rate of 51.2%. Out of the 1415 approved positions, a total of 725 positions were vacant as on 30 June 2014.

Table 129: Employee turnover					
Department (functions)	2012/2013	2013/2014			
	No of Employees	Approved positions	No of Employees	No of Vacancies	% Vacant
Engineering Services (Roads & Stormwater, Water & Sanitation, PMU, Building & Fleet Maintenance)	165	592	172	420	70.9
Electrical Services	108	186	104	82	44.1
Community Services (Waste management, Libraries, Parks & Cemeteries, Sports & Recreation, Environmental Health & HIV/AIDS, Licensing, Traffic)	257	431	273	158	36.6
Planning & Economic Development (LED, Town Planning, Housing, Youth, Gender & Disability)	21	30	19	11	36.6
Chief Financial Officer (Expenditure, Revenue, Financial Services and budgeting, Supply Chain Management)	50	74	56	18	24.3
Corporate Services (Legal, Communication, Archives & Records, HR, Public Participation & IT, Council Admin Support)	43	68	51	17	25
Municipal Manager (Disaster Management, Internal Audit, IDP, Performance Management)	12	24	10	14	58.3
Office of the Mayor (Administration and Special Programs)	4	10	5	5	50
Total	660	1415	690	725	51.2

Chapter 4

Designation	Total Approved posts	Vacancies	Variances (as % of total posts in each category)
Municipal Manager	1	0	0%
CFO	1	0	0%
Other Section 57 Posts	5	1	20%
Middle Management: Financial (Level 3)&4	11	3	27.2%
Middle Management: non-Financial (Level 3)&4	46	11	23.9%
Highly skilled supervision: Financial (Level 5-6)	14	3	21.4%
Highly skilled supervision: Non-Financial (Level 4-6)	157	40	25.4%
Total	235	58	24.6

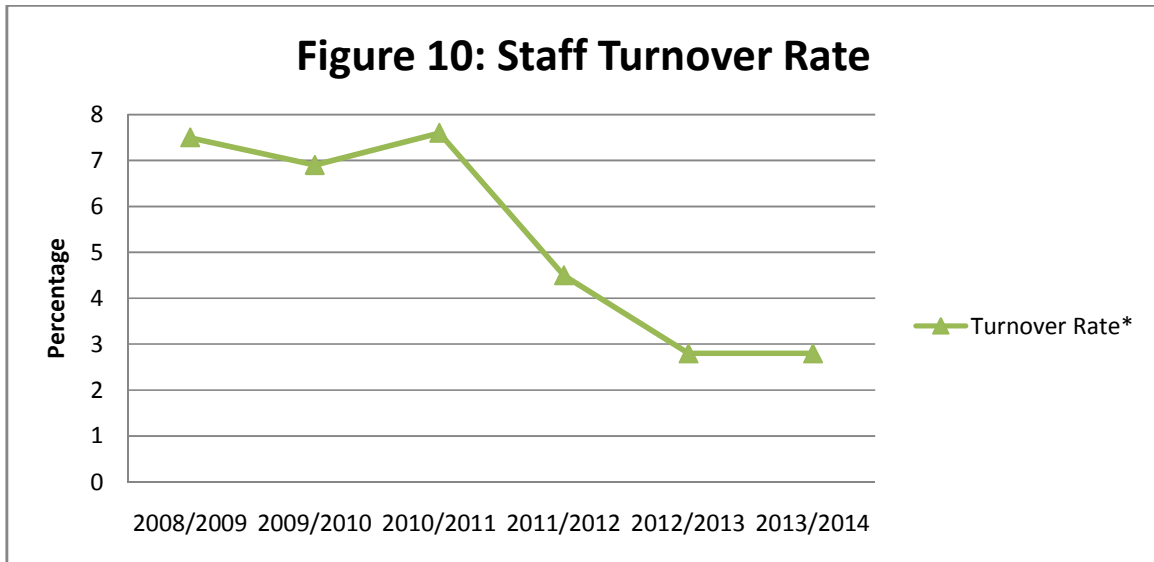
There has been a significant decrease on the vacancy rate for 2013/14 as compared with the 2012/13 financial year. The reduction from 37.4 % to 24.6% shows positive adherence to the turnaround time of the approved personnel provisioning policy. The area of concern is on Middle management with financial expertise at a 27.2 % which is the highest amongst all the categories as indicated on the above table. There is still much to be done to ensure that the vacancy rate is compliant to what is required for all municipalities.

Year	Total No of posts filled at the beginning of the financial year	Terminations during the financial year	Turnover Rate*
2008/2009	613	46	7.5
2009/2010	621	43	6.9
2010/2011	630	48	7.6
2011/2012	619	28	4.5
2012/2013	660	19	2.8
2013/2014	681	19	2.8

From the data above, it seems that the turnover rate of the Greater Tzaneen Municipality is in the region of 2.8 %. This rate is acceptable bearing in mind that about 60% of this rate can be attributed to deaths and retirements over which the Municipality has no control. As far

Chapter 4

as senior management positions are concerned, five director positions were filled as on 30 June 2014, except the Director Planning and Economic Development Services.



Staff with the appropriate qualifications and experience and who competed for the vacant positions advertised, was promoted when they were found to be the best applicants after the interviews. Council does not have a promotion policy, however whenever a position is advertised, preference is given to the internal staff for promotion purposes and to encourage them as there are no incentives for middle and lower positions. A total number of eleven officials were promoted during the year under review (7 African males and 1 white male and 3 African female).

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

Introduction

Employees in Council need some form of leadership from Corporate Services perspective. The behaviour and actions of employees have to be channelled and directed towards the achievement of the organisation's objectives, contained in the IDP. In order to achieve the above; the appointment of Directors (Section 57 Managers) was imperative. Six directors were appointed during the financial period 2013/2014, who possess suitable skills and

Chapter 4

competencies as per minimum competency level requirements and Municipal Systems Act guidelines. The Director (Planning and Economic Development) resigned in August 2013. One of the responsibilities of Corporate Services is to retain scarce skills and develop career path for employees. Therefore for the past year, Council complied with Section 2 of the Skills Development Act (97 of 1998) by doing the following:

- ✓ Developing the skills of employees
- ✓ Increasing the levels of investment in education and training in the labour market and to improve the return on investment.
- ✓ Using the workplace as an active learning environment, by providing employees with opportunities to acquire new skills through bursaries.

4.2 POLICIES

As per legislative requirements Section 67 of Municipal Systems Act, 2000 the process to develop and adopt appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration continued. Where necessary, policies were reviewed to accommodate changing circumstances. The human resources related policies are standardising to a uniform standard and there is easy reference.

	Name of Policy	% Completed	Date adopted by Council (or comment on failure to adopt)
1	Affirmative Action	100%	24/06/1996, current review
2	Career Management and Retention	100%	A45 of 29/05/2012
3	Code of Conduct for Employees	100%	As per Schedule to System Act
4	Delegations, Authorisation and Responsibility	100%	30 April 2014 (A 24 of 2014)
5	Disciplinary Code and Procedures	100%	As per SALGBC Agreement (B40 of 24 August 2010)
6	Essential Services	40%	Agreement under review due to new organogram

Chapter 4

Table 132: Corporate Services (HR) Policies and Plans (2013/14)			
Name of Policy		% Completed	Date adopted by Council (or comment on failure to adopt)
7	Employee Assistance/ Wellness	100%	A29, 2013 June 28
8	Employment Equity	100%	A29, 2013 June 28
9	Exit management	0%	No policy
10	Grievance Procedures	100%	As per SALGBC Agreement
11	HIV/AIDS for Employees	100%	HR competency (B126 of 26/11/2002
12	Human Resources Development	100%	B77 of 26/8/2008
13	Information Technology	50%	Drafts ready for consultations
14	Job Evaluation	100%	Approved by National Executive committee of SALGA, 2012
15	Leave	100%	As per SALGBC & DCoS Agreements. New policy under review to be adopted by Council
16	Occupational Health and Safety	100%	A29, 2013 June 28
17	Official Housing	100%	B158 of 31/8/2004
18	Official Journeys	100%	B172 of 31/8/2004
19	Official transport to attend funerals	100%	Bereavement Guidelines
20	Official Working Hours and overtime	100%	New policy under review to be adopted by Council
21	Organisational Rights	100%	As per ORA in Main Agreement
22	Payroll deductions	0%	No Policy
23	Performance Management and Development	100%	A29, 28 June 2013
24	Personnel Provisioning	100%	28/06/2013, A29
25	Remuneration Scales and Allowances	100%	B240 of 30/11/2004
26	Sexual Harassment	100%	A364 of 21/11/2000. Currently under review to be adopted by Council
27	Training and Development	100%	Currently under review to be adopted by Council
28	Smoking	100%	A15 of 26/05/2009. Currently under review to be adopted by Council
29	Special skills	0%	Not developed
30	Work organisation	0%	Not developed
31	Uniforms and Protective Clothing	100%	A29, 2013 June 28
32	Policy on Granting of Bursaries to Employees	100%	A35 of 29/11/2011. Currently under review to be adopted by Council

Chapter 4

Name of Policy		% Completed	Date adopted by Council (or comment on failure to adopt)
33	Policy on Temporary Employment of Students	100%	Currently under review to be adopted by Council
34	Anti-Corruption Policy	100%	A30 of 18 June 2013
35	Policy for Labour Relations	100%	Currently under review to be adopted by Council
36	Language Policy	0%	No Policy
37	Risk Management Policy	100%	A30 of 18 June 2013
38	COIDA	100%	A44 of 28/08/2012 (New Policy)

4.3 INJURIES, SICKNESS AND SUSPENSIONS

The Compensation for Occupational Injuries and Diseases Act, Act 130 of 1993, is the governing Act that deals with occupational injuries and diseases. The aim of the COIDA is to provide for Compensation in the case of disablement caused by occupational injuries or diseases, sustained or contracted by employees in the course of their employment, or death resulting from such injuries or disease; and to provide for matters connected therewith. An accident must be reported when an employee meets with an accident arising out of and in the course of employment resulting in a personal injury for which medical treatment is required. The number of injuries on duty during 2013/14 is presented in **Table 133**.

Type of Injury	Days Injury leave taken	No of employees	% of Employees using sick leave	Average injury leave per employee ⁴	Total estimated cost
Required basic medical attention only	34	9	1.3%	3.7 days	R17 998.02
Temporary total disablement	none	none	none	n.a	n.a
Permanent Disablement	none	none	none	n.a	n.a
Fatal	None	None	none	n.a	n.a
Total	34	9	1.3%	3.7 days	R17 998.02

⁴ Not determinable

Chapter 4

From **Table 133** above it will be observed that a total of 34 days sick leave occurred due to injury-on-duty cases which are lower than the 166 days of last year. This constitutes 1.3% of employees who were involved in such incidences. The OHS and EWP Section are continuously busy with awareness creation regarding safe working conditions and the role that each and every individual can play in limiting incidences of injury-on-duty. The three OHS Committees are also used as a platform to propagate a safe working environment within the OHS System which is in place. Inspections of workplaces are being done throughout the year and where necessary, follow-ups are being done to monitor compliance. The internal newsletter is also being used to place articles relating to OHS matters and to conscientise workman/women. During the induction program of new entrants, time is being spent on OHS and EWP matters.

Table 134: Number of days and cost of sick leave (excluding injuries on duty) for 2013/14

Designation	Total sick leave (days)	% of sick leave without medical certification	Employees using sick leave*	Estimated cost@ basic salary
Unskilled and defined decision making (level 16-15)	1703	69%	175	600 592.00
Semi skilled - discretionary decision making (level 10-14)	488	6.9%	68	251 620.37
Skilled, technical and academically qualified workers (7-9)	1111	12%	92	996 771.77
Professionally qualified and experienced specialists (middle management) level 4-6	600	14.5%	67	729 063.36
Management (level 3)	153	8.4%	18	382 940.50
Senior Management (level 0-2)	16	0%	3	11 039.99
Total	4071		423	2 972 027.99

The average sick leave taken per employee is 8.4 days which is higher than 2012/13 (6.06 days) but still within acceptable norms.

Chapter 4

Table 135: Number and Period of Suspensions, 2013/2014				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Clerk	Defiance	N/A	Written Warning	23 September 2013
Team Leader	Rude, provocative and aggressive behaviour	N/A	No outcome was issued by the supervisor to this date	N/A
Licensing clerk	Absenteeism	N/A	Verbal Warning	19 September 2013
General Worker	Improper conduct	N/A	Written Warning	09 December 2013
Testing Officer	Inappropriate Conduct	N/A	Written warning	07 October 2013
General Worker	Alcohol Abuse	N/A	03 February 2014 (Completed rehabilitation programme)	03 February 2014
Superintendent	Smoking in Office	N/A	Written Warning	20 January 2014
Team Leader	Misuse of Council Property and Failure to perform responsibilities	N/A	Final Written Warning	01 April 2014
Licensing Clerk	Fraud	N/A	Suspension Without Pay	02 June 2014
OHS Officer	Fraud	N/A	Suspension Without Pay	10 June 2014

Chapter 4

4.4 PERFORMANCE REWARDS

The Performance Management System of GTM has been cascaded to include only levels 1-3 employees. Due to human resource limitations further cascading is dependent on the appointment of additional personnel to manage the system. The scoring system is based on Regulation 805 of 2006 and is applied uniformly to all employees. Although quarterly assessments are ideal, only an annual performance assessment was conducted for the 2012/13 financial year. **Table 136** presents the outcome of the assessment process.

Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards 2011/12	Proportion of beneficiaries within group
				R' 000	%
Unskilled and defined decision making (level 16-17)	Female	113	0	0	0
	Male	230	0	0	0
Semi skilled - discretionary decision making (level 10-15)	Female	5	0	0	0
	Male	61	0	0	0
Skilled, technical and academically qualified workers (7-10)	Female	79	0	0	0
	Male	56	0	0	0
Professionally qualified and experienced specialists (middle management) level 3-6	Female	51	0	0	0
	Male	89	0	0	0
Senior management (level 0-2)	Female	2	0	0	0
	Male	4	0	0	0
Total		690	0	0	0
Has the statutory municipal calculator been used as part of the evaluation process?					Yes

Chapter 4

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

The Greater Tzaneen Municipality accepted legislative requirements of the Skill Development Act 97, 1998 to develop and improve the Skills of the South African workforce in capacitating municipal workforce in performing their functions and exercise their powers in an economic, effective and accountable way. To enhance the workforce in adult education training and learnership programmes that lead to recognized occupational qualifications. For the financial year 2013/2014 an amount of R684 725.00 was allocated for the implementation of the training needs projected and approved.

The WSP for 2013/2014 was submitted to LGSeta by the 30th April 2014. The bulk of the training funds were spent on the (MFMA) for compliance with the National Treasury Competency level as directed. It must further be indicated that twenty three (23) officials, the majority of which are from finance, have been enrolled on the MFMA training facilitated by North-West University. The training started in April 2013 and it will be concluded in December 2014. The cost of the training for the 23 delegates is amounting to R1.8 Million, which had to be covered through the training vote, leaving little to implement the WSP.

Implementation of the workplace skills plan

The training interventions projected for the financial year prioritised was not implementable due to the compliance of the National Treasury regulations on MFMA program for Municipal Workforce. Implementation of the training needs (WSP) was as follows:

- Employees projected to be trained was 179
- Actual training 87
- % of WSP implemented 50%

A summary of the beneficiaries trained during the financial year, per occupational category, is presented in **Table 137**:

Chapter 4

Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Snr officials and managers	13	0	0	0	10	0	0	0	23
Professionals	06	0	0	0	04	0	0	03	13
Technicians and associate professionals	02	0	0	0	01	01	0	04	08
Clerks	02	0	0	0	10	0	0	0	12
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agricultural and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	02	0	0	0	01	0	0	0	03
Elementary occupations	14	0	0	0	14	0	0	0	28
Total Permanent	39	0	0	0	40	01	0	07	87
Non-permanent employees	0	0	0	0	0	0	0	0	0
Total	39	0	0	0	40	01		07	87

Training Interventions for 2013/14

Adult Education and Training (AET):

We have received funds from LGSETA to implement the AET programme; fifty five (55) employees have been identified and shown interest to enrol on the programme. The programme will be implemented during 2014/2015 financial year.

Experiential training

As per approved temporary employment of student policy, the objectives outlined are to afford students a chance to get practical exposure in those directions which may have application value for them and to optimise their services to the benefit of Council and

Chapter 4

the student. Eight learners were appointed in four departments to gain experience for the final year to acquire their qualifications. The students are reimbursed at 30% of the salary of a job level 12. The following (see **Table 138**) is comprehensive data of learners who were assisted through the experiential programme in the Municipality to acquire their qualifications for the 2013/14 financial year:

No	Surname & initials	Stream/qualification	Department	Period
1	Moloto MF	N4 Office Administration	Corporate Services	2013/02/01-2014/12/31
2	Makumbila AI	Grade 12	Office of the MM	2012/06/01-2014/12/31
3	Mathye M	Diploma in IT	Corporate Services	2014/02/01-2014/12/31
4	Phokongwane F	Diploma in Local Government Finance	Budget and Treasury	2013/02/01-2014/09/30
5	Nkwashu H	National Diploma in Town and Regional Planning	Planning & Economic Development	2014/01/01-2014/11/30
6	USIBA M	National Diploma in Town and Regional Planning	Planning & Economic Development	2014/03/01-2015/01/31
7	Mailula NC	N5 Marketing Management	Corporate Services	2012/06/01-2014/12/31
8	Raseokga I	Grade 12	Corporate Services	2012/06/01-2014/06/30

Challenges occurred during 2013/14 financial year for implementation:

- Unavailability of funds for implementation of WSP training needs.
- Approval of training interventions were not approved in the WSP training needs.
- Non-implementation of learnership programme due to stakeholders not availing funds for the programs.

Chapter 4

4.5 SKILLS DEVELOPMENT AND TRAINING

The GTM Skills Matrix is presented in **Table 139**.

