

2011/12

ANNUAL REPORT



GREATER TZANEEN MUNICIPALITY

OFFICE OF THE MUNICIPAL MANAGER

Civic Centre

Agatha Street

Tzaneen

Contact no: 015-307 8000

Contents

CONTENTS

CONTENTS	2
LIST OF ABBREVIATIONS	7
CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY	10
COMPONENT A: MAYOR’S FOREWORD	10
COMPONENT B: EXECUTIVE SUMMARY	12
1.1. MUNICIPAL MANAGER’S OVERVIEW	12
1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW	13
1.3. SERVICE DELIVERY OVERVIEW	15
1.4. FINANCIAL HEALTH OVERVIEW	19
1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW	21
1.6. AUDITOR GENERAL REPORT	21
1.7. STATUTORY ANNUAL REPORT PROCESS	23
CHAPTER 2 – GOVERNANCE	25
COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE	25
2.1 POLITICAL GOVERNANCE	26
2.2 ADMINISTRATIVE GOVERNANCE	29
COMPONENT B: INTERGOVERNMENTAL RELATIONS	31
2.3 INTERGOVERNMENTAL RELATIONS	31
COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION	32
2.4 PUBLIC MEETINGS	32
2.5 IDP PARTICIPATION AND ALIGNMENT	40
COMPONENT D: CORPORATE GOVERNANCE	41
2.6 RISK MANAGEMENT	41
2.7 ANTI-CORRUPTION AND FRAUD	42
2.8 SUPPLY CHAIN MANAGEMENT	42
2.9 BY-LAWS	43

Contents

2.10	WEBSITES	44
2.11	PUBLIC SATISFACTION ON MUNICIPAL SERVICES	45
CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)		46
COMPONENT A: BASIC SERVICES 46		
3.1.	WATER PROVISION	47
3.2	WASTE WATER (SANITATION) PROVISION.....	56
3.3	ELECTRICITY.....	60
3.4	WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING).....	69
3.5	HOUSING & BUILDING CONTROL.....	78
3.6	FREE BASIC SERVICES AND INDIGENT SUPPORT	88
COMPONENT B: ROADS & STORMWATER 91		
3.7	ROADS & STORMWATER.....	91
3.8	LICENSING	100
COMPONENT C: PLANNING AND DEVELOPMENT (Town planning & LED) 104		
3.9	LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)	110
COMPONENT D: COMMUNITY & SOCIAL SERVICES 124		
3.10	LIBRARIES; MUSEUM; COMMUNITY FACILITIES)	124
3.11	CEMETERIES	134
3.12	CHILD CARE; AGED CARE; SOCIAL PROGRAMMES.....	137
COMPONENT E: ENVIRONMENTal HEALTH SERVICES142		
3.13	ENVIRONMENTAL HEALTH SERVICES.....	143
COMPONENT G: SECURITY AND SAFETY 149		
3.14	LAW ENFORCEMENT.....	149
3.15	DISASTER MANAGEMENT	154
COMPONENT H: SPORT AND RECREATION 157		
3.16	SPORT, RECREATION, ARTS and CULTURE	158

Contents

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES	161
3.17 EXECUTIVE AND COUNCIL	161
3.18 FINANCIAL SERVICES	164
3.19 HUMAN RESOURCE SERVICES	171
3.20 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES	175
3.21 LEGAL SERVICES	180
COMPONENT J: ORGANISATIONAL PERFORMANCE SCORECARD	183
CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE	184
COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL	184
4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES	185
COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE	187
4.2 POLICIES	187
4.3 INJURIES, SICKNESS AND SUSPENSIONS	189
4.4 PERFORMANCE REWARDS	191
COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE	192
4.5 SKILLS DEVELOPMENT AND TRAINING	196
COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE	199
4.6 EMPLOYEE EXPENDITURE	200
CHAPTER 5 – FINANCIAL PERFORMANCE	212
COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE	212
5.2 GRANTS	216
5.3 ASSET MANAGEMENT	219
5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS	221
COMPONENT B: SPENDING AGAINST CAPITAL BUDGET	227
5.5 CAPITAL EXPENDITURE	228
5.6 SOURCES OF FINANCE	228
5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS	231

Contents

5.8	BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW	232
COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS		234
5.9	CASH FLOW	234
5.10	BORROWING AND INVESTMENTS.....	235
5.11	PUBLIC PRIVATE PARTNERSHIPS	237
COMPONENT D: OTHER FINANCIAL MATTERS		237
5.12	SUPPLY CHAIN MANAGEMENT	237
5.13	GRAP COMPLIANCE.....	238
CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS		239
COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2010/11-2011/12		239
6.1	AUDITOR GENERAL REPORTS 2010/11.....	239
COMPONENT B: AUDITOR-GENERAL OPINION 2011/12		240
6.2	AUDITOR GENERAL REPORT 2011/12.....	240
GLOSSARY		242
AddENDUMS.....		245
ADDENDUM A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE		245
ADDENDUM B – COMMITTEES AND COMMITTEE PURPOSES		249
ADDENDUM C –THIRD TIER ADMINISTRATIVE STRUCTURE		250
ADDENDUM D – FUNCTIONS OF MUNICIPALITY / ENTITY		251
ADDENDUM E – WARD REPORTING		253
ADDENDUM F – WARD INFORMATION		265
ADDENDUM G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2011/12		266
ADDENDUM H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS		267
ADDENDUM K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE		268
ADDENDUM K (I): REVENUE COLLECTION PERFORMANCE BY VOTE		268
ADDENDUM K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE		269
ADDENDUM L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG		270

Contents

ADDENDUM M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES	271
ADDENDUM M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME	271
ADDENDUM M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME	275
ADDENDUM N – CAPITAL PROGRAMME BY PROJECT 2011/12	276
ADDENDUM O – CAPITAL PROGRAMME BY PROJECT BY WARD 2011/12	280
ADDENDUM P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS	281
ADDENDUM Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION	282
ADDENDUM R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY	283
ADDENDUM S – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71	283
VOLUME II: ANNUAL FINANCIAL STATEMENTS	284

Contents

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
DoC	Drop off Centre (waste)
DSAC	Department of Sports, Arts and Culture
EPWP	Expanded Public Works Programme
EXCO	Executive Committee
GAMAP	Generally Accepted Municipal Account Principles
GTEDA	Greater Tzaneen Economic Development Agency
GTM	Greater Tzaneen Municipality
GRAP	Generally Recognised Accounting Principles
HIV	Human Immunodeficiency Virus
IDP	Integrated Development Plan

Contents

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
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
PrDP	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

Contents

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

It gives me a great pleasure to introduce the Greater Tzaneen Municipality Annual report for the 2011/12 financial year, beginning with applauding the great achievements of our learners who achieved outstanding matric result this year. We are moving to the national government election next year 2014, so we need to work hard to continue maintaining the optimal level of service delivery to our communities and stake holders. Having noted the 2009 Cabinet approval of Turnaround Strategy for Local government ,we have strategically positioned and aligned all our plans according to the key elements of the strategic plan namely;



- Ensure that we strive to meet basic needs of communities;
- Build clean, responsive and accountable administrative systems;
- Improve functionality, performance and professionalism of our staff; and
- Strengthening partnership with our communities and the private sector.

In compliance with the above strategic alignment, as well as our revised Integrated Development Plan , we strive once again in this under review year to remain a municipality of excellence by providing the best possible service and making Greater Tzaneen Municipality a choice of investors and residents alike. We will continue to respond to the execution our projects and outstanding road projects which will make our town clean and the best town in Limpopo. Our customers need quality service so that they can pay these services with a smile. Our customers now are able to pay with debit and credit cards for their bills at various internal and external pay points. We also have a fixed prioritised programme to change and improve our roads from gravel to tar through MIG and own counter funding.

Of significance is also the fact that during the IDP, Budget and PMS Strategic Planning workshop held during January 2012 and re-affirmed in August 2012, we conceptualized a Vision 2030 that seeks to turn Tzaneen into a City. Vision 2030 will positively impact on the provision of quality and sustainable services such as household water, electricity, houses, sanitation, environmental and waste

Chapter 1

management, the tarring of all gravel roads and economic development for our urban and rural areas within our municipality. It is indeed an ambitious plan that require our people, NGO's, private sector and all spheres of governance to come on board to ensure the realization of our Vision 2030. The work towards the development of a comprehensive plan has started and we believe the Special Council of May 2013 will approve the Blue Print to ensure that we start implementation as a matter of urgency.

In conclusion, I wish to indicate that in our attempt to achieve excellence in all spheres of service delivery, the Municipality is steadily moving towards fulfilling the dream of developing and adopting a long term socio-economic development of becoming one of the cities of SOUTH AFRICA. While we are aware of the challenges we still need to face, we can optimistically strive to achieve our goals, given the support and dedication of our communities and employees.

I wish to thank all the residents, stake holders and partners of the Greater Tzaneen Municipality for their ongoing support and faith in us and express the wish that we will grow from strength to strength. Lastly it is trusted that Bafana Bafana will do well in hosting and lifting the African nation's cup this year.

Mayor

Cllr. DJ Mmetle

Chapter 1

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

Greater Tzaneen Municipality has throughout the years strived to ensure that the communities residing within its boundaries have access to sustainable basic services, 2011/12 was no exception. GTM has succeeded during this financial year to move away from a position of financial recovery. Even though the municipality received a disclaimer on its Annual Financial Statements for the financial year, the cashflow has been restored to acceptable levels.

In terms of service delivery initiatives GTM can be proud to say that we have managed to:

- Retain Blue Drop Certification for our water
- Improved on the quality of our waste water, in an effort to achieve Green Drop Status for our purification plants
- Purchase 2 graders to assist with the maintenance of gravel roads
- Provide uninterrupted kerbside waste removal services in the 5 formal towns
- Maintain all parks and open spaces in the 5 formal towns
- Monitor the quality of food sold to the public by doing regular inspections at all food-handling premises
- Maintain all formal cemeteries
- Facilitated the creation of more than 4300 job opportunities through various initiatives such as the GTED, LED unit, CWP & EPWP

The details regarding the financial situation of GTM as well as the performance on service delivery objectives will be discussed in detail in the report that follows.

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 assist 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

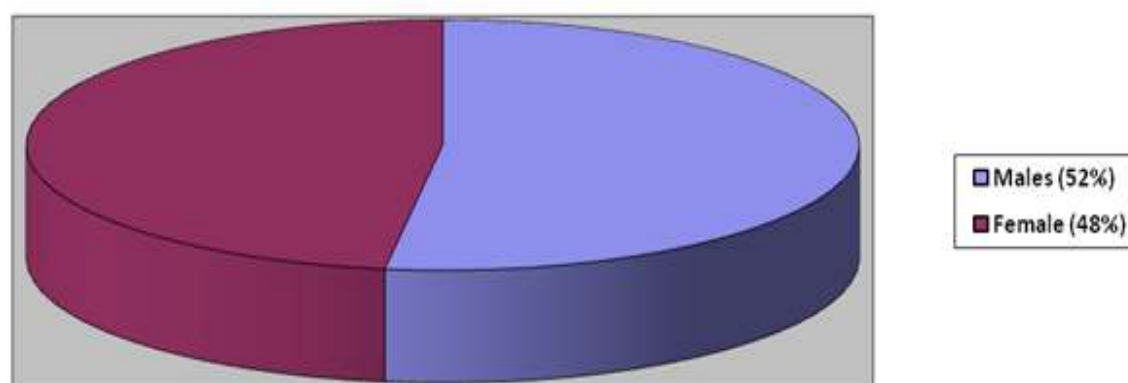
According to the Statistics South Africa (Census 2011), the Greater Tzaneen Municipality has increased its population from 375 588 to 390, 092 (an increase of 14 504) comprising of 181 558 males (Census 2001, 171 119) and 208 536 females (Census 2001, 204 469). Females still outnumber males as they comprise 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%
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%

Chapter 1

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 of heads of households whereas female constitute 52 052. The above information shows a move in the of gender heads of households to males from females.

Figure 1: Household heads by gender, 2011



Source: Stats SA Census 2011

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

Chapter 1

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

1.3. SERVICE DELIVERY OVERVIEW

Greater Tzaneen Municipality has a responsibility to provide services to its people. During the 2011/2012 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.

Chapter 1

Table 5: Service delivery initiatives 2011/12

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"> ✓ Strategic lightings installed in the following areas <ul style="list-style-type: none"> • Politsi ✓ For the financial year 2011/12, 1949 households received electricity connections. The following villages benefited:- <ul style="list-style-type: none"> • Burgersdorp Village 145 Units • Lenyenye Village 105 Units • Mogapeng Village 86 Units • Mokgolobotho Village 936 Units • Ramotshinyadi Village 523 Units • Serare Village 154 Units
4. Roads and Storm water	<ul style="list-style-type: none"> ✓ 1824 km of internal streets in villages were graded ✓ 92.4 km of internal streets regavelled ✓ Small bridges constructed in Rikhotso and Morapalala ✓ Tar patches done in Tzaneen town and all townships ✓ 1735 m2 sidewalks paved ✓ Servitude roads graded in farms ✓ Stone pitching completed in Petanenge, Relela, Nkowankowa, Bulamahlo, Leseka, Dan and Moime
5. Fleet Management	<ul style="list-style-type: none"> ✓ A total of 101 vehicles consisting of vehicles, sedan, LDV's and trucks were procured successfully. ✓ Additional Regravelling earthmoving equipment were also purchased consisting of 4 tipper trucks, 2 roller compactors, 2 water tankers, and 2 TLB's ✓ A total of 34.3 million was used to procure all the vehicle and equipment listed above.
6. Waste Management	<ul style="list-style-type: none"> ✓ Waste Minimization: Presently provided in all towns and townships ✓ Composting: Presently all organic waste is treated at a basic technology composting site
7. Building and Maintenance	<ul style="list-style-type: none"> ✓ A total budget of R 400 000 was used to do emergency maintenance that was not planned for to meet OHS requirements. ✓ All smoke detectors in all municipal buildings and fire extinguishers were serviced to a total of R 150 000 to comply to OHS act ✓ Various planned maintenance was carried out in all municipal buildings to the cost of R 600 000 ✓ A budget of R 200 000 was used to maintain public toilets including the commissioning of Lenyenye public toilet.
8. Land, Property and Housing	<p>Registration of Houses to Owners</p> <ul style="list-style-type: none"> ✓ 200 Title Deeds for Nkowankowa C ✓ 472 Title Deeds for Dan Extension 2

Chapter 1

Table 5: Service delivery initiatives 2011/12

Service	Activities														
	<p>Transfer of sites</p> <ul style="list-style-type: none"> ✓ Portion 292 and 293 of the farm Pusela 55LT (Talana Hostel and surrounding areas) donated to the municipality by the Department of Public Works ✓ Portion 37 Hamawasha/Tzaneen Extension 89 (McDonald) purchased by Housing Development Agency (H.D.A) on behalf of the Municipality not yet transferred. <p>Leases</p> <p>Tenants of Pusela 6 signed a new lease agreement to rent as family units from June 2011 to June 2012, waiting to renew the Lease Agreement .</p> <p>Areas earmarked for development</p> <ul style="list-style-type: none"> ✓ Council entered into land availability for development of the following extensions <table border="1" data-bbox="587 813 1404 992"> <thead> <tr> <th>Town</th> <th>Developer</th> </tr> </thead> <tbody> <tr> <td>Dan Extension 1</td> <td>Dewcon</td> </tr> <tr> <td>Tzaneen Extension 13</td> <td>Phetogo Projects</td> </tr> <tr> <td>Tzaneen Extension 53</td> <td>Phadima Holdings</td> </tr> <tr> <td>Tzaneen Extension 60</td> <td>Solidarity Developers</td> </tr> <tr> <td>Tzaneen Extension 78</td> <td>Ngoma Trading</td> </tr> </tbody> </table> <p>Installation of Services</p> <ul style="list-style-type: none"> ✓ COGHSTA is funding the installation of services (water , sewer and road grading) at Dan extension for an amount of R 8, 187, 000.00 ✓ COGHSTA is also funding the installation of services (water , sewer and road grading) at Dan village for 2000 sites and an amount of R 44, 000,000.00 	Town	Developer	Dan Extension 1	Dewcon	Tzaneen Extension 13	Phetogo Projects	Tzaneen Extension 53	Phadima Holdings	Tzaneen Extension 60	Solidarity Developers	Tzaneen Extension 78	Ngoma Trading		
Town	Developer														
Dan Extension 1	Dewcon														
Tzaneen Extension 13	Phetogo Projects														
Tzaneen Extension 53	Phadima Holdings														
Tzaneen Extension 60	Solidarity Developers														
Tzaneen Extension 78	Ngoma Trading														
<p>9. Library Services</p>	<ul style="list-style-type: none"> ✓ 95957 Library users were assisted ✓ 96325 Books were lent out ✓ 130 Displays set up ✓ 89 Groups hosted ✓ 3 Holiday programmes arranged and hosted ✓ 8 Major and 13 minor book related events arranged ✓ 1039 Learners participated in the GTM annual competition ✓ 672 School project themes assisted with. <p>New Libraries</p> <ul style="list-style-type: none"> ✓ New Library under construction at Shiluvane by the DSA & C at a cost of R 4, 221, 059.00 ✓ New Library under construction at Molati by the DSA & C at a cost of R 4, 326, 904.60 														
<p>10. Licensing Services</p>	<table border="1"> <thead> <tr> <th>Service</th> <th>Amount (R)</th> </tr> </thead> <tbody> <tr> <td>Vehicle registration</td> <td>12,827</td> </tr> <tr> <td>Vehicle renewal</td> <td>50,488</td> </tr> <tr> <td>Traffic fine payment</td> <td>6,170,925</td> </tr> <tr> <td>Issuing of driving license</td> <td>16,941</td> </tr> <tr> <td>Issuing of learners license</td> <td>6,823</td> </tr> <tr> <td>Issuing of public driver's license</td> <td>3,453</td> </tr> </tbody> </table>	Service	Amount (R)	Vehicle registration	12,827	Vehicle renewal	50,488	Traffic fine payment	6,170,925	Issuing of driving license	16,941	Issuing of learners license	6,823	Issuing of public driver's license	3,453
Service	Amount (R)														
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Vehicle renewal	50,488														
Traffic fine payment	6,170,925														
Issuing of driving license	16,941														
Issuing of learners license	6,823														
Issuing of public driver's license	3,453														
<p>11. Sport, Arts and Culture</p>	<p>Events</p> <ul style="list-style-type: none"> ✓ Hosted Cluster Indigenous games ✓ Hosted Municipal Indigenous games ✓ Hosted Cluster Arts and Culture competition 														

Chapter 1

Table 5: Service delivery initiatives 2011/12	
Service	Activities
	<ul style="list-style-type: none"> ✓ Hosted Municipal Arts and Culture competition ✓ Hosted Mayors Cup 2011 and 2012 ✓ Supported Youth camps

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

Table 6: Percentage of Households with access to basic services				
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%

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 waste removal services in large, sparsely populated rural areas, especially since cost recovery is not yet workable.

Chapter 1

1.4. FINANCIAL HEALTH OVERVIEW

The 2011/12 was again a very challenging year for the Greater Tzaneen Municipal finance, the Municipality has encountered some challenges and achievement during the financial year in terms of service delivery like any other local municipality in the country.

The use of going concern basis of accounting is appropriate because of the date of approval of Annual Financial Statement; the council does not believe that there are any material uncertainties related to events or conditions that may cast significant doubt about the ability of the GTM to continue as a going concern. The Greater Tzaneen Municipality's cash flow balance was improved to R50 Million cash in the bank at year end. If the unspent conditional grants of R39 Million are deducted Council still has a positive cashbook balance of R11 million on 30 June 2012. It must also be emphasized that a loan of R34 Million was taken up to finance capital projects of which an amount of R30 million was spent at year end. If this is taken into account council has a positive cash book balance of R7 million on 30 June 2012. The financial year ended with a deficit of R89 million, which was mostly contributed by the impairment of assets which is a non cash item.

These improvements of cash in the bank were effected through strict budget management and the control of expenditure to be in line with the cash at hand.

Details	Original budget	Adjustment budget	Actual
<i>Income</i>			
Grants	240 136	243 503	208 297
Taxes, Levies and tariffs	385 075	385 075	385 034
Other	54 128	54 128	84 157
Sub Total	679 339	682 706	677 488
<i>Less Expenditure</i>	675 116	675 116	766 284
Net Total*	4 223	7 590	-88 796
*Note: surplus/deficit	4223	7590	88796

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 however differ with only 0,8%. With regard to the expenditure it is confirmed that the variance of R91 million is mainly the result of the impairment

Chapter 1

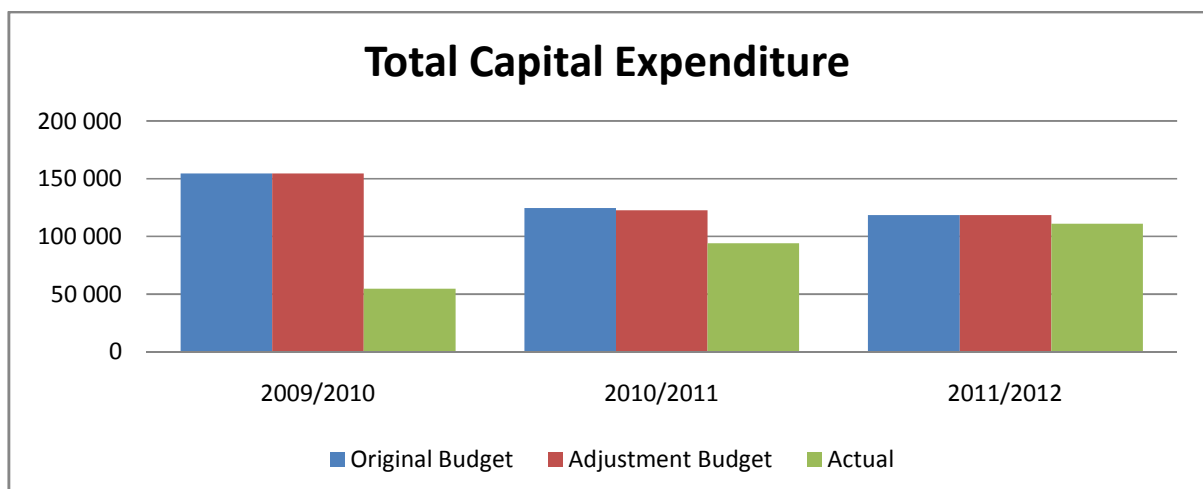
of assets which amounts to R97 million. Another contributing factor is the bulk purchases which increased with R64 million.

Table 8: Operating Ratios Actual (2011/12)	
Detail	Percentage
Employee Cost	20.0%
Repairs and Maintenance	5.0%
Finance Charges and Depreciation	14.0%

Employee cost represents 20% of the total Expenditure which is well below the acceptable norm of 35%. Repairs and maintenance represents only 5% 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 12,2% of the total actual expenditure. Finance charges and depreciation represents 14,0% of the total expenditure which is acceptable.

Table 9: Total Capital Expenditure (2008/09 - 2011/12) (R'000)				
Detail	2008/2009	2009/2010	2010/2011	2011/12
Original Budget	68 205	154 704	124 553	118 376
Adjustment Budget	68 205	154 704	122 763	118 376
Actual	19 407	54 627	94 017	111 074

Figure 2: Capital Expenditure 2009/2010 – 2011/12



Chapter 1

The 2011/2012 financial year ended with a Actual Capital Expenditure of R111 074. Compared to the budget of R118 376, which is a much better performance than previous years. A request the roll-over of some of the Capital projects who have not been finalized during the 2011/2012 financial year has been submitted to National Treasury for approval.

1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

The latest Organizational Design took place during the beginning of 2011 to ensure that the organogram 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. Adhoc requests for the amendment of the organogram for the 2011/12 financial year was done on an as and when required basis. As on 30 June 2012 a total of 1416 positions were approved of which 653 were filled with 763 vacancies. A comprehensive explanation of this matter can be found in Chapter 4.

1.6. AUDITOR GENERAL REPORT

The Council is responsible for the preparation of the Annual Financial Statement. The Annual Financial Statement conform with general recognize accounting practices GRAP, the reporting regulations of the Municipal Finance Management Act, fairly present the statement of the affairs of the Greater Tzaneen Municipality as at the end of the 2011/12 financial year, and results of its operations and cash flows for the period under review.

During the 2011/12 financial year, GTM received a disclaimer of opinion due to the non compliance of the Generally Recognised Accounting Practice (GRAP) standards, GRAP 3 and 17, non submission of supporting documents and non compliance of Supply Chain Management prescripts. The report of the Auditor General is attached hereto as Annexure B.

Five of the directors of the Municipality including the CFO's contracts were not extended and new directors were appointed during July 2012/13, this could have had a negative impact on the audit report. The basis for the disclaimer can be grouped into the following:

- Property, plant and equipment;
- Investment Property;
- Prior year opening balances;
- Supporting documents not presented to the auditors during the audit; and

Chapter 1

- Compliance of Supply Chain Management prescripts.

The Greater Tzaneen Municipality drafted audit action plan which will be strict adhered to and management will ensure that implementation plan is implemented effectively. The complete report from the Auditor General is attached as **Annexure B**.

Chapter 1

1.7. STATUTORY ANNUAL REPORT PROCESS

Table 10: Annual reporting process

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise 4 th quarter 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)	August
8	Mayor tables the unaudited Annual Performance Report	
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	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Audited Financial Statements to Council complete with the Auditor-General's Report	
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 1

The reporting timeframes as presented in the table above are as legislated. It is however important to distinguish between the Annual Performance Report (APR) and the Annual Report. The Annual Performance Report is an annual report on the actual achieved in relation to the targets set in the Service Delivery and Budget Implementation Plan (SDBIP), as approved for the specific financial year. This report must be submitted to the Auditor General along with the Annual Financial Statements (AFS). Then upon the approval of this report an Annual Report is drafted where the status of all municipal affairs for the financial year is reflected upon with the APR and AFS as addendums. The Annual Report has to serve before Council by 30 January to allow the MPAC to consider it and report to Council by 30 March. The APR needs to be considered during the Analysis Phase of the IDP during August and September to ensure that the strategic plan of Council is adjusted to address the challenges highlighted. The revised IDP will then form the basis of the budget and SDBIP for the new financial year.

The Members of the MPAC are as follows:

Cllr. S Mbhalati (Chairperson)

Cllr. S Mboweni

Cllr. G Mabuza

Cllr. TS Manyama

Cllr. M Sibiyi

Cllr. Mokgoloboto

Cllr. S Mahori

Cllr. J Ramodipa

Cllr. A van Vuuren

Cllr. J Shiluvane

Cllr. G Ghondzweni

Cllr. L Hlangwani

Cllr. H Zandamela

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 our communities;
- Provide, without favour or prejudice, democratic and accountable government
- Encourage the participation of the communities;
- 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

Chapter 2

- 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 fulfill these duties as far as possible, taking account the budget and capacity they have available.

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

Chapter 2

2. Finance Committee
3. Municipal Public Account Committee (MPAC)

On the administrative component, the Internal Audit Unit also serves as bedrock for fiscal guidance and accountability.



POLITICAL STRUCTURE

Function

MAYOR

Mrs. DJ Mmetle

The Mayor provides political guidance, monitor and oversee the exercise of responsibilities assigned to the 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 preside 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 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.

Chapter 2

EXECUTIVE COMMITTEE

1. Cassius Machimana
2. Rirhandzu Selomo
3. Samson Maunatlala
4. Charlotte Nkhwashu
5. Richard Shingange
6. Sevwane 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 respect 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 seats; Cope 2, ACDP and APC each have a seat. The ANC is in charge of 32 of the 34 ward and the rest is led by the DA. The Executive Committee consists of 10 members, which is chaired by the Mayor. Each member of the committee chairs a portfolio committee made up of other councillors and officials. The Mayor, Speaker, Chief Whip and four other councillors, who are also part of EXCO, are fulltime councillors.

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 2011/12 being:

- Office of the Municipal Manager
- Office of the Chief Financial Officer
- 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 (Office of the Municipal Manager being the other Department), namely, that of the Office of the Mayor was created during the organizational review process. This Department will only be sourced and become operational with effect from 1 July 2013, currently the functions are managed by the Corporate Services Director. It will be headed by a Director (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. The contracts of all Section 57 Managers expired at the close of the financial year with the Municipal Manager on 31 May and the Directors on the 30th of June 2012.

Chapter 2

TOP ADMINISTRATIVE STRUCTURE

TIER 1

MUNICIPAL MANAGER

Mrs TC Mametja



Function

Accounting Officer, Also managing, IDP, PMS, Disaster Management and Internal Audit

TIERS 2 AND 3

CHIEF FINANCIAL OFFICER

Mr AJJ Le Grange



Manage Revenue, Expenditure, Supply Chain and Financial Services 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

DIRECTOR: Planning & Economic Development

Mrs FT Mashianoke



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

DIRECTOR: Corporate Services

Vacant

Manage Legal services, Human Resource, Public Participation, Communication and Marketing and IT

DIRECTOR: Engineering Services

Vacant

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

Chapter 2

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 cooperative governance and intergovernmental relations within the three spheres of government. Through these forums, spheres 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 municipality attends provincial intergovernmental meetings such as the Provincial Premier/Mayor's Forums and the Provincial Development Planning Forums. Through such meetings, the municipality was able to obtain information about future developmental plans by sector departments and state owned enterprises to be implemented within our area of jurisdiction. During the 2011/12 financial year, through these intergovernmental forums, the municipality was able to have a consolidated report about all government wide projects to be implemented.

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 has established, within its Corporate Services Directorate, a Public Participation Unit/Division, with functional personnel and specific responsibilities in terms of public participation. Key to our accountability processes in terms of both the Structures and the Systems Acts, is the facilitation and implementation of the following forums:

- Quarterly Community report back meetings by Ward Councilors
- Quarterly Mayoral Imbozos
- 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:

- Quarterly Bulletin - a Municipal magazine called Greater Tzaneen Bulletin;
- Face book Page – Greater Tzaneen Municipality
- GTM Electronic Newsletter – called Makomb- Ndlela which is released Monthly
- GTM Website – www.tzaneen.gov.za, updated daily – to – weekly
- Complaints and Compliments Box – at the foyer of the Municipal offices
- Report from Presidential and Premier's Hotlines

The impact that these 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

Chapter 2

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 direct from community.

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. Unfortunately, during 2011/12 this forum could only convene 3 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.

The IDP Representative forum is not as effective as we would like it to be as documentation are 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 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 impact that these medium have had is that it put GTM 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 changed because ward committees is established from community stake holders. 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 2011/12

Nature & purpose of meeting	Date	Number of Councilors 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					
Public Participation Mayoral Imbizo (Ward 4)	09/10/2011	20	15	150	09/11/2012
Public Participation Mayoral Imbizo (Ward 32)	04/10/2012	15	10	250	04/11/2011
Public Participation Mayoral Imbizo (Ward 13)	04/10/2012	25	20	280	04/11/2012
IDP Representative Forum					
To serve as a platform for stakeholders to input and comment on matters of planning and budgeting of government	17 Oct 2011	38	23	84	29 March to 22 April 2012
	28 Mar 2012	49	29	93	29 March to 22 April 2012
	24 May 2012	51	28	97	29 March to 22 April 2012
COMMUNITY OUTREACH PROGRAMME					
Public protector in Nkowankowa	16 August 2011	5	10	6000	16 August 2011, the questions were raised by the community were all provided with the verbal information
Youth against crime campaign	01 July 2012	4	12	1000	01 July 2012, the community were supplied with a satisfactory feedback
Youth commemoration	23 June 2012	6	5	1500	23 June 2012, the questions were raised

Chapter 2

Table 11: Public meetings held during 2011/12

Nature & purpose of meeting	Date	Number of Councilors in attendance	Number of Municipal Officials in attendance	Number of Community Members in attendance	Dates and manner of feedback given to the community
					and positive respond were provided and the community was satisfied
National day against child labour	19 July 2012	9	13	8000	19 July 2012, all the questions were responded verbally and the community was satisfied
Apply now campaign	03 October 2012	3	5	300	03 October 2012, the community was provided with information they required
Sanitary towels	06 November 2012	11	3	50	16 November 2012, the feedback were given the same day

Chapter 2

The four clusters of GTM being Lesedi Cluster, Bulamahlo Cluster, Runnymede Cluster and Relela Cluster have established a cluster forum which will deal specifically with communities in and around the clusters with regard 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:

Ward	Priority name and detail	Progress during 2011/12
1	Provision of water and grading of Internal streets	Water remains a challenge, however, 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, 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 its function
3	Provision of water pipelines at Ga-Wally and Radoo, provision of toilets at Ga-Wally, 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, municipality is delivering water through tankers as a way to alleviate the problem. Toilets have not yet been constructed. 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, 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, municipality is delivering water through tankers as a way to alleviate the problem. Streets are being graded through a municipal wide ward programme
6	Provision of water	Water remains a challenge; however, 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	Water remains a challenge; however, municipality is delivering water through tankers as a way to alleviate the problem. Streets are being graded through a municipal wide ward programme. The Mavele to Moruji road has been advertised for implementation by Mopani District

Chapter 2

Table 12: Service Delivery priorities per ward (Highest Priority first)		
Ward	Priority name and detail	Progress during 2011/12
	to Moruji road	Municipality
8	Provision of water	Water remains a challenge; however, municipality is delivering water through tankers as a way to alleviate the problem.
9	Provision of water, grading of internal streets and construction of a bridge	Water remains a challenge; however, 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.
10	Provision of water	Water remains a challenge; however, 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, municipality is delivering water through tankers as a way to alleviate the problem. The Mavele to Moruji road has been advertised for implementation by Mopani District Municipality
12	Construction of a bridge to Lwandlamuni school, speed humps and provision of water	Bridge to Lwandlamuni School not yet constructed ,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 challenge, and however, municipality is delivering water through tankers as a way to alleviate the problem. Maribethema is still on the electricity priority list.
15	Water & Electricity Supply capacity	Increased water & electricity capacity to allow new developments
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. Streets are being 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

Chapter 2

Table 12: Service Delivery priorities per ward (Highest Priority first)		
Ward	Priority name and detail	Progress during 2011/12
22	Construction of Gavaza to Mafarana tar road and the grading of internal streets	Gavaza to Mafarana road not yet tarred. Streets are being graded through a municipal wide ward programme.
23	Provision of water, houses and grading of internal streets	Water remains a 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, municipality is delivering water through tankers as a way to alleviate the problem and the road from Khopo to Letsitele not yet constructed
25	Provision of water	Water remains a challenge; however, municipality is delivering water through tankers as a way to alleviate the problem.
26	Provision of water	Water remains a challenge; however, 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	The road from Dr CN Phatudi via Pharare to Mokgapeng not tarred. Water remains a challenge; however, municipality is delivering water through tankers as a way to alleviate the problem. 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	Water remains challenge, however, municipality is delivering water through tankers as a way to alleviate the problem
29	Provision of water	Water remains a challenge; however, 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	New cemetery not yet developed awaiting EIA
32	Provision of water and grading of Internal streets	Water remains a challenge; however, municipality is delivering water through tankers as a way to alleviate the problem. 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 road from Bokgakga to Mogoboya is being constructed. Streets are being graded through a municipal wide ward programme. Water remains challenge, however, municipality is delivering water through tankers as a way to alleviate the problem and houses not constructed

Chapter 2

Table 12: Service Delivery priorities per ward (Highest Priority first)		
Ward	Priority name and detail	Progress during 2011/12
34	Provision of water and the construction of tar road on the Lephepane to Khujwane road	Water remains a challenge, however, municipality is delivering water through tankers as a way to alleviate the problem and the road from Lephepane to Khujwane is under construction

Chapter 2

2.5 IDP PARTICIPATION AND ALIGNMENT

Criteria	Yes/no
Does the municipality have impact, outcome, input and output indicators	Yes
Does the IDP have priorities, objectives, KPIs, development strategies	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score	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?	Yes

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.

Some of the benefits of Good Corporate Governance:

- Ensures corporate success and economic growth.
- Maintains stakeholders' confidence, as a result of which, institution can raise capital efficiently and administrative effectively.
- It lowers the capital cost.
- It provides proper inducement to the (political) principals as well as managers to achieve objectives that are in interests of the stakeholders and the organization.
- Minimises wastages, corruption, risks and mismanagement.
- It helps in brand formation and development.
- Ensures organization in managed in a manner that fits the best interests of all.

