

CENTRAL KAROO DISTRICT MUNICIPALITY

ANNUAL REPORT
2011/12



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CHAPTER 1

COMPONENT A: MAYOR'S FOREWORD



The Central Karoo District Municipality has adopted a vision "Working together in Development and Growth" which clearly underlines the significant challenges that we face.

The first challenge is to ensure that all stakeholders and partners are utilizing resources, in whatever form, in a cohesive and integrated manner and secondly to ensure that everybody is working towards the vision of realizing development and growth for the Central Karoo and its people.

The Central Karoo District Municipality has also embarked on the drafting of a five-year IDP with the process plan for its compilation being adopted by Council on 11 October 2011. This plan ensures that the role players within the process are well prepared and provide the required input. The IDP will be reviewed annually and modification will be made on the grounds of actual performance, revised needs, budget available and possible unique circumstances that may exist.

Part of our vision to promote shared growth and development is ensure that our Region comprises of the necessary people with the required skills to address the future growth and job opportunities that should arise from it. To this effect a successful Skills Audit of the Central Karoo Region was undertaken and completed in December 2011. This Audit would serve as pre-runner to the Skills Summit to be held in March 2013. The data is currently being analysed with a final report expected December 2012. This will give us an indication of what the status quo of skills are within the Region but also what gaps i.t.o. skills there is and what to focus on when planning the Skills Summit.

The 2011/12 financial year was largely characterized by dealing with the aftermath of the financial implications of the take-over of Murraysburg DMA area by Beaufort West Municipality and the subsequent loss in revenue i.t.o. equitable share. These challenges however were overcome with hard work, sacrifice and dedication from all concerned in the Municipality. Council adopted a savings plan to this effect which expected all stakeholders to cut-back and sacrifice certain amenities for the greater financial good of the Municipality. The effort made by all involved was commendable and again highlights the spirit and heart of the people of the Central Karoo and the commitment of Council, Senior Management and staff to ensure that the Central Karoo District Municipality deliver on the promise of shared growth and development.

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We are also delighted to have had a very functional District Communication and Public Participation Forum which provides a platform for Local Government, various Government Department as well as civil society to provide an input in how we communicate and interact with the community at large within the Central Karoo.

We also had significant participation from all the communities within the Region during our Public participation process involved in the compilation of our five-year IDP which bodes well for the future involvement and buy-in from the inhabitants of our Region in terms of decision-making and holding Council accountable and responsive to needs.

The Central Karoo District Municipality has committed itself to ensure that whatever growth take place, benefits and improves the quality of life all within the Region. The Extended Public Masikhule Sonke Mayoral Community Works Programme is indicative of this as this initiative seeks to use the Extended Public Works Programme as promulgated by National Government to create jobs, address poverty and unemployment and share the growth, opportunities and development within the Region.

As mentioned the year 2011/12 was a very difficult and challenging year financially and otherwise. However the Central Karoo District Municipality has remained standing, steadfast and more determined than ever to ensure we fulfill our social and legal obligations to the people of our beautiful Region. It has shown that truly by working together any challenge can be overcome and that by weathering these storms we build camaraderie, togetherness and most of all a strong unflinching character.

A special thanks to my Council, for their sacrifice and commitment, dedicated Senior Management, and hardworking staff for ensuring that we endured and maintained the values, standards and ethics that we as Central Karoo District Municipality subscribe to.

E.Z. NJADU

Executive Mayor

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COMPONENT B: EXECUTIVE SUMMARY

1.1 Municipal Manager's Overview



The 2011/12 financial year Annual Report has been compiled in accordance with the Local Government Municipal Systems Act, 32 of 2000, the Local Government Municipal Finance Management Act 56 of 2003, as well as National Treasury Circular No. 11. The report addresses the performance of the Central Karoo District Municipality for the financial year that ended 30 June 2012. It conforms to the relevant statutory requirements and records the progress made by the municipality in fulfilling its objectives as reflected in the Integrated Development Plan (IDP), the Budget and the Service Delivery and Budget Implementation

Plan (SDBIP) and other relevant strategic documents.

The transfer of Murraysburg DMA area brought with it severe financial challenges for the Central Karoo District Municipality due to the loss in revenue i.t.o. of equitable share. This included drafting a budget that would be both credible and practical taking into consideration that the significant loss in equitable share was not fully anticipated. The Central Karoo District Municipality managed to successfully submit a Budget under severe pressure which was adopted by Council.

In terms of the National Key Performance Area namely Municipal Financial Viability and Management the Municipality achieved a 0.05 in this current financial year as apposed to 0.04 in 2010/11. Under the circumstances as mentioned above this is commendable as it was no small feat.

Despite the various challenges faced by the Central Karoo District Municipality we however still managed to achieve various achievement highlights including:

- The CKDM has been commended for the best alignment of the Disaster Management Chapter in the IDP within the Western Cape Province.
- Also commendable is the successful recruitment and implementation of NARYSEC Programme where more than a 100 young people were appointed. This is significant as the Region is characterised by high levels of unemployment which we as a Municipality are trying to address.
- The transfer of Murraysburg DMA was a long and tedious process and the effective transfer of DMA personnel to Beaufort West Municipality needs also to be mentioned in this regard.
- The HR Manager of the Central Karoo District Municipality serves on the Provincial HR Policies Task Team as well as the Provincial Working Group for HR related matters as well as serves

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on the Eden/Central Karoo TASK Evaluation Committee. This bodes well for the continued development and growth of the employees of the Municipality and ensuring optimal conditions of employment.

- In terms of our Disaster Management Department which is seriously underfunded and understaffed we managed to solicit the involvement of the NPO organization HOPE (Help Other People Emotionally) who focuses on getting the volunteer (public) side onboard of disaster management activities.
- Training to members of the public on fire prevention . An awareness program was run by CKDM in collaboration with Disaster Management Western Province at 4 schools (AH Barnard Primary, Teske Primary, John D Crawford and St Mathews) and the public during Sept. – Oct. 2011
- An achievement obtained by Municipality's environmental health practitioner worth mentioning is his election as chairman of the Western Cape Working Group for Municipal Health Services. A municipal environmental health official also attended an International Conference for Environmental Health, held in Toronto, Canada. A report in this regard was submitted to Council.
- The Municipality again managed to achieve an unqualified audit report under extremely difficult conditions which makes this accomplishment even more admirable.
- The Municipality also managed to establish a fully functional Audit Committee, which will also serve as Performance Audit Committee. This will go a long way in ensuring that the possible risks for the Municipality are highlighted and mitigated and ensuring that the Municipality is governed in an accountable, transparent and effective manner.
- Our continued and successful Shared Services with Prince Albert Municipality is also something of note as this allows the Municipality to provide scarce and much needed services to the entire Region.

Challenges we will be seeking to address in the upcoming financial year include:

- Improved communication between local and district municipalities as this is essential to ensure the integrated and coordinated planning and implementation of plans, project and programmes.
- If we are to reach the significant target of addressing unemployment and poverty we will definitely need to enhance the identification of sustainable economic growth opportunities.

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- There are still a number of policy documents not approved by Council which could hamper the Municipality in its day-to-day activities and future prospects.
- As indicated already the loss of revenue and availability of financial resources will and has always been a challenge for the Central Karoo District Municipality. More concrete ways need to be identified to mitigate the situation and this includes the renewed focus on ensuring effective and efficient capturing and reporting of projects on the EPWP system.
- Another enormous challenge is the staff structure that is not as aligned with financial challenges and the IDP challenges and expectations as could be the case. This often results in ineffective and inefficient delivery of functions, responsibilities and tasks.
- The lack of financial capacity to deliver on all the legislative requirements is also a severe challenge as our Financial Department is currently under staffed to be able to fully deal with the responsibilities and expectations in the best way possible. This includes the areas of Internal Audit, Risk Management and IT Security.

As the Central Karoo District Municipality we salute our achievements however remain aware of the challenges that still lay ahead. I however know that with the continued support and commitment from Council, dedication from my Senior Managers and diligent labour from my devoted staff we will face these challenges head on and ensure that the Central Karoo District Municipality remain at the forefront of growth and development in the Central Karoo Region.

S. JOOSTE

ACTING MUNICIPAL MANAGER

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1.2 Municipal Overview

This report addresses the performance of the Central Karoo District Municipality in the Western Cape in respect of its core legislative obligations. Local government must create the participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the council of the municipality provides regular and predictable reporting on programme performance and the general state of affairs in their locality.

The 2011/12 Annual Report reflects on the performance of the Central Karoo District Municipality for the period 1 July 2011 to 30 June 2012. The Annual Report is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA), in terms of which the Municipality must prepare an Annual Report for each financial year.

1.2.1 Vision and Mission

The Central Karoo District Municipality committed itself to the vision and mission of:

Vision:

"Optimal quality of life for all citizens"

Mission:

"We provide quality services for sustainable economic development and social stability through dynamic stakeholder partnerships and democratic involvement in the Central Karoo Node"

1.3 Municipal Functions, Population and Environmental Overview

1.3.1 Population

a) Population

The Central Karoo District Municipality has a total population of 55 623 with an annual population growth increase rate of 2.53 %.

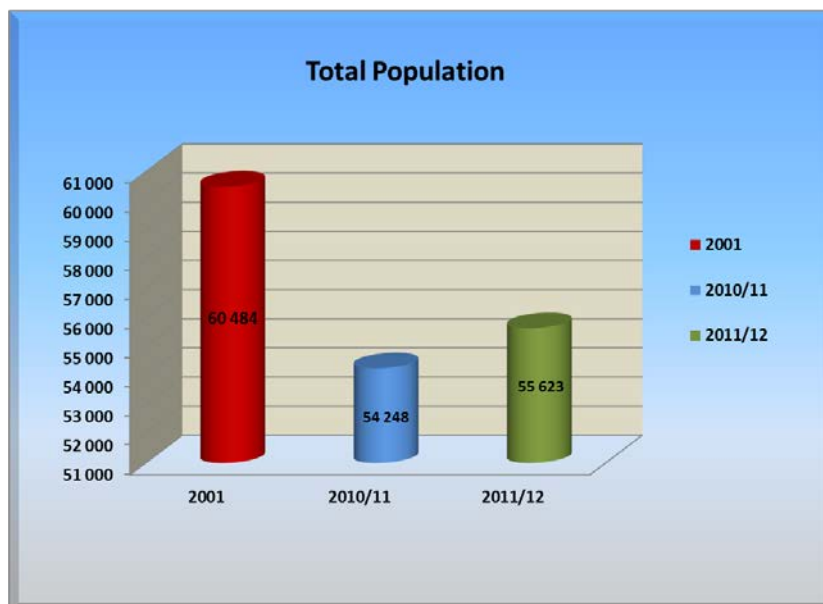
The table below indicates the total population within the municipal area:

2001	2010/11	2011/12	% Population Growth
60 484	54 248	55 623	2.53

Table 1.: Demographic information of the municipal area – Total population

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The graph below illustrate the yearly population growth for the municipal area:



Graph 1.: Total Population Growth

The following table shows the overall population as well as the total number of households within the specific municipality in the Central Karoo District Areas:

Municipality	No of Households	Total population
Beaufort West	10 135	42 089
Laingsburg	1 960	5 158
Prince Albert	2 850	8 376
Total	14 945	55 623

Table 2.: Overview of the population within the district area

b) Key Economic Activities

Agriculture forms the backbone of the Central Karoo economy and accounts for the largest labour force of the population to date. The Municipality is dependent upon the following economic activities:

Key Economic Activities	Description
Agriculture and agri-processing	Fresh meat (mutton, game, Karoo lamb, ostrich, goat, beef)
	Processed meat (biltong, cold meats, "droë wors")
	Fresh fruit and vegetables (figs, olives, apricots, grapes, herbs)
	Processed fruit and vegetables (chutney, dried figs, olives, jams)
	Animal by-products (skins, hides, wool, mohair, milk)
	Processed animal by-products (leather products, dairy products, wool and mohair)

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Key Economic Activities	Description
	products)
	Other (traps for problem animals – manufacturing and servicing)
Transportation	The transportation sector in the Central Karoo is one of the strongest contributors to the regional economy and completely dominated by Beaufort West, which contributes 86.4% of the total GGP in this sector.
Tourism	Wide-open spaces, magnificent landscapes, panoramas and the sense of solitude attractions
	Historic and cultural attractions

Table 3.: Key Economic activities

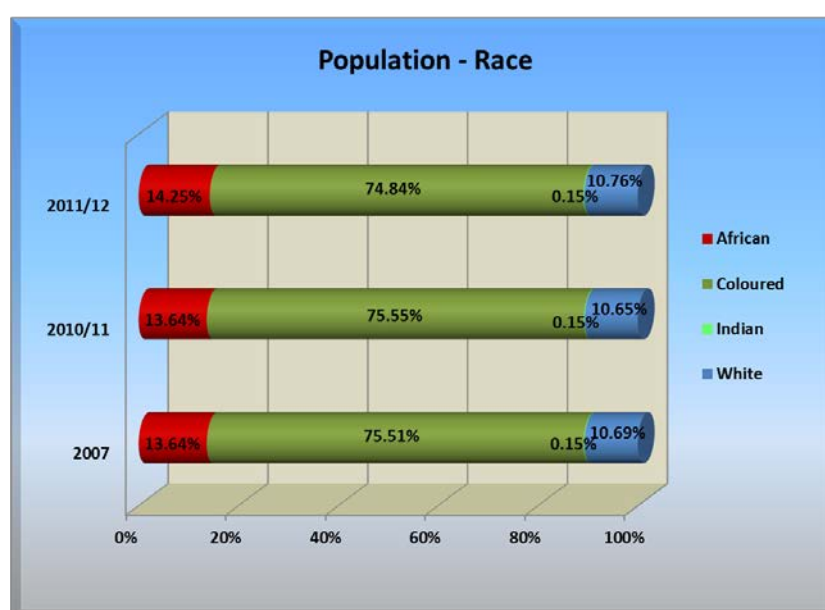
1.3.2 Socio Economic Information

a) Population by Race Category

Population - Racial	2007	2010/11	2011/12	% Growth
African	7 672	7 401	7 926	7.09
Coloured	42 463	40 985	4 1628	1.57
Indian	84	82	85	3.66
White	6013	5 780	5 984	3.53
Total	56 232	54 248	55 623	2.53

Table 4.: Demographic information of the municipal area – Race categories

The graph below shows the population by race:



Graph 2.: Population by race

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1.3.3 Demographic Information

a) Municipal Geographical Information

The Central Karoo District Municipality is one of the five district municipalities in the Western Cape Province. It covers a total area of 38 853 km² and with a total population of 55 623 it has a population density of about 1.6, hence the smallest population in the province, making it the largest district in the Western Cape. Invariably this means that the distance between settlements within the district is vast.

The Central Karoo forms part of the Great Karoo and is classified as a unique arid zone. The Karoo plateau is the largest of its kind outside Asia, rich in fossils and houses the largest variety of succulents in the world. A number of mountain ranges borders the district, namely the Swartberg (near Prince Albert) Nieuvelde Mountains (near Beaufort West).

The Central Karoo District Municipality's head office is situated in Beaufort West, which is about 500 km North West of Cape Town and about 1200 km South West of Johannesburg along the N1 road. The district borders the Eastern Cape and the Northern Cape Provinces.