Table 139: Skills Matrix														
Management level	Gender	Employees in post as at 30 June 2014	Number of skilled employees required and actual as at 30 June 2014											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
			No.	Actual 30 June 2013	Actual 30 June 2014	Target 13/14	Actual 30 June 2013	Actual 30 June 2014	Target 13/14	Actual 30 June 2013	Actual 30 June 2014	Target 13/14	Actual 30 June 2013	Actual 30 June 2014
MM and S57	Female	2	0	0	0	2	2	0	1	0	0	3	2	0
	Male	4	0	0	0	3	2	1	0	0	0	3	2	1
Councillors, senior officials and managers	Female	38	0	0	0	11	5	10	7	0	1	18	5	11
	Male	52	0	0	0	20	8	19	15	0	0	35	8	19
Technicians and associate professionals	Female	66	0	0	0	6	18	18	3	1	0	9	18	18
	Male	72	0	0	0	29	6	24	23	0	0	52	7	24
Professionals	Female	25	0	0	0	0	6	0	0	0	19	0	6	19
	Male	87	0	0	0	2	6	1	1	0	6	3	6	7
Sub total	Female	131	0	0	0	19	31	28	11	0	20	30	31	48
	Male	215	0	0	0	54	22	45	39	0	6	93	22	51
Total		346	0	0	0	73	53	73	50	1	26	123	54	99

Chapter 4

Table 140: Financial Competency Development: Progress Report (2013/14)*

Description	A. Total number of officials employed by Municipality (Regulation 14(4)(a) and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials				
<i>Accounting officer</i>	1	1	1	1
<i>Chief financial officer</i>	1	1	1	1
<i>Senior managers</i>	4	2	0	2
<i>Any other financial officials</i>	50	1	0	1
Supply Chain Management Officials				
<i>Heads of supply chain management units</i>	1	1	0	1
<i>Supply chain management senior managers</i>	0	0	0	0
TOTAL	57	6	2	6

Chapter 4

Table 141: Skills Development Expenditure (R'000) for 2013/14

Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development 2012/2013							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget
Top management (level 0-2)	Female	3	0	0	R45 000	R44 347.82	0	0	R45 000	R44 347.82
	Male	4	0	0	R50 000	R49 673.91	0	0	R50 000	R49 673.91
Senior Management (level 3)	Female	6	0	0	R10 000	R9 550	0	0	R10 000	R9 550
	Male	16	0	0	R20 800	R20 700	0	0	R20 800	R20 700
Professionally qualified and experienced specialists (middle management) level 4-6	Female	25	0	0	R120 000	R110 869.55	0	0	R120 000	R110 869.55
	Male	87	0	0	R58 000	R57 096.54	0	0	R58 000	R57 096.54
Skilled, technical and academically qualified workers (7-10)	Female	66	0	0	R242 921	R245 942.21	0	0	R242 921	R245 942.21
	Male	72	0	0	R55 000	R54 147.82	0	0	R55 000	R54 147.82
Semi skilled - discretionary decision making (level 10-15)	Female	29	0	0	R29 000	R28 808.56	0	0	R29 000	R28 808.56
	Male	131	0	0	R30 000	R21 603.42	0	0	R30 000	R21 603.42
Unskilled and defined decision making (level 16-17)	Female	67	0	0	R12 002	R12 001.90	0	0	R12 002	R12 001.90
	Male	167	0	0	R12 002	R12 001.90	0	0	R12 002	R12 001.90
Sub total	Female	196	0	0	R458 923	R451 520.08	0	0	R458 923	R451 520.08
	Male	475	0	0	R225 802	R215 223.59	0	0	R225 802	R215 223.59
Total		671	0	0	R 684 725	R 645 138.51	0	0	R684 725	R645 138.51
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									0.03%	R684 725.

Chapter 4

As part of National Treasury's Regulation on Minimum Competency Level, 23 officials, the majority of which are from the Finance Department, have been enrolled to attend the MFMA training presented by University of North West. The costs of this year long training intervention are approximately R1.8 million, which is mostly being funded through the training vote. Evidently, it will be observed that not a lot of funds are available to conduct any other form of training for officials in the other job categories. Presently only 0.03% of the personnel budget is being allocated for training and it is the intention to increase it to at least 1% of the personnel budget as per the SALGA guideline. The MFMA training will be concluded at the end of December 2014.

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

Introduction

Vacant positions are not being filled for the sake of filling them. An assessment is firstly made to determine whether the filling of a position is necessary, essential, critical and also budgeted for. In some instances all the criteria is present, but then cash flow considerations can lead thereto that position(s) are not being filled. In determining the increase in the cost of the personnel budget, the National Treasury guideline is always followed of the % increase being allowed. The need to fill positions will always exceeds the available budget provisioning as the latter guideline and the matter of cash flow have a direct bearing on it.

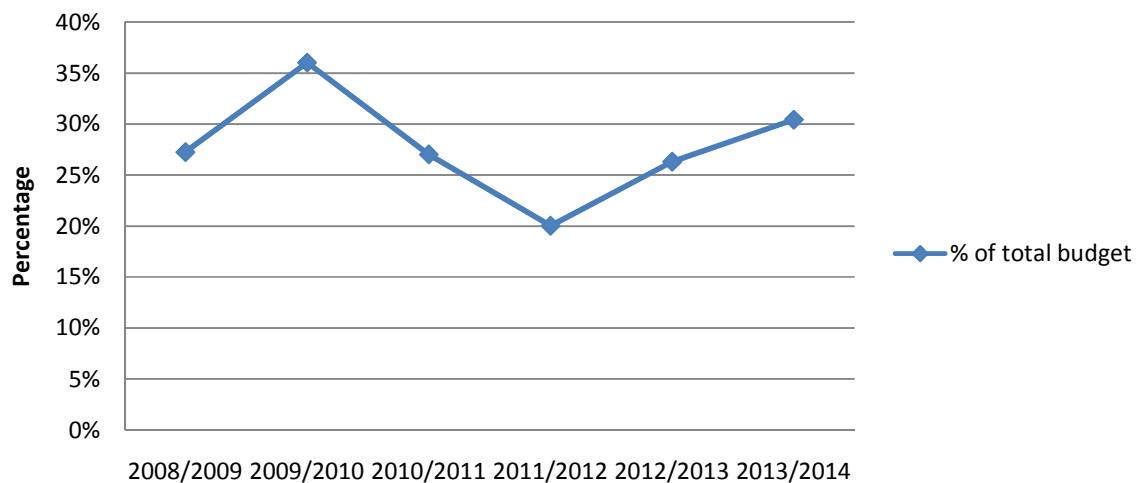
Chapter 4

4.6 EMPLOYEE EXPENDITURE

Employee cost is presented in **Table 142** and **Figure 11**.

Year	Total No of Employees	Total Workforce Expenditure	% of total budget
2008/2009	613	108 794 939.00	27.24%
2009/2010	621	154 567 646.00	36.02%
2010/2011	630	147 951 040.00	27.01%
2011/2012	619	151 838 715.00	20.01%
2012/2013	660	198 337 670.00	26.30%
2013/2014	681	247 063 144.00	30.42%

Figure 11: Employee costs as % of total budget



Employee cost increase annually as determined by SALGA and approved by Council. The high increases during the past 3 years are a result of an increase in the number of people employed by the municipality.

Chapter 4

Table 143: Number of employees whose salaries were increased due to their positions being upgraded during 2013/14		
Beneficiaries	Gender	Total
Senior management (level 0-2)	Female	0
	Male	0
Management (level 3)	Female	0
	Male	0
Professionally qualified and experienced specialists (middle management) level 4-6	Female	0
	Male	0
Skilled, technical and academically qualified workers (7-10)	Female	0
	Male	0
Semi skilled - discretionary decision making (level 10-15)	Female	0
	Male	0
Unskilled and defined decision making (level 16-17)	Female	0
	Male	0
Total		0

There was no salary increase of employees due to their positions being upgraded during 2013/14 as there was no Job Evaluation conducted as Municipalities were still waiting for SALGA to enter into an agreement with Deloitte to drive Job Evaluation process.

Chapter 4

Table 144: Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation (2013/14)

Occupation	Number of employees	Remuneration level	Job Evaluation level	Reason for deviation
Accountant (Income)	1	4 PTH	T12	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Administration Officer (Land)	1	5 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Administrative Officer (Town Planning)	1	5 PTH	T12	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Administrator	2	5 PTH	T9	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Administrator (Cleaving)	1	8 PTH	T9	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Administrator (Credit Control)	2	6 PTH	T9	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Administrator (Engineering)	1	5 PTH	T9	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Administrator (Expenditure)	1	6 PTH	T9	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Administrator (Finance)	1	6 PTH	T9	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Administrator (Revenue)	1	6 PTH	T9	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Administrator (Stores)	1	6 PTH	T9	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Administrator (Town Planning)	1	8 PTH	T9	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Artisan (Electrician)	10	6 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Artisan (Mechanical)	3	6 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Artisan (Water and Sanitation)	3	6 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Artisan (Water)	2	6 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.

Chapter 4

Table 144: Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation (2013/14)

Occupation	Number of employees	Remuneration level	Job Evaluation level	Reason for deviation
Assistant Accountant	1	6 PTH	T7	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Building & Drainage Inspector	4	6 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Building Maintenance Attendant	1	17 PTH	T4	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Cashier	2	9 PTH	T5	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Clerical Asst/Typist	1	11 PTH	T5	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Clerk	3	8 PTH	T4	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Clerk	2	8 PTH	T5	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Clerk (Administration)	2	8 PTH	T5	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Clerk (Building Control)	1	9 PTH	T5	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Clerk (Expenditure)	2	8 PTH	T5	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Clerk (Licensing)	1	11 PTH	T5	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Clerk (Mechanical and Electrical)	1	8 PTH	T5	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Clerk (Revenue)	5	8 PTH	T5	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Clerk (Supply Chain Management)	1	8 PTH	T5	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Community Development Officer	1	8 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Control Room Operator	5	8 PTH	T6	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Controller (Finance)	2	5 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.

Chapter 4

Table 144: Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation (2013/14)

Occupation	Number of employees	Remuneration level	Job Evaluation level	Reason for deviation
Data Capture Clerk	2	13 PTH	T5	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Disaster Management Officer	1	6 PTH	T11	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Driver Operator	5	11 PTH	T6	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Electrical Attendant	23	14 PTH	T4	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Electrical Engineering Technician	1	6 PTH	T11	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Engineering Technician	1	4 PTH	T12	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Environmental Health Practitioner	1	5 PTH	T11	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Examiner (Vehicle and Drivers Licences)	8	6 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Executive Secretary	1	7 PTH	T7	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Executive Secretary	5	8 PTH	T7	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Foreman (Roads and Storm Water)	2	6 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.
General Assistant (Messenger)	1	14 PTH	T3	Post was previously graded on the VdM Grading system which is higher than the current Task system.
General Assistant (Parks, Recreation and Cemeteries)	20	16 PTH	T3	Post was previously graded on the VdM Grading system which is higher than the current Task system.
General Assistant (Stores)	3	17 PTH	T3	Post was previously graded on the VdM Grading system which is higher than the current Task system.
General Worker (Level 2) (Cleaner)	3	17 PTH	T2	Post was previously graded on the VdM Grading system which is higher than the current Task system.
General Worker (Level 2) (Parks, Recreation and Cemeteries)	24	17 PTH	T2	Post was previously graded on the VdM Grading system which is higher than the current Task system.
General Worker (Level 2) (Solid Waste)	79	17 PTH	T2	Post was previously graded on the VdM Grading system which is higher than the current Task system.

Chapter 4

Table 144: Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation (2013/14)

Occupation	Number of employees	Remuneration level	Job Evaluation level	Reason for deviation
General Worker (Level 2) (Traffic Enforcement)	2	17 PTH	T2	Post was previously graded on the VdM Grading system which is higher than the current Task system.
General Worker (Level 2) (Water and Sanitation)	17	17 PTH	T2	Post was previously graded on the VdM Grading system which is higher than the current Task system.
General Worker (Level 2) (Water)	16	17 PTH	T2	Post was previously graded on the VdM Grading system which is higher than the current Task system.
General Worker (Level2)	18	17 PTH	T2	Post was previously graded on the VdM Grading system which is higher than the current Task system.
General Worker (Level2) (Licensing and Testing)	1	17 PTH	T2	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Handyman (Building Maintenance)	1	10 PTH	T6	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Horticulturist	3	6 PTH	T11	Post was previously graded on the VdM Grading system which is higher than the current Task system.
HR Administration Officer	3	6 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Internal Audit Officer	2	6 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Internal Auditor	1	5 PTH	T12	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Law Enforcement Officer	2	7 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Occupational Health and Safety Officer	1	5 PTH	T11	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Office Assistant	1	10 PTH	T5	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Office Attendant	2	15 PTH	T4	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Planner (Electrical)	2	5 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Principal Administration Officer	2	4 PTH	T12	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Principal Clerk	1	9 PTH	T7	Post was previously graded on the VdM Grading system which is higher than the current Task system.

Chapter 4

Table 144: Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation (2013/14)

Occupation	Number of employees	Remuneration level	Job Evaluation level	Reason for deviation
Principal Clerk (Committees)	2	6 PTH	T7	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Principal Clerk (Debtors)	1	7 PTH	T7	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Principal Clerk (Income)	1	7 PTH	T7	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Principal Clerk (Libraries)	3	9 PTH	T7	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Principal Clerk (Licensing)	3	7 PTH	T7	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Principal Clerk (Supply Chain Management)	1	7 PTH	T7	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Sanitation Attendant	1	14 PTH	T4	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Secretary	1	8 PTH	T6	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Senior Administration Officer	1	5 PTH	T11	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Senior Artisan Assistant (Water Purification)	1	12 PTH	T7	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Senior Civil Engineering Technician	2	4 PTH	T12	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Senior Clerk (Administration)	1	8 PTH	T6	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Senior Clerk (Administration)	1	8 PTH	T6	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Senior Clerk (Building Control)	1	7 PTH	T6	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Senior Clerk (Credit Control)	2	8 PTH	T6	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Senior Clerk (Expenditure)	1	7 PTH	T6	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Senior Clerk (Finance)	1	7 PTH	T6	Post was previously graded on the VdM Grading system which is higher than the current Task system.

Chapter 4

Table 144: Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation (2013/14)

Occupation	Number of employees	Remuneration level	Job Evaluation level	Reason for deviation
Senior Clerk (Licensing)	6	8 PTH	T6	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Senior Clerk (Payroll)	1	7 PTH	T6	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Senior Clerk (Records)	2	11 PTH	T6	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Senior Environmental Health Officer	1	5 PTH	T11	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Senior Licensing Officer	1	5 PTH	T11	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Senior Training Officer	1	4 PTH	T12	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Storeman	1	9 PTH	T6	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Superintendent	1	5 PTH	T11	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Superintendent (Cleansing and Solid Waste)	1	5 PTH	T12	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Superintendent (Electrical)	1	5 PTH	T11	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Superintendent (Law Enforcement)	1	6 PTH	T11	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Superintendent (Mechanical and Electrical Services)	1	5 PTH	T11	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Superintendent (Water and Sanitation)	1	5 PTH	T11	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Superintendent (Water Purification)	1	5 PTH	T11	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Supervisor Driver	1	10 PTH	T7	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Supervisor Driver	2	12 PTH	T7	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Supply Chain Management Practitioner	1	4 PTH	T11	Post was previously graded on the VdM Grading system which is higher than the current Task system.

Chapter 4

Table 144: Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation (2013/14)

Occupation	Number of employees	Remuneration level	Job Evaluation level	Reason for deviation
Team Leader	1	13 PTH	T5	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Tourism Officer	1	6 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Town Planning Technician	1	6 PTH	T11	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Tractor Driver	1	13 PTH	T5	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Traffic Officer	10	8 PTH	T9	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Typist	1	10 PTH	T5	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Water Purification Attendant	1	14 PTH	T4	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Word Processing Operator	2	10 PTH	T5	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Word Processing Operator	1	10 PTH	T5	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Workshop Attendant	1	15 PTH	T4	Post was previously graded on the VdM Grading system which is higher than the current Task system.
Youth, Gender And Disability Officer	1	6 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.

The status quo remains as there was no Job Evaluation process conducted during 2013/14 as Municipalities were still waiting for SALGA and Deloitte to sign an agreement to drive Job Evaluation process for the Municipalities.

Chapter 4

SALARY BENCHMARK

The last Salary Benchmark was implemented in July 2012. There was no Salary Benchmark process conducted during 2013/2014 financial year.

Disclosures of financial interests

All staff and Councillors are annually requested during June of the preceding year to disclose financial interests. The obligation to disclose rests on the individual and failure to do so may result in steps being taken against such individual, in terms of the Codes of Good Conduct. The following disclosures were made by officials and Councillors for the 2013/2014 financial year (see **Table 145**):

	Position	Name	Description of Financial Interest
1	Manager Licensing & Testing	CAJ Liversage	Partnership Golf Driving Range
2	Municipal Manager	ME Mankabidi	House at Vermont Str. Modjadji Kloof
3	Director Electrical Engineering	P Van den Heever	Own House Residence
4	Head of Division	NG Fourie	Farm Owner, Share Holder Siarda Safari's
5	Occupational Health and Services	RG Matsaung	100% Shares and Securities in Lapologa Bed & Breakfast. 100% Share Holder Lapologa Bed & Breakfast Trustee Magohlomane Family Trust Director at Lapologa Bed & Breakfast
6	Secretary	AS Scheepers	Owner TownHouse Omega 9 Arbor Park Monthly Pension Compensation Commissioner
7	Electrical Engineering Assistant	PWJ Schutte	Arnon Trust Non Profitable Tzaneen Laundry with Wife House and some land near Potchefstroom Equity Liberty IT and electrical on weekends reporting computers and electrical work when required.
8	Vehicle Inspector	ME Mashapu	General Dealer
9	Performance Management Officer	FM Human	Property Interest Mahaju 4 Tzangeni / Lushof 197 (50%)
10	Chief Financial Officer	N M Lion	Nana Consultants and Projects
11	Director Engineering Services	DS Malatji	Selling Chickens

Chapter 4

Table 145 : Financial Interests declared 2013/14			
	Position	Name	Description of Financial Interest
12	Youth Officer	JHC Mkhari	Membership in Accounts CC. & Driving School MGM
13	Hr Clerk	C Van der Merwe	Husband is doing business with Council on a quotation basis.
14	Executive Secretary	M Arjoon	Interest in Property Nr. 4 Eco Ekhaya (50%)
15	Engineering Technician	JM Matlala	Interest Dabra Design Services 2000/0495;88/23
16	Secretary	MT Dinga	Partnership Lekawadu Trading cc Transport taxi after hours at 1854 Ithuseng street Lenyenye
Councillors			
1	PR Councillor	TL Matita	Directorship Matita Bilnet Investment Rural Youth Financial Interest Matita Transport Logistics Councillor Pension Fund
2	Mayor	DJ Mmetle	Interest Golden Acres Nkowankowa
3	Councillor	OK Banyini	Membership Edgaine & Business Enterprice
4	Councillor	TK Nukeri	GEPF Pension Fund
5	PR Councillor	MR Mc Neil	Old age pension from Switzerland
6	Ward Councillor	RE Pohl	Momentum Old Mutual Owner House Fully Paid.
7	Councillor	TL Mhlongo	Department of Education GEPF
8	Councillor	BM Mashava	Tarven Selling Lizuar Mandlhazi everyday

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

Inflationary pressures will be curbed through expenditure management and with the increase in payment levels care will be taken to ensure that expenditure are kept within the actual income received and not the budget income

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

Introduction to financial statements

This component provides an overview of the financial performance of the Municipality and focuses on the financial health of the Municipality. The Statements of Revenue Collection Performance by vote and by source are included in **Addendum K**.