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 risk committee timorously.

A risk unit and risk officer has not yet been established and employed for GTM. Presently the manager internal audit has been requested to assist by organizing the activities of the Risk Officer such as coordinating the annual risk assessment and the issuing of risk report and the updating of the risk register.

Chapter 2

Service departments play an important role as it is their responsibility to manage risks by developing effective system of internal controls to minimise risks within their sphere of operations. Annually they are invited to participate in the risk assessment process by identifying risks within their departments.

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 but no committee has been established to oversee the function. However, there is a supply chain policy in place 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 has also established internal audit unit and the shared audit committee with the Mopani District Municipality, of which the members are non municipal employees or councilors. Recommendations of audit committee are contained in **Addendum G**.

2.8 SUPPLY CHAIN MANAGEMENT

The 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 the prescripts. The latter all contributes to the successful procurement of goods and services, and minimizes the opportunities for fraud and corruptions. In the financial year 2011/2012 the Council has approved the SCM Policy (August of 2011) as required by prescripts, and will annually review and implement the policy. It should 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 policy as follows:

- Demand
- Acquisition
- Logistics
- Disposal

Chapter 2

- Risk
- Performance

It should further be noted that in terms of corporate governance the unit is compliant and that this financial year the policy will be subjected to a review.

Other Financial Matters

- The unit is currently outsourcing a database system, which will contribute to the full compliance of the set prescripts and ensure that the unit is well functioning and this in itself will and might have financial impact.
- The training of bid committees and SCM officials was not fully achieved due to the appointment of new committee meetings, the process will be outsourced to capacitate the members and officials in the daily running of the SCM processes

2.9 BY-LAWS

Public Participation on By-laws was performed through community and ward meetings around Greater Tzaneen Municipality. Communities were given an opportunity to raise and indicate their dissatisfaction and comments on the By-Laws. The By-Laws, once gazetted, became a municipal Law and enforced through the prescribed procedures contained therein. The by-laws introduced during 2011/12 are presented in Table 14 below:

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	IN PROCESS OF BEING ADOPTED	NO	NO	N/A	N/A
Health By-Laws for pre-school institutions		NO	NO	N/A	N/A
Cemetery By-Laws		NO	NO	N/A	N/A
Electricity By-Laws		NO	NO	N/A	N/A
Keeping of Animals By-Law		NO	NO	N/A	N/A

Chapter 2

Table 14: By-laws introduced during 2011/12

By-law	Revised/ Newly Developed	Public participation conducted prior to adoption (yes/no)	Date of public participation	By-Law gazetted	Date of publication
Water Services By-Law		NO	NO	N/A	N/A
Education Loans By-Law		NO	NO	N/A	N/A
Financial By-Law		NO	NO	N/A	N/A
Flammable Liquids By-Law		NO	NO	N/A	N/A
Rules of Order & Probity By-Law		NO	NO	N/A	N/A
Traffic policy By-Law		NO	NO	N/A	N/A
Drainage By-Laws		NO	NO	N/A	N/A

2.10 WEBSITES

The new website was developed according to the guide of the MFAMA under Section 75 with the heading 'Information to be placed on websites of Municipalities', this will ensure that all requirements of the MFMA all properly addressed and adhered to.

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	10/01/2011
All current budget related documents	Yes	25/02/2011
2010/11 Annual Report	Yes	25/02/2011
2012/13 performance agreements and plans for Section 57 Managers	Yes	25/02/2011
All service delivery agreements for 2011/12	No	
All long-term borrowing contracts for 2011/12	No	
All supply chain management contracts above a prescribed value(given value) for 2011/12	No	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14(2) or (4) during 2011/12	No	

Chapter 2

Table 15: Municipal Website: Content and Currency of Material

Documents published on GTM website	Yes/No	Publishing date
Contracts agreed on in 2011/12 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	
Public-private partnership agreements referred to in section 120 mad in 2011/12	No	
All quarterly reports tabled in Council in terms of section 52(d) during 2011/12	No	

The rural Broadband project, which is in its second phase, will address the e-Campus or smart Municipality which include amongst others establishing public points on Post Office branches and other public areas for community to use to access Municipal information and information about government services in general.

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

No customer satisfaction survey was conducted during 2011/12, therefore the level of public satisfaction is not certain. However, only two service delivery protests were held (N'wamitwa community and Petanege community). These protests were related to water delivery and also unemployment.

Chapter 3

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

This chapter contains service delivery results for 2011/12 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; and housing services; and a summary of free basic services. The Engineering Services Department consist of four divisions namely: Roads and storm water, Water and Sewer, Project Management Unit, Building control and Fleet.

Roads and Storm Water

The division is responsible for the construction of new road and stormwater infrastructure and the maintenance existing roads including storm water management within its area of jurisdiction. The challenge with regards to provision of this service is budget constraints to meet targets and provide a minimum or acceptable standard of service.

Water and Sewer

This division is responsible for the maintenance of existing water and sewer infrastructure and reticulation management of three (3) water treatment plants and one (1) waste water treatment plant. MDM is the Water Service Authority (WSA) and GTM is the Water Service Provider (WSP). MDM is responsible for bulk water and reticulation thereof. The biggest challenge is the fact that GTM is not the WSA and therefore does not have direct control of the expansion and improvement of water services. GTM has the capacity to provide water and we have retained the blue drop certification award for drinking water quality.

Project Management Unit

This division is responsible for management of all capital budgets for creation of new civil infrastructure services. The biggest challenge is insufficient capital provision to reduce back logs. Also, challenges with the Supply Chain Management process delayed the implementation of road projects during 2011/12.

Chapter 3

Building control services and fleet

Responsible for building control services from approval of building plans to issue of occupation certificates and contravention notices. The unit is also responsible for the maintenance of all Council owned and leased vehicles. The Division also maintains the existing buildings of Council. The biggest challenge with the fleet is to limit the damage to and misuse of newly acquired vehicles. The challenge on maintenance or buildings is insufficient budget provision to meet demands and compliance to the OHS Act. The challenge of building control is a lack of funds to acquire an electronic system for both circulation and filling of building plans.

3.1. WATER PROVISION

Greater Tzaneen Municipality (GTM) had signed a Water services Provider contract with Mopani District Municipality (MDM) on the 9th June 2011. MDM is the Water Services Authority (WSA) and according to the contract MDM will provide bulk water services to GTM while GTM will provide water services to the consumers as well as collection of revenue. Approximately 70% of GTM area consists of rural villages where water provision is not yet as expected. Table 16 presents water service delivery output for 2011/12.

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	2 370 000	3 143 126	3 089 359	9.12%	0.43
2	Tzaneen Dam	1 230 000	1 666 483	1 736 831	1.2%	0.33
3	Letsitele	418 269.96	351 2542	319 559	9.0%	0.38
4	Boreholes	8500	101464	101464	0%	n/a
	Total	4 026 769	8 423 615	5 247 213	4.83%	0.38

It should be noted that since all water assets have been transferred to MDM a detailed report the expenditure on water will be contained in the Annual Report for MDM. This section will only reflect on those aspects managed by GTM on behalf of the WSA.

Chapter 3

There are eleven Water treatment works within the boundary of Greater Tzaneen Municipality. There are also more than 280 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 Northen Water and five (5) operated by MDM. These waterworks as well as boreholes are unable to provide basic water to 99117 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 of 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 temporary measure but eventually prlonged as various boreholes in villages, clinics and schools were found to be dry.

GTM had 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 Tzanen dams had not been successful since the both dams are said to be over allocated. The capacities of the waterworks are also at their maximums. The Water potfolio commitee had recommened, after holding cluster meetings, that the list to upgrade be sent to Mopani District Municipality as WSA to consider upgrading the water works. Five villages, Mariveni, Khujwana, Tours, Nkambako and Fobeni were recomended by Potfolio commitee as those that will receive households connection and be metered (cost recovery). The recommendation was backed by an understanding that the villages are close to waterworks and have constant supply.

Water and sewer services were installed to 1200 stands in Tzaneen Extension 70 and 78 as well as Sewer installtion in Dan Village for 2000. These services were funded by COGHSTA. Water reticulation and 70 stand pipes were installed in Ramotshinyadi by Resolve funded by USAID.

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%

Chapter 3

Table 17: Total use of water by Sector (cubic meters)

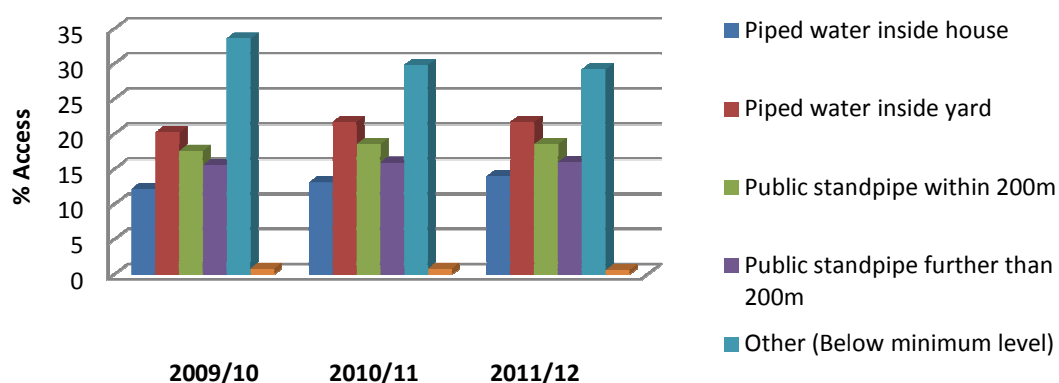
Financial Year	Agriculture	Forestry	Industrial	Domestic	Water Losses
2010/2011	Not known	Not known	293122	143964	11%
2011/2012	Not known	Not known	511932	6812885	9%

Table 18: Household access to water 2009/10 - 2011/12

Level of access	2009/2010		2010/2011		2011/2012	
	Nr of Households	% of Total	Nr of Households	% of Total	Nr of Households	% of Total
Piped water inside house	12083	12.19	13008	13.12	13798	14
Piped water inside yard	20050	20.23	21545	21.74	21545	21.74
Public standpipe within 200m	17434	17.59	18432	18.60	18432	18.6
Public standpipe further than 200m	15440	15.58	15790	15.93	15790	16
Other (Below minimum level)	33298	33.59	29530	29.79	28930	29.2
No water supply	812	0.82	812	0.82	622	0.63
Total Households	99117	100.00	99117	100.00	99117	100
Nr of Households receiving Free Basic water	30 000		2 003		2003	
Nr of Households receiving 24hr piped water	32133	32.42	34553	34.86	34553	34.86
Budget allocation for water supply*	R 1 445 000.00		R 1 445 000.00		R 2 750 000	

*MDM allocation to GTM

Figure 3: Household Access to water



Chapter 3

Table 19: 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

Table 20: Targets for providing access to water

Water Access Target	Year	Cost
300	2012/13	R 3,100,000
300	2013/14	R 3,150.000
300	2014/15	R 3, 500,000

Chapter 3

Table 21: Water Service Delivery targets from SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Accessible services	% of households with access to basic level of water	77%	78%	None
Water and Sanitation	m ³ increase of water quota	3.8million m3	0	None
	# of new basic water connections	110	89	Depends of new applications
	# metered water connections / total figure of households as %	0.5%	0.1%: This is very small when comparing with total households of 89/ 99117: which is 0.08	Depends of new applications
Maintenance on Water and Sewer Network	Mini lab at Sewer Plant	Mini lab at sewer plant 100% completed by 30 March 2012	Projects stopped as GTM was not allowed to do Capital for water.	None
	Operations and maintenance water distribution network	Maintain 100% compliance to maintenance schedules. 100% expenditure	Maintain 100% compliance to maintenance schedules.(After adjustment the vote had a total of R 1, 735,000 hence the expenditure to date is R 1,528,236.00	Maintenance within schedule
	Operations and maintenance water purification	Maintain 100% compliance to maintenance schedules. 100% expenditure	Maintain 100% compliance to maintenance schedules.(After adjustment the vote had a total of R 735,000 hence the expenditure to date is R 732,991.00	Bulk chemicals bought to cater for longer dosages.
	Replacement of air valves at Georges Valley raw water pipeline	Obtain quotations Procurement completed and project completed 100% by December 2011	installation of air valves at 50%	Projects to be completed next quarter whereby GTM's maintenance staff will start with the installations
	Water Works (Upgrade at Tzaneen dam water lab)	Upgrade of Water Laboratory at Tzaneen Dam completed by December 2011	Laboratory upgrade was done.	

Chapter 3

Table 21: Water Service Delivery targets from SDBIP for 2011/12

Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
	Water Works (Upgrade of telemetric system)	Upgrading of telemetric system completed by December 2011	Projects stopped	GTM was not allowed to implement Capital projects for water.

Chapter 3

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

In addition to this, the Water portfolio committee had embarked on visiting various clusters (Thusong centres) to meet wards councillors and committees as well as officials from MDM and GTM in order to collect information about water challenges in Tzaneen Municipality. All information, such as the cause of the water shortages, were captured and grouped accordingly. Problems that needed urgent attention were immediately identified and those that can be solved by officials were given to them, like shortage of diesel for engine driven borehole pumps, damaged or vandalised pipes that needed repairs and could be repaired urgently were attended to. Those that needed political intervention for attention were also noted, to be sent to council. Water and wastewater treatment works which needed upgrade were recorded, to be sent to Water Services Authority for them to include in their

Chapter 3

budget. The outcome of water samples taken for Blue Drop certification is presented in the tables below:

Determinants	Tzaneen	Nkowankowa	Letsitele	Haenertsburg	Recommended-Class1
Ph (-logH)	9.19	8.11	7.36	9.37	5.0-9.5
Turbidity (NTU)	0.6	0.39	0.36	0.97	<1
Colour (as Pt)	13	<5	<5	10	<20
Conductivity (mS/m)	5.61	8.58	40	6.04	<150
Temperature °C	17.6	19.2	19.6	16.2	
Total Dissolved Solids (mg/l)	30.9	44.2	21.6	34.4	<1000
Total Alkalinity (mg/l)	28	60	150	24	
Total Hardness (mg/l)	30	55.83	70	80	
Calcium Hardness as CaCO ₃ (mg/l)	26.67	22.35	64.5	76.47	
Calcium as Ca (mg/l)	10.68	4.17	27.82	30.62	<150
Magnesium Hardness as CaCO ₃ (mg/l)	3.33	1.01	0.51	3.35	
Magnesium as Mg (mg/l)	0.81	9.8	0.12	0.86	<70
Sodium as (Na) (mg/l)	2.20	0.48	55.21	-20.90	<200
Potassium as K (mg/l)	0.9	0	0.6	0.8	<50
Chloride as Cl (mg/l)	7.1	0.14	31.8	9.1	<200
Fluoride as F (mg/l)	0.13	0.043	0.21	<0.02	<1.0
Sulphate as SO ₄ (mg/l)	0		22	0	<400
Nitrate as N (mg/l)	0.04	0.44	0.7	0.01	<10
Iron as Fe (mg/l)	0.089	0.043	0.067	0.091	<0.2
Manganese as Mn (mg/l)					<0.1
Ammonia as N (mg/l)	<0.02	-0.39	<0.02	0.2	<1.0
Aluminium as Al (mg/l)	0.048	8.89	0.01	0.018	<0.3
Zinc as Zn (mg/l)	0.07	0.35	0.51	0.08	<5
Langelier Sat. Index	-0.11		-0.66	0.61	
Ryznar Index	9.41	0.74	8.68	8.15	
Corrosivity Ratio	0.36		0.45	1.53	
CaCO ₃ Precipitation potential (mg/l)					
Free Res. Chlorine (mg/l)	0.92	0.74	0.54	0.42	
E.Coli (count/100ml)	0	0	0	0	0
Total Coliform Bacteria(count/100ml)	0	0	0	0	10

Chapter 3

Table 23:Water works summary of performance, 2011/12

Water Works	Abstract (m ³)	R/(m ³) Abstraction	cost (m ³)	Pumped (m ³)	Cost of chemicals	R/(m ³) pumped	R/(m ³) Total	Plant Cap	Exp Perf	Act Perf	Loss in m ³	loss in %
Letsitele	351252	0.22	R 77,275.44	319559	56173.31	0.16	0.38	1400	42000	319559	31693	9.0
Tzaneen Dam	1736831	0.22	R 382,102.82	1666483	199574.55	0.11	0.33	6000	180000	1666483	408.91	1.2
George's Valley	3143126	0.22	R 679,658.98	3089353	654998.75	0.21	0.43	9000	270000	3089359	53767	1.74

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 VIP (sanitation) to GTM, based on the backlog. GTM's function is to monitor the building of the VIPs. For 2011/2013 financial year 1311 VIP were allocated to Tzaneen by MDM. Sewer network were installed to 2000 stands in Dan Village. 507 VIP's were allocated to Tzaneen by Department of Human Settlement. 36 VIP's suitable for Disable people were constructed in Tzaneen; this project was funded by COGTA. 1200 stands in Tzaneen Extension 70 and 78 were installed with sewer and water distribution network. In total 1850 VIP were constructed during the financial year 11/12 while 2000 stands received waterborne sewer connection.

Level of access	2009/2010		2010/2011		2011/12	
	Nr of Households	% of Total	Nr of Households	% of Total	Nr of Households	% of Total
Flush toilet (connected to sewerage)	11259	11.4	11799	11.9	13514	13.6
Flush toilet (with septic tank)	280	0.3	284	0.3	284	0.3
Chemical Toilet	0	0.0	0	0.0	0	0
Ventilated Pit Toilet	55689	56.2	57715	58.2	58569	59
Other Toilet below minim level	0	0.0	0	0.0	0	0
No toilet provision	31889	32.2	29319	29.6	26750	28
Total Households	99117	100.0	99117	100.0	99117	100
Nr of Households receiving Free Basic sanitation	905		919		1 367	
Budget allocation for sanitation services	R4 898 897		R7 135 317		R8 229 848	

Chapter 3

Table 25: Waste Water performance for Certification 2011/12			
Performance Area	Tzaneen Sewage	Nkowankowa Sewage	Lenyenye Sewage
Technology	Biological (Trickling) Filters Anaerobic digestion	Biological (Trickling) filters Lagoons	Anaerobic ponds/ facultative ponds, Lagoons
Design Capacity (Ml/day)	8	4.5	1
Operational % i.t.o Design Capacity	75	93.3	50
Microbiological Compliance	95%	80%	60%
Chemical Compliance	58%	25%	5%
Physical compliance	98%	93.3%	60%
Annual Average effluent quality compliance	84%	66.1%	41.7%
Wastewater Risk Rating (%CRR/CRRmax)	45%	52.9%	76.5%
Highest Risk Area	Low flow to plant, effluent quality	Design Capacity approaching , effluent quality	Technical skills, Effluent quality
Risk Abatement Process	Draft W2RAP	Draft W2RAP	Draft W2RAP
Capital & Refurbishment expenditure in 11/12	R 0	R 0	R 5-6 Million
Description of projects Expenditure	No capital plans for Financial Year 2011/2012; but plans to increase plant Capacity from 8 to 15 Ml/day is there since Tzaneen town is growing very fast.	Only operating expenditures. Capex (design construction cost) has been spent. Tender has gone out for construction of expanding works.	Upgrading in process to 5.0 Ml/day
Green Drop Score + trend	84.3%	77.9%	21.9%

Chapter 3

The results of the GTM treatment works are presented below:

Table 26: TZANEEN WASTE WATER TREATMENT WORKS Compliance report- Final effluent per month (2011/12)													
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	LICENCE
pH	6.52	6.52	7.1	8.16	7.25	6.41	8.21	7.22	8.98	6.69	7.26	7.41	5.5-9.5
Conductivity (mS/m)	44.9	44.9	46.1	38.2	41.4	41.1	31.2	38.6	37.5	38.6	39.6	46.5	100
Nitrate (as N) mg/l	22.1	22.1	11.9	13.8	3	29.1	2.8	12.7	9.7	11	15.8	2.1	15
Ammonia (as N) mg/l	<0.15	<0.15	9	1.7	10.6	1.3	0.88	0.33	5.5	6.3	0.22	9.1	1
Chemical Oxygen Demand (COD) mg/l	26.9	26.9	27.2	31.3	12	42.7	20.5	18.8	30	72.8	18.8	23.7	75
Orthophosphate (as P) mg/l	6	6	4	4.4	6.6	6.2	2.3	4.3	4	4.1	4.3	4.8	1
Suspended Solids mg/l	<4	<4	<4	<4	<4	4	<4	3	<4	9	3	<4	25
Free Res. Chlorine (mg/l)	0.5	0>50	_										
E.Coli (count/100ml)	_	_	500	700	0	0	0		1	0	0	0	0
Total Coliform Bacteria(count/100ml)													

Chapter 3

Table 27: Sanitation Service Delivery targets for 2011/12 as in the SDBIP

Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Accessible services	% of households with access to basic level of sanitation	35%	41%	None
Maintenance on Water and Sewer Network	Operations and maintenance sewer (distribution networks)	Maintain 100% compliance to maintenance schedules. 100% expenditure	Maintain 100% compliance to maintenance schedules. R 288 590 of R 300 000 spent. (Initial budget was R 900 000.00 with R 600 000. transferred to another vote leaving the vote with R 300 000.00	None
	Replacement of flocculent mixers	Replacement of flocculent mixers 100% completed by 30 March 2012	Flocculent mixer is installed and operating.	None

Chapter 3

Job level	2010/2011			2011/2012		
	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	0%	0	0	0%
Level 10-15	18	7	61%	18	8	55%
Level 16-17	8	6	25%	8	6	25%
Total	30	15	50%	30	16	

3.3 ELECTRICITY

Currently the GTM is on track for universal access to electricity in 2014. Our top service delivery issues are insufficient capacity to fulfil the load (currently being addressed) and the dilapidated state of our distribution system 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 II of the project which includes the laying of a cable network, or main ring, will proceed as soon as the required funding is procured. As stated, electrification is also progressing well thanks to grants and top up funding.

We are in the process to develop prepaid 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. Presently we have about 485 standard CBI prepaid meter customers and 74 split prepaid meters with the ACTOM system. There are requests from conventional customers to convert to prepaid.

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

Chapter 3

funds to alleviate their plight. Service providers are the Municipality and Eskom, each in their respective licensed areas. Recent legislation includes the Electricity Amendment Acts 1989; 1994; 1995; and the Electricity Regulation Act 2006.

Level of access	2009/2010		2010/2011		2011/2012	
	Nr of Households	% of Total	Nr of Households	% of Total	Nr of Households	% of Total
Electricity connection (at least minimum level)	71 209	79.3%	71 209	79.3%	76 600	85.27%
Electricity connection - prepaid	466	0,52%	540	0,6%	0	0%
Electricity below minimum level	0	0	0	0	0	0
No access to electricity	18 622	20.7%	18 622	20.7%	13 323	14.83%
Total Households	89 844		89 844			
Nr of Households receiving Free Basic Electricity	7339	8.17%	7339	8.17%	6 842	84.14%
Budget allocation for Electricity services	R21 Million		R10 Million		R5 Million	

Chapter 3

Table 30: Service Delivery Targets for Electricity as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Electricity network upgrade and maintenance	R-value electricity maintenance	R 5 267 182	R 7 289 510	None
Cost Recovery	% of Electricity losses	12%	17%	None
	R-value of electricity loss	Reporting only - no target	R 3 852 556.61	None
	Total kwh electricity loss	Reporting only - no target	6 341 093	None
Accessible services	Nr of households with access to basic (or higher) electricity	77 116	76 600	1159 Units on Construction due to Late Appointment of Contractor and late Approval of Designs by Eskom
	Nr of households with access to free basic electricity	8300	6704	
	<i>% households earning less than R1100 with access to basic electricity</i>	Information not available	Information not available	
Electricity	% electricity backlog (# Households that needs electrical connections / Total # households as %) (Electrification)	11.8%	14.7%	Backlog Updated in 2011/12 Financial Year
	# of new electricity connections in licensed distribution area	Reporting only - no target	39 New connections and 24 upgrading of connections	
	% increase in Councils' maximum demand (MVA)	Reporting only - no target	7,6%	

Chapter 3

Table 30: Service Delivery Targets for Electricity as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Electricity	MVA increase of urban capacity	40	40	
Infrastructure	% of households earning less than R1100 (indigent) served with <u>free basic</u> electricity	Reporting only - no target	82.40%	
	Nkowankowa 66KV line	Projects implemented and completed	Refurbishment of 66 KV Nkowankowa line completed	no Deviation
	Electrical Connections	Upgrade electrical connections	39 New connections and 24 upgrading of connections	
	Electrification of Mokgolobotho and Dan Ext 1&2 (Phase 2)	Electrification of Mokgolobotho (1399 Households) by December 2011	Project Completed and Energized	
	Pre-paid monitoring system and vending station	Implement pre-paid monitoring system (Flora park - pilot project)	Implementation of pre-paid monitoring systems to be initiated early in 2012/13 financial year	
	Strategic Lighting	Identify areas and install lights	Mandlakazi - 8 Lights Installed Politsi Settlement - Lights Installed Marirone - 8 Lights Installed	
Electricity network upgrade and maintenance	Installation of Fire wall protection	Monitor the installation of the firewall protection	28 Fire Walls Installed	
	Airconditioners	Appoint contractor to install airconditioners on request	14 Airconditioners Installed	
	Auto Reclosers	Purchase and Installation of 2 new auto reclosers (3 installations in total)	Three auto Reclosers Installed	
	Capital Tools (Outlying)	Procurement of tools as & when required	New Ladders, Link Sticks & Earth Sets Issued	
	Capital Tools (Town)	Not applicable this quarter	Inverter & Digicap Printer	

Chapter 3

Table 30: Service Delivery Targets for Electricity as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
			Purchased	
	Reactive and preventive maintenance on overhead lines and equipment (Outlying)	Ongoing maintenance on overhead lines within Outlying distribution network	Ongoing maintenance on overhead lines within Outlying distribution network	
	Reactive and preventive maintenance on Town distribution, machinery and equipment (Town)	Reactive and preventive maintenance on Town distribution, machinery and equipment (Town)	Reactive and preventive maintenance on Town distribution, machinery and equipment (Town)	
	Rebuilding of Lines	Monitor the rebuilding of lines by contractor.	Refurbishment of D/K line, and rebuilding of 11 KV Rapitsi line, Mushuti line, Deerpark and Setuba Nursery lines completed	No Deviation
	Refurbish of distribution network (Outlying)	Ongoing maintenance on Outlying distribution network	Ongoing maintenance on Outlying distribution network	
	LED lights for Robots	Not applicable this quarter	LED Lights Purchase and Installed	
	Streetlight Maintenance (Town)	Maintain all street lights in municipal area	Ongoing maintenance on Streetlights	
	Substation Maintenance (Outlying)	Ongoing maintenance on substations within Outlying distribution network	Ongoing maintenance on substations within Outlying distribution network	
	Traffic Lights (Town)	Maintain all Robots	All Robots Maintained	
	Distribution Network (Service Contribution)	Allocate funding acquired through service contribution payments to projects for increased capacity	R 6 426 952.05 Allocated as follows: R1 mil Build and equip 33KV Atherstone sub (Georges Valley), R1 mil Install 3 new mini subs in Tzaneen Town & R4mil to Build and equip new Ext 53 Voortrekker sub)	

Chapter 3

Table 30: Service Delivery Targets for Electricity as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
			substation Phase 1	
	Upgrading Tzaneen Town network including cables	Installation of cable networks as funds become available through services contributions	Construction of 20 MVA substation 66 KV lines and 90 % of cable works completed. R 2m for cable works to be carried over to 12/13 financial year	Awaiting registrations of servitude for prison substation
	Upgrading protection equipment on substations	Installation and commissioning of protection equipment	No Progress	Could not receive quotations in time from supplier
	Vegetation Control (Outlying)	Ongoing vegetation control on overhead lines within Outlying distribution network	Ongoing vegetation control on overhead lines within Outlying distribution network	
Electricity provisioning	Total electricity purchased (in kWh)	Reporting only - no target	376 542 894	
	The total electricity supplied & metered (in kWh)	Reporting only - no target	313 111 801	
Electrification of villages (Eskom licensed area)	# of new household connections in villages (DME grant)	2173	2115	1159 Units on Construction due to Late Appointment of Contractor and late Approval of Designs by Eskom
	Lenyene 225 units electrification	Monitor progress on project implementation and report to Management	Project Completed and Energised	None
	Burgersdorp (76) & Gavaza (113)	Monitor progress on project implementation and report to Management	Project at Construction Phase	None
	Serare (338 Units)	Monitor progress on project implementation and report to	Project Completed and Energised	None

Chapter 3

Table 30: Service Delivery Targets for Electricity as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
		Management		
	Mogapeng (145 Units)	Monitor progress on project implementation and report to Management	Project Completed and Energised	None
	Miragoma/ Ramochinyadi (264)	Monitor progress on project implementation and report to Management	Project Completed and Energised	None
	Makaba electrification (250 units)	Monitor progress on project implementation and report to Management	Project Completed and Energised	None
	Mookgo 6 & 7 (146 units)	Monitor progress on project implementation and report to Management	Project at Construction Phase	None
	Joppie (186 units) & Mavele (410 Units)	Monitor progress on project implementation and report to Management	Project Completed and Energised	None
Financial Management and Budgeting	% of capital budget for electricity spent	100%	94%	

Chapter 3

Table 31: Employees - Electricity Services						
Job level	2010/2011			2011/2012 ¹		
	Nr of Posts	Nr of Posts	Nr of Posts	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	4	4	4	4	3	25%
Level 4-6	23	23	23	33	19	57.5%
Level 7-9	11	11	11	86	46	53.4%
Level 10-15	52	52	52	0	0	0
Level 16-17	31	31	31	63	41	65%
Total	121	121	121	186	109	58.6%

Table 32: Financial Performance 2011/12: Electricity Services (R'000)					
Detail	2010/2011	2011/2012			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	R 6 469.85	R 5 000	R 5 000	R 6 244	R -1 244
Expenditure:					R 0
Employees	R 20 352.52	R 23 438	R 23 438	R 22 665	R 773
Repairs & Maintenance	R 26 718.09	R 10 496	R 10 439	R 10 034	R 405
Other	R 239 640.21	R 259 594	R 259 594	R 265 485	R -5 891
Total Operational Expenditure	R 293 180.67	R 293 528	R 293 471	R 298 184	R -4 713
Net Operational (Service) Expenditure	R 286 710.82	R 288 528	R 288 471	R 291 940	R -3 469

Table 33: Capital Expenditure 2011/12: Electricity Services (R'000)					
Capital Projects	2011/2012				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Rebuilding of lines	R4 000 000	+R450 000	R4 402 238	R402 238	R4 402 238

¹ During 2011/12 GTM converted to TASK levels from the old Van Der Merwe system therefore the number of employees in the different levels are not exactly comparable.

Chapter 3

Table 33: Capital Expenditure 2011/12: Electricity Services (R'000)					
Capital Projects	2011/2012				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Letsitele Transformer Replacement	R4 500 000	-R450 000	R4 044 146	R455 854	R4 044 146
Capacity Project	R53 550 000	+R1 800 000	R53 098 697	R451 303	R53 098 697
Nkowankowa 66 kV Line	R2 000 000	- R1 800 000	R168 944	R1 831 056	R168 944
Pre-paid Monitoring	R500 000		R494 041	R5 959	R494 041
Airconditioners	R150 000		R108 884	R41 115	R108 884
Replace LT Cables	R120 000	R5 000	R119 239	R6 260	R119 239
Strategic Lighting	R155 000		R120 384	R34 615	R155 000
Capital tools (Urban)	R275 000		R12 305	R146 694	R146 694
Robot LED Lamps	R80 000	R24 500	R104 372	R24 500	R104 372
Protection Equipment	R70 000	0	0	0	0
Capital Tools Rural	R220 000		R211 032	R8 968	R211 032
Auto Reclosers	R880 000		R894 121	R14 121	R894 121
Firewalls Rural	R550 000		R473 239	R76 761	R473 239
Total	R6 7 050 000		R64 251 642	R3 499 444	R64 420 649

The three highest priority capital projects are electrification, increasing of capacity and rebuilding of overhead lines. Variances on these largest capital projects are minimal and the projects are currently on time and track. We are also not expecting any likely variances at this stage on the future spending pattern. We have concerns about achieving our targets due to financial constraints. The only agreement with Eskom, other than our normal supply agreement, is the Municipal Use of System (MUOS) whereby GTM supplies Eskom consumers via the GTM distribution system. This agreement expired in 2012 and negotiations are underway

Chapter 3

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

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

The National context for waste management includes:

- 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”
- The Environmental Management Act (Act 107 of 1998)
- The Environmental Waste Management Act (Act 59 of 2008)
- Environmental Conservation Act (Act 73 of 1989)
- The Solid Waste By-Laws (Notice 12 of 1990)
- The Waste Management Policy

Waste quantities and characteristics

General Waste: 61,842 m³ (59.46 t/day)

Health Care Waste: 385.14 m³

Garden Waste: 13,376 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

Mandate

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

Chapter 3

measures to prevent pollution and ecological degradation promote conservation to secure sustainable development to achieve the International & National goals. The Integrated Waste Management Plan's objectives are to:-

- To provide all households with a basic removal service
- To protect the environment for the benefits of future and present generations
- To prevent pollution and ecological degradation
- To promote conservation to secure sustainable development

DESCRIPTION OF THE REFUSE COLLECTION FUNCTIONS

Waste Minimization (Recycling)

Recycling at source ("yellow-bags") was undertaken in Tzaneen residential areas up until Sept`09,whereafter the M.S.P.(Municipal Service Provider) withdraw due to fluctuating market-prices. The intervention required is the procurement of a M.S.P. to undertake recycling at source & operations of Buy-back-Center/s.

Waste Minimization-Composting

± 13,376m³ organic waste (garden) is treated at a basic technology (no tub-grinder is available) composting site, bulky organic waste can however be composted therefore the procurement of a M.S.P. with appropriate equipment to operate an appropriate-technology compost plant, as part of Landfill management must be considered.

Waste Minimization-Rural Waste Minimization

10,767 or 11.5% urban households of 93,825 households receive a full curbside service, where 88.5% of households are not serviced at present. There is a lack of Community .Development Workers (CDW) to do awareness activities at Eco-club schools, where 40 C.D.W.`s are required to do awareness at 97 Eco-clubs. The re-use of firewood from the Landfill are available and delivered to rural Drop off Centres (DoC) for utilization by communities, to mitigate deforestation-practices. 97 DoCs were erected at present, but it is anticipated that it will become "White Elephants "if dedicated intervention are not implemented i.t.o. the National B.R.R.Policy through the declaration of demarcated localities for BRR Services, the Financing of basic refuse removal services and the

Chapter 3

provision of accurate and updated indigent registers, the Institutionalization of BRR service the registration of IDP projects and the appointment of service providers from the community.

Collection & transportation

A full curbside collection service is rendered at following suburbs, which represents only 11.5% of all households,-

- Nkowankowa
- Lenyenye
- Letsitele
- Haenertsburg
- Tzaneen

88.5% 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 R78, 000,000-00 per annum for all 129 villages.

Litter Picking

Urban streets, main roads & urban taxi / bus ranks are cleaned on a regular and period schedule from all debris and solid waste, where 5,312 m³ are collected monthly. Roads and streets in rural areas are not being attended to

Vehicle replacements

No backlogs exist currently but replacements must start during the 2014//15 financial year. Appropriate vehicles are however required to transport Health Care Waste.

Treatment & disposal

One 11ha permitted landfill classified as a G.M.B- site, are managed in compliance with specifications, with an expected life-span of the site is +- 12 years. H.C.R.W. is removed to a permitted and approved treatment facility in Gauteng. There is no weather – proof entrance or internal roads at the Landfill Drop off centers. Drop-of Centers (DoCs) are located at:

- Nkowankowa
- Lenyenye
- Letsitele

Chapter 3

- Haenertsburg

All D.o.C.s are managed by a Service Provider, 6m³ skips utilized for this purpose and are cleaned on a daily basis at the Tzaneen Landfill. Political engagement with M.D.M. is required to initialize the establishment of a District Landfill in accordance with the National Waste Sector Plan. R 15,000,000-00 required to select, rank and erect a new site. The procurement of a M.S.P. to undertake bulk-removals at D.o.C.s and the procurement of a M.S.P. with appropriate equipment to operate the Landfill Site (included appropriate-technology compost plant, as part of Landfill management) is required. The Civil Engineering Manager must also address Roads & Storm water maintenance, as requested annually during budget-cycle.