The district houses the following local municipalities:

Beaufort West Municipality: Includes the towns of Beaufort West, Merweville, Nelspoort and Murraysburg. The largest town in the district, Beaufort West, serves as the administrative centre of the district. The municipal area has a total population of approximately 37 598 residents, most of who are urbanised. Beaufort West is strategically situated approximately 415 km northwest from Cape Town along the N1 route, which connects Cape Town with cities like Bloemfontein and Johannesburg. It has all the characteristics of a modern town, including a magistrate's court, internet café's, hotels, B&B's, medical facilities, restaurants and all the other amenities and services usually found in larger towns.

Laingsburg Municipality: Includes the historic settlement of Matjiesfontein. It is the smallest municipality (i.t.o. population) in the Central Karoo District and indeed in the whole South Africa. The municipal area has a total population of approximately 6 681 residents. Laingsburg is situated halfway between Cape Town and Beaufort West on the N1 National. Passing transport is one of the most important markets for Laingsburg. Laingsburg is characterized by rural agriculture, consisting mainly of sheep farming, but also known for the production of soft fruits, especially in the southern part of the municipal area. The potential for the latter is, however, adversely affected by poor roads and long distances to major centra.

Prince Albert Municipality: Prince Albert is situated 400 km north of Cape Town and 170 km South West of Beaufort West. The municipality has a total population of approximately 10 512

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residents and borders Beaufort West Local Municipality to the North and North West. Laingsburg is to the South West and the Eden District to the South. Prince Albert Municipal area covers a total of 8,800km², a vast part of this being in the rural areas where vast hectares are under agricultural production, mainly fruit and sheep farming. District roads radiate out of Prince Albert connecting it to its satellite towns of Prince Albert Road on the N1 (45 km to the North West), Klaarstroom on the R329 (55 km to the East) and Leeu – Gamka on the N1 (85 km to the North). In recent years Prince Albert has seen the biggest economic growth in the region due to the demand in high-income property being bought by especially Europeans. It is known as a little town with Victorian and Karoo style architecture, art & décor shops, side walk coffee shops, the breathtakingly beautiful Swartberg valley and Meiringspoort and the annual olive festival which attracts hundreds of tourists each year.

Below is a map that indicates the location of the Municipality:

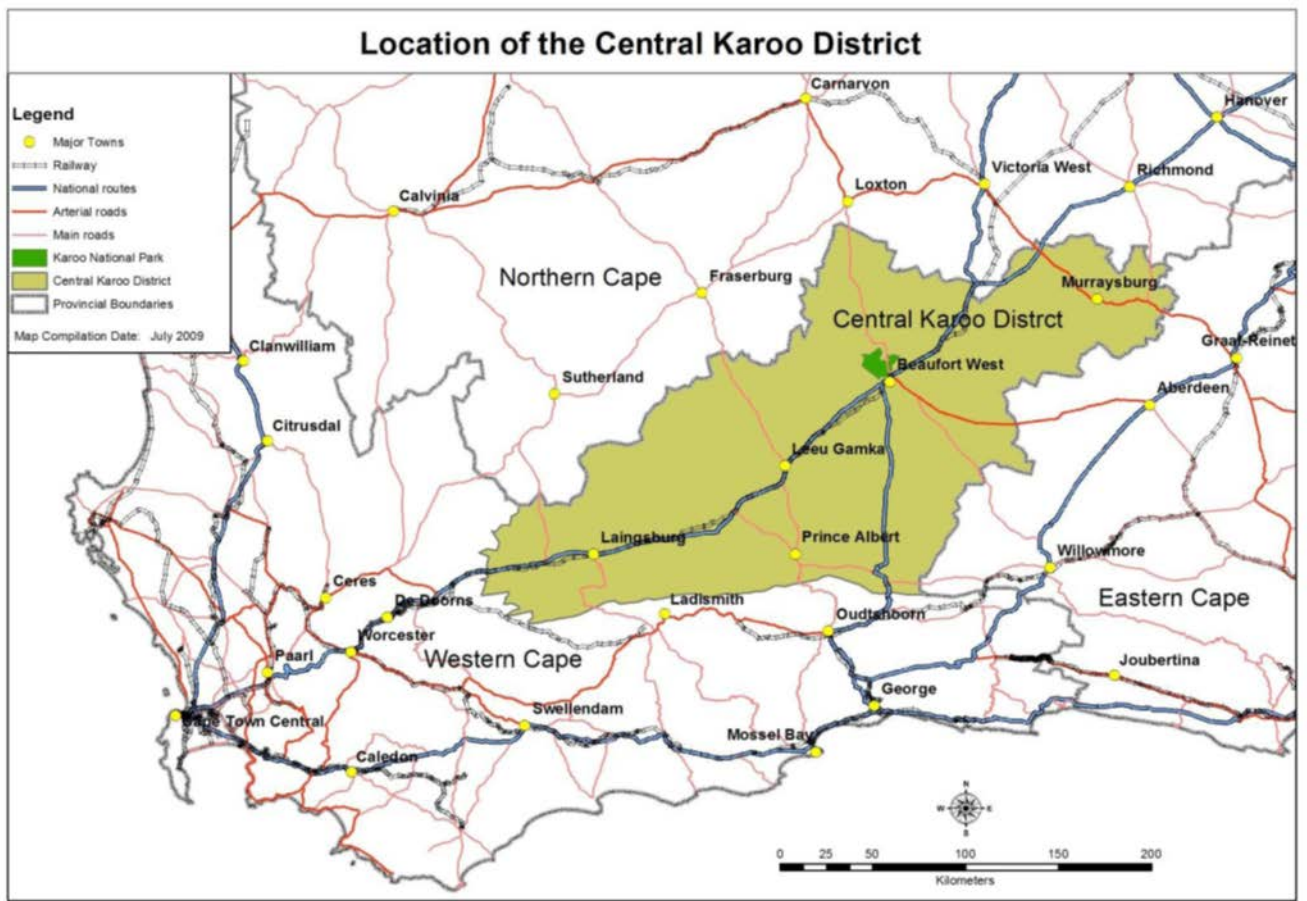


Figure 1.: Western Cape Area map

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1.4 Financial Health Overview

1.4.1 National Key Performance Indicators – Municipal Financial Viability and Management (Ratios)

The following table indicates the municipality's performance in terms of the **National Key Performance Indicators** required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the **National Key Performance Area** namely **Municipal Financial Viability and Management**.

KPA & Indicator	2010/11	2011/12
Cost coverage ((Available cash+ investments): Monthly fixed operating expenditure	3%	(1%)

Table 5.: National KPI's for financial viability and management

1.4.2 Financial Overview

Details	Original budget	Adjustment Budget	Actual
	R'000		
Income	51 357	56 119	51 221
Grants	49 803	54 353	47 241
Taxes, Levies and tariffs	0	0	0
Other	1 555	1 767	3 980
Sub Total	51 357	56 119	51 221
Less Expenditure	51 746	55 894	52 213
Net surplus/(deficit)	(388)	225	(992)

Table 6.: Financial Overview

1.4.3 Operating Ratios

Detail	Expected norm	Actual	% Variance
Employee Cost	30%	57%	(18%)
Repairs & Maintenance	n/a	n/a	n/a
Finance Charges & Depreciation	10%	0%	(4%)

Table 7.: Operating ratios

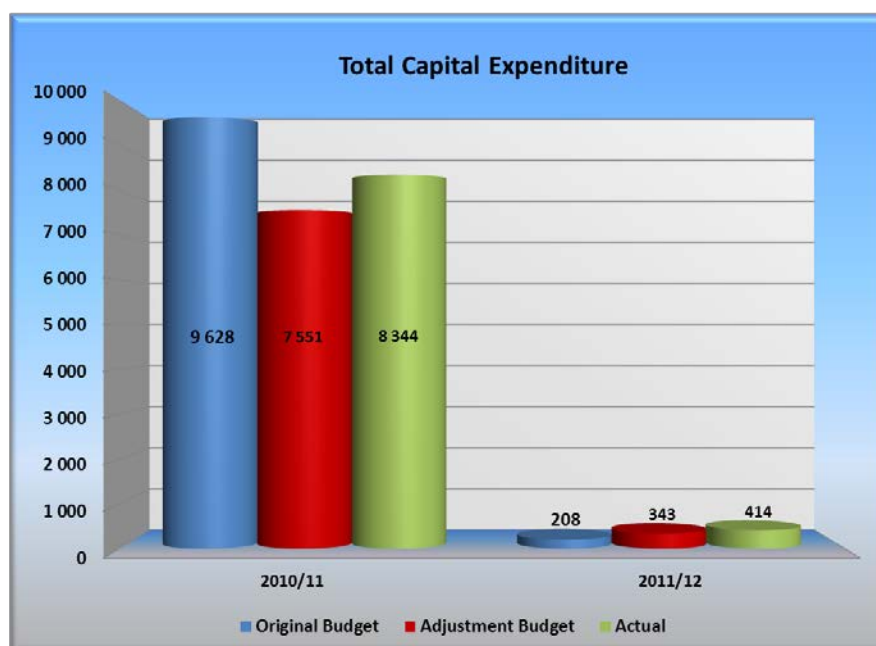
Note: Repairs & Maintenance on basic services are not applicable as the municipality as a District Municipality is from the 2011/12 financial year no longer responsible for the delivery of basic services in the previous district management areas.

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1.4.4 Total Capital Expenditure

Detail	2010/11	2011/12
	R'000	
Original Budget	9 628	208
Adjustment Budget	7 551	343
Actual	8 344	414

Table 8.: Total Capital Expenditure



Graph 3.: Total Capital Expenditure

The huge decrease in the capital budget and expenditure is due to the fact that the municipality, as a District Municipality, is no longer responsible for the delivery of basic services in the previous district management areas from the 2011/12 financial year.

1.5 Organisational Development Overview

1.5.1 Municipal Transformation and Organisational Development Highlights

Highlight	Description
Implementation of Internships	In-service training of two financial interns.
Capacity Building Initiatives	Employment of 7 students for in-service practical training.
Career Development	A career planning evaluation form was developed and career planning was done with 37 individuals.
5 Year Employment Equity Plan	An Employment Equity Plan was developed, approved and implemented.

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Highlight	Description
Employment Equity	An employment equity audit was done which included the inputs of all personnel.
Municipal Manager	A Municipal Manager was appointed for a fixed term of 5 years.

Table 9.: Municipal Transformation and Organisational Development Highlights

1.5.2 Municipal Transformation and Organisational Development Challenges

Challenge	Action to address
Appointments to be made in accordance with relevant legislation	Adopt the Draft Appointment Policy
Capacity challenges	Major capacity challenges with regard to specifically the Financial Services Division.

Table 10.: Municipal Transformation and Organisational Development Challenges

1.6 Municipal Challenges

The following general challenges are experienced by the municipality:

Challenges	Actions to address
Financial sustainability	Lobbying for an increase in equitable share allocation from national government
Ageing infrastructure	Obtain external funding from provincial and national government
Insufficient personnel capacity	Implementation of shared services

Table 11.: Municipal Challenges

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CHAPTER 2

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

Good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

2.1 National Key Performance Indicators - Good Governance and Public Participation

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations 796 of 2001 and section 43 of the MSA. This key performance indicator is linked to the National Key Performance Area - Good Governance and Public Participation.

KPA & INDICATORS	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT
	2010/11	2011/12
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	95	100

Table 12.: National KPIs - Good Governance and Public Participation Performance

2.2 Performance Highlights - Good Governance and Public Participation

Highlight	Description
District Coordinating Forum	Effective functioning District Coordinating Forum (DCF)
DCF meetings	Successful DCF meetings in all towns within the Region
Participation	Increased participation from stakeholders
Shared Service Agreements	Limited Shared Service Agreements eg. presiding Officer
Provincial support	Support from Provincial Government with IDP

Table 13.: Good Governance and Public Participation Performance Highlights

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2.3 Challenges - Good Governance and Public Participation

Challenge	Actions to address
Participation from all Municipalities in IGR forums	Compilation of annual IGR calendar with pre-determined dates
Availability of Municipal Managers & Mayors	
Establishing a functional DCF Tech Forum	Municipal manager to arrange establishment meeting in 2012/13
Emphasizing the importance of IGR Forums	Compilation of annual IGR calendar with pre-determined dates Ensure topical agenda items
Unblocking of critical infrastructure / basic services eg. transnet housing	Improve involvement of key role-players

Table 14.: Good Governance and Public Participation Challenges

2.4 Governance Structure

2.4.1 Political Governance Structure

The council performs both legislative and executive functions. They focus on legislative, oversight and participatory roles, and have delegated its executive function to the Executive Mayor and the Mayoral Committee. Their primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as decision makers, Councilors are also actively involved in community work and the various social programmes in the municipal area.

a) Council

The Council consists of 13 members, which is representative of all the local municipalities in the district (Beaufort West Municipality - 5, Laingsburg Municipality - 1, Prince Albert Municipality – 1 and Proportional List - 6). The portfolio committees are made up of councilors drawn from all political parties. Below is a table that categorise the councillors within their specific political parties and wards:

Below is a table that categorised the councillors within their specific political parties and wards for the 2011/12 financial year:

Council Members	Capacity	Political Party	Ward representing or proportional	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
Mr EZ Njadu	Executive Mayor	ANC	Proportional	100	n/a
Mrs E Maans	Deputy Mayor	ANC	Proportional	99	1

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Council Members	Capacity	Political Party	Ward representing or proportional	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
Mr J Bostander	Speaker	ANC	Beaufort West	100	n/a
Mr MS Hangana	Part Time Councilor	ANC	Proportional	99	1
Mr M Furmen	Part Time Councilor	ANC	Beaufort West	100	n/a
Mr G de Vos	Part Time Councilor	ANC	Beaufort West	100	n/a
Mr AD Willemse	Part Time Councilor	DA	Proportional	100	n/a
Mrs AM Slabbert	Part Time Councilor	DA	Ward	100	n/a
Mrs S Nortjé	Part Time Councilor	DA	Proportional	99	1
Mr S Botes	Part Time Councilor	DA	Proportional	99	1
Mr J Mocke	Part Time Councilor	DA	Proportional	99	1
Mr B van As	Part Time Councilor	DA	Laingsburg	95	1
Mr IJ Windvogel	Full Time Councilor	KGP	PrinceAlbert	100	n/a

Table 15.: Council Meetings

Below is a table which indicates the council meeting attendance for the 2011/12 financial year:

Meeting dates	Council Meeting Attendance	Apologies for non-attendance
26 August 2011	13	n/a
11 October 2011	12	1
29 November 2011	13	n/a
14 December 2011	13	n/a
19 December 2011	9	4
05 March 2012	11	2
11 April 2012	13	n/a
10 May 2012	13	n/a
31 May 2012	13	n/a
12 June 2012	11	2
27 June 2012	10	2

Table 16.: Council meetings

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b) Executive Mayoral Committee

The Executive Mayor of the municipality, Councillor EZ Njadu, assisted by the Mayoral Committee, heads the executive arm of the municipality. The Executive Mayor is at the centre of the system of governance, since executive powers are vested in him to manage the day-to-day affairs. This means that he has an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Executive Mayor, delegated by the Council, as well as the powers assigned by legislation. Although accountable for the strategic direction and performance of the municipality, the Executive Mayor operates in concert with the Mayoral Committee.

