



# **Draft Annual Report**

**INCORPORATING PERFORMANCE REPORT**

**2010/11**

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**PART ONE**

Introduction and Overview

## **VISION**

To create integrated, self-reliant and sustainable communities throughout the Thabo Mofutsanyana highlands, with financially viable, participative and developmental local municipalities.

## **MISSION**

Continuously improving and developing living conditions of our communities by providing efficient and effective bulk services and create a conducive environment for business opportunities and job creation.

## **CORE VALUES**

Integrity

Transparency

Commitment

Co-operation

Openness consultation

Responsiveness

Effective communication

Corporate governance

Social responsibility

Services delivered in line with Batho Pele principles

High level of professionalism, integrity and objectivity

The District municipality's **key priorities** are as follow:

- Sustainable infrastructures
- Local Economic Development, Job creation and Tourism
- Social and Human development
- Good Governance
- Financial viability

## Political Leadership



Dr B.E. Mzangwa  
Executive Mayor



Cllr M. Maduna  
Speaker



Cllr S. Moleleki  
Chief Whip



Cllr: M.Motloung



Cllr: M.Mamba



Cllr: M.Majara



Cllr: P.Mavundla



Cllr: M.Vilakazi



Cllr: A.Nhlapo



Cllr: C.Makhoba



Cllr: J.Komako

## Management Leadership

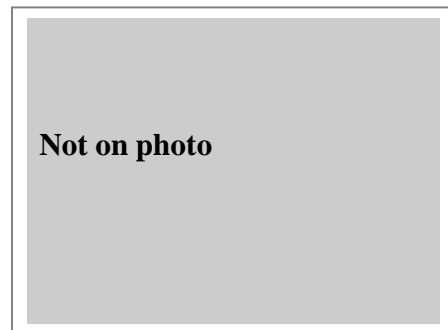


Ms. MRE Mogopodi

Municipal Manager



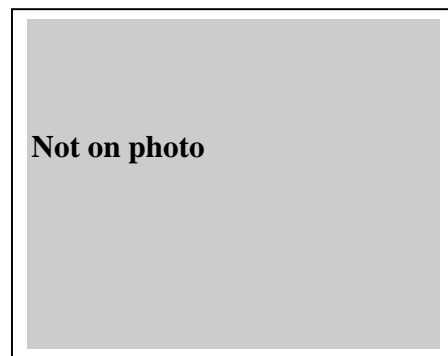
Mr MB Mphahlele  
Executive Manager  
Infrastructure Services



Ms P. Moloi  
Executive Manager  
Corporate Services



Ms. TPM Lebenya  
Executive Manager  
Community Services



Mr H. Lebusa  
Chief Financial Officer



## **Foreword by the Executive Mayor**

As we reflect back on the past year, we believe that we are still on the right track and keeping to our mandate of bring about sustainable changes in the lives of our ordinary communities.

In bringing such a change, there are always challenges and hurdles that local governments have to overcome. These include, among others, lack of adequate resources, utilization of these minimal resources, vastness of the areas to be served and the depth and seriousness of social problems distressing our people.

However, despite this challenges and hurdles, we have made it a point that we try our level best in meeting our communities' expectations. Guided by our Integrated Development Plan (IDP), the district municipality has been able to channel its limited resources to key priorities, which are Sustainable infrastructure, Local Economic Development, Job creation and Tourism, Social and Human development, Good Governance and Financial viability.

The municipality has been able to carry out its mandate through the commitment of its officials, political will of its public representatives – Councillors, co-operation of local municipalities and the involvement of community through community participation programmes, such as IDP hearings and Budget Consultation activities.

To bring about sustainable change, people have to develop a sense of joint ownership of a democratic process and become stakeholders in identifying new approaches to address common challenges and setting up of a common agenda.

This past financial year has been a year of successes and challenges, perhaps best characterized by measured growth, both in the improvement of our administrative and financial compliance positions, as well as the ability to undertake infrastructural projects to ensure provision of water, sanitation, electricity as well as roads and storm water in various parts of the district in spite of financially trying times.

That we are becoming a better and compliant municipality has been attested by an unqualified report we received from Auditor-General for the financial year 2010/2011.

We are also delighted to have our Workplace Skills Plan and Annual Training Report completed and submitted timeously to LGSETA in terms of legislation. This is important activity in ensuring that our staff members, including Councillors, receive relevant and continuous training so that they can be empowered with skills that will make them more and more competent in carrying out their duties and responsibilities of delivering services to the communities.

The main priority for Thabo Mofutsanyana District Municipality in 2011/2012 financial year will undoubtedly be to consolidate our activities and ensure that we are making the most efficient use of resources available to us in order to build on the level of excellence we have achieved so far in our delivery on our political mandate and manifesto.

We would like to take this opportunity once again to express our appreciation for the commitment and efforts made by officials, politicians, communities, local municipalities, provincial and National government departments.

As always, we look forward to your continued enthusiasm and energy to meet the challenges and opportunities that lie ahead, under the guidance of the Council of Thabo Mofutsanyana District Municipality.

**Dr B.E. MZANGWA**  
**EXECUTIVE MAYOR**

## **Executive review by the Municipal Manager**

In the year under review Thabo Mofutsanyana District Municipality has made consistent inroads to addressing the services and compliance backlog and is on track to meeting its legislative and political year targets in most instances.

The historical problems existing in the District are slowly being eroded with more efficient management and greater risk management, and I am pleased to report that qualifications by the Auditor-General are being addressed not only by this municipality, but all local municipalities within the region. The grand intention is that the objectives of 'operation clean audit' be met within the whole District within four years. To this end, I am pleased that within the District, two municipalities achieved what we had set ourselves to attain. We hope to report an improved situation with the next report.

We wish to thank the Office of the Premier, COGTA-Free State and other sector departments for their assistance to the municipality regarding governance and financial support. To this end financial statements were prepared and submitted in time. The IDP and Budget were prepared and submitted on time. The will to keep the momentum is there, and results should be visible in the year ahead.

Through the revisions of our Integrated Development Plan (IDP), as provided for in the Municipal Systems Act 32 (2000), we have persevered in achieving the targets set on five strategic objectives that drive us in our developmental efforts, as well as to ensure that we move towards the implementation of District Municipality mandates.

Our five strategic objectives are:

- Provide quality basic services and infrastructure.
- Facilitate higher and shared economic growth and development.
- Fight poverty; build clean, healthy, safe and sustainable communities.
- Foster a participatory democracy and Batho Pele Principles through a caring, accessible and accountable service.
- Ensure good governance, financial viability and optimal institutional transformation with capacity to execute its mandate.

The financial year under review was challenging in that the Municipality stretched its resources to discharge its statutory responsibilities despite the slowdown in the economy. Moreover the non-receipt of the Municipal Infrastructure Grant (MIG) adversely affected our responsibility of providing local municipalities with the much needed bulk services. We are however hopeful that this grant will be restored, based on our effort to turn the municipality around for the better.

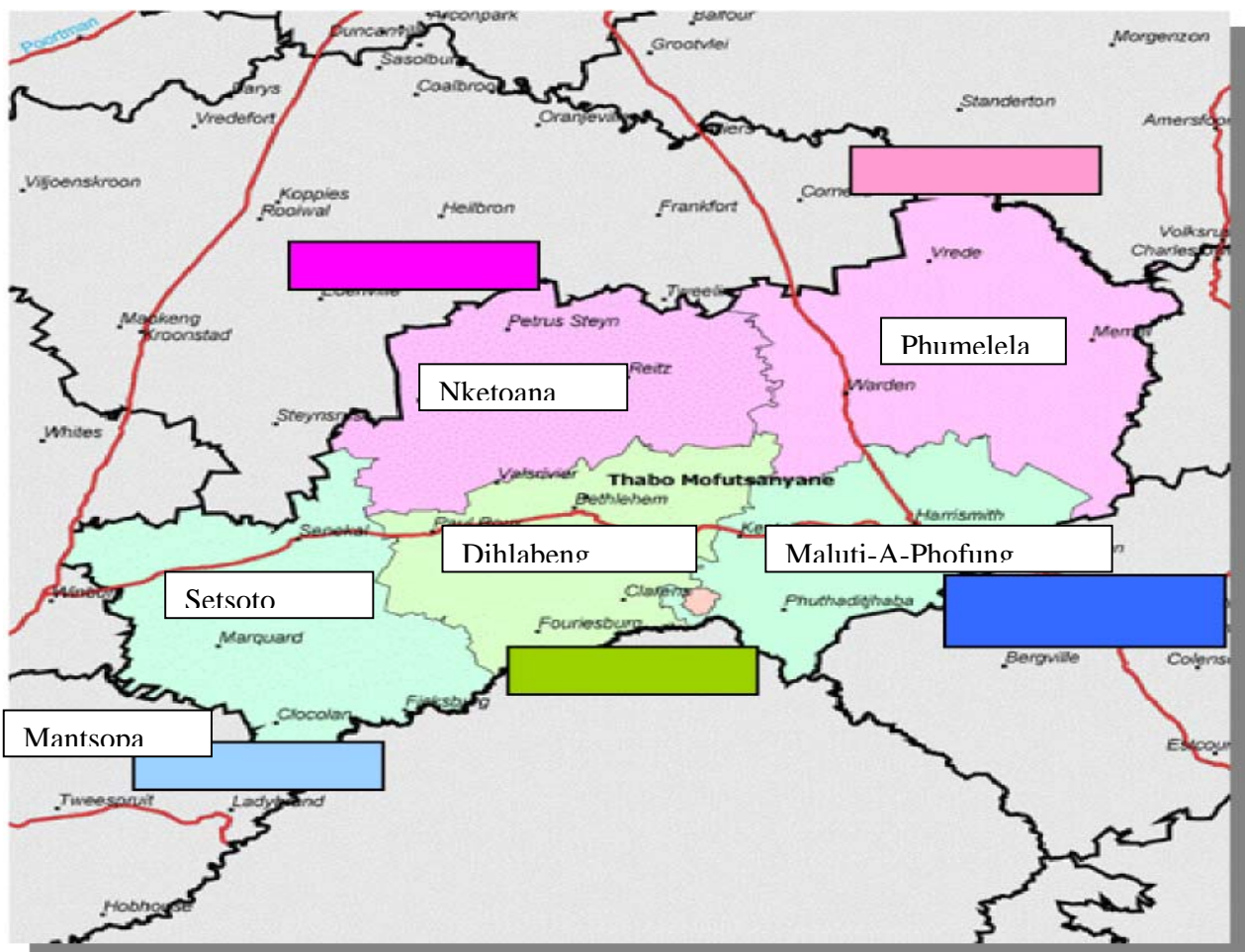
We have responded well in delivering our mandate. Issues raised by the Section 139 intervention in the previous year have been successfully addressed, and the adapted municipal turnaround strategy played a pivotal role in this respect and laid a solid foundation for delivering the needed local government services to the wider community of the District in the coming years. Our endeavors for a transparent and accountable administration, led by a resourceful political leadership have seen this municipality achieving an unqualified audit report for the past year and the year under review.

**MATIRO E MOGOPODI**  
**MUNICIPAL MANAGER**

## Overview of the municipality

Thabo Mofutsanyana District Municipality is situated in the North eastern part of the Free State Province and borders for most of Lesotho and Kwazulu Natal. It nestles in the shades of the Maluti between the Orange River in the south and the Vaal River in the north. Its Head Office is situated in Phuthaditjhaba about 48km south-west of Harrismith (R712) and 142km North-east of Ficksburg.

Thabo Mofutsanyane District is one of four district municipalities in the Free State. With the exception of Xhariep district municipality, it is bordered by two other district municipalities of the province namely, Lejweleputswa in the west and Fezile Dabi in the north. In the south, it is bordered by the Mangaung metro. Other borders include Lesotho in the southeast, Kwa-zulu Natal in the East and Mpumalanga in the northeast. Thabo Mofutsanyana has been divided into six local municipal areas, with Setsoto and Mantsopa forming the south-western section, Dihlabeng the south-middle section, Nketoana the north middle section and Maluti-A-Phofung the south-eastern section and Phumelela the north-eastern section of the district.