Pollution control

9 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 is not operational

Law Enforcement

The appointment of 2 Environmental Law Enforcement Officers delayed due to lack of Workload-assessment & organizational layout. There is also a lack sufficient number of C.D.W.'s in the Rural Waste Programme, the Law Enforcement Division must address the issue of appointments.

Management, Administration, Communications & Logistics

In order to manage solid waste removal more efficiently the following is required:

- Administrative support
- Sufficient budget-provision
- G.I.S. – Lack of operational applications software
- Networking - Lack of network at “outside” offices
- Electronic “Data-capturing”
- Organisational Development interventions by H.R.

Chapter 3

Service beneficiaries:

- Residential removals: 10,775 households
- Business removals: 562
- Own removals-villages (no service): 79,134 households

M³ of refuse disposed

- Domestic & Commercial: 61,843m³
- Garden: 13,377m³

Total operating cost:

- Operating cost of collections & disposal: R31.1milj
- Operating cost of litter picking: R 13,1milj
- Operating cost of public toilet: R 3.0milj
- Total: R47.2milj

Table 34: Household access to solid waste collection services 2008/09 - 2011/12

Level of access	2009/2010		2010/2011		2011/2012	
	Nr of Households	% of Total	Nr of Households	% of Total	Nr of Households	% of Total
Solid waste removal once a week	9892	11%	9892	11%	10775	12%
Removal less frequently than once a week	0	0%	0	0%	0	0%
Using communal dump + own refuse dump	80034	89%	80034	89%	79,134	88%
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%	89926	100%	89926	100%
Nr of Households receiving Free Basic Waste services	9940		13737		13377	
Budget allocation for Solid waste collection services	R 32,158,579		R 37,500,307		R 47,200,000	

Chapter 3

Table 35: Service Delivery targets for Waste as set out in SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Accessible services	Nr of households with access to basic (or higher) refuse removal (Urban)	10,775	10,775	N/A
	Nr of households with access to basic (or higher) refuse removal (Rural)	6979	6979	N/A
	% Households with access to basic level of solid waste removal	11%	12%	
	% households earning less than R1100 with access to basic waste removal	Information not available	Information not available	N/A
Waste management	Regional Landfill site	Liaise with Mopani District Municipality to facilitate the establishment of a regional landfill site.	Continuous liaison with Mopani District Municipality to facilitate the establishment of a regional landfill site via e-mail correspondence - POOR RESPONSE	No response from Mopani about regionalization
	Operationalisation of Rural Waste Drop Off Centres (Pilot run)	Manage the process of operationalising 5 DOC's as pilots.	* 7x 'Civic - Groups' (pilots) was operationalised at 7x 'demarcated' Waste Service Areas. *The 7x 'Civic - Group' is also registered on the E.P.W.P remuneration scheme. * Note:	Due to budget constraints a full service cannot be implemented at the 66x rural W.S.A's

Chapter 3

Table 35: Service Delivery targets for Waste as set out in SDBIP for 2011/12

Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
			Due to budget constraints a full service cannot be implemented at the 66x Rural W.S.A's.	
	Collection & Transportation- Kerbside collections (Bin replacement)	Procurement of 80 bins	The quotations were advertised and was technically evaluated, awaiting approval from CFO and MM	Approval from CFO and MM outstanding
	Collection & Transportation- Kerbside collections (Contracted Litter picking)	100% compliance to litter picking schedules (Tzaneen(50%), Region North) and 100% expenditure	100% compliance to litter picking schedules (Tzaneen(50%), Region North) and 100% expenditure	
	Collection & Transportation- Kerbside collections (Contracted Litter picking)	100% compliance to litter picking schedules (Nkowankowa (50%), Region (South) and 100% expenditure	100% compliance to litter picking schedules (Nkowankowa (50%), Region (South) and 100% expenditure	
	Collection & Transportation- Kerbside collections (Health Care Waste)	100% compliance to healthcare waste removal schedules and 100% expenditure	100% compliance to healthcare waste removal schedules and 100% expenditure	
	Collection & Transportation- Kerbside collections (Lenyenye)	100% compliance to waste removal schedules (Lenyenye) and 100% expenditure	100% compliance to waste removal schedules (Lenyenye) and 100% expenditure	
	Collection & Transportation- Kerbside collections (Municipal Litter picking)	100% compliance to litter picking schedules (Tzaneen, Letsitele & 50% Nkowankowa) and 100% expenditure	100% compliance to litter picking schedules (Tzaneen, Letsitele & 50% Nkowankowa) and 100% expenditure	
	Collection & Transportation- Kerbside collections (Municipal)	100% compliance to waste removal schedules (Tzaneen, Letsitele, Haenertsburg) and 100% expenditure	100% compliance to waste removal schedules (Tzaneen, Letsitele, Haenertsburg) and	

Chapter 3

Table 35: Service Delivery targets for Waste as set out in SDBIP for 2011/12

Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
			100% expenditure	
	Collection & Transportation- Kerbside collections (Nkowankowa)	100% compliance to waste removal schedules (Nkowankowa) and 100% expenditure	100% compliance to waste removal schedules (Nkowankowa) and 100% expenditure	
	Collection & Transportation- Kerbside collections (Urban & D.o.C's)	100% compliance to bulk removal schedules and 100% expenditure	100% compliance to bulk removal schedules and 100% expenditure	
	Pollution Control (Public Toilets)	90% daily compliance to public toilet operations and schedules 100% expenditure	100% daily compliance to public toilet operations and schedules 100% expenditure	Lenyenye toilets was operationalized
	Pollution Control (Upgrading ablutions facilities)	Attend to ablution maintenance as per requisition to CEM 100% expenditure	CEM attends to ablution maintenance request with 75% expenditure. The extension for more toilets to accommodate the visitations was not yet being complied with by CEM.	No extension of ablution facilities due to non alignment of projects with internal departments
	Treatment & Disposal (Landfill operations)	90% daily compliance to landfill permit conditions 100% expenditure	95% daily compliance to landfill permit conditions 100% expenditure	
	Treatment & Disposal(Landfill auditing)	Conduct External landfill audit during April Conduct 4th internal audit on landfill site	External landfill audit was not conducted in April. Conduct 4th internal audit on landfill site 17 June 2012	External audit was not conducted by Prov. Department at 30/06/2012

Chapter 3

Table 36: Employees - Solid Waste Services						
Job level	2010/2011			2011/2012		
	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	4	2	50%	14	3	78.5%
Level 7-9	1	1	0	*	*	
Level 10-15	12	11	8.3%	14	11	13.3%
Level 16-17	124	88	29%	124	88	29%
Total	142	103	27.5	152	103	32.3%

Table 37: Financial Performance 2011/12: Solid Waste Services (R'000)					
Detail	2010/2011	2011/2012			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	R 12,971,298	14711	14711	1705	13006
Expenditure:					0
Employees	R 15,363,782.78	12180	12180	13055	-875
Repairs & Maintenance	R 4,034,402.81	3449	3449	2563	886
Other	R 21,847,646.18	15654	14654	7443	7211
Total Operational Expenditure	R 41,245,831.77	31283	30283	23061	7222
Net Operational (Service) Expenditure	R 28,274,533.77	16572	15572	21356	-5784

No capital projects were implemented for Waste Collection during 2011/12.

Chapter 3

3.5 HOUSING & BUILDING CONTROL

3.5.1 HOUSING

All projects are developed in terms of the approved Integrated Residential Development Programme. All rural projects are implemented in terms of the Rural Housing Subsidy Programme. The Greater Tzaneen Municipality prioritize the wards which have least RDP houses. Five hundred and ninety (590) beneficiaries were identified from Senakwe (150), Hapelane (115), Mantswa (50), Farm housing at Tshamahansi Letsitele (70) and Maribethema (75) benefitted in 2011/12 financial year. Additional 399 units was allocated as follows: Mantswa (47) Mawa-block 9 (59), Zangoma (58), Senopelwa (186), Petanenge (1), Senakwe (27). The total allocation was 989 units for 2011/12 financial year.

Year	Total Households	Households in informal houses	% of HH in formal settlements
2010/2011		20 000	N/A
2011/2012*	108926*	7 729	7.01%

*Number of Households as established through Census 2011

Chapter 3

Table 39: Housing Service Delivery targets for 2011/12 as set out in the SDBIP

Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Housing	RDP Housing (Senakwe, Senopelwa, Ga-pelane, Mantswa & Ward 1, Maribethema, Tsamahansi)	Monitor project implementation & Report on progress with RDP housing at Ward 1 (415), Senakwe (150), Senopelwa (115), Ga-pelane (100) and Mantswa (50), Maribethema (75), Tsamahansi (70)	All houses for 2011/12 financial year have been completed.	N/A
	Emergency Housing (30 units)	Not applicable this quarter	All 30 units completed. The units are distributed in the Municipal area.	N/A
	560 units for un blocking of the blocked project. Wards- 4,5,10,11,16,19,23,24,28,29, 30 and 34	Continuous monitoring through meetings and site visits	Continuous monitoring through meetings and site visits	The unblocking of units is done in phases depending on availability of funds from COGHSTA.
	Audit of 540 Units (Dan Ext 1 & 2)	Not applicable this quarter	Completed audit report at Dan Ext.2 and received 400 title Deeds.	N/A
	Housing project 2011/12	Monitoring project implementation through meetings, site visits and receiving feedback	Housing Consumer Education done for all ward councilors and ward committee members for Bulamahlo and Lesedi cluster	N/A
	Pioneer housing tenants	Allocation and administration of tenants Handling of queries	5 houses were allocated for the financial year. All administration of tenants and Handling of queries were done in	N/A

Chapter 3

Table 39: Housing Service Delivery targets for 2011/12 as set out in the SDBIP

Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
			consultation with tenants.	
	Administration of tenants at Portion 6 of Pusela 555LT and development of plans	Administration of tenants and handling of queries	100%. All tenants have signed lease agreement. All queries are being attended to.	N/A

Table 40: RDP Housing projects 2011/12

Village (Location)	Commencement date	Nr of Unit allocated	Number completed	Challenges/Achievements
Senopelwa	April 2011	357	302	58 units relocated to Mawa Block 9 because of big structure in some beneficiaries which were identified.
Mantshwa	April 2011	97	97	
Senakwe	April 2011	173	168	5 units relocated to Morapalala as it falls under the same ward.
Ga- pelane	April 2011	124	124	
Dan	April 2011	3	3	
Zangoma	April 2011	59	59	
Petanenge	April 2011	1	1	
Morapalala	April 2011	5	5	
Mawa- Block 9	April 2011	58	58	
Maribethema	April 2011	75	75	
Letsitele	April 2011	70	70	
Matipane	April 2011	3	3	
Morutji	April 2011	1	1	

Chapter 3

Table 40: RDP Housing projects 2011/12

Village (Location)	Commencement date	Nr of Unit allocated	Number completed	Challenges/Achievements
Mothomeng	April 2011	5	5	
Botlodi	April 2011	2	2	
Mohlakong	April 2011	2	2	
Seopeng	April 2011	2	2	
Lephepane	April 2011	8	8	

Chapter 3

The Land & Human Settlement Division has an approved organogram of 15 positions, six of which have been filled.

JOB LEVEL	2010/2011			2011/2012		
	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	7	2	57%	4	2	50%
Level 7-9	4	2	50%	4	3	90%
Level 10-15	1	1	0	3	0	100%
Level 16-17	0	0	0	0	0	0

DEVELOPMENTAL STRATEGIES AS PER THE IDP - PED to update

- Compliance to the requirements of Municipal accreditation by Cooperative Governance Human Settlements and Traditional Affairs.
- Embark on training programmes and awareness campaign for Councillors, ward Committees and Communities on services rendered by the Division on housing units.
- Alienation of serviced land.

LAND & HUMAN SETTLEMENT DIVISION FUNCTIONS

The Municipality supplies the following functions concerning land in our jurisdiction:

- Alienation of land
- Expropriation of land
- Lease agreement
- Illegal occupiers
- Informal Settlements
- Street closures
- Park closures
- Encroachment and servitude lines

Human Settlements Functions

- Administration of housing units funded through National and Provincial Government

Chapter 3

Roles and responsibilities Pioneers Old Age Home

- Administering the application forms for data base
- Attending challenges submitted to Council
- Administering of Lease Agreement
- Attending cases updated

CHALLENGES ON LAND MANAGEMENT

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

CHALLENGES EXPERIENCED ON RDP HOUSING BENEFICIARY LISTS

- Backlog figure is 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)
- Continuous replacements of beneficiaries by Councillors.
- Not all stakeholders involved in the identification of beneficiaries are familiar with the National requirements to qualify for a housing subsidy.
- The public complains about identified beneficiaries but do not submit comments or objections during publication of lists.
- Notices for comments are published in English only.
- Selling and demolishing of RDP units.
- Emergency lists submitted are scattered and this has negative cost implications.
- Minimal participation of beneficiaries/ownership of projects.

CHALLENGES EXPERIENCED ON INSTITUTIONAL MATTERS

- Greater Tzaneen Municipality has only been engaged in few housing programmes.
- Housing funds are controlled and allocated by Cooperative Governance Human Settlements and Traditional Affairs.
- Disasters are not budgeted for.
- Greater Tzaneen Municipality is predominantly rural and this poses a problem in balancing backlogs vs. spatial growth patterns through the provision of low cost housing.
- Scarce land for development in the townships and some villages.

Chapter 3

- An integrated approach in addressing the needs of communities is still lacking
- Stand numbers in some villages cannot be detected clearly.
- Problems and concerns on the housing projects raised with COGHSTA are rarely addressed.
- Some of the developers never communicate with GTM on work scheduled and never make appointments for inspections.
- Developers are usually in a rush to complete projects and be paid. As a result beneficiaries are triggered to sign the “happy letters” without consulting the building inspectors.

CHALLENGES EXPERIENCED ON LED/QUALITY ISSUES

- Poor workmanship by most of the local builders. A challenge in effected LED
- No database for skilled, qualified construction related workers within Municipal area.
- Locally manufactured building material seldom qualifies for SABS.
- No measures for quality control (e.g. monitoring number of cement bags used per unit).
- Sustainability of existing skills.

HOUSING CONSUMER EDUCATION

- All clusters were trained on Housing Consumer Education four people per ward which is Ward Councilor Housing portfolio head, Secretary and Headman on the 11th and 12th of March 2011 total of 400.
- Four hundred and forty five 445 beneficiaries from Senakwe, Hapelane, Mantswa and Farm Housing at Tshamahansi, Letsitele were trained.

HOUSING BACKLOG

The Municipal housing backlog is standing at twelve thousands five hundred and ninety (12590) pending the renewal of beneficiaries for 2012 to 2015. Middle income backlog is standing at one thousand and six hundred and ninety eight (1698).

LAND AND PROPERTY

The Transfer of sites at Nkowankowa Section C from Greater Tzaneen Municipality's to occupants is 200 and at Dan Extension 2 is 472.

Chapter 3

Erf 745: 1- 31

Pusela 6

The new lease agreements were signed by the Tenants to rent the units as family units from 1st of July 2011 to 30 June 2012.

Portion 292 and 293 of the farm Pusela 555LT (TALANA HOSTEL AND SURROUNDING)

The property was donated by the Department of Public Works, a Deed of donation has been signed by the two parties, and we are waiting for the transfer of the property in the name of the Council by 20th March 2012.

Pioneers

Four lease agreements have been signed for the 2011/12.

AREAS EARMARKED FOR DEVELOPMENT

Council has entered into land availability with the developers in the following extensions:

Table 42: Land Developments	
Town	Developer
Dan Extension 1	Dewcon
Tzaneen Extension 13	Phethego Project
Tzaneen Extension 53	Phadima Holdings
Tzaneen Extension 60	Solidarity Developers
Tzaneen Extension 78	Ngoma Trading

The Department of Local Government and Housing funded the Installation of Civil Engineering Services (Water, Sewer and Road grading) at Dan Extension. The project is at the completion stage. VCL Consulting & associates and Diges Civil and Structural Engineers has been appointed by Department of Local government and Housing to design and construct Civil Engineering Services which includes water, road grading, sewer and to conduct Geo-technical of 1000 sites which is 500 each.

Chapter 3

3.5.2 BUILDING CONTROL

The Building and Maintenance Unit is responsible for providing Building control services as specified in the National Building Regulations (1977). The unit must also maintain all council owned Buildings to ensure that they comply to the Occupational Health and Safety Act (Reg 1039 of 2005). Lastly, the unit is responsible for fleet management for the entire GTM to ensure that vehicles are available for departments and also maintenance of all council owned vehicle.

The unit is receiving ± 40 building plans per month and almost half are returned for corrections. The Municipality is approving ± 22 building plans per month, which are being approved within the 30 day period as stipulated in the building regulations. The process involved in approving building plans is that after payment of plan/administration fees, a file is opened, then circulated to various departments for respective comments and once all the requirements are met, an approval letter is issued to the applicant. There's a general decline in number of building plans approved due to non financing by banks and other financial institution and also the effects of the global economic meltdown in some European countries, including after effects of the recession.

Table 43: Square meters and value of building plans approved 2009/10 - 2011/12

	2009/2010		2010/2011		2011/2012	
	Area (m ²)	Value (R)	Area (m ²)	Value (R)	Area (m ²)	Value (R)
New houses approved	16 327	R 57 144 500	13 266	R 53 064 000	16 957	R 67 828 000
Additions to existing houses approved	4 536	R 15 876 000	2 182	R 8 728 000	5 849	R 23 396 000
New shops approved	2 057	R 7 199 500	1 327	R 5 308 000	538	R 2 152 000
Additions to existing shops approved	0	0	0	0	0	0
Additions to existing industrial approved	7 275	R 25 462 000	538	R 2 152 000	6 152	R 24 608 000
New churches approved	0	0	0	0	0	0
New townhouses approved	2 528	R 8 848 000	496	R 1 984 000	2 691	R 10 764 000
New other (cell phone towers) approved	3 975	R 13 912 500	940	R 3 760 000		

The staff compliment of the division is presented below in **Table 44** below:

Chapter 3

Table 44: Employees – Building and Maintenance (2011/12)						
Job level	2010/2011			2011/2012		
	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	12	9	3	12	10	16.6%
Level 7-9	3	3	0	3	3	0
Level 10-15	12	6	6	12	4	66.6%
Level 16-17	13	9	4	13	10	30%
Total	41	28	13	41	28	31.7%

Table 45: Capital Project Expenditure 2011/12: Building and Maintenance (R'000)					
Capital Projects	2011/2012				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Securing of rates hall and installation of lift at the civic centre	500 000	R1 000 000*	R 179 165.25	-R1320834.85	R1 500 000
Total	500 000	R1 000 000*	R 179 165.25	-R1320834.85	R1 500 000

*Provision was made during the budget Adjustment for additional funding to cater for installation of a lift for disabled accessibility to the civic centre building. The budget roll over was approved by council.

Table 46: Financial Performance 2011/12: Building and Maintenance (R'000)					
Detail	2010/2011	2011/2012			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	843	436	436	752	R -316
Expenditure:					R 0
Employees	5001	5794	5794	6233	R -439
Repairs & Maintenance	508	954	954	614	R 340
Other	4829	4373	4373		R 4 373
Total Operational	10338	11 121	11 121	10 119	R 1 002

Chapter 3

Table 46: Financial Performance 2011/12: Building and Maintenance (R'000)					
Detail	2010/2011	2011/2012			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Expenditure					
Net Operational (Service) Expenditure	-9495	10 685	10 685	9367	-14%

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

The Municipal Council gives priority to the basic needs of the community, promote the social and economical 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 purpose, a threshold income level of a maximum R2 400 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.

Table 47: Free Basic Services to Low Income Households*									
Year	Registered Indigents	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Waste Removal	
	Total HH	HH with Access	% with access	HH with Access	% with access	HH with Access	% with access	HH with Access	% with access
2009/2009	32 009	2090	MDM	2090	MDM	5862	82%	5862	11%
2009/2010	30 000	905	MDM	905	MDM	7173	83%	7173	11%
2010/2011	23 089	919	MDM	919	MDM	9700	85%	9700	12%
2011/12	11161	1560	MDM	1367	MDM	7350	85%	1385	12%

Chapter 3

Table 48: Financial Performance 2010/11: Cost to the Municipality of Free Basic Services Delivered (R'000)					
Service	2010/2011	2011/2012			
	Actual Expenditure	Budget	Adjustment Budget	Actual Exp	Variance to budget
Electricity	R2 623	R3 500	R3 500	R2 837	R663
Waste Collection	R 995	R959	R959	R807	R152
Total	R3618	R4 459	R4 459	R3 644	R815

Chapter 3

Table 49: Free Basic Service Delivery targets as contained in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Accessible services	% of households on indigent register with access to basic water services	Reporting only - no target	4.00%	N/A
	% of households on indigent register with access to basic sanitation services	Reporting only - no target	4.00%	N/A
	% of households on indigent register with access to electricity	Reporting only - no target	100.00%	N/A
	% of households on indigent register with access to a basic level of waste removal services	Reporting only - no target	5.00%	N/A

Chapter 3

Council has adopted an indigent policy who provides for households earning less than R2400, 00 (2XR1200, 00) 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 policy 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

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 the road, the life span of the road cannot be guaranteed. To ensure that the road lasts longer you have to keep the water away from the road.

Maintenance of tar roads is 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 is insufficient funds for regravelling and tarring of municipal roads

Chapter 3

- 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.
- The municipality is sometimes forced to maintain roads which should actually be attended to by the District Municipality and 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 50: Road infrastructure 2008/09 - 2010/11

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	1610	0	0	0
2009/2010	1610	14.73	0	1610	1610	0	0	0
2010/2011	1610	0	0	1478	1610	0	0	0
2011/2012	1610	0	0	1824	1610	0	0	56 727 m ²

Table 51: Cost of construction & Maintenance of roads (2008/09 - 2011/12)

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	8746580.99	13.14	12800287	7510.92	5480607.35	0	0
2009/2010	1610	7505839.5	14.73	15583206	8000	5090149.3	0	0
2010/2011	1478	12116463	0	0	42488	12812238	0	0
2011/2012	1824	15 222 895	0	0	56 727	12 895 697	0	0

Chapter 3

Table 52: Service Delivery targets for Roads & Stormwater as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Roads and Storm water Infrastructure	% MIG funding spent	100%	61%	1 Project on hold due to court interdict.
	Km of newly tarred roads	21	0	Multiyear road projects
	# of MIG roads projects on schedule	2	1	1 Project on hold due to court interdict.
	Roads masterplan	Monitor progress with the drafting of the Roads master plan	Project was not implemented	The project was supposed to be implemented using VAT savings from MIG projects
	Senakwe to Maropalala	Procurement and appointment of Service Provider	Tender stage for appointment of contractor	N/A
	Speed humps	Implementation of 33 speed humps	100 speed humps completed	N/A
	Mopye low level bridge	Monitoring and completion	Consultant appointed and have just completed the designs	N/A
	Thlako to Sefolwe village low level bridge	Monitoring and completion	Consultant appointed and have just completed the designs	N/A
	Politsi low level bridge	Monitoring and completion	Consultant appointed and have just completed the designs	N/A
	Regravelling of internal streets in Bulamahlo cluster	Implementation pending additional funding	22 km regravelled	N/A
	Regravelling of internal streets in Lesedi cluster	Implementation pending additional funding	13.4 km regravelled	N/A
	Regravelling of internal streets in Relela cluster	Implementation pending additional funding	23 km regravelled	N/A
	Regravelling of internal streets in Runnymede cluster	Implementation pending additional funding	34 km regravelled	N/A

Chapter 3

Table 52: Service Delivery targets for Roads & Stormwater as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
	Side walk and pavements in Haenertsburg	100% compliance to planned maintenance schedule and eradication of backlogs spending to be at 100%	250 m2 side walk paved	N/A
	Side walk and pavements in Lenyenye	100% compliance to planned maintenance schedule and eradication of backlogs spending to be at 100%	270 m2 side walk paved	Shortage of labourers to address all areas simultaneously
	Side walk and pavements in Letsitele	100% compliance to planned maintenance schedule and eradication of backlogs spending to be at 100%	65 m2 side walk paved	Shortage of labourers to address all areas simultaneously
	Side walk and pavements in Nkowankowa	100% compliance to planned maintenance schedule and eradication of backlogs spending to be at 100%	620 m2 side walk paved	N/A
	Side walk and pavements in Tzaneen	100% compliance to planned maintenance schedule and eradication of backlogs spending to be at 100%	530 m2 side walk paved	N/A
	Storm water management in Haenertsburg	100% compliance to planned maintenance schedule and eradication of backlogs spending to be at 100%	17m stormwater pipe system installed	N/A
	Storm water management in Lenyenye	100% compliance to planned maintenance schedule and eradication of backlogs spending to be at 100%	Cleaning of 100m stone pitching and 55 catch pits	N/A
	Storm water management in Letsitele	100% compliance to planned maintenance schedule and eradication of backlogs spending to be at 100%	Cleaning of 42 catch pits	N/A
	Storm water management in Nkowankowa	100% compliance to planned maintenance schedule and eradication of backlogs spending to be at 100%	890m2 stone pitching constructed and two concrete drifts. 22m stormwater pipe system installed and 105 catch pits cleaned.	N/A
	Storm water management in	100% compliance to planned maintenance	Cleaning and repair of 35 catch pits	N/A

Chapter 3

Table 52: Service Delivery targets for Roads & Stormwater as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
	Tzaneen	schedule and eradication of backlogs spending to be at 100%	and 19m stormwater pipe system installed and replacement of sub-drains	
	Stormwater management at Bulamahlo Thusong centres	100% compliance to planned maintenance schedule and eradication of backlogs spending to be at 100%	2 concrete drifts and 400m2 stone pitching constructed and installation of 16m storm water pipe system	N/A
	Stormwater management at Lesedi Thusong centres	100% compliance to planned maintenance schedule and eradication of backlogs spending to be at 100%	1050m2 stone pitching constructed and installation of 16m storm water pipe system	N/A
	Stormwater management at Relela Thusong centres	100% compliance to planned maintenance schedule and eradication of backlogs spending to be at 100%	Installation of 3 concrete drift, 1 set of pipes and 2 culverts and 3 v-drains	N/A
	Stormwater management at Runnymede Thusong centres	100% compliance to planned maintenance schedule and eradication of backlogs spending to be at 100%	Maintenance of a culvert and low level bridge, construction of 2 culverts and 3 concrete drifts and 1 v-drain	N/A
	Tar patching of sand seal roads	Implementation pending additional funding	1297 m2 tar patching	N/A
	Installation of storm water drain at Nkowankowa B	100% compliance to planned maintenance schedule and eradication of backlogs spending to be at 100%	Completed in September 2011	N/A
	Ramotshinyadi to Mokhwati Tar road (11km)	Implementation and monitoring	Construction in progress and is at 42% physical progress	N/A
	Sasekani to Nkowankowa Tar road (8 km)	Implementation and monitoring	Construction on hold due to court interdict	N/A
Roads & Storm water upgrading and maintenance	R-value spent on road and storm water maintenance	R 6 918 361	R 27 622 503	N/A
	Funeral roads in all clusters	100% compliance to requisitions submitted	1824 km funeral and internal streets graded	N/A
	Tar pitching in Haenertsburg	Implementation pending additional funding	31 004m2 tar patching and rebuilding of the street	N/A

Chapter 3

Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
	Tar pitching in Lenyeny	Implementation pending additional funding	3902 m2 tar patching	N/A
	Tar pitching in Letsitele	Implementation pending additional funding	1715 m2 tar patching	N/A
	Tar pitching in Nkowankowa	Implementation pending additional funding	5209 m2 tar patching	N/A
	Tar pitching in Tzaneen	Implementation pending additional funding	14 897 m2 tar patching	N/A

Chapter 3

Job level	2010/2011			2011/2012		
	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	8	5	37%	9	5	45%
Level 7-9	0	0	0%	0	0	0
Level 10-15	30	16	47%	89	20	78%
Level 16-17	38	15	61%	124	14	89%
Total	77	37	52%	223	39	83%

Detail	2010/2011	2011/2012			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)		150 000	R 0	R 150 000	0
Expenditure:					
Employees	R 6 316 701.50	R6 950 577	R0	R6 950 577	0
Repairs & Maintenance	R 24 928 700.00	R30 542 558	R2 000 000	R31 093 576	R2 000 000
Other		R58 389 537	R0	R57 389 537	
Total Operational Expenditure	R 31 245 401.50	R95 882 672	R0	R95 433 690	
Net Operational (Service) Expenditure	-R 31 245 401.50	-R95 732 672	R0	R95 283 690	

Capital Projects	2011/2012				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Rehabilitation of Claude Wheatley and Taxi rank	9 167 957.00	R5 000 000	R1 153 198	R3 846 802	R9 167 957
Senakwe to Maropalala	R 5 000 000	R5 000 000	R2 138 772	R2 861 228	R9 456 953
Speed humps	R 2 000 000	R2 000 000	R1 928 104	R71 896	R2 000 000
Mopye low level	R 500 000	R500 000	35 418	R464 582	R500 000

Chapter 3

Table 55: Capital Expenditure 2011/12: Roads and storm water Services (R'000)					
Capital Projects	2011/2012				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
bridge					
Thlako to Sefolwe village low level bridge	R 500 000	R500 000	R35 418	R464 582	R500 000
Politsi low level bridge	R 2 500 000	R2 500 000	R0	R2 500 000	R2 500 000
Ramotshinyadi to Mokhwati Tar road (11km)	R 39 976 400	R39 976 400	R11 146 889	R28 829 511	R39 976 400
Rehabilitation of streets in Tzaneen, Nkowankowa, Lenyenye, Letsitele and Haenertsburg	R 6 200 000	R6 200 000	R0	R6 200 000	R6 200 000
Sasekani to Nkowankowa Tar road (8 km)	R31 000 000	R31 000 000	R4 583 693	R26 416 307	R31 000 000
Total	92 676 400	R92 676 400	R21 021 492	R71 654 908	R101 301 310

* Including past and future expenditure as planned

Table 56: 2012/13 Targets for road infrastructure development			
Project name	MIG Fund	Counter Fund	Total
Ramotshinyadi to Mokgwathi Tar Road: Phase 2	R7 904 189.00	R4 847 380.00	R12 751 569.00
Sasekane to Nkowankowa Tar Road: Phase 2	R5 277 191.00	R3 196 368.00	R8 473 559.00
Senakwe to Morapalala Tar Road	R24 800 000.00	R6 485 000.00	R31 285 000.00
Mafarana to Sedan Tar Road	R8 000 000.00	R2 500 000.00	R10 500 000.00
Thapane to Moruji Tar Road - Designs	R8 544 700.00	R2 600 000.00	R11 144 700.00

Table 57: 2013/14 Targets for road infrastructure development			
Project name	MIG Fund	Counter Fund	Total
Mafarana to Sedan Tar Road	R10 600 000.00	R6 128 000.00	R16 728 000.00
Thapane to Moruji Tar Road: Phase 1	R27 105 300.00	R13 785 000.00	R40 890 300.00

Chapter 3

Table 57: 2013/14 Targets for road infrastructure development

Project name	MIG Fund	Counter Fund	Total
Ramotshinyadi Bridge	R13 680 000.00	R4 845 000.00	R18 250 000.00
Project still to be identified	R6 139 820.00		R6 139 820.00

Table 58: 2014/15 Targets for road infrastructure development

Project name	MIG Fund	Counter Fund	Total
Projects still to be identified	R60 701 760.00		

In **Tables 56-58** above the three year plan - the priority list on roads is presented. Priorities were done by Council after needs of communities were received. Capital expenditure for 2011/2012 is very low because of the following factors:

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

We do not foresee variation outside the budgets because of the ten percent contingency amounts in the existing budgets. In the previous year only regravelling was done in the budgets.

3.8 LICENSING

The vision of the Licensing and testing division is to be the best performing Licensing and Testing Division in Limpopo. Clients can be assisted at Tzaneen and Nkowankowa DLTC with 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, no air cons and a lack of proper security measures at the counters.
- 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

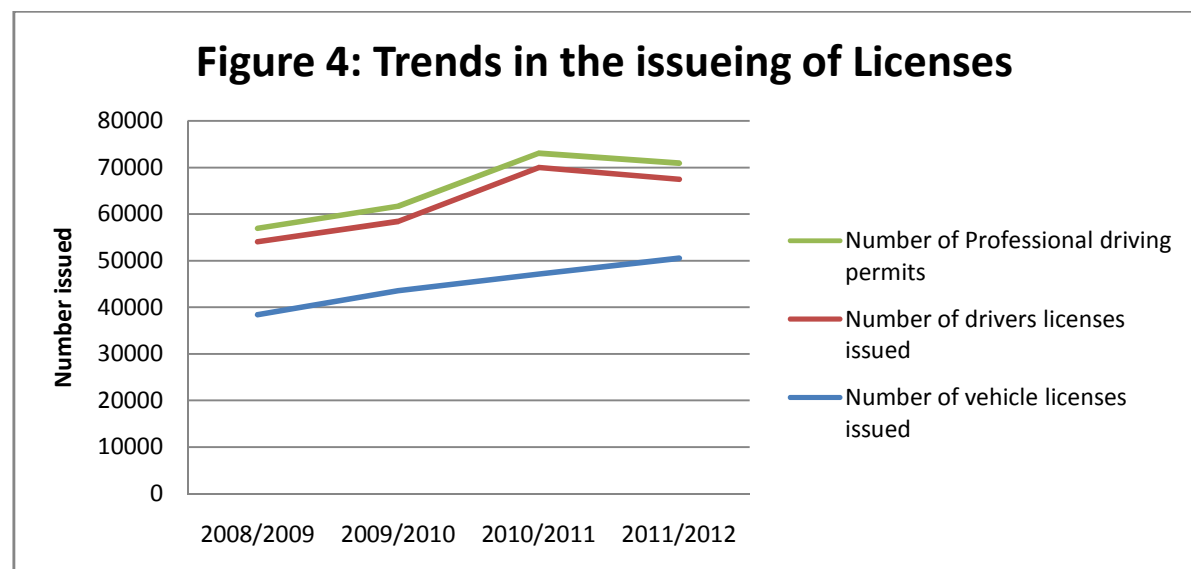
The top 3 service deliveries priorities are vehicle renewal, registration and licensing of vehicles and the issuing of learners and drivers licenses. The outline approach is that all licenses which are issued must be issued in terms of the National Road Traffic Act, procedures and K53 manuals. Initiatives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

- All offices are open during launch hours and we also assist bigger companies from neighbouring Municipalities in registration and licensing issues.
- 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

Table 59: Licensing and Testing services 2008/09 - 2011/12

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

Figure 4: Trends in the issuing of Licenses



Chapter 3

Table 60: Licensing Service Delivery targets for 2011/12 as contained in the SDBIP				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Licensing	R-value generated for vehicle registration (Agency agreement)	Reporting only - no target	16 171 186	N/A
	R-value generated by the issuing of learners and drivers licenses	Reporting only - no target	8 405 209	N/A
	Learners and Drivers and Professional Drivers Permits	Ensure that applications for learners, drivers and Professional Drivers permits are processed	Issued 6869 L/L Issued 16419 D/L Issued 3453 Prdp's	N/A
	Vehicle registration and licensing	Ensure that all vehicle registration and licensing applications are processed within a reasonable time	V/Registration 12827 and 50488 renewals were done	N/A

Chapter 3

Table 61: Employees - Licensing and Testing Services						
Job level	2010/2011			2011/2012		
	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	17	9	47%	17	10	41.18%
Level 7-9	16	13	18.75%	16	10	37.5%
Level 10-15	4	3	25%	4	3	25%
Level 16-17	5	1	80%	5	2	60%
Total	43	27	37%	43	26	40%

Table 62: Financial Performance 2011/12: Licensing and Testing Services (R'000)					
Detail	2010/2011	2011/2012			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	35,329	43651	43651	20053	R 23 598
Expenditure:					R 0
Employees	8,089	8599	8599	8474	R 125
Repairs & Maintenance	3	47	47	15	R 32
Other	26,504	25611	25611	467	R 25 144
Total Operational Expenditure	34,596	34257	34257	8956	R 25 301
Net Operational (Service) Expenditure	734	9394	9394	11097	R -1 703

There are no variation from budget and the capital expenditure. 5 year targets are set out in the IDP and all falls in the approved budget

Chapter 3

COMPONENT C: PLANNING AND DEVELOPMENT (TOWN PLANNING & LED)

This component includes: Town planning; and Local economic development.