Chapter 5

5.1 FINANCIAL SUMMARY

Description	2012/2013	Current year 2013/14			2013/14 Variance to actual	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property rates	65 276	55 360	55 360	71 116	22%	22%
Service charges	356 168	401 776	401 776	362 004	-11%	-11%
Investment revenue	3 901	3 001	3 001	2 164	-39%	-39%
Transfers recognised - operational	220 476	238 842	238 842	240 362	1%	1%
Other own revenue	40 428	71 766	105 014	64 625	-11%	-62%
Total Revenue (excluding Capital transfers & contributions)	686 249	770 744	803 992	740 272	-4%	-9%
Employee costs	127 801	131 774	131 774	247 063	47%	47%
Remuneration of Councillors	17 561	18 619	18 619	19 031	2%	2%
Depreciation & asset impairment	83 670	110 726	110 726	108 055	-2%	-2%
Finance charges	16 331	11 489	11 489	11 787	3%	3%
Materials and bulk purchases	233 343	248 770	248 770	239 064	-4%	-4%
Transfers and grants	23 481	31 549	36 775	32 291	2%	-14%
Other expenditure	257 488	228 426	235 871	154 886	-47%	-52%
Total Expenditure	759 675	781 354	794 025	812 178	4%	2%
Surplus/(Deficit)	-73 426	(10 609)	9 968	(71 906)	85%	114%
Transfers recognised - capital	62 640	80 317	100 667	68 699	-17%	-47%
Contributions recognised - capital & contributed assets				155 300	100%	100%
Surplus/(Deficit) after capital transfers & contributions	-10 786	69 708	110 635	152 093	54%	27%
Share of surplus/ (deficit) of associate	0	0	0	0	0	0
Surplus/(Deficit) for the year	-10 786	69 708	110 635	152 093	54%	27%
Capital expenditure & funds sources						
Capital expenditure	94 133	165 630	217 482	360 757	54%	40%
Transfers recognised - capital	62 639	80 317	106 367	68 639	-17%	-55%
Public contributions and donations	0	0	0	155 300	100%	100%

Chapter 5

Table 146: Financial Summary 2013/14 (R'000)

Description	2012/2013	Current year 2013/14			2013/14 Variance to actual	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Borrowing	7 684	0	0	0	0	0
Internally generated funds	23 809	85 313	111 115	136 818	38%	19%
Total sources of capital funds	94 133	165 630	217 482	360 757	54%	40%
Financial position						
Total current assets	301 082	176 990	164 647	334 473	47%	51%
Total noncurrent assets	1 745 926	1 996 609	2 048 461	1 880 558	-6%	-9%
Total current liabilities	206 730	172 795	193 764	253 271	32%	23%
Total noncurrent liabilities	180 756	183 726	183 726	174 991	-5%	-5%
Community wealth/Equity	1 659 522	1 817 077	1 835 618	1 786 770	-2%	-3%
Cash flows						
Net cash from (used) operating	60 859	83 597	208 841	136 153	39%	-53%
Net cash from (used) investing	-77 905	(84 113)	(209 575)	(108 813)	23%	-93%
Net cash from (used) financing	-22 356	(10 142)	(10 142)	(14 394)	30%	30%
Cash/cash equivalents at year end	10 876	12 343		23 822	48%	100%
Cash backing/surplus reconciliation						
Cash and investments available	15 830	18 239	5 896	30 468	40%	81%
Application of cash and investments		(46 548)	(18 114)	(66 954)	30%	73%
Balance - surplus (shortfall)	15 830	64 787	24 010	97 423	33%	75%
Asset management						
Asset register summary (WDV)	1 740 973	1 990 713	2 042 566	1 873 912	-6%	-9%
Depreciation and asset impairment	83 670	110 726	110 726	116 459	5%	5%
Renewal of Existing Assets		13 300	5 024			
Repairs and Maintenance	91 867	100 112	100 112	19 125	-423%	-423%
Free services						
Cost of Free Basic Services provided	4 824	4 824	411	411	411	0%
Revenue cost of free services provided	144	144	8	8	8	0%

Variations are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A1

Chapter 5

Table 147: Financial Performance of Operational Services (R'000) for 2013/2014

Description	2012/13	2013/2014			2013/2014 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water	n/a	-	-	-	-	-
Waste Water (Sanitation)	n/a	-	-	-	-	-
Electricity		357 039	362 227	348 184	8 855	14 043
Waste Management		48 132	48 128	61 715	(13 583)	(13 587)
Housing	360 585	15 431	15 426	11 513	3 918	3 913
Component A: sub-total	51 096	420 602	425 781	421 413	(811)	4 368
Waste Water (Stormwater Drainage)	14 155	-	-	-	-	-
Roads	425 836	93,269	93,040	119,685	(26,416)	(26,645)
Transport		36,059	36,051	16,595	19,464	19,456
Component B: sub-total	97 410	129,328	129,091	136,280	(6,952)	(7,189)
Planning	13 445	13,600	13,580	16,060	(2,460)	(2,480)
Local Economic Development	110 855					
Component B: sub-total	17 805	13,600	13,580	16,060	(2,460)	(2,480)
Executive and Council		31,990	32,444	32,327	(336)	117
Budget and Treasury office	17 805	60,101	60,089	76,764	(16,664)	(16,675)
Corporate services	26 954	56,547	63,872	60,643	(4,096)	3,229
Component C: sub-total	68 120	148,638	156,404	169,734	(21,096)	(13,329)
Community & Social Services	49 877	5,125	5,120	6,265	(1,140)	(1,145)
Environmental Protection	144 950				-	-
Health	4 762	6,859	6,859	6,711	148	148
Public Safety		27,374	27,363	28,683	(1,309)	(1,319)
Sport and Recreation	6 618	23,657	23,656	20,496	3,161	3,160
Waste water	25 347	6,171	6,171	6,537	(366)	(366)
Component D: sub-total	17 810	69,185	69,169	68,691	494	478
Total Expenditure	5 692	781,354	794,025	812,178	(30,824)	(18,153)

Chapter 5

5.2 GRANTS

The performance of GTM on the expenditure on grants is presented in **Table 148** below:

Table 148: Grant Performance 2013/14 (R'000)						
Description	2012/2013	2013/2014			2013/2014 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:						
Equitable share	195 684	207 762	0	207 762	100	0
Municipal Systems Improvement	874	890	0	105	100	0
Neighbourhood Development Partnership Grant	9 392	23 350	0	16 899	100	0
Integrated National Electrification Programme	7 142	20 000	0	10 000	100	50
Municipal Infrastructure Grant	59 300	73 247	0	51 314	100	0
Expanded public works programme	1 846	1 710	0	1 710	100	0
Finance Management	1 500	1 550	0	1 550	100	0
Provincial Government:						
Housing	-	-	-	-	-	-
Sports and Recreation	-	-	-	-	-	-
Seta	25	-	-	-	-	-
District Municipality:						
<i>[insert description]</i>	-	-	-	-	-	-
Other grant providers:						
<i>Community Based Project</i>	897	-	-	-	-	-
Total Operating Transfers and Grants	200 826	335 309	0	289 765	100	14

The under spending of the Municipal Infrastructure Grant came as a result of late approval of 3 roads that are owned by the Department of Roads & Transport, which Council, during the IDP Processes took a resolution to implement on behalf of the said Department. The roads were approved by RAL during December 2014 and the municipality is currently awaiting approval from COGHSTA. The under spending of the MSIG is as a result of Training of ward Committee members which did not take place, Gazetting of Municipal By-Laws and GRAP Compliant Asset Register only paid after year end. The NDPG

Chapter 5

was under spent as a result of late appointment of a contractor for the Ring Road project. A rollover application for the unspent grant amount was submitted to National Treasury. The allocation for FMG (Finance Management Grant) was fully spent during the year under review.

SETA- the Grant is only received once the expenditure has been incurred. As a result nothing was allocated for such grant.

Table 149: Conditional Grants: excluding MIG (R'000) - 2013/14

Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Neighbourhood Development Partnership Grant	23 350	0	16 899	0	0	Grant to be utilised for the purpose that it was acquired for. It must be counter funded by the Municipality. This grant is for previously disadvantage communities and must be spent in the specified financial year.
Finance Management Grant	1 550	0	1550	0	0	The grant is utilised for capacity building, minimum competency level, financial training as well as the remuneration of Interns
Municipal Systems Improvement	890	0	105	0	0	The grant is used to upgrade the financial systems of the municipality and to provide training to officials.
National Electrification (INEP) & Neighbourhood	20 000	0	10 000	10 000	10 000	INEP funds must be utilised within the allocated period and the network must comply with ESKOM standards
Total	45 790	0	28 554	10 000	10 000	

GTM applied for MIG and NDPG during the 2013/14 financial year.

MIG:

MIG enables the Municipality to ensure that the community receives the basic level of services by funding capital projects. With the introduction of the MIG, the use of labour intensive methods for certain types of infrastructure has been made mandatory. This is in line with the Expanded Public Works Programme (EPWP), assist to maximize job creation through government expenditure and therefore helps with alleviating unemployment rate

Chapter 5

and poverty. MIG is only funding up to a basic level of service. If a Municipality chooses to provide a higher level of service the Municipality must provide counter funding for the difference in cost between a basic level of service and the higher level of service opted for. Municipalities are responsible for making the final decision about the level of service to be provided. Job opportunities created through the implementation of MIG: Ramothsinyadi to Mokgwathi Road were 52, Sasekani to Nkowankowa Road were 28, Senakwe to Morapalala Road were 19, Mafarana to Sedan Road were 11 and Ramotshinyadi Bridge were 13.

NDPG:

The Neighbourhood Development Partnership Development Grant (NDPG) Programme, a multi billion rand programme, which was announced in 2006 by the Minister of Finance, made an award to Nkowankowa Township, Greater Tzaneen Municipality (GTM) focusing on economic development as well as social upliftment. The NDPG Programme formally kicked off in 2008 and the comprehensive business plan containing the following projects was approved in 2010 valued at R77 million. The approval of the business plan allowed detailed planning, which was followed by the procurement process. After an exhaustive consultation process in partnership with the Nkowankowa Councillors and the GTM's Public Participation Department, in the Speaker's Office, the following seven projects were undertaken:

- **Maintenance of Parks 994 & 2065 (Nkowankowa):** Maintenance of parks conducted
- **Maintenance of Ritavi River Park:** Maintenance of parks conducted
- **Nkowankowa East Integrated Development Initiative:** Ring Road Completed
- **Rural Broadband:** Project completed
- **Nkowankowa Central Development Initiative (CBD Taxi Rank upgrade):** Awaiting appointment of a service provider
- **Indoor sports Centre:** Construction at 23%
- **External Sports Facilities:** Sport fields completed

Chapter 5

5.3 ASSET MANAGEMENT

Greater Tzaneen Municipality has an approved Asset Management Policy which is fully aligned with GRAP 17. All assets are reflected in Greater Tzaneen Municipality's Asset Register which is unbundled to the lowest possible level. Each item on the asset register is depreciated over its useful life. Assets are verified annually and it is during this verification that the conditions of such assets are determined. Thereafter the useful lives of assets are adjusted where necessary. The finance department does the administration of the asset register and the co-ordination of the asset verification process. This includes accounting for the assets in the financial statements. The responsibility to manage and control Council Assets remains the responsibility of Directors. During the period under review Greater Tzaneen Municipality employed the expertise of Deloitte to assist with the Assets management. The changes hereto led to an increase in the total value of the municipal assets

Table 150: Treatment of the three largest assets acquired 2013/14				
Asset 1				
Name	Ramotshinyadi Bridge			
Description	A bridge at Ramotshinyadi road			
Asset Type	Infrastructure (PPE)			
Key Staff Involved	Roads and storm water			
Staff Responsibilities	Maintenance			
Asset Value	2010/2011	2011/2012	2012/2013	2013/2014
				R20 599 974.31
Capital Implications	Item is not a revenue generating project.			
Future Purpose of Asset	Direct service delivery on a day to day as they community will use it to pass to the other side road			
Describe Key Issues	This project is for assisting the community one day to day as they will use it as a tar road.			
Policies in Place to Manage Asset	There is asset management policy in line with GRAP standards			
Asset 2				
Name	Ramotshinyadi Road			
Description	Improving the Ramothsinyadi road from gravel to Tar			
Asset Type	Infrastructure			

Chapter 5

Table 150: Treatment of the three largest assets acquired 2013/14				
Key Staff Involved	Roads and storm Water division			
Staff Responsibilities	Maintenance			
	2010/2011	2011/2012	2012/2013	2013/2014
Asset Value				R56 612 490.03
Capital Implications	Item is not a revenue generating project.			
Future Purpose of Asset	The road improves service delivery as the community will now be safer and the quality of the road is high as it can even withstand the rain			
Describe Key Issues	Improved service delivery			
Policies in Place to Manage Asset	Assets management policy is available and in line with GRAP standards			
Asset 3				
Name	<i>Nkowankowa C - Ring Road</i>			
Description	Ring Shaped tar road			
Asset Type	Infrastructure			
Key Staff Involved	Roads and Storm water division			
Staff Responsibilities	Maintenance			
	2010/2011	2011/2012	2012/2013	2013/2014
Asset Value				R12 367 521.67
Capital Implications	Item is not a revenue generating project.			
Future Purpose of Asset	Tar for use by community			
Describe Key Issues	Improved service delivery			
Policies in Place to Manage Asset	Assets management policy is available and in line with GRAP standards			

The cost of these items presented in **Table 150** is determined through purchase price, which is depreciated on an annual basis. None of the above mentioned projects/items is a revenue generating project.

Table 151: Repair and Maintenance Expenditure (R'000)				
Year	Original Budget	Adjustment Budget	Actual	Budget variance
2010/2011	79,493	94,493	100,982	R -6,489
2011/2012	96,174	96,174	90,714	R 5,460
2012/2013	108 845	101 211	21,331	R 79,880
2013/2014	100 112	100 112	19,125	R 80,987 ⁵

⁵ The budget includes the employee costs relating maintenance but the actual expenditure (since 2012/13) does not include this allocation

Chapter 5

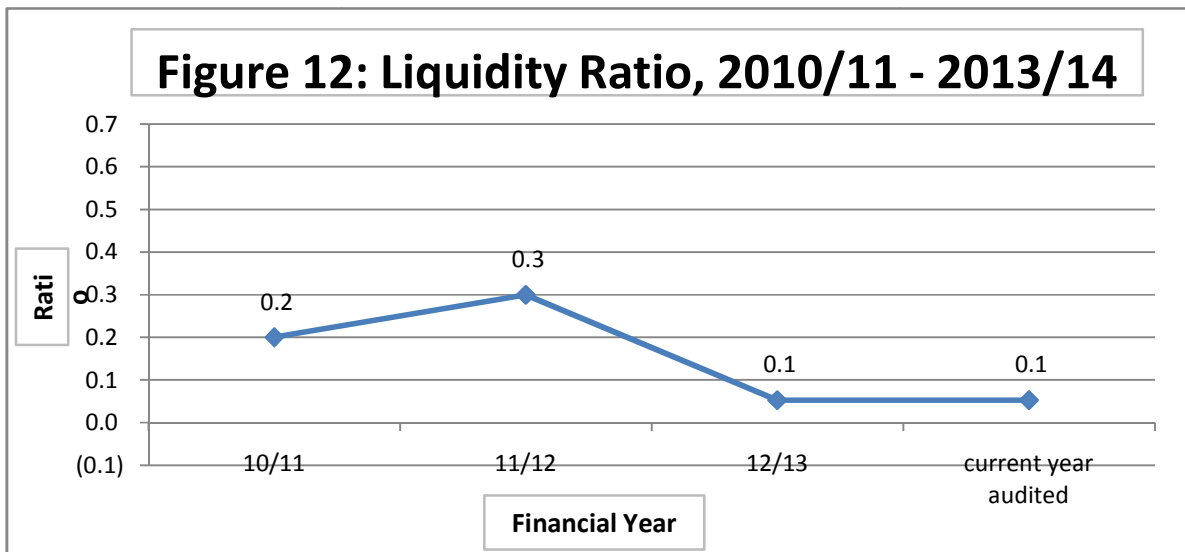
The actual expenditure on repairs and maintenance represents 2.38% of the total expenditure. It must be emphasized that this spending does not include employee related cost allocated to repair and maintenance. If the employee cost is included in this allocation it represents 12.1% of the total expenditure. The under spending can be attributed to small deviations which include inter-alia the under spending on the following:

- Machinery and Equipment
- Stormwater Drainage

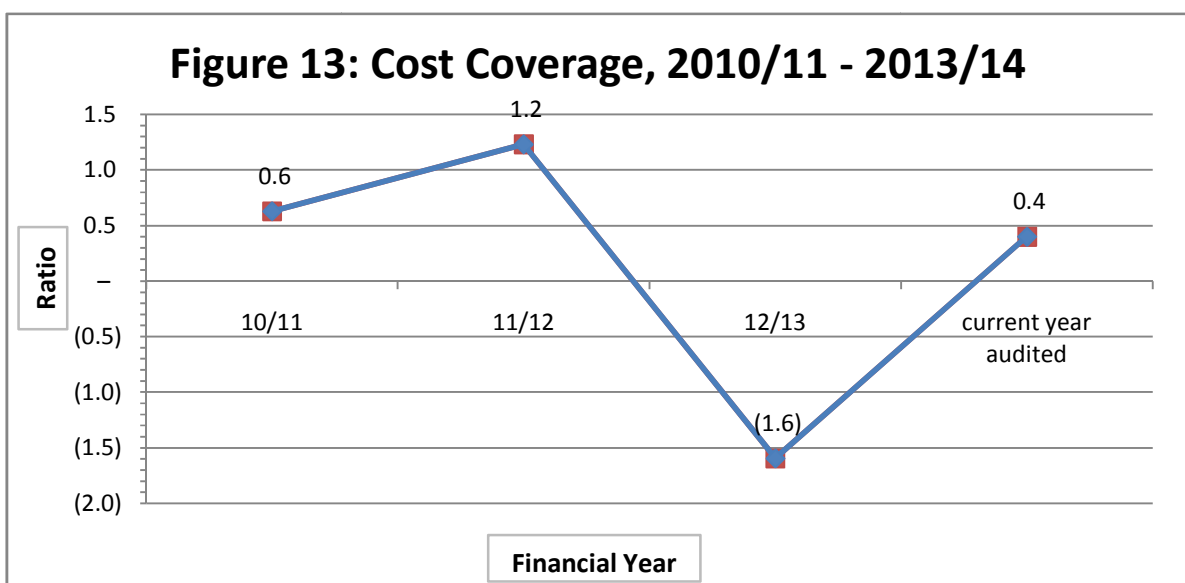
The under spending is mainly the result of internal labour not fully utilized/allocated.