The area is primarily agricultural in nature and includes the former homelands of Qwaqwa and the municipal area is 26 035,4 km<sup>2</sup> big. The main centres in the District are Bethlehem, Ficksburg, Harrismith, Vrede, Memel, Phuthaditjhaba, Senekal, Reitz and Warden. The most populated municipality is Maluti-A-Phofung which was declared as a node and has 52% of the district population and a density of about 88 people per sq km.

Thabo Mofutsanyana is well known for several tourists' attractions and destinations and also features a variety of annual festivals. These festivals include among others the following:

**Fouriesburg:** Surrender Hill Marathon in February and the Rose Show in October.

**Qwaqwa:** Basotho Cultural Village traditional workshop and Family Day celebration in March

**Ficksburg:** Easter Festival at Rustlers valley in April and the Cherry Festival in November.

**Bethlehem:** Air show in May and the Hot Air Balloon competition in June.

**Harrismith:** Free State Polo championships in May and the Berg Bohaai in October.

The table below indicates the urban centres in each local municipality.

*Urban centres located within a Local Municipality's area of jurisdiction*

<b>Dihlabeng Local Municipality</b>	<b>Maluti-a- Phofung Local Municipality</b>	<b>Nketoana Local Municipality</b>	<b>Phumelela Local Municipality</b>	<b>Setsoto Local Municipality</b>	<b>Mantsopa Local Municipality</b>
Bethlehem	Harrismith	Reitz	Vrede	Ficksburg	Ladybrand
Clarens	Kestell	Petrus Steyn	Memel	Clocolan	Hobhouse
Fouriesburg	QwaQwa	Lindley	Warden	Marquard	Excelsior
Paul Roux	Tshiame	Arlington		Senekal	
Rosendal	Phuthaditjhaba				

*Source: Department of Local Government and Housing Free State*

Mantsopa Local Municipality was incorporated into Thabo-Mofutsanyana District Municipality from the 18<sup>th</sup> May 2011.

## Demographic and service delivery statistics from Stats SA

(Source: Statistics South Africa.2008. Community Survey, 2007: Basic Results Municipalities)

### Total population and number of households per municipality

The total population of the Thabo Mofutsanyana District decreased by 4.4% from 725 939 in 2001 to 694 316 in 2007 compared to an increase of 2.4% in the population of the Free State Province from 2 706 775 to 2 773 059. The number of households in the District however increased by 2.2% from 183 049 in 2001 to 187 115 in 2007. This figures exclude Mantsopa Local Municipality which was incorporated into the District on 18 May 2011.

Maluti-A-Phofung and Nketoana showed an increase, whilst Setsoto, Dihlabeng and Phumelela showed a decrease in population and number of households between 2001 and 2007.

	Population		Households	
	Census 2001	CS 2007	Census 2001	CS 2007
Setsoto	123 194	102 826	32 746	29 828
Dihlabeng	128 929	108 449	33 027	31836
Nketoana	61 951	62 367	14 904	16 748
Maluti-A-Phofung	360 787	385 413	90 390	97 172
Phumelela	50 906	35 090	11 934	11 531
DMA(De-established 18 May 2011)	171	171	49	-
Mantsopa(New LM 18/5/2011)				
<b>Total District</b>	<b>725 939</b>	<b>694 316</b>	<b>183 049</b>	<b>187 115</b>
<b>Total Free State</b>	<b>2 706 775</b>	<b>2 773 059</b>	<b>733 302</b>	<b>802 872</b>

Housing is one of the basic human needs that have a profound impact on the health, welfare, social attitudes and economic productivity of the individual. It is also one of the best indications of a person's standard of living and of his or her place in society.

In achieving the Millennium Development Goals, South African Government Policy is to ensure that its citizens live within good housing conditions. In order to achieve this goal, the government wants to eliminate all informal dwellings, bucket type of toilets, and ensure that all citizens have access to electricity for lighting, and access to clean, safe water within a reasonable distance.

### Percentage of households living in formal and informal dwellings by municipality

Formal dwelling is a house, flat, semi-detached house, unit in a complex, room in the backyard and not in back yard. Informal dwelling is a shack/squatter settlement.

	Formal dwellings		Informal dwellings	
	Census 2001	CS 2007	Census 2001	CS 2007
Setsoto	46,8	58,5	40,8	31,7
Dihlabeng	63,3	80,7	24,5	11,5
Nketoana	57,6	60,6	26,1	31,9
Maluti-A-Phofung	65,2	73,6	13,2	7,9
Phumelela	56,8	67,8	20,4	14,4
DMA	89,8	0,0	0,0	0,0
<b>Total District</b>	<b>60,4</b>	<b>70,9</b>	<b>21,7</b>	<b>14,9</b>
<b>Total Free State</b>	<b>66,5</b>	<b>71,0</b>	<b>26,1</b>	<b>16,3</b>

Mantsopa Local Municipality was incorporated into Thabo-Mofutsanyana District Municipality from the 18<sup>th</sup> May 2011.



## Percentage of households using electricity for lighting, cooking and heating by municipality

Other sources of energy/fuel used include gas, paraffin, candles, solar and other.

	Lighting		Cooking		Heating	
	Census 2001	CS 2007	Census 2001	CS 2007	Census 2001	CS 2007
Setsoto	72,6	88,6	32,4	60,4	22,9	30,3
Dihlabeng	66,8	85,5	41,3	70,1	34,9	51,0
Nketoana	76,2	71,7	35,1	54,9	28,4	30,3
Maluti-A-Phofung	56,6	78,9	33,9	66,7	27,0	41,9
Phumelela	64,6	78,1	24,6	55,5	23,3	45,4
DMA	100,0	0,0	100,0	0,0	95,9	0,0
<b>Total District</b>	<b>63,4</b>	<b>80,9</b>	<b>34,5</b>	<b>64,5</b>	<b>27,6</b>	<b>40,8</b>
<b>Total Free State</b>	<b>74,4</b>	<b>80,0</b>	<b>51,4</b>	<b>66,5</b>	<b>49,0</b>	<b>58,8</b>

## Percentage of households using pit latrine, bucket and no toilet facility by municipality

	Pit latrine		Bucket		No toilet	
	Census 2001	CS 2007	Census 2001	CS 2007	Census 2001	CS 2007
Setsoto	11,0	21,7	52,0	37,5	13,2	6,5
Dihlabeng	10,1	9,4	16,0	9,6	16,8	3,2
Nketoana	17,7	24,0	54,6	41,7	14,4	5,4
Maluti-A-Phofung	70,1	65,2	2,1	0,2	3,4	1,8
Phumelela	20,9	21,3	27,1	21,2	19,3	11,2
DMA	0,0	0,0	0,0	0,0	0,0	0,0
<b>Total District</b>	<b>41,2</b>	<b>42,4</b>	<b>19,5</b>	<b>12,7</b>	<b>9,5</b>	<b>3,7</b>
<b>Total Free State</b>	<b>22,7</b>	<b>22,0</b>	<b>20,5</b>	<b>12,7</b>	<b>9,7</b>	<b>3,2</b>

Mantsopa Local Municipality was incorporated into Thabo-Mofutsanyana District Municipality from the 18<sup>th</sup> May 2011.

### Percentage of households by type of refuse disposal and municipality

No refuse disposal refers to communal refuse dump, own refuse dump, no rubbish disposal and other.

	Removed by local authority/private company at least once a week		Removed by local authority/private company less often		No refuse disposal	
	Census 2001	CS 2007	Census 2001	CS 2007	Census 2001	CS 2007
Setsoto	52,0	55,5	12,0	12,2	10,4	12,0
Dihlabeng	63,0	81,1	1,8	0,8	11,9	4,6
Nketoana	63,6	62,9	1,6	1,9	10,4	10,3
Maluti-A-Phofung	22,3	27,8	0,6	0,5	16,4	11,5
Phumelela	60,9	70,9	1,5	0,0	10,9	14,9
DMA	38,8	0,0	2,0	0,0	0,0	0,0
<b>Total District</b>	<b>40,8</b>	<b>47,1</b>	<b>3,0</b>	<b>2,5</b>	<b>13,7</b>	<b>10,5</b>
<b>Total Free State</b>	<b>58,6</b>	<b>74,4</b>	<b>3,2</b>	<b>1,7</b>	<b>9,5</b>	<b>5,2</b>

### Percentage of households having access to piped water by municipality

	Piped water inside dwelling		Piped water inside yard		Piped water from access point outside yard		Total piped water	
	Census 2001	CS 2007	Census 2001	CS 2007	Census 2001	CS 2007	Census 2001	CS 2007
Setsoto	13,0	29,2	34,9	62,9	47,3	3,4	95,2	95,5
Dihlabeng	25,0	58,8	48,7	31,4	20,4	3,4	94,0	93,7
Nketoana	13,9	44,5	63,8	33,6	19,6	15,9	97,3	94,0
Maluti-A-Phofung	16,9	28,0	39,2	50,7	36,9	20,1	92,9	98,8

Phumelela	13,9	48,2	59,4	35,9	18,3	5,6	91,6	89,7
DMA	73,5	0,0	24,5	0,0	2,0	0,0	100,0	0,0
<b>Total</b>	<b>17,2</b>	<b>36,1</b>	<b>43,4</b>	<b>46,9</b>	<b>33,1</b>	<b>13,3</b>	<b>93,8</b>	<b>96,4</b>
<b>District</b>								
<b>Free State</b>	<b>22,8</b>	<b>46,2</b>	<b>47,7</b>	<b>40,6</b>	<b>25,1</b>	<b>10,5</b>	<b>95,7</b>	<b>97,3</b>

Mantsopa Local Municipality was incorporated into Thabo-Mofutsanyana District Municipality from the 18<sup>th</sup> May 2011.

**PART TWO**  
**PERFORMANCE HIGHLIGHTS**

## **PART TWO**

### **PERFORMANCE HIGHLIGHTS**

#### **A. Introduction**

Free State Province Government Executive Council led by the Premier ES Magashule embarked on supporting struggling municipalities. It was during this period when a special report on the status quo of municipalities was made to the MEC for Cooperative Governance, Traditional Affairs and Human Settlements. Among others, the report identified and highlighted serious non compliance issues and maladministration in the Thabo Mofutsanyana District Municipality. During its sitting on the 3<sup>rd</sup> November 2009 the Executive Council resolved to intervene in this municipality by evoking section 139(1) (b) of the Constitution. The intervention was subsequently uplifted in 2010.

In the 2009/10 municipal year, the District Municipality achieved an unqualified audit report with matters of emphasis, and the report comprised 14 pages. During the year under review, the District municipality, improved on its audit findings by having an unqualified report again, with few matters of emphasis, and an audit report of 4 pages only.

In achieving its current success, the municipality did the following:

As the first step, the municipality developed a turn-around strategy and it was adopted by Council on 14 December 2009. The purpose of this strategy was to restore the optimum functioning of the Thabo Mofutsanyana Municipality.

The municipality set itself the following key results areas:

*Key Result Area 1:* Create credible staff establishment and speeding up appointment of key personnel.

*Key Result Area 2:* Coordinate and ensure alignment of credible Integrated Development Plans.

*Key Result Area 3:* Enhance and promote appropriate financial management.

*Key Result Area 4:* Create cohesive sustainable Local Economic Strategy.

*Key Result Area 5:* Strengthen the skills and human resource base.

*Key Result Area 6:* Advancement and enhancement of intergovernmental relations, stakeholder mobilization and cooperation.

The next section in this chapter provides an overview of the functions, activities and strategic objectives of the main functional areas in the municipality and further highlights the key performance issues and challenges for the year under review in respect of the above key result areas.

## **B. OFFICE OF THE MUNICIPAL MANAGER**

### **Overview**

The Office of the Municipal Manager is required to lead and direct the administration aspects of the Municipality and account to the Municipal Council so that economic growth and development is facilitated, poverty is alleviated, an efficient and effective service is delivered to stakeholders and the long term sustainability of the Municipality is ensured within the requirements of the relevant legislation

### **Description of the activity**

Ensure the provision of efficient and effective service delivery to the community so that the requirements in the IDP are met in relation to public safety, health, water, waste and electricity, roads, community services and local economic development, communications and planning.

### **The strategic objectives of the office of the municipal manager are to –**

- Manage the interface with the Mayor and Council so that the administration is aligned with the political priorities of Council
- Oversee the strategic planning for the Municipality that will ensure alleviation of poverty and the facilitation of sustainable economic growth and development so that it is in alignment with political priorities; the needs of the community, budgetary constraints and human resources capacity.