The name and portfolio of each Member of the Mayoral Committee is listed in the table below for the period 1 July to 30 June 2012:

Name of member	Capacity
Mr EZ Njadu	Executive Mayor
Mrs E Maans	Deputy Mayor
Mr IJ Windvogel	Full Time Councillor

Table 17.: Executive Mayoral Committee

The table below indicates the dates of the Committee meetings and the number of reports submitted to Council for the 2011/12 financial year:

Meeting dates	Number of reports submitted to council
12 July 2011	20
15 July 2011	
19 August 2011	
22 August 2011	
20 September 2011	
28 September 2011	
24 October 2011	
03 November 2011	
07 November 2011	
28 November 2011	
12 December 2011	
03 January 2012	
13 January 2012	
27 January 2012	
24 February 2012	
22 March 2012	
29 March 2012	
09 May 2012	
15 June 2012	
22 June 2012	

Table 18.: Executive Mayoral Committee meetings

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c) Portfolio Committees

Section 80 committees are permanent committees that specialise in a specific functional area of the municipality and may in some instances make decisions on specific functional issues. They advise the executive committee on policy matters and make recommendations to Council. Section 79 committees are temporary and appointed by the executive committee as needed. They are usually set up to investigate a particular issue and do not have any decision making powers. Just like Section 80 committees they can also make recommendations to Council. Once their *ad hoc* task had been completed, Section 79 committees are usually disbanded. External experts, as well as councillors can be included on Section 79 committees.

The portfolio committees for the 2011/16 Mayoral term and their Chairpersons are as follow:

d) Financial Services and Corporate Portfolio Committee

Name of member	Capacity
EZ Njadu	Chairperson
IJ Windvogel	Member
M Furmen	Member
D Willemse	Member
S Nortje	Member

Table 19.: Financial Services & Development Portfolio Committees

Meeting dates	Number of reports submitted to council
10 August 2011	2
14 November 2011	

Table 20.: Financial Services & Corporate Portfolio Committee Meetings

e) Economic and Social Development Portfolio Committee

Name of member	Capacity
M Furmen	Chairperson
IJ Windvogel	Member
MS Hanganana	Member
AM Slabbert	Member
J Mocke	Member

Table 21.: Economic & Social Development Portfolio Committee

Meeting dates	Number of reports submitted to council
17 August 2011	1

Table 22.: Economic & Social Development Portfolio Committee Meetings

Chapter 2: Good Governance

f) Municipal Services and Infrastructure Portfolio Committee

Name of member	Capacity
G de Vos	Chairperson
IJ Windvogel	Member
E Maans	Member
S Botes	Member
B van As	Member

Table 23.: Municipal Services and Infrastructure Portfolio Committee

Meeting dates	Number of reports submitted to council
16 August 2011	4
12 October 2011	
16 November 2011	
15 February 2012	

Table 24.: Municipal Services and Infrastructure Portfolio Committee Meetings

g) Human Resource Development Portfolio Committee

Name of member	Capacity
MS Hangana	Chairperson
IJ Windvogel	Member
J Bostander	Member
S Botes	Member
D Willemse	Member

Table 25.: Human Resource Development Portfolio Committee

Meeting dates	Number of reports submitted to council
16 August 2011	6
15 November 2011	
14 February 2012	
21 February 2012	
02 May 2012	
18 May 2012	

Table 26.: Human Resource Development Portfolio Committee Meetings

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2.4.2 Administrative Governance Structure

The Municipal Manager is the Chief Accounting Officer of the Municipality. He is the head of the administration, and primarily has to serve as chief custodian of service delivery and implementation of political priorities. He is assisted by his direct reports, which constitutes the management team, whose structure is outlined in the table below:

Name of Official	Department	Performance agreement signed
		(Yes/No)
Mr S Jooste	Acting Municipal Manager	Yes
Mr NW Nortjé	Director Corporate Services	Yes
Mr CJ Kymdell	Director Financial Services	Yes
Mr JH Theron	Director Technical Services	Yes

Table 27.: Administrative Governance Structure

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.5 Intergovernmental Relations

2.5.1 Provincial Intergovernmental Structures

The municipality actively takes part in the following provincial forums:

- Provincial IDP Manager's Forum
- IDP Indaba 1 & 2
- Provincial IDP Working Group
- Provincial Public Participation and Communication Forum

2.5.1 District Intergovernmental Structures

The municipality actively takes part in the following district forums:

- Bi-monthly District IDP Manager's Forum
- District Public Participation and Communication Forum
- District EPWP Forum
- Adhoc Communication Forum
- District Coordinating Forum

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COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Section 16 of the Municipal Systems Act (MSA) refers specifically to the development of a culture of community participation within municipalities. It states that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance. For this purpose it must encourage and create conditions for the local community to participate in the affairs of the community. Such participation is required in terms of:

- the preparation, implementation and review of the IDP;
- establishment, implementation and review of the performance management system;
- monitoring and review of the performance, including the outcomes and impact of such performance; and
- Preparation of the municipal budget.

2.6 Representative Forums

The tables below specify the members of the representative forums for the 2011/12 financial year:

a) Labour Forum

Name of representative	Capacity	Meeting dates
Mr IJ Windvogel	Chairperson	22 September 2011 17 November 2011 18 May 2012
Mr J Bostander	Member	
Mr J Mocke	Member	
Mrs S Nortje	Member	
Mrs. E Maans	Member	

Table 28.: Labour Forum

b) District IDP Representative Forum

Name of representative	Capacity	Meeting dates
Alderman ZE Njadu	Chairperson	17 February 2012
Ms A Bans	EDA	
Ms B Brown	DEA	
Ms G Pekeur	Laingsburg Municipality	
Ms T Verveen	Beaufort West Municipality	
Mr P Oliphant	Prince Albert Municipality	

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Name of representative	Capacity	Meeting dates
Mr D Jacobs	Department Transport and Public Works	
Mrs E Meyer	Department Social Development	
Mr TG Hawker	Department of Education	
Mr T Pantsi	Department of Community Safety	
Mr I Dokter	Department of Social Development	
Mrs E Phillips	Department of Health	
Mrs Macoli	Department of Home Affairs	
Ms M Hendriks	Department of Government Communications and Information Services	
Ms P Piennaar	Department of Agriculture	
Ms Y van Wyk	Department Local Government: CDW	
Mr Kobus van Wyk	STATSA	
Mr Hoorn	Department of Justice	
Supt Kennedy	SAPS	

Table 29.: IDP Representative Forum

c) District Communication Forum

Name of representative/ Organisation presenting	Capacity	Meeting dates
T Twani	Chairperson: CKDM	08 September 2011 12 August 2011 06 March 2012
C Nash	Department of Local Government	
S Phendu	Department of Local Government	
M. Hendriks	Department Government Communications and Information Services	
G. Pekeur	Laingsburg Municipality	
H Esterhuizen	Prince Albert Municipality	
N. Mfundisi	Beaufort West Municipality	
R Twani	Department Local Government: CDW	

Table 30.: District Communication Forum

d) District Coordinating Forum

Name of representative/ Organisation presenting	Capacity	Meeting dates
DT Hugo	Chairperson	02 November 2011
S Conradie	Department of Agriculture	18 November 2011

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Name of representative/ Organisation presenting	Capacity	Meeting dates
VS Mahlagu	Rural Development	07 March 2012 24 May 2012
H Fast	Department of Local Government	
M Mogale	Department of Cooperative Governance and Traditional Affairs	
J Stegman	Provincial Treasury	
ME Swartz	Rural Development	
LC Archary	Rural Development	
B Magoba	Provincial Government	

Table 31.: District Coordinating Forum

2.7 Izimbizo

Imbizo is a forum for enhancing dialogue and interaction between senior government executives and ordinary people and provides an opportunity for government to communicate its programmes and progress directly to the people. Izimbizo also promotes participation of the public in the programmes to improve their lives. Interaction through Izimbizo highlights particular problems needing attention, blockages in implementation of policy, or policy areas that may need review. It draws public input into how best to tackle challenges and gives the President and others direct access to what people say and feel about government and service delivery, to listen to their concerns, their grievances and advice about the pace and direction of government's work.

No Izimbizo or any other public meetings were held by the municipality in the year under review.

COMPONENT D: CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed.

2.8 Risk Management

In line with Municipal Finance Management Act, Section 62(1)(c)(i), and the best practice report on the corporate Government requirements, internal audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process as well as the identification of corrective actions and suggested enhancements to the controls and process.

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It is acknowledged that the Risk Management Committee did not have sufficient meetings to discuss possible risks. The Risk Management Committee has not reported to the Audit Committee on risk management due to serious capacity constraints.

The top 4 risks are:

1. Financial sustainability.
2. Ageing infrastructure.
3. Insufficient personnel capacity.
4. Grant dependency (lack of income basis)

2.9 Anti-Corruption and Anti-Fraud

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), section 112(1) (m)(i) identify supply chain measures to be enforced to combat fraud and corruption, favoritism and unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

a) Developed Strategies

Name of strategy	Developed Yes/No	Date Adopted
Anti-corruption strategy	Yes	March 2009
Fraud prevention strategy	Yes	March 2009

Table 32.: Strategies

b) Implementation of Strategies

Key Risk Areas	Key measures to curb corruption and fraud
Policy	Appropriate prevention and detection controls are applied. These include the controls and checking mechanisms as prescribed in existing policies, procedures and other relevant prescripts and systems of internal control.
Institutional arrangements	Personnel are continuously informed of the anti-corruption hotline that can be used. All personnel are supplied with our Whistle Blowing policy on induction.
Systems and control	The Internal Audit Unit evaluates whether the internal controls upon which Management relies to mitigate the risks to acceptable levels, are appropriate and functioning as intended and develops recommendation for enhancement or improvements in the control environment
Fraud and Corruption Risk Management	An Anti-Corruption Strategy and Fraud Prevention Strategy was developed in 2009, but this needs to be revised.
Training, Awareness and	Currently all emphasis are on Municipal Competency training.

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Key Risk Areas	Key measures to curb corruption and fraud
Communication	

Table 33.: Implementation of the Strategies

2.10 Audit Committee and Performance Audit Committee

Section 166(2) of the MFMA states that an audit committee is an independent advisory body which must –

Advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to –

- internal financial control;
- risk management;
- performance management; and
- Effective governance.

3.. Functions of the Audit Committee

The Council decided that the Audit Committee will also act as the Performance Committee.

The Audit Committee have the following main functions as prescribed in section 166 (2) (a-e) of the MFMA, and the Local Government Municipal and Performance Management Regulation:

- To advise the Council on all matters related to compliance and effective governance.
- To review the annual financial statements to provide Council with an authoritative and credible view of the financial position of the municipality, its efficiency and its overall level of compliance with the MFMA, the annual DoRA and other applicable legislation.
- Respond to the Council on any issues raised by the Auditor-General in the audit report.
- Carry out such investigations into the financial affairs of the municipality as Council may request.
- To review the quarterly reports submitted by internal audit.
- To evaluate audit reports pertaining to financial, administrative and technical systems.
- To evaluate the compliance to existing policies and relevant legislation.
- To review the performance management system and make recommendations in this regard to Council.
- To assess whether the performance indicators are sufficient.
- To determine possible reasons for discrepancies between performance and targets.

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- To identify major risks to which Council is exposed and determine the extent to which risks have been minimized.
- To review the annual report of the municipality.
- Investigating cases of fraud, misbehaviour and conflict of interest involving employees.
- Review the plans of the Internal Audit function and, in so doing, ensure that the plan addresses the high-risk areas and ensure that adequate resources are available.
- Review audit results and action plans implemented by management.
- Provide support to the Internal Audit function.
- Ensure that no restrictions or limitations are placed on the Internal Audit section.

b) Members of the Audit Committee

Name of representative	Qualifications	Meeting dates
D.S. Rennie	Certificate : Fellow of Institute of Financial Markets	05 June 2012 14 June 2012 28 June 2012
A.J. Matthee	Diploma : Financial Management	
G.M.T Hawker	'n Hons Mathematics	
A. Hooker	Higher Teachers Diploma in Commerce	

Table 34.: Members of the Audit Committee

2.11 Internal Auditing

Section 165 (2) (a), (b)(iv) of the MFMA requires that:

The internal audit unit of a municipality must –

- (a) prepare a risk based audit plan and an internal audit program for each financial year; and
- (b) advise the accounting officer and report to the audit committee on the implementation on the internal audit plan and matters relating to risk and risk management.

In the year under review the municipality experienced a number of challenges with regard to internal auditing and could due to capacity constraints not comply with all the legal requirements. As a corrective measure a service provider was appointed to assist with this function in the 2012/13 financial year.

2.12 Auditor General

Central Karoo District Municipality is audited by the Auditor-General of South 'n in terms of section 188 of the Constitution and section 4 of the Public Audit Act and section 126 of the MFMA. The audit report for the financial year under review is in Annexure B of this report.

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2.13 By-Laws and Policies

Section 11 of the MSA gives a Council the executive and legislative authority to 'n and implement by-laws and policies. No By-Laws were developed or revised during the year.

Below is a list of all the policies developed and reviewed during the financial year:

Policies developed/ revised	Date adopted	Public Participation Conducted Prior to adoption of policy Yes/No
Gift Policy for Councillors	Draft	n/a: Internal Policy
Bonus/13 th cheque	29 November 2011	n/a: Internal Policy

Table 35.: Policies

2.14 Communication

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996 and other statutory enactments all impose an obligation on local government communicators and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.

Below is a communication checklist of the compliance to the communication requirements:

Communication activities	Yes/No
Communication forum	Yes
Communication strategy	Yes
Customer satisfaction surveys	n/a
Functional complaint management systems	n/a
Newsletters distributed monthly (internal newsletter)	Yes

Table 36.: Communication Activities

2.15 Website

A municipal website should be an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that the municipalities place key documents and information on their website, including the IDP, the annual budget, adjustments budgets and budget related documents and policies.

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Below is a website checklist to indicate the compliance to Section 75 of the MFMA:

Documents published on the Municipal website	Yes/No Date Published
Current annual and adjustments budgets and all budget-related documents, including SDBIP	No
Tariff policy	07/06/2011
Credit control policy	07/06/2011
Valuation policy	n/a
Rates policy (Tariff Policy)	07/06/2011
SCM policy	03/02/2011
Annual report for 2010/11	28/02/12
Annual Financial Statements for 2010/11	No
All service delivery agreements for 2011/12	No
All supply chain management contracts above the prescribed value for 2011/12	06/12/2011&07/2012
Performance agreements required in terms of section 57 (1) (b) of the Municipal Systems Act for 2011/12	No
All quarterly reports tabled in the council in terms of section 52 (d) of the MFMA during 2011/12	No

Table 37.: Website Checklist

Chapter 3: Service Delivery Performance

CHAPTER 3

3.1 OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION

Performance management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality.

At local government level performance management is institutionalized through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure whether targets to meet its strategic goals, set by the organisation and its employees, are met.

The constitution of S.A (1996), section 152, dealing with the objectives of local government paves the way for performance management with the requirements for an "accountable government". The democratic values and principles in terms of section 195 (1) are also linked with the concept of performance management, with reference to the principles of inter alia:

- the promotion of efficient, economic and effective use of resources,
- accountable public administration
- to be transparent by providing information,
- to be responsive to the needs of the community,
- and to facilitate a culture of public service and accountability amongst staff.

The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted and managed, including determining the roles of the different role players." Performance management is not only relevant to the organisation as a whole, but also to the individuals employed

Chapter 3: Service Delivery Performance

in the organization as well as the external service providers and the Municipal Entities. This framework, *inter alia*, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

3.1.1 Legislative requirements

In terms of section 46(1)(a) a municipality must prepare for each financial year a performance report reflecting the municipality's and any service provider's performance during the financial year, including comparison with targets of and with performance in the previous financial year. The report must, furthermore, indicate the development and service delivery priorities and the performance targets set by the municipality for the following financial year and measures that were or are to be taken to improve performance.

3.1.2 Organisation performance

Strategic performance indicates how well the municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop strategic plans and allocate resources for the implementation. The implementation must be monitored on an on-going basis and the results must be reported on during the financial year to various role-players to enable them to timeously implement corrective measures where required.