Chapter 5

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

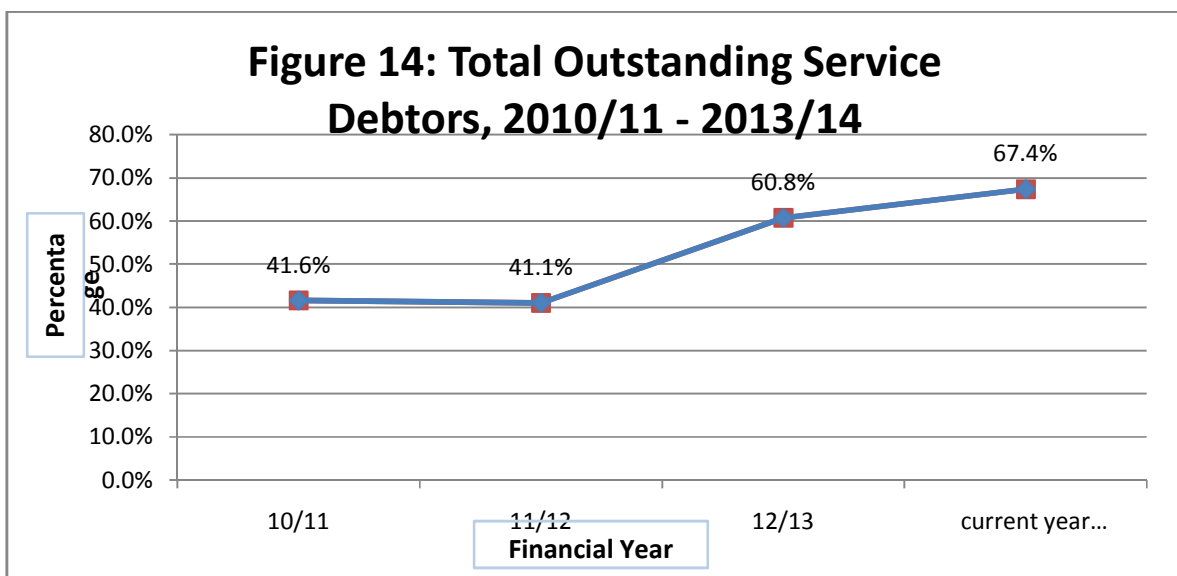


The liquidity ratio, as demonstrated for Greater Tzaneen Municipality in the figure above, measures the Municipality's ability to pay its bills and is calculated by dividing the monetary assets by the Municipality's current liabilities. A higher ratio is better. Greater Tzaneen Municipality has a positive liquidity ratio which remained the same over the past two years (see **Figure 12**).



Chapter 5

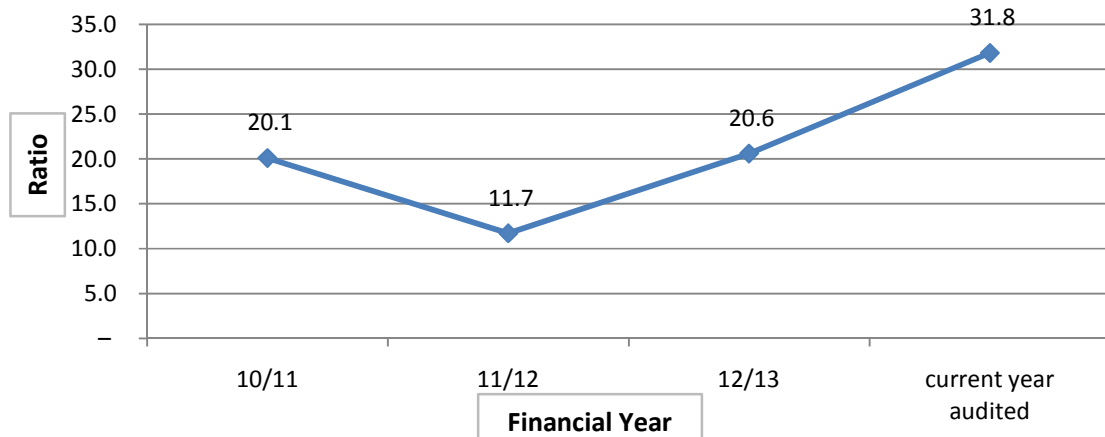
The Cost Coverage, as demonstrated for Greater Tzaneen Municipality in **Figure 13** above, explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants. This graph indicates that Greater Tzaneen Municipality's fixed monthly operational costs are covered by available cash and investments and has increased from 1.6 months to 0.4 months. This is a matter of concern seeing that the guideline set by National Treasury is 3 months, whilst Greater Tzaneen Municipality has less than 1 month available cash and investments.



The outstanding service debtors, as expressed for Greater Tzaneen Municipality in the figure above, measure how much money is still owed by the community for services i.e. electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding service debtors by the total annual revenue received for services. A lower score is better. It is evident from this graph that 67% of services billed are not recovered on time. The increases are a serious matter for concern and special attention will have to be given to outstanding service debtors to ensure an affordable rate.

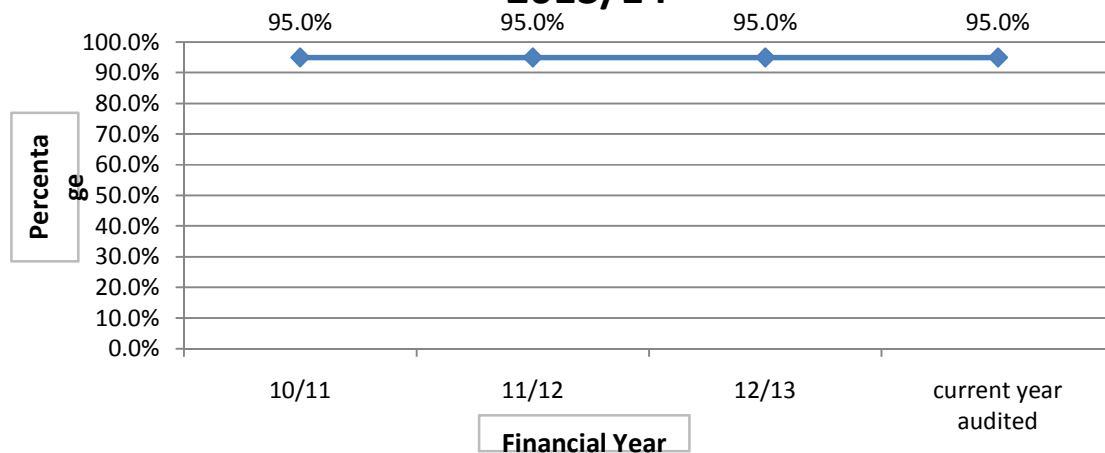
Chapter 5

Figure 15: Debt Coverage, 2010/11 - 2013/14



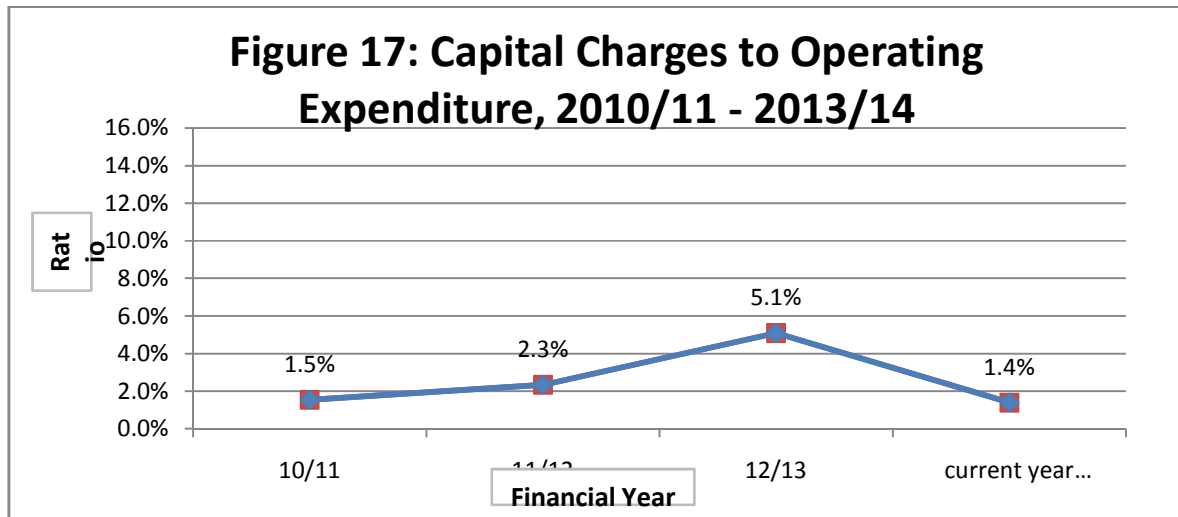
Debt coverage, as expressed for Greater Tzaneen Municipality in **Figure 15** above, is the number of times debt payments can be accommodated within Operating revenue (excluding grants). This, in turn represents the ease with which payments can be accommodated by the Municipality. The current operating revenue of Greater Tzaneen Municipality covers all payments due for debt services within 32 days. This improvement is due to the fact that no loan was taken up the past 3 years.

Figure 16: Creditors System Efficiency, 2010/11 - 2013/14

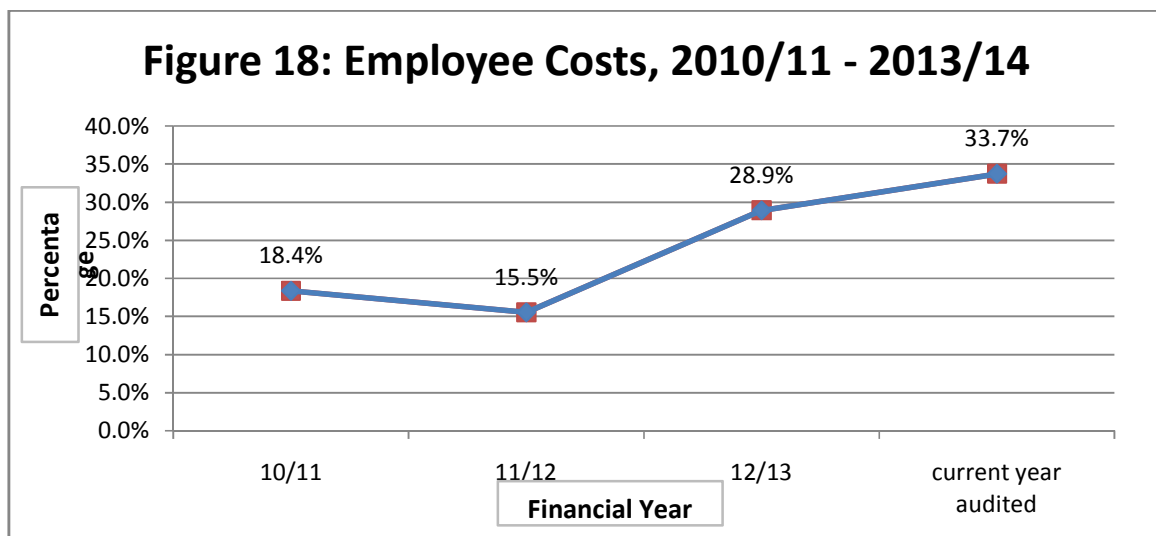


Chapter 5

The Creditor System Efficiency, as demonstrated for Greater Tzaneen Municipality in **Figure 16** above, is the proportion of creditors paid within terms (30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases. The fact that 95% of Councils creditors are paid within 30 days is proof that good expenditure management is exercised.

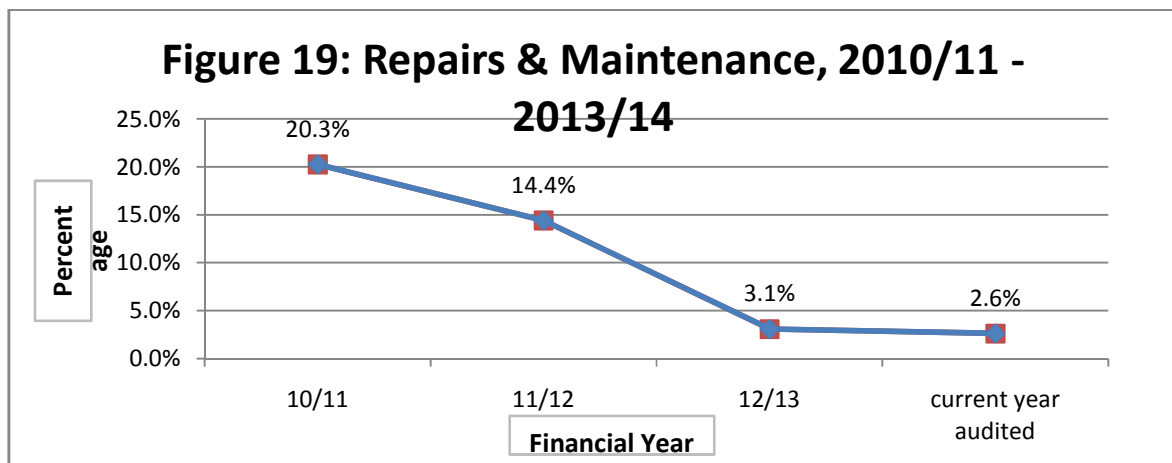


The capital charges to operating expenditure ratio are calculated by dividing the sum of capital interest and principle by the total operating expenditure. **Figure 17** presents the percentage expenditure spent on the repayment of loans against total expenditure. Only 5.1% of the expenses were spent on the repayment of loans during 12/13, this was reduced to 1.4% in 13/14.



Chapter 5

Employee costs, as expressed for Greater Tzaneen Municipality in the figure above, measures what proportion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between the total revenue and capital revenue. The employee cost ratio of 33.7 (also see **Figure 18**) for Greater Tzaneen Municipality is well within the acceptable ratio.



The repairs and maintenance ratio, as demonstrated for Greater Tzaneen Municipality in **Figure 19** above, represents the proportion of operating expenditure spent on repairs and maintenance. The ratio of 2.61% is far below the target of 13% which is an indication that Council assets have not been maintained adequately during the financial year under review. Greater Tzaneen Municipality closed the 2013/2014 financial year with a positive cash book balance of R23.8 million. Unspent conditional grants for the financial year amounts to R44 million which indicates a cash shortfall of R20 million for the year under observation.

Chapter 5

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

Capital expenditure relates to the investment in major initiatives, the benefit of which is going to last for more than one financial year. Section 19 of the MFMA determines that a Municipality may spend money on a capital project only if the money for the project has been appropriated in the capital budget. It also determines that the total cost of the project must be approved by Council and that the sources of funding for the project are available and has not been committed for other purposes. The five largest projects can be summarized as follows:

- Sasekani to Nkowankowa road Phase 2
- Senakwe to Maropalala road
- Mafarana to Sedan tar road
- Thapane to Moruji tar road
- Ramotshinyadi Bridge

These projects contribute 83% of the total capital expenditure for the year

5.5 CAPITAL EXPENDITURE

The capital expenditure for 2013/14 is presented below in **Table 154** and in **Figure 18**.