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.

Tourism

With the established Local Tourism Association the relationship with Tourism owners has improved. Council has also contributed financially and otherwise to the organizing and coordinating of events. The municipality has established relationship with the Limpopo Tourism and Parks Agency (LTPA), Tourism Enterprise Programme (TEP) which will be assisting in marketing, capacity building etc.

The following still needs to be addressed:

- Operational and organizational issues of the established structure which will be inclusive of all product owners within the Municipality
- Inclusive database of tourism product owners within the entire Municipal area
- Approval of new accommodation establishments

Agriculture

Agriculture is regarded as major contributor in job creation, however it is found to be in the decline due to unresolved or rather slow redistribution processes. The Municipality has since established a

Chapter 3

forum to focus mainly on the latter wherein the Department of Rural Development and Dept of Agriculture are critical role players. The following were identified as challenges in the Agriculture Sector:

- Unresolved/delayed Land reform processes
- Dispute amongst land claim beneficiaries and role clarification amongst established structures
- Marketing and skills gap in Agriculture
- Water availability for irrigation (Nwamitwa dam and raising of the Tzaneen dam wall)
- There is still a need for a Fresh Produce Market

Business

The non formal business sector is starting to be accepted in the Formal sector as they are considered for occupation in the new mall structures including other public institutions. Development agencies like Seda, GTEDA, Libsa are playing a significant role in SMME development. Council has also considered allocating funding in a signed MOU with Seda...

Challenges identified include:

- Role of the Municipality in new infrastructure development e.g. Shopping Malls,
- No policies which guides new development with economic impact (job creation, local business empowerment etc)
- SMME consolidated database and skills base profiling for the entire Municipal area

Chapter 3

Table 63: Applications for Land use Development 2008/09 - 2010/11

	Formalisation of Townships			Rezoning			Built Environment		
	2009/2010	2010/2011	2011/2012	2009/2010	2010/2011	2011/2012	2009/2010	2010/2011	2011/2012
Planning application received	4	3	3	12	14	14	50	32	406
Determination made in year of receipt	3	2	2	12	12	6			0
Determination made in following year			1			3			0
Applications withdrawn	0	0	0	0	0	3	0	0	0
Applications outstanding at year end	1	1	1			2	26	15	0

Table 64: Service Delivery targets for Town Planning as contained in the SDBIP for 2011/12

Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Integrated Development Planning	Identification and Acquisition of Strategic Land for enhancement of integration (NDPG Initiative)	Formulation of urban design framework	Local Area Plan Adopted By Council	N/A
	Demarcation of rural sites	Handover of sites to traditional authorities for allocation	Awaiting finalization of the EIA and letter of approval from RURAL DEPT	slow EIA process
	Departmental Strategic Sessions and staff development	Conduct Departmental Strategic Session by 30 June	Two Departmental Strategic sessions held	N/A
	Socio - Economic survey	Monitor the Socio - Economic Survey processes and report progress to Council	Approved by Council - waiting implementation and signing of SLA	N/A
	Rural Development Strategy	Submit Rural Development Strategy to	Rural Development Strategy not	Moved to 2012/13 to

Chapter 3

Table 64: Service Delivery targets for Town Planning as contained in the SDBIP for 2011/12

Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
		Council for adoption along with the IDP.	developed	coincide with the Vision 2030
	IDP implementation monitoring	Arrange quarterly LED Thrust meetings. Ensure involvement of relevant Sector Departments and other stakeholders and submit minutes to the MM	Sector Department gave input in Phase 2 (strategy phase)	N/A
	Rural Nodal Development Plans Bulamahlo (Community Centre)	Proclaimed township	Service provider procured	slow procurement process
	Thusong Services	Visiting Thusong services centres on quarterly basis and marketing department during visits	56 visits conducted	N/A
Integrated Spatial development	Implementation of Nkowankowa Local Area Plan	Approval and construction of Retail Complex	Local Area Plan Adopted BY Council	N/A
	Review of Tzaneen Nodal Plan	Proclamation of Nodal Plan	Project carried over to next financial year	No response from suitable bidders received
	Formulation of Density Policy (social contribution)	Implementation of Policy	Policy not developed, project carried over to next financial year	No response from suitable bidders received
	Formulation of Tavern Policy	Implementation of Policy	Policy adopted by cluster, still to go to Council for approval	N/A
	Pusela 6 - Township Establishment	Hand over to Housing	Service provider procured	slow procurement process
	Monitoring of compliance to town planning scheme	Issuing of contravention notices, monitoring and recommendation for litigation	Four notices issued	N/A
	Township establishment - Shiluvane Library	Proclamation	Service provider just been appointed	slow procurement process

Chapter 3

Table 65: Employees - Town Planning services						
Job level	2010/2011			2011/2012		
	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	4	1	75	4	1	75%
Level 7-9	3	2	33.3	3	2	33%
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%

Table 66: Financial Performance 2011/12: Town Planning Services (R'000)					
Detail	2010/2011	2011/2012			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	0	80	80	102	R -22
Expenditure:			0		R 0
Employees	R 2 412 869.48	2428	2428	2346	R 82
Repairs & Maintenance	0	0	0	0	R 0
Other	R 265 789.94	R 1 842	R 1 842	R 1 037	R 805
Total Operational Expenditure	R2 678 659.42	4270	4270	3383	R 887
Net Operational (Service) Expenditure	0	-4190	-4190	-3281	R -909

Table 67: Capital Expenditure 2011/12: Town Planning (R'000)					
Capital Projects	2011/2012				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Township establishment Shiluvane Library	R500,000	R0	R0	R	R500,000
Total	R500,000	R0	R0	-R500,000	R500,000

* Including past and future expenditure as planned

Chapter 3

The four priority areas currently undertaken are not funded from capital fund but from operational expenditure namely:

- Formalization of townships
- Rezoning
- Built environment (consent use applications)
- Spatial Policy development

During this current financial year 2011/2012 an amount of R989 000.00 has been allocated to be utilized in three (3) projects namely:

- Establishment of High Density Residential for middle income group on Portion 6 of the Farm Pusela 555-LT at the allocation of R400 000.00.
- Acquisition of Trust Land on Mohlaba's Location to secure Municipal assets already constructed on the land (Library building) at allocation of R400 000.00.
- Review of Spatial Policy, Tzaneen Nodal Plan and Density Policy at cost of R300 000.00
- Nkowankowa Local Area Plan – R397 000.00

As mentioned in the previous paragraph funds for the four (4) projects are allocated in the operational budget under the vote 'contractual services'. However these projects were never undertaken due to the ineffectiveness of supply chain processes and were subsequently carried over to the next financial year. Only R350 000.00 was utilized for the Nkowankowa Local Area Plan which represent about 36% of the total budget allocated. As a consequence there was no variance. The other projects are purely operational and were managed and catered for in the budget.

Chapter 3

3.9 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

Vision: “To promote and network economic opportunities that will ensure job creation, poverty alleviation and investment for economic growth”

Mission: “To create better local economic well-being through Small Medium Macro Enterprise (SMME), social services and to create investment opportunities through tourism and agriculture in partnership with other stakeholders”

The LED Strategy for GTM (Developed in 2004) is based on 4 thrusts which are:-

- Fruit and Nut Cluster
- Business Diversion and Trade
- Tourism Development
- Agricultural Development

With the establishment of the “Greater Tzaneen Economic Development Agency” major infrastructure development project were mandated to them with a view to accelerate the local economy of the Municipality. Since it's established the following projects has shown significant impact towards job creation and improved service delivery:

- Revitalization of the Sapekoe Tea Estate – more than 500 jobs created
- Establishment of the Greater Tzaneen Radio Station (GTFM) – 20 jobs created
- Business Support Center - 2 jobs created
- Livestock Improvement - 16 jobs created

The following initiatives have undergone feasibility studies and is awaiting further feasibility and /or funding for implementation:

- Letaba River Mile
- Tourism Framework
- Fruit and Nut Value Chain Cluster
- Shopping Center
- Livestock Improvement

Chapter 3

Sector	2010	%
Agricultural, Forestry & Fishing	4119	8.3
Mining and Quarrying	579	1.2
Manufacturing	4165	8.3
Electricity, Gas and Water	264	0.5
Construction	3762	7.5
Wholesale and Retail trade, catering and Accommodation	12048	24.2
Transport, Storage and Communication	1619	3.2
Finance, Insurance, real estate and business service	4724	9.5
Community, social and personal service	11493	23.0
General Government	7110	14.3
Total	49882	100.0

Quantec Regional Economic Database

Communities living in object poverty

GTM is implementing the Community Work Programmes (CWP), aligned to the Expanded Public Works Programme (EPWP), to address issues related to poverty. Currently 4 wards are implementing the CWP programme wherein more than 2000 community people have been employed, with a specific focus on women. The project is expected to be expanded to other wards in the financial year 2012/13. Also, a project has been initiated with University of Venda to do a pilot on "Research and poverty Monitoring Tool" to be implemented in Ward 1 and later on be rolled out to other Municipal wards.

Sector	2008/2009	2009/2010	2010/2011	% 2010
Agric, forestry and fishing	329	295	301	5.3
Mining and quarrying	114	81	88	1.5
Manufacturing	369	328	340	6.0
Electricity, gas and water	249	256	265	4.6
Construction	177	184	185	3.2
Wholesale and retail trade, catering and accommodation	893	822	385	14.6
Transport, storage and communication	664	660	689	12.1
Finance, insurance, real estate and business service	1571	1531	1550	27.1
Community, social and personal service	385	378	379	6.6

Chapter 3

Table 69: Gross Value Added (GVA) per sector in GTM at constant 2005 Prices, R'm (Global Insight Database)

Sector	2008/2009	2009/2010	2010/2011	% 2010
General government	1032	1040	1078	18.9
Total	5784	5575	5710	100.0

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

Table 70: Job creation per project for 2011/12

PROJECT	JOBS CREATED
Letsitele Storm Water Control Culverts (Phase2)	17
Tzaneen Rural Waste	74
Hweetji Access Road	40
Molebogeng Cleaning Contract Nkowankowa	52
Molebogeng Cleaning Contract Lenyenye	32
Land Hill	24
Ingwe Waste Management	31
EPWP	510
Batlabane Soil Conservation	105
Khalanga Lodge	175
Community Work Programme	2055
Land Claim Agricultural Support Project	206
Mokgolobotho Citrus Farm	152
Vharanani Properties	58
Tupato Properties	12
Tupato Properties (Farm House)	22
GTEDA (Sapekoe)	509
Tzaneen Prison	96
Letaba Lifestyle Mall	358
Tumishi Electrical & Business Consortium	20
Mhlohlori Business Enterprise	24
Tumishi Electrical & Business Consortium	20
NDPG	39

Table 71: Projects in the medium and long term strategy

Project	Short term	Medium term	Long term
River Mile Fruit and Nut cluster Development Tourism Development	Feasibility studies	Development of the business plans Partnership establishment	Source funding and implementation

Chapter 3

Project	Short term	Medium term	Long term
Shopping Centers Development			
Revitalization of the Sapekoe Tea Estate	Feasibility study	Revitalization and rehabilitation process Investment attraction Source Funding	Implementation and monitoring
Informal Trading Development	Research Database Street Trading By-Law gazettement	Business plan and development Source funding	Implementation and monitoring
SMME Development	Database and SMME strategy development	Needs analysis and partnership establishments with relevant stakeholders	Capacity building and monitoring

Year	Number of projects	Number of Jobs created
2008/2009	6	81
2009/2010	10	90
2010/2011	8	220
2011/2012	11	378

EPWP Achievements

Received an amount of R 2,756,000 incentive Grant – the allocation as per Schedule 8 was only R 1,302 000.00. Managed to implement the Provincial summit resolution such as:

- Allocation of dedicated personnel to coordinate EPWP
- Participating in three sectors ,Environmental & Culture ,infrastructure and Social Sector
- Reporting progress on monthly basis
- Draft EPWP policy – sector coordinating committee has been established and they meet on a monthly basis

EPWP Challenges

- Under-spending of the EPWP incentive Grant
- Court interdict has affected progress on work opportunity creation for infrastructure projects
- EPWP program is not integrated into sector plans of the IDP

Chapter 3

- Inclusion of EPWP targets in the SDBIP and performance agreements

Tourism and Marketing

Tourism development within the Municipality is guided by the Tourism Framework which provides short to long term developmental strategies. While sourcing for medium to long term investment, the Municipality has been successful in establishing good and healthy relationship with local tourism product owners through establishing the Local Tourism Association (LTA). Currently major developmental projects facilitated and implemented are:

1. Mefakeng for the construction of Muhlaba lodge, Thabina lodge.
2. Khalanga lodge for the construction of a 10 bed lodge and conference Hall

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	

Wards participating	Number of cooperatives	Number of jobs	Output (work done)
Ward 16	0	332	<ul style="list-style-type: none"> • School support programme • HIV/AIDS • Crime prevention • Construction • Cemetery cleaning
Ward 18	0	211	
Ward 22	0	100	
Ward 29	0	102	
Ward 30	0	102	

Chapter 3

Wards participating	Number of cooperatives	Number of jobs	Output (work done)
Ward 32	0	476	<ul style="list-style-type: none"> • Agriculture • Road maintenance • Early childhood development
Ward 33	0	168	
Ward 34	0	560	

The CWP programme was started by the President's Office with the aim of providing employment safety net by offering participants a minimum number of regular days' works, 3 days P/Worker at R65 a day. The programme was initiated to address the challenges of unemployment and poverty in the Country. The purpose is to supplement people's existing livelihoods by offering them a basic level of income and therefore contributing to the National strategic poverty alleviation and unemployment reduction. The programme is currently implemented in the wards presented in **Table 75**:

Ward	Village	Ward Councilor
16	Mahlogwe, Leseka, Bvumeni and Lephepane	Cllr R Rikhotso
34	Rasebalana, Khopho, Lephepane and Thabina	Cllr M Letsoalo
33	Leolo	Cllr D Maake
32	Khujwana and Topanama	Cllr S Raganya
18	Khujwana.Muhlaba cross and bridge way	Cllr P Ngonyama

Main objective

- 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.

Chapter 3

- Landscaping/Vegetation control
- Sewing
- Regravelling main roads and streets
- Pavement at schools and churches using bricks and sand.

Employment Statistics for CWP

Table 76: Jobs created through CWP

Village	Number of Jobs
LEPHEPANE	633
THABINA	469
KHUJWANE	458
MUHLABA	495

Table 77: Jobs created through CWP per section of the population

Population Section	Number of Jobs
Female youth	991
Male youth	210
Female adult	526
Male adult	109
Male and female pensioner	167
Coordinators	52
Total	2054

PARTNERSHIPS

Through Partnerships and GTEDA the Planning & Economic Development Department was able to attract additional funding for investment for projects within the Municipal area for the enhancement of the economic development. The following partnerships were established:

- Seda – SMME Development
- University of Venda – Research on Poverty Monitoring Pilot Tool
- GIZ – Stakeholder management Programme
- Limpopo LED – Capacity Building
- TIL – Incentive Strategy development
- LTPA – Tourism marketing

Chapter 3

- Business including Tourism – Events organizing and Tourism marketing
- SEDA – R191 160 – capacity building and monitoring
- MDDA – R2m – GTFM
- LEDET – R2m – Construction of informal sector esplanades
- SEDA – R2m – IMF Tzaneen Project launch
- SEDA – R938 000 – Sapekoe alternative research
- SEDA – R428 000 – Extraction oil
- COGHSTA - ± R17m – Installation of services Tzaneen Extension 70 & 78
- COGHSTA – R9m – Installation of services – Dan Extension 1 & 2

Chapter 3

Table 78: Targets for LED as contained in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Business development support	Investor Conference	Coordinate an investor conference in consultation and with the support of GTEDA by March 2012	No progress reported during period under review	No funding available
	Business Support Centre (Hub)	Monitor and report on progress with the Business support hub. Encourage Sector Departments to participate in information dissemination	1. Facilitated revitalization of Tipfuxeni Community bakery in Mandlhakazi village (full business plan including operational requirements has been finalised). Provided general business advisory services to 11 clients (28) and in satellite areas and developed SMME database, identified stakeholders and develop SLA with regards to the provisioning of services/products to the owners within these areas...	
	SMME Support	Facilitate and co-ordinate awareness or training sessions for SMME owners in partnership with SEDA	1 SEDA Provincial event held in partnership with SEDA for 4 Clusters. Supported Mcomometo Forums.	
	SMME strategy development	Presentation of the final document and Council resolution.	To be advertised after the LED Strategy Review is completed	
Poverty Reduction and empowerment	# of jobs created through municipal LED initiatives and capital projects	Reporting only - no target	3103	
	Socio economic projects	Provide support to Batlhabine conservation; CWP, EPWP and other CBO's and NGO projects	Extended CWP to the 6th ward i.e. Ward 22 - 400 people to be employed.	

Chapter 3

Table 78: Targets for LED as contained in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Economic Growth and Investment	# of GTEDA board meetings attended	4	4	
	<i># of committed investors attracted through GTEDA</i>	3	1	IMM EARTH (Investor for Tours)
	% of Serviced proclaimed sites sold	100%	100%	
	Alienation of sites	Manage the alienation of sites. Identify available land for alienation. Prepare documentation for the servicing of sites and implementation to ESD and submit to CFO for advertising and awarding of bids.	50% 51 sites at Dan Ext 1 are serviced and 30 in the Industrial area identified for alienation. But not alienated due to delay by Municipal valuer to submit valuation report of the industrial sites.	The Municipal valuer delay to submit valuation report of the industrial sites.
	GTEDA Sustainability	Provide continuous support to GTEDA to ensure self-sustainability. Attend board and monthly meetings as per invitation and schedule	5 Board meetings. Funding approved for 2012/13 financial year.	
	LED strategy review	Revised LED strategy adopted by Council with IDP	Consultative meeting with stakeholders took place on the week 16 to 24 April. 2nd draft was presented on the 10 May and final consolidated draft on the 19 June to Economic cluster.	
Partnerships and Stakeholder meetings	Facilitate meetings and breakfast sessions with identified stakeholders Establish and conclude	The item for the Univen poverty alleviation pilot was completed and adopted in June. Meetings held with business forum on 26 April, 18 May and 22 June. Currently held meetings with Business		

Chapter 3

Table 78: Targets for LED as contained in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
		partnerships with DEAT/LEDET	Chamber to prepare for Mandela day in collaboration with GTEDA.	
	Tzaneen Airfield Feasibility Study	Approval of budget for identified project	Approval of budget for identified project	No budget was approved
Enabling environment for growth and development	Number of job opportunities created through the CWP	2000	2055	
	Number of wards per municipality implementing the CWP	5	5	
	Nr of cooperatives established and still functional in wards where the CWP is implemented	3	3	
Agriculture	Land Reform/Agriculture project support	Facilitate land reform forum meeting Attend monthly and quarterly meetings for identified agricultural projects and facilitate services to be provided to the identified projects (Tours, Mokgolobotho, Sapekoe, Banareng, Bathlabine, Kgatle, Mkomomonto, Maitjeng and Boalpye)	No Land Reform meeting held. Appointed of Vumelana to assist Mamathola project by Rural Development. Following meetings held 13th, 23rd of March and 13th of April. Currently advertised for request for proposals. Held a meeting for Tours project with investor from IMM on 30th May. The Sapekoe steering committee meeting was held in June. Attended a feedback meeting for Nkomomonto on the 17th of April	
	Letaba Egg Production (Yingisani School)	Monitor implementation and submit progress reports	A plan was finalised for fundraising during Mandela day. Facilitated a meeting on the 22nd May 2012 between GTM and Tzaneen Chamber of Commerce to discuss possible interventions of assisting Yingisani school for the deaf during	

Chapter 3

Table 78: Targets for LED as contained in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
			Mandela Day celebrations.	
	Livestock Improvements	Rolling out implementation plan.	LEATHER MAKING: Specifications/bill of quantities for repairs of the factory has been generated and advertised. An advert for training and technical designs has been issued and a service provider will be employed soon. Development of work plan and logistical arrangements was done. TANNERY: The project has been put on hold pending funding	
	Restituted farms	Attend quarterly meetings Develop land restitution support programme for the agency	Quarterly meetings attended and areas of support identified	
	Sapekoe Tea Estate	Coordinate and facilitate steering committee meetings. Monitor the rehabilitation process.	Coordinating and facilitating steering committee meetings. Monitoring the rehabilitation process.	
	Subtropical Fruit and Nut Cluster	Marketing to secure funding of the project.	Meetings were held with Seobi who are planning to open a branch in Limpopo and have secured markets in Europe Finalising development of business plan for oil extraction.	
Tourism	GTM Tourism Framework	Approach investors for investment for identified projects.	Feasibility study was conducted; adjudication over identified opportunities of the studies is underway. Presented opportunities identified by the study to potential investors during the Tshwane International Trade and Infrastructure Investment Conference (TITIC). Development of a business plan.	
	Letaba River Mile	Facilitation of EIA recommendations.	Calls for proposals for EIA and technical designs were not adjudicated as only 2 bidders'	

Chapter 3

Table 78: Targets for LED as contained in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
			submitted applications; it was re-advertised and will be adjudicated. Presented opportunities identified by the study to potential investors during the Tshwane International Trade and Infrastructure Investment Conference (TITIC). Development of a business plan.	
	LTA events	Facilitate LTA meetings Provide support for implementation of LTA events and campaigns	The following events/meetings were held: Arrive Alive on the 5th of April, 4 preparatory meetings for Indaba on 10th 17th of April and 4th of May. Attended the Indaba show from the 12th to 15th of May.	
	Mefakeng Tourism projects and Khalanga Lodge support	Implement Council resolutions	Khalanga PSC monthly meetings were attended on 19 April, 24 April, 09 May and 29 June 2012. PSC for Mefakeng was held on 08 May. PSC Meeting was held on the 5, 6, 12, 13/05/2012. A meeting was held on 6/06/2012 between the PSC and the Legal Division. Site inspections were conducted for Sekgopo on the 19/06/2012 and Mohlaba on the 20/06/2012.	
	Tourism Events	Co-ordinate tourism activities as per annual calendar and in conjunction with business and marketing division Facilitate LTA meetings Indaba Flea market	Arrive Alive was held on the 5 April. Indaba was attended from the 12-15 May 2012 at Durban ICC.	

Chapter 3

Table 79: Employees - Local Economic Development services						
Job level	2010/2011			2011/2012		
	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	2	2	0%	7	4	42.8%
Level 7-9	1	1	0%	2	2	0%
Level 10-15	1	1	0%	0	0	0%
Level 16-17	0	0	0%	0	0	0%
Total	5	5	0%	10	7	30%

Table 80: Financial Performance 2011/12: Local Economic Development Services (R'000)					
Detail	2010/2011	2011/2012			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	4 976	414	414		R 414
Expenditure:					R 0
Employees	1 983	2201	2201	2140	R 61
Repairs & Maintenance	-				R 0
Other	7 180	4548	4548	2770	R 1 778
Total Operational Expenditure	9 163	6749	6749	4910	R 1 839
Net Operational (Service) Expenditure	-4 188	-6335	-6335	-4910	R -1 425

Table 81: Capital Expenditure 2011/12: Local Economic Development Services (R'000)					
Capital Projects	2011/2012				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
None	0	0	0	0	
Total	0	0	0	0	0

LED had no Capital allocation for 2011/12

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. These units are maintained by the Engineering Services Department.

3.10 LIBRARIES; MUSEUM; COMMUNITY FACILITIES)

Parks and Community Facilities

Parks in rural areas 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. The upgrading of parks at Nkowankowa, Lenyenye, Letsitele and Haenertsburg is needed and a proposal to do this in partnership with local businesses is in place. The grass cutting is done in 1,318,958 m² and grass slashing is done in a area of 1,188,295 m².

GTM have three Community Halls i.e at Nkowankowa, Lenyenye ,Julesburg stadium Hall then also MiniTzanie Park Hall, Rhelela; Runnymede and Lesedi. These halls are booked to control access and for records purposes. Only the three community halls are rented out, the usage of the others are free of charge. The halls surroundings are kept clean for muximum usage, to attract users and to promote safe and healthy environment. Communities living in poverty are currently utelising the halls at Rhelela Bulamahlo, Lesedi and Julesburg for free, eventhough this in not sustainable as these faciilities needs to be maintained. As it is, the maintenance of community halls is not done as it should due to budget constraints.

The Museum is operational and objects are explained to visitors. The building is very small and need to be extended. Funds for the construction of a multi pursponse centre are however not available. 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.

Chapter 3

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. 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 2011/2012, 95,957 people used the GTM libraries; 96,325 books were lent out; 89 school groups visited the libraries; 672 assignment topics were assisted with; 21 book related events were hosted; 3 holiday programmes were held and 1039 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 all over the Greater Tzaneen Municipality area and beyond use the libraries. Access to the libraries, project assistance and information is free of charge, assisting the poor.

Public Work's construction of the new library at Shiluvane continued throughout 2011-2012, and the library should be operational by early 2013. Similarly, Public Works started construction of a new library at Molati Village, which should open by July 2013. 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 Libraries infrastructure status quo and maintenance and development requirements are presented in the tables below:

Chapter 3

Table 82: Tzaneen Library details	
Location	38 Agatha Street TZANEEN 0850
Characteristics	<p>Size 1019 square meters (Including entrance hall, stacks, offices, store-rooms, study hall and toilets) Rand worth: R4,585,500</p> <p>Quantity of stock the library can accommodate 40,000 books</p> <p>Library <u>Seating capacity</u> 70 (Seated at tables)</p> <p><u>Use</u> The library is used to house books for information and recreation and as a study and information centre.</p> <p>Study Hall: <u>Seating capacity</u> 42 (Seated at tables); 60 if used as lecture hall.</p> <p><u>Use</u> During office hours the study hall is used by students studying and after hours as a lecture hall, workshop room or recreational centre.</p>
Number of beneficiaries	<p>Library: : 60,000 users per annum</p> <p>Study Hall: 10,000 users per annum</p>
General maintenance	The building is maintained by the Engineering Department's Building Division. The public toilets regularly require repairs by the Water, Sewer and Plumbing Division. The Electrical Engineering Department maintains the electricity in the building, including lighting and air-conditioning. The building is cleaned by GTM cleaners weekdays
Maintenance and building requirements 2012/13 – 2015/16	<p>2012/13</p> <ul style="list-style-type: none"> • Tiling of the entire library floor (1019 square meters) • 2 Air dryers for toilets. <p>2013/14</p> <ul style="list-style-type: none"> • Enclosure of library storeroom with a wall (6.5x3m) on the side enclosed with steel bars: R30,000. • Additional library counter as counter space is insufficient for computers and scanners once library is computerized. Counter to fit in space available (approximately 2, 8 meters in length), and have shelving or a drawer underneath counter top. Library staff must be able to sit behind the counter. The counter top must be broad enough for a computer, scanner and tattle tape scanning machine. Must be real wood, in Kiaat or similar, matching existing counter. <p>2014/15</p> <ul style="list-style-type: none"> • Expansion of library to enlarge children's section by 40 square meters. <p>2015/16</p> <ul style="list-style-type: none"> • Expansion of Study Hall by 20 square meters.

Chapter 3

Table 83: Haenertsburg library details	
Location	7 Marè Street HAENERTSBURG 0850
Characteristics	<p>Size 235 square meters. Rand worth: R1,057,500</p> <p>Quantity of stock the library can accommodate 10,000 books</p> <p>Library <u>Seating capacity</u> 20 (Seated at tables) <u>Use</u> The library is used 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) <u>Seating capacity</u> 12 (Seated at table) <u>Use</u> The Turner Room is used for community meetings such as the Police Forum and for recreational activities such as library holiday programmes.</p> <p>Finance Office <u>Seating capacity</u> 2 Staff members. <u>Use</u> Municipal accounts are paid at the office.</p>
Number of beneficiaries	<p>Library: 15,000 users per annum Turner Room: 1000 users per annum Finance Office: 600 users per annum</p>
General maintenance	The building is maintained by the Engineering Department's Building Division. The public toilet is repaired when necessary by the Water, Sewer and Plumbing Division. The Electrical Engineering Department maintains the electricity in the building, including lighting. The building is cleaned by GTM cleaners twice weekly.
Maintenance and building requirements 2012/2013 – 2015/16	<p>Blinds for Turner room, passageway and finance office</p> <p>2012/13</p> <ul style="list-style-type: none"> • 3 Air dryers for toilets. • Blinds for library, Turner room, passageway and finance office <p>2013/14</p> <ul style="list-style-type: none"> • Expansion of library by 50 square meters. <p>2014/15:</p> <ul style="list-style-type: none"> • General maintenance. <p>2015/16:</p> <ul style="list-style-type: none"> • General maintenance.

Chapter 3

Table 84: Letsitele Library details	
Location	61 Kort Street LETSITELE 0850
Characteristics	<p>Size 130 square meters (Including library, small library store-room and finance office) <i>Separate Council building, which includes offices, toilets and kitchen, not included.</i></p> <p>Quantity of stock the library can accommodate 10,000 books</p> <p>Library <u>Seating capacity</u> 40 (Seated at tables)</p> <p><u>Use</u> 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. Internet access is available free of charge.</p> <p>Finance Office <u>Seating capacity</u> 2 Staff members.</p> <p><u>Use</u> Municipal accounts are paid at the office and arrangements for sewerage removal in Letsitele are made via the office.</p>
Number of beneficiaries	<p>Library: 21,000 users per annum Finance Office: 800 users per annum</p>
General maintenance	<p>The building is maintained by the Engineering Department's Building Division. The building was enlarged and renovated in 2003. All tiles were replaced in 2006. The Electrical Engineering Department maintains the electricity in the building, including lighting and air-conditioning. The building is cleaned by GTM cleaners on weekdays. Estimated cost of maintenance p/a: R23,400 (4% of total worth)</p>
Maintenance and building requirements 2012/2013 – 2015/16	<p>2012/13</p> <ul style="list-style-type: none"> • 2 Air dryers for toilets in office block. • Upgrading of air conditioners. <p>2013/14</p> <ul style="list-style-type: none"> • Building of new public ablution block outside library. <p>2014/15</p> <ul style="list-style-type: none"> • Expansion of library by 100 square meters, including enlargement of current counter and library area, building of separate study/activities room and staff tea room. • Expansion of wooden library counter as counter space is insufficient, and will be more so once computers and scanners are placed on counter when library is computerized. The counter top must be broad enough for a computer, scanner and tattle tape scanning machine. Must be real wood, in oak or similar, matching existing counter. <p>2015/16</p> <ul style="list-style-type: none"> • General Maintenance

Chapter 3

The 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 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.

Chapter 3

Table 85: Library Service Delivery Targets as set out in the SDBIP for 2011/12

Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Educational well-being	# people using the GTM libraries	84500	95957	N/A
Library Services	Annual Library Competition	500 Learners participating in annual library competition	1039 Learners participated	N/A
Library Services	Assistance to school/community libraries	Two schools assisted with at least 300 donated books and school library management guides.	Biblioref request forms submitted for 2 schools and Library Management guide provided to three schools. 320 Books/children's magazines donated to schools.	N/A
Library Services	Book related events	3 Holiday programmes and 4 book related arts and culture events arranged and hosted	3 Holiday programmes and 21 events arranged and hosted.	N/A
Library Services	Develop libraries at Nkowankowa and GTM Thusong Centres	Participate in the NDPG project team, keeping the establishment of libraries a priority; Forward new library requirements to Provincial Library Services, DSA&C, to secure possible funding from National Library Grant	Attended 6 NDPG meetings. Requirements re library material for the Shiluvane, Molati and operational GTM libraries compiled and forwarded to the Provincial Library Services, DSAC.	N/A
Library Services	Shiluvani Library	Gather information about library to be developed at Shiluvane by DSAC through National Library Grant Plan, budget and finalise operational requirements and plans for the Shiluvane library and	Attended 6 Shiluvane site meetings. Requisition for Shiluvan Library Staff Finalized. DSAC library assistants destined for the Shiluvane and Molati libraries received training at the Tzaneen Library Budget requirements for the Shiluvane Library submitted. Lists of newspapers and magazines needed at the Shiluvane Library	N/A

Chapter 3

		Appoint and train staff for Shiluvane library	submitted to the Provincial Library Services, DSAC. SA&C Cluster Committee briefed on progress Shiluvane and Molati libraries on 8 May 2012.	
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Table 86: Parks service delivery targets as set out in the SDBIP for 2011/12

Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Parks and Open space Management	# of dedicated parks maintained (developed)	7	7	N/A
Maintenance of municipal assets	Garden management	Maintain all gardens, attend to complaints from the public and keep a register	Maintained all gardens, attend to complaints from the public and keep a register	N/A
	Open space management	Supervise service provider to ensure compliance to the SLA	Supervised service provider to ensure compliance to the SLA	N/A
	Purchase Lawn Mowers	not applicable this quarter	Purchased 10 lawn mowers, 1Xslasher, 6 brush cutters, 3 bush cutters, 2 chain saws and 1 pole pruner	N/A
	Sports and Recreation management	Co-ordinate the maintenance of play apparatus, recreational facilities and stadiums	Following the maintenance schedule	N/A

Chapter 3

Table 87: Employees – Libraries (2011/12)						
Job level	2010/2011			2011/2012		
	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%	3	0	100%
Level 7-9	28	9	68%	28	7	75%
Level 10-15	1	0	100%	1	0	100%
Level 16-17	2	2	0%	3	2	0%
Total	34	12	65%	34	10	71%

The figures in Table 81 represent the number of posts for all GTM libraries, current and planned. Staff on the organogram for the Tzaneen, Letsitele, Haenertsburg and Shiluvane libraries total 22 of which 10 were filled by 2011/12.

Table 88: Employees – Parks & Community Facilities (2011/12)						
Job level	2010/2011			2011/2012		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	0	100	1	0	100%
Level 4-6	3	3	0	6	6	0%
Level 7-9	3	3	0	0	0	0
Level 10-15	11	10	9	16	11	31.2%
Level 16-17	61	47	22.9	73	46	36.9%
Total	79	63	20.2	96	63	34.3%

The filling of the job level 0-3 is crucial as the current manager has been acting in that capacity for many years.

Chapter 3

Table 89: Financial Performance 2011/12: Libraries (R'000)					
Detail	2010/2011	2011/2012			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	48				R 0
Expenditure:					R 0
Employees	2 896	4142	4142	3013	R 1 129
Repairs & Maintenance	7	8	8	6	R 2
Other	356	312	312	357	R -45
Total Operational Expenditure	3 258	4462	4462	3376	R 1 086
Net Operational (Service) Expenditure	(3 210)	-4462	-4462	-3376	R -1 086

The GTM Library Services has not had any capital budget for years. The reason is that it is the DSAC's responsibility to provide new infrastructure, furniture and equipment. The DSAC requests municipalities to submit requests for new infrastructure, furniture and equipment annually, to be addressed by the National Library Grant, which is administered by the Limpopo Provincial Library Services, DSAC. Communication from the DSAC regarding what is to be provided is poor, making planning difficult.

The new library being constructed at Shiluvane is funded by the National Treasury Conditional Library Grant, which is administered by the Department of Sport, Arts and Culture, at a capital cost of R4, 221,059.00. The library should be operational by 2012. Operational funding for new libraries is a challenge to the GTM. An estimated operational budget for the Shiluvane Library is R2,170,175.16 for the first year, and R1,999,420.68 for the second. A letter requesting operational funding for two years has been written to the MEC for Sport, Arts and Culture. The letter was acknowledged but not yet responded to.

The DSA&C has instructed that the next new library is to be built in Molati Village. Operational funding for the Molati library will present an additional challenge to the GTM. The Library Services targets for new libraries set in the IDP for the next five years, to build libraries at all four Thusong centers, is dependent on funding through the National Treasury Conditional Library Grant, which is

Chapter 3

administered by the Department of Sport, Arts and Culture. The DSAC has been presented with the GTM's IDP, to guide them when locating new library buildings.