This report highlight the strategic performance in terms of the municipality's Top Layer Service Delivery Budget Implementation Plan (SDBIP), high level performance in terms of the National Key Performance Areas, performance on the National Key Performance Indicators prescribed in terms of section 43 of the Municipal Systems Act, 2000 and an overall summary of performance on a functional level.

3.1.3 The performance system followed for the financial year 2011/12

a) Adoption of a Performance Management Framework

Performance management is prescribed by chapter of the Municipal Systems Act, Act 32 of 2000 and the Municipal Planning and Performance Management Regulations, 796 of August 2001. Section 7 (1) of the aforementioned regulation states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the responsibilities of the different role players." This framework, *inter alia*, reflects the linkage between the IDP, Budget, SDBIP and

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individual and service provider performance. The municipality adopted a performance management framework that was approved by Council on 29 May 2009.

b) The IDP and the budget

The IDP was reviewed for 2011/12 and the budget for 2011/12 was approved by Council on 17 May 2011. The IDP process and the performance management process are integrated. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

The strategy map below illustrates the strategic link of the focus areas of the municipality with the National Key Performance Areas. The National Key Performance Areas is aligned with the strategic objectives that were identified in the 2011/12 reviewed IDP. The strategic objectives are linked to the outcomes for 2011/12

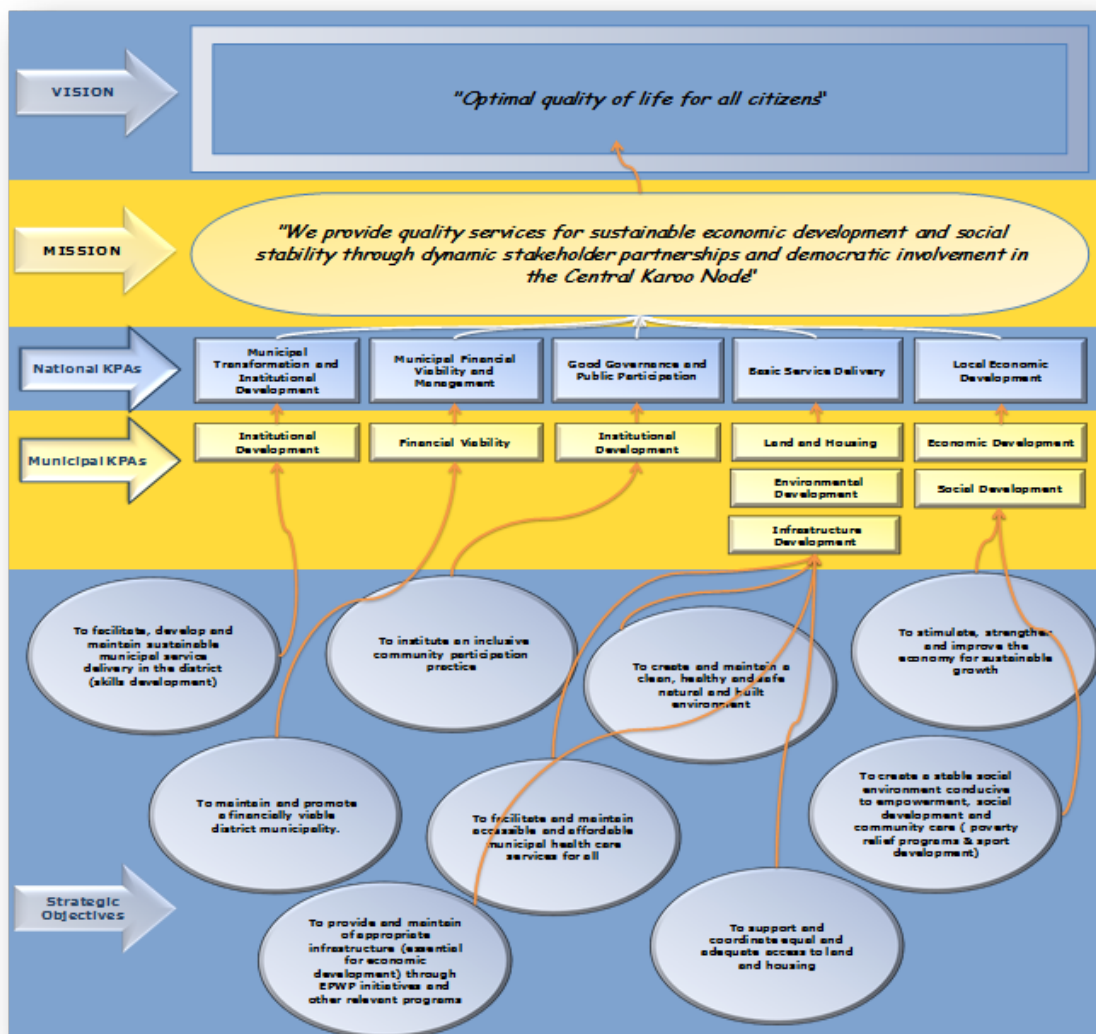


Figure 2.: Strategy Map

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c) The Service Delivery Budget Implementation Plan

The organisational performance is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level and through the service delivery budget implementation plan (SDBIP) at directorate and departmental levels.

The SDBIP is a plan that converts the IDP and budget into measurable 'n on how, where and when the strategies, objectives and normal business process of the municipality is implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and budget.

The MFMA Circular No.13 prescribes that:

- The IDP and budget must be aligned
- The budget must address the strategic priorities
- The SDBIP should indicate what the municipality is going to do during next 12 months
- The SDBIP should 'n the basis for measuring the performance against goals set during the budget /IDP processes.

The SDBIP were prepared as described in the paragraphs below and approved by the Executive Mayor.

i) The municipal scorecard (Top Layer SDBIP)

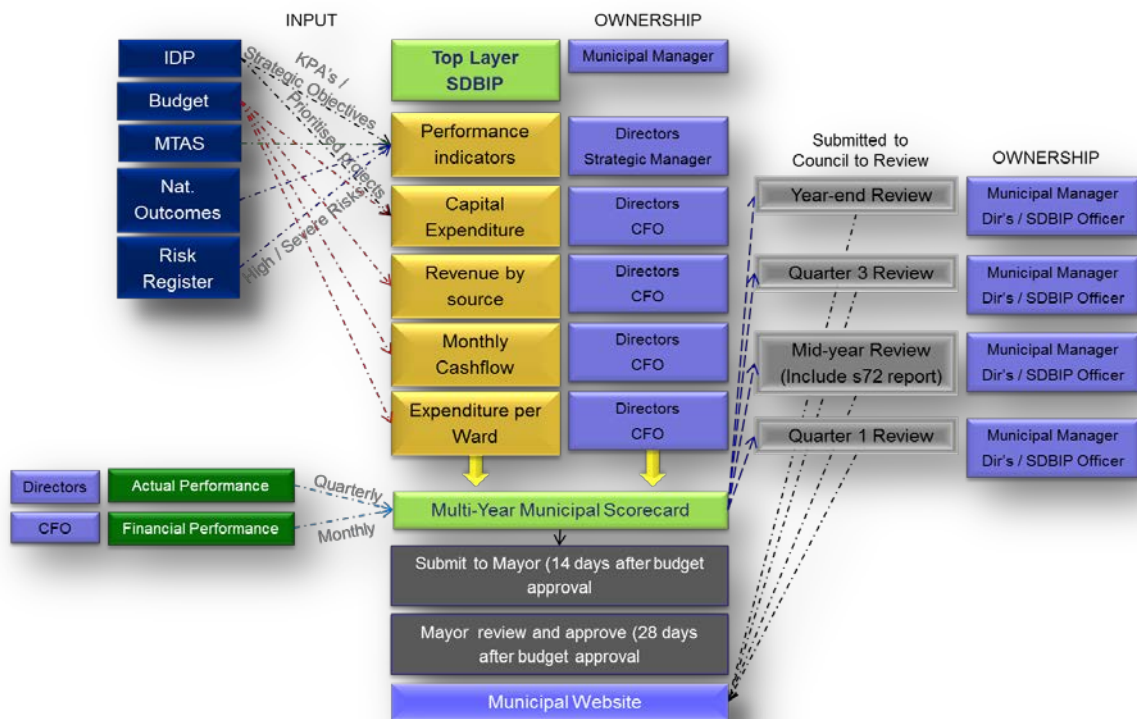
The municipal scorecard (Top Layer SDBIP) consolidate service delivery targets set by Council / senior management and provide an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities. Components of the Top Layer SDBIP include:

- **One-year** detailed plan, but should include a **three-year capital plan**
- The 5 necessary components includes:
 - ◇ Monthly projections of revenue to be collected for each source
 - Expected revenue to be collected NOT billed
 - ◇ Monthly projections of expenditure (operating and capital) and revenue for each vote
 - Section 71 format (Monthly budget statements)
 - ◇ Quarterly projections of service delivery targets and performance indicators for each vote
 - Non-financial measurable performance objectives in the 'n of targets and indicators
 - Output NOT input / internal management objectives

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- Level and standard of service being provided to the community
- ◇ Ward information for expenditure and service delivery
- ◇ Detailed capital project plan broken down by ward over three years

The following diagram illustrates the establishment, components and review of the municipal scorecard (Top Layer SDBIP):



Top Layer KPI's were prepared based on the following:

- Key performance indicators (KPI's) for the programmes / activities identified to address the strategic objectives as documented in the IDP.
- KPI's identified during the IDP and KPI's that need to be reported to key municipal stakeholders.
- KPI's to address the required National Agenda Outcomes, priorities and minimum reporting requirements.
- The municipal turnaround strategy (MTAS)

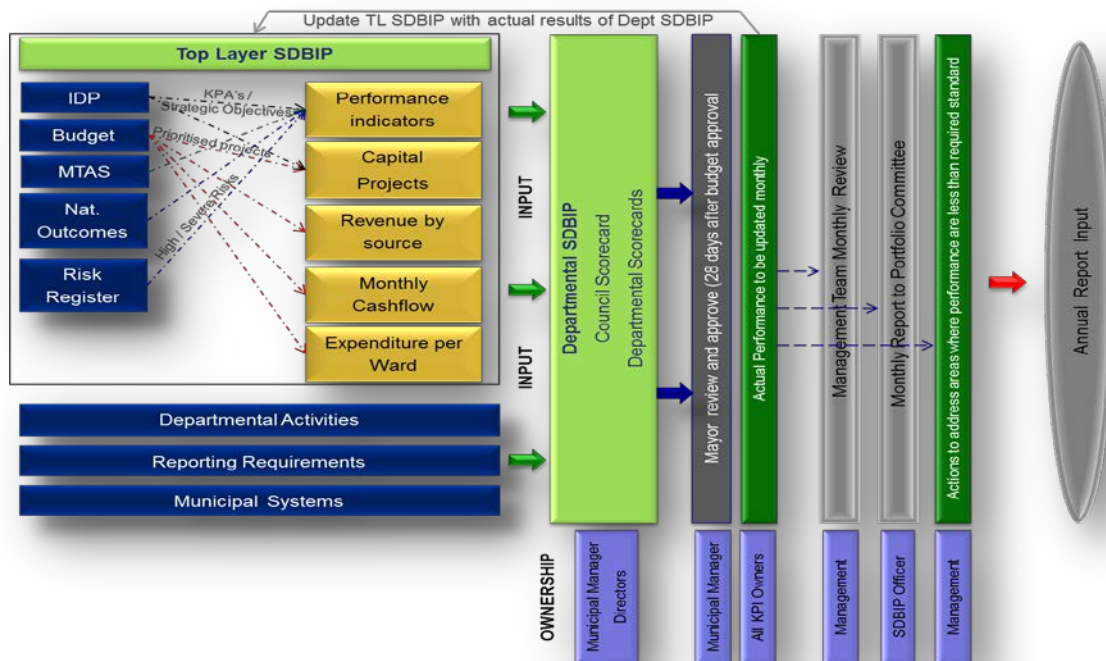
It is important to note that the municipal manager needs to implement the necessary systems and processes to provide the POE's for reporting and auditing purposes.

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ii) Directorate/Departmental scorecards

The directorate and departmental scorecards (detail SDBIP) capture the performance of each defined directorate or department. Unlike the municipal scorecard, which reflects on the strategic performance of the municipality, the departmental SDBIP provide detail of each outcome for which top management are responsible for, in other words a comprehensive picture of the performance of that directorate/sub-directorate. It was compiled by **senior managers** for their **directorate** and consists of objectives, indicators and targets *derived* from the approved Top Layer SDBIP, the approved budget and measurable service delivery indicators related to each functional area.

The following diagram illustrates the establishment, components and review of the departmental SDBIP:



KPI's were developed for Council, the Office of the Municipal Manager and for each Directorate. The KPI's:

- Address the TL KPI's by means of KPI's for the relevant section responsible for the KPI.
- Include the capital projects KPI's for projects. The targets are aligned with the projected monthly budget and project plans.
- Address the key departmental activities.
- Each KPI have clear monthly targets and are assigned to the 'n responsible for the KPI's.

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3.1.4 Organisational Performance

The organizational performance is monitored and evaluated via the SDBIP and the performance process can be summarized as follows:

- The Top Layer SDBIP was approved by the Mayor on 29 June 2011 and the information was loaded on an electronic web based system
- The web based system sent automated e-mails to the users of the system as a reminder to all staff responsible for updating their actual performance against key performance indicator targets by the 15th of every month for the previous month's performance.
- Internal Audit performed a statutory compliance review which included revision of the information contained in the budget / SDBIP and reviewed IDP and reported thereon. In addition, a compliance review was performed on the submission of the budget / SDBIP and performance agreements of managers reporting directly to the Municipal Manager to ensure compliance to the relevant legislative requirements. Furthermore, a review of the 4th quarter performance proof of evidence against signed-off key performance indicators for 2010/11, were performed. The 1st and 2nd quarter performance of 2011/2012 is currently been reviewed.

3.1.5 Individual Performance Management

a) Municipal Manager and Managers directly accountable to the Municipal Manager

The Municipal Systems Act, 2000 (Act 32 of 2000) prescribes that the municipality must enter into performance based agreements with the all s57-employees and that performance agreements must be reviewed annually. This process and the format are further regulated by Regulation 805 (August 2006). The performance agreements for the 2011/12 financial year were signed during July 2011 as prescribed.

The appraisal of the actual performance in terms of the signed agreements takes place twice per annum as regulated. The final evaluation of the 2010/11 financial year (1 January 2011 to 30 June 2011) took place on 12 December 2011 and the mid-year performance of 2011/12 (1 July 2011 to 31 December 2011) took place on 17 February 2012.

The appraisals was done by an evaluation panel as indicated in the signed performance agreements and in terms of Regulation 805 and consisted of the following people:

- Executive Mayor
- Portfolio Chairperson
- Municipal Manager
- Chairperson of the Audit Committee

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- o Municipal manager from other municipality

b) Other municipal personnel

The municipality aims to implement individual performance management to lower level staff in annual phases

This chapter provides an overview of the key service achievements of the municipality that came to fruition during 2011/12 in terms of the deliverables achieved compared to the key performance objectives and indicators in the IDP. It furthermore, includes an overview on achievement in 2011/12 compared to actual performance in 2010/11.

3.1.6 Strategic Service Delivery Budget Implementation Plan (Top Layer)

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section should provide an overview on the strategic achievement of a municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top Layer (strategic) SDBIP is the municipality's strategic plan and shows the strategic alignment between the different documents. (IDP, Budget and Performance Agreements)

In the paragraphs below the performance achieved is illustrated against the Top Layer SDBIP according to the 5 National Key Performance Areas (KPA) linked to the Municipal KPA's and IDP (strategic) objectives.