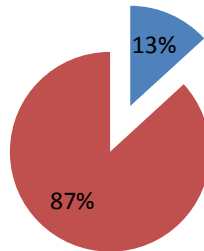
	% of Expenditure Budget	Original Budget	Adjustment Budget	Full Year Total
Capital Expenditure	21,5	165 630	217 482	380 673 ⁶
Operating Expenditure	78,5	781 354	794 025	812 178
Total expenditure	100%	946 984	1 011 507	1 192 851

⁶ Includes a grant of R155M donated to GTM by RAL in the form of 3 roads

Chapter 5

Figure 20: Budget Expenditure, 2012/13

■ Capital Expenditure ■ Operating Expenditure



5.6 SOURCES OF FINANCE

The Capital budget of R118 million was financed as follows:

- Own sources R111 Million
- Loans R0
- Grants R106 Million
- Total: R217 Million**

No loan has been taken up to finance Capital projects, an amount of R104 million was spent on capital projects and a request for the roll-over of capital projects, that have not been finalized during the 2012/2013 financial year, was submitted to National Treasury. The funding of the operational budget can be summarized as follows:

- Rates and Service Charges R 457 Million
- Grants and subsidies R 340 Million
- Sundry Income R 108 Million
- Budgeted Revenue R 905 Million

Chapter 5

Table 153: Capital Expenditure - Funding Sources 2012/13 - 2013/14 (R'000)

Details		2012/13	2013/2014				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans	7 684	0	0	0	0	0
	Public contributions and donations	0	0	0	155 300	0	100
	Grants and subsidies	62 639	80 317	106 367	108 388	24	26
	Other	23 809	85 313	111 115	116 985	23	27
Total		94 132	165 630	217 482	380 673	23	30
Percentage of finance							
	External loans	8.2%	0	0	0	0	0
	Public contributions and donations	0	0	0	0	0	0
	Grants and subsidies	66.54%	48.5%	48.9	40.8	0.4	7.7
	Other	25.3%	51.5%	51.1%	28.5%	0.4	23
Capital expenditure							
	Water and sanitation	0	0	0	0	0	0
	Electricity	8 535	39 500	35 810	9 891	9	75
	Housing	0	0	0	0	0	0
	Roads and storm water		9 500	25 879	84 805	63	89
	Other		116 630	155 793	285 977	25	59
Total			165 630	217 482	380 673	24	56
Percentage of expenditure							
	Water and sanitation	0	0	0	0	0	0
	Electricity		23.8%	16.5%	2.6%	-7.3	-21.2
	Housing	0	0	0	0	0	0
	Roads and storm water		5.8%	11.9%	22.3%	6.1	16.5
	Other		70.4%	71.6%	75.1%	1.2	4.7

Chapter 5

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

The details regarding the five largest capital projects are presented below.

Table 154: Capital Expenditure of 5 largest projects*(R'000) 2013/14					
Name of Project	Current Year			Variance Current Year	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Sasekani to Nkowankowa Tar	21 750		14 175	35	0
Senakwe to Morapalala	19 922	0	5 848	70	0
Mafarane to Sedan	25 446	0	1 531	94	0
Thapane to Moruji	15 484	0	8 087	48	0
Ramotshinyadi Bridge	11 678	0	6 277	46	0
Project details below:					
A- Sasekani to Nkowankowa Tar					
Objective of Project	Upgrading Road from Gravel to Tar				
Delays	Litigations				
Future Challenges	To finish the project with the new contractor				
Anticipated citizen benefits	Improved accessibility during the rainy seasons				
B - Senakwe to Morapalala					
Objective of Project	Upgrading Road from Gravel to Tar				
Delays	Dispute on Rock Quantities				
Future Challenges	Waiting for additional funds applied from MIG				
Anticipated citizen benefits	Free access to Business Centres				
C - - Mafarane to Sedan					
Objective of Project	Upgrading Road from Gravel to Tar				
Delays	Project Completed-Cash Flow projects- Contractor				
Future Challenges	N/A				
Anticipated citizen benefits	Improved accessibility during the rainy seasons				
D - Thapane to Moruji					
Objective of Project	Upgrading Road from Gravel to Tar				
Delays	No Delays				
Future Challenges	N/A				
Anticipated citizen benefits	Smooth Driving in rainy seasons				
E Ramotshinyadi Bridge					
Objective of Project	To cross over Marekome River				
Delays	None				
Future Challenges	None				
Anticipated citizen benefits	Smooth crossing during rainy seasons				

Chapter 5

It is vital to implement capital projects in time to avoid budget adjustment and variances. All relevant municipal departments must participate in the implementation of capital projects to ensure effective project implementation in terms of time and budget.

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

The current demand for infrastructure exceeds Councils ability to fund the required R400 million costs (electricity network alone) to renew and upgrade infrastructure. Various funding solutions are being sought.

	Service level above minimum standard		Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	53827	49.4	55 103	50.6
Sanitation	80 364	80 364	28562	26.22%
Electricity	99 541	91%	9 385	9%
Waste management	8,766	8%	100,196	92%

* GTM does not supply Electricity Below minimum standard.

Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Infrastructure - Road transport						
<i>Roads, Pavements & Bridges</i>	R73 247 000		R51 877 160	R21369 840	0	Roll- over of R19 218 618 approved
Infrastructure - Other						
<i>None</i>						
Total	R73 247 000	0	R51 877 160	R21 369 840	0	

Chapter 5

The conditions for MIG are that we must submit a signed activity plan in the prescribed format with detailed budgets and timeframes for the implementation of prioritised measurable outputs. Municipalities must adhere to the local government turnaround strategy and the funds may only be utilised for the implementation of capital projects. In order to eradicate backlogs on roads that exist in the vast rural area of GTM MIG is of enormous value to bridge the gap in terms of available capital funds. GTM does not generate revenue directly from rural areas and the efforts to provide decent roads in rural areas would not be sufficient, limited to the existing budget (without grant support). The MIG funding has been utilised to improve road infrastructure such as internal streets in villages and link roads with Council providing counter funding to ensure that sustainable roads are built. The backlogs in terms of electricity are however not in the service area of GTM and therefore MIG funding cannot be accessed for this. MIG was also sourced to assist in the provision of solid waste collection infrastructure in rural areas. However, it must be noted that this infrastructure needs funding to become operational, which Council currently do not have. A means of generating some income from rural areas to supplement the Equitable Share will have to be identified to ensure the sustainability of this infrastructure.

Chapter 5

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

In the environment that Greater Tzaneen Municipality is operating, cash flow management is important to ensure that funds are available, when needed to pay for services that all money owed to the Municipality are recovered. It also provides information with regard to access fund which are invested to increase Councils revenue through interest.

5.9 CASH FLOW

Table 157: Cash Flow Outcomes (R'000)				
Description	2012/13	2013/14		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	330 534	587 211	595 657	417 751
Government - operating	210 852	268 273	268 273	256 870
Government - capital	64 526	84 317	104 667	68 639
Interest	12 633	19 001	19 001	5 036
Dividends				
Payments				
Suppliers and employees	(522 771)	(831 724)	(730 051)	(568 520)
Finance charges	(15 547)	(11 932)	(11 932)	(11 331)
Transfers and Grants	(23 481)	(31 549)	(36 775)	(32 291)
NET CASH FROM/(USED) OPERATING ACTIVITIES	56 746	83 597	208 841	136 153
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	11 550	2 300	2 300	3 121
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments	18 724	(1 100)	(1 100)	(1 693)
Decrease (increase) in Financial Assets				(819)
Payments				
Capital assets	(103 216)	(85 313)	(210 775)	(109 423)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(72 942)	(84 113)	(209 575)	(108 813)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				

Chapter 5

Table 157: Cash Flow Outcomes (R'000)				
Description	2012/13	2013/14		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
Short term loans				
Borrowing long term/refinancing				
Increase (decrease) in consumer deposits		380	380	
Payments				
Repayment of borrowing	(23 205)	(10 522)	(10 522)	(14 394)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(23 205)	(10 142)	(10 142)	(14 394)
NET INCREASE/ (DECREASE) IN CASH HELD	(39 401)	(10 657)	(10 876)	12 946
Cash/cash equivalents at the year begin:	50 278	23 000	10 876	10 876
Cash/cash equivalents at the yearend:	10 876	12 343		23 822

It is evident from **Table 157** above that Councils' cash flow status has improved from R10 876 at the beginning of the year under review to R23 822 at the end of the year. The increase in Councils' cash position can be attributed to good financial management.

5.10 BORROWING AND INVESTMENTS

Borrowings

Section 18 of the MFMA determines, inter alia, that a Municipality may make use of borrowed funds, but only to finance capital expenditure. External borrowing represents capital funding. It must, however, be emphasised that although external borrowing represent capital funding it has a negative effect on the operational budget in the form of interest and depreciation. The result of this is less funds available for maintenance and general administration costs. The current outstanding external loans of Greater Tzaneen Municipality amounts to R119 million. This amount includes R15 million loan stock and R104 million annuity loans.

Investments

Adequate provision has been made by way of external investments to ensure that cash is available on the maturity date, to repay a loan of R15 Million which has been borrowed from DBSA. Investment income on the other hand is utilised to fund the operational budget.

Chapter 5

Details of the investments of Greater Tzaneen Municipality are disclosed in the Annual Financial Statements. The valuation of unlisted investments is as follows:

- Liberty R 6 646 402

Excelsior 1000 Investment

An investment of R855 619 has been made with Liberty to repay a loan of R15 million on maturity date. The loan bears interest on variable rate and the value of the investment amounts to R 6 646 402. The investment has been ceded to Liberty as security to repay the loan on 30 September 2019.

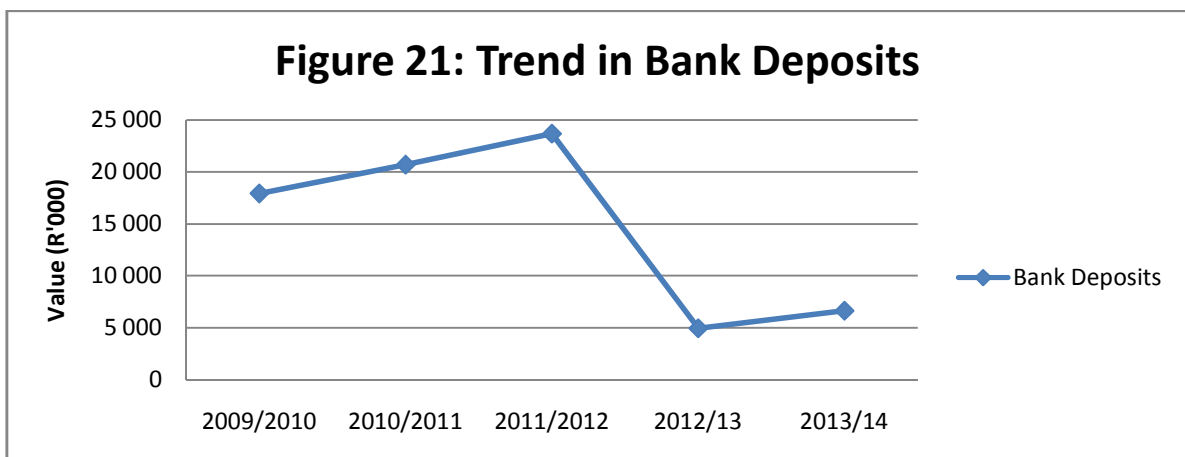
Table 158: Actual Borrowings 2009/10-2013/14 (R'000)					
Instrument	2009/2010	2010/2011	2011/2012	2012/13	2013/14
Municipality					
Long-Term Loans (annuity/reducing balance)	21 450	89 620	125 304	115 470	104 646
Long-Term Loans (non-annuity)	11 600	11 600	11 600	-	
Local registered stock	15 000	15 000	15 000	15 000	15 000
Instalment Credit					
Financial Leases	4 469	3 514	3 935		
PPP liabilities					
Finance Granted By Cap Equipment Supplier					
Marketable Bonds					
Non-Marketable Bonds					
Bankers Acceptances					
Financial derivatives					
Other Securities					
Municipality Total	52 519	119 734	155 839	130 470	119 646

Loans were taken up only to finance capital expenditure as provided in the MFMA to ensure that all loans will be repaid on maturity date, investments have been made in the form of sinking fund which will be withdrawn on the maturity date to repay the loan.

Chapter 5

Table 159: Municipal Investments (R'000)					
Investment* type	2009/2010	2010/2011	2011/12	2012/13	2013/14
	Actual	Actual	Actual	Actual	Actual
Municipality					
Securities - National Government	-	-	-		
Listed Corporate Bonds	-	-	-		
Deposits - Bank	17 928	20 683	23 677	4 953	6 646
Deposits - Public Investment Commissioners	-	-	-	-	-
Deposits - Corporation for Public Deposits	-	-	-	-	-
Bankers Acceptance Certificates	-	-	-	-	-
Negotiable Certificates of Deposit - Banks	-	-	-	-	-
Guaranteed Endowment Policies (sinking)	-	-	-	-	-
Repurchase Agreements - Banks	-	-	-	-	-
Municipal Bonds	-	-	-	-	-
Other	-	-	-	-	-
Municipality sub-total	17 928	20 683	23 677	4 953	6 646
Consolidated total:	17 928	20 683	23 677	4 953	6 646

It is evident from **Table 159** above that investment increased from R4.9 Million to R6.6 Million in 13/14 (also see **Figure 21**). This is the result of an R855 619 investment made with Liberty to repay a loan of R15 Million on maturity loan. The loan stock has been taken up with DBSA and will be redeemed on 30 September 2019.



Chapter 5

5.11 PUBLIC PRIVATE PARTNERSHIPS

For the financial year concerned no PPP's have been entered into.

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

Supply Chain Management Policy were reviewed and approved by Council during the 2013/14 financial year and it should be noted that no Councillors formed part of bid committees. One official completed the minimum competency levels and five officials are enrolled for a MFMP course as required. It was resolved that there will be training of SCM official and bid committee members as well as other officials to capacitate them with the SCM Policy, prescripts, MFMA, and Procedures. This will enhance the effectiveness of the bid committees in evaluating and adjudicating bids. The SCM officials will also be able to carry out their SCM daily operational duties effectively and comply with the SCM Policies. The accredited training institutions have been identified and all bid committee members and SCM officials have been trained within the financial year 2013/2014.

5.13 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. GTM has changed from fund accounting to GAMAP during the 2003/2004 financial year and since then gradually changed over to GRAP as approved by Accounting Standard Board. Currently GTM is fully GRAP compliant and there is no deviation from GRAP standard.

Chapter 6

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

Section 131 of the Municipal Finance Management Act no.56 of 2002 determines the following:

“A Municipality must address any issue raised by the Auditor General in an audit report. The Mayor of a Municipality must ensure compliance by the Municipality with this sub-section.”

The report of the Auditor General for the 2012/2013 financial year, which should have been issued at the end of November 2013, has not been issued yet.

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2012/13 & 2013/14

6.1 AUDITOR GENERAL REPORTS 2012/13

The progress with correcting the findings of the Auditor General for 2012/13 is presented in **Table 160** below:

Table 160: Auditor-General Report on Financial Performance 2012/13		
Audit Report Status*: Qualified		
	Non-Compliance Issues	Remedial Action Taken
1	Property, Plant and equipment / roads infrastructure We were unable to confirm the roads infrastructure by alternative means. Consequently, we were unable to determine whether any adjustment to property, plant and equipment / roads infrastructure stated at R 406 884 876 (2012: R507 740 160) in the financial statements was necessary. The change in estimates was not disclosed in the annual financial statements.	Department of Transport and SALGA issued a gazette to address the matter
2	Investment property Investment property with a carrying amount of R188 943 792 as disclosed in note nine (9) of the financial statements are not measured at fair value. We were not able to determine the correct amount of investment	During 2013/14 Municipality appointed Service Provider to assist in determining the fair value on the investment property

Chapter 6

Table 160: Auditor-General Report on Financial Performance 2012/13		
Audit Report Status*: Qualified		
	Non-Compliance Issues	Remedial Action Taken
	property as it was impracticable to do so.	
3	<p>Expenditure</p> <p>The municipality has incorrectly disclosed impairment of assets as a negative amount of R21 560 018 in the statement of financial performance. AG refused to grant municipality adjustment on these amounts.</p>	The R21 million was a result of prior year corrections which have been addressed in the 2013/2014 Annual Financial Statements.
4	<p>Budget information</p> <p>The municipality did not present a comparison of the budget amount for which it is held publicly accountable and actual amounts either as a separate additional financial statement or as disclosure in the financial statements.</p>	The statement of comparison of budget and actual amounts which compares budgeted and actual amount has been included in the 2013/ 2014 Annual Financial Statements to comply with the GRAP standards.
5	<p>Irregular Expenditure</p> <p>Council condoned irregular expenditure amounting to R114 384 289 without conducting an investigation to determine recoverability of the expenditure.</p>	The irregular expenditure which was condoned by council was rescinded and replaced with a new council resolution. Investigation was however done in the 2014/2015 by the internal audit and the report was submitted the Acting MM's office.
6	<p>Aggregation of Immaterial Uncorrected Misstatements</p> <p>Individually immaterial uncorrected misstatements</p> <ul style="list-style-type: none"> • Depreciation reflected as R105 229 808 is understated by R4 677 992 • Movable fixed assets of R1 630 333 could not be physically verified • Income from agency services reflected as R14 598 636 is overstated by R5 156 025 • Fines reflected as R5 864 717 is overstated by R3 155 644 • Other income reflected as R9 396 590 is overstated by R2 167 180 • Property rates reflected as R61 059 598 is overstated by R5 727 795 	Although the management report of the Auditor- general was only received on the 27 th of August 2014, Attention has been given to the findings of the Auditor-General to ensure that it is addressed in the 2013/2014 Annual Financial Statements.

Chapter 6

COMPONENT B: AUDITOR-GENERAL OPINION 2013/14

6.2 AUDITOR GENERAL REPORT 2013/14

Greater Tzaneen Municipality submitted its Annual Financial Statements to the Auditor General on 02 September 2013. GTM received and Audit Report indicating that Council received a Qualified Audit Opinion for the 2013/2014 financial year. An audit action plan will be developed once the Final Audit Management Report is received from the AG.