Table 90: Financial Performance 2011/12: Parks, Museums, Community Facilities (R'000)					
Detail	2010/2011	2011/2012			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)²		451	451	0	R 451
Expenditure:					R 0
Employees	7 301 648.30	9542	9542	8783	R 759
Repairs & Maintenance	11 712 937.13	2687	2687	2128	R 559
Other		4466	4466	2672	R 1 794
Total Operational Expenditure	1 178 595 361	16695	16695	13583	R 3 112
Net Operational (Service) Expenditure	1 178 595 361	-16244	-16244	-13583	R -2 661

Table 91: Capital Expenditure 2011/12: Parks, Museums, Community Facilities (R'000)					
Capital Projects	2011/2012				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
Cemetery development	R300 000	0	0	-R300,000	R300 000
Lawn mowers purchasing	R500 000	0	R370 000	-R130,000	R500 000
Total	R800,000	0	R370 000	-R430,000	R800,000

Funding is limited to accommodate all community needs that require capital funding such as parks development in rural areas of GTM. There is insufficient operational budget to renovate existing parks at Lenyenye, Lenyenye Tzaneen and Haenertsburg and some in Nkowankowa. 20 Kudu machines, 3 bush cutters, 2 pole pruners and 1 chain saw were purchased and the R168 000 is rolled over to purchase more machines from the capital budget of R500 000,00CSD update.

3.11 CEMETERIES

²Payments made are deposited into a general account and not ring-fenced for parks and community facilities

Chapter 3

GTM have 136 cemeteries and only 6 are maintained monthly and the rest of the cemeteries are at rural areas. A Proposal for Partnership in cemetery maintenance was presented to South African Funeral Practitioners Association SAFPA members, representative of Provincial SAFPA and Mopani District Municipalities on the 29 November 2011 and still awaiting feedback. This was done as a means to improve performance irrespective of financial constraints and as a means to support poor communities.

Cemetery development was targeted to Lenyenye cemetery due to limited budget of R300,000,00 and they have no burial space at all. There is 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 some cemeteries in various Wards. GTM is in the process of procuring cemetery registers to keep record in all rural areas. We managed to provide burial space for all GTM communities. The challenges are funds for fencing, construction of ablution facilities and cemetery maintenance. Lenyenye community received land for a graveyard and the site is under development in Lenyenye. The environmental Impact Assessment will resume soon.

Chapter 3

Table 92: Cemetery service delivery targets as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Maintenance of municipal assets	Cemetery Management	Maintain existing cemeteries and liaise with Land, Property and Housing Division for the acquisition of land for new cemeteries	Continue with maintenance of existing cemetery	N/A
	Cemetery Register (Rural)	Develop a register for rural graves. Investigate the possibility of logging graves electronically on GIS	Cemetery register is developed and receipt quotes after the closing date for out buying requisition from the 2 printers available on GTM data base	N/A

Chapter 3

The responsibility to manage Cemeteries and Parks reside in the same division and the personnel fulfills both functions with the operating budget also covering both functions. For the number of employees allocated to parks (cemetery) refer to Table 88 and for financial performance to Table 90.

Capital Projects	2010/2011				
	Budget	Adjustment budget	Actual Expenditure	Variance from original budget	Total Project value*
<i>Cemetery Development</i>	R 300,000	R0	R0	R0	R 300,000
Total	R 300,000	R0	R0	R0	R 300,000

The capital budget on the development of new cemeteries has not been spent as the administration to get an Environmental Impact Assessment done is still pending. The cemeteries in rural areas are currently maintained by the community at voluntarily basis. The challenge is that they need to be provided with maintenance tools. There is a need to extend cemeteries, fence and building of ablution facilities but budget constraint does not allow.

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**

Chapter 3

The YGD is responsible for the coordination of the provincial, district and local youth month celebrations to commemorate and celebrate the June 16 Youth Uprising. Four buses were coordinated to ferry youth to the provincial rally that was held at Maruleng Show grounds on the 16th of June 2012. The youth came from all different clusters within the municipality. The buses were procured by the Office of the Premier. The GTM Mayor hosted the local youth month celebrations in Lenyenye community hall on the 23rd of June 2012. Four buses ferried youth from all the clusters who were also catered and given T-shirts.

- **Women's Month celebrations**

The YGD is responsible for the coordination of the provincial, district and local women's month celebrations to commemorate and celebrate the August 9 women's march to the Union Building. During this month various activities were done. Sexuality Rights campaign was done at Dumela High School. A leadership capacity building workshop was done at Relela Thusong Services centre for 30 women who are in the Non-governmental organisations sector. Another workshop was organised to capacitate women in business at Runnymede Thusong services centre. About 70 women attended this workshop where various presentations were made by SEDTA, GTEDA, NYDA, ETT Accountants, Hand in Hand, etc.

- **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). Various programmes were embarked upon to celebrate this calendar events. A workshop targeting disabled employees but including all employees was held in the Entertainment hall, GTM. This followed by the disabled entrepreneurs workshop held in Nkowankowa community hall. A disability indaba held in Lenyenye community hall was very successful and the Disability Council used the event to report on the mid-term progress.

Provision of Administrative support to Councils.

Chapter 3

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 national youth organisation called the South African Youth Council (SAYC). It is in the jurisdiction of the local municipality. Its main role is to co-ordinate, organise, mainstream, lobby and advocacy on issues affecting youth with the municipality. The YGD supported this council by coordinating an Annual Youth Assembly. This is an assembly of all youth formations from all the wards of the municipality. The assembly was successfully held on the 15 of June 2012 at Ivory Tusk Lodge. It elected the leadership of the Youth Council as well as taking proper resolutions.

- **Disability Council:**

The 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 YGD supported administratively by assisting in convening the council. The minutes are also typed from the office. The disability council was held at Ivory Cost on the 8th of June 2012.

Mainstreaming & Advocacy

Mainstreaming is done by conducting workshops to employees and giving inputs on day to day reports and correspondences. For the first time the IDP contains issues affection special focus persons in all the departments' strategies. The office made sure that the strategies phase for 2012/13 mainstreams this issues so that it will be easier during the project phase. The main challenge remains reviewing the Youth policy, gender policy and the disability policy.

NARYSEC

The Department of Rural Development and Land Reform runs a learnership known as the National Rural Youth Service Corps. In 2010, the GTM appointed 91 learners from all over the wards in the municipality. This learnership runs for two years. For all those who were enrolled in this learnership, the period was extended to two full years, making a total of four full years.

National Youth Development Agency

Chapter 3

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. Workshops were also facilitated during the year. In January career guidance was conducted at Lwandlamuni, Markshope and Mahwahwa high schools by the NYDA. 35 young people were enrolled in the National Youth Service programme to build the Tzaneen prison and graduated in April on skills such as Plumbing, Carpentry and bricklaying. Another 30 young were enrolled in the same programme and are graduating in December 2012. The NYDA also conducted the Proud to Serve campaign at Runnymede and Relela and about 800 young people participated.

Chapter 3

Table 94: Youth, Gender & Disability programmes targets as set out in the SDBIP for 2011/12

Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Youth, Gender & Disability	Annual Youth Assembly	Arrange and co-ordinate Annual youth assembly during August	Annual Youth Assembly held at Ivory Tusk lodge on the 15th of June 2012	N/A
	Disability Council Official Launch	Arrange and co-ordinate launch of Disability Council during October	Disability Council was re-launched on the 8th of June 2012 at Ivory Tusk lodge.	N/A
	National Disability Month Celebrations	Arrange and co-ordinate national disability month celebrations during December	Disabled employees workshop (Entertainment hall), Disabled entrepreneurs workshop (Nkowa Comm. Hall) and Disability indaba (Lenyenye Comm. Hall) held successfully.	N/A
	National Women's Month Celebrations	Arrange and co-ordinate national women's month celebrations during August	Transported women to national celebrations, done sexuality rights campaign at Dumela High, Organised 30 NGO's for leadership workshop, women soccer and 70 women in business workshop.	N/A
	National Youth Month celebrations	Arrange and co-ordinate national youth month celebrations during June	Youth month celebrated by coordinating 4 buses to provincial event at Maruleng on the 16th of June. A local youth month was addressed by the Mayor on the 23rd of June at Lenyenye community hall.	N/A
	Re-launch Of SAWID	Arrange and co-ordinate re-launch of SAWID during August	SAWID not launched	Budgetary constraints
	Youth Strategic Session	Arrange and co-ordinate Youth strategic session during September	Youth strategic session combined with local youth month celebrations on 23 June.	

Chapter 3

Job level	2010/2011			2011/2012		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	0	0	0	1	0	100%
Level 4-6	0	0	0	4	2	50%
Level 7-9	0	0	0	4	1	75%
Level 10-15	0	0	0	1	1	0
Level 16-17	0	0	0	0	0	0
Total	0	0	0	10	4	60%

Detail	2010/2011	2011/2012			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	-				
Expenditure:					
Employees	169119	-	-	-	-
Repairs & Maintenance					
Other	170457	-	-	-	-
Total Operational Expenditure	339576	-	-	-	-
Net Operational (Service) Expenditure	-339576	-	-	-	-

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 2011/12.

COMPONENT E: ENVIRONMENTAL HEALTH SERVICES

This report 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;

Chapter 3

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

3.13 ENVIRONMENTAL HEALTH SERVICES

Water Quality monitoring

We have developed and implemented a water quality monitoring schedule for the period under review. The monitoring was done to ensure that water for domestic, industrial and food production is safe in respect of its microbiological, chemical and physical quality. A total of 287 water samples were taken during the period July 2011 to June 2012 with ONLY 14.52% of the samples NOT complying with SANS 241 water quality standards for drinking water. There is an overall improvement of results as compared to results in previous financial year.

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 Joint operation conducted with SAPS, SARS and Home Affairs in formal food handling premises; with non complying premises fined up to R1500. A total of 172 formal food handling premises 13 accommodation facilities; the average rating for these premises is 85%. Also **see Figure 5**.

Occupational hygiene

This entails inspection of industries to identify any occupational health hazard, environmental, water and air pollution prevention. A total of 92 industrial premises were inspected to ensure that industries comply with requirements of relevant legislation. The average rating for the industries is 72%.

Vector control

Chapter 3

This includes identifying vectors, their habitats and breeding places, instituting measures for vector control in the interest of public health. We spray municipal work stations on a six weekly basis. Environmental control is done on mosquito larvae in identified habitats.

Environmental management

Planning for sustainability has become a very important aspect of Environmental Management; we form part of the various committees which seeks to address Environment and Environmental Health Issues: The pre-assessment committee of Council, Provincial Air Quality Steering committee, South African Institute for Environmental Health, and the Letaba Levubu catchment management committee. We have reviewed 12 basic Assessment reports for developments in our area. We have responded to four air pollution incidents. We formed part of Joint Operation team DEAT in attending to non compliance to Environmental Authorizations by developers resulting in the damage to sensitive environment and the alteration of a 1:100 year flood line. We have together with the Air quality officer from Mopani District Municipality attended to three air pollution incidents. We managed as part of a response team to control major oil spillage from an asphalt plant contaminating water in the Tzaneen dam. We have an Environmental management plan which was reviewed during the 2010/2011 financial year. We had two officers successfully completing a course for Environmental Management Inspectors and are awaiting their appointment and designation by the Minister of Environmental Affairs, so that they can be able to exercise their authority.

Facility cleaning services

This entails providing 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 to work in productively. We have total staff complement of 16 responsible for this function. Challenges faced in this function are the lean staff complement which does not allow for relief when someone goes on leave. For the outlying areas, one person covers two work stations attending to these on alternate days.

Chapter 3

Table 97: Environmental Health Service Delivery targets as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Environmental Monitoring	Water quality monitoring	100% compliance to water quality monitoring schedule and 100% expenditure	94 water samples were taken at predetermined sampling points and in accordance with SANS 241 and 20 milk samples.	N/A
	Environmental monitoring equipment	Apply equipment as per the environmental monitoring schedule	Environmental Monitoring equipment not yet purchased	Supply Chain processes not yet concluded
Environmental Management	Environmental Health Plan	Inclusion of Environmental Health plan in IDP	Environmental Plan developed and included in the IDP	N/A
	Environmental management plan	Review current Environmental management plan and submit for inclusion in draft IDP	Environmental Management Plan reviewed and included in the draft IDP	N/A
	Industrial impact management	Evaluate industrial premises Respond to air pollution incidents Issue contravention notices and follow up on contraventions Attend training course for EMI's (Industrial)	22 Industrial premises were evaluated. 2x mortuaries inspected for the issuing of a Certificate of Competence. 10 contravention notices and 9 follow up notices were issued with the referral to the District Air Quality Officer.	N/A
	Letaba river rehabilitation	Coordinate clean-up campaign	Clean up campaign done and meetings to develop a strategy on the removal of alien plants were held.	N/A
	Star grading system	Evaluation of food handling premises Issue contravention notices and follow up on contraventions Issuing of certificates of acceptability Arrange and host star grading award ceremony	137 food handling premises evaluated all follow up visits from 1st, 2nd and 3rd quarter visits. A total of 47 follow up notices were issued with 9 final notices, which were handed over to the Legal Division. 3 Certificates of Acceptability were issued to new premises. A total of 32 acts of food recall and condemnation	N/A

Chapter 3

Table 97: Environmental Health Service Delivery targets as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
			were done with equal number of condemnation certificates issued.	
	Vector control	Implementation of vector control program	All municipal work stations were sprayed on a six weekly basis.	N/A
	Wetland Management	Assist with wetland management by ensuring alien vegetation control	Alien invasive plants removed in the wetland in park street. The Nkowankowa C park development hampered by the discovery of a grave, negotiations with the family is still going on.	N/A

Table 98: Outcome of Water samples taken during 2011/12												
Result	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Complying	19	22	31	24	20	*38	*34	26	20	30	30	34
Not complying	5	7	6	6	5	*12	*10	7	7	5	6	5

Chapter 3

Figure 5: Average rating for food handling premises by town, 2011/12

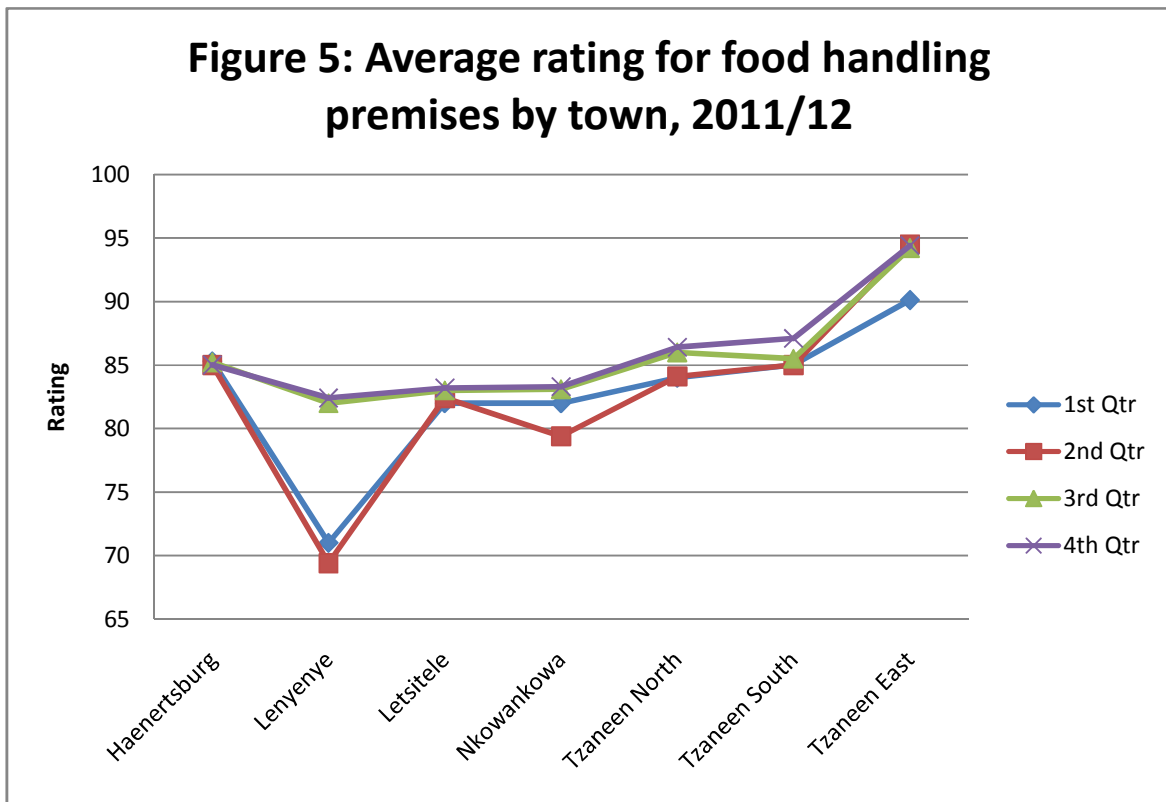


Table 99: Average rating for food handling premises, 2011/12

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Haenertsburg	85,3	85	85.2	85
Lenyenye	71	69.4	82	82.4
Letsitele	82	82.4	83	83.2
Nkowankowa	82	79.4	83.1	83.3
Tzaneen North	84	84.1	86	86.4
Tzaneen South	85	85	85.5	87.1
Tzaneen East	90.1	94.5	94.2	94.4

Chapter 3

Figure 6: Average rating for food handling premises by town, 2011/12

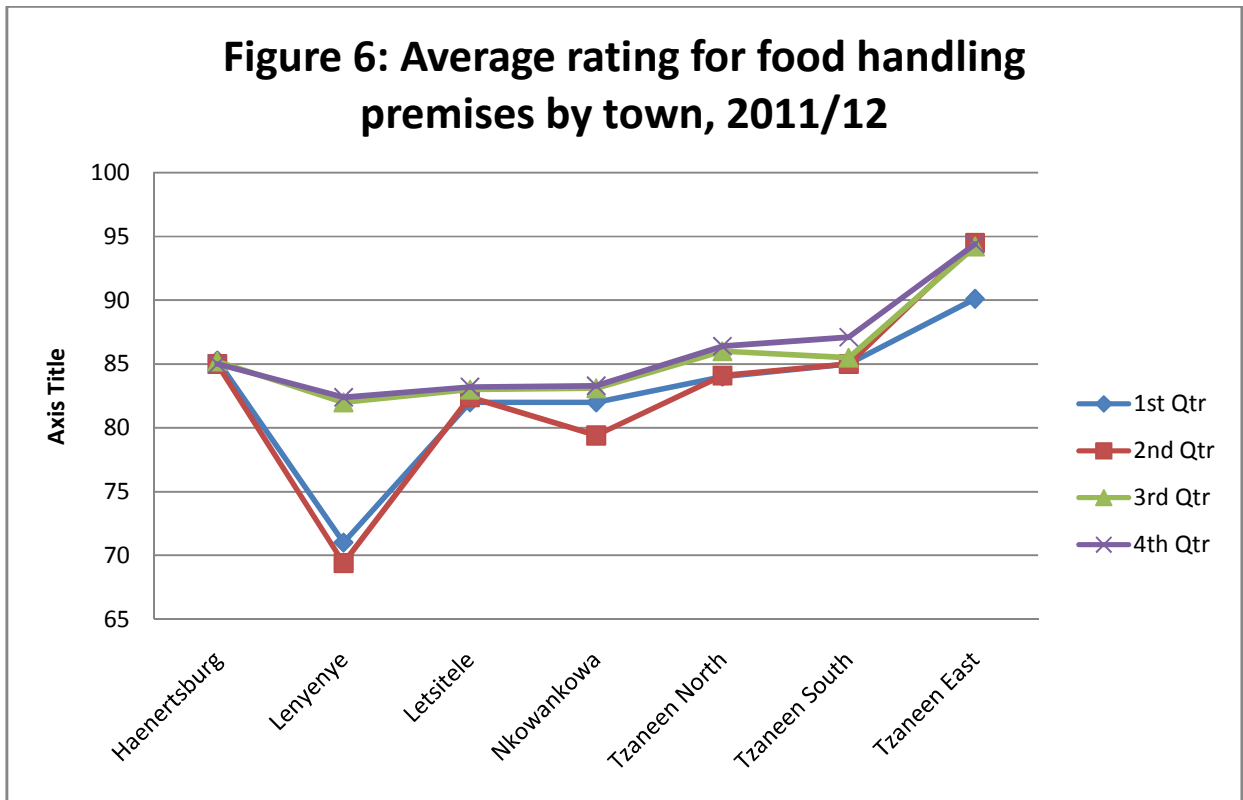


Table 100: Employees - Environmental Health services (2011/12)

Job level	2010/2012			2011/2012		
	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	2	1	50%	2	1	50%
Level 16-17	30	20	33%	30	20	33%
Total	38	24	36.80%	38	24	36.80%

Table 101: Financial Performance 2011/12: Environmental Health services (R'000)

Detail	2010/2011		2011/2012		
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding	52	10	10	39	R -29

Chapter 3

Table 101: Financial Performance 2011/12: Environmental Health services (R'000)					
Detail	2010/2011	2011/2012			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
tariffs)					
Expenditure:					R 0
Employees	3 991	4458	4458	3778	R 680
Repairs & Maintenance	0	46	46		R 46
Other	724	388	388	276	R 112
Total Operational Expenditure	4 716	4892	4892	4054	R 838
Net Operational (Service) Expenditure	(4 664)	-4882	-4882	-4015	R -867

There were no capital projects for the period under review. It must be noted that although our projects could not be funded (Environmental Management Framework and Air Quality Plan) we managed to meet most targets, in spite of staff shortages

COMPONENT G: SECURITY AND SAFETY

This component includes: internal safety and security, traffic law enforcement, disaster management and control of animals, and control of public nuisances, etc. The Safety and Security Division is responsible for safety and security for employees and communities through social crime prevention. There is a high rate of unfilled positions as per an approved organogram and this predicament places division under pressure to reach service delivery targets for the community. Projects for 2011/2012 Financial year included the installation of a biometrics reader for the Civic Centre and installation of additional Security gates with Cameras in the offices of the Mayor and the Municipal Manager. The Law Enforcement division comprises of seventeen Traffic personnel, among them the Manager, Superintendents, then officers and two senior labourers – who are responsible for erection and general maintenance of road and traffic signs, while the officers do law enforcement.

3.14 LAW ENFORCEMENT

Chapter 3

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.

Table 102: Traffic Law Enforcement service data (2009/10- 2011/12)					
	2009/2010	2010/2011		2011/2012	
	Actual no.	Estimated no	Actual No	Estimated no	Actual No
Number of road traffic accidents	128	142	118	140	102
Number of by-law infringements attended	72	80	85	85	68
Number of traffic officers in the field on an average day	16	16	16	16	15
Number of traffic officers on duty on an average day	17	17	17	17	16
R-value revenue from traffic fines	R 4,166,500	R 416,550	R 7,908,480	R 8,000,000	R1,439,910

The revenue increased with introduction of Safe T speed checking initiated by Director CS. The number of Officers available is determined by sampling the number of officers in the field and in offices and stations on the same day, sampling different times of day and different days of the week throughout the year.

Chapter 3

Table 103: Law Enforcement targets as set out in the SDBIP for 2011/12

Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Law Enforcement	R-value revenue collected through law enforcement	No target - Reporting only	3 062 070	N/A
	Rand value received for fines issued / R value of fines issued (%)	70%	80%	N/A
	# traffic fines issued per quarter	No target - Reporting only	18601	N/A
	Burgersdorp cattle pound	Manage and co-ordinate impounding of stray animals	No impoundment of stray animals for the period	N/A
	GTM Law Enforcement in rural areas and scrappings	Conducting rural traffic program as per schedule. Manage and follow up on vehicle scrappings	Rural operations in progress as scheduled	N/A
	Kukula Ndlela drunken-driving blitz project	Additional roadblocks - 2 (Drunken driving Blitz)	2 roadblocks per week and rely on hospitals for blood-alcohol tests.	N/A
	Minitzani-Bonatsela Traffic centres scholar Education and school points and other clusters	Conduct road safety education campaigns at rural schools (25)	On hold until July 2012.	No funding.

Chapter 3

Job level	2010/2011			2011/2012		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	1		1	1	0
Level 4-6	10	4	60%	35*	16*	54.2%
Level 7-9	27	13	60%			-
Level 10-15	2	2	0%	2	0	100%
Level 16-17	0	0	0	3	2	33.3
Total	40	20	50%	41	19	53.6%

*Affect of changing from TASK grading to VD Merwe

The total number of officers divided into the two shifts. The four supervisors assist in planning and supervision of their colleagues on daily basis. Between the respective two shifts, the first begin work at 06H00 up to 14H00, while the other begins at 10H00 and stretches up to 18H00. Only one shift works on any given weekend, alternating with the other the following weekend. Officers also perform standby duties, especially with occurrence of emergencies like accidents, etc. On average, officers work a total of 32 hours per month for weekends. These hours are Council approved, and only in occasions of unforeseen and extreme circumstances do we allow officers to work beyond the pre-approved 32 hours. The division is short staffed, taking into consideration the vast size of our policing area.

Detail	2010/2011		2011/2012		
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	2852	2 101	2 101	6 171	-4 070
Expenditure:					
Employees	8770	8 960	8 960	8 952	8
Repairs & Maintenance	476	213	213	59	154
Other (Security Services)	10949	11 449	11 449	8 790	2 659
Total Operational Expenditure	20195	20 622	20 622	17 801	2 821
Net Operational (Service) Expenditure	(17343)	-18 521	-18 521	-11 630	-6 891

Chapter 3

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

Law Enforcement including:

- 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 controls of traffic situations, accident scenes etc. and eases traffic congestions
- Escorts of dignitaries visiting, funeral 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.

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.
- Throughout the 2011/12 year, great emphasis was put on the two issues of Law Enforcement and scholar patrols for the safety and well-being of our communities.
- 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

- With regard to school points, we have always serviced areas close to the juristic offices of our provincial government for Traffic because we have noted their reluctant to assist, while we serve with pride especially service to our needy and poor communities of Motupa, Tickyline/Burgersdorp, Sasekani and Khopo. Letsitele.

3.15 DISASTER MANAGEMENT

Disaster Management is as 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\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
- Building or structural collapse
- Explosions
- Breakdown of essential services, supplies or any combination thereof

Chapter 3

Disaster management preventative/mitigation measures (awareness campaigns during 2011/12)

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

- Schools : Dr Annecke ,Totwana and Magret Shiluvana Primary Schools.
- Communities/Wards : Ward 01 ,02,03,04,05,06,Grysappel farm,Lenyenye and Relela MPCC.

Achievements during 2011/12

Special Events

Twenty nine (29) special events were managed according to disaster measures. Emergency plans for the following events, joint inauguration ceremony of local mayors, by-election, mass funerals and to mention a few.

Projects attended

The launching of 10 projects were attended at different venues and stakeholders

Disaster Relief

± 500 households were assisted with food parcels, blankets mattresses and tents.

Challenges

Insufficient staff

Delays in the reporting of incidents by councillors.

Chapter 3

Table 106: Disaster management targets as set out in the SDBIP for 2010/11				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Disaster management	Annual Disaster Management reports submitted to Council and MDM by 31 July	31 July 2011	January 2012	N/A
	% emergency relief cases responded to within 72-hours	100%	100%	N/A
	Institutional Capacity for Disaster management	Monitor the functionality of the Advisory forum & Technical committees for Disaster Management	According to Disaster Management Act, 57/2002, sect 51 no 1 this is a district function.	It is a district function, local municipalities coordinates the function.
	Disaster Risk Reduction	Finalise Disaster Risk corporate plan and submit to Council for approval with the IDP. Conduct awareness campaign	Updated and approved by Council on the 28/02/2012. Awareness campaigns were also conducted.	N/A

Chapter 3

Table 107: Employees - Disaster Management (2011/12)						
Job level	2010/2011			2011/2012		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	0	100%	1	0	100%
Level 4-6	2	1	50%	2	1	50%
Level 7-9	1	1	0%	1	1	0%
Level 10-15	0	0	0%	0	0	0%
Level 16-17	3	1	67%	3	1	67%
Total	7	3	63%	7	3	63%

Table 108: Financial Performance 2011/12: Disaster Management (R'000)					
Detail	2010/2011		2011/2012		
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	-				
Expenditure:					
Employees	839	1 350	1 350	884	R 466
Repairs & Maintenance		1	1		R 1
Other	253	348	348	267	R 81
Total Operational Expenditure	1 092	1 699	1 699	1 151	R 548
Net Operational (Service) Expenditure	-1 092	-1 699	-1 699	-1 151	R -548

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 Sport and Recreation Council in GTM that assist with coordinating all sport related matters in GTM communities. There is 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 roots levels. The Mayors Cup was renamed to GTM Sports Day and it annually takes place in December. Internal sport is active and operational with the

Chapter 3

view to keep employees and Councilors bodies and minds healthy and active for better service delivery.

3.16 SPORT, RECREATION, ARTS AND CULTURE

GTM hosted local Indigenous games, Arts and Culture competition, O.R Tambo games from Cluster level to local level, this was followed-up with District and Provincial competitions hosted by the Department of Sports, Arts and Culture. The highlights for GTM in terms of sports, art and culture are as follows:

- GTM's internal sport participated in the Provincial and National (hosted in Botswana) Inter Municipal Games arranged by the Southern African International Municipal Sport Association (SAIMSA).
- Greater Tzaneen Marathon and the OR Tambo games hosted
- A local girl from Yingisani Special School won a gold medal from the Paralympic games.
- Nkowankowa stadium is now also accommodating rugby after the Blue Bulls donated rugby poles.
- Grading of soccer fields at rural areas was done in 70 grounds.

The main challenges experienced are:

- The grading of sports grounds are not sustainable, these grounds needs proper construction would require a bulldozer, grader, more soil if necessary, usage of roller. GTM however does not have the financial resources to cover these.
- The Runnymede cluster does not have formal sport facility and
- Rhelela has incomplete stadium at Lerejeni Village which was commissioned by Mopani District but not completed to date.
- There is Arts and Culture Council which is not fully functional. This is mainly due to the absence of funding. Most members are not employed and therefore do not have their own resources to attend meetings and coordinate activities.

Chapter 3

Table 109: Sports and recreation targets as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Sport, Arts and Culture	Artificial Soccer field at Burgersdorp (SAFA)	Monitor the construction of the soccer field at Burgersdorp and provide support on request	Construction is complete and only the electricity is still not connected	N/A
	GTM Jazz Festival	Co-ordinate and facilitate arrangements for Jazz festival to be take place on 25 September 2011	Event did not take place	Delay in payments from MDM and signing of SLA
	Indigenous Games	Conduct Indigenous Games In all four clusters, Conduct local Indigenous Games. Transport participants who made it from local events to the District Indigenous Game events.	Cluster indigenous games postponed to August	Dpt of Sports Arts and Culture postponed the event
	Maphungubwe Arts and Culture Competition	Lesedi and Rhelela Clusters visual and performing arts .Local visual and perfuming arts in GTM winners from various clusters compete.	All 4 X Cluster Arts and Culture competitions were held on 19 and 20 May2012. Local Arts and Culture event was held at Nkowankowa stadium on the 09 June 2012	
	OR Tambo Games	Phase 2 O.R.Tambo games will be coordinated and held at Bulamahlo and Rhelela Clusters where catering will be provided. Phase 2 Local O.R. Tambo Games will be held where all participants will be catered.	Not Applicable, due to change of programme from the Department Sport Arts and Culture. Busy with Farms sport festival	
	SAIMSA Games	Co-ordinate and facilitate SAIMSA Games to b held during last week in September	SAIMSA games attended	

Chapter 3

Job level	2010/2011			2011/2012		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	0	0	1	0	100
Level 4-6	0	0	0	0	0	0
Level 7-9	3	3	0	3	3	0
Level 10-15	0	0	0	0	0	0
Level 16-17	0	0	0	0	0	0
Total	3	3	0	3	3	0

The budget for the Sport, Arts and Culture section forms part of the budget for Parks and Recreation (See Table 90).

Chapter 3

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

3.17 EXECUTIVE AND COUNCIL

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
- 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 act as spokesperson within and outside the Council for matters within the portfolio
- To have 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

COUNCIL

Council's roles are set out in Section 6 of the *Local Government Act 1999*. Their 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, as contained in the Local Government Act 1999 and other Acts.

Chapter 3

Table 111: Executive and Council targets as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Council Structures	% of Council resolutions implemented	100%	48%	Not all resolutions were implemented
	# of Council sittings	4	4 Normal	

Chapter 3

Table 112: Employees – Executive and Council (Mayor & MM offices) (2011/12)						
Job level	2010/2011			2011/2012		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	0	100%	1	0	100%
Level 4-6	2	1	50%	2	1	50%
Level 7-9	1	1	0%	1	1	0%
Level 10-15	0	0	0%	0	0	0%
Level 16-17	3	1	67%	3	1	67%
Total	7	3	63%	7	3	63%

Table 113: Financial Performance 2011/12: Executive & Council (MM & Mayor office) (R'000)					
Detail	2010/2011	2011/2012			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	0	1	1	0	0
Expenditure:					
Employees	16913	22595	22595	20951	1644
Repairs & Maintenance	-	557	557	90	467
Other	2054	2352	2352	2668	-316
Total Operational Expenditure	18967	25504	25504	23709	1795
Net Operational (Service) Expenditure	(18967)	-25503	-25503	-23709	-1794

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 Council budget through the Budget Steering Committee and 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 as well as the Section 71 reports. The division is also responsible for the insurance portfolio of Council, Insurance administration and claims management.

Revenue Division

Chapter 3

The Revenue division is responsible for billing and rendering of municipal accounts. The division also 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

Where credit control is not successful the outstanding debtor account is handed over for debt collection. The Division must also manage property rates through the implementation of the MPRA which includes maintaining, interim valuations and balancing of the valuation roll to Council financial system. Finally, the division is also responsible for the indigent register and must review the indigent policy on an annual basis and manage the registration and verification of the indigent.

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 dedications and other personnel related deductions. The division is further responsible for asset management through the administration and co-ordination of Councils asset register which includes annual asset verification, depreciation, impairment and the determining of asset condition.

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 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 accordance with 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

Chapter 3

of essential services. This includes the day to day procurement of stock items, the issuing of stock and the control of stock.

Table 114: Debt Recovery (R'000)

Details of the types of account raised and recovered	2010/2011			2011/2012		
	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	47 430	34 725	73.22%	55 727	47 410	85%
Electricity Basic	-	-	-			
Electricity Consumption	280 225	268 441	95.80%	337 909	323 552	95.75%
Water Basic	-	-	-			
Water Consumption	-	-	-			
Sanitation	-	-	-			
Refuse	21 877	16 168	73.91%	24 149	20 102	83.24%
Other	-	-	-	55 727	47 410	85%

The payment rate for electricity is higher than that for the other services 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.

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

Chapter 3

by NERSA in the previous December. National Treasury has indicated that municipality's must prepare their budgets using ESKOM bulk increases. The increase in the electricity tariff was 21,3%.

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 115: Financial Services targets as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Administration	Updated and credible indigent registers	100%	100%	N/A
	Timeous submission of annual financial statements	31-Aug-11	31-Aug-11	N/A
Debt management	% of Loan amount utilised for capital projects	100%	85%	Loan was approved late
	R-value outstanding service debtors	R192 000 000	R 230 087 802	N/A
	Average % Payment rate for municipal area	90%	93%	N/A
	R-value total debts written off annually	R 13 728 913	R 62 000 000	UMS appointed to clean data
Financial Management and Budgeting	% variance from annual Legislated Budget timetables	0%	0%	0%
	% of budget allocated for training and development (SDP)	1.32%	1.39%	1.32%
	% Operating budget for Councillor allowances (Councillor allowances budgeted / total operating budget)	2.25%	2.26%	2.25%
	% General expenses budget / Operating expenses budget	10%	11%	10%
Financial viability	<i>Cost coverage ratio</i>	1.8	2.32	N/A
	<i>Debt coverage ratio</i>	9	35.77	N/A
	<i>Outstanding service debtors to revenue ratio</i>	100%	68%	N/A

Chapter 3

Table 115: Financial Services targets as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Municipal Assets	% GRAP compliance (asset register)	100%	100%	N/A
Revenue Management	% reduction in rates and services billed, not recovered	1%	0%	Only 1st phase write off's done
	% Revenue from grants	38%	30%	Money reverted back to national treasury
	R-value MIG funding / R-Value Capital budget as %	37%	19%	N/A
	% equitable share received	100%	95%	Money reverted back to national treasury due to under spending on conditional grants
	% compliance to revenue enhancement strategy implementation plan	100%	100%	N/A
Supply chain management	Total R-value of contracts awarded during the financial year	Reporting only- no target	R 138 055 183.51	N/A
	Average time taken from tender advertisement to submission of recommendation to the MM (# of weeks)	8	12	N/A
Unqualified audit	Audit opinion	Unqualified	Qualified	N/A

Chapter 3

Job level	2010/2011			2011/2012		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	6	4	16%	6	5	33%
Level 4-6	19	12	37%	20	15	25%
Level 7-9	44	29	34%	44	28	36%
Level 10-15	2	0	100%	1	0	100%
Level 16-17	4	3	25%	4	2	50%
Total	75	48	26	75	50	33%

Detail	2010/2011	2011/2012			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	152 568	173 050	173 050	199 860	-26 810
Expenditure:					
Employees	16 214	19 456	19 456	17 965	1 491
Repairs & Maintenance	130	131	131	58	73
Other	28 777	28 742	27 742	36 763	-9 021
Total Operational Expenditure	45 121	48 329	47 329	54 786	-7 457
Net Operational (Service) Expenditure	-107 447	124 721	125 721	145 074	-19 353

The actual operational revenue amounts to R200 million whilst the actual operating expenditure amounts to R145 million. This represents a surplus of R55 million. It must however be mentioned that the actual income represents 115% of the budgeted amount and the actual expenditure represents 116% of the budgeted amount. It needs to be mentioned that the revenue excludes revenue received from tariffs and property rates. The actual income includes grant allocations of R165 million and the overspending on actual total operating expenditure is mainly due to the overspending on provision for Bad Debts.