### **The key performance issues, highlights and challenges for 2010/11 were:**

- Turning the Municipality around was a mammoth task, but achievable with willing and able colleagues
- The fruit of hard labour was an unqualified audit opinion for the past year and the year under review.
- The IDP was adopted by Council within the specified time frame.
- The Performance Management Framework has been adopted by Council.
- The SDBIP has been submitted to, and approved by the Executive Mayor.
- All local municipalities have been assisted with IDP conceptualization, Performance Management System (PMS), Spatial Development Framework (SDF), and Municipal Turn-around Strategy (MTAS) reporting

- In regard to intergovernmental relations for the year under review, the District has established and attended the following for a:
- Mayors Forum-Chaired by District Executive Mayor
- Speakers Forum- Chaired by District Speaker
- Municipal Managers Forum-
- Premier Co-coordinating Forum- Reporting on behalf of the District



## **C. BUDGET AND TREASURY OFFICE**

### **Overview**

The Budget and Treasury Office is responsible for the overall administration and management of the municipality's financial resources to ensure that the key principles of effectiveness, efficiency and economy are observed.

### **Description of the activity**

To manage and control all financial functions of the Municipality so that the current and future effectiveness of Council services, programmes and operations is ensured in a sustainable way. These functions include accounting; budgetary control; cash receipts and disbursements; payroll; credit control and collections; financing; banking; investment; risk management and taxes.

The strategic objectives of the finance department are to ±

- Monitor and control the Finance Department budget so that expenditure is in line with Council's requirements.
- Take overall responsibility for the management of the Department so that all Council policies and procedures are adhered to. This includes policies relating to procurement, finance, treasury, regulations.
- Develop a medium term financial framework within which Council can operate. The key performance issues, highlights and challenges for 2010/11 were:
  - Obtaining an unqualified audit opinion from the Auditor-General for the 2009/10 and 2010/11 financial years.
  - Control around the banking arrangement of using Cash Focus was improved as a priority activity to reduce the risk of fraudulent or unsupported cash transactions to take place.

The review of the financial system was conducted by an information systems specialist from external auditors commissioned by COGTA.

- The turn-around included the documenting and mapping of roles and responsibilities.

This process identified any changes that may be required to the Organogram.

- Bank reconciliations were being performed on investment accounts
- Monthly fixed assets reconciliation performed between financial system ± general ledger (GL) and fixed assets register (BAUD system);
- The old RCS debtors have been handed over to debt collectors for collection. The collections received from this have been accounted for as income and not a recovery of debtors. This results in the outstanding debtors balance on the system being overstated (this was also an audit finding); this anomaly has been corrected.
- A grant register has been implemented in the Municipality and consequently grant reconciliations are being performed;
- The DoRA returns as required by National Treasury are being submitted
- The leave register was reconciled with payroll.
- A total of five systems are in use at the Municipality. These systems are not integrated and in some cases, this poses a challenge. Assistance has been sought from COGTA in this regard. The systems are as follows:
- Hercules for the financial processing, including debtors and creditors;
  - VIP for payroll management;
  - Cash Focus to facilitates the payments;
  - BAUD system for fixed assets;
  - A supplier database.
- Procurement requisitions are numbered sequentially. This increases the effectiveness of the controls around procurement;
  - A budget office was established.
  - Reviewed the indirect taxes environment focused on VAT, PAYE, SDL, UIF.

## **D. CORPORATE SERVICES**

### **Overview**

The following are the functional areas and sections are located within the Department:

Human Resources: Coordination of sound Labour Relations, Recruitment, Staff Benefits, Employee Wellness, Organisational Development and Occupational Health and Safety.

Corporate Support: Coordination of secretariat support to Council and its Committees, Fleet Management, Record Management, Receptionist, General Assistants, Driver Messenger.

Legal Services: Fully outsourced

### **Description of the activity**

The strategic objectives of the Directorate are:-

- Maintain the institutional capacity to implement the IDP and accompanying programmes

### **The key performance issues, highlights and challenges for 2010/11 were:**

- Thabo Mofutsanyana District Municipality Workplace Skills Plan (WSP) has been completed and submitted timeously to LGSETA in terms of the legislation.

The Annual Training Report (ATR) was also been submitted simultaneously with the WSP.

- An annual skills audit, which is compulsory for both councillors and officials, was conducted. This process allows the institution to determine the level of skills and knowledge of the workforce and skills gaps and focus training and development accordingly. It has to be noted that the District training intervention that TMDM has embarked upon is based on the following criteria:-
  - o Training must be linked with job description.
  - o Training must be NQF aligned.
  - o Accumulation of credits that will lead to a qualification.

- Thabo Mofutsanyana District Municipality did comply with this legislative imperative and has submitted the Employment Equity plan and report timeously to the Department of Labour.
- The Administration Division (Secretariat Services) was able to ensure that a total of eight (8) Council sittings including three (3) Special Council sittings were convened.
- Four (4) Mayoral Committee meetings were also organized.

## **E. LOCAL ECONOMIC DEVELOPMENT**

### **Overview**

The key performance areas and main activities of the department of Local Economic Development are:

- Industrial development
- Tourism development

### **Description of activity**

The strategic objectives of the department are to:

- To broaden the industrial base/capacity of the district
- To ensure that tourist attractions and facilities meet and maintain industry standards to promote tourism at a regional level

### **Key performance issues, highlights and challenges for 2010/11 were:**

- 2 business training courses were offered to emerging entrepreneurs in the District

A District Development Agency was established with the assistance of the IDC.

### **Tourism Development**

- Assisted with the accreditation and grading of accommodation establishments.
- Advertised the District in 3 highly rated tourism magazines.
- Attended world Tourism indaba in Durban to assist TMDM in monitoring the participation of the Districts as stakeholders in the Tourism Indaba.
- Worked with department of economic development and tourism in the Free State to host National Tourism Day wherein the district was well marketed and
- Product owners had an opportunity to be linked to empowerment products offer by the government.

- Attended 2 tourism related shows, with the aim of marketing the District.
- Printed marketing material and marketed the district through national publications such as Explore SA and Jo'burg Style for distribution at events and other municipalities.
- Worked with Free State Tourism Authority to host Tour de Free State as a part of tourism marketing programme.
- Worked with DETEA for responsible Tourism, grading and Tourism safety programmes for guest houses.

### **SMME Development**

- 3 Workshop for SMME's were held in partnership with Dti, SEDA and IDC (50 women were trained).
- Bavumile workshop women in Business trained 100 women from local municipalities and the samples of their products were send to DTI for quality evaluation.
- 4 Cooperatives were established and registered as part of Vuth'Umlilo women project, currently we are finalising funding with DTI and IDC for those cooperatives.
- Database of all SMME's in the district was compiled and updated.

### **LED Forums/Tourism Forums**

TMDM together with COGTA have started the process of launching LED Forums. M-A-P completed the other Municipalities will follow as from January 2012.

### **LED SUMMIT**

The LED Summit was postponed.

### **Tourism Expo**

Tourism Expo was also postponed to next year.

### **Challenges**

Department is still with no full-time HOD

Limited budget allocation to fulfil all key areas

## **F. COMMUNITY SERVICES**

### **Overview**

The overall mission of the department is to provide innovative services and programmes that will enhance the quality of life for Thabo Mofutsanyana Communities by promoting safety, health and wellbeing of these communities.

The key performance areas and main activities of the Department relate to:

- Sport and recreation
- Education
- Safety and security
- Disaster management
- Environmental management and care
- Health services
- Transport

### **Description of the activity**

The strategic objectives of the Department are to –

- To ensure that proper sport and recreational facilities are available to all communities
- To improve the level of education and skills of communities
- To ensure that Thabo Mofutsanyana is a crime-free area
- To ensure that proper contingency plans for disasters at local municipal and district level are in place
- To ensure that Thabo Mofutsanyana district area has a clean, green and healthy environment
- To develop, coordinate and implement a coordinated and coherent HIV/AIDS programme in line with National and Provincial imperatives
- To promote healthy and safe circumcision of initiates
- To ensure that a properly coordinated public transport exist in the district

**The key performance issues, highlights and challenges for 2010/11 were:**

- **FOOD SAFETY:** Milk samples were taken in all local municipal areas in collaboration with The Dairy Standard Agency. Monthly water sampling was done in all Local Municipalities. National Water week celebrations were arranged by all water service providers and Wilge River Forum. The year under review celebrations were held at Reitz area at a farm school during the Water Week
- **FOOD QUALITY MONITORING:** Tonnes of foodstuffs have been removed from shelves of businesses, especially wholesalers where food is stored or kept, handled or prepared either due to their unfitness for human consumption, contamination and deterioration caused by power outages or even damages from the manufacture.
- **HEALTH CERTIFICATES:** About 45 percent of all businesses in the district have been issued with Health Certificates of compliance and registered in health data base. These include the Food handling premises, manufacturing, storage facilities, food transportation vehicles, day care centres, catering establishments, and funeral Undertakers premises.
- **COMMUNICABLE DISEASES CONTROL:** Disease control response team has been established with EHP's and all relevant stakeholders in the District so that immediate action could be taken where any communicable disease incident happened.
- **ENVIRONMENTAL HEALTH CAMPAIGNS:** Health campaigns have been carried out in the District, i.e.; local municipalities regarding training in food safety, informal food handling, and initiation schools and involvement in Operation Hlasela programmes.
- **INITIATION SCHOOLS PROJECT:** 515 Initiation schools registered and monitored. Training on the Initiation Schools Act took place in all Local Municipalities.
- **HIV/AIDS:** Sittings of the District Aids Council chaired by the Executive Mayor were scheduled on a quarterly basis. Dihlabeng, Maluti-A-Phofung, and Setsoto have appointed coordinators to handle HIV/AIDS issues. The municipality and Department of Home Affairs had a campaign to assist orphans in schools with the acquisition of ID



documents. HIV and Aids workshops were conducted in all locals on how to run HIV and Aids programmes up until June 2011.

- **HEALTH PLAN:** Reviewed by the District Health Council in 2009. Empowerment workshops were held Thabo Mofutsanyana District Municipality in 2010.
- **SPORT:** Municipalities got engaged in O.R. Tambo Games successfully.
- **DISASTER AND FIRE SERVICES:**
  - Maluti A Phofung Advisory Forum met on a monthly basis.
  - A district disaster management framework was done and adopted by council
  - District disaster management forum was established.
  - A structure to cater for disasters has been built in Phumelela and some equipment bought.
  - A Joint Operation Centre was successfully established during the disasters in 2009.
  - Road-shows were done in partnership with SAPS on public safety
  - Meetings on the public safety cluster are bi-monthly.

## **G. ENVIRONMENTAL HEALTH / MUNICIPAL HEALTH SERVICES 2010/2011 REPORT**

- The Municipal Health Services is the one core function of the Community Services Department where all matters relating to human health in the environment are identified, monitored, evaluated and controlled with the sole purpose of keeping and maintaining the human health in a state not conducive to adverse and injurious health risks.

The following are the Environmental health objectives implemented to achieve a comprehensive service throughout communities of Thabo Mofutsanyana District Municipality that had been carried out in the past financial year July 2010 to June 2011.

### **• 1. FOOD SAFETY**

#### **a) Milk Sampling**

- Milk samples were taken in all local municipal areas in collaboration with The Dairy Standard Agency where milk sampling run/program agreed upon between municipalities' Environmental Health and this Agency where EHP's would collect milk samples from their localities to be picked up on the same day by the DSA agent for analysis by DSA laboratories as to check for quality of raw milk produced by local farmers in the District.
- Immediately after quality checking/assurance, the Agency would send back results indicating as to where the problem lies and, for instant follow-ups and correction by the Environmental Health Practitioners. This arrangement is still standing and it has proved beneficial to both parties and all communities involved.
- Foodstuffs sampling has not been carried out as expected because there is often no obvious thread within communities, but proactive action has always been taken where there are community events where people are expected to attend gatherings and where food would be served, by getting involved in the preparation and education of all supposedly food handlers and owner managers of catering companies in good food-handling practices and hygiene.