Table 161: Auditor-General Report on Financial Performance 2013/14	
Audit Report Status*: Qualified	
Non-Compliance Issues	Remedial Action Taken
Cash flow statement: The municipality did not correctly prepare and present the cash flow statement in accordance with GRAP2	Audit Action plan to be drafted to address oversights
Revenue: The municipality did not fully recognise revenue from fines issued amounting to R14 million on a gross Basis as required by GRAP1	Audit Action plan to be drafted to address oversights
Receivables: Appropriate audit evidence that the municipality assessed individual significant receivables for impairment could not be provided. The municipality also did not have adequate systems in place to maintain records of water and sewer transactions performed on behalf of Mopani District Municipality	Audit Action plan to be drafted to address oversights
Contingent liabilities: The municipality did not submit appropriate audit evidence to substantiate contingent liabilities amounting to R28 million.	Audit Action plan to be drafted to address oversights
The financial statement as a whole are materially misstated due to the cumulative effect of individually misstatements which includes inter alia the following: <ul style="list-style-type: none"> • Debt impairment • Cash and cash equivalents • Receivables from exchange transactions • Provisions • Property plant and equipment 	Audit Action plan to be drafted to address oversights

Chapter 6

Table 161: Auditor-General Report on Financial Performance 2013/14

Audit Report Status*: Qualified	
Non-Compliance Issues	Remedial Action Taken
<ul style="list-style-type: none"> • Staff leave provision • Consumer deposits • Depreciation • General expense • Investment property • Service charges • Donations • Employee cost 	

Table 162: Auditor-General Report on Service Delivery Performance 2013/14

Audit Report Status*: Qualified	
Non-Compliance Issues	Remedial Action to be Taken
Reasons for variations between planned targets and actual achievements were only provided for 25% of the targets not achieved	Enforcement of reporting requirements
Performance targets not measureable	The quarterly targets set for project activities must be measurable
Performance measures not well defined	KPIs to be revised to remove technical jargon and acronyms
Performance indicators/ measures not verifiable	Departments to develop processes and systems to document activities Electronic PMS to be procured
Targets were not reliable when compared to the source information or evidence provided	Standard operating procedures for the accurate recording of actual achievements must be developed. The monitoring of the completeness of source documentation in support of actual achievements must be done on a regular basis
The audit committee did not review the municipalities performance management system and make recommendations to council in this regard	Audit Committee meetings to be held on a quarterly basis

Section 71 of the MFMA (Act 56 of 2003) requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the

Chapter 6

year. The Chief Financial Officer states that these data sets have been returned by GTM according to the reporting requirements, with the exception of C6 to C7 (refer to [Addendum P](#)).

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.
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.

GLOSSARY

Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a Municipality aims to achieve within a given time period.
Service Delivery	Detailed plan approved by the Mayor for implementing the Municipality's

GLOSSARY

Budget Implementation Plan	delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	<p>One of the main segments into which a budget of a Municipality is divided for appropriation of money for the different departments or functional areas of the Municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a “vote” as:</p> <p><i>a) one of the main segments into which a budget of a Municipality is divided for the appropriation of money for the different departments or functional areas of the Municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

APPENDICES

ADDENDUMS

ADDENDUM A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Council Members	Full Time / Part Time (FT/PT)	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
CLLR PP Machete	FT	None	PR	94.44	5.56
CLLR DJ Mmetle	FT	None	PR	83.33	16.67
CLLR MS Maunatlala	FT	Economic Development, Sports, Arts & Culture, Infrastructure, Agriculture	PR	83.33	16.67
CLLR C Machimana	FT	Finance, Economic Development	PR	72.22	27.78
CLLR RR Selomo	FT	Infrastructure, Agriculture, Corporate Governance	PR	88.88	11.12
CLLR MR Shingange	FT	Corporate Governance, Water Services, Infrastructure	PR	88.88	11.12
CLLR M Mokgomole	PT	Agriculture and Sports Arts & Culture	PR	88.88	11.12
CLLR R Pohl	PT	Health & Social Development,	Ward Cllr	55.56	44.44
CLLR C Nkhwashu	PT	Water Services, Finance, Infrastructure	PR	72.22	27.78
CLLR SJ Nkuna	PT	Health & Social Development	PR	66.67	33.33
CLLR J Sekgotodi	PT	Public Transport and Safety & Security, Water Services	PR	11.12	88.88
CLLR C Baloyi	PT	Sports, Arts & Culture, Infrastructure	Ward CLLR	77.78	22.22
CLLR KO Banyini	PT	Corporate Governance, Infrastructure, Agriculture	Ward CLLR	38.89	61.11
CLLR ML Hlangwane	PT	MPAC, Health & Social Development,	Ward CLLR	44.44	55.56
CLLR A Van Vuuren	PT	MPAC, Sports, Arts & Culture	Ward CLLR	27.78	72.22

APPENDICES

Table 163: Councillors, Committees Allocated and Council Attendance (2013/14)

Council Members	Full Time / Part Time (FT/PT)	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
CLLR MM Letsoalo	PT	Infrastructure	Ward CLLR	72.22	22.78
CLLR MD Mabape	PT	Finance, Water Services	Ward CLLR	38.89	61.11
CLLR G Mabuza	PT	Corporate Governance, MPAC, Agriculture	PR	83.33	16.67
CLLR NM Mahasha	PT	Public Transport, Safety and Security, Water Services	Ward CLLR	94.44	5.56
CLLR S Mahori	PT	MPAC, Infrastructure	Ward CLLR	33.33	66.67
CLLR MR Makhudu	PT	Finance	Ward CLLR	77.78	22.22
CLLR SC Makwala	PT	Finance, Infrastructure, Health & Social Development	Ward CLLR	66.67	33.33
CLLR MM Makwala	PT	Finance	PR	72.22	27.78
CLLR A Makwela	PT	Finance	PR	50	50
CLLR C Mamogale	PT	Public Transport, Safety and Security	PR	61.11	38.89
CLLR MG Mangena	PT	Public Transport, Safety and Security, Water Services	Ward CLLR	88.88	11.12
CLLR SP Masetla	PT	Health & Social Development	Ward CLLR	83.33	16.67
CLLR BM Mashava	PT	Water Services, Sports, Arts & Culture	Ward CLLR	88.88	11.12
CLLR NA Masila	PT	Finance	Ward CLLR	100	0
CLLR L Matita	PT	Agriculture	Ward CLLR	61.11	38.89
CLLR M Sabela	PT	Corporate Governance	PR	61.11	38.89
CLLR M Mbhalati	PT	Corporate Governance	PR	72.22	27.78
CLLR JHS Mbhalati	FT	MPAC, Water Services, Public Transport, Safety and Security, Economic Development	PR	55.56	44.44
CLLR MS Mboweni	PT	Economic Development	PR	72.22	27.78
CLLR MN Mboweni	FT	None	Ward CLLR	94.44	5.56

APPENDICES

Table 163: Councillors, Committees Allocated and Council Attendance (2013/14)

Council Members	Full Time / Part Time (FT/PT)	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
CLLR DQ Mhlari	PT	Economic Development	Ward CLLR	72.22	27.78
CLLR MD Hlangwini	PT	None	Ward CLLR	55.56	44.44
CLLR MM Mmola	PT	Agriculture	Ward CLLR	50	50
CLLR TS Manyama	PT	MPAC Health & Social Development	Ward CLLR	66.67	33.33
CLLR MM Mohale	PT	Water Services,	Ward CLLR	88.88	11.12
CLLR L Mohale	PT	Finance, MPAC		61.11	38.89
CLLR M Mokgobi	PT	Finance, Sports, Arts & Culture	PR	94.44	5.56
CLLR MJ Mokgoloboto	PT	Health & Social Development, MPAC, Economic Development	PR	66.67	33.33
CLLR TS Mushwana	PT	Sports, Arts & Culture, Economic Development	Ward CLLR	77.78	22.22
CLLR DG Mushwana	PT	Public Transport, Safety and Security, Sports, Arts & Culture	PR	22.22	77.78
CLLR M Malebati	PT	None	Ward CLLR	88.88	11.12
CLLR M McNeil	PT	Agriculture	PR	77.78	22.22
CLLR ML Ncha	PT	Sports, Arts & Culture	PR	50	50
CLLR ND Ndlovu	PT	Public Transport, Safety and Security, Health & Social Development,	Ward CLLR	61.11	38.89
CLLR DT Maake	PT	None	Ward CLLR	72.22	27.78
CLLR DL Ndove	PT	Sports, Arts & Culture, Infrastructure, Health & Social Development,	PR	88.88	11.12
CLLR GG Nghondzweni	PT	MPAC, Public Transport, Safety and Security	Ward CLLR	72.22	27.78
CLLR RP Nghonyama	PT	Agriculture	Ward CLLR	77.78	22.22

APPENDICES

Table 163: Councillors, Committees Allocated and Council Attendance (2013/14)

Council Members	Full Time / Part Time (FT/PT)	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
CLLR GE Ntimbane	PT	Public Transport, Safety and Security	Ward CLLR	72.22	27.78
CLLR TK Nukeri	PT	Finance, Water Services	Ward CLLR	55.56	44.44
CLLR MB Mashele	PT	None	PR	61.11	38.89
CLLR J Mothiba	PT	Sports, Arts & Culture	PR	38.89	61.11
CLLR ML Pudikabekwa	PT	None	Ward CLLR	50	50
CLLR MS Rakganya	PT	Agriculture	Ward CLLR	83.33	16.67
CLLR PJ Ramodipa	PT	Economic Development, Corporate Services	Ward CLLR	72.22	27.78
CLLR ME Ramolefo	PT	None	Ward CLLR	88.88	11.12
CLLR NR Rikhotso	PT	Public Transport, Safety and Security	Ward CLLR	94.44	5.56
CLLR TL Mhlongo	PT	Health & Social Development,	Ward CLLR	77.78	22.22
CLLR N Nkhwashu	PT	None	PR	44.44	55.56
CLLR MH Magoro	PT	Health & Social Development,	PR	55.56	44.44
CLLR M Sibiya	PT	Corporate Governance MPAC	PR	61.11	38.89
CLLR M Valentine	PT	Agriculture	PR	66.67	33.33
CLLR NH Zandamela	PT	Corporate Governance Economic Development MPAC	Ward CLLR	83.33	16.67

APPENDICES

ADDENDUM B – COMMITTEES AND COMMITTEE PURPOSES

Municipal Committees	Purpose of Committee
Finance Committee	To discuss matters concerning the Revenue and Debt Management, Procurement and Stock Management, Expenditure, Budgets and Budgetary Control, Accounting, Finance, Financial Administration, Insurance and Housing Finance and any other matter related to finance thereto.
Infrastructure Committee	To discuss matters related to Electricity and Energy including network operations, distribution, sales and customer services.
Economic Development, Housing and Spatial Development Plan	To discuss matters related to SMME, empowerment support and job creation, the support and regulation of informal trading, sector support, investment and export, trade promotion and facilitation, the facilitation of partnerships between the Council and public, private and community groups, economic co-ordination and facilitation, business area management and community skills development and Tourism. The housing and informal settlement, the spatial planning and growth management, design services, land use management, building development management, development projects, land information and planning legislation and enforcement.
Corporate Governance & Shared Services	To discuss matters related to Human Resource Administration, Labour Relations, Recruitment and Selection, Training and Development, Occupational Health and Safety, Employment Equity, Skills Development, Grading and Remuneration, Performance management and Transformation. The General Administration. Auxiliary Services, Committee Secretariat, Councillor Support, Printing and Graphic Services. The Internal Communication, Public Participation and Information Technology matters.
Agriculture & Environment Management	To discuss all Agricultural matters, The Environment Planning Policy, environmental impact assessment, coastal planning, outdoor advertising and signage, heritage resource management and nature reserve planning.
Public Transport & Roads	To discuss on Transportation planning, systems monitoring and information management, Traffic infrastructure management, public transport, passenger security. Traffic signs and robot maintenance. Decide on the permanent closure of all streets and roads.
Sports Recreation, Arts & Culture	To discuss matters concerning sports and recreation, arts and culture.
Health & Social Development	To discuss matters concerning the Libraries, the Community facilities, cemeteries and crematoria, health services, refuse removal; refuse disposal, illegal dumping

APPENDICES

Table 164: Committees (other than Mayoral / Executive Committee) and Purposes of Committees

Municipal Committees	Purpose of Committee
	and street cleansing.
Water Services	To discuss matters related to water and sanitation including bulk water, catchment-management, wastewater treatment, water and wastewater reticulation, water and sanitation technical services, storm water and river management.
Municipal Public Account Committee	To consider and evaluate the annual report, to examine the financial statements and audit reports, to promote good governance, transparency and accountability on the municipal resources, to undertake any investigation in its area of responsibility and to perform any other function assigned to it through a resolution of Council within its area of responsibility.

ADDENDUM C –THIRD TIER ADMINISTRATIVE STRUCTURE

Table 165: Third Tier Administrative Structure (2013/14)

Directorate	Director/Manager (State title and name)
Office of the Mayor	Manager (Office of the Mayor) Mr. F Malale
Office of the Municipal Manager	Manager (Internal Audit) Mr. MR Shingange
	Senior Officer (Disaster Management) Mr MM Rabothata
	Manager (Strategic Support) Vacant
	Manager (Risk Management) Ms. MM Mpyana
Corporate Services	Manager (Human Resources) Mrs.NMH Maake
	Manager (Adm. Support & Records Management) Mrs MW Baloyi
	Manager (Legal Services) Adv MS Monyela
	Manager (IT) Mr TG Maluleke
	Manager (Community Participation and Project Support) Vacant
	Manager (Communications) Vacant
Planning and Economic Development	Manager (Social Economic Dev) Mr. DF Rammalo
	Manager (Land & Housing) Mr. NH Phakula
	Manager (Town Planning) Mr. NJ Mathye
Office of Chief Financial Officer	Manager (Supply Chain) Mr. NL Mashao
	Manager (Finance) Mr. J. Biewenga
	Manager (Asset Management) Mr. TA Ramokgano

APPENDICES

Table 165: Third Tier Administrative Structure (2013/14)	
Directorate	Director/Manager (State title and name)
	Manager (Income) Mrs. PM Viljoen
	Manager (Expenditure) Mrs. ME Sono
Electrical Engineering Services	Manager (Operations and Maintenance) Mr. AG Laubscher
	Manager (Operations and Maintenance) Mr. MS Lelope
	Snr Electrical Engineering Technician Mr. NG Fourie
	Manager (Protection, Testing and Metering) New Post
Engineering Services	Manager (Building Maintenance and Fleet) Mr. ML Mahayi
	Manager (Water & Sanitation) Mr JP Shilowa
	Manager (Roads and Storm Water) Mrs. H.O. Tshisevhe
	Manager (PMU) Mr. AP Killian
Community Services	Manager (Solid Waste) Mr. HL Mienie
	Manager (Library Services) Mrs. CJ Nel
	Manager (Environmental Health) Mrs. TM Machumele
	Manager (Licensing and Testing) Mr. CAJ Liversage
	Manager (Law Enforcement) Mr. MJ Malatji
	Manager (Parks, Recreation and Cemeteries) Mrs X Gala

APPENDICES

ADDENDUM D – FUNCTIONS OF MUNICIPALITY / ENTITY

Table 166: Municipal Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Air pollution	Yes	n/a
Building regulations	Yes	n/a
Child care facilities	No	n/a
Electricity and gas reticulation	Yes	n/a
Fire fighting services	No	n/a
Local tourism	Yes	n/a
Municipal airports	Yes	n/a
Municipal planning	Yes	n/a
Municipal health services	No	n/a
Municipal public transport	No	n/a
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes	n/a
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No	n/a
Stormwater management systems in built-up areas	Yes	n/a
Trading regulations	Yes	n/a
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes	n/a
Beaches and amusement facilities	Yes	n/a
Billboards and the display of advertisements in public places	Yes	n/a
Cemeteries, funeral parlours and crematoria	Yes	n/a
Cleansing	Yes	n/a
Control of public nuisances	Yes	n/a
Control of undertakings that sell liquor to the public	Yes	n/a

APPENDICES

Table 166: Municipal Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Facilities for the accommodation, care and burial of animals	No	n/a
Fencing and fences	No	n/a
Licensing of dogs	Yes	n/a
Licensing and control of undertakings that sell food to the public	Yes	n/a
Local amenities	Yes	n/a
Local sport facilities	Yes	n/a
Markets	No	n/a
Municipal abattoirs	No	n/a
Municipal parks and recreation	Yes	n/a
Municipal roads	Yes	n/a
Noise pollution	Yes	n/a
Pounds	Yes	n/a
Public places	Yes	n/a
Refuse removal, refuse dumps and solid waste disposal	Yes	n/a
Street trading	Yes	n/a
Street lighting	Yes	n/a
Traffic and parking	Yes	n/a

APPENDICES

ADDENDUM E – WARD REPORTING

Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
1	<u>T Manyama (ward Councillor)</u> 1. E. Baloyi 2. T. Mametja 3. N. Monaiwa 4. T Makhubela 5. P Malematja 6. L Mogale 7. G Rabothata 8. D Mashatola 9. S Mothomogolo 10. G Maunatlala	Yes	11	12	1
2	<u>E Ramolefo (Ward Councillor)</u> 1. M C Ramokgola 2. T Selowa 3. N Sethabe 4. L Nkuna 5. R Mohlongo 6. C Manyama 7. L Mohatli 8. C Kappa 9. S R Sebashe 10. T D Sewapa	Yes	8	12	3
3	<u>P Masetla (Ward Councillor)</u> 1. E Khosa 2. M Masinge 3. M Malapane 4. M Keshane 5. C Moatli 6. S Ngobeni 7. V Machaba 8. D Mashale 9. A Mokgathi 10. T S Ngobeni	Yes	11	12	3

APPENDICES

Table 167: Functionality of Ward Committees (2013/14)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
4	<u>M Mmola (Ward Councillor)</u> 1. M B Maswanganyi 2. T P Baloyi 3. T M Makhubele 4. J Kgatla 5. F Ndhlovu 6. S Mahlawule 7. M Kgatla 8. E F Pilusa 9. C Mongwe 10. K N Mabunda	Yes	12	12	4
5	<u>T K Nukeri (ward Councillor)</u> 1. M Motseparela 2. G M Malungana 3. F Rikhotso 4. B Shipalana 5. L Maweni 6. J R Maweni 7. J R Nkuna 8. T Makhubele 9. A J Sibula 10. T T Ngobeni	Yes	11	12	2
6	<u>C Baloyi (Ward Councillor)</u> 1. E Mohlongo 2. J Ramawila 3. J Ngobeni 4. C T Mashkeni 5. R Mathebula 6. M M Ngobeni 7. P M Kubayi 8. K Mtsenga 9. J Mathebula 10. J Mjela	Yes	09	12	4

APPENDICES

Table 167: Functionality of Ward Committees (2013/14)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
7	<u>D Mabape (Ward Councillor)</u> 1. F Mabunda 2. H Mashala 3. E Semosa 4. C Mohale 5. M Ramalepe 6. V Modiba 7. C Ratlabala 8. B Mokwena 9. C Mailula 10. D Ramahlo	Yes	8	12	1
8	<u>R Makhudu (Ward Councillor)</u> 1. G Rakgwale 2. H Mogale 3. E Lebeya 4. D Malatji 5. L Ngobeni 6. C Makgobatlou 7. V Leshoka 8. E Mathibela 9. R Ramoshaba 10. E Malatji	Yes	11	12	4
9	<u>M Mohale (Ward Councillor)</u> 1. P Selotole 2. S Mononela 3. M Sekgobela 4. P Sekete 5. J Ramahlo 6. J Malatji 7. J Nkwana 8. M Rabothata 9. M Senyolo 10. P Sekete	Yes	10	12	3