Chapter 3

3.19 HUMAN RESOURCE SERVICES

The mission of the HR Division – which falls under the Corporate Services Department – is to effectively manage the rendering of Human Resources advisory and support services to Council and internal/external clients through the following functions:

- Personnel Administration
- Personnel Provisioning and Employment Equity
- Training, Education and Development
- Labour Relations
- Organizational Development
- Occupational Health and Safety & Employee Wellness

The top three service delivery priorities for 2011/2012 were to:

- Review and re-align the organogram of the Greater Tzaneen Municipality in line with the IDP and service delivery needs
- Fill the service register after due process with capable and competent staff for those critical, essential and budgeted positions
- Maintain and where possible enhance all HR Policies, procedures, practises and systems to the benefit of all stakeholders

The impact the HR Division had made on the above three key service delivery option were that –

- The organogram, with the assistance of an external service provider, was reviewed, aligned and approved by Council for implementation with effect from 1 July 2011. An extended consultative approach of all stakeholders, including organized labour, was followed in order to reach the desired outcome. The primary focus was placed on enhancing the present service delivery functions, but also to provide for new functions, for example, a new Department for the Office of the Mayor.
- In order for the Greater Tzaneen Municipality to function properly all critical, essential and budgeted positions on request of the various line-managers must be filled timeously. In this regard the Personnel Provisioning Policy is used as policy guide to ensure the fair and

Chapter 3

equitable appointment of staff. The representatives of organised labour also play an important observers role in this regard.

- The turnover of staff and other relevant statistics are being dealt with under separate headings in 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 impact of such amendments can be observed in the implementation of same. Compliance to legislation and agreements is and still remains an important focus area for this Municipality.

Chapter 3

Table 118: Human Resource Management targets as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Employment equity	# of people from employment equity target groups employed in the three highest levels of management	22	19	N/A
	% of employees in the three highest levels of management that are female	35%	2	N/A
	% of employees that have a disability	2.2%	2.30%	N/A
	% of employees that are female	35%	34.10%	N/A
	% of employees that are youth	35.5%	35.20%	N/A
	% Compliance to Employment Equity plan	100%	100%	N/A
Labour relations	% of critical posts filled	100%	100%	N/A
	# Industrial actions	0	3	Remuneration disputes
Organisational Design	Total Number of staff employed in the municipality	Reporting only	651	N/A
	Number of budgeted posts vacant for more than three months during the financial year	Reporting only	12	N/A
	Total Number of Section 57 staff employed	8	5	N/A
	Number of Section 57 posts vacant for more than three months	1	3	N/A

Chapter 3

Table 119: Employees - Human Resource Services

Job level	2010/2011			2011/2012		
	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	8	4	50%	8	6	25%
Level 7-9	2	1	50%	4	2	50%
Level 10-15	2	1	50%	3	1	50%
Level 16-17	0	0	0	0	0	0
Total	13	7	46%	16	10	37.5%

Table 120: Financial Performance 2011/12: Human Resource Services (R'000)

Detail	2010/2011	2011/2012			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	54			272	R -272
Expenditure:					R 0
Employees	15 403	3850	3850	11110	R -7 260
Repairs & Maintenance	-	5	5	2	R 3
Other	1 514	1741	1741	1999	R -258
Total Operational Expenditure	16 917	5596	5596	13111	R -7 515
Net Operational (Service) Expenditure	(16 863)	5596	5596	12839	R -7 243

Only two capital projects were requested by the HR Division, namely, the purchasing of an air conditioner for the HR Archive and the purchasing of Zippel file cabinets for the new planned HR Archive. Both these two capital projects were finalized successfully.

Despite the fact that in the HR Division only ten of the 16 positions was filled (37.5% vacancies) an acceptable level of service to internal and external clients was rendered. An insignificant number of complaints regarding the quality of the services rendered during the 2011/2012 financial year were received. The HR Division was commended for their quick response times in addressing the matters at hand. Data for all employees and councilors for the allocating of tax numbers were captured.

Chapter 3

Similarly all data was captured for 340 ward committee members for the payment of stipends. The once off three month's payment for 38 ex-councillors as instructed by SALGA was also done well in time. Similarly the Personnel Administration Section performed well and all the basic transactions and record keeping were done to satisfaction. The function of personnel provisioning and the employment equity project is receiving the necessary attention and progress are made in terms of demographic representation as well as gender and disability representation.

As far as the Education, Training and Development Section was concerned, the legislative requirements in terms of the submission of the WSP 2011/2012 and ATR 2010/2011 were complied to and monetary grants received back for the efforts. Progress albeit slow was made with ABET training with the assistance of an outside service provider sponsored by the LGSeta. The overall execution of all the needs identified in the WSP was however hampered due to cash flow considerations.

It can be reported that the bulk of the training vote allocation was directed to senior management/management and councillors to attend the MFMP programme that is being conducted by the University of Pretoria. As from 1 January 2013 certain categories of 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 execution of the OD and Labour Relations functions were still a challenge as these units were without staff, but the functions must be executed. The functions for OHS and EAP are functioning extremely well under the able guidance of Ms. Granny Matsaung; who also received the HR Practitioner of the Year Award for 2011 of the Institute of Municipal Personnel Practitioners of Southern Africa (IMPSA). It is the view that the HR Division with its dedicated and loyal staff have contributed significantly to the overall achievements and success of the Greater Tzaneen Municipality.

3.20 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Chapter 3

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).
- Office round to check if system is used optimally.
- Liaise with outsourced service providers i.e. SITA, SALGA, Provincial and National Local Government department regarding all escalated problems.
- Backup services.
- Disaster recovery plan
- Procurement of all IT equipment and Computer rollout.
- Audit of computer equipment.
- Computer Consumables such as Mouse, Printer, Ink and cartridges,
- Data Security.
- 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), and the work on the remaining 20% is due to commence on early 2013.
- IT Infrastructure Refurbishment – the upgrade on the servers and computers enables the community to get help from Municipal officials faster and ensures that the Municipal Systems are running from reliable infrastructure. This project was completed successfully during the 2010/2011 financial year and is now on a three year lease contract.
- Mayoral Hotline – This project will connect the Municipality and the community to assist on accountability and incident reporting. The service provider has not yet been appointed.

Chapter 3

Challenges for the information technology division

ProMis Administration

- Management meeting resolution earlier this year (2011) indicated that Finance Director (CFO) should schedule a full ProMis administration training with Fujitsu (Service Provider) for an IT Support Officer this should be done to provide a centralized ProMis Administration and also based in the IT Office.

Training

- ICT is a dynamic field which requires constant engagement with other IT professionals from other government institutions, and most importantly trainings and workshops on the latest developments, threats and legislations.
- The Human Resources division has made provision for training of IT Staff during the current financial year which is a major improvement compared to the previous financial years.

Chapter 3

Table 121: Information Technology targets as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Information Management	% Daily Data and mail backup available	100%	100%	N/A
	% of printing faults attended to within 1 working day	100%	100%	N/A
	% of Attendance to IT faults within 24Hours.	100%	100%	N/A
	% of workstations with access to IT network	95%	100%	N/A
	hrs downtime for outside work stations	0	0	N/A
	# of website updates	Reporting only - no target	21	N/A
	Rural Broadband connectivity	Maintain broadband infrastructure	90% Implemented. All required equipments secured and installed by the Service Provider.	Awaiting License from ICASA to activate satellite connectivity.
	Maintenance Contract Tally-Genicom line printers	Monitor implementation of SLA for maintenance of Tally-Genicom line printers	Maintenance and repairs of the printers done as required	N/A
	Purchase Projectors	Manage usage of projectors and maintain	Four Projectors procured.	N/A
	IT equipment refurbishment and leasing	Manage and maintain equipment. Expand wireless network & Install fibre optic backbone in Council Buildings	Fibre optic to costly therefore microwave solution was implemented . Surveys done on all sites, towers not yet constructed.	Service Provider awaiting ICASA license to start construction of towers

Chapter 3

Job level	2010/2011			2011/2012		
	Nr of Posts	Positions Filled	Vacancy rate	Nr of Posts	Positions Filled	Vacancy rate
Level 0-3	1	0	100%	1	0	100%
Level 4-6	2	0	100%	2	2	0
Level 7-9	2	0	100%	3	2	1
Level 10-15				0	0	0
Level 16-17				0	0	0
Total	5	0		6	4	33.3%

During the middle nineties, Council could not secure competent IT Staff due to the fact that the Greater Tzaneen Municipality's wage/salary structure was not competitive with the market. Subsequently, the IT function was outsourced to the private sector. However, during the reporting period and due to changing circumstances, it was decided to in-source the function again. The benefit of this arrangement is that adequate skills could now be sourced in the market; which can also be transferred to subordinates. Continuity in the IT function and the retention of such skills are paramount in rendering this important function.

Detail	2010/2012		2011/2012		
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	R 0.00				R 0
Expenditure:					R 0
Employees	781	1030	1030	1123	R -93
Repairs & Maintenance	R 780 507	571	571	332	R 239
Other	R1 008 635	2521	2521	1917	R 604
Total Operational Expenditure	R1 752 221	4122	4122	3372	R 750
Net Operational (Service) Expenditure	- R3 541 363	4122	4122	3372	R 750

During the 2011/12 financial year the IT infrastructure was given a major overhaul through:

- 150 HP Computers and 150 Samsung LCD Monitors

Chapter 3

- Replacing all Server Room, First Floor and Ground Floor Switches.
- Replacing Firewalls and Routers.
- Replace servers with new ones (Mail, Domain Controller, Antivirus, Printer, Backup, Data)
- Install a new UPS for the Server Room
- New Internet System (Blue Coat)
- Total Costs for above is: R,246,395.01
- Cabling Upgrade from Cat5 to Cat6, Plus cutover. – R529,321.91

The four largest capital projects are:

- Rural Broadband Project – this project will assist the communities to connect through the satellite offices and eSchools (Phase 2) to access the Municipal Services and information from the their townships and villages. **±R5000 000**
- IT Infrastructure Refurbishment – the upgrade on the servers and computers enables the community to get help from Municipal officials faster and ensures that the Municipal Systems are running from reliable infrastructure. **±R4000 000**
- Mayoral Hotline – This project will connect the Municipality and the community to assist on accountability and incident reporting. **±R500 000**
- eParticipation – Help Municipality get in touch with all Community members and receive feedback instantly. Through this project other stakeholders (e.g. SAPS, Home Affairs, Banks, etc) can use the system to deliver vital information to the community. Value to be determined by the Project Sponsor i.e. GIZ ZA.

3.21 LEGAL SERVICES

The role of the legal services division is to render legal advice to council, drafting of legal documents, interpretation of contracts, drafting of by-laws, to institute and defend legal actions on behalf of the municipality and to perform any statutory duties that council may confer on it.

The highlights in respect of the achievements over the past financial year have been the introduction of a proper filing system which is aimed at facilitating proper documents location and precedents

Chapter 3

management. This was done with a view to position the legal division to resemble a normal professional legal environment.

Chapter 3

Table 124: Legal support targets as set out in the SDBIP for 2011/12				
Programme	Project/ KPI	Annual Target (2011/12)	Actual Achieved (30 June 2012)	Reason for deviation
Legal Support	R-value spent on external legal fees	Reporting only - no target	R4,5 Million	Municipality currently engaged in number of cases before High Court
	Delegation of Authority	Appoint service provider to review of Delegation of Authority. Monitor review of Delegations and submit to Council for approval. Arrange a Workshop on delegations by September '11	Not implemented. Delegations were not revised in the 2011/2012 financial year	Insufficient budget to appoint the Service Provider.
	Promulgation of By-laws	Ensure that by-laws are promulgated. Monitor the public participation process and finalise by-laws for promulgation	90% PPP is in progress for all identified By-Laws.	We are finalizing PPP on the identified By-Laws

Chapter 3

Table 125: Employees – Legal Services (2011/12)						
Job level	2010/2011			2011/2012		
	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	1	1	0	1	1	0
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	3	3	0	3	3	0

Table 126: Financial Performance 2011/12: Legal Resource Services (R'000)					
Detail	2010/2011	2011/2012			
	Actual	Budgeted	Adjustment Budget	Actual	Variance
Total Operational Revenue (excluding tariffs)	–				R 0
Expenditure:					R 0
Employees	1,269	1285	1285	1399	R -114
Repairs & Maintenance	–	0	0	0	R 0
Other	3,069	2464	2464	7150	R -4 686
Total Operational Expenditure	1,268,643.71	3749	3749	8549	R -4 800
Net Operational (Service) Expenditure	-1,268,643.71	3749	3749	8549	R -4 800

No capital projects were planned or implemented for Legal Services during the 2011/12 financial year

COMPONENT J: ORGANISATIONAL PERFORMANCE SCORECARD

The full Annual Performance Report for 2011/12 is included as **Annexure D**.

Chapter 4

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

Introduction

Although the Greater Tzaneen Municipality has made provision on its organizational structure for an Organizational Development (OD) Unit, by way of two positions, namely, that of a Work Study Officer and a Work Study Assistant such Unit was not sourced by officials during the 2011/2012 financial year. Financial provision will have to be made for the 2013/2014 financial year to fill at least the position of Work Study Officer with a competent person. Some of the critical aspects that must be dealt with by the Work Study Officer are to:

- Coordinating all TASK Job Evaluation and related activities
- Perform organizational studies to ensure proper lines of command and work flow
- Undertaking work studies to ensure better performance and productivity
- Ensuring an updated organogram using Orgplus software
- Assisting with the development and conducting of HR related surveys
- Assisting with the development and implementation of an organizational Performance Management System (PMS) for employees in collaboration with the PMS Unit of the Office of the Municipal Manager

From the above, it will be observed that there are many challenges that must be addressed by this Unit; including the full implementation and maintenance of the TASK Job Evaluation Outcome as well as the cascading of the PMS to employees lower than job 3 (now job levels T15 and T14).

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

Chapter 4

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Table 127: Employee turnover					
Department (functions)	2010/2011	2011/2012			
	No of Employees	Approved positions	No of Employees	No of Vacancies	% Vacant
Engineering Services (Roads& Stormwater, Water & Sanitation, PMU, Building & Fleet Maintenance)	152	592	162	430	72.6%
Electrical Services	82	186	108	78	41.9%
Community Services (Waste management, Libraries, Parks & Cemeteries, Sports & Recreation, Environmental Health & HIV/AIDS, Licensing, Traffic)	251	430	252	178	41.3%
Planning & Economic Development (LED, Town Planning, Housing, Youth, Gender & Disability)	15	30	19	11	36.6%
Chief Financial Officer (Expenditure, Revenue, Financial Services and budgeting, Supply Chain Management)	50	75	50	25	33.3%
Corporate Services (Legal, Communication, Archives & Records, HR, Public Participation & IT, Council Admin Support)	54	69	47	22	31.8%
Municipal Manager (Disaster Management, Internal Audit, IDP, Performance Management)	10	24	11	13	54.1%
Office of the Mayor (Administration and Special Programs)	0	10	4	6	60%
Total	614	1416	653	763	53.8%

A comparison between the 2010/2011 and 2011/2012 financial years show that the number of officials actually employed has increased from 614 to 653. This can be explained by the fact that certain services, for example, the cleansing and slashing functions which were previously outsourced are now being performed internally again. A vacancy rate of 53.8% will be observed. Out of the 1416 positions approved not less than 763 were vacant as on 30 June 2011.

Chapter 4

Designation	Total Approved posts	Vacancies	Variences (as % of total posts in each category)
Municipal Manager	1	1	100%
CFO	1	0	0%
Other Section 57 Posts	7	3	42%
Middle Management: Financial (Level 3)&4	8	2	25%
Middle Management: non-Financial (Level 3)&4	38	22	57.8%
Highly skilled supervision: Financial (Level 5-6)	23	13	56.5%
Highly skilled supervision: Non-Financial (Level 4-6)	259	128	49.4%
Total	337	169	50.1%

An analysis of the upper levels shows a vacancy rate of 50% which is slightly lower than the 53.8% for the whole Municipality. The matter of 49.4% for highly skilled supervision (non-financial) (Levels 4-6) is an area of concern that must be addressed in the 2012/2013 financial year.

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

From the data above, it seems that the turnover rate of the Greater Tzaneen Municipality is in the region of 4.5%. 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. It can be indicated that in the banking sector, for example the turnover rate is around 12%. As far as senior management positions are concerned, three of the seven director positions was vacant as on 30 June 2012, namely, that of the Director Engineering Services Director Corporate Services, and Director (Office of Mayor). The positions will be filled in the 2012/2013 financial year. It can be indicated that the contract of all

Chapter 4

directors lapsed on 30 June 2012 and will have to be filled afresh by way of five year fixed term contracts coupled to annual renewable performance agreements.

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. A total number of twelve officials were promoted during the year under review.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

Introduction

The workforce is being managed by a group of dedicated senior managers (directors) and managers who all is well qualified in their respective areas of expertise. They have the necessary experience and skills to translate policy directives into services to the community. Some of these senior managers were employed on contract since 2002 and during the years has obtained vast knowledge and experience of the Local Government Sector. Newly appointed directors/managers also brought in much needed skills and expertise which assist in achieving the strategic intent of the Greater Tzaneen Municipality.

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. It is the intention to standardise all Human Resources related policies to a uniform standard.

A Retention Strategy was drafted and submitted to the relevant Cluster, and it was approved for implementation on 29 May 2012.

Chapter 4

Table 130: HR Policies and Plans			
	Name of Policy	% Completed	Date adopted by Council (or comment on failure to adopt)
1	Affirmative Action	100%	24/6/1996
2	Attraction and Retention	100%	A45 of 29/05/2012 (New Policy)
3	Code of Conduct for Employees	100%	As per Schedule to System Act
4	Delegations, Authorisation and Responsibility	100%	Not HR Competency (Legal Services)
5	Disciplinary Code and Procedures	100%	As per SALGBC Agreement (B40 of 24 August 2010)
6	Essential Services		Agreement under review due to new organogram
7	Employee Assistance/ Wellness	100%	B109 of 25 November 2008
8	Employment Equity	See 1	
9	Exit management	See 2	
10	Grievance Procedures	100%	As per SALGBC Agreement
11	HIV/AIDS		HR competency (B126 of 26/11/2002
12	Human Resources Development	100%	B77 of 26/8/2008
13	Information Technology	100%	A 42 of November 2011
14	Job Evaluation	100%	Agreement has lapsed on 31/10/2009
15	Leave	100%	As per SALGBC & DCoS Agreements
16	Occupational Health and Safety	100%	B112 of 25 November 2008
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%	Only Guidelines
20	Official Working Hours and overtime	100%	Only Guidelines (A71 of 29/2/2000)
21	Organisational Rights	100%	As per ORA in Main Agreement
22	Payroll deductions	100%	A249 of 30/8/1999
23	Performance Management and Development	100%	For job levels 0-3 only. A32 of 25/8/2011
24	Recruitment, Selection and Allowances	100%	B26 of 22 February 2005
25	Remuneration Scales and Allowances	100%	B240 of 30/11/2004
26	Sexual Harassment	100%	A364 of 21/11/2000
27	Skills Development	100%	B77 of 26/8/2008
28	Smoking	100%	A15 of 26/05/2009
29	Special skills		Not developed
30	Work organisation		Not developed

Chapter 4

	Name of Policy	% Completed	Date adopted by Council (or comment on failure to adopt)
31	Uniforms and Protective Clothing	100%	B14 of 26/5/2009
32	Policy on Granting of Bursaries to Employees	100%	A35 of 29/11/2011
33	Policy on Temporary Employment of Students	100%	28/09/1998
34	Anti-Corruption Policy	100%	A16 of 26/5/2009
35	Policy for Labour Relations	100%	29/7/1996
36	Language Policy	100%	29/1/2002
37	Risk Management Policy	100%	B63 of 2003
38	COIDA	100%	A44 of 28/08/2012 (New Policy)

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Type of Injury	Days Injury leave taken	No of employees	% of Employees using sick leave	Average injury leave per employee³	Total estimated cost
Required basic medical attention only	166	10	1.53%	16	R85 656
Temporary total disablement	0	0	0	0	0
Permanent Disablement	0	0	0	0	0
Fatal	0	0	0	0	0
Total	166	10	1.53%	16	R85 656

From Table 128 above it will be observed that a total of 166 days sick leave occurred due to injury-on-duty cases. This constitutes 1.5% of employees who was 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 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

³ Not determinable

Chapter 4

used to place articles relating to OHS matters and to conscientize workman/women. During the induction program of new entrants, time is being spent on OHS and EWP matters.

Table 132: Number of days and cost of sick leave (excluding injuries on duty) for 2011/12

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 16-17)	1106	5%	141	R300 290
Semi skilled - discretionary decision making (level 10-15)	443	6.7%	61	R163 446
Skilled, technical and academically qualified workers (7-9)	917	11.6%	79	R550 746
Professionally qualified and experienced specialists (middle management) level 4-6	545	15.4%	65	R498 064
Management (level 3)	96	18.7%	17	R338 924
Senior Management (level 0-2)	0	0	0	0
Total	3107	9.4%	363	R1.851 470

The average sick leave taken per employee is 4.7 days which is regarded as acceptable. This compares favourably with the five days reported for the 2010/2011 financial year. No suspensions occurred during the 2011/12 financial year (See Table 130).

Table 133: Number and Period of Suspensions

Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
0	0	0	0	0

Chapter 4

4.4 PERFORMANCE REWARDS

Table 134: Performance Rewards By Gender 2011/12

Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards 2010/11	Proportion of beneficiaries within group
				R' 000	%
Unskilled and defined decision making (level 16-17)	Female	77	0	0	0
	Male	168	0	0	0
Semi skilled - discretionary decision making (level 10-15)	Female	80	0	0	0
	Male	151	0	0	0
Skilled, technical and academically qualified workers (7-10)	Female	56	0	0	0
	Male	85	0	0	0
Professionally qualified and experienced specialists (middle management) level 3-6	Female	7	1	R46 874.85	25%
	Male	21	2	R101 562.17	50%
Senior management (level 0-2)	Female	2	1	R51 405.95	25%
	Male	4	0	0	0
Total		651	4	R199 845.97	
Has the statutory municipal calculator been used as part of the evaluation process?					Yes

Table 131 presents the performance awards made during 2011/12 for the assessments of performance during the 2010/11 financial year. Employee performance management has been cascaded to level three only. Due to human resource limitations further cascading is dependent on the appointment of additional personnel to manage the system. Four employees qualified for a performance bonus, which were the Municipal Manager and the Managers for Environmental Health, Land Property and Housing and also Budget and Treasury. The scoring system is based on Regulation 805 of 2006 and is applied uniformly for all employees.

Chapter 4

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

Greater Tzaneen Municipality accepted its legislative responsibility that requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way. An amount of R1 084 725 was allocated for training for the 2011/2012 financial year of which 100% was spent. However, it must be indicated that the bulk of the monies were used to pay for the Municipal Finance Management Development Programme (MFMP) for 27 senior management, management and councillors. This programme of the University of Pretoria (UP) will ended at the end of December 2012. The Workplace Skills Plan (WSP) for 2011/2012 was developed and submitted to the LGSeta before the due date of 30 June 2012. Grant disbursements of R160 000 were received from the LGSeta for the training efforts made.

Implementation of the workplace skills plan

In terms of the Workplace Skills Plan, the following training interventions were priorities:

- Special Technical – these are department specific training interventions.
- Support training interventions – these include management training, supervisory training, etc.
- Financial – Financial management courses; especially for non-financial managers.
- Life Skills and Basic Education – these include Adult Basic Education and Training (ABET).
- Management/Leadership – these include management development programmes, etc.
- Occupational Health and Safety – these include the OHS representative training and the responsibilities of managers on OHS Act, etc.

From the Workplace Skills Plan for 2011/12, the following should be noted:

- Number of beneficiaries to be trained: 306
- Number of beneficiaries actually trained: 111
- % of WSP Implementation: 36.2%

Chapter 4

A summary of the beneficiaries trained during the financial year, per occupational category, is presented in Table 132:

Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, snr officials and managers	15	0	0	4	6	0	0	1	26
Professionals	1	0	0	0	2	0	0	0	3
Technicians and associate professionals	5	0	0	5	2	0	0	0	12
Clerks	2	0	0	0	6	1	0	2	11
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	33	0	0	0	1	1	0	0	35
Elementary occupations	22	0	0	0	10	0	0	0	32
Total Permanent	75	0	0	0	24	0	0	0	99
Non-permanent employees	3	0	0	0	3	0	0	0	6
Total	78	0	0	9	27	2	0	3	119

Training interventions

ABET: A discretionary grant of R320 000.00 was sourced from the Local Government Sector Education Training Authority for ABET for Council employees. The programme started in March 2011 with a record number of 108 employees who enrolled for the programme. The programme was classified under Learner ships to run for a period of twelve months. After the completion of this programme, the plan is to identify those employees who are still outstanding and put them on a full programme for a period of eight (8) months. This approach is the most effective one as it was proved previously

Chapter 4

in the pilot project during the 2007/8 financial year. The employees have been registered into different ABET levels as follows:

Level	Number enrolled Communication in English	Number enrolled Numeracy in English
1	44	44
2	14	19
3	3	3
4	5	0

The challenge for the ABET programme - as indicated in the previous financial years - is the release of employees during working hours to attend classes. Though the number of illiterate employees in Council has drastically dropped, this must be clearly indicated that the most number of employees who still want to attend the ABET programme to uplift themselves must be afforded that opportunity so that they later can also access other training interventions.

Experiential training: 2011/12

As part of its social responsibilities, the Municipality has offered experiential learning to students/learners from institutions of higher learning to obtain their qualifications. These learners came from different universities, FET colleges, university of technologies, etc. and were also coming from various streams. The following is comprehensive data of learners who were assisted through the experiential programme in the Municipality to acquire their qualifications for the 2011/12 financial year:

No	Surname & initials	Stream/qualification	Department	Period
1	Makhubele NT	Bachelor Of Earth Science (Hydrology & Water Resource)	Engineering Services	2011/04/11-2012/12/31
2	Malatji TR	Bachelor Of Science: Community Water Services And Sanitation	Engineering Services	2012/08/01-2012/11/30
3	Seabi CM	N3 Water Purification	Engineering Services	2012/08/01-2012/11/30
4	Phephenyane VE	Certificate In Plumbing: Phase 1 & 2	Engineering Service	2012/08/01-2012/11/30

Chapter 4

No	Surname & initials	Stream/qualification	Department	Period
5	Mhlongo TN	National Diploma Engineering: Chemical	Engineering Services	2012/08/01- 2012/11/30
6	Mogale SD	Diploma Media Studies & Journalism	Corporate Services	2012/01/17- 2012/12/31

The following challenges were encountered during the 2011/12 financial year:

- The worst challenge was the unavailability of funds to implement the Workplace Skills Plan (WSP)
- Training interventions (needs) that are not linked to Departmental objectives. (It was detected that departments did not do proper planning and submit training needs that must be captured in the Workplace Skills Plan (WSP). However, they surf the internet and request those training interventions that does not in any way assist the departments to realise their objectives).
- The release of employees to attend ABET and other related training interventions.
- Poor quality of workmanship by the ABET Service Provider
- Implementation of Learnerships. The investment of the Municipality of the implementation of learnerships and taking into consideration the involvement of the unemployed learners in these learnerships must be increased. The only challenge arises when the Municipality is to contribute a particular percentage of money to the learnership.

Chapter 4

4.5 SKILLS DEVELOPMENT AND TRAINING

Table 138: Skills Matrix

Management level	Gender	Employees in post as at 30 June 2011	Number of skilled employees required and actual as at 30 June 2012											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
			No.	Actual 30 June 2011	Actual 30 June 2012	Target	Actual 30 June 2011	Actual 30 June 2012	Target	Actual 30 June 2011	Actual 30 June 2012	Target	Actual 30 June 2011	Actual 30 June 2012
MM and S57	Female	3	0	0	0	2	2	3	1	2	3	3	4	6
	Male	25	0	0	0	4	4	12	0	1	10	4	5	22
Councillors, senior officials and managers	Female	32	0	0	0	2	2	10	2	6	15	4	8	25
	Male	36	0	0	0	4	4	16	7	17	25	11	21	33
Technicians and associate professionals	Female	5	0	0	0	2	2	5	4	2	5	6	4	10
	Male	82	0	0	0	10	10	25	22	16	40	32	26	65
Professionals	Female	14	1	1	5	4	3	6	3	3	8	8	6	19
	Male	15	1	2	8	1	1	4	1	1	10	3	4	24
Sub total	Female	54	1	1	5	10	9	24	10	13	33	21	23	62
	Male	158	1	2	8	19	19	57	30	35	85	50	56	155
Total		212	2	3	13	29	28	81	40	48	118	71	79	165

T4.5.1

Chapter 4

Table 139: Financial Competency Development: Progress Report*

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	0	1	0
<i>Chief financial officer</i>	1	0	1	0
<i>Senior managers</i>	1	1	1	1
<i>Any other financial officials</i>				
Supply Chain Management Officials				
<i>Heads of supply chain management units</i>	1	0	1	0
<i>Supply chain management senior managers</i>	1	1	1	1
TOTAL	5	2	5	2

Chapter 4

Table 140: Skills Development Expenditure (R'000)

Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development 2011/12							
			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	1	0	1	0	1	0	1	0	1
	Male	1	1	1	1	1	1	1	1	1
Senior Management (level 3)	Female	5	2	5	2	5	2	5	2	5
	Male	1	0	1	0	1	0	1	0	1
Professionally qualified and experienced specialists (middle management) level 4-6	Female	1	1	1	1	1	1	1	1	1
	Male	5	2	5	2	5	2	5	2	5
Skilled, technical and academically qualified workers (7-10)	Female	1	0	1	0	1	0	1	0	1
	Male	1	1	1	1	1	1	1	1	1
Semi skilled - discretionary decision making (level 10-15)	Female	5	2	5	2	5	2	5	2	5
	Male	1	0	1	0	1	0	1	0	1
Unskilled and defined decision making (level 16-17)	Female	1	1	1	1	1	1	1	1	1
	Male	5	2	5	2	5	2	5	2	5
Sub total	Female	1	0	1	0	1	0	1	0	1
	Male	1	1	1	1	1	1	1	1	1
Total		5	2	5	2	5	2	5	2	5
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									1.39%	R1 135 092

Chapter 4

Since the promulgation of the MFMA Competency Regulations eight officials on the senior management and middle management were given the opportunity to attend the CPMD training presented by Wits Business School. However, meantime five of the eight officials left the employ of Council for greener pastures. During the 2010/2011 financial two groups consisting of 21 officials (on senior management/management level) and six councillors started with MFMP training with the University of Pretoria. The costs of this year long training intervention are approximately R1.2 million, which is mostly being funded by 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 0.05% 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 MFMP training will be concluded at the end of December 2012.

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

Introduction

Vacant positions are not being filled for the sake of filling it. 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

Table 141: Workforce Expenditure (R'000)

Year	Total Workforce Expenditure	% of total budget
2007/2008	108 419 191.00	32.73%
2008/2009	108 794 939.00	27.24%
2009/2010	154 567 646.00	36.02%
2010/2011	147 951 040.00	27.01%
2011/2012	151 838 715.00	20.01%

Employee cost increased annually as determined by SALGA and approved by Council. The high increases are a result of the change in the total budgeted amount and the number of people employed by the municipality.

Table 142: Number of employees whose salaries were increased due to their positions being upgraded

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

Chapter 4

Table 143: Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation (2011/12)

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 (Cleansing)	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.

Chapter 4

Table 143: Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation (2011/12)

Occupation	Number of employees	Remuneration level	Job Evaluation level	Reason for deviation
Artisan (Water)	2	6 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.
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.

Chapter 4

Table 143: Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation (2011/12)

Occupation	Number of employees	Remuneration level	Job Evaluation level	Reason for deviation
Controller (Finance)	2	5 PTH	T10	Post was previously graded on the VdM Grading system which is higher than the current Task system.
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.

Chapter 4

Table 143: Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation (2011/12)

Occupation	Number of employees	Remuneration level	Job Evaluation level	Reason for deviation
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.
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.

Chapter 4

Table 143: Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation (2011/12)

Occupation	Number of employees	Remuneration level	Job Evaluation level	Reason for deviation
Principal Clerk	1	9 PTH	T7	Post was previously graded on the VdM Grading system which is higher than the current Task system.
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.

Chapter 4

Table 143: Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation (2011/12)

Occupation	Number of employees	Remuneration level	Job Evaluation level	Reason for deviation
Senior Clerk (Finance)	1	7 PTH	T6	Post was previously graded on the VdM Grading system which is higher than the current Task system.
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.

Chapter 4

Table 143: Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation (2011/12)

Occupation	Number of employees	Remuneration level	Job Evaluation level	Reason for deviation
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.
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.

T4.6.3

Chapter 4

It should be noted that the Greater Tzaneen Municipality did not appoint any employee during 2011/12 in a position that did not exist on the organogram

Implementation of TASK Job Evaluation

With the purpose to bring uniformity to the Local Government Sector, as far as job evaluation, grading and wage/salary structures are concerned the TASK Job Evaluation Process was approved during August 2002. Greater Tzaneen Municipality already submitted its approved organogram, Council resolution and job descriptions as far way back as July 2005 to the then Regional Job Evaluation Committee at Polokwane for evaluation. It was evaluated and submitted to the National Moderation Committee (NMC) which on their part moderated the outcome and issued a Final Outcomes Report (FOR) dated 6 December 2007. This was the first FOR issued for the Limpopo Province. The Collective Agreement on TASK Job Evaluation for the Local Government Sector expired on 31 October 2009.

Due to many other problems that were experienced meantime, the matter of implementation dragged on until April 2010 when the national strike forced the parties back to the negotiation table which resulted in, inter alia, the Categorization and Job Evaluation Wage Curves Collective Agreement (called WACCA) which was signed on 21 April 2010. In terms of the categorization Greater Tzaneen Municipality was determined to be a grade 4 of 8 municipalities. As the equitable share income of the Municipality was omitted from the figures an appeal against the categorization was lodged on 7 June 2010 to the South African Local Government Bargaining Council (SALGBC). It is the submission that Greater Tzaneen should be at least a category 5 of 8 municipalities.

In respect of the WACCA agreement and due to the extent of the administrative exercise, it was decided to implement the FOR in three phases, namely:-

Phase 1: All new entrants as from 1 July 2010 were employed as per the WACCA salary structure.

Chapter 4

Phase 2: All those incumbents in positions eligible for the nine (9) months retrospective increases and back pay (to 1 October 2009) due to a favourable job evaluation outcome was given their benefits.

Phase 3: The “personal-to-holder” (PTH) group who was to be captured as such with only job title and job level changes.

Due to the differences in the two Job Evaluation Instruments, the changing over from one to the other has an enormous impact on all HR Systems, for example, Payroll, Organogram, Service Register, constitution of various committees, statistics, budgeting, etc. The HR Division cannot indefinitely run a dualistic system for obvious reasons.