## b) Water Analysis

- Monthly and continuous water sampling is taking place throughout the District municipality and the quality of water sources is compliant with minimum requirements. As a result no adverse incidents of ill-health had ever happened, no water-borne medical conditions happened in the district communities to date.
- National Water week celebrations were arranged by all water service providers, stakeholders and Wilge forum structure to highlight the importance of this scarce commodity among communities and especially children of school going age. This national event is carried out annually on rotational basis in local municipalities and EHP's are taking part thereof. This year's celebrations were held at Warden in Phumelela during the Water Week in March.

### WATER SAMPLES FOR 2010/2011 FINANCIAL YEAR

#### Monthly Bacteriological samples

2010/2011	Number
July	14
August	03
September	00
October	00
November	00
December	11
<b>TOTAL</b>	<b>28</b>
2011	Number
January	06
February	08
March	20
April	07
May	06
June	14
<b>Total</b>	<b>61</b>
<b>Grand Total: 2010/2011</b>	<b>89</b>

### c) Chemical Analysis

- This analysis had not been done because of the unavailability of forensic laboratories nearby or in the Province, except for the only two found in Pretoria and Cape Town which are always overloaded because of the critical investigations that are always been undertaken by other state departments like the SAPS.

## 2. WASTE MANAGEMENT – LIQUID AND SOLID

- On continuous basis the environment is being monitored to ensure a clean and healthy surrounding, and where a nuisance is seen to be created, it had been controlled by involving all stakeholders in pollution control, especially the local municipalities and where necessary the Provincial DEAT is robed in. So far the district environmental conditions are generally fair, and the local municipalities are doing their part in trying to keep their areas in a state of acceptable cleanliness, and they have been entering the cleanest town competitions conducted by the National and Provincial DEAT as it encourages clean environment for healthy living.

## 3. FOOD QUALITY MONITORING

- Tonnes of foodstuffs had been removed from shelves of businesses, especially wholesalers and big retailers such as Shoprite and Pick 'n Pay where food is stored or kept, handled or prepared for sale, either due to their unfitness for human consumption, contamination and deterioration caused by power outages or even damages from the manufacturers. Disposal of all these foodstuffs is carried out by EHP's at authorised landfill sites of the local municipalities and condemnation / clearance certificates issued to owners of these businesses.

### Foods Samples for 2010/2011 financial Year

#### Bacteriological sampling

Month	Foodstuff	Number
August 2010	Cooking oil	02
November 2010	Raw red meat	02
	<b>Total</b>	<b>04</b>

#### **4. HEALTH CERTIFICATES**

- About Four Hundred (400) of all businesses in the district have been issued with Health Certificates of compliance and registered in health data base, implying that they are known to the EHP's working in these areas. These include the Food handling premises, manufacturing establishments, storage facilities, food transportation vehicles, day care centres, catering establishments, and funeral undertakers premises. As the district encompasses farm and rural areas, Municipal Health service has been extended to these areas as well, and the data is being compiled of the milk/dairy farmers and milk depots that supplies factories such as Nestle', Denmar, Clover, etc; and education is provided to those farm workers on code of practice in good handling of milk so that quality of a milk product could be acceptable to consumers and final processors. This activity is on-going throughout the District municipal area.

#### **5. HEALTH SURVEILLANCE OF PREMISES**

- All building plans for both new residential and business premises including extensions are being checked for compliance with health and building standards in all areas that have been zoned as such at the municipal level, once such plans are compliant with health requirements, they are being recommended for approval by building inspectors of municipalities, the only problem in existence is that there exist certain areas in some local municipalities that are not as yet zoned and could not be given approval by building inspectors of local municipalities, therefore EHP's only give recommendations where applicable from the health point of view, this only happens at local municipalities with rural settlements such as in QwaQwa.

#### **6. ROUTINE INSPECTION OF BUSINESS PREMISES**

- Business premises handling foodstuffs are visited routinely by EHP's for general health inspections and education to owners and employees in good housekeeping and health and hygiene. Where non compliance exists, measures are being taken to encourage owners to at least reach the minimum standards for their businesses to operate as certified business premises that handle foodstuffs in terms of stipulations as set out in health regulations.

## **7. COMMUNICABLE DISEASES CONTROL**

- Disease control response team had been established with EHP's and all relevant stakeholders such as the Department of Health in the District, so that immediate action could be taken where any communicable diseases incidents happen, a team work approach kicks in on such disease episodes, as a result it becomes easier to monitor and control any outbreak that could happen in communities, thus far not even a partial communicable medical condition had ever taken place in the District in the past year.

## **8. VECTOR CONTROL**

- Environmentally – friendly and disease causing vectors are monitored throughout the District in collaboration with the Department of Agriculture, as a result no pest or vector of concern had been isolated, on-going monitoring takes place throughout the District municipality area.

## **9. ENVIRONMENTAL POLLUTION CONTROL**

- Common environmental pollutants are basically man-made such as the solid, liquid and seldom air pollution reported where there are offensive trades within localities.
- Therefore a health hazard mapping is done so that hotspots could be identified for continuous monitoring, control and prevention of recurrence of pollution nuisance in the District.

## **10. DISPOSAL OF THE DEAD**

- Facilities provided for disposal of the dead, such as funeral parlours, crematoria and cemeteries are monitored on an on-going basis as they should be compliant with requirements in terms of the National Health Act 2003 (Act 61 of 2003) to operate effectively with safety, therefore health inspections are carried out to ascertain safe storage and disposal of the dead. Education is continuously given to mortuary owners and employees in health and safety including especially, when exhumations had to be done as they happen sporadically throughout the district.

## **11. COMMUNITY PROJECTS**

- Involvement of EHP's in community projects happens continuously as it is so obvious that the service is community based, advice is given on many issues of health depending on the nature of community project at hand, direct involvement was carried out quarterly since the national water week in Warden in March 2011.

## **12. TRAINING**

- Training and skills development has not taken place, except for computer training that happened earlier in the financial year 2010/2011, and preparations for continuous on-the-job training for the next financial year are at final stages.
- Water quality workshop was attended by four (4) EHP's in Bloemfontein during the financial year, including few meetings at the Provincial Department of Health. Continuing Professional Development points (CPD points) are accumulated as accredited training workshops are being attended, therefore building a c.p.d. portfolio in the process. Continuous on-the-job training is desirable for all at all times.

## **13. ENVIRONMENTAL HEALTH CAMPAIGNS**

- Health campaigns have been carried out in the District, i.e; local municipalities regarding training in food safety to informal food handling, early childhood centre owners, initiation schools, celebrations of national health days and according to approved awareness programmes.

## **14. RESOURCES**

- Equipments like milk sampling kits, computers for all EHP's have been obtained, while other essential basic equipment for service rendering is being sought.

## **14 OFFICE ACCOMMODATION**

- Office accommodation for EHP's stationed at Dihlabeng has been secured.

## **15. TRAVELING ALLOWANCES**

- Travelling allowance was allocated to all EHP's.

## **H. INFRASTRUCTURE SERVICES**

### **Overview**

This department includes the following key performance areas and main functions:

- Water provision
- Sanitation provision
- Electricity provision
- Roads and storm water

### **Description of the activities**

The strategic objectives of the department are to:-

- To ensure that adequate water is available in order that all rural and urban communities have access to potable water, which is provided on at least RDP standards at affordable rates
- To provide an acceptable and affordable sanitation system for the entire region (VIP or waterborne)
- To ensure the overall planning and provision of streets and storm water systems for all municipalities within the region in phases over the next 5 years
- To have a uniform electricity distribution system throughout the region for both rural and urban areas to ensure equal access to electricity by all

### **The key performance issues, highlights and challenges for 2010/11 were:**

The completion of the following projects

- Makwane Foot Bridge
- Ha-Sethunya Road Paving-Phase 1
- Provision of a water tanker to Setsoto Local Municipality



## I. SERVICE DELIVERY BACKLOGS

### COMPREHENSIVE INFRASTRUCTURE PLAN

(SOURCE: CIP-TMDM-2009)

The Comprehensive Infrastructure Plan (CIP) has been formulated to enhance the preparation of the IDP and consolidates the information from a wide range of planning instruments (SDF, existing IDP, Master plans, Sector Plans, etc).

It summarises the data at ward level by exploring the unique needs of communities, and then formulate plans and projects for providing housing and infrastructure to service these needs. It therefore creates the basis for confirming the alignment of the different sector plans.

This serves as the first cycle of CIP to consolidate and report on infrastructure needs/backlogs, planned projects/initiatives, funding requirements and institutional challenges in terms of the following categories of information: Housing, Water, Sanitation and waste water and First order roads. Later the CIP will be expanded to also address the following additional functions: Solid waste, Electricity, and Financial sustainability.

#### Housing

The status quo for housing is presented in the table below, which shows that a total of 98,236 households currently do not have sufficient housing. Projects identified to address the need have been listed in the table below. The total number of projects, as well as the number of houses per municipality and budgets per municipality is indicated in the table below.

#### Total Housing Needs and Budgets Required to Address Housing Needs

LM Name	Below RDP	No.of Houses	Total
Dihlabeng	13,005	13,005	R564
Maluti-a-Phofung	37,972		
Nketoana	7,463	7,463	R327
Phumelela	4,826	4,800	R210
Setsoto	34,970	34,970	R1,518
<b>Total</b>	<b>98,236</b>	<b>60,238</b>	<b>R2,619</b>

## Water

For municipalities to be able to provide water to a household, it is necessary to provide the necessary infrastructure to do so. This requires the following:-

- Bulk supply of water from the main source to the municipality (regarded as 'External Bulk')
- Bulk supply lines inside the municipality (regarded as 'Internal Bulk')
- Treatment capacity to treat the water, and
- Reticulation networks to provide water to the end-consumer

The status quo for water reticulation is presented in the table below, which shows that a total of 26,773 households currently do not have sufficient access to water reticulation.

### Estimated Water Reticulation Needs (Thousands Households)

LM_Name	Households	Less than RDP
Dihlabeng	31,834	973
Maluti-a-Phofung	97,173	968
Nketoana	16,749	7,463
Phumelela	11,531	445
Setsoto	29,829	16,924
<b>Total</b>	<b>187,116</b>	<b>26,773</b>

The total estimated budgets to address reticulation, bulk, treatment and refurbishment are indicated in the table below. The total investment required is R903 million. The bulk budget is the largest portion of the total budget.

### Total Water Investment Needs (R mill)

LM/DM Name	Water Needs	Refurbishment	Bulk	Water Treatment Works	Total
<b>Setsoto</b>	R139.88	R54.43	R57.31	R57.31	R308.92
<b>Dihlabeng</b>	R37.80	R17.40	R306.10	R12.00	R373.30
<b>Nketoana</b>	R29.85	R80.85	R30.16	R37.40	R178.26
<b>Maluti-a-Phofung</b>	R0.00	R0.00	R0.00	R0.00	R0.00
<b>Phumelela</b>	R15.93	R17.00	R5.00	R5.00	R42.93
<b>Total</b>	<b>R223.46</b>	<b>R169.67</b>	<b>R398.57</b>	<b>R111.71</b>	<b>R903.40</b>

### Sanitation

Sanitation service could either be provided as on-site sanitation (VIP's, etc) or water borne sanitation. The prior solution obviously requires far less water, and therefore is considered in all areas where water provision is a challenge. In those communities where water borne sanitation is provided, it is therefore also necessary to provide the following:

- Reticulation networks from the houses
- Bulk outfall sewers draining the areas
- Waste water treatment works to treat the water before release back into rivers

The table below shows that a total of 94,601 households currently have below RDP levels of service.

### Estimated Sanitation needs per Municipality (Thousands Households)

LM_Name	Households	Less than RDP
Dihlabeng	31,834	6,800
Maluti-a-Phofung	97,173	58,653
Nketoana	16,749	11,403
Phumelela	11,531	1,989
Setsoto	29,829	15,756
<b>Total</b>	<b>187,116</b>	<b>94,601</b>

### Total Sanitation Budget (R mill)

LM_Name	Retic	Refurbishment	Bulk	Waste Water Treatment Works	Total
Setsoto	R349.70	R36.05	R30.99	R83.39	R500.12
Dihlabeng	R49.95	R27.15	R11.96	R34.10	R123.16
Nketoana	R74.81	R14.93	R6.00	R24.80	R120.54
Maluti-a-Phofung	R0.00	R0.00	R0.00	R0.00	R0.00
Phumelela	R56.87	R21.50	R27.70	R27.70	R133.77
<b>Total</b>	<b>R531.34</b>	<b>R99.63</b>	<b>R76.64</b>	<b>R169.98</b>	<b>R877.59</b>

The total estimated budgets for sanitation needs, refurbishment, bulk, and bulk infrastructure are indicated in the table above. The total investment requirement is R878 million. The total sanitation needs is 61% of the total budget, namely R531 million.