APPENDICES

Table 167: Functionality of Ward Committees (2013/14)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
10	<u>M Mahasha(Ward Councillor)</u> 1. M Mahowa 2. L Thamahanyana 3. S Seshoka 4. E Mahasha 5. B Ramoshaba 6. M S Baloyi 7. T V Masedi 8. J Modipa 9. S Maake 10. A Makgopa	Yes	10	12	0
11	<u>L Hlangwane (Ward Councillor)</u> 1. L N Molewa 2. K E Baloyi 3. S Nkuna 4. B Satkekge 5. E Malatji 6. T Mathebula 7. M Malatji 8. P Ramoshaba 9. S Mashayi 10. H Petal	Yes	8	12	4
12	<u>E Ntimbana (Ward Councillor)</u> 1. A S Tivana 2. T Rihlampfu 3. N Mabunda 4. E Mabunda 5. J Ngobeni 6. E J Mongwe 7. G Sambo 8. P S Ngomane 9. D Rikhotso 10. S M Ndlovu	Yes	09	12	0

APPENDICES

Table 167: Functionality of Ward Committees (2013/14)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
13	<u>B M Mashala (Ward Councillor)</u> 1. T E Khosa 2. R C Baloyi 3. C Risiva 4. R T Nkuna 5. C Mongwe 6. O E Ndlovu 7. E Ngobeni 8. T Mboweni 9. J M Mathebula 10. C Besswick	Yes	8	12	0
14	<u>A Van Vureen (Ward Councillor)</u> 1. C Ntuli 2. E Pilusa 3. D Protter 4. J P Stoltz 5. M Nel 6. T Mclintock 7. H Van Niekeen Kuyper 8. K Van Rensburg 9. M Mkhawane 10. P Monyama	Yes	0	12	0
15	<u>R Pohl (Ward Councillor)</u> 1. B Khumalo 2. P Zaayman 3. J du Toit 4. N Ndou 5. R R Shai 6. L Cronje 7. M Sekgoaila 8. M M Malatji 9. M Jacobs 10. A Cilliers	Yes	0	12	0

APPENDICES

Table 167: Functionality of Ward Committees (2013/14)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
16	<u>R Rikhotso (Ward Councillor)</u> 1. B Nomvela 2. L Moagi 3. A Bvuma 4. T Mawasha 5. L Malatji 6. P Mawasha 7. A Shipalane 8. B Masetle 9. H Harman 10. S Mocheke	Yes	7	12	1
17	<u>D Mhlarhi (Ward Councillor)</u> 1. S Mbuza 2. F Tshuketane 3. R Bvuma 4. J Sekhobela 5. J Mokgolobotho 6. J Mokhabela 7. A Mathye 8. E Seabela 9. I Sekgobela 10. M Mbewe	Yes	6	6	1
18	<u>P Ngonyama (Ward Councillor)</u> 1. J Shilubane 2. N Mkansi 3. G Nkwhashu 4. G Nghonyama 5. L Tivane 6. J Semosa 7. F Mlangeni 8. C Mhlari 9. G Mbhalati 10. L Tshikani	Yes	8	12	2

APPENDICES

Table 167: Functionality of Ward Committees (2013/14)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
19	<u>H Zandamela (Ward Councillor)</u> 1. P Thibeyahobe 2. S Matiane 3. M Gaisa 4. S Manyike 5. R Bulala 6. N Banda 7. N Rakgolane 8. S Bulala 9. L Khosa 10. R Mathebula	Yes	12	12	3
20	<u>O Banyini (Ward Councillor)</u> 1. L Ngobeni 2. J Mongwe 3. C Nhlanguwini 4. E Nhlanguwini 5. C Shokane 6. S Moagi 7. M Nhlanguwini 8. B Baloyi 9. I Mongwa 10. V Chuma	Yes	5	12	2
21	<u>S Mboweni (Ward Councillor)</u> 1. D Maakane 2. V Malungane 3. T Mpenyana 4. P Baloyi 5. N Ndala 6. B Mabunda 7. B Mthembi 8. A Mnisi 9. M Macevele 10. V Mabulane	Yes	8	12	2

APPENDICES

Table 167: Functionality of Ward Committees (2013/14)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
22	<u>C Makwala (Ward Councillor)</u> 1. E Ramalepe 2. M Sekgobela 3. A Maphumapi 4. E Rasebotsa 5. C Makwala 6. S Mhlarhi 7. D Selane 8. I Malatji	Yes	8	12	1
23	<u>N Dlovu(Ward Councillor)</u> 1. M Banyini 2. M Khosa 3. M Mathebula 4. F Maroleng 5. S Ngobeni 6. P Rakgoropo 7. W Mohlongo 8. T Nkwinika 9. K Phiri 10. A Nkhwashu	Yes	9	12	2
24	<u>L Mhlongo (Ward Councillor)</u> 1. S Malatji 2. T Jigana 3. A Shikwambana 4. R Khosa 5. K Rikhotso 6. G Ngoveni 7. R Mhlaba 8. S Mhlarhi 9. G Mathonsi 10. D Shilubane	Yes	7	12	2

APPENDICES

Table 167: Functionality of Ward Committees (2013/14)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
25	<u>Ngondzweni G (Ward Councillor)</u> 1. S Malatji 2. C Nkhwashu 3. B Mogale 4. P Mashele 5. I Rikhotso 6. J Maholovele 7. B Machabe 8. K Mhlanga 9. A Baloyi 10. S Rikhotso	Yes	8	12	2
26	<u>S Mahori (Ward Councillor)</u> 1. R Mhlarhi 2. P Shikwambana 3. V Mangena 4. J Mhlarhi 5. J Selane 6. B Mthembi 7. P Mabunda 8. C Mthembi 9. E Malatjie 10. N Ghana	Yes	11	12	2
27	<u>M Mangena (Ward Councillor)</u> 1. G Makhumbele 2. P Patsi 3. J Seoka 4. J Ramoshaba 5. P Sebela 6. S Malatji 7. P Mangena 8. I Mailula 9. J Maake 10. R Phasha	Yes	12	12	4

APPENDICES

Table 167: Functionality of Ward Committees (2013/14)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
28	<u>T Mushwana(Ward Councillor)</u> 1. K Lupalana 2. T Shai 3. R Mangena 4. B Shikwambana 5. N Mathebula 6. L Mushwana 7. M Mkhabele 8. M Rathwakga 9. J Mabulana 10. J Moagi	Yes	7	12	2
29	<u>N Masila(Ward Councillor)</u> 1. E Nukeri 2. E Sethemana 3. C Mokgobi 4. J Sodi 5. A Mhlongo 6. E Ratopola 7. M Makhurupetje 8. A Mathebula 9. S Malesa 10.	Yes	8	12	3
30	<u>L Pudikabekwa(Ward Councillor)</u> 1. R Rapitsi 2. F Rantjie 3. S Malatjie 4. M Letsoalo 5. S Molepo 6. D Khunwane 7. M Shai 8. T Mboweni 9. P Malatjie 10. C Ratopola	Yes	7	12	2

APPENDICES

Table 167: Functionality of Ward Committees (2013/14)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
31	<u>J Ramodipa(Ward Councillor)</u> 1. C Mabitsela 2. S Lefothle 3. M Nkgapele 4. M Hlokwe 5. A Rakgoale 6. G Maponya 7. S Ramokgola 8. K Monyela 9. M Seokgo 10. S Mafokwane	Yes	10	12	3
32	<u>S Raganya (Ward Councillor)</u> 1. I Malatji 2. L Mohale 3. S Semosa 4. M Mametja 5. T Nkuna 6. P Mokwena 7. J Manamela 8. S Nkuna 9. B Modiba 10. G Mathebula	Yes	7	12	3
33	<u>D Maake(Ward Councillor)</u> 1. D Peu 2. H Molewa 3. F Pilusa 4. B Maake 5. F Gaffane 6. P Monyela 7. J Semosa 8. P Maseamedi 9. K Batjie 10. O Mailula	Yes	8	12	2

APPENDICES

Table 167: Functionality of Ward Committees (2013/14)					
Ward	Name of Ward Councillor & Elected Committee members	Committee established (y/n)	Number of monthly meetings	Number of Monthly reports submitted to Speakers office	Number of quarterly public ward meetings held
34	<u>M Letsoalo(Ward Councillor)</u> 1. T Kodumela 2. M Letsoalo 3. S Ramoreti 4. S Letsie 5. R Moagi 6. J Malesa 7. A Letsoalo 8. J Ralepelle 9. T Mogoboya 10. A Ramaila	Yes	8	12	2

APPENDICES

ADDENDUM F – WARD INFORMATION

Ward No.	Project Name and detail	Start Date	Estimated/ End Date	Total Value
21&24	Sasekani to Nkowankowa Tar	15/01/2013	Tbd	R38 246
1	Senakwe to Morapalala	14/01/2013	06/08/2014	R36 285
25	Mafarane to Sedan	10/05/2013	09/02/2014	R27 228
7&11	Thapane to Moruji	17/02/2014	13/03/2015	R48 584
3	Ramotshinyadi Bridge	10/05/2013	10/05/2014	R22 867
15	Installation of 11kv Cables	08/09/2014	27/03/2015	R17 247
All	Energy Efficiency & Demand	08/09/2014	10/08/2015	R16 675

APPENDICES

ADDENDUM G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2013/14

TABLE 169: Municipal Audit Committee Recommendations (2013/14)			
Date of Committee	Committee recommendations	Recommendations adopted (enter Yes); not adopted (provide explanation)	Implemented (Yes/No)
06/08 2013	That MPAC submit progress report on Claude Wheatly and Sasekani road to the audit committee.	yes	Yes
06/08/2013	That all tenders of R1000 000 and above be advertised in the national news papers	yes	Yes
06/08/2013	That the legal division manager investigate and report to audit committee about the outstanding amount owed to council by Mahowa attorneys.	Not adopted (matter still in progress)	no
06/08/2013	That when reviewing internal audit charter, the internal audit manager must consider circular 65 from the National Treasury.	Yes	Yes
06/08/2013	That IT quarterly report must be signed by the director before it is submitted to the audit committee.	Yes	Yes
31/10/2013	That legal office submits a complete report to the audit committee of all litigations not yet finalised.	Yes	Yes
31/10/2013	That the GTM strategy for the selling of debt book must be submitted to the audit committee.	Not adopted(matter not yet finalised)	no
31/10/2013	That finance, performance and risk report of GTEDA be included in the audit committee agenda for discussion.	Yes	Yes
06/08 2013	That MPAC submit progress report on Claude Wheatly and Sasekani road to the audit committee.	Yes	Yes
06/08/2013	That all tenders of R1000 000 and above be advertised in the national news papers	Yes	Yes
06/08/2013	That the legal division manager investigate and report to audit committee about the outstanding amount owed to Council by Mahowa attorneys.	Not adopted (matter still in progress)	no

APPENDICES

ADDENDUM H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Table 170: Long Term Contracts (20 Largest Contracts Entered into 2013/14) - R' 000						
Name of Service Provider (Entity or Municipal Department)	Bid number	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
Bravospan 252	SCMU 20/2013	Request for proposals on security solutions for Greater Tzaneen Municipality	01 November '13	31 October '16	MK Mkakhubela	R 2 757 666.60 pa
MVM Africa Electrical [Pty] Ltd	SCMU 29/2013	Proposal for Energy and Demand side management	12 September '13	12 September '16	NG Fourie	9%
Ingwe waste Management	SCMU 30/2013	Integrated waste removal at Nkowankowa	02 January '14	02 January '17	HL Mienie	R 13 859 064.00
Motla consulting Engineering	SCMU 34/2014	Request for proposal for specialist and energy services for Greater Tzaneen Municipality	01 January '14	31 December '16	NG Fourie	R 11 368.00 pm
Simolola Engineering Services	SCMU 37/2013	Request for proposal for Apollo light/high mast lights for Greater Tzaneen Municipality	06 January '14	05 January '17	A Laubscher	9%
AES Consulting	SCMU 37/2013	Request for proposal for Apollo light/high mast lights for Greater Tzaneen Municipality	06 January '14	05 January '17	A Laubscher	9%
Mavambo Intelligent transport solution	SCMU 38/2013	Request for proposal on speed camera law enforcement	01 May '14	30 June '17	MJ Malatji	R 69.54 per paid enforcement
Mmatshepe JV Theuwedi	SCMU 40/2014	Treatment & Disposal waste Management	01 August '14	31 July '14	HL Mienie	R 12 875 598.24

No public – private partnerships entered into during 2013/14.

APPENDICES

ADDENDUM I: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

ADDENDUM I (I): REVENUE COLLECTION PERFORMANCE BY VOTE

Table 171: Revenue Collection Performance by Vote (R' 000) - 2013/14

Vote Description	2012/13	Current year 2013/14			2013/14 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1: Municipal Manager	0	0	0	0	0	
Vote 2: Planning & Economic Development	10 412	10 412	5 514	23 864	33 591	-28 077
Vote 3: Financial Services	279 036	279 036	287 832	321 080	306 270	-18 438
Vote 4: Corporate Services	25	25	2	2	3	-1
Vote 5: Community Services	50 996	50 996	79 330	79 330	40 944	38 386
Vote 6: Electrical Engineering Services	339 091	339 091	404 524	406 524	360 086	44 438
Vote 7: Engineering Services	69 263	69 263	73 859	73 859	215 294	-141 435
Total Revenue	748 889	748 823	851 061	904 659	956 188	-105 127

APPENDICES

ADDENDUM I (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Description	2012/2013	2013/2014			2013/14 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	61 060	51 460	51 460	66 345	-14 885	-14 885
Property rates - penalties & collection charges	4 217	3 900	3 900	4 770	-870	-870
Service Charges - electricity revenue	331 949	379 524	379 524	337 967	41 557	41 557
Service Charges - water revenue	-	-	-	-	-	-
Service Charges - sanitation revenue	-	-	-	-	-	-
Service Charges - refuse revenue	23 144	20 885	20 885	23 746	-2 861	-2 861
Service Charges - other	1 075	1 366	1 366	292	1 074	1 074
Rentals of facilities and equipment	1 292	259	259	1 179	-920	-920
Interest earned - external investments	3 901	3 001	3 001	2 164	837	837
Interest earned - outstanding debtors	8 732	16 000	16 000	17 343	-1 343	-1 343
Dividends received					0	0
Fines	5 865	3 210	3 210	3 665	-455	-455
Licences and permits	544	345	345	541	-196	-196
Agency services	14 599	44 448	44 448	6 360	38 088	38 088
Transfers recognised - operational	220 476	238 842	238 842	221 912	16 930	16 930
Other revenue	9 397	5 203	38 451	19 184	-13 981	19 267
Gains on disposal of PPE	-	2 300	2 300	-8 084	10 384	10 384
Environmental Protection						
Total Revenue (excluding capital transfers and contributions)	684 959	770 743	803 991	697 384	73 359	106 607

APPENDICES

ADDENDUM J: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

ADDENDUM J (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Table 173: Capital Expenditure - New Assets Programme* (R'000)							
Description	2012/2013	2013/2014			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/2015	2015/2016	2016/2017
Capital expenditure by Asset Class							
Infrastructure - Total	4,079	128 163	159 135	343 159	116 196	135 465	140 428
Infrastructure: Road transport - Total	1,292	93 403	131 875	330 497	82 766	88 660	75 296
<i>Roads, Pavements & Bridges</i>	1,292	93 403	131 875	330 497	82 766	88 660	75 296
<i>Storm water</i>	-						
Infrastructure: Electricity - Total	2,589	34 660	27 160	12 662	33 330	45 870	51 950
<i>Generation</i>							
<i>Transmission & Reticulation</i>	2,589	32 160	26 160	12 662	31 250	41 550	51 950
<i>Street Lighting</i>	-	2 500	1 000		2 080	4 320	
<i>Apollo Lights</i>							
Infrastructure: Other - Total	-	100	100	-	100	935	13 182
<i>Waste Management</i>	-						
<i>Transportation</i>	-						

APPENDICES

Description	2012/2013	2013/2014			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/2015	2015/2016	2016/2017
Gas	-						
Other	-	100	100		100	935	13 182
Community - Total	-	15 042	18 792	-	48 006	26 331	29 322
Parks & gardens	-				21 951	4 400	4 752
Sports fields & stadia	-	9 000	9 000		12 793	15 000	24 250
Swimming pools	-				8 237		
Community halls	-						
Libraries	-	3 792	3 792				
Recreational facilities	-						
Fire, safety & emergency	-						
Security and policing	-						
Buses							
Clinics							
Museums & Art Galleries		1 250	1 250				
Cemeteries							
Social rental housing							
Other		1 000	4 750		5 025	6 931	320
Heritage assets - Total		-	-	-	-	-	-
Buildings							
Other							
Investment properties - Total		-	-	19 805	-	-	-
Housing development	n/a						

APPENDICES

Description	2012/2013	2013/2014			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/2015	2015/2016	2016/2017
Other				19 805			
Other assets	10 815	9 125	34 531	17 599	5 135	7 025	13 211
General vehicles	3 059	480	2 137			900	7 750
Specialised vehicles	-						
Plant & equipment	199	5 000	26 750	16 759	370	1 175	250
Computers - hardware/equipment	2 003		-	540			
Furniture and other office equipment	239	2 605	495	267	2 100	2 100	-
Abattoirs	5 315						
Civic Land and Buildings	-						
Other Buildings	-						
Other Land	-						
Surplus Assets - (Investment or Inventory)	-						
Other	-	1 040	5 150	32	2 665	2 850	5 211
Agricultural assets							
<i>NONE</i>	-						
Biological assets	135						
<i>NONE</i>	135						
Intangibles	5,315	-	-	111	-	-	-
Computers - software &	5 315			111			