The smooth implementation of the WACCA poses its own unique challenges which in a nut shell can be summarized as follows:

- The TASK Job Evaluation Agreement expired on 30 October 2009 – no mechanisms, for example, job evaluation committees, in place to maintain the job evaluation process.
- The lack of a capacitated OD Unit for Greater Tzaneen Municipality inhibits the sustainability of the job evaluation process locally.
- There is no Progression Agreement in place – no notch increases a challenge.
- Staff promoted without monetary gains – in terms of WACCA – leads to unhappiness.
- Wages/salaries not competitive re certain job levels and categories. It has become difficult to draw the right staff for service delivery and the retention of same.
- Some municipalities follow their own wage/salary structure which is far better than that of Greater Tzaneen Municipality resulting in the Municipality to lose competent and trained staff.
- Payment of “acting-in-higher” grade allowance for lower TASK salary scales is a challenge.
- Guidance on TASK matters from SALGA and SALGBC lacking which impedes on the smooth and uniform implementation of the tool.
- The pending outcome on the court case re 8.48% on top of WACCA wage/salary structure and lack of addressing the categorization appeals are also inhibiting factors for implementation. The latter case was meantime won by the unions, but it has been taken on appeal by SALGA.

Chapter 4

Unfortunately, the challenges with the implementation of the WACCA Agreement have become a huge bone of contention with organized labour locally. This eventually led to an unprotected strike by SAMWU on 13 and 14 June 2012 in which 169 and 131 members, respectively, partook.

In conclusion of the strike a Memorandum of Understanding (MOU) was signed with SAMWU for implementation by Council. (Resolution A32 of 22 June 2012).

This resolution in short revoked Resolution B39 of 24 August 2010 which approved the implementation of the WACCA Agreement and the usage of the TASK Job Evaluation System in lieu of the previous van der Merwe System. A benchmarking exercise through Versatex Trading 505 Pty.Ltd – an external Service Provider – was also embarked upon. Three municipalities will be selected for benchmarking in the same category (4 of 8) and with similar revenue collection to assure sustainability and affordability. The outcome of such exercise will be implemented from 1 July 2012, retrospectively. In the meantime the TASK Job Evaluation Policy Guidelines are being prepared by SALGA for implementation during the 2012/2013 financial year.

Disclosures of financial interests

All staff and councillors are annually requested during June of the preceding year to made disclosures of financial interests. The onus to disclose rests on each and every individual and non-disclosure can result in steps being taken against such individual in terms of the Codes of Good Conduct for Officials as well as for Councillors. The following disclosures were made by officials and councillors for the 2011/2012 financial year (see Table 141):

	Position	Name	Description of Financial Interest
1	Manager (HR)	Marthinus Pieter Smit Visser	Branch Treasurer of IMPSA – Receive Honorarium Member Board of Trustees - JMPF
2	Municipal Manager	Thabitha Constance Mametja	Director Famate Business Solutions – 49% shares Director River Lodge – 49% shares
3	Traffic Officer	Seabela Mathews Modjela	Universal Vision Travel CC - Member
4	HR Assistant	Ntebatse Maggy Helen Ramoshaba	Ukinika Ithuba Holdings - Member
5	Manager (Communication)	Thulani Cycil Twala	Ndzalama Environmental Management - Member

Chapter 4

Table 144 : Financial Interests declared 2011/12			
	Position	Name	Description of Financial Interest
	& Marketing)		
6	Snr Clerk	Lizll Le Grange	Heeltevree Trust – Renting of property & tractors/slashers, etc
7	Chief Financial Officer	Andre Jean Jacques Le Grange	Paradise Toad Investments 155 25% share in game farm – Member Heeltevree Trust
8	Manager Environmental Health	Tsanwani Maggy Matchumele	Vutivi Casa Linda cc- member Nhlalala CE member Owner Itina Guest House
9	Director (PED)	Faith Tebogo Mashianoke	Sasol Shares – Clothing Shop
10	Director (Community Services)	Obby Zophania Mkhombo	Mkhombo Investments – Property Development Mkhombo Family Trust
11	Manager (O&M)	Motswatwe Samuel Lelope	Ditlou Tubatse Trading Enterprise – Member Makhukho Electrical and Multi projects - Member
12	Manager (Projects)	Nico George Fourie	Baread 523 MS Owner
13	OHS Officer	Raesibe Granny Matsaung	Lapologa Guest House - Owner
14	Testing Officer	Victoria Tsakani Graham	Vickzol Trading Services cc – Member
15	Manager (Revenue)	Petronella Maria Viljoen	Sanlam Annuity
16	Assistant Accountant	Merle Alice Pochop	Sanlam Annuity
17	Manager (Legal Services)	Nkopodi Phatudi	Bidbay Trading (Clothing)
18	Librarian	Matuma Evelyn Ouma Modipane	Owner - CC
Councillors			
1	Councillor	Dikeledi Josephine Mmetle	Investment of Dept of Health plus pension from Dept of Agriculture
2	Councillor	Anna Elizabeth Jansen van Vuuren	Nothing to declare
3	Councillor	Masape Margaret Makwala	Nothing to declare
4	Councillor	Nawako Abram Masila	Nothing to declare
5	Councillor	Cassuis Machimana	GEPF
6	Councillor	Rene Edua Pohl	Nothing to declare
7	Councillor	Nwa-Gwa Mildred Risaba	Nothing to declare
8	Councillor	Thabiso Lea Matita	Maitinelo Investment - Member
9	Councillor	Nkhensani Roniel Rikhotso	Nothing to declare
10	Councillor	Mkateko Fortunate Mbhalati	Nothing to declare

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 curbing through expenditure management and 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 at **Addendum K**.

Chapter 5

Table 145: Financial Summary 2011/12 (R'000)

Description	2010/2011	Current year 2011/12			2011/12 Variance to actual	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property rates	47 939	34 822	34 822	58 835	-24 013	-24 013
Service charges	266 937	337 844	337 844	329 306	8 538	8 538
Investment revenue	2 308	51	51	5 160	-5 109	-5 109
Transfers recognised - operational	148 658	194 759	194 126	180 687	14 072	13 439
Other own revenue	32 413	66 486	66 486	49 940	16 546	16 546
Total Revenue (excluding Capital transfers & contributions)	498 255	633 962	633 329	623 928	10 034	9 401
Employee costs	91 436	90 607	90 607	97 737	-7 130	-7 130
Remuneration of councillors	15 228	17 034	17 034	16 655	379	379
Depreciation & asset impairment	96 765	94 704	94 704	196 819	-102 115	-102 115
Finance charges	7 784	16 723	15 723	12 767	3 956	2 956
Materials and bulk purchases	176 451	206 912	206 912	204 803	2 109	2 109
Transfers and grants	29 898	30 852	30 219	24 561	6 291	5 658
Other expenditure	189 969	218 917	219 917	186 832	32 085	33 085
Total Expenditure	607 531	675 749	675 116	740 174	-64 425	-65 058
Surplus/(Deficit)	-109 276	-41 787	-41 787	-138 012	96 225	96 225
Transfers recognised - capital	45 003	49 376	49 376	27 610	21 766	21 766
Contributions recognised - capital & contributed assets						
Surplus/(Deficit) after capital transfers & contributions	-64 273	7 590	7 590	-88 626	96 216	96 216
Share of surplus/ (deficit) of associate						
Surplus/(Deficit) for the year	-64 273	7 590	7 590	-88 626	96 216	96 216
Capital expenditure & funds sources						
Capital expenditure	94 017	118 376	118 376	111 074	7 302	7 302
Transfers recognised - capital	60 343	49 376	49 376	27 610	21 766	21 766
Public contributions and donations	-	-	-	-		
Borrowing	33 674	50 000	50 000	69 999	-19 999	-19 999

Chapter 5

Table 145: Financial Summary 2011/12 (R'000)						
Description	2010/2011	Current year 2011/12			2011/12 Variance to actual	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Internally generated funds	-	19 000	19 000	13 465	5 535	5 535
Total sources of capital funds	94 017	118 376	118 376	111 074	7 302	7 302
Financial position						
Total current assets	164 621	118 400	118 400	220 753	-102 353	-102 353
Total noncurrent assets	1 786 685	1 596 537	1 596 537	1 793 779	-197 242	-197 242
Total current liabilities	134 154	130 878	130 878	187 612	-56 734	-56 734
Total noncurrent liabilities	160 516	167 423	167 423	199 030	-31 607	-31 607
Community wealth/Equity	1 656 635	1 416 636	1 416 636	1 627 890	-211 254	-211 254
Cash flows						
Net cash from (used) operating	18 405	114 130	114 130	27 851	86 279	86 279
Net cash from (used) investing	-65 133	-104 034	-104 034	-42 435	-61 599	-61 599
Net cash from (used) financing	73 086	-3 633	-3 633	42 664	-46 297	-46 297
Cash/cash equivalents at year end	22 197	7 462	7 462	50 278	-42 816	-42 816
Cash backing/surplus reconciliation						
Cash and investments available	42 881	22 900	22 900	73 955	-51 055	-51 055
Application of cash and investments	-7 302	24 720	24 720	10 886	13 834	13 834
Balance - surplus (shortfall)	50 183	-1 820	-1 820	63 069	-64 889	-64 889
Asset management						
Asset register summary (WDV)	1 766 002	1 575 137	1 575 137	1 770 105	-194 968	-194 968
Depreciation and asset impairment	96 765	94 704	94 704	196 819	-102 115	-102 115
Renewal of Existing Assets	41 393	12 570	12 570	12 049	521	521
Repairs and Maintenance	100 982	96 174	96 174	90 714	5 460	5 460
Free services						
Cost of Free Basic Services provided	7	5	4			
Revenue cost of free services provided	1	5	14			

Chapter 5

Table 146: Financial Performance of Operational Services (R'000)

Description	2010/11	2011/12			2011/12	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water	n/a					
Waste Water (Sanitation)	n/a					
Electricity	271 825	293 528	293 471	298 027	(4 500)	(4 557)
Waste Management	41 246	43 376	42 287	34 061	9 315	8 226
Housing	10 338	11 122	11 122	10 119	1 003	1 003
Component A: sub-total	323 410	348 025	346 880	342 207	5 818	4 673
Waste Water (Stormwater Drainage)					-	-
Roads	105 318	101 436	101 443	96 881	4 555	4 562
Transport	9 448	36 140	36 140	10 853	25 288	25 288
Component B: sub-total	114 766	137 577	137 583	107 734	29 843	29 849
Planning	2 679	4 271	4 271	3 383	887	887
Local Economic Development	10 688	24 315	22 315	13 354	10 961	8 961
Component B: sub-total	13 366	28 586	26 586	16 737	11 849	9 849
Executive and Council	23 352	25 504	25 010	23 709	1 795	1 301
Budget and Treasury office	43 462	48 329	47 329	55 137	(6 807)	(7 807)
Corporate services	41 470	36 191	40 191	151 759	(115 568)	(111 568)
Component C: sub-total	108 284	110 025	112 530	230 605	(120 580)	(118 074)
Community & Social Services	3 258	4 461	4 461	3 376	1 085	1 085
Environmental Protection					-	-
Health	4 929	5 092	5 092	4 203	888	888
Public Safety	21 288	22 321	22 321	18 952	3 369	3 369
Sport and Recreation	14 884	16 696	16 696	13 583	3 113	3 113
Waste water	3 346	2 966	2 966	2 776	190	190
Component D: sub-total	47 705	51 537	51 537	42 891	8 645	8 645
Total Expenditure	607 531	675 749	675 116	740 174	(64 425)	(65 058)

Chapter 5

5.2 GRANTS

Table 147: Grant Performance 2010/11 (R'000)						
Description	2010/2011	2011/2012			2011/12 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:						
Equitable share	141 861	176 384	176 384	167 203	-5%	-5%
Municipal Systems Improvement	899	790	790	690	-13%	-13%
Department of Water Affairs						
Levy replacement						
Finance Management	1017	1250	1250	1250	0%	0%
Provincial Government:						
Health subsidy						
Housing						
Ambulance subsidy						
Sports and Recreation						
Seta	54	0	0	272	100%	100%
District Municipality:						
<i>[insert description]</i>						
Other grant providers:						
<i>Community Based Project</i>	457	0	0	57	100%	100%
Total Operating Transfers and Grants	144 288	178 424	178 424	169 472	-5%	-5%

No grants were received from other sources during the 2011/2012 financial year.

The under spending of the Equitable Share Grant is as result of a reduction in the registration of indigents during the 2011/12 financial year. The under spending of the MSIG is as a result of Training of ward committee members which did not take place during the 2011/2012 financial year. A rollover application for the unspent amount was submitted to National Treasury and an approval was granted during October 2012. The total allocation for FMG (Finance Management Grant) was fully spent during the year under review.

Chapter 5

SETA- The Grant is only received once the expenditure has been incurred. As a result no could be allocated for such grant

Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Neighbourhood Development Partnership Grant	14 000	12 000	6 240	55.4%	48%	Programmes are aligned to municipal Integrated Development Plans (IDPs), and there is council resolution supporting the award and/or programme to be implemented
Finance Management Grant	5 000	5 000	6 495	-29%	-29%	Establishment of a Budget and Treasury Office (BTO) with positions filled by appropriately qualified personnel and appointment of at least five interns over a multi-year period
Municipal Systems Improvement	790	790	790	0%	0%	Municipalities must adhere to the local government turnaround strategy
National Electrification(INEP) & Neighbourhood	5 000	5 000	5 000	0%	0%	Municipalities to comply with requirements to provide approved bulk project in their business plans
Total	21 040	19 040	19 040	-9.5%	0%	

GTM applied for MIG and NDPG during the 2011/12 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 in line with the Expanded Public Works Programme (EPWP), assist to maximize job creation through government expenditure and therefore helps with alleviating unemployment rate 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

Chapter 5

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: Ramotshinyadi to Mokgwathi road were 25 and Sasekani to Nkowankowa road were 22.

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 took place. 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 three projects were undertaken:

- **Community Parks** (completed in June 2012) – which has created safe outdoor recreation spaces, that not only have benches, braai areas and play apparatus; they also incorporated traditional games for all members of the community especially the youth.
- **The Rural Broadband Connectivity** (completed in December 2012) – this project entailed the connection of remote Municipal client service and multi-purpose centres to the main municipal offices in Tzaneen; thus connecting the following sites wirelessly: Rhelela, Runnymede, Homan Tower, Lenyenye, Letsitele, Ritavi, Nkowankowa Traffic, Bulamahlo and GTM HQ offices. This project had two phases:
 - Phase1: GTM Remote multi-purpose centres broadband connection, and
 - Phase 2: GTM Local multi-purpose centres broadband connection and wholesale Internet & government database connectivity.

The completion of this project meant that Municipal client service and multi-purpose centres were for the first time connected to GTM head office in Tzaneen remotely and that administrative business can now be completed with officials not having to either travel from these GTM client service sites and multi-purpose centres or Tzaneen to complete the administrative task at hand.

Chapter 5

•Nkowankowa East Integrated Development Initiative: Ring Road project component -

Although the planning and the design of the Ring Road Project was completed in August 2011 and the tender was advertised in December 2011; administrative challenges with the GTM meant that the tender was re-advertised in September 2012 and finally award in December 2012. This ring road is 2.55km long and will provide a safe internal road for the community of Nkowankowa section C, a connection to section B, provide a mini taxi rank, street lights (for increased safety at night), and new Municipal offices that will bring a permanent local site for public services to the community in this section. It is anticipated that this project will be complete in September 2013.

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 unbundling of assets. The changes hereto led to an increase in the total value of the municipal assets.

Table 149: Treatment of the three largest assets acquired 2011/12

Asset 1	
Name	Letsitele Main Sub Replacement Project 17/10
Description	Electrical Infrastructure
Asset Type	Infrastructure
Key Staff Involved	Manager Rural and Town: Electrical Engineering
Staff Responsibilities	Supervising and Monitoring

Chapter 5

Table 149: Treatment of the three largest assets acquired 2011/12				
	2008/2009	2009/2010	2010/2011	2011/2012
Asset Value	0	0	1 979 324	4 045 395
Capital Implications	Replacement of old transformers from 2*5MVA by 2*10MVA			
Future Purpose of Asset	Increase available capacity to rural network			
Describe Key Issues	To increase the capacity available to the Letsitele community by 2 MVA since the system was running at full capacity.			
Policies in Place to Manage Asset	Electrical Master plan in place to manage the asset			
Asset 2				
Name	Speed Humps			
Description	Roads			
Asset Type	Fixed			
Key Staff Involved	Manager Roads and Storm water, Director Engineering Services			
Staff Responsibilities	Supervising and Monitoring			
	2008/2009	2009/2010	2010/2011	2011/2012
Asset Value	0	0	0	1 928 104
Capital Implications				
Future Purpose of Asset	This will result in a traffic calming system			
Describe Key Issues	The road will be safe to use by residents			
Policies in Place to Manage Asset	Approved yearly maintenance budget			
Asset 3				
Name	Rebuilding of Lines Rapids 11kv 12.5 km			
Description	Electrical Infrastructure			
Asset Type	Infrastructure			
Key Staff Involved	Manager Electrical Services: Rural			
Staff Responsibilities	Ongoing maintenance			
	2008/2009	2009/2010	2010/2011	2011/2012
Asset Value	0	0	0	1 839 162
Capital Implications	Replacement of rundown electrical network			
Future Purpose of Asset	Increase in the lifespan of the network			
Describe Key Issues	Replace redundant overhead lines in the rural areas to avoid outages			

Chapter 5

Table 149: Treatment of the three largest assets acquired 2011/12

Policies in Place to Manage Asset	Approved yearly maintenance budget
-----------------------------------	------------------------------------

The replacement of Letsitele main Sub and Transformers as well as the rebuilding of lines have a positive effect on revenue generation seeing that electricity will be distributed for sale, the speed humps contributes towards a safe environment but not to revenue generation.

Table 150: Repair and Maintenance Expenditure (R'000)

Year	Original Budget	Adjustment Budget	Actual	Budget variance
2010/11	79 493	94 493	100 982	R -6 489
2011/12	96 174	96 174	90 714	R 5 460

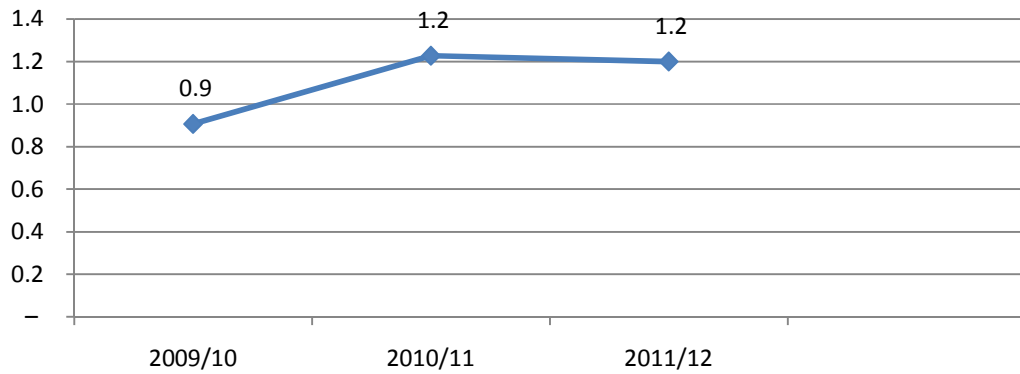
The actual expenditure on repairs and maintenance represents 12,3% of the total expenditure which is close to the national norm of 13%. The 6% under spending can be attributed to small deviations which include inter-alia the under spending on the following:

- Stormwater Drainage and Bridges R974 233
- Councils Owned Vehicles R924 185
- Councils Owned Land R547 006

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

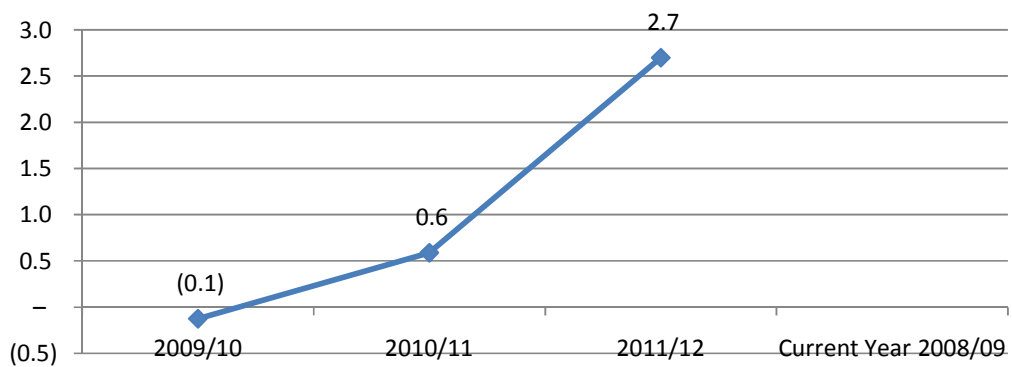
Chapter 5

Figure 7: Liquidity Current Ratio 2009/10-2011/12



The liquidity ratio, as demonstrated for GTM 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 indicates that Council is financial viable.

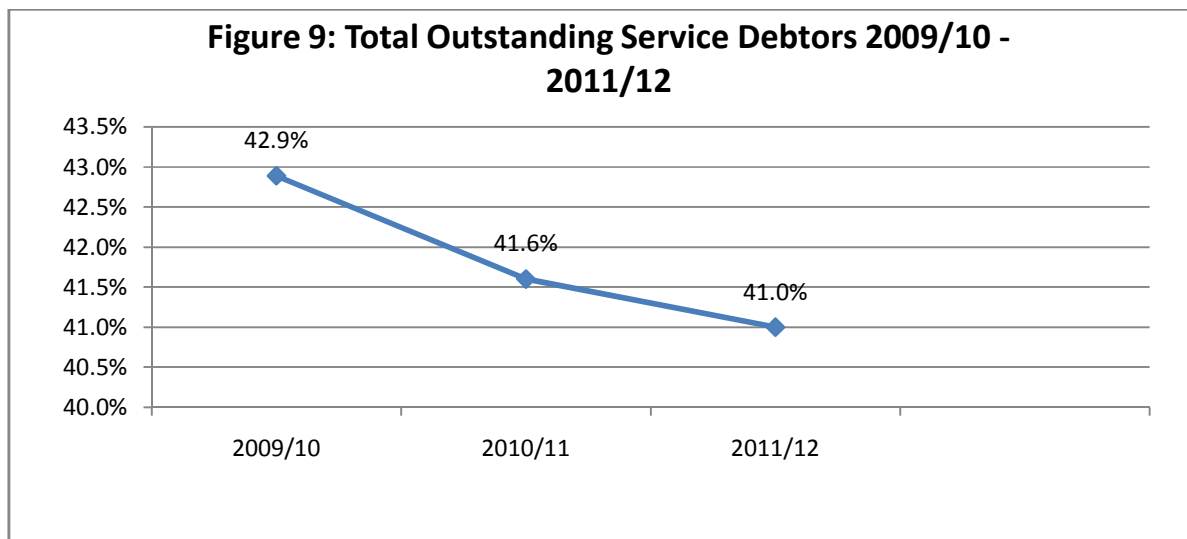
Figure 8: Cost Coverage 2009/10 - 2011/12



The Cost Coverage, as demonstrated for GTM in the figure above, explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality

Chapter 5

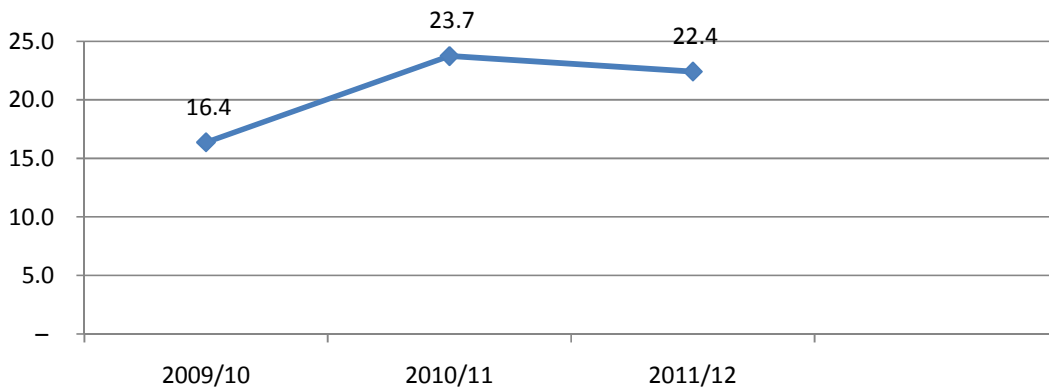
excluding utilisation of grants. This graph indicates that Greater Tzaneen Municipalities fixed monthly operational costs are covered by available cash and investments.



The outstanding service debtors, as expressed for GTM in the figure above, measure how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better. It is evident from this graph that 14% of services billed are not recovered on time.

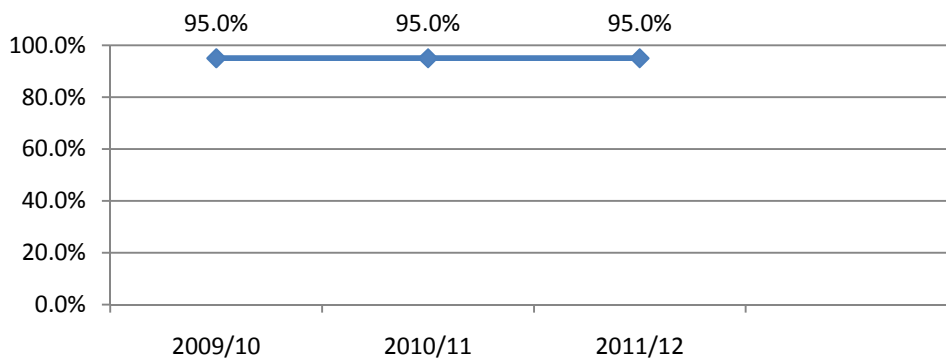
Chapter 5

Figure 10: Debt Coverage 2009/10 - 2011/2012



Debt coverage, as expressed for GTM in the figure 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 22 days.

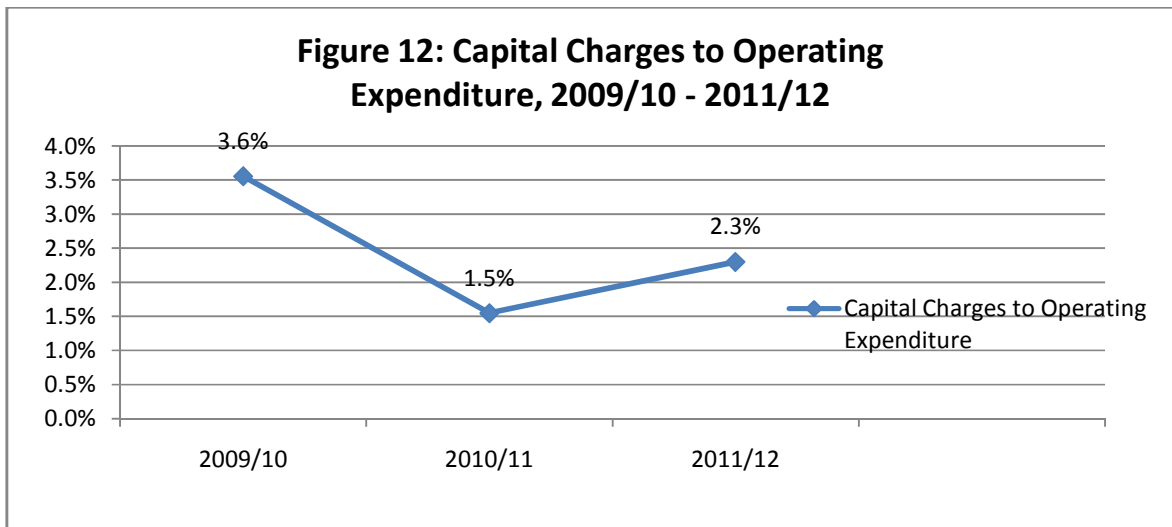
Figure 11: Creditors System Efficiency 2009/10 - 2011/12



The Creditor System Efficiency, as demonstrated for GTM in the figure 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.

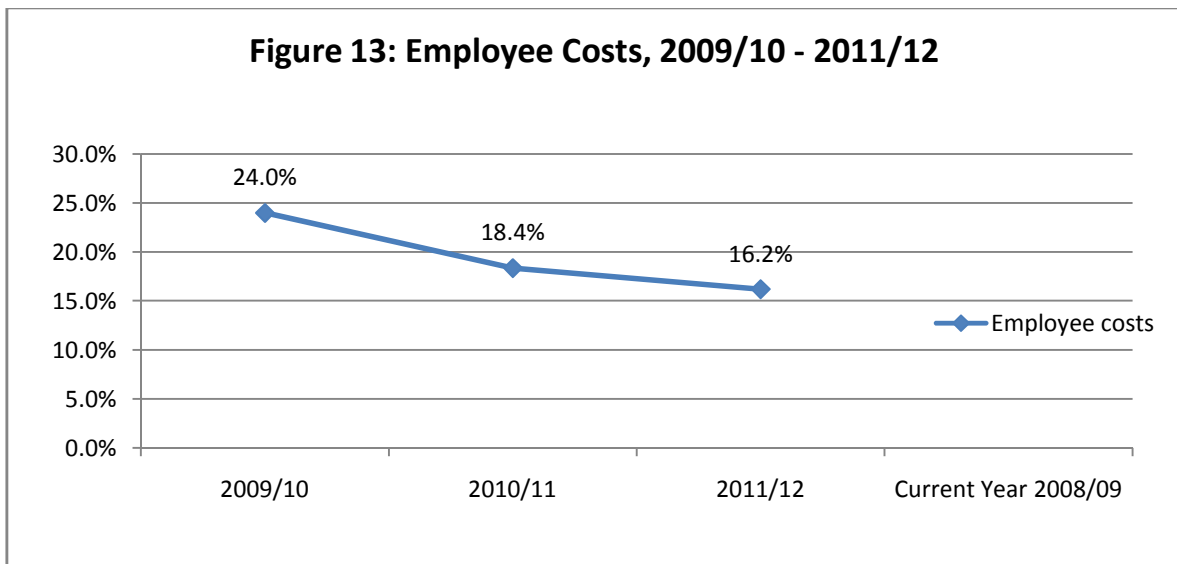
Chapter 5

Figure 12: Capital Charges to Operating Expenditure, 2009/10 - 2011/12



The capital charges to operating expenditure ratio are calculated by dividing the sum of capital interest and principle by the total operating expenditure. This graph represents the percentage expenditure spent on the repayment of loans against total expenditure. The amount of only R12,7 million was spent on the re-payment of loans compared to the total expenditure of R740 million.

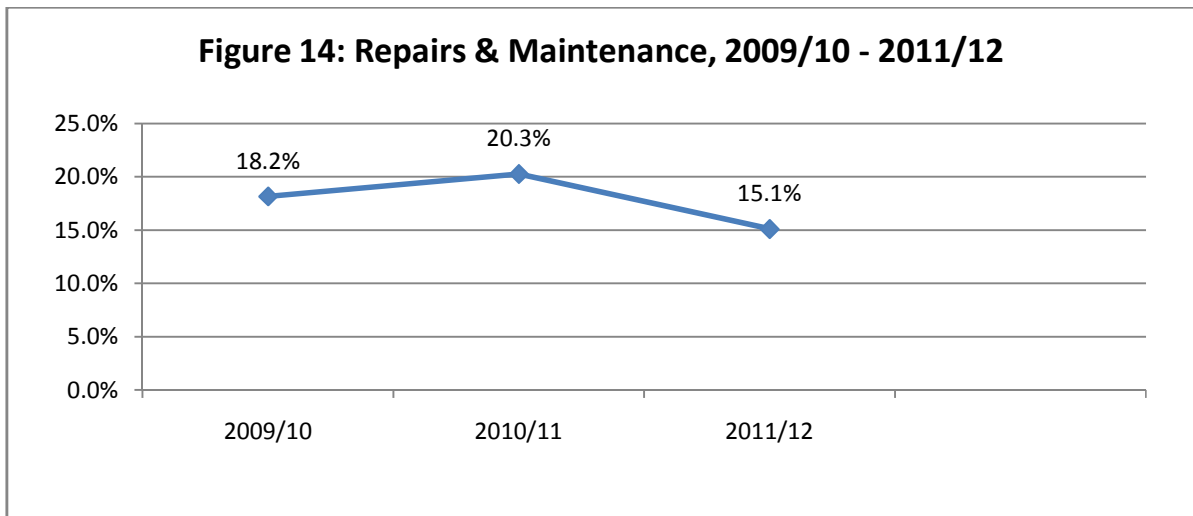
Figure 13: Employee Costs, 2009/10 - 2011/12



Employee costs, as expressed for GTM 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 Greater Tzaneen Municipality is well within the acceptable ratio of 35% of the total expenditure.

Chapter 5

Figure 14: Repairs & Maintenance, 2009/10 - 2011/12



The repairs and maintenance ratio, as demonstrated for GTM in the figure above, represents the proportion of operating expenditure spent on repairs and maintenance. The ratio of 15,1% is well above the target of 13% which is an indication that Council assets have been maintained adequately during the financial year under review.

Greater Tzaneen Municipality closed the 2011/2012 financial year with a positive cash book balance of R50 million. The conditional grants allocated to Greater Tzaneen Municipality amounted to R39 million which confirms a cash surplus of R11 million. The surplus is confirmation of the sound financial position Greater Tzaneen Municipality finds itself in. The Liquidity ratio also confirms a liquidity ratio of 1,2 while the cost coverage confirms that the expenditure of Greater Tzaneen Municipality is covered for 2,7 months, and the employee cost confirms that the workforce cost is well within the acceptable norm.