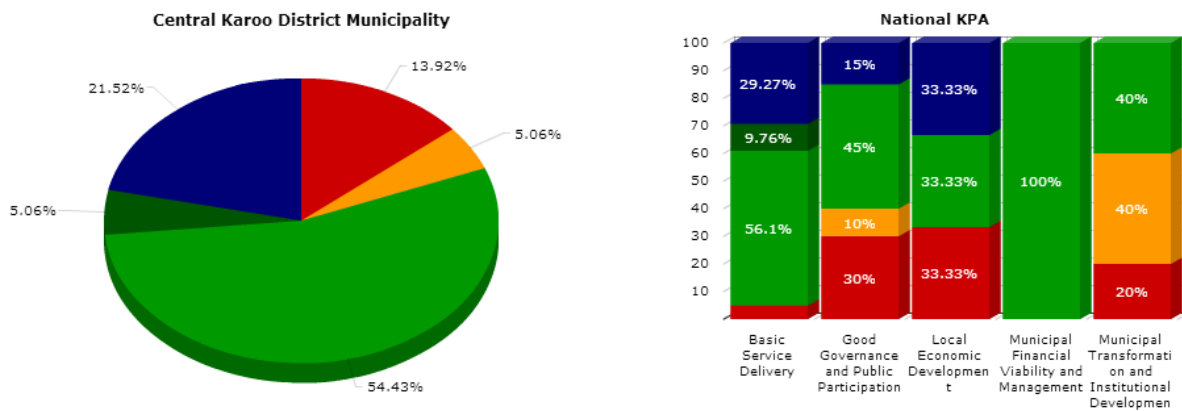
The following figure explains the method by which the overall assessment of actual performance against targets set for the key performance indicators (kpi's) of the SDBIP is measured:

Category	Color	Explanation
KPI's Not Yet Measured	Grey	KPIs with no targets or actuals in the selected period.
KPI's Not Met	Red	0% \geq Actual/Target < 75%
KPI's Almost Met	Yellow	75% \geq Actual/Target < 100%
KPI's Met	Green	Actual/Target = 100%
KPI's Well Met	Dark Green	100% > Actual/Target < 150%
KPI's Extremely Well Met	Dark Blue	Actual/Target \geq 150%

Figure 3.: SDBIP Measurement Categories

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The graph below displays the overall performance per National KPA's for 2011/12:



Graph 4.: Overall performance per National Key Performance Area

a) Good Governance and Public Participation

The National Key Performance Area Good Governance and Public Participation are linked to the Municipal Key Performance Area namely *Good Governance and Public participation*. The IDP Objectives that are linked to Good Governance and Public Participation is: "Ensure sound governance structures and effective reporting systems", "Create an institution with skilled & informed employees to provide professional and effective service to its clientele" and "To achieve a strong financial position"

Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12						Actual	Corrective measures for targets not achieved
						Targets							
						Q1	Q2	Q3	Q4	Annual			
TL23	Ensure sound governance structures and effective reporting systems	Individual Performance management system in place by signing agreements for all staff down to JL T14 by 'n 2012	Individual performance management system implemented up to post level T14	All	New performance indicator for 2011/12. No comparatives available	0%	0%	0%	100%	100%	0%	Not implemented due to capacity constraints	
TL24	Ensure sound governance structures and effective reporting systems	Timeous reporting by submitting the annual report and oversight report of council before legislative deadline	Annual report and oversight report of council submitted before legislative deadline	All	100%	0%	0%	100%	0%	100%	100%	n/a	

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Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12						Actual	Corrective measures for targets not achieved
						Targets							
						Q1	Q2	Q3	Q4	Annual			
TL3	Improved general standards of living for the people of the Central Karoo	Integrated development planning measured by the alignment of the municipal spending with IDP	The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	All	New performance indicator for 2011/12. No comparatives available	100%	100%	100%	100%	100%	100%		n/a
TL1	Create an institution with skilled & informed employees to provide professional and effective service to its clientele	Implementation of the Employment Equity Act measured by the number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	No of people employed in the three highest levels of management	All	New performance indicator for 2011/12. No comparatives available	12	12	12	15	15	14		Decrease in appointments due to financial constraints
TL7	To achieve a strong financial position	The adjustment budget is approved by Council by the legislative deadline	Approval of adjustment budget before 28 February 2012	All	100%	0%	0%	100%	0%	100%	100%		n/a
TL6	To achieve a strong financial position	The main budget is approved by Council by the legislative deadline	Approval of Main budget before 30 May 2012	All	100%	0%	0%	0%	100%	100%	100%		n/a

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Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12						Actual	Corrective measures for targets not achieved
						Targets							
						Q1	Q2	Q3	Q4	Annual			
TL8	To achieve a strong financial position	The Top layer SDBIP is approved by the Mayor within 28 days after the main budget has been approved	Approval of Top Layer SDBIP within 28 days after the approval of the main budget	All	100%	0%	0%	0%	100%	100%	100%		n/a
TL18	Ensure sound governance structures and effective reporting systems	Functional performance audit committee measured by the number of meetings per annum	No of meetings of the performance audit committee per annum	All	New performance indicator for 2011/12. No comparatives available	1	1	1	1	4	1		Committee only recently established
TL4	Ensure sound governance structures and effective reporting systems	Effective functioning of council measured in terms of the number of council meetings per annum	No of council meetings per annum	All	4	1	1	1	1	4	7		n/a
TL5	Ensure sound governance structures and effective reporting systems	Effective functioning of the committee system measured by the number of committee meetings per committee per quarter	No of sec 79 committee meetings per committee per annum	All	12	1	1	1	1	4	8		n/a
TL11	Ensure sound governance structures and effective reporting systems	Effective IGR in the district measured in terms of the number of DIF meetings per annum	No of meetings of the District Intergovernmental Forum	All	4	1	1	1	1	4	6		n/a
TL12	Ensure sound governance structures and effective reporting	Effective IGR in the district measured in terms of the number of DIF meetings per annum	No of meetings of the District Intergovernmental Forum (Technical)	All	4	1	1	1	1	4	1		DIFtech was not as functional as it should have been. Due to several

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Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12							Corrective measures for targets not achieved
						Targets					Actual		
						Q1	Q2	Q3	Q4	Annual			
	systems												adhoc DCF meetings
TL9	Ensure sound governance structures and effective reporting systems	The municipality comply with all the relevant legislation	No of findings in the audit report on non-compliance with laws and regulations	All	0	0	0	0	0	0	0	0	n/a
TL10	Ensure sound governance structures and effective reporting systems	Planning and establishment of shared services in the district by June 2012	No of service activities shared	All	New performance indicator for 2011/12. No comparatives available	1	1	1	1	4	3		The establishment of 3 Shared Services are excellent. Currently Ignite facilitate further initiatives
TL13	Ensure sound governance structures and effective reporting systems	Enhancement of integrated planning in the district by developing an IDP framework by December	Develop district IDP framework by December 2011	All	100%	0%	100%	0%	0%	100%	100%		n/a
TL14	Improved general standards of living for the people of the Central Karoo	Enhancement of integrated planning in the district measured in terms of the number of IDP forums per annum	No of meetings of the district IDP forum per annum	All	4	1	1	1	1	4	4		n/a
TL15	Improved general standards of living for the people of the Central Karoo	Effective communication with communities by reviewing and implementing the communication policy	Review of communication policy by December 2011	All	100%	0%	100%	0%	0%	100%	30%		Potential funders identified. Will commence with phase 2 during 2012/13.

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Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12						Actual	Corrective measures for targets not achieved
						Targets							
						Q1	Q2	Q3	Q4	Annual			
TL16	Ensure sound governance structures and effective reporting systems	Revision of the anti-corruption policy	Revised policy by June 2012	All	New performance indicator for 2011/12. No comparatives available	0%	0%	0%	100%	100%	0%		Due to capacity constraints a service provider was appointed recently. This will address the problem.
TL19	Ensure sound governance structures and effective reporting systems	Risk based audit plan approved to successfully manage all identified risk areas	Approved Risk based audit plan by December 2011	All	100%	0%	100%	0%	0%	100%	0%		Capacity constraints, was a problem but a Service Provider was appointed to resolve the matter.
TL17	Ensure sound governance structures and effective reporting systems	Individual Performance management system in place by signing agreements for all directors by Jul 2011	Number of performance agreements signed on time	All	4	4				4	4		n/a

Table 38.: Top Layer SDBIP – Good Governance and Public Participation

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b) Municipal Transformation and Institutional Development

The National Key Performance Area Municipal Transformation and Institutional Development are linked to the Municipal Key Performance Area namely Organisational Development and institutional support. The IDP Objectives that are linked to Municipal Transformation and Institutional Development is: "Create an institution with skilled & informed employees to provide professional and effective service to its clientele" and "Ensure sound governance structures and effective reporting systems"

Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12						Actual	Corrective measures for targets not achieved
						Targets							
						Q1	Q2	Q3	Q4	Annual			
TL27	Create an institution with skilled & informed employees to provide professional and effective service to its clientele	Revise identified HR policies by the end of June to ensure compliant and up to date HR policies	Revision of all HR policies annually by June	All	2	0%	0%	0%	100%	100%	60%	Index of policies supplied to the Speaker. Awaits request for revision of specific important policies at a committee meeting of council.	
TL25	Create an institution with skilled & informed employees to provide professional and effective service to its clientele	Creation of an effective institution with sustainable capacity	% Vacancy level as % of approved organogram	All	10%	3%	3%	3%	3%	3%	3%	n/a	
TL26	Ensure sound governance structures and effective reporting systems	Effective labour relations by facilitating regular LLF meetings per annum	No of meetings of the LLF per annum	All	6	1	1	1	1	4	3	Several issues prevent LED from reaching our target of 4 meetings	
TL28	Create an institution with skilled & informed employees to provide professional and effective	Implementation of skills development plan with targeted skills development	No of personnel actually trained/ No of personnel identified for training (%)	All	New performance indicator for 2011/12. No comparatives	90%	90%	90%	90%	90%	67.50%	Budget constraints had a severe impact on training this year and did LED mainly rely	

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Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12							Actual	Corrective measures for targets not achieved
						Targets								
						Q1	Q2	Q3	Q4	Annual				
	service to its clientele				available								on subsidized training	
TL22	Create an institution with skilled & informed employees to provide professional and effective service to its clientele	Targeted skills development measured by the implementation of the workplace skills plan	% of the budget spent on implementation of the WSP	All	100%	0%	0%	0%	1%	1%	1%		n/a	

Table 39.: Top Layer SDBIP – Municipal Transformation and Institutional Development

c) Municipal Financial Viability Management

The National Key Performance Area Municipal Financial Viability and Management are linked to the Municipal Key Performance Area namely Financial Viability. The IDP Objective that is linked to Municipal Financial Viability is: *"To achieve a strong financial position"*

Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12							Actual	Corrective measures for targets not achieved
						Targets								
						Q1	Q2	Q3	Q4	Annual				
TL73	To achieve a strong financial position	Compliance with all SCM legislative requirements measured by the limitation of successful appeals against the municipality	No of successful appeals	All	0	0	0	0	0	0	0		n/a	
TL70	To achieve a strong financial position	Approved financial statements submitted by 31 August	Financial statements submitted by 31 August annually	All	100%	100%	0%	0%	0%	100%	100%		n/a	

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Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12							Actual	Corrective measures for targets not achieved
						Targets								
						Q1	Q2	Q3	Q4	Annual				
TL68	To achieve a strong financial position	Compliance with GRAP 16, 17 & 102 to ensure effective asset management	Maintained asset register	All	100%	100%	100%	100%	100%	100%	100%		n/a	
TL67	To achieve a strong financial position	Financial viability measured in terms of the available cash to cover fixed operating expenditure	Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure	All	3.05	0	0	0	0.05	0.05	0.05		n/a	
TL71	To achieve a strong financial position	Improvement in capital conditional grant spending measured by the % spent	% of total conditional capital grants spent	All	100%	0%	0%	0%	100%	100%	100%		n/a	
TL72	To achieve a strong financial position	Improvement in operational conditional grant spending measured by the % spent	% of total conditional operational grants spent	All	100%	0%	0%	0%	100%	100%	100%		n/a	
TL69	To achieve a strong financial position	Root causes of issues raised by LED in LED report of the previous financial year addressed to promote a clean audit	% of Root causes of issues raised by LED in LED report addressed	All	80%	0%	0%	0%	100%	100%	100%		n/a	

Table 40.: Top Layer SDBIP – Municipal Financial Viability and Management

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d) Local Economic Development

The National Key Performance Area Local Economic Development is linked to the Municipal Key Performance Area namely *Local Economic Development*. The IDP Objective that is linked to Local Economic Development is: *"Create beneficiation and empowerment through networking for increased employment and poverty alleviation"*

Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12						Actual	Corrective measures for targets not achieved
						Targets							
						Q1	Q2	Q3	Q4	Annual			
TL63	Create beneficiation and empowerment through networking for increased employment and poverty alleviation	Host the annual district and provincial "welcome" campaign	Hosted by December 2011	All	New performance indicator for 2011/12. No comparatives available	0%	100%	0%	0%	100%	100%		n/a
TL62	Create beneficiation and empowerment through networking for increased employment and poverty alleviation	Provide identified training for tourism burros	No training sessions	All	New performance indicator for 2011/12. No comparatives available	1	0	1	1	3	9		n/a
TL29	Create beneficiation and empowerment through networking for increased employment and poverty alleviation	Increase tourism awareness in the municipal area to enhance economic development with the revision of the tourism strategy	Revise Tourism strategy by June 2012	All	New performance indicator for 2011/12. No comparatives available	0%	0%	0%	100%	100%	100%		n/a
TL21	Create beneficiation and empowerment through networking for increased employment and	Establishment of a LED forum	Established by December 2011	All	New performance indicator for 2011/12. No comparatives available	0%	100%	0%	0%	100%	0%		EDA, funded by the IDC, will assist financially with this indicator in the next financial year. Lack of performanc

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Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12						Actual	Corrective measures for targets not achieved
						Targets							
						Q1	Q2	Q3	Q4	Annual			
	poverty alleviation												e due to budget constraints
TL20	Create beneficatio n and empowerment through networking for increased employment and poverty alleviation	Revision of LED strategy	Revised strategy by March 2012	All	100%	0%	0%	100%	0%	100%	0%		Budget constraints Will again focus on this once the EDA is established
TL2	Create beneficatio n and empowerment through networking for increased employment and poverty alleviation	The number of jobs created through municipality's local economic development initiatives including capital projects	The number of jobs created through municipality's local economic development initiatives including capital projects	All	171	0	0	0	10	10	43		n/a

Table 41.: Top Layer SDBIP – Local Economic Development

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e) Basic Service Delivery

The National Key Performance Area Basic Service Delivery is linked to the Municipal Key Performance Area namely *Basic Services, Social development and Sustainable Environmental utilisation*. The IDP Objectives that are linked to Basic Service Delivery are: *“Improved general standards of living for the people of the Central Karoo”* and *“Ensure quality, affordable and equitable services in the Central Karoo”*

Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12						Actual	Corrective measures for targets not achieved
						Targets							
						Q1	Q2	Q3	Q4	Annual			
TL65	Improved general standards of living for the people of the Central Karoo	Implement and monitor approved HIV/AIDS projects	No of projects 17	All	New performance indicator for 2011/12. No comparatives available	5	2	5	5	17	17		n/a
TL64	Improved general standards of living for the people of the Central Karoo	Maintain the existing Multi Sectoral Action Teams (MSAT's) for HIV/AIDS in the district	No of MSAT's maintained	All	New performance indicator for 2011/12. No comparatives available	4	4	4	4	4	4		n/a
TL66	Improved general standards of living for the people of the Central Karoo	Review the HIV/AIDS policy	Reviewed by December 2011	All	New performance indicator for 2011/12. No comparatives available	0%	100%	0%	0%	100%	100%		n/a
TL60	Improved general standards of living for the people of the Central Karoo	Annual review identified Environmental health policies to ensure updates with changed legislation and/or	No of EHS relevant policies reviewed annually	All	New performance indicator for 2011/12. No comparatives available	0	0	0	1	1	2		n/a

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Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12						Actual	Corrective measures for targets not achieved
						Targets							
						Q1	Q2	Q3	Q4	Annual			
		municipal systems											
TL52	Improved general standards of living for the people of the Central Karoo	Evaluation of Building Plans from a health point of view to ensure compliance with standards and legislative requirements	Percentage of received building plans evaluated	All	New performance indicator for 2011/12. No comparatives available	100%	100%	100%	100%	100%	100%		n/a
TL40	Improved general standards of living for the people of the Central Karoo	Improving of water quality in the district with water Quality monitoring measured by the no of no of samples taken	No of bacteriological & chemical water samples taken to SANS 241	All	80%	36	36	36	36	144	230		n/a
TL41	Improved general standards of living for the people of the Central Karoo	Improving the quality of Sewerage Outflow Quality with monitoring measured in term of the no of samples taken	No of bacteriological sewerage samples taken	All	60%	3	3	3	3	12	51		n/a
TL58	Improved general standards of living for the people of the Central Karoo	Investigation and follow-up of EH related complaints received to ensure compliance with legislative requirements	% of reported complaints followed up	All	New performance indicator for 2011/12. No comparatives available	100%	100%	100%	100%	100%	100%		n/a
TL55	Improved general standards of living for the people of the Central	Investigation and monitoring of conditions promoting the habits and breeding	% of reported cases investigated & monitored	All	New performance indicator for 2011/12. No	100%	100%	100%	100%	100%	100%		n/a

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Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12						Actual	Corrective measures for targets not achieved
						Targets							
						Q1	Q2	Q3	Q4	Annual			
	Karoo	of vectors			comparatives available								
TL54	Improved general standards of living for the people of the Central Karoo	Investigation and monitoring of incidents of pesticide poisonings	% of reported incidents investigated & monitored	All	New performance indicator for 2011/12. No comparatives available	100%	100%	100%	100%	100%	100%		n/a
TL53	Improved general standards of living for the people of the Central Karoo	Investigation and monitoring of notifiable medical conditions & diseases	% of reported conditions & diseases monitored	All	New performance indicator for 2011/12. No comparatives available	100%	100%	100%	100%	100%	100%		n/a
TL48	Improved general standards of living for the people of the Central Karoo	Milk Quality Monitoring to ensure compliance with standards and legislative requirements	No of Bacteriological & Chemical milk samples taken to FCD Act	All	New performance indicator for 2011/12. No comparatives available	3	3	3	3	12	12		n/a
TL56	Improved general standards of living for the people of the Central Karoo	Monitoring & supervision of exhumations and re-interments	% of applications for exhumations and re-interments monitored	All	New performance indicator for 2011/12. No comparatives available	100%	100%	100%	100%	100%	100%		n/a

Chapter 3: Service Delivery Performance

Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12						Actual	Corrective measures for targets not achieved
						Targets							
						Q1	Q2	Q3	Q4	Annual			
TL51	Improved general standards of living for the people of the Central Karoo	Monitoring of air pollution to ensure compliance with standards and legislative requirements	Percentage of sampling requests by DEAT executed	All	New performance indicator for 2011/12. No comparatives available	100%	100%	100%	100%	100%	100%		n/a
TL46	Improved general standards of living for the people of the Central Karoo	Monitoring of Food Quality to ensure compliance with standards and legislative requirements	No of Bacteriological & Chemical food samples taken into FCD Act	All	80%	12	12	12	12	48	52		n/a
TL45	Improved general standards of living for the people of the Central Karoo	Monitoring of Formal & Informal Food Premises to ensure compliance with standards and legislative requirements	No of food production and/or handling sites inspections into Regulation 918	All	80%	288	288	288	288	1,152	1,616		n/a
TL50	Improved general standards of living for the people of the Central Karoo	Monitoring of informal settlements to ensure compliance with standards wrt water and sanitation	No of inspections at informal settlements wrt. water and sanitation	All	New performance indicator for 2011/12. No comparatives available	9	9	9	9	36	26		Increased workload due to the implementation of a DWA Water Quality Monitoring Project in the Region
TL44	Improved general standards of living for the people of the Central Karoo	Monitoring of Liquid Waste Sites to improve compliance with permit requirements	No. of Liquid Waste Site inspections	All	New performance indicator for 2011/12. No comparatives available	12	12	12	12	48	126		n/a

Chapter 3: Service Delivery Performance

Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12						Actual	Corrective measures for targets not achieved
						Targets							
						Q1	Q2	Q3	Q4	Annual			
TL47	Improved general standards of living for the people of the Central Karoo	Monitoring of Milking Sheds to ensure compliance with standards and legislative requirements	No of Milking Shed inspections ito relevant legislation	All	New performance indicator for 2011/12. No comparatives available	6	6	6	6	24	17	Increased workload due to the implementation of a DWA Water Quality Monitoring Project in the Region	
TL49	Improved general standards of living for the people of the Central Karoo	Monitoring of Public Institutions (Non Food) to ensure compliance with standards and legislative requirements	No of Public Institution inspections ito relevant legislation	All	New performance indicator for 2011/12. No comparatives available	24	24	24	24	96	201	n/a	
TL43	Improved general standards of living for the people of the Central Karoo	Monitoring of Solid Waste Sites to improve compliance with permit requirements	No of Solid Waste Site inspections	All	New performance indicator for 2011/12. No comparatives available	18	18	18	18	72	110	n/a	
TL42	Improved general standards of living for the people of the Central Karoo	On-going reporting to relevant role-players by the capturing of water & sewerage sampling data on the applicable data bases	% of received data captured on DWA & EHS Database	All	New performance indicator for 2011/12. No comparatives available	100%	100%	100%	100%	100%	100%	n/a	
TL59	Improved general standards of living for the people of the Central Karoo	Regular Environmental Health reporting to the National Dept. of Health (Sinjani System)	No of EHS Reports compiled	All	New performance indicator for 2011/12. No comparatives available	12	12	12	12	48	48	n/a	

Chapter 3: Service Delivery Performance

Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12						Actual	Corrective measures for targets not achieved
						Targets							
						Q1	Q2	Q3	Q4	Annual			
TL57	Improved general standards of living for the people of the Central Karoo	To enhance awareness with Health & Hygiene Promotion and Education	No of awareness initiative per quarter	All	New performance indicator for 2011/12. No comparatives available	4	4	4	4	16	47	n/a	
TL61	Ensure sound governance structures and effective reporting systems	Effective transfer of DMA functions to local municipalities	All DMA functions successfully transferred to local municipalities by June 2012	All	New performance indicator for 2011/12. No comparatives available	0%	0%	0%	100%	100%	100%	n/a	
TL38	Ensure quality, affordable and equitable services in the Central Karoo	Effective handling and coordinating of all disasters in the district	% of disasters coordinated	All	New performance indicator for 2011/12. No comparatives available	100%	100%	100%	100%	100%	100%	n/a	
TL37	Ensure quality, affordable and equitable services in the Central Karoo	Increase public awareness in terms of disaster management	No of initiatives executed	All	New performance indicator for 2011/12. No comparatives available	0	1	0	1	2	2	n/a	
TL36	Ensure quality, affordable and equitable services in the Central Karoo	Monitor the effective provision of fire brigade services in the District to ensure effective Fire Services	No of inspections of the fire brigade services of local municipalities in the District	All	New performance indicator for 2011/12. No comparatives available	2	1	1	2	6	8	n/a	

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Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12						Actual	Corrective measures for targets not achieved
						Targets							
						Q1	Q2	Q3	Q4	Annual			
TL39	Ensure quality, affordable and equitable services in the Central Karoo	Provide training for emergency personnel and volunteers	No of training sessions per year	All	New performance indicator for 2011/12. No comparatives available	1	0	1	1	3	9		n/a
TL32	Ensure quality, affordable and equitable services in the Central Karoo	Annual revision of disaster risk assessment to identify possible high risk areas	Annual disaster risk assessment completed	All	100%	0%	0%	100%	0%	100%	100%		n/a
TL31	Ensure quality, affordable and equitable services in the Central Karoo	Annual revision of District Disaster Management contingency Plans	District Disaster Management contingency Plans reviewed March 2012	All	100%	0%	0%	100%	0%	100%	100%		n/a
TL30	Ensure quality, affordable and equitable services in the Central Karoo	Annual revision of District Disaster Management Framework	District Disaster Management Framework reviewed April 2012	All	100%	0%	0%	0%	100%	100%	100%		n/a
TL34	Ensure quality, affordable and equitable services in the Central Karoo	Effective co-ordination of disaster management in the District with the effective functioning of the "Volunteers relief" sub Committee	Functioning " "Volunteers relief" sub committees of the disaster management advisory forum with volunteers to support victims of accidents and/or disasters (NPO)	All	New performance indicator for 2011/12. No comparatives available	1	1	1	1	4	8		n/a

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Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12						Actual	Corrective measures for targets not achieved
						Targets							
						Q1	Q2	Q3	Q4	Annual			
TL35	Ensure quality, affordable and equitable services in the Central Karoo	Effective co-ordination of disaster management in the District with the effective functioning of the disaster management forum	No of meetings of the disaster management advisory forum per annum	All	New performance indicator for 2011/12. No comparatives available	0	1	0	1	2	6	n/a	
TL33	Ensure quality, affordable and equitable services in the Central Karoo	Effective co-ordination of disaster management in the District with the functioning of all sub committees	No of functioning sub committees of the disaster management advisory forum (fire services, drought, environmental and flood/accident and response)	All	New performance indicator for 2011/12. No comparatives available	1	1	1	1	4	6	n/a	
TL75	Ensure quality, affordable and equitable services in the Central Karoo	Capital conditional grant spending measured by the % spent	% spent of approved provincial roads capital allocation	All	100%	0%	0%	0%	100%	100%	100%	n/a	
TL78	Ensure quality, affordable and equitable services in the Central Karoo	Maintenance of provincial roads measured by the No of KM's graded per quarter	Kms of roads graded	All	New performance indicator for 2011/12. No comparatives available	1,800	1,800	1,800	1,800	7,200	11,782.69	n/a	
TL76	Ensure quality, affordable and equitable services in the Central Karoo	Operational conditional grant spending measured by the % spent	% spent of approved provincial roads maintenance allocation	All	100%	0%	0%	0%	100%	100%	100%	n/a	

Chapter 3: Service Delivery Performance

Ref	Pre-determined objective	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Performance of 2011/12						Actual	Corrective measures for targets not achieved
						Targets							
						Q1	Q2	Q3	Q4	Annual			
TL79	Ensure quality, affordable and equitable services in the Central Karoo	Regravel Roads	No of Kms regravelled	All	New performance indicator for 2011/12. No comparatives available	12	6	15	16	49	50.62	n/a	
TL77	Ensure quality, affordable and equitable services in the Central Karoo	Submission of annual maintenance budget for provincial roads	Submission of draft roads budget for inclusion in the Annual Performance Plan of Province December 2011	All	100%	0%	100%	0%	0%	100%	100%	n/a	
TL74	Ensure quality, affordable and equitable services in the Central Karoo	Revision of the integrated public transport system in the District to improve road transport	Reviewed Integrated transport plan for the district with the support of the Provincial Department by June 2012	All	100%	0%	0%	0%	100%	100%	100%	n/a	

Table 42.: Top Layer SDBIP – Basic Service Delivery

3.1.7 Service Providers Strategic Performance

Although the municipality has not implemented a system to measure the performance of the service providers, they did not have to address the performance of any service providers. All appointed service providers have delivered services in terms of agreements and appointment letters. The review and amendment of the performance framework will include formal measures and the implementation of a system to implement the performance of service providers. Each manager, however, regularly monitored and ensured that service providers complied with the requirements of the appointed contract.

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3.1.8 Municipal Functions

a) Analysis of Functions

The municipal functional areas are as indicated below:

Municipal Function	Municipal Function (Yes / No)
Constitution Schedule 4, Part B functions:	
Air pollution	Yes
Building regulations	Yes
Child care facilities	Yes
Fire fighting services	No designated fire service (Lies with B-municipalities) only coordinating, training and standardization of all fire services.
Local tourism	Yes
Municipal planning	Yes
Municipal health services	Yes
Constitution Schedule 5, Part B functions:	
Licensing and control of undertakings that sell food to the public	Yes

Table 43.: Functional Areas

3.1.9 Performance Highlights per Functional Areas

Directorate/ Functional area	Sub Directorate	Highlights
Council & Executive	IDP	<ul style="list-style-type: none"> • Obtaining R750 000 for the development of the Spatial Development Framework for the Central Karoo DM • Draft Status Quo on EMF has been completed and was tabled before the finance standing committee will serve for adoption in council on the 08 November 2012. • Initiated the construction of the Kwamandlenkosi Youth Centre. • Successfully secured funding for the following projects: <ul style="list-style-type: none"> ▪ Rehabilitation of the Swartberg Pass – R10million (Implementation Phase) ▪ Greening of towns and townships – 3.5million (Implementation Phase) ▪ Matjiesfontein Herb and Plant Garden -3million project will be completed on the 30 November 2012. • Project Advisory Committees established and fully functional
	Internal audit	Establishment of a functional Audit Committee (AC)
		Regular interaction between AC, MM and Council
Corporate Services	Administration	<ul style="list-style-type: none"> • Upgrade of the Quidity System • Destruction of financial records form July 2004 to June 2005 and record files • Approval of Registry Procedure Manual and Records Control Schedule
	Human Resource	A 5-Year Employment Equity Plan was developed, approved and

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Directorate/ Functional area	Sub Directorate	Highlights
		implemented.
		An Employment Equity Audit was done which included the input of all personnel.
	Disaster Management	Research regarding the drought since 2007 by Disaster Management CKDM in conjunction with the University of Stellenbosch and Cape Town University or Technology.
		Awareness and training by Disaster Management and Fire to various emergency personnel and businesses in the community of Beaufort West as part of reaching out to other role-players to help by minimizing the impact of risk's.
		Well-planned exercise simulating a hazardous accident in the town of Beaufort West to activate the Disaster Management Centre in conjunction with Disaster Management Provincial and other stakeholders locally.
		Make used of a helicopter, with a Fire Protection capability, over the festive season for the quick response to accidents and fires especially on the roads that runs through the area.
	Municipal Health	Maintaining an updated and well managed Electronic Information System in order to improve information management and service delivery.
		The achievement of 19 out of 21 Operational KPI targets (90.4%) for the 2011/12 financial year.
		The drafting of five (5) Project Business Proposals during the 2011/12 financial year, of which two (2) projects were approved, in the amount of R730 000.00 and R750 000.00 respectively.
		The drafting of an Environmental Health Status Quo Report in order to introduce the service to the newly elected Portfolio Committee and for Councilors to have a better understanding of what these services are all about.
		The drafting of an Environmental Health Information / Newsletter to Category B-Municipalities in the Region in order to create a bigger awareness regarding environmental health and other shared responsibilities applicable to certain services / functions.
		The drafting of a model for the establishment of Working Groups for the South Cape / Karoo in order to provide a mechanism for the exchange of a broader spectrum of information, to provide a platform for dialogue and debate on Municipal Health Service , to promote inter-governmental co-operation between other stakeholders or service providers ect. The Model was approved by the mentioned Forum and successfully implemented.
		The drafting of a first newsletter on behalf of the South African Institute for Environmental Health (South Cape / Karoo Branch) in order to promote the role of the Institute in environmental health. The mentioned newsletter was distributed by the Western Cape Branch to the National Office which in turn distributed it to other provincial branches.
		The drafting of a document regarding Street Vendors which EHP's in the Western Cape can use as a standard operating procedure when dealing with issues relating to hawkers. The document was approved at a Western Cape Municipal Health Working Group meeting

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Directorate/ Functional area	Sub Directorate	Highlights
	Tourism	<ul style="list-style-type: none"> • Development of advertising promotional material: Karoo Highways Brochure • Increase Tourism Awareness: Attended and Exhibit at the 2012 Tourism Indaba • Host the annual District and Provincial: December Welcome Campaign • Skills Development: Implementation of the National and Provincial programs: <ul style="list-style-type: none"> ○ Work and Skills Program (Provincial) Placement of 100 learners (6 months) regional wide ○ Tourism Ambassadors Training(National) Placement of 80 learners (12 months) regional wide ○ SA HOST Training to increase service standards: Trained 100 front end tourism employees regional wide • Access to the Cape: <ul style="list-style-type: none"> ○ Took 15 disadvantage learners on a Tourism Excursion to Cape Town to join in the Nelson Mandela Day celebration
Technical Services	Roads	<ul style="list-style-type: none"> • Re-gravel 53.2 kilometers of road (capital expenditure) • A total of 1200 kilometers of roads were graded. • Several flood damage projects were completed in the Laingburg area. • A maintenance contract started on Swartberg Pass to repair flood damage which occurred over the past years. • A further 5 kilometers of main road 582 (Merweville access) was completed.