APPENDICES

Table 173: Capital Expenditure - New Assets Programme* (R'000)							
Description	2012/2013	2013/2014			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/2015	2015/2016	2016/2017
programming							
Other (<i>list sub-class</i>)	-						
Total Capital Expenditure on new assets	20,344	152 330	212 459	380 673	169 338	168 820	182 962
Specialised vehicles	0	0	0	0	0	0	0
Refuse	0	0	0	0	0	0	0

APPENDICES

ADDENDUM J (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Table 174: Capital Expenditure - Upgrade/Renewal Programme*- R '000							
Description	2012/2013	2013/2014			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/2015	2015/2016	2016/2017
Capital expenditure by Asset Class							
Infrastructure - Total	63 833	13 300	5 024	-	-	1 500	5 000
Infrastructure: Road transport -Total	55 500	9 500	1 524	-	-	-	-
<i>Roads, Pavements & Bridges</i>	52 727	9 500	1 524				
<i>Storm water</i>	2 773						
Infrastructure: Electricity - Total	8 333	3 800	3 500	-	-	1 500	5 000
<i>Transmission & Reticulation</i>	8 333						
<i>Street Lighting</i>	-						
Community	-	-	-	-	1 000	1 900	-
Other					1 000	1 900	-
Infrastructure: Other - Total							
<i>Waste Management</i>	-						
<i>Transportation</i>	-						
Other assets	2 242						
Computers - hardware/equipment	2 003						
Furniture and other office equipment	239						
Total Capital Expenditure on renewal of existing assets	66 075	13 300	5 024	-	1 000	3 400	5 000

APPENDICES

ADDENDUM K – CAPITAL PROGRAMME BY PROJECT 2013/14

Table 175: Capital Programme by Project 2013/14 (R'000)					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
WATER	No capital projects implemented as Mopani District is the Water Service Authority				
SANITATION/SEWERAGE	No capital projects implemented as Mopani District is the Water Service Authority				
ELECTRICITY					
Apollo lights at Dan village	R 500 000	R 200 000	R 0	R 200 000	R -500 000
Apollo lights at Motupa village	R 500 000	R 200 000	R 0	R 200 000	R -500 000
Apollo lights at Nyagelani (Radoo) village	R 500 000	R 200 000	R 0	R 200 000	R -500 000
Apollo lights at Tickyline village	R 500 000	R 200 000	R 0	R 200 000	R -500 000
Apollo lights at Moruji	R 500 000	R 200 000	R 0	R 200 000	R -500 000
Purchase electrical equipment	R 30 000	R 25 000	R 13 412	R 11 588	R -16 588
Service Contribution	R 15 000 000	R 15 000 000	R 5 144 072	R 9 855 928	R -9 855 928
Energy efficiency and demand	R 5 000 000	R 7 000 000	R 425 417.35	R 6 574 583	R -4 574 583
Rebuilding of Lines (Campsies Glen sub)		R 683 773	R 683 773	R 0	R 683 773
Rebuilding of Lines-Atherstone sub -redbank and Enslin (12km)	R 2 160 000	R 2 160 000	R 0	R 2 160 000	R -2 160 000
Network upgrading (capacity building)	R 0	R 11 316 226	R 7 649 407	R 3 666 819	R -7 649 407
Capacity Project	R 0	R 2 682 415	R 2 509 397	R 173 018	R -2 509 397
Electricity capacity building - Avis old SAR to Power station	R 8 000 000	R 2 000 000	R 0	R 2 000 000	R -8 000 000

APPENDICES

Table 175: Capital Programme by Project 2013/14 (R'000)					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
SAB Re-routing of HT Cable NERSA Audit	R 800 000	R 800 000	R 696 770	R 103 230	R -103 230
Renewal repairs and Maintenance on airconditioners	R 40 000	R 40 000	R 0	R 40 000	R -40 000
Renewal Repairs and Maintenance on distribution network	R 3 000 000	R 3 000 000	R 2 983 590	R 16 410	R -16 410
Renewal, Repairs and Maintenance on pre paid meters	R 500 000	R 500 000	R 496 725	R 3 275	R -3 275
Installation of New Automatic reclosers	R 300 000	R 300 000	R 216 751	R 83 249	R -83 249
New Double garage to house protection equipment	R 150 000	R 150 000	R 0	R 150 000	R -150 000
Splitmeters (Mbekwana electrification)	R 0	R 4 500 000	R 0	R 4 500 000	R 0
Electricity capacity building - Cable network renewal	R 2 000 000	R 0	R 0	R 0	R -2 000 000
ROADS & STORMWATER					
Claude Wheatly		R 185 102	R 185 102	R 1	R 185 102
Sasekani to Nkowankowa D Tar Road	R 6 500 843	R 21 750 094	R 14 175 341	R 7 574 753	R 7 674 498
Mafarana, Ntsako, Bonn to Sedan Tar Road	R 16 137 152	R 25 445 601	R 14 776 586	R 10 669 015	R 1 360 566
Nkowankowa C - Ring Road	R 13 000 000	R 3 500 000	R 9 240 985	R -5 740 985	R -3 759 015
Ramotshinyadi Bridge	R 12 006 030	R 11 677 911	R 13 044 904	R -1 366 993	R 1 038 874

APPENDICES

Table 175: Capital Programme by Project 2013/14 (R'000)					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Agatha street (Tzaneen) Refurbishment	R 1 500 000	R 625 000	R 0	R 625 000	R -1 500 000
Sapekoe drive (Tzaneen) Refurbishment - phase 1	R 2 500 000	R 625 000	R 0	R 625 000	R -2 500 000
Khaya street (Nkowankowa) Refurbishment - phase 1	R 2 500 000	R 625 000	R 0	R 625 000	R -2 500 000
Bankuna street (Nkowankowa) Refurbishment - phase1	R 3 000 000	R 0	R 0	R 0	R -3 000 000
Senakwe (Mantswa) Tar Morapalala Tar	R 20 767 635	R 9 921 851	R 10 953 250	R -1 031 399	R -9 814 385
Thapane to Moruji Tar	R 37 991 687	R 15 484 031	R 8 087 185	R 7 396 846	R -29 904 502
Ramotshinyadi Road	R 0	R 12 497 615	R 11 178 270	R 1 319 345	R 11 178 270
Claude Wheatly Road	R 0	R 13 143 296	R 4 580 786	R 9 085 118	R 4 580 786
Matupa Low Level bridge	R 0	R 1 025 000	R 808 932	R 216 068	R 808 932
Thako to Sefolwe low level bridge	R 0	R 322 983	R 0.00	R 322 983	R 0
Thako to Sefolwe low level bridge (phase 2)	R 0	R 950 000	R 776 092	R 173 908	R 776 902
Mopye Local Level bridge	R 0	R 500 000	R 109 768.21	R 390 232	R 109 768
Mopye Local Level bridge (phase 2)	R 0	R 1 380 000	R 544 570	R 835 430	R 835 430
Politsi Low Level bridge	R 0	R 322 983	R 256 125.85	R 66 857	R 256 126
Politsi Low Level bridge (phase 2)	R 0	R 2 200 000	R 196 210	R 2 003 790	R 196 210
Rikhotso, Khwekhwe, Mokonyane and Mawa Block 12 low level bridges	R 0	R 2 000 000	R 87 633	R 1 912 367	R 87 633

APPENDICES

Table 175: Capital Programme by Project 2013/14 (R'000)					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Lenyenye Cemetery Road	R 0	R 2 000 000	R 1 587 710	R 412 290	R 1 587 710
PARKS AND CEMETERIES					
Renovation of Parks -Maritz Street and Extension 13, Lenyenye, Letsitele and Haenertsburg	R 1 000 000	R 1 000 000	R 0	R 1 000 000	R -1 000 000
MUNICIPAL BUILDINGS					
Construction of a new carport at the Museum	R 100 000	R 100 000	R 0	R 100 000	R -100 000
Provision of parking at Waste Management offices	R 10 000	R 10 000	R 0	R 10 000	R -10 000
Expansion of storage facility at Nkowankowa Testing Station and shelves	R 40 000	R 40 000	R 0	R 40 000	R -40 000
Convert H.C.R.W. storeroom into office/conference room in Tzaneen	R 100 000	R 100 000	R 0	R 100 000	R -100 000
Upgrading and extension of trade license office	R 40 000	R 40 000	R 0	R 40 000	R -40 000
Partitioning of Tourism Centre	R 250 000	R 250 000	R 0	R 250 000	R -250 000
FLEET					
Purchase a vehicle for the Speaker	R 480 000	R 480 000	R 0	R 480 000	R -480 000
Water Tankers and TLBs	R 0	R 1 656 704	R 0	R 1 656 704	R 0
ECONOMIC DEVELOPMENT & TOWN PLANNING					

APPENDICES

Table 175: Capital Programme by Project 2013/14 (R'000)					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Establishment of Lenyenye Cemetery	R 1 250 000	R 1 250 000	R 79 351	R 1 170 649	R -1 170 649
Acquisition of land at Politsi (residential)	R 1 000 000	R 4 750 000	R 6 000 000	R 1 250 000	R 5 000 000
SPORTS, ARTS & CULTURE					
Renovation of Municipal Swimming Pool in Tzaneen	R 3 692 000	R 6 892 000	R 831 206	R 6 060 794	R -2 860 794
Upgrading of Lenyenye Stadium	R 5 000 000	R 6 000 000	R 1 435 911	R 4 564 089	R -3 564 089
Upgrading of Nkowankowa Stadium	R 2 000 000	R 0	R 172 772	R 1 827 228	R -2 000 000
Construction of a new community hall at Relela Cluster	R 1 000 000	R 0	R 0	R 0	R -1 000 000
ENVIRONMENTAL HEALTH					
Hawkers esplanades in rural areas	R 100 000	R 0	R 0	R 0	R -100 000
Hawkers esplanades in Tzaneen	R 140 000	R 0	R 0	R 0	R -140 000
ICT AND OTHER					
Securing of Rates Hall & Access Control	R 0	R 445 000	R 390 147	R -54 853	R -390 147
Purchase and Installation of Air conditioners for the Corporate Services department	R 66 000	R 66 000	R 0	R 66 000	R -66 000
Purchase furniture and Library equipment	R 50 000	R 30 000	R 1 668	R 28 332	R 48 332

APPENDICES

Table 175: Capital Programme by Project 2013/14 (R'000)

Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Purchase furniture for Nkowankowa and Lenyenye Community Halls, Julesburg and Burgersdorp Sport Facilities	R 100 000	R 0	R 0	R 0	R -100 000
Purchase office furniture and Equipment for the PED department	R 40 000	R 0	R 14 256	R 14 256	R -25 744
Purchase Survey Equipment	R 150 000	R 0	R 0	R 0	R -150 000
Purchase generators	R 60 000	R 0	R 0	R 0	R -60 000
Purchase welding machines	R 25 000	R 0	R 0	R 0	R -25 000
Purchase Diesel bowser	R 65 000	R 0	R 0	R 0	R -65 000
Purchase 2 Chain Saws	R 20 000	R 0	R 0	R 0	R -20 000
Replacement of small tools	R 50 000	R 0	R 0	R 0	R -50 000
TOTAL	R 172 211 347	R 203 279 632	R 122 488 586	R 80 791 046	R -70 040 369

APPENDICES

ADDENDUM L – CAPITAL PROGRAMME BY PROJECT BY WARD 2013/14

Table 176: Capital Programme by Project by Ward 2013/14*		
Capital Project	Ward(s) affected	Works completed (Yes/No)
ELECTRICITY		
Apollo lights at Dan village	17&20	No
Apollo lights at Motupa village	10	No
Apollo lights at Nyagelani (Radoo) village	3	No
Apollo lights at Tickyline village	29	No
Apollo lights at Moruji	7	No
Purchase electrical equipment	ALL	Yes
Service Contribution	ALL	Yes
Energy efficiency and demand	ALL	Yes
Rebuilding of Lines-Atherstone sub -redbank and Enslin (12km)	16	No
Electricity capacity building - Avis old SAR to Power station	14/15	No
SAB Re-routing of HT Cable NERSA Audit	16	No
Renewal repairs and Maintenance on airconditioners	ALL	No
Renewal Repairs and Maintenance on distribution network	ALL	Yes
Renewal, Repairs and Maintenance on pre paid meters	13,14,15	Yes
Installation of New Automatic reclosers	ALL	No
New Double garage to house protection equipment	15	No
Splitmeters (Mbekwana electrification)	13	No
ROADS & STORMWATER		
Sasekani to Nkowankowa D Tar Road	21&24	No
Mafarana, Ntsako, Bonn to Sedan Tar Road	25	No
Nkowankowa C - Ring Road	21	Yes
Ramotshinyadi Bridge	3	No
Agatha street (Tzaneen) Refurbishment	14	No
Sapekoe drive (Tzaneen) Refurbishment - phase 1	14	No
Khaya street (Nkowankowa) Refurbishment - phase 1	21	No
Bankuna street (Nkowankowa) Refurbishment - phase1	21	No
Senakwe (Mantswa) Tar Morapalala Tar	1	No
Thapane to Moruji Tar	7&11	No
Remotshinyadi Road	3	Yes

APPENDICES

Table 176: Capital Programme by Project by Ward 2013/14*		
Capital Project	Ward(s) affected	Works completed (Yes/No)
Claude Wheatly Road	15	Yes
Matupa Low Level bridge		Yes
Thako to Sefolwe low level bridge	9	Yes
Mopye Local Level bridge	9	No
Politsi Low Level bridge	14	No
Rikhotso, Khwekhwe, Mokonyane and Mawa Block 12 low level bridges	8	No
Lenyenye Cemetery Road	31	Yes
TOWN PLANNING		
Establishment of Lenyenye Cemetery	18	No
Acquisition of land at Politsi (residential)	14	Yes
SPORTS & RECREATION FACILITIES		
Renovation of Municipal Swimming Pool in Tzaneen	15	No
Upgrading of Lenyenye Stadium	31	No
PARKS		
Renovation of Parks -Maritz Street and Extension 13, Lenyenye, Letsitele and Haenertsburg	15,16, 23,31	No

APPENDICES

ADDENDUM M – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Table 177: Service Backlogs: Schools and Clinics (2013/14)				
Establishments lacking basic services	Water	Sanitation	Electricity⁷	Solid Waste Collection
Schools (NAMES, LOCATIONS)				
N/a	No backlog	No backlog	No backlog	Backlog at all rural-areas No backlog in urban areas
Clinics (NAMES, LOCATIONS)				
N/A	No backlog	No backlog	No backlog	No backlog –clinics are serviced by a Provincial service provider for H.CR.W. Urban clinics serviced by GTM

All Schools and Clinics have access to water and sanitation. In some instances water are supplied through boreholes, which may run dry at time.

⁷ Complaints regarding schools and clinics without electricity use to be submitted to GTM by Ward Councilors. No such complaints was received during 2013/14

VOLUME II

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

Table 178: 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
Waste Management: All Wards	Absence of a Regional Landfill space for waste in the Mopani District Area	Regionalization of Landfill-Sites into of Sec.84 of the Municipal Structures Act (Act 117 of 1998), is required from the District Municipality
Clinics: Ward 1, 2, 3, 4, 5, 7, 8, 9, 10, 11, 13, 14, 16, 17, 18, 19, 21, 22, 24, 25, 26, 28, 29, 30, 31, 32 and 34	Health facilities are far from the mentioned wards and their respective constituencies	The lack of health facilities within reach of the people contribute to a increase in curable diseases
Housing: Ward 1, 2, 4, 5, 13, and 14	The mentioned wards have not received all housing units allocations while some received just portions.	Lack of housing impacts on the lives of people in terms of shelter and family relationship. (Social security)
Licensing and Testing Centre: Ward 31 (Lenyenye) and Bolobedu area	The Municipality has only two licensing and testing centres	Lack of extra licensing and testing centres in within the jurisdiction of the Municipality leads to overcrowding in the existing two centres
Reservoirs: Various wards	Most villages in various wards have a need for new reservoirs and their upgrades	Lack of reservoirs leads to shortage of piped water in villages
Schools (Primary and High): Ward 1, 3, 4, 5, 7, 8, 9, 10, 11, 12, 13, 14, 16, 18, 21, 22, 25, 27, 28, 29, 32, 34	There is a great need for new schools (primary and secondary) in the mentioned wards	Lack of schools in the mentioned wards leads to lack of access to education for children and overcrowding in the existing ones
Sports Fields: Wards 1, 4, 7, 8, 9, 11, 12, 15, 16, 17, 19, 21, 24, 25, 26 and 28	There is a need for sport and recreation facilities in the mentioned villages	Lack of sport and recreation facilities leads to young people becoming involved in criminal activities and indulging in substance abuse
Safety and Security: Wards 1, 2, 3, 4, 7, 8, 9, 11, 13, 14, 16, 17, 18, 21, 24, 25, 27, 28, 32 and 34	There is a need for construction of new police stations in the mentioned wards	Lack of police stations leads to escalation of crime in communities

APPENDICES

ADDENDUM O – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Table 179: Declaration of Loans and Grants made by the Municipality 2013/14

All Organisation or Person in receipt of Loans */Grants* provided by the Municipality	Nature of project	Conditions attached to funding	Value 2013/14 R'	Total Amount committed over previous and future years
Tzaneen Museum	Selling of Artefacts	Submission of Financial statements at year end	16 663	33 326
Sports Council		Submission of Financial statements at year end	53 322	106 644
SPCA	Animal Care	Submission of Financial statements at year end	51 250	102 500
Eskom EBSST	Free Basic Electricity	Submission of list of Beneficiaries	3 594 392	4 823 978
Mayor's Bursary Account	Financial Assistance to Students	Submission of Exam Results	179 000	331 000

ADDENDUM P – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

Table 180: MFMA Section 71 Returns Not Made During 2013/14 According to Reporting Requirements

Return	Reason Return has not been properly made on due date
C6-Monthly Budgeted Statement - Financial Position	The Municipality has many transactions, as a result the current financial system is not able to produce the required monthly financial statements. Caseware financial system has been purchased, which will be able to produce monthly statements.
C7- Monthly Budgeted Statement - Cash Flow Statement	

VOLUME II

VOLUME II: ANNUAL FINANCIAL STATEMENTS

Audited Annual Financial Statements attached as [Annexure D](#).

<the end>