### Roads

The status quo for roads and total estimated budgets are presented in the table below.

### Estimated Roads needs per Municipality

LM_Name	Length (Km)	Budget (mill)
Dihlabeng	4	R90.6
Maluti-a-Phofung		
Nketoana	119	R27.3
Phumelela	207	R38.5
Setsoto	560	R101.8
<b>Total</b>	<b>890</b>	<b>R258.2</b>

### J. ZONING AND BUILDING PLAN APPLICATIONS

All building plans and zoning applications are processed and approved by the local municipalities.

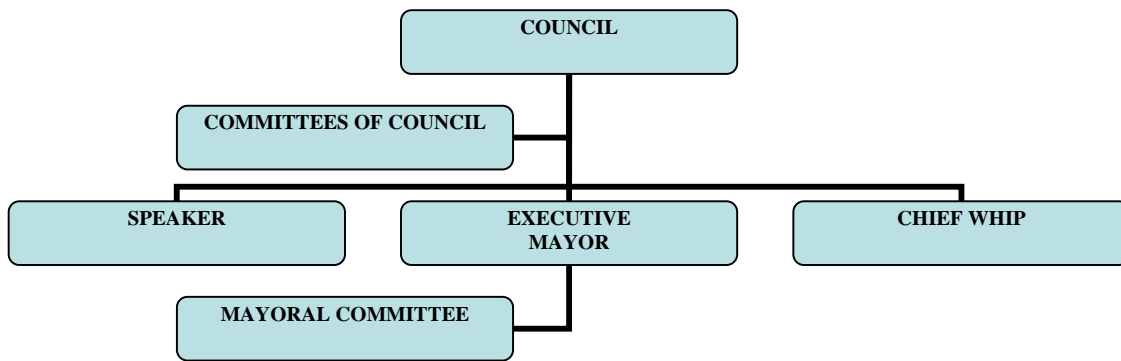
**PART THREE**  
**HUMAN RESOURCES AND ORGANISATIONAL**  
**MANAGEMENT**

**PART THREE**

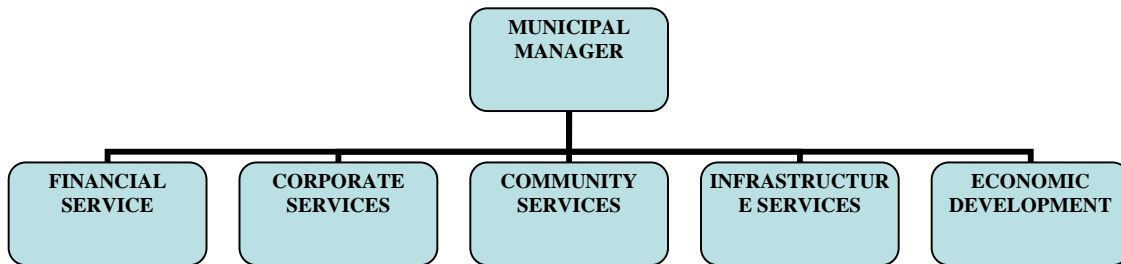
**HUMAN RESOURCES AND ORGANISATIONAL MANAGEMENT**

**ORGANISATIONAL STRUCTURE**

**1. Political Offices**



**2. Administrative Structure**



**Development of MACRO Organogram**

Proper consultation was done with management and labour movement and such the Organogram was duly approved by Council that was held on 13<sup>th</sup> December 2009.

The Organogram was done and reviewed to ensure that:

- All staff is incorporated in the new structure.
- To place staff in suitable positions where their level of competency would be achieved optimally in terms of their academic qualifications and skills required while in the employ of the Council.

## STAFF ESTABLISHMENT

### Number of Employees per level and Cost to Employer

Number of Persons	Level	Female	Male	No of Vacant Positions	Total Cost to Employer
1	Municipal Manager	1	0	0	R966 526
3	Executive Managers	2	1	1	R1 965 814
5	Managers and Assistant Managers	2	2	1	R1 815 897
54	Other Staff				R24 640 630
				TOTAL	R29 388 867

## SKILLS DEVELOPMENT PROGRAMMES

Thabo Mofutsanyana District Municipality Workplace Skills Plan (WSP) has been completed and submitted timeously to LGSETA in terms of the Legislation. The Annual Training Report (ATR) has also been submitted simultaneously with the WSP.

Arrangements were made with LGSETA to conduct a district wide training as an initiative of the District. LGSETA conducted the workshop upon the request of the district.

All outstanding amounts for skills development levies have been paid.

The table below illustrates organisational capacity building and skills development undergone by the Employees of TMDM as part of the WSP.



INTERVENTION
VIP PAYROLL TRAINING CPI EXTERNAL PAYMENTS LOCAL GOVERNMENT ACCOUNTING CERTIFICATE
EXECUTIVE LEADERSHIP MUNICIPAL DEVELOPMENT PROGRAMME (ELMDP)
CERTIFICATE PROGRAMME MANAGEMENT DEVELOPMENT IN MUNICIPAL FINANCE (CPMD)

#### PERSONNEL EXPENDITURE TRENDS

Financial year	R'000 (Audited actual)	% of total expenditure
2008/09	29 852	25,6%
2009/10	28 116 862	37%
2010/11	29 388 867	53%

Employee-related costs as a percentage of total expenditure showed an increase from 37% in 2009/10 to 53% in 2010/11.

#### PENSION AND MEDICAL AID FUNDS

##### Pension and provident funds

Name of fund
VrystaatPensioenFonds Free State Provident Fund SALA Pension fund
SAMWU Provident fund Pension Funds For Councillors
LGPF Alexander Forbes

## Medical aid funds

Name of fund
MUNIMED
BONITAS
L A HEALTH
SAMWUMED
HOSMED

As from the 1<sup>st</sup> January 2009 municipalities were cautioned not to contribute any subsidy to any other Medical Aid except the ones mentioned below.

- Hosmed Medical Scheme
- LA Health Medical Scheme
- SAMWU Medical Scheme
- Bonitas Medical Scheme
- Keyhealth Medical Scheme

Employees not belonging to any scheme mentioned above were requested to transfer to any of the accredited Medical Aid Schemes.

## SALARY DISCLOSURES

(As per notes 18 to the Annual Financial Statements)

### Councillors Actual (Remuneration of Public Office Bearers Act)

	2010 R	2011 R
Executive Mayor	619 936	606 570
Speaker	479 858	452 177
Chief Whip	447 937	46 984
Mayoral Committee Members (9)	3 621 728	4 037 649
Councillors (40)	1 409 519	1 578 055
Councillors' pension contributions	Included in total	
Councillors' medical contributions	municipality's	
Telephone allowances	contribution	
Travelling allowances	See notes below	

**Note:**

Councillors receive a travelling allowance equal to 25% of total annual remuneration. The municipality contributes 15% of basic salaries to the pension fund, whilst councillors receive a monthly medical aid allowance of R1 440.

**Senior Management (Section 57 employees)**

<b>Designation</b>	<b>Remuneration package per annum 2010 R</b>	<b>Remuneration package per annum 2011 R</b>
Municipal Manager	324 867	966 526
Chief Financial Officer	618 064	598 908
Executive Manager: Corporate Services	601 232	535 768
Executive Manager: Community Services	605 455	726 374
Executive Manager: Economic Development	626 958- paid to Technical Services Manager – no acting allowance paid	550 279
Executive Manager: Technical Services	626 958	674 022

**Other relevant HR and organisational management information****Placement policy**

The policy was developed to ensure that all staff is incorporated in the structure and to place staff in suitable positions.

**Establishment of Placement Committee**

A placement committee with equal representation from both parties was established to comply with the provisos of the placement policy.

**Establishment of Appeals Committee**

The Appeal Committee was established in line with the contents of the policy and shall consist of an independent arbitrator. CoGTA to provide arbitration services.

### **Occupational Health and Safety**

Communiqué was circulated requesting each department to nominate one official to form part of health and safety committee for the Municipality as it is required by *Occupational health and Safety Act no.85 of 1993*.

## **Policies**

### **Draft Credit Card Policy**

Credit Card policy was developed to allow Council to transact its business in more efficient manner.

### ***HR Policy***

The contents of the HR policy Manual were implemented with special reference to **Section 8.11** Rental Allowance which stipulates among others that *“An employee Appointed permanent who has successfully completed probation may qualify for rental allowance to a maximum of R300.00. Written proof by way of rental agreement or affidavit of the person from whom the residence is rented”*.

## **EMPLOYEE ASSISTANCE PROGRAMME (EAP)**

The EAP is striving to effect changes in knowledge, attitude, lifestyle, behavior and the environment leading to prevention, risk reduction and early detection of any adverse wellbeing challenges that may affect the organisation’s employees.

Observations revealed that there was an increase in garnishees against the employee on a monthly basis, as well as a lack of knowledge of implications of the National Credit Act. Subsequently Financial Management training intervention was conducted in order to mitigate the negative impact on employees’ performance by the above mentioned factor.

## **LABOUR RELATIONS**

### **Local Labour Forum**

Local Labour Forum (LLF) comprised of management and recognized labour has been resuscitated, specifically to handle all matters that relate to the employer-employee workplace relationships.

### **Section 80 Committees**

Councillors serving on Section 80 Committees are from political parties represented in the Council. The number of Councillors in Section 80 Committees varies from Five (5) to Four (4) Councillors. Each Section 80 Committee is chaired by a Member of the Mayoral Committee (MMC).

These are committees of the Mayoral Committee. There are eight (8) Section 80 Committees namely:-

- Corporate Services
- Finance
- Public Safety, Transport and Disaster Management
- Health & Social Development; (Sports, Recreation, Arts, Culture & Heritage
- Infrastructure
- Land Use and Agriculture
- Governance and Planning
- Economic Development

**PART FOUR**

**AUDITED STATEMENTS AND RELATED  
FINANCIAL INFORMATION**

## **PART FOUR**

### **Annexure 1**

Report of the Chief Financial Officer

### **Annexure 2**

Report of the Audit Committee

### **Annexure 3**

ACTION PLAN TO ADDRESS AUDIT QUERIES / MATTERS ARISING FROM THE REPORT OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

### **Annexure 4**

REPORT OF THE AUDITOR-GENERAL TO THE FREE STATE LEGISLATURE AND THE COUNCIL ON THE THABO MOFUTSANYANA DISTRICT MUNICIPALITY

### **Annexure 5**

THABO MOFUTSANYANA DISTRICT MUNICIPALITY  
Annual Financial Statements for the year ended 30 June 2011

# **PART 5**

## **ANNUAL PERFORMANCE INFORMATION REPORT FOR 2010/11 FINANCIAL YEAR**



## **Annexure 1**

ANNUAL PERFORMANCE INFORMATION REPORT FOR 2010/11 FINANCIAL YEAR

## **CHAPTER 4**

### **AUDITED STATEMENTS AND RELATED FINANCIAL INFORMATION**

#### **Report of the Chief Financial Officer**

##### **INTRODUCTION**

The office of the Chief Financial Officer is responsible for compiling and preparing the financial statements that fairly present the state of affairs of the municipality. In this regard the municipality aspires to be a leading municipality and thereby ensuring that it continues with sustainable service delivery while remaining financially viable. The 2010/2011 financial year results are in part the outcome of its early pursuit of the reforms.

##### **KEY PERFORMANCE AREAS:**

- Administer financial management support services
- Manage Council's income policies and procedures
- Manage Council's expenditure policies and procedures
- Ensure compliance to the MFMA
- Render support to local municipality with specific reference to Revenue Enhancement Support

##### **CURRENT YEAR**

The office of the CFO strives towards a long-term relationship with local municipality and other government department by providing high-level service within the municipality and its customers. In doing so, it is required of its staff members to act professionally, honestly and with integrity when discharging their duties.