Table 44.: Performance highlights per functional area

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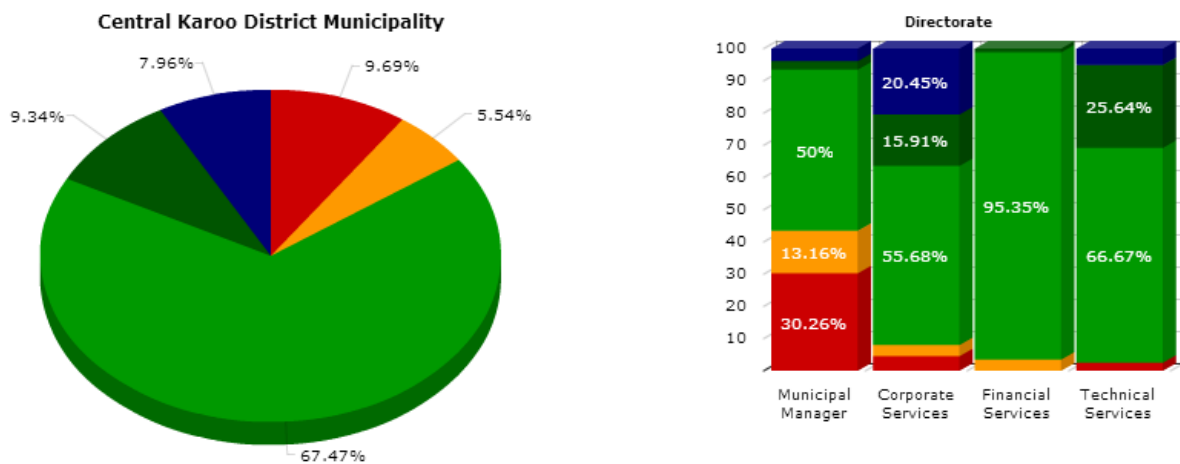
3.1.10 Overview of Performance

The performance statistics in the table below and all the graphs in the following sub paragraphs include performance in terms of the departmental SDBIP, which measures operational performance, as well as, the performance in terms of the top layer SDBIP. The graph for each directorate is an overview of the overall results of all the KPI's measured in terms of the municipal SDBIP performance management system.

	Central Karoo District Municipality	Directorate			
		Municipal Manager & Council	Corporate Services	Financial Services	Technical Services
KPI Not Met	28 (9.7%)	23 (30.3%)	4 (4.5%)	-	1 (2.6%)
KPI Almost Met	16 (5.5%)	10 (13.2%)	3 (3.4%)	3 (3.5%)	-
KPI Met	195 (67.5%)	38 (50%)	49 (55.7%)	82 (95.3%)	26 (66.7%)
KPI Well Met	27 (9.3%)	2 (2.6%)	14 (15.9%)	1 (1.2%)	10 (25.6%)
KPI Extremely Well Met	23 (8%)	3 (3.9%)	18 (20.5%)	-	2 (5.1%)
Total:	289	76	88	86	39

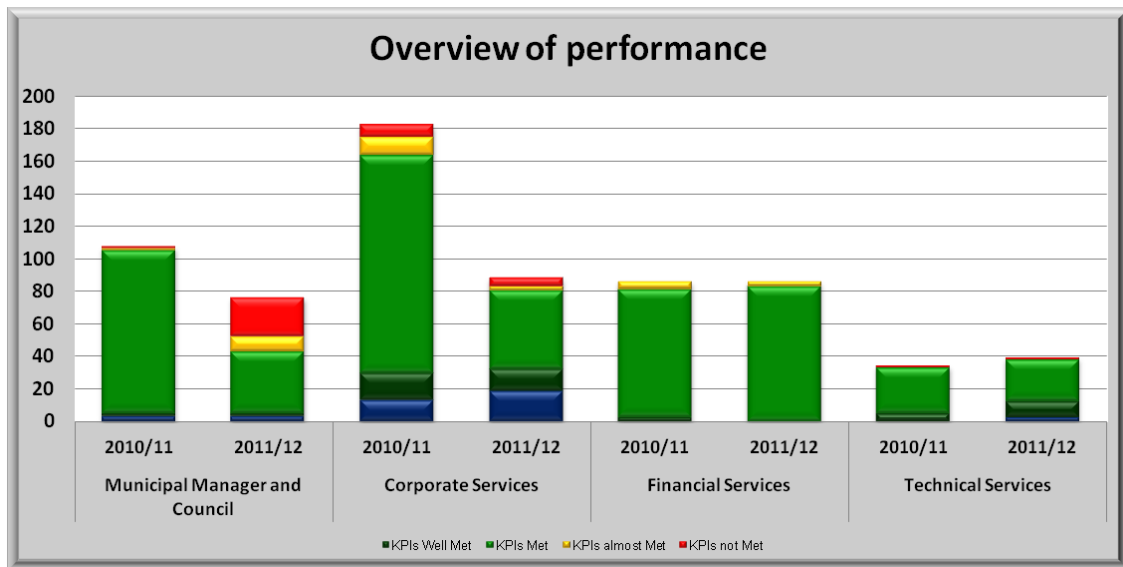
Table 45.: Summary of total performance

The following graph indicates the overall results of all the KPI's measured of the various directorates in terms of the municipal SDBIP performance management system:



Graph 5.: Overall performance of directorates

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Graph 6.: Overall performance of directorates for 2010/11 and 2011/12 respectively

3.1.11 Performance per Functional Area (Departmental/Operational SDBIP)

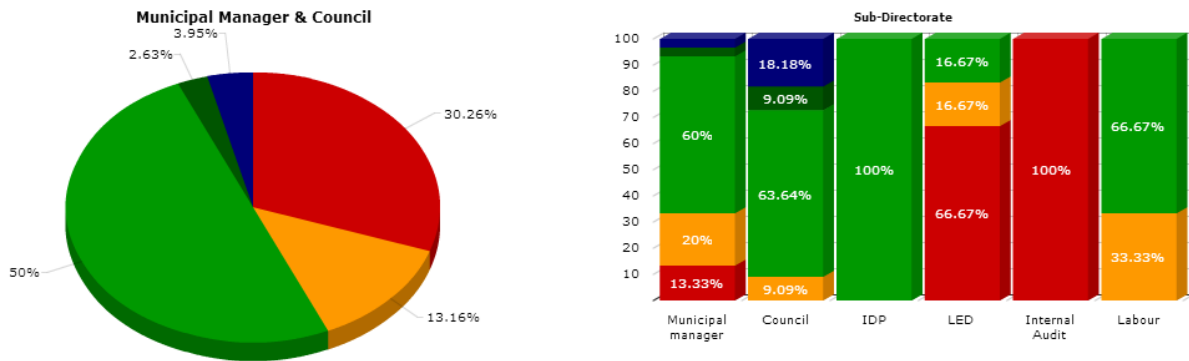
a) Municipal Manager & Council

Municipal Manager & Council consists of the following divisions:

- Municipal Manager
- Council
- IDP
- LED
- Intern Audit
- Labour

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Performance of the various sub-directorates within municipal manager & Council



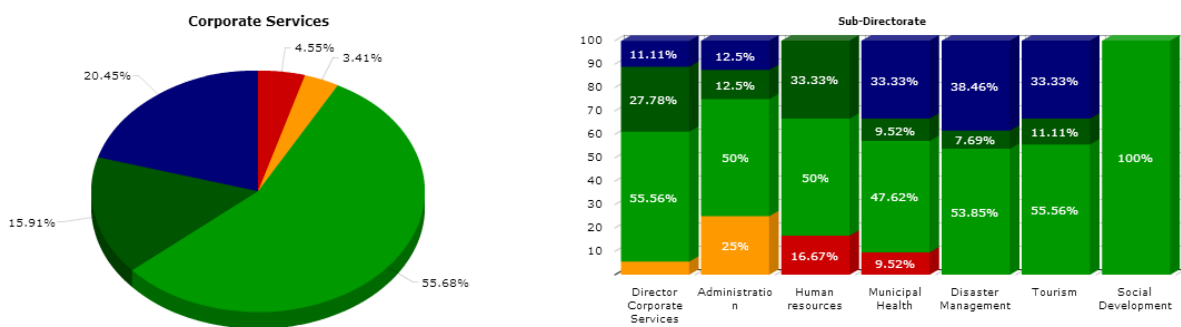
Graph 7.: Municipal Manager and Council sub-directorate performance

b) Corporate Services

Corporate Services consists of the following divisions:

- Director: Corporate Services
- Administration
- Human Resources
- Municipal Health
- Disaster Management
- Tourism
- Social development

Performance of the various sub-directorates within Corporate Services



Graph 8.: Corporate Services sub-directorate performance

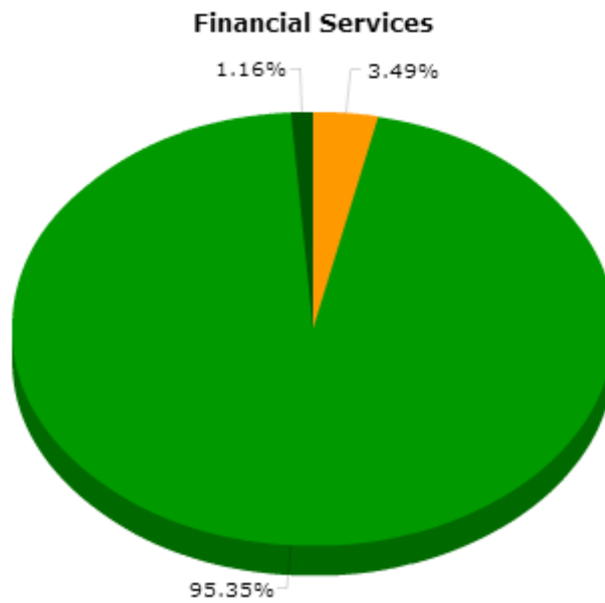
c) Financial Services

Financial Services consists of the following divisions:

- Director: Financial Services

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Performance of the various sub-directorates within Financial Services



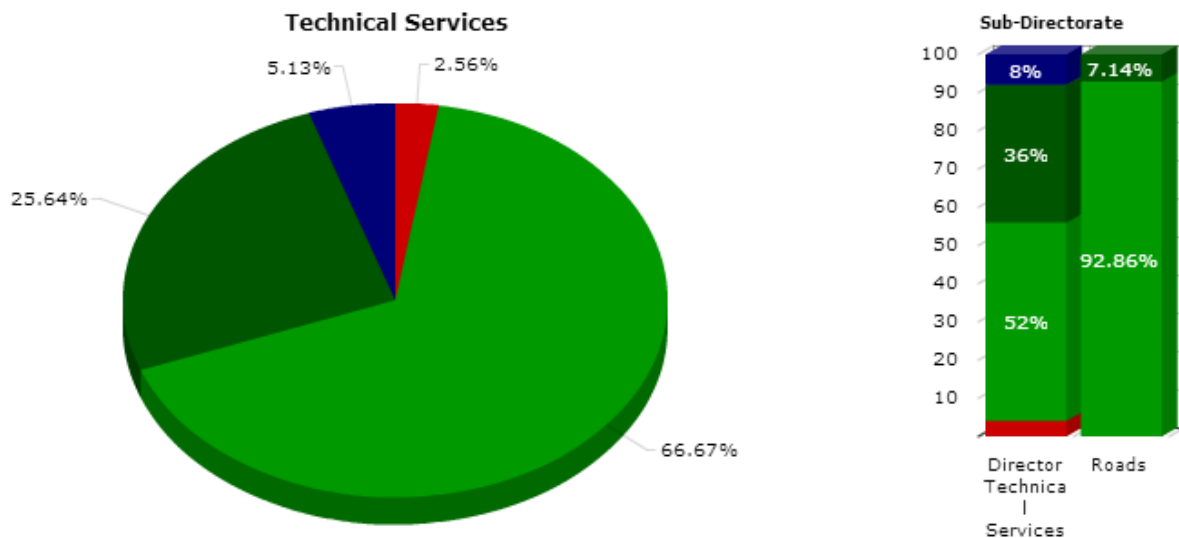
Graph 9.: Financial Services sub-directorate performance

d) Technical Services

Technical Services consists of the following divisions:

- Director: Technical Services
- Roads

Performance of the various sub-directorates within technical services



Graph 10.: Technical Services sub-directorate performance

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3.2 COMPONENT A: ROAD TRANSPORT

Road maintenance is performed as an agency service for the Western Cape Provincial Administration on provincial proclaimed roads and includes upgrading. The Council is also a planning authority and transport matters and priorities are captured in an integrated transport plan for the region which is updated regularly with the assistance of the Provincial Administration.

3.2.1 Road Maintenance and Construction

Maintenance is done by road teams stationed in the four municipal areas of the region namely Beaufort-West, Murraysburg, Prince Albert and Laingsburg. Road construction is undertaken by one construction team for the whole region. They are supported by a mechanical workshop, stores, costing office located in Beaufort-West. Yearly and monthly planning schedules are captured in a monthly technical report together with actual progress. Regular road inspections, meetings and investigations are part of the process and technical support is continuously available. Well maintained and available road plant is essential for the service as well as accurate costing results for budget control.

A gravel road maintenance system is maintained by the road infrastructure branch with regular inputs from Central Karoo District Municipality office and used for setting priorities on a yearly basis. Socio-economic factors are taken into account when scoring priority points as well as tourism, sensitive products, traffic counts, etc. For additional maintenance EPWP contracts are completed on a regular basis through the regional office.