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:

- Ramotshinyadi to Mokgwathi road
- Sasekani to Nkowankowa road
- Electricity network
- Upgrading Tzaneen Town Electricity network including cables
- Senakwe to Maropalala road

These projects contribute 41.5% of the total capital expenditure for the year

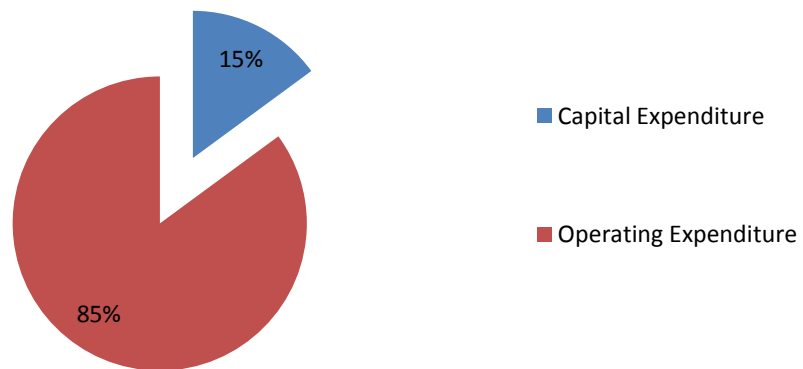
Chapter 5

5.5 CAPITAL EXPENDITURE

Table 151: Capital Expenditure 2011/12

	% of Expenditure Budget	Original Budget	Adjustment Budget	Un-audited Full Year Total
Capital Expenditure	14.92%	118	118	111
Operating Expenditure	85.08%	676	675	740
Total expenditure		794	793	851

Figure 15: % of Expenditure Budget 2011/12



5.6 SOURCES OF FINANCE

The Capital budget of R118 million was financed as follows:

- Own sources R19 Million
- Loans R50 Million
- Grants R49 Million
- Total:** **R118 Million**

Chapter 5

An amount of R111 million was spent on capital projects and a request for the roll-over of capital projects that have not been finalized during the 2011/2012 financial year has been submitted to National Treasury. The funding of the operational budget can be summarized as follows:

Rates and Service Charges	R370 Million
Grants and subsidies	R244 Million
Sundry Income	R 70 Million
Budgeted Revenue	R684 Million

Chapter 5

Table 152: Capital Expenditure - Funding Sources 2010/11 - 2011/12 (R'000)

Details		2010/2011	2011/12		Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
		Actual	Original Budget (OB)	Adjustment Budget			
Source of finance							
	External loans	33 674	50 000	50 000	69 999	-0%	-39.98%
	Public contributions and donations						
	Grants and subsidies	60 343	49 376	49 376	27 610	0%	44.08%
	Other		19 000	19 000	13 465	0%	29.13%
Total		94 017	118 376	118 376	111 074	0%	6.17%
Percentage of finance							
	External loans	35.8%	42.2%	42.2%	63.0%	32.98%	32.98%
	Public contributions and donations	0.0%	0.0%	0.0%	0.0%		
	Grants and subsidies	64.2%	41.7%	41.7%	24.9%	-67.80%	-67.80%
	Other	0.0%	16.1%	16.1%	12.1%	-32.40%	-32.40%
Capital expenditure							
	Water and sanitation				51		
	Electricity	32 194	31 500	31 500	921	0%	64.83%
	Housing	129					
	Roads and storm water	26 259	83 876	83 876	548	0%	64.77%
	Other	35 436	3 000	3 000	29 604	0%	-886.8%
Total		94 017	118 376	118 376	111 074	0%	6.19%
Percentage of expenditure							
	Water and sanitation	0.0%	0.0%	0.0%	0.0%		
	Electricity	34.2%	26.6%	26.6%	46.7%	43.07%	43.07%
	Housing	0.1%	0.0%	0.0%	0.0%		
	Roads and storm water	27.9%	70.9%	70.9%	26.6%	-166.35%	-166.35%
	Other	37.7%	2.5%	2.5%	26.7%	90.49%	90.49%

Chapter 5

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Table 153: Capital Expenditure of 5 largest projects*(R'000) 2011/12					
Name of Project	Current Year			Variance Current Year	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A-Ramotshinyadi, Miragoma & Mokgwathi	52,721	52,721	13,708	73.99%	73.99%
B-Senakwe-Morapalala	36,285	36,825	2,438	93.28%	93.28%
B-Sasekani-Nkowankowa	33,224	33,224	5,225	84.27%	84.27%
D-Capacity Project	32,716	32,716	30,464	6.88%	6.88%
E-Rehabilitation of Internal Claude Wheatley	9,168	9,168	1,153	87.42%	87.42%
Project details below:					
A - Ramotshinyadi, Miragoma & Mokgwathi					
Objective of Project	To eradicate high maintenance of gravel roads by tarring roads.				
Delays	Court Interdict				
Future Challenges	Small Maintenance Budget				
Anticipated citizen benefits	Easy access to and from work during rainy seasons				
B - Senakwe-Morapalala					
Objective of Project	To eradicate backlogs of gravel roads				
Delays	Appointment of the contractor				
Future Challenges	Small maintenance budget				
Anticipated citizen benefits	Easy access to business areas				
C - Sasekani-Nkowankowa					
Objective of Project	To eradicate high maintenance of gravel roads by tarring roads.				
Delays	No delays are anticipated, the project will be completed on time				
Future Challenges	Maintenance budget is required				
Anticipated citizen benefits	Improved accessibility of the area				
D - Capacity Project					
Objective of Project	To increase available electrical capacity to town by 40 MVA				
Delays	Contractor inexperience, Material Delivery and weather				
Future Challenges	Require further R50 million to complete phase 2 of capacity project				

Chapter 5

Anticipated citizen benefits	Moratorium on development has been lifted.
E: Rehabilitation of Internal Claude Wheatley	
Objective of Project	Extension of the lifespan of the road for the next 20 years
Delays	Court Interdict
Future Challenges	Maintenance Budget
Anticipated citizen benefits	Easy access in and around town and easy access to the taxi rank

It is vital to implement capital projects in time to avoid budget adjustment and variances. We've learnt that all relevant municipal departments do not participate in implementation of capital projects and this has a negative effect on project implementation in 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	53775	64.25%	45342	45.75%
Sanitation	72367	73.01%	26750	26.99%
Electricity	13780	15%	13780	15%
Waste management	10775	12.44%	88342	87.56%
Housing	86527	87.3	12590	12.7%

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>	44 363 643	44 363 643	3 253 657	41 109 986	41 109 986	See below
Total	44 363 643	44 363 643	3 253 657	41 109 986	41 109 986	

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 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 in 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

Description	2010/2011	2011/2012		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	330 545	434 939	434 939	412 213
Government - operating	148 657	194 759	194 759	180 687
Government - capital	45 004	49 376	49 376	27 610
Interest	16 370	14 736	14 736	19 103
Dividends				
Payments				
Suppliers and employees	(484 490)	(532 106)	(532 106)	(574 435)
Finance charges	(7 784)	(16 723)	(16 723)	(12 767)
Transfers and Grants	(29 898)	(30 852)	(30 852)	(24 561)
NET CASH FROM/(USED) OPERATING ACTIVITIES	18 404	114 129	114 129	27 850
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE				
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments	(2 755)	(1 600)	(1 600)	(2 995)
Payments				
Capital assets	(62 378)	(102 434)	(102 434)	(39 441)
NET CASH FROM/(USED) INVESTING ACTIVITIES	-65 133	-104 034	-104 034	-42 436

Chapter 5

Table 156: Cash Flow Outcomes (R'000)				
Description	2010/2011	2011/2012		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans				
Borrowing long term/refinancing	69 790	-4 133	-4 133	40 283
Increase (decrease) in consumer deposits	4 916	500	500	6 979
Payments				
Repayment of borrowing	-1 620			-4 598
NET CASH FROM/(USED) FINANCING ACTIVITIES	73 086	-3 633	-3 633	42 664
NET INCREASE/ (DECREASE) IN CASH HELD	26 357	6 462	6 462	28 078
Cash/cash equivalents at the year begin:	-4 159	1 000	1 000	22 198
Cash/cash equivalents at the yearend:	22 198	7 462	7 462	50 276

It is evident from **Table 156** above that Councils cash flow status has increased from R22 million at the beginning of the year under review to R50 million 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 therefore represents capital funds. It must, however, be emphasised that although external borrowing represents capital funds 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 amount to R151million.

Investments

Adequate provision has been made by way of external investments to ensure that cash is available on the maturity date of external sinking fund loans. Investment income on the other hand is utilised to

Chapter 5

fund the operational budget. Details of the investments of Greater Tzaneen Municipality are disclosed. Valuation of unlisted Investments is as follows:

- Liberty R 3 786 347
- BOE (Sinking fund) R 19 890 828

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 3 786 347.

Sinking Fund: ABSA

An investment of R6 982 292 has been made with BOE to repay a loan of R20 000 000 on maturity date. The loan bears interest on a variable rate and the value of the investment amounts to R19 890 828

Table 157: Actual Borrowings 2008/09-2010/11 (R'000)				
Instrument	2008/2009	2009/2010	2010/2011	2011/2012
Municipality				
Long-Term Loans (annuity/reducing balance)	23 279	21 450	89 620	125 304
Long-Term Loans (non-annuity)	11 600	11 600	11 600	11 600
Local registered stock	10 292	15 000	15 000	15 000
Instalment Credit				
Financial Leases	1 092	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	46 264	52 519	119 734	155 839

Chapter 5

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

Table 158: Municipal Investments (R'000)				
Investment* type	2008/2009	2009/2010	2010/2011	2011/12
	Actual	Actual	Actual	Actual
Municipality				
Securities - National Government	-	-	-	-
Listed Corporate Bonds	-	-	-	-
Deposits - Bank	25 865	17 928	20 683	23 677
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	25 865	17 928	20 683	23 677
Consolidated total:	25 865	17 928	20 683	23 677

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

All the supply chain management policies were reviewed and approved by council during the financial year and it should be noted that no councilors form part of bid committee's officials. One official completed the minimum competency levels and five officials are still to enroll. It was resolved that

Chapter 5

there be training of Supply Chain Management and Bid Committee Members as well as other officials to capacitate them with the Supply Chain Management Policies and Procedures. This will enhance the effectiveness of the Bid committees in evaluating and adjudicating bids. The Supply Chain Management Officials will also be able to carry out their Supply Chain Management daily operational duties effectively and comply with the Supply Chain Management Policies. The accredited training institutions have been identified and the budget is now allocated. The bid committees and Supply Chain Management Officials will receive training this financial year.

5.13 GRAP COMPLIANCE

GRAP is the acronym for **Generally Recognized Accounting Practice** and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. 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. The GRAP standards which have been approved but not yet effective will be complied with on the effective date.

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 Audit report was received during December 2012 and the basis for Disclaimer of opinion is contained in items 4 to 25 of the Audit report which is attached hereto as **Annexure B**. An Action Plan to address the 2011/2012 Audit findings has been drafted and is attached hereto as **Annexure C**. Cognisance must however be taken that the Action Plan addresses all findings contained in the management report and not just those included in the final Audit Report.

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2010/11-2011/12

6.1 AUDITOR GENERAL REPORTS 2010/11

Table 159: Auditor-General Report on Financial Performance 2010/11	
Audit Report Status*: Qualified	
Non-Compliance Issues	Remedial Action Taken
Money owing by the municipality was not always paid within 30 days of receiving an invoice or statement, as required by section 65(2)(e) of the MFMA.	Audit action plan was drafted and implemented to address these issues
The accounting officer did not take reasonable steps to prevent irregular, fruitless and wasteful expenditure as required by section 62(1)(d) of the MFMA	Audit action plan was drafted and implemented to address these issues
Awards were made to providers based on criteria that differed from those stipulated in the original bid documents as per the requirements of SCM regulation 28(1)	Audit action plan was drafted and implemented to address these issues

Chapter 6

COMPONENT B: AUDITOR-GENERAL OPINION 2011/12

6.2 AUDITOR GENERAL REPORT 2011/12

The Greater Tzaneen Municipality has submitted its Annual Financial Statements for 2012 financial year by 31 August 2012. The municipality received a disclaimer audit opinion from the Auditor General, redressing from its qualified audit opinion received in the past three consecutive years. The report by the Auditor General is attached as **Annexure B** along with the Management Action Plan, containing the remedial actions to be taken as **Annexure C**.

The main contributing factors to the disclaimer audit opinion were mainly use to the following:

- Non submission supporting documentation a due to lack of secured filing system.
- Lack of commitment by finance personnel resulting in documentation a submitted long after they were requested by the Auditor General leading to the Auditor General not conducting an audit on those documents.
- Lack of personnel (asset management unit) which resulted in documentation sent late to consultants dealing compilation of GRAP compliance assets register.

In addressing audit queries, the municipality has done the following:

- Compiled a comprehensive audit implementation plan
- Identified two secured place within the main building of the municipal offices to be used as filing rooms
- Conducting investigations to determine why documents were not submitted to AG on time for audit.

The audit implementation plan is not only dealing with matters that have influenced the opinion, but also with matters of emphasis and administrative matters to improve on our housekeeping. Furthermore, in addition to the establishment of risk management unit, a request is forwarded to both finance portfolio and governance and administrative portfolio committees for the establishment of asset management unit.

Chapter 6

The municipality remains confident that the audit opinion will be improved in 2013 with the main objective of achieving clean audit in 2014.

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief financial officer states that these data sets have been returned by GTM according to the reporting requirements, with the exception of C6 to C7 (refer to Addendum S).

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

GLOSSARY

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

GLOSSARY

Service Delivery Budget Implementation Plan	Detailed plan approved by the Mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <ul style="list-style-type: none"><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i>

APPENDICES

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
T S Manyama	PT		1/ANC	100%	
M E Ramolefo	PT		2/ANC	100%	
S P Masetla	PT	Health & Social Development	3/ANC	75%	25%
M M Mmola	PT	Agriculture	4/ANC	100%	
T K Nukeri	PT	Finance, Water Services	5/ANC	100%	
C Baloyi	PT	Sports Recreation, Art & Culture, Infrastructure,	6/ANC	100%	
M D Mabape	PT	Finance, Water Services	7/ANC	50%	50%
M R Makhudu	PT	Finance	8/ANC	100%	
M M Mohale	PT	Water Services	9/ANC	100%	
N M Mahasha	PT	Water Services, Public Transport & Roads	10/ANC	100%	
M L Hlangwane	PT	Health & Social Development	11/ANC	75%	50%
G E Ntimbane	PT	Public Transport & Roads	12/ANC	100%	
B M Mashava	PT	Water Services	13/ANC	100%	
A E Jansen Van Vuuren	PT	Sports Recreation, Art & Culture	14/DA	50%	50%
R E Pohl	PT	Health & Social Development	15/DA	100%	
N R Rikhotso	PT	Public Transport & Roads	16/ANC	100%	
D Q Mhlari	PT	LED	17/ANC	100%	
R P Nghonyama	PT	Agriculture	18/ANC	100%	
N H Zandemela	PT	LED, Corporate Governance	19/ANC	100%	

APPENDICES

Table 160: Councillors, Committees Allocated 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
K O Banyini	PT	Agriculture, Corporate Governance, Infrastructure	20/ANC	100%	
M S Mboweni	PT	LED	21/ANC	75%	25%
N D Ndhlovu	PT	Public Transport & Roads, Health & Social Development	23/ANC	100%	
T L Mhlongo	PT	Health & Social Development	24/ANC	75%	25%
G G Nghondweni	PT	Public Transport & Roads	25/ANC	100%	
S Mahori	PT	Infrastructure	26/ANC	100%	
M G Mangena	PT	Water Services	27/ANC	100%	
S T Mushwana	PT	Sports Recreation, Arts & Culture, LED	28/ANC	75%	25%
N A Masila	PT	Finance	29/ANC	100%	
M L Pudikabekwa	PT		30/ANC	100%	
P J Ramodipa	PT	Corporate Governance & Shared Services, LED	31/ANC	75%	25%
M S Raganya	PT	Agriculture	32/ANC	100%	
D T Maake	PT		33/ANC	100%	
M M Letsoalo	PT	Infrastructure	34/ANC	75%	25%
M J Mokgoloboto	PT	LED, Health & Social Development	ANC	100%	
D G Mushwana	PT	Sports Recreation, Arts & Culture, Public Transport & Roads	ANC	50%	50%
M Sabela	PT	Corporate Governance	DA	75%	25%
D J Mmetle	FT		ANC	100%	
M N Mboweni	FT		ANC	100%	
P Machete	FT		ANC	100%	
C Machimana	FT	Finance, LED,	ANC	100%	
M C Nkhwashu	PT	Finance, Water Service, Infrastructure	ANC	75%	25%
R R Selomo	FT	Infrastructure, Corporate Governance, Agriculture	ANC	100%	

APPENDICES

Table 160: Councillors, Committees Allocated 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
M S Maunatlala	FT	LED, Infrastructure, Agriculture, Sports Recreation, Arts & Culture	ANC	100%	
M Mokgomole	PT	Agriculture	ANC	75%	25%
B J Sekgotodi	PT	Public Transport & Roads, Water Services	ANC	75%	25%
S J Nkuna	PT	Health & Social Development	ANC	75%	25%
M R Shingange	FT	Corporate Governance & Shared Services, Infrastructure, Water Services	ANC	100%	
J Mothiba	PT	Sports Recreation, Arts & Culture	ACDP	100%	
M L Ncha	PT	Sports Recreation, Arts & Culture	ANC	75%	25%
L Mohale	PT	Finance	ANC	100%	
D L Ndove	PT	Infrastructure, Sports Recreation, Arts & Culture, Health & Social Development	ANC	75%	25%
M Makwala	PT	Finance	ANC	100%	
S Mbhalati	PT	LED, Public Transport & Roads, Water Services	ANC	100%	
M Risaba	PT	LED	ANC	75%	25%
L Matita	PT	Agriculture	ANC	100%	
G Mushwana	PT	Corporate Governance & Shared Services,	ANC	75%	25%
G Mabuza	PT	Corporate Governance, & Shared Services, Agriculture	ANC	100%	
M Valentine	PT	Agriculture	ANC	100%	
M Mbhalati	PT	Corporate Governance & Shared Services	ANC	75%	25%
A Makwela	PT	Finance	COPE	100%	
C Mamogale	PT	Public Transport & Roads	COPE	75%	25%
L Perkins	PT	Public Transport & Roads	DA	100%	

APPENDICES

Table 160: Councillors, Committees Allocated 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
J Shiluvane			APC	75%	25%
M Mokgobi	PT	Finance, Sports Recreation, Arts & Culture	ANC	75%	25%
C Makwala	PT	Finance, Infrastructure, Health & Social Development	ANC	100%	
H Magoro	PT	Health & Social Development	ANC	100%	
M Sibiya	PT	Corporate Governance & Shared Services	ANC	75%	25%
M Mc Neil	PT	Agriculture	DA	75%	25%

Note: * Councillors appointed on a proportional basis do not have wards allocated to them

T A

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 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.

APPENDICES

ADDENDUM C –THIRD TIER ADMINISTRATIVE STRUCTURE

Table 162: Third Tier Administrative Structure	
Directorate	Director/Manager (State title and name)
Office of the Municipal Manager	Manager (Internal Audit) Mr. MR Shingange
	Manager (Disaster Management) Vacant
	Manager (Strategic Support) Vacant
Corporate Services	Manager (Human Resources) Mr. MPS Visser
	Manager (Adm. Support & Records Management) Vacant
	Manager (Legal Services) Adv. N Phatudi
	Manager (IT) Vacant
	Manager (Community Participation and Project Support) Mr. F Malale
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. TA Ramokgano
	Manager (Finance) Mr. J. Biewenga
	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
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) Vacant

APPENDICES

ADDENDUM D – FUNCTIONS OF MUNICIPALITY / ENTITY

Table 163: 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 163: 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	6	6	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	6	6	1
3	<u>P Masetla (Ward Councillor)</u> 1. E Khosa 2. M Masinge 3. M Malapane 4. M Kheshane 5. C Moatli 6. S Ngobeni 7. V Machaba 8. D Mashale 9. A Mokgathi10. 10. T S Ngobeni	yes	6	6	1

APPENDICES

Table 164: Functionality of Ward Committees					
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	6	6	1
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	6	6	1
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	6	6	1

APPENDICES

Table 164: Functionality of Ward Committees					
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	6	6	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	6	6	1
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	6	6	1

APPENDICES

Table 164: Functionality of Ward Committees					
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	6	6	1
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	6	6	1
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	6	6	1

APPENDICES

Table 164: Functionality of Ward Committees					
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	6	6	1
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	6	6	1
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	6	6	1

APPENDICES

Table 164: Functionality of Ward Committees					
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 Mocheki	Yes	6	6	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	6	6	1

APPENDICES

Table 164: Functionality of Ward Committees					
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	6	6	1
20	<u>O Banyini (Ward Councillor)</u> 1. L Ngobeni 2. J Mongwe 3. C Nhangwini 4. E Nhangwini 5. C Shokane 6. S Moagi 7. M Nhangwini 8. B Baloyi 9. I Mongwa 10. V Chuma	Yes	6	6	1
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	6	6	1

APPENDICES

Table 164: Functionality of Ward Committees					
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	6	6	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	6	6	1
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	6	6	1

APPENDICES

Table 164: Functionality of Ward Committees					
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	6	6	1
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	6	6	1
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	6	6	1

APPENDICES

Table 164: Functionality of Ward Committees					
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	6	6	1
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	6	6	1
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	6	6	1

APPENDICES

Table 164: Functionality of Ward Committees					
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	6	6	1
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	6	6	1
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	6	6	1

APPENDICES

Table 164: Functionality of Ward Committees					
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	6	6	1

APPENDICES

ADDENDUM F – WARD INFORMATION

Table 165: Capital Projects: Seven Largest in 2011/12 - R' 000					
Ward No.	Project Name and detail	Start Date	End Date	Total Value	
2 & 3	Ramotshinyadi, Miragoma & Mokgwathi	26 January 2012	25 September 2012	52'721	
1	Senakwe to Morapalala	02 April 2012	04 December 2012	36'285	
21, 24	Sasekani to Nkowankowa D Tar	02 April 2012	25 September 2012	33'225	
All	Electricity Capacity Project	02 November 2010	Ongoing	32'718	
15	Rehabilitation of Internal Claude Wheatley	02 March	02 November 2012	9'168	

APPENDICES

ADDENDUM G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2011/12

TABLE 166: Municipal Audit Committee Recommendations			
Date of Committee	Committee recommendations during 2011/12	Recommendations adopted (enter Yes); not adopted (provide explanation)	Implemented (Yes/No)
03 May 2012	Revenue enhancement /strategy out dated	Currently revised, finalisation the end of March 2012.	Revised copy not received.
03 May 2012	Roll out plan for debtors and creditors action plan not presented to the A/C	To be presented in the next A/C meeting	Action plan not submitted
03 May 2012	Water status report	Signed agreement be sent to the chairperson of the A/C	Signed agreement sent to the chairperson on the 22/ 02 2012.
03 May 2012	Institutional performance and mid- year report not submitted	Both reports are submitted when finalised.	Reports not yet submitted.
03 May 2012	AG implementation plan.	To be submitted to A/C before it served to council with action dates, column for audit verification	Action plan not yet submitted
03 May 2012	Quarterly financial performance report	When report is finalised it must be presented in the next A/C meeting	Report not yet submitted
03 May 2012	Asset register-interim asset verification in progress	Full asset verification shall be done end of June 2012.	Still in progress
03 May 2012	Cash flow management- bank reconciliation is done monthly	Cash flow be linked to procurement plan and bank reconciliation be submitted in the next A/C meeting	Bank reconciliation not submitted
03 May 2012	Supply chain management report- contract for water supply tankers shall end in February 2012 and feasibility study shall be done	Feasibility study report be submitted to the A/C, and internal audit, audit supply chain process	Feasibility study report not submitted and supply chain audit conducted and draft report issued
03 May 2012	Internal audit reports submitted without management comments	All reports without management comments be re-submitted with management comments	Not yet re-submitted
03 May 2012	IT report- IT manager not appointed	IT manager be appointed next financial year and explore the establishment of IT committee	Still under consideration

APPENDICES

ADDENDUM H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Table 167: Long Term Contracts (20 Largest Contracts Entered into 2011/12) - R' 000					
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
Marsh Pty	Short-term Insurance	July 2012	June 2015	Johan Biewenga	R 1 538 615
Ddp Valuers	Valuation Roll	July 2013	June 2017	Rona Viljoen	R 2 887 482
Green Valley	11kv & 33kv Overhead	July 2011	June 2014	Sam Lelope	Per Rate
Nashua Limpopo	Automations	June 2012	June 2015	Milton Sibuyi	R 100 420.02 Pm
Ipec Utility	Clearance Of Debt Book	October 2011	October 2014	Rona Viljoen	Per Rate

No public – private partnerships entered into during 2011/12.

APPENDICES

ADDENDUM K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

ADDENDUM K (I): REVENUE COLLECTION PERFORMANCE BY VOTE

Table 168: Revenue Collection Performance by Vote - R' 000

Vote Description	2010/2011	Current year 2011/12			2011/12 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote1 - Municipal Manager						
Vote2 - Planning & Economic Development	5 099	14 494	12 494	5 804	8 690	6 690
Vote3 - Financial Services	201 356	222 352	222 352	256 629	(34 277)	(34 277)
Vote4 - Corporate Services	54	1	1	268	(267)	(267)
Vote5 - Community Services	42 502	77 480	78 391	49 337	28 142	29 054
Vote6 - Electrical Engineering Services	254 873	321 713	321 713	313 514	8 200	8 200
Vote7 - Engineering Services	39 375	47 298	47 754	25 983	21 315	21 771
Total Revenue by Vote	543 259	683 338	682 705	651 535	31 804	31 171

APPENDICES

ADDENDUM K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Description	2010/2011	2011/2012			2011/12 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	44 684	45 592	45 592	55 728	(10 136)	(10 136)
Property rates - penalties & collection charges	3 254	3 162	3 162	3 107	55	55
Service Charges - electricity revenue	248 402	316 714	316 714	307 269	9 445	9 445
Service Charges - water revenue				-	-	-
Service Charges - sanitation revenue				-	-	-
Service Charges - refuse revenue	17 580	17 306	17 306	21 230	(3 924)	(3 924)
Service Charges - other	955	3 825	3 825	807	3 017	3 017
Rentals of facilities and equipment	579	233	233	393	(160)	(160)
Interest earned - external investments	2 308	51	51	5 160	(5 109)	(5 109)
Interest earned - outstanding debtors	14 062	14 685	14 685	12 943	1 742	1 742
Dividends received					-	-
Fines	3 110	2 330	2 330	7 010	(4 679)	(4 679)
Licences and permits	414	303	303	499	(196)	(196)
Agency services	8 879	43 643	43 643	20 929	22 714	22 714
Transfers recognised - operational	148 658	194 759	194 126	180 687	14 072	13 439
Other revenue	5 369	3 792	3 792	7 166	(3 374)	(3 374)
Gains on disposal of PPE	-	1 500	1 500	-	1 500	1 500
Environmental Protection					-	-
Total Revenue (excluding capital transfers and contributions)	498 254	647 894	647 261	622 928	24 966	24 333

APPENDICES

ADDENDUM L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

See Table 148

APPENDICES

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

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

Table 170: Capital Expenditure - New Assets Programme* (R'000)							
Description	2010/2011	2011/2012			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2012/2013	2013/2014	2014/2015
Capital expenditure by Asset Class							
Infrastructure - Total	45 614	102 306	102 306	67 467	101 155	87 553	92 231
Infrastructure: Road transport - Total	15 708	83 376	83 376	27 285	84 155	82 283	86 698
<i>Roads, Pavements & Bridges</i>	15 708	83 376	83 376	27 285	84 155	82 283	86 698
<i>Storm water</i>							
Infrastructure: Electricity - Total	29 764	18 930	18 930	39 833	17 000	5 270	5 534
<i>Generation</i>							
<i>Transmission & Reticulation</i>	29 764	18 695	18 695	39 736	17 000	5 270	5 534
<i>Street Lighting</i>		235	235	97			
Infrastructure: Water - Total	-	-	-	-	-	-	-
<i>Dams & Reservoirs</i>							

APPENDICES

Table 170: Capital Expenditure - New Assets Programme*(R'000)							
Description	2010/2011	2011/2012			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2012/2013	2013/2014	2014/2015
<i>Water purification</i>							
<i>Reticulation</i>							
Infrastructure: Sanitation - Total	-	-	-	-		-	-
<i>Reticulation</i>							
<i>Sewerage purification</i>							
Infrastructure: Other - Total	142	-	-	349	-	-	-
<i>Waste Management</i>				349			
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>	142						
Community - Total	1 106	-	-	-	5 000	7 000	7 062
Parks & gardens	977				5 000	7 000	7 062
Sports fields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							

APPENDICES

Table 170: Capital Expenditure - New Assets Programme*(R'000)							
Description	2010/2011	2011/2012			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2012/2013	2013/2014	2014/2015
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other	129						
<u>Heritage assets - Total</u>							
Buildings							
Other							
<u>Investment properties - Total</u>							
Housing development							
Other							
<u>Other assets</u>	5 806	3 500	3 500	31 507	4 500	3 500	3 500
General vehicles				26 678			
Specialised vehicles							
Plant & equipment	5 337	500	500	908			
Computers - hardware/equipment		300	300	3 346			
Furniture and other office equipment	468	1 500	1 500	575	3 500	3 500	3 500

APPENDICES

Table 170: Capital Expenditure - New Assets Programme* (R'000)							
Description	2010/2011	2011/2012			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2012/2013	2013/2014	2014/2015
Abattoirs							
Markets							
Civic Land and Buildings		500	500				
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other		700	700		1 000		
<u>Agricultural assets</u>	-	-	-	-	-	-	-
<i>NONE</i>							
<u>Biological assets</u>	-	-	-	-	-	-	-
<i>NONE</i>							
<u>Intangibles</u>	-	-	-	51	-	-	-
Computers - software & programming				51			
Other (<i>list sub-class</i>)							
Total Capital Expenditure on new assets	52 526	105 806	105 806	99 025	110 655	98 053	102 793
<u>Specialised vehicles</u>							
Refuse							

APPENDICES

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

Table 171: Capital Expenditure - Upgrade/Renewal Programme*- R '000							
Description	2010/2011	2011/2012			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2012/2013	2013/2014	2014/2015
Capital expenditure by Asset Class							
Infrastructure - Total	40 660	12 570	12 570	12 049	8 000		
Infrastructure: Road transport - Total	6 751	-	-	-	-		
<i>Roads, Pavements & Bridges</i>							
<i>Storm water</i>							
Infrastructure: Electricity - Total	1 979	12 570	12 570	12 049	8 000		
<i>Transmission & Reticulation</i>	1 979	12 570	12 570	12 049	8 000		
<i>Street Lighting</i>							
Infrastructure: Other - Total	31 930	-	-	-			
<i>Waste Management</i>	31 930						
<i>Transportation</i>							
Other assets	734	-					
Computers - hardware/equipment	582						
Furniture and other office equipment	151						
Total Capital Expenditure on renewal of existing assets	41 393	12 570	12 570	12 049	8 000	-	-

APPENDICES

ADDENDUM N – CAPITAL PROGRAMME BY PROJECT 2011/12

Table 172: Capital Programme by Project 2011/12 (R'000)					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Water	No capital projects implemented as District is Service Authority				
Sanitation/Sewerage	No capital projects implemented as District is Service Authority				
ELECTRICITY					
Installation of Fire wall protection	550 000	550 000	473 240	14	14
Airconditioners (Town)	150 000	150 000	107 637	28	28
Auto Reclosers	880 000	880 000	884 122	-0.47	-0.47
Capital Tools (Outlying)	220 000	220 000	219 975	0.01	0.01
Capital Tools (Town)	275 000	275 000	128 476	53.28	53.28
Rebuilding of Lines	4 000 000	4 000 000	3 221 290	19.00	19.00
LED lights for Robots	80 000	80 000	104 372	-30.47	-30.47
Distribution Network (Service Contribution)	6 000 000	6 000 000	-	100	100
Upgrading Tzaneen Town network including cables	8 500 000	8 500 000	5 971 072	29.75	29.75
Upgrading protection equipment on substations	70 000	70 000	-	100	100
Nkowankowa 66KV line	2 000 000	2 000 000	-930 749	53.46	53.46
Electrical Connections	1 000 000	1 000 000	-	100	100
Electrification of Mokgolobotho and Dan Ext 1&2 (Phase 2)	9 000 000		5 988 061		33.47
Pre-paid monitoring system and vending station	500 000	500 000	496 043	0.79	0.79
Strategic Lighting	155 000	155 000	120 384	27.69	27.69
ROADS & STORMWATER					

APPENDICES

Table 172: Capital Programme by Project 2011/12 (R'000)					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Senakwe to Maropalala	5 000 000	5 000 000	1 299 050	74.02	74.02
Speed humps	2 000 000	2 000 000	1 928 104	3.59	3.59
Mopye low level bridge	500 000	500 000	35 418	92.92	92.92
Thlako to Sefolwe village low level bridge	500 000	500 000	35 418	92.92	92.92
Politsi low level bridge	2 500 000	2 500 000	177 017	93.00	93.00
Ramotshinyadi to Mokhwati Tar road (11km)	39 976 400	39 976 400	20 672 206	48.00	48.00
Rehabilitation of streets in Tzaneen, Nkowankowa, Lenyenye, Letsitele and Haenerstburg	6 200 000	6 200 000	579 556	90.65	90.65
Sasekani to Nkowankowa Tar road (8 km)	31 000 000	31 000 000	6 691 058	78.42	78.42
PARKS & CEMETERIES					
Purchase Lawn Mowers	500 000	500 000	331 611	33.68	33.68
Cemetery Development	300 000	300 000	-	100.00	100.00
Housing	GTM is not a housing service provider -				
Economic development	None				
Township establishment - Shiluvana Library	500 000	500 000	-	100	100
NDPG Project Management (technical separately submitted) Professional fees are VAT inclusive	1 150 000	1 150 000	568 134	50.60	50.60
Renamed PP6 Nkowankowa Central Development Initiative (covers hawkers facility, mass lighting, taxi rank)	14 000 000	14 000 000	-	100	100
Establishment of intermodal Taxi rank		0	-	0	0
Renamed PP6 as above	0				
Development of Hawkers Facilities Renamed	0	0	-	0	0

APPENDICES

Table 172: Capital Programme by Project 2011/12 (R'000)					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
PP6 as above					
Provision of High mast lights - Renamed PP6 as above	0	0	-	0	0
PP8 - Nkowankowa East Integrated Human Settlement	19 000 000		1 765 648	100	90.71
PP4 - Broadband Rural Connectivity	5 332 635	5 332 635	288 236	95	95
Sports, Arts & Culture					None
Environmental Health					None
Star grading system	20 000	20 000	R0	100	100
Environmental monitoring equipment	100 000	100 000	40 134	59.87	59.87
Cleaning equipment	80 000	80 000	R0	100	100
Health					None
ICT and Other					
Furniture - MM	50 000	50 000	R18 450	63.10	63.10
PMS Software & equipment	450 000	R0	R0	0	100
Financial Software supplier Data Base and Electronic Bank reconciliation	300 000	300 000	-	100	100
Supply chain management software	200 000	200 000	168 280	15.86	15.86
Customer Call Centre (Mayoral Hotline)	180 000	0	-	100	0
Digital Video Cameras (2)	15 000	15 000	5 999	40	40
Digital Cameras (2)	10 000	10 000	-	100	100
Branding equipment	30 000	30 000	-	100	100
Rural Broadband connectivity	14 000 000		-	100	
Purchase Projectors	70 000	70 000	26 295	62.44	62.44
Purchasing of Zippel cabinets for HR Archives	60 000	60 000	36 400	39.33	39.33
Aircon for HR Archives	10 000	10 000	-	100	100

APPENDICES

Table 172: Capital Programme by Project 2011/12 (R'000)

Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Recording System in Council Chamber	125 000	125 000	R 175 439	-40.35	-40.35
Securing of Rates Hall and Morphy Access Control system	500 000	1500 000	R 2 038	99.86	99.59

APPENDICES

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

Table 173: Capital Programme by Project by Ward 2011/12* - R' 000		
Capital Project	Ward(s) affected	Works completed (Yes/No)
ELECTRICITY		
Installation of Fire wall protection	15	Yes
Airconditioners (Town)	All Wards	Yes
Auto Reclosers	All Wards	Yes
Capital Tools (Outlying)	All Wards	Yes
Capital Tools (Town)	All Wards	Yes
Rebuilding of Lines	15	Yes
LED lights for Robots	15	Yes
Distribution Network (Service Contribution)	All Wards	Yes
Upgrading Tzaneen Town network including cables	15	Yes (Phase 1)
Upgrading protection equipment on substations	All Wards	No
Nkowankowa 66KV line	19, 23	Yes
Electrical Connections	All Wards	Yes
Electrification of Mokgolobotho and Dan Ext 1&2 (Phase 2)	17	Yes
Pre-paid monitoring system and vending station	15,16,19,23,30	Yes
Strategic Lighting	All Wards	Yes
ROADS & STORMWATER		
Senakwe to Maropalala	1	No
Speed humps	All Wards	No
Mopye low level bridge	9	No
Thlako to Sefolwe village low level bridge	9	No
Politsi low level bridge	14	No
Ramotshinyadi to Mokhwati Tar road (11km)	2&3	No
Rehabilitation of streets in Tzaneen, Nkowankowa, Lenyenye, Letsitele and Haenerstburg	21& 24	No
Sasekani to Nkowankowa Tar road (8 km)	21 and 24	No
PARKS		
Purchase Lawn Mowers	All Wards	No
Cemetery Development	All Wards	No
ENVIRONMENTAL HEALTH		
Star grading system	All Wards	Yes
Environmental monitoring equipment	All Wards	No

APPENDICES

ADDENDUM P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Table 174: Service Backlogs: Schools and Clinics (2011/12)				
Establishments lacking basic services	Water	Sanitation	Electricity⁴	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.

⁴ Complaints regarding schools and clinics without electricity use to be submitted to GTM by Ward Councilors. No such complaints was received during 2011/12

APPENDICES

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

Table 175: Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Clinics: 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, 14, 18	The mentioned wards have never received housing allocations ever since	Lack of housing impacts on the lives of people in terms of shelter and family relationship
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 R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Table 176: Declaration of Loans and Grants made by the municipality 2011/12				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2011/12 R' 000	Total Amount committed over previous and future years
SPCA	NPO	Submission of Annual Financial Statements	90 000	90 000
Sports Council	NPO	Submission of Annual Financial Statements	106 644	106 644

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

Table 177: MFMA Section 71 Returns Not Made During 2011/12 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 cannot be able to produce the required monthly financial statements
C7- Monthly Budgeted Statement - Cash Flow Statement	

VOLUME II

VOLUME II: ANNUAL FINANCIAL STATEMENTS

Annual Financial Statements attached as **Annexure A**