- The management team maintains an active role in projects and administration, enabling swift decisions and a higher commitment to service delivery.
- The office conducts itself in compliance with the Municipal Finance Management Act and other relevant pieces of legislations.

## YEAR AHEAD

In the coming financial year, it is anticipated that the financial operations will be improved to better the audit report to eliminate other matters of emphasis as it has been highlighted in the current year audit report.

This would be achieved through:

- Resuscitate the District CFO's forum;
- Roll out the new accounting system to other local municipalities;
- Hands on support to the most needy municipality and
- Streamlining the operations of the Municipality to improve efficiency.

## INTERNAL CONTROLS

It is management responsibility to maintain proper system of internal controls to ensure that the assets of the municipality are safeguarded.

## ETHICAL ISSUES

The municipality has a code of conduct for its councillors and employees. The code ensures that councillors and officials maintain the highest ethical standards and practices when supporting other local municipality.

## FINANCIAL PERFORMANCE

## 1. Audited Statements and Related Financial Information

Table 1

Financial and Operational Statistics		
Year ended 30 <sup>th</sup> June 2011	R'000	
	2011	2010
Sundry receivables	1 968	2 126
VAT Receivable	4 009	11 125
Cash and cash equivalents	17 249	10 930
Finance lease obligation	582	675
Trade and other payables	29 635	40 015
Unspent conditional grant	1 355	3 993
Total Operating Revenue	65 875	73 388
Total Operating Expenditure	54 815	76 375
Operating profit / (deficit)	11 037	(3 007)

## 2. FINANCIAL STATUS

### 2.1 Revenue and expenditure overview

In terms of its revenue base Thabo Mofutsanyana District Municipality is currently the second smallest category C municipality within the Free State. It recorded an income of R 65,875 million in 2011 and R 73,388 million in 2010, a decrease of 10.24% from the previous year.

Revenue sources of Thabo Mofutsanyana District Municipality are similar to most district municipalities and comprise primarily income from government grants and returns on investment.

The operating expenditure for 2011 of Thabo Mofutsanyana District Municipality is largely inflexible and requires sound budgeting and discipline to keep costs within budget. Most of the expenditure items were slightly above the budget.

The following table reflects a breakdown of the operating expenses of the municipality:

Table 2

Thabo Mofutsanyana District Municipality's Expenditure Type		
Year ended 30 <sup>th</sup> June 2011	2011	2010
Details	R'000	R'000
Employee Costs	29 389	28 117
General expenditure	24 050	45 675
Repairs and Maintenance	1 000	1 294
Finance cost	155	963
Debt impairment	223	328

Municipal services are labour intensive and staff remuneration normally constitutes a larger proportion of the municipality's expense budget. The staff-to-income ratio of Thabo Mofutsanyana District Municipality is at almost 54% reflects an increase from the 37% in 2010, the remuneration cost is in reality way above the norm of 35%. Councillors' costs comprise a minor portion of total expenditure.

Maintenance expenditure on existing assets is a very crucial expense item and is sometimes given less priority than other items. The deferment of maintenance is common practice among municipalities. While the deferment of maintenance expenditure has short-term cash flow benefits, it has adverse long-term effects on operating costs and the sustainability of quality service delivery.

Thabo Mofutsanyana District Municipality external maintenance costs comprise 1.8% of total expenses (1.6% - 2010). These ratios have slightly increased from the previous year and management remains concerned that the maintenance is not at the optimum level.

The municipality has recorded an operating surplus in 2010 of R11,037 million a huge improvement as to compare to the loss that was realised in 2009 of R3,006 million. The operating budget indicates moderate increases for the next three years.

### 2.3 Liquidity management

The municipality had an effective cash management system in operation to control this crucial aspect of its finance, this has enabled the municipality to realise a surplus at year end as to compare to the deficit in the prior year. The remaining challenge that poses a risk ongoing concern relate to the legal dispute which is still pending.

### 2.4 Capital analysis

The pressure on capital expenditure with specific reference to bulk services is expected to remain high over the long-term, this is due to the withdrawals of Municipal Infrastructure Grant by the National Department of Cooperative Governance and Traditional Affairs.

## 4. CONCLUSION

The municipality overall financial management operation has improved to be able to deal with the demands for improved service delivery in assistance to local municipalities and other legislative mandate imposed on municipality by the Constitution.

## EXPRESSION OF APPRECIATION

My sincere appreciation to the Executive Mayor, Members of Mayoral Committee, Councillors, the Municipal Manager and Departmental Heads and their staff including local representative of the Office of the Auditor General and the auditors appointed by him for the support given to me.

Thank you,

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Mr. H I Lebusa  
Chief Financial Officer



# ANNUAL PERFORMANCE INFORMATION REPORT FOR 2010/11 FINANCIAL YEAR

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**ANNUAL PERFORMANCE INFORMATION REPORT OF THABO MOFUTSANYANA DISTRICT MUNICIPALITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011.**

**1. Introduction**

This annual performance information report serves as a measure of performance progress achieved by Thabo Mofutsanyana District Municipality in fulfilling its developmental objectives for the period 1 July 2010 to 30 June 2011 and helps to identify programmatic and administrative challenges that may need to be resolved. It also forms a permanent record of projects accomplishments during 2010/11 financial year.

It provides information that the Performance Evaluation Committee of the municipality uses to evaluate the significance and impact of departmental performance during the period under review. As required by legislation, the results of performance measurements as contained in this report must be audited by the Auditor-General and for this purpose, must be submitted to the Auditor-General not later than 31 August.

The reported performance information for each department as contained in this report is presented in terms of the following Key Performance Areas (KPA's) for Local Government Development as outlined in Municipal Planning and Performance Management Regulation of 2001. The areas of reporting include:

- Municipal Transformation and Organizational Development
- Basic Service Delivery and Infrastructure Development
- Local Economic Development
- Municipal Financial Viability and Management
- Good Governance and Public Participation

The report will be based on the information received from departmental monthly and quarterly reports. The compilation of this report emanates from the 5 municipal departments namely; Office of the Municipal Manager, Finance Directorate, Corporate Support Services, Infrastructure Directorate, Local Economic Development and Community Services Directorate.

## 2. Performance Reporting Principle

Thabo Mofutsanyana District Municipality has developed a set of performance reporting principles to assist departments in enhancing their planning and monthly / quarterly reporting and also to encourage an increased focus on outcomes. The service delivery and budget implementation plan 2010/11 contained the principles developed through consultative process with heads of departments including the performance agreements concluded.

Performance reported in this document refers to an integrated system of planning and reporting that is oriented toward achieving outcomes. Performance reporting involves planning and reporting on the plans, including the annual report.

This performance reporting is designed to:

- clarify organisational goals and directions;
- communicate the priorities of the organisation;
- monitor progress and make continuous improvement;
- support budgeting and resource allocation decisions; and
- provide information to the public and other municipality's stakeholders.

### 3. Performance Reporting Requirements

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#### **Local Government: Municipal Systems Act 32 of 2000**

Section 46(1) (a) of Municipal Systems Act requires that a municipality must prepare for each financial year an annual report consisting of a performance report reflecting the following:

- a) the municipality's, and any service provider's, performance during that financial year, also in comparison with targets of and with performance in the previous financial year;
  - b) the development and service delivery priorities and the performance targets set by the municipality for the next financial year; and
  - c) Measures that were or are to be taken to improve performance.
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#### **Local Government: Municipal Planning and Performance Management Regulations, 2001**

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Regulation 13(1) and (2) requires that a municipality must, after consultation with the local community, develop and implement mechanisms, systems and processes for the monitoring, measurement and review of performance in respect of the key performance indicators and performance targets set by it.

The mechanisms, systems and processes for monitoring in terms of sub-regulation (1) must:

- (a) Provide for reporting to the municipal council at least twice a year;
  - (b) Be designed in a manner that enables the municipality to detect early indications of under-performance; and
  - (c) Provide for corrective measures where under-performance has been identified.
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**Local Government: Municipal Finance Management Act 56 of 2003**

Section 121(3) (c) requires that the annual report of the municipality must include the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal Systems Act.

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## **DEPARTMENTAL REPORTS**

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# MUNICIPAL MANAGERS DIRECTORATE

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## **Departmental Overview:**

The office of the municipal manager is to ensure the provision of efficient and effective service delivery and support to the local municipality including community so that the requirements in the IDP are met in relation to public safety, health, water, waste and electricity, roads, community services and local economic development, communications and planning.

## **Strategic Objective:**

-  Manage the interface with the Executive Mayor and Council so that the administration is aligned with the political priorities of Council,
-  Oversee the strategic planning for the Municipality that will ensure alleviation of poverty and the facilitation of sustainable economic growth and development so that it is in alignment with political priorities; the needs of the community, budgetary constraints and human resources capacity.

Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 June 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	IDP Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target date		
Good Governance and Community Participation	Maintain the institutional capacity to implement the IDP and accompanying programmes efficiently and effectively	% effective and sound systems and internal controls	100% review of system of delegations of powers and functions	June 2011	<b>Achieved:</b> System of delegation of power was approved by council.	None
			100% of internal audit charter reviewed	March 2011	<b>Achieved:</b> Internal audit charter was adopted by Audit Committee and approved by Council.	None
			100% of organisational risk assessment conducted	March 2011	<b>Achieved:</b> Risk assessment was conducted and adopted by Audit Committee and approved by Council.	None
			100% of internal audit coverage plan compiled and approved	March 2011	<b>Achieved:</b> Internal audit coverage plan was developed and adopted by Audit Committee and approved by Council.	None
			25% execution of internal audit coverage plan	June 2011	<b>Not Achieved</b>	Execution on internal audit coverage plan will commence during 2011/2012 budget year.
		% of improved systems developed for optimal institutional efficiency	100% drafting and approval of fraud prevention plan/strategy	December 2010	<b>Achieved:</b> Fraud prevention plan was developed and adopted by Audit Committee and approved by Council.	None
			100% of system for declaration of gifts and interests implemented	December 2010	<b>Achieved:</b> Declaration register was developed and maintained.	None
		% of 2011/12 Revised IDP approved by Council in terms of MSA and	100% of Revised IDP approved by Council by May 2011 (includes the SDF)	May 2011	<b>Achieved:</b> The revised IDP was compiled and approved by Council.	None



Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 June 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	IDP Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target date		
		MFMA provisions				
		% of 2011/12 MTREF (Budget) prepared and approved by Council i.t.o MFMA	100% of 2011/12 MTREF prepared and approved by end of May 2011	May 2011	<b>Achieved:</b> 2011/2012 MTREF was developed and approved by Council.	None
		% of 2009/10 Annual Report submitted to Council for approval i.t.o of MFMA	100% of 2009/10 Annual Report submitted to Council by end of January 2011	January 2011	<b>Achieved:</b> Annual report was prepared and approved by Council.	None
	To create a responsive and accountable administration	% of TMDM communication policy and strategy developed in line with National and Provincial frameworks	100% of TMDM communication policy developed and approved	March 2011	<b>Not achieved</b>	Communication policy to be finalized after the appointment of Communication Manager during the 2 <sup>nd</sup> Quarter of 2011/2012
		% IGR and stakeholder management	100% management of IGR and stakeholders	June 2011	<b>Achieved:</b> IGR meeting were convened.	None
		% of public/community participation strategy developed, approved and implemented	100% review of public participation framework developed and approved	March 2011	<b>Achieved:</b> Public participation framework was developed and approved by Council.	None
			100% public participation on IDP, Budget, By-Laws, etc.	June 2011	<b>Achieved:</b> Public meetings were convened for IDP, Budget, By-laws and policies.	None
		% of monthly & quarterly performance reviews and reports in line with PMS policy and MFMA	100% of monthly and quarterly performance reviews and reports compiled	Monthly & Quarterly	<b>Achieved:</b> Monthly and quarterly reports were submitted to Treasury and Executive Mayor.	None

Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 June 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	IDP Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target date		
		% implementation of institutional PMS	Signed performance agreements for all s57 managers	December 2010	<b>Achieved:</b> Performance Agreement for section 57 managers were developed and signed off by the 57 managers.	None
		% of compliance with Employment Equity legislation	100% compliance with EE provisions (submission of EE plan and report to Dept. of Labour by end of Oct. 2010)	December 2010	<b>Achieved:</b> Employment Equity plans and reports were developed and submitted to Dept. of Labour.	None
		% compliance with Skills Development legislation	Annual Workplace Skills Plan and Annual Training Report submitted to LGSETA	June 2011	<b>Achieved:</b> Annual Workplace Skills Plan and Training Reports were prepared and submitted to LGSETA.	None
		% annual audit by Auditor-General effectively managed	100% of annual audit managed effectively	November 2010	<b>Achieved:</b> Audit Steering Committee meetings were convened on quarterly basis.	None
		% of Spatial Development Framework (SDF) completed	100% of SDF completed and approved by Council	December 2010	<b>Achieved:</b> Spatial Development Framework was develop and approved by Council.	None

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# FINANCE DIRECTORATE

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## **Departmental Overview:**

The financial services department manages and control all financial functions of the Municipality so that the current and future effectiveness of Council services, programmes and operations is ensured in a sustainable way. The department also provides technical and strategic assistance and support to local municipalities within the district.