During the 2011/12 financial year the department managed to regravell 53.2 kilometers of road (capital expenditure) and as part of the current expenditure a total of 1200 kilometers of roads were graded. Several flood damage projects were completed in the Laingburg area. In addition to that a maintenance contract started on Swartberg Pass to repair flood damage which occurred over the past years. A further 5 kilometers of main road 582 (Merweville access) was completed as a C-contract by the Province.

A reseal management program is executed by the Province for all surfaced roads in the Western Cape and reseal projects are completed as C-contracts directly managed by the Province, whilst small maintenance is completed by Central Karoo District Municipality.

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3.2.2 Public Transport

An update of public transport records was completed in 2011/12 and forms part of the public transport plan. This plan was completed by Province on behalf of Council. An amount of R2 000 000 was allocated for public transport infrastructure in Laingsburg and Beaufort-West.

3.2.3 Provincial Roads allocated for maintenance and construction

The tables below provide details of provincial roads maintained and constructed during 2011/12 at a cost of R15 294 592:

Roads	Surfaced	Un-surfaced	Total	Maintained 2010/2011	Maintained 2011/2012
	Km				
Trunk Road	14.46	68.33	82.79	82.79	82.79
Main Road	50.11	630.87	680.98	680.98	680.98
Divisional Road	13.79	1 711.43	1 725.22	1 725.22	1 725.22
Minor Road	0	3 970.33	3 970.33	1 000.00	1 000.00
Total	78.36	6 380.96	6 459.32	3 488.99	3 488.99

Table 46.: Provincial Roads allocated for maintenance

Roads	Re-gravel 2010/2011	Re-gravel 2011/2012	Upgrade 2010/2011	Upgrade 2011/2012	Graded 2010/2011	Graded 2011/2012
	Km					
Trunk Road	19.9	0	0	0	498	520
Main Road	0	15.00	5.1	3.6	3400	3700
Divisional Road	39.2	35.62	0	0	5410	6563
Minor Road	0	0	0	0	1000	1000
Total	59.1	50.62	5.1	3.6	10308	11783

Table 47.: Provincial Roads allocated for construction

3.2.4 Service Delivery Indicators: Road Transport

Ref	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Overall Performance 2011/12		
					Target	Actual	
TL75	Capital conditional grant spending measured by the % spent	% spent of approved provincial roads capital allocation	All	100%	100%	100%	G
TL78	Maintenance of provincial roads measured by the No of KM's graded per	Kms of roads graded	All	New performance indicator for 2011/12. No	7,200	11,782.69	G

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Ref	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Overall Performance 2011/12		
					Target	Actual	
	quarter			comparatives available			
TL76	Operational conditional grant spending measured by the % spent	% spent of approved provincial roads maintenance allocation	All	100%	100%	100%	G
TL79	Regravel Roads	No of Kms regravelled	All	New performance indicator for 2011/12. No comparatives available	49	50.62	B
TL77	Submission of annual maintenance budget for provincial roads	Submission of draft roads budget for inclusion in the Annual Performance Plan of Province December 2011	All	100%	100%	100%	G
TL74	Revision of the integrated public transport system in the District to improve road transport	Reviewed Integrated transport plan for the district with the support of the Provincial Department by June 2012	All	100%	100%	100%	G

Table 48.: Service delivery indicators: Road transport

3.2.5 Employees: Road Transport

Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
Temporary	34	10	56	n/a	n/a
0 – 3	56	58	54	4	6.9
4 – 6	8	9	9	0	0
7 – 9	27	26	26	0	0
10 - 12	5	7	7	0	0
13 - 15	1	1	1	0	0
Total	97	101	97	4	6.9

Table 49.: Employees: Roads

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3.2.6 Capital Expenditure: Road Transport

R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	13 500	15 100	15 295	1 600	15 295
4087 – DR 2311			8 593		
4088 – MR 315			4 188		
4093 - DR 2403 Short section Regravel			2 514		

Table 50.: Capital Expenditure 2011/12: Roads

The full capital budget was spent on re-gravel and short section re-gravel. Priorities for these projects are obtained through the gravel management system combined with local input. Short section re-gravel is a method of road maintenance which was introduced by Central Karoo District Municipality roads and is now accepted as part of the capital budget. This method allows for the improvement of road conditions on a larger base by covering a larger area and pleasing more road users. Standards and specifications are maintained and monitored and a certificate is issued after the completion of each project. All re-gravel work is done by one construction unit and only supplemented with rental plant occasionally.

The grading of roads form part of maintenance, but is an essential service on gravel roads in the rural areas. The distances covered is outstanding for six grading units and include rain repairs. The general condition of grading plant has improved with less break downs.

It remains a challenge to provide the road service with limited skills and over such vast distances.

3.3 COMPONENT B: LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

3.3.1 Highlights: LED

The following performance highlights with regard to the implementation of the LED strategy are:

Highlights	Description
Continued support for LED Projects in Murraysburg	<ul style="list-style-type: none"> • Brick making Project • Firewood Project • Vegetable Gardens • Pig Farming Project

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Highlights	Description
Continued support for LED Projects in Laingsburg and Beaufort West	Leather Projects in both towns
Sponsorship of learnership in tourism	30 learners completed the learnership

Table 51.: LED Highlights

3.3.2 Challenges: LED

Challenges with regard to the implementation of the LED strategy are:

Description	Actions to address
Capacity constraints to provide hands-on support	Appointment of LED official at local level. Full time appointment of a LED official in the district
Early involvement and buy-in of the business sector	Discussions with the Chamber of Commerce in order to establish an organised business organisation
Relationship between the local and district Municipalities	An understanding on how and on what areas local municipalities want district support.
Resources: Human(skills) and Funding	Establish closer relations with FET college for skills and a much structured relationship with the EDA
Non collaboration between partners	Closer relations between Social(Economic)Partners: Business,Civil Society,Labour and Government(Municipalities) Establish inclusive LED Forums across the district.
Poor linkages between planning, budgeting and implementation	<ul style="list-style-type: none"> • Involve social partners(above) in planning. <ul style="list-style-type: none"> • Budget to speak to planning(IDP)priorities.(Provincial and National funding allocation crucial) • Closer links with private sector on implementation

Table 52.: LED Challenges

3.3.3 LED Strategy

The LED Strategy is a sector plan that forms part of the IDP process. The purpose of the district LED strategy is to support pro-poor economic growth and job creation through an integrated approach. Several areas are mentioned in this regard, incorporating new business creation, improving infrastructure, attracting inward investment, strengthening the LED capacity, encouraging local procurement, and improving skills and knowledge.

a) Spatial profile of economic need versus potential

In alignment with the spatial references of the NSDP, the district LED strategy highlights areas of economic need and areas with low development potential within the district. Beaufort West (a regional centre and agricultural service centre) is rated as the town with the highest level of economic development and Prince Albert is found to have potential for growth due to its more viable

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agricultural sectors and its tourism industry. According to the principles of the NSDP, “government spending on fixed investment should be focused on localities of economic growth and/or economic potential in order to gear up private sector investment, stimulate sustainable economic activities and to create long-term employment opportunities”.

Towns with very low development potential are Matjiesfontein (Laingsburg LM), Merweville (Beaufort West LM), Murraysburg (DMA) and Leeu-Gamka (Prince Albert LM). All of these towns with the exception of Matjiesfontein also rate highly in terms of human need. The NSDP principle that relates to these areas suggests an effort to address past and current social inequalities by focusing on people not places.

b) Economic sector analysis

The purpose of the economic sector analysis is to identify sectors and areas of economic growth/economic potential to gear up investment in those sectors. The district LED strategy gives the predominant economic sectors as Finance and business services, Transport, Retail and Services, which collectively produce 72% of the district's GDP. The fastest growing industries (between 2005 and 2007) are Finance and business services, Manufacturing and Construction. The concept of comparative advantage is useful in identifying economic sectors that are likely to be established/are drivers of the economy in question. Comparative advantage is determined in terms of the location quotient, a ratio which compares the district economy to the province to determine whether or not the district economy has a greater share of each industry than expected when compared to the province. Agriculture has the highest location quotient, followed by Electricity and water (utilities), Transport and communication, and Construction. The tourism sector contributed 2.3% to GDP in 2004 and employed 2.4% of the workforce. The Central Karoo is seen as a convenient stop en route between Gauteng and Cape Town, but is not seen as a tourist destination.

The district LED document uses a SWOT analysis and a sector potential analysis to gain an understanding of competitive advantages. The district LED and the district IDP have matched economic strengths, weaknesses, opportunities and threats. The sector potential analysis in the district LED examines the SIC economic sectors. A selection of these sectors is discussed in turn.

Agriculture:

- Agriculture has a comparative advantage in the Central Karoo and is a big part of economic activity in the Central Karoo, employing 22.6% of the working population.
- Economic comparative & competitive advantages of the region are identified in the district IDP and this list includes the established agriculture sector.

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- The district LED notes that economic linkages are well-developed, but there is potential to improve and create new linkages, for example, the development of organic farming, or tourism (accommodation on farms, adventure tourism, game farming and agri-business). There is large potential to increase the value added to agricultural products (agro-processing).
- The iKapa GDS focus on sectoral development and recognises that agricultural sectors need to be promoted in order to become less reliant on imported agri-products as their prices rise in the medium to long term. In addition, natural areas need to be protected, specifically areas with tourist and agricultural development. The Micro Economic Development Strategy (MEDS), a strategic framework for public-sector intervention in various economic sectors, identified sustainable agriculture and tourism among the sectors where government policy can have maximum impact. Food-processing is also acknowledged as a focus area. Although agriculture has declined in the Western Cape in recent years, the sector could play a major or minor role in the future depending on how the sector deals with adjustments (rising prices of food imports and the change to organic farming methods) in the context of global warming. Land reform is likely to bring new investment into agriculture. Under-investment in the sector undermines the long term need for affordable food for poor urban households in the Western Cape. Agriculture and food-processing in the Overberg and Eden and agro-processing in George, Mossel Bay and Knysna are featured in the iKapa GDS as priorities. PGWC's involvement in terms of economic infrastructure investment includes port infrastructure, particularly in Cape Town but also in Mossel Bay and Saldanha to service the Karoo and Eden regions.

Tourism:

- Tourism is one of the sectors with the largest potential for growth and development in the Western Cape. The district LED document analyses the tourism sector separately, as it is not separated in the economic SIC classification, although it does form part of the Trade, Transport and Finance sectors.
- Economic comparative & competitive advantages of the Central Karoo are identified in the district IDP and this list includes the established tourism sector such as:
 - Game Farming industry established; Established and organized hospitality industry; Eco-tourism industry established (Karoo National Park and other)
 - Diversifying tourism sector (township routes, proposed Khoi San village, etc)
 - Tourism Gateways in Laingsburg & Beaufort West (to position the region as a gateway to the markets of the Western Cape in the South, Northern Cape in the north, Eastern Cape in the east and Gauteng in the North east)

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- Tourism potential is province-wide, but is found to be highest in tourism corridors proposed by the PSDF.
- Tourist's length of stay and expenditure is low as the area is viewed as a stop en route to other destinations, although the area has significant potential to develop this sector. Tourist attractions include the Karoo National Park, Prince Albert (attracting Garden Route tourists), the Swartberg pass and Gamkaskloof and fossil sites throughout the region. Central Karoo has the potential to develop cultural tourism and this may be linked to the selling of arts and crafts. The development of eco-tourism and agri-tourism holds significant potential. Edu-tourism, sports-related tourism, astronomy tourism, heritage and museum tourism and mining tourism has also been mentioned in the district LED. Beaufort West could position itself as a conference location for national events, given its dominance as a town in the region and its strategic central location. Resources should be focused on areas of tourism potential, such as SANPARKS and Prins Albert. The Beaufort West airport should be supported if a feasibility study shows sufficient evidence of demand for the airport and potential for sustaining the operations of such a facility in the long term.
- Gaps in the tourism value chain present opportunities for development. These include tourism infrastructure (transport, signage, basic services, information centres and databases), marketing, developing and improving facilities and human capital.

Manufacturing:

- Manufacturing in the Central Karoo economy is basic and linked to the primary sector. There is no comparative advantage in this sector but a number of opportunities for development exist. The leading industries are listed below.
 - Metal products, machinery and equipment
 - Food and beverages
 - Furniture manufacturing
 - Petroleum products Transport equipment
 - Other non-metal mineral products
 - Textile clothing and leather goods
 - Wood and paper products.
- Agri-food processing has potential to be developed as the focus currently falls on the primary agricultural sector in the Central Karoo. The factors that contribute to an enabling environment for the sub-sector are highlighted in the district LED.

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- The clothing and textiles sector in the Central Karoo is also focused around agriculture (i.e. mohair, wool, skin processing and primary manufacturing). Gaps in the value chain present opportunities for development.

Wholesale and retail trade:

- The trade sector is one of the largest sectors in the Central Karoo, employing approximately 18% of the workforce and is an important source of informal employment. The sector is concentrated in Beaufort West CBD. Catering and accommodation forms a fairly large part of the sector due to tourism, however, the majority of the facilities and destination points are not registered with tourism bureaus. Beaufort West Mall and Square agglomerates traders and increases access to services. More importantly, it keeps spending power in the region. The sector has potential for growth and employment creation as there is considerable leakage of spending to other areas.
- Transport is an economic driver of the Central Karoo, mainly as a result of passing vehicles on the N1 and N12 national roads. Agglomeration advantages of this sector provide potential for development, for example, the establishment of a package, storage and distribution hub. Upgrading the Beaufort West airport would assist in improving accessibility of the region.

Finance and business services:

- Finance and businesses services contribute substantially to Central Karoo's GDP and employment. Development opportunities include capital funding for government programmes, awareness programmes, needs-based financial packages, and business incentives to encourage SMME and young entrepreneurs and business/office park developments.

Mining:

- Uranium resources are an untapped source.
- Diversifying the economic base and adding value to the primary products of the Central Karoo are key challenges for local economic development. A summary of development opportunities and constraints are identified in the district LED document as follows:
- Agriculture and Transport have a comparative advantage.
- Constraints to agriculture include a lack of arable land, lack of water, high input costs, low productivity and lack of access to financial support. Opportunities in agriculture incorporate agricultural value chains, red meats and horticulture, and a focus on niche and export markets.

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- Constraints to the manufacturing sector are the decline in the agricultural sector, lack of investment, lack of linkages and skilled labour. Opportunities in manufacturing include agro-processing, textiles, leather and clothing and agriculture waste recycling.
- Finance, trade and services are a derived demand and therefore improve as the previously mentioned sectors improve. Transport and communication have a significant role to play in improving accessibility of the district.
- A shortage of tertiary education facilities in the Central Karoo is raised as a constraint.

Agglomeration advantages and cluster of certain production functions are encouraged, for example in the manufacture of arts and crafts using leather products, ostrich-ware and tourism. Linking the manufacturing industry and tourism presents additional development opportunities.

3.3.4 Service Delivery Indicators: LED

Ref	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Overall Performance 2011/12		
					Target	Actual	
TL63	Host the annual district and provincial "welcome" campaign	Hosted by December 2011	All	New performance indicator for 2011/12. No comparatives available	100%	100%	G
TL62	Provide identified training for tourism burro's	No training sessions	All	New performance indicator for 2011/12. No comparatives available	3	9	B
TL29	Increase tourism awareness in the municipal area to enhance economic development with the revision of the tourism strategy	Revise Tourism strategy by June 2012	All	New performance indicator for 2011/12. No comparatives available	100%	100%	G
TL21	Establishment of a LED forum	Established by December 2011	All	New performance indicator for 2011/12. No comparatives available	100%	0%	R
TL20	Revision of LED strategy	Revised strategy by