## **Strategic Objective:**

-  Monitor and control the Finance Department budget so that expenditure is in line with Council's requirements.
-  Take overall responsibility for the management of the Department so that all Council policies and procedures are adhered to. This includes policies relating to procurement, finance, treasury, regulations.
-  Develop a medium term financial framework within which Council can operate.

Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 June 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target date		
Financial Viability and Financial Management	Create a responsive and accountable administration	100% implemented SCM system compliant with MFMA and NT prescripts	Completed review of SCM Policy ito MFMA and submitted to Council for approval	May 2011	<b>Achieved:</b> SCM Policy was reviewed and amended and approved by Council.	None
			Supplier database updated (annual invitation of service providers for inclusion in TMDM supplier database)	June 2011	<b>Achieved:</b> Suppliers were invited to register on supply database and the database was updated regularly.	None
			100% of quarterly SCM implementation reports submitted to Executive Mayor and Council	June 2011	<b>Achieved:</b> Quarterly SCM reports were prepared and submitted to Council and Treasury.	None
		Monthly and quarterly reports compiled and submitted in terms of MFMA and DORA	Monthly s71 reports submitted to the Portfolio Committee, Executive Mayor, Council and Treasury	Monthly	<b>Achieved:</b> Monthly MFMA Section 71 reports were prepared and submitted to Portfolio Committee, Executive Mayor, Council and Treasury.	None
		Monthly Financial Management Grant (FMG) reports submitted to National and Provincial Treasury	Monthly	<b>Achieved:</b> Monthly FMG reports were prepared and submitted to National and Provincial Treasury.	None	
		Monthly Municipal Systems Improvement Grant (MSIG) reports submitted to National and Provincial Treasury	Monthly	<b>Achieved:</b> Monthly MSIG reports were prepared and submitted to National and Provincial Treasury.	None	
		Quarterly s52 reports submitted to Executive Mayor and Council	Quarterly	<b>Achieved:</b> Quarterly MFMA Section 52 reports were prepared and submitted to Executive Mayor & Treasury.	None	

Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 June 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target date		
			s72 mid-year budget and performance assessment report submitted to Executive Mayor, National and Provincial Treasury	January 2011	<b>Achieved:</b> Mid-year MFMA Section 72 report was prepared and submitted to Executive Mayor, National and Provincial Treasury.	None
		2011/12 MTREF completed in terms of MFMA and GRAP requirements by end of May 2011	100% of 2011/12 MTREF completed by end of May 2011	May 2011	<b>Achieved:</b> 2011/2012 MTREF was developed and approved by Council.	None
		GRAP Compliant Financial Statements produced annually	100% AFS submitted by 31 August 2010	August 2010	<b>Achieved:</b> 2009/2010 GRAP compliant AFS was prepared and submitted to Office of the Auditor General.	None
		% of clean audit achieved	100% of annual audit managed effectively	November 2010	<b>Achieved:</b> Annual audit was managed effectively and an unqualified audit result was archived.	None
			100% of action plan developed to achieve clean audit by 2014	November 2010	<b>Achieved:</b> Audit plan was developed to address issues raised by OAG.	None
		% of creditor payments made within 30 days	100% of creditor payments made within 30 days	Monthly	<b>Achieved:</b> Creditors were paid within 30 days.	None
		% of financial management polices audited and reviewed	100% of policies audited and reviewed	May 2011	<b>Achieved:</b> Financial Policies were audited and review.	None
			100% of cash management and investment policy developed and approved by	May 2011	<b>Achieved:</b> Cash Management Policy was reviewed and approved by	None

Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 June 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target date		
			council		Council.	
		100% effective bank and cash management system implemented	Monthly bank reconciliations prepared and signed-off	Monthly	<b>Achieved:</b> Monthly bank reconciliations were prepare and signed-off.	None
			Monthly investment reconciliation prepared and reviewed	Monthly	<b>Achieved:</b> Monthly investment reconciliations were prepared and reviewed.	None
			Monthly cash flow forecasts prepared and reviewed	Quarterly	<b>Achieved:</b> Monthly cash flow forecast were prepared and reviewed.	None
			Monthly grants reconciliations prepared and reviewed	Monthly	<b>Achieved:</b> Monthly grants reconciliations were prepared.	None
			% of personnel expenditure system and processes developed and implemented	100% effective management of payroll function	Monthly	<b>Achieved:</b> Monthly payroll reports were prepared and reviewed.
		% of fixed asset register updated	100% of FAR updated by end of June 2011	June 2011	<b>Achieved:</b> Fixed Assets Register was updated.	None
		% MFMA compliance template/register	100% of MFMA compliance template/register developed	June 2011	<b>Achieved:</b> MFMA compliance register was developed.	None
		% District CFO Forum established by end of March 2011	100% of CFO Forum established	March 2011	<b>Not achieved</b>	The meeting will be convened concurrently with SALGA District Finance Forum 2011/1;
	To supplement the existing revenue base of the District by exploiting new potential sources of revenue	% completed VAT review	100% VAT review completed	December 2010	<b>Achieved:</b> Value Added Tax was reviewed.	None

Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 June 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target date		
	To ensure that the District in conjunction with all municipalities apply an effective debt collection	No. of revenue enhancement support programmes & initiative for local municipalities	2 support programmes and initiatives	June 2011	<b>Not achieved</b>	Funding will be made available to render this support to local municipality during 2011/2012.

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# CORPORATE SUPPORT SERVICES DIRECTORATE

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## **Departmental Overview:**

Provides with corporate support by:

Promoting effective personnel and administration function,

Promoting sound employee relations, labour stability and implementing recruitment and retention measures,

Smooth running of both executive and council meetings,

## **Strategic Objective:**

The objective and functions of the Department Corporate Support Services support the following strategic focus areas of the municipality:

**Human Resources** – Coordination of sound Labour Relations, Recruitment, Staff Benefits, Employee Wellness, Organisational Development and Occupational Health and Safety.

**Corporate Support** – Coordination of secretariat support to Council and its Committees, Fleet Management, Record Management, Receptionist, General Assistants, Driver Messenger.

**Legal Services** - Fully outsourced



Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 June 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target date		
Municipal Transformation and Institutional Development	Maintain the institutional capacity to implement the IDP and accompanying programmes	Recruitment of targeted and qualified individuals in line with the critical posts identified	100% of approved budgeted vacancies filled on time	June 2011	<b>Not achieved</b>	Approved budgeted vacancy positions will be filled during th 2011/2012.
		% of organisational structure reviewed and approved	100% of organisational structure reviewed and approved	March 2011	<b>Achieved:</b> Organizational structure was reviewed and approve by council.	None
		% job evaluation and job description completed in line with s66 of MSA	100% of job evaluations and job descriptions compiled	June 2011	<b>Not achieved</b>	Job evaluations and job descriptions to be presented to the Local Labour Forum (LLF) for consultation in the 2011/2012
		% of employment contracts developed and signed by staff	100% of employment contract developed and signed by all staff	June 2011	<b>Not achieved</b>	Employment contract to be presented to the Local Labour Forum (LLF) for consultation in the 2011/2012
		% review of HR policies completed	100% of HR policies reviewed and approved by Council	June 2011	<b>Not achieved</b>	HR policies were reviewed / developed and will be table before for council approval during 2011/2012.
		% induction manual developed and approved	100% of induction manual developed and approved	March 2011	<b>Not achieved</b>	Induction manual to be finalize during the 2011/2012
		% compliance with Skills Development legislation	Annual Workplace Skills Plan and Annual Training Report submitted to LGSETA	June 2011	<b>Achieved:</b> Annual Workplace Skills Plan and Training Reports were prepared and submitted to LGSETA.	None
		% of trained categories of staff members as per the annual Workplace Skills Plan	80% of trained categories of staff as per WSP	June 2011	<b>Achieved:</b> Staff members were trained as per Workplace Skills Plan (WSP).	None

Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 June 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target date		
		% of compliance with Employment Equity legislation	100% compliance with EE provisions (submission of EE plan and report to Dept. of Labour by end of Oct. 2010)	December 2010	<b>Achieved:</b> Employment Equity plans and reports were developed and submitted to Dept. of Labour.	None
		% effective management of staff leave	100% compliance with approved leave procedures	March 2011	<b>Partly achieved:</b> Effective leave procedures was partly performed and monitored.	HR Strategy and leave procedure manual will be developed during the 2011/2012
		% implementation of institutional PMS	PMS cascaded to all managers	June 2011	Not Achieved	Performance Management System to be presented to the Local Labour Forum (LLF) for consultation in the 2011/2012
		% calendar of council programmes and meetings developed	100% of calendar developed and approved by October 2010	October 2010	<b>Achieved:</b> Council calendar / programmes were developed and approved by council.	None
		% of meeting agendas delivered at least 7 days before all ordinary meetings	100% of agenda items received on time delivered within 7 days of ordinary meetings and 48 hours of special meetings	June 2011	<b>Achieved:</b> Agenda's were distributed within 7days as prescribed.	None
		% council resolutions logged and implementation tracked	100% of resolutions logged and implementation tracked	June 2011	<b>Achieved:</b> Resolutions logged and implementation tracker was developed and maintained.	None
		Effective management of labour disputes	95% of disputes and grievances handled in terms of collective agreements	June 2011	<b>Achieved:</b> Disputes and grievance were resolved in terms of collective agreement.	None

Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 June 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target date		
		% effective and efficient management of fleet	100% of fleet effectively and efficiently utilized	June 2011	<b>Achieved:</b> Fleet was managed effectively.	None
		% compliance with OHS legislation	100% compliance with all applicable OHS legislation	June 2011	<b>Not achieved</b>	Compliance with OHS Legislation will be reviewed and implemented during 2011/2012
		% of employee HIV/AIDS Policy developed (to facilitate and support measures that will contribute to the reduction of HIV/AIDS infection levels among municipal employees)	100% of policy developed and approved by Council by end of March 2011	March 2011	<b>Partly achieved:</b> Policies were developed and will be tabled before council for approval during 2011/2012.	None
		No. of HIV/AIDS training sessions for councilors and officials (awareness training)	2 awareness training session conducted for councilors and staff	June 2011	<b>Not achieved</b>	Training session for Councilor and staff will be conducted during the 2011/2012
		100% of Employee Wellness Programme introduced	100% of EWP policy developed and approved	June 2011	<b>Partly achieved:</b> EWP Policy was developed and will be presented before LLF for consultation and council for approval.	None

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# COMMUNITY SERVICES DIRECTORATE

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## Departmental Overview:

To provide innovative services and programmes that will enhance the quality of life for Thabo Mofutsanyana Communities by promoting safety, health and wellbeing of these communities.

## Strategic Objective:

-  To provide comprehensive environmental health services to all communities of Thabo Mofutsanyana District.
-  To establish a Disaster Management Framework aiming at ensuring an integrated and uniform approach to disaster management in the district.
-  To create a healthy, safe and reliable environment with good morals, sport and recreational facilities as well as sustainable culture.

Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 June 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target date		
Community Development and Social Cohesion	To ensure that proper sport and recreational facilities are available to all communities	% of district sports council, reviewed	100% of district sports council established/launched by end of March 2011	March 2011	<b>Achieved:</b> District sports council was establishment.	None
		No. of sports tournaments planned and staged	2 sports tournaments organized	March 2011	<b>Achieved:</b> Sport tournaments were organized.	None
		% of district arts and culture council established	100% of district arts and culture council established	March 2011	<b>Achieved:</b> District arts and culture council was establishment.	None
		No. of programmes/initiatives to showcase cultural diversity within the District	4 programmes held	June 2011	<b>Achieved:</b> Cultural programmes were held in the district.	None
	To improve the level of education and skills of communities	% of database for ECD service providers completed	100% of ECD database completed	December 2010	<b>Achieved:</b> ECD database was developed and maintain.	None
		% participation in District Education Forums	100% participation in education forums	June 2011	<b>Not achieved</b>	Education forums will be convened during the 2011/2012
		% of District Bursary Fund for needy and well- performing children established	Annual event to recognize best/well-performing schools and/or students in the District	March 2011	<b>Achieved:</b> Annual event to recognize best/well- performing schools and/or student in the District was hosted and bursary Fund was established.	None
To ensure that Thabo Mofutsanyana is a crime- free area	% of District crime prevention strategy compiled and approved	100% of crime prevention strategy compiled and approved (in consultation with SAPS)	March 2011	<b>Achieved:</b> Crime prevention strategy was developed and approved by council.	None	

Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 June 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target date		
		Level of participation and support for crime awareness/prevention campaigns and forums in partnership with SAPS and other key stakeholders	100% participation and support for crime prevention initiatives such as "Arrive Alive", Safety & Security of Children, Business & Community Protection, etc.	June 2011	<b>Not achieved</b>	Participation and support in crime prevention initiatives will be resuscitated during th 2011/2012
		No. of safety and security cluster meetings organized	5 safety and security cluster meetings organized	June 2011	<b>Achieved:</b> Safety and Security Cluster meetings were convened.	None
		% of 16-days of activism campaign launched	100% of campaign launched in November 2010 (campaigns focusing on children & women)	December 2010	<b>Achieved:</b> 16 days of activism campaign was launched.	None
	To ensure that proper contingency plans for disasters at local municipal and district level are in place	Number of disaster management community awareness campaigns completed	5 awareness campaigns completed	June 2011	<b>Achieved:</b> Disaster management awareness campaign was launched.	None
		% of risk assessment plan completed	100% of risk assessment plan completed	June 2011	<b>Not achieved</b>	Risk assessment plan to be completed during 2011/2012
		% of disaster management framework/plan compiled and approved	100% of disaster management framework/plan compiled and approved	September 2010	<b>Achieved:</b> Copies of disaster management framework/plan and council resolution attached as evidence.	None
		% of District Disaster Management Forum established	No. of meetings convened	June 2011	<b>Achieved:</b> Disaster management forum meetings were convened.	None

Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 June 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target date		
		No. of service level agreements with local municipalities and service providers signed	5 service level agreements signed	June 2011	<b>Not achieved</b>	Service Level Agreement to be finalized during the 2011/2012
		% of District Disaster Management Centre established (Warden)	50% of Centre established/functional	June 2011	<b>Partly achieved:</b> Disaster Management Center were established and partly operational.	None
	To ensure that Thabo Mofutsanyana district area has a clean, green and healthy environment	% compliance of business and structures within district with Health Act	200 compliance certificates issued	June 2011	<b>Achieved:</b> Compliance certificates were issued.	None
		No. of environmental health awareness campaigns conducted	8 environmental health campaigns conducted	June 2011	<b>Achieved:</b> Environmental health awareness campaigns were launched.	None
		% of Environmental Health policy and By-Laws developed and adopted	75% of policy and By-Law developed	June 2011	<b>Achieved:</b> Environment Health policy, by-laws were developed and approved by council.	None
		% of Service Level Agreement developed and signed	100% of SLA developed and approved	June 2011	<b>Not achieved</b>	Service Level Agreement to be developed during the 2011/2012
	To develop, coordinate and implement a coordinated and coherent HIV/AIDS programme in line with National and Provincial imperatives	% of HTC campaign launched and implemented	100% of HTC campaign launched in Q1 and 2 programmes per quarter thereafter	June 2011	<b>Achieved:</b> HTC campaign awareness was launched.	None

Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 June 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target date		
	To promote healthy and safe circumcision of initiates	No. of meetings and workshops held with committees, traditional leaders and relevant stakeholders	8 meetings and workshops held	June 2011	<b>Achieved:</b> Meetings with committees, traditional leaders and relevant stakeholders were convened.	None
		% of event organized for World Aids Day (1 December 2010)	100% of events organised for World Aids Day	December 2010	<b>Achieved:</b> World Aids Day event / campaign was launched	None
		No. of inductions of Local Aids Councils	5 local councils inducted	September 2010	<b>Achieved:</b> Induction of Local Aids Council was conducted.	None
	To ensure that a properly coordinated public transport exist in the district	% Integrated Transportation Plan (ITP) developed	100% ITP developed and approved	June 2011	<b>Partly achieved:</b> Integrated Transport Plan was developed and will be presented to council for approval during 2011/2012.	None



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# LOCAL ECONOMIC DEVELOPMENT DIRECTORATE






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## Departmental Overview:

The department for LED and tourism geared to itself to work with all stakeholders towards creation of a conducive environment for district economy to grow.

## Strategic Objective:

The functions of the local economic development and tourism are to support the following strategic focus areas of the municipality:

-  SMME promotion and support
-  Export promotion and international trade
-  Community Economic Development (Self-reliable)
-  Business recruitment and place marketing
-  Tourism

Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 July 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target date		
Local Economic Development	To broaden the industrial base/capacity of the district	% of operational LED Department established	100% of LED department established	March 2011	<b>Achieved:</b> LED department was established and structure and placement of personnel in LED was approved.	None
		% of District LED Forum established	100% District LED Forum established	March 2011	<b>Achieved:</b> District LED Forum was established.	None
		% of Industrial Development Strategy developed and approved	100% of Industrial Development Strategy developed and approved	June 2011	<b>Not achieved</b>	TM Development Agency was establish to deal with all Industrial development initiatives
		% of database on existing and possible new factories developed	100% of factories database developed	March 2011	<b>Achieved:</b> Factories database was developed and maintained.	None
		% of SMME database developed	100% of SMME database developed	March 2011	<b>Achieved:</b> SMME database developed and maintained.	None
		% of Trade and Investment Strategy developed and approved	100% of Trade and Investment Strategy developed and approved	June 2011	<b>Not achieved</b>	TM Development Agency was establish to deal with all Trade and Investment Strategy
	To ensure that tourist attractions and facilities meet and maintain industry standards to promote tourism at a regional level	No. of sports tournaments marketed and promoted	3 sports tournaments marketed and promoted	June 2011	<b>Achieved:</b> Sports tournaments were organized, marketed and promoted.	None
		No. of capacity building programmes in District to enforce tourism standards and policies	5 capacity building programmes organised in local municipalities	June 2011	<b>Achieved:</b> Capacity building programmes were conducted in local municipality.	None
		% of tourist attraction routes established	100% of tourist attraction routed developed	June 2011	<b>Achieved:</b> Tourism attestation route was established.	None

Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 July 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target date		
		% of tourism centers upgraded	100% of tourism centre's upgraded	June 2011	<b>Achieved:</b> Tourism centers were upgrade.	None
		No. of self-help information systems installed at strategic centres	2 self-help information systems installed	March 2011	<b>Not Achieved</b>	Not budgeted for in the financi year 2010/2011
		No. of tourism awareness (culture) programmes conducted in the region with local people	5 tourism (including cultural tourism) programmes conducted in the district	June 2011	<b>Achieved:</b> Tourism programmes were conducted in the District.	None

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# INFRASTRUCTURE DIRECTORATE





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## Departmental Overview:

To implement effective, efficient basic service delivery in roads and water through EPWP methodology.

## Strategic Objective:

The strategic objectives of the department are to –

-  To ensure that adequate water is available in order that all rural and urban communities have access to potable water, which is provided on at least RDP standards at affordable rates;
-  To provide an acceptable and affordable sanitation system for the entire region (VIP or waterborne);
-  To ensure the overall planning and provision of streets and storm water systems for all municipalities within the region in phases over the next 5 years;
-  To have a uniform electricity distribution system throughout the region for both rural and urban areas to ensure equal access to electricity by all.

Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 July 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target		
Basic Service Delivery and Infrastructure Investment	To ensure that adequate water is available in order that all rural and urban communities have access to potable water, which is provided on at least RDP standards at affordable rates	Capacity built at district municipality to fulfill its role as a water service authority	100% of WSDP developed and approved (DWA assistance for module 1)	June 2011	<b>Not achieved</b>	The new demarcation boundaries has split the DMA i to two municipality (MAP and Dihlabeng) TMDM is no longer Water Service Authority
		Local municipalities assisted to provide an effective service to their communities (urban and rural)	Regional Bulk Water studies (RBW)-monitoring of implementation by local municipalities	June 2011	<b>Achieved:</b> Regional Bulk Water Studies and monitoring were conducted and reports were prepared.	None
		No. of Water Sector Forum meetings convened	6 meetings convened	June 2011	<b>Achieved:</b> Water Sector Forum meetings were convened.	None
		% of Operation and maintenance plans compiled	100% of Local O&Ms compiled	March 2011	<b>Not achieved</b>	Local O & M will be compiled during the budget year 2011/2012
	To provide an acceptable and affordable sanitation system for the entire region (VIP or waterborne)	Sanitation infrastructure of entire region has sufficient capacity and functions properly	100% of sanitation master plans of locals compiled	June 2011	<b>Not achieved</b>	Budget constraints have contributed to failure to compile master plan. Additional funding will be sourced from either Provincial or National Department of Infrastructure Grant in 2011/2012
		% of Free Basic Sanitation implemented	100% of free basic sanitation implemented	June 2011	<b>Achieved:</b> Copy of Free Basic Sanitation report attached as evidence.	None

Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 July 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target		
	To ensure the overall planning and provision of streets and storm water systems for all municipalities within the region in phases over the next 5 years	% roads and storm water master plan developed	100% roads master plan developed and approved	June 2011	<b>Not achieved</b>	Budget constraints have contributed to failure to compile master plan. Additional funding will be sourced from either Provincial or National Department of Infrastructure Grant in 2011/2012
		Number of kms of roads upgraded and maintained in identified areas	1km of gravel road upgraded in Nketoana	June 2011	<b>Not achieved</b>	Nketoane LM will be consulted and support to be given to identify the gravel road to be upgraded in the 2011/2012
			1km of gravel road upgraded in Maluti-a-Phofung	June 2011	<b>Partly Achieved:</b> Gravel road project is still in progress of completion in M-A-P.	None
			1km of gravel road upgraded in Sesoto	June 2011	<b>Achieved:</b> Water Tanker was purchased for Setsoto as per their request.	Setsoto LM submitted a request to divert gravel roads funds to assist with the water challenge faced.
			1km of gravel road upgraded in Phumelela	June 2011	<b>Partly achieved:</b> Patching of internal road in Phumelela was implemented and completed.	Phumelela LM submitted a request to divert gravel roads funds to patch / repair existing internal road.
			1km of gravel road upgraded in Dihlabeng	June 2011	<b>Not achieved</b>	Dihlabeng LM will be consulted and support to be given to identify the gravel road to be upgraded in the 2011/2012
		Number of temporary jobs created through EPWP projects	70 temporary jobs created	December 2010	<b>Achieved:</b> Temporary employees were appointed.	None
		Capacity built at district municipality to fulfill its role with electricity	% of District Energy Forum established	June 2011	<b>Achieved:</b> District Energy Forum was established.	None

Planned Performance 2010/2011					Actual performance from 01 July 2010 – 30 July 2011	Comments / Corrective measure to be or implemented to correct performance
Key Performance Area (KPA)	Strategic Objectives	Key Performance Indicator (KPI)	Performance Measure	Target		
		services				
	To have a uniform electricity distribution system throughout the region for both rural and urban areas to ensure equal access to electricity by all communities	% of electricity master plan developed and approved	100% of master plan developed and approved	June 2011	<b>Not achieved</b>	Budget constraints have contributed to failure to compile master plan. Additional funding will be sourced from either Provincial or National Department of Infrastructure Grant in 2011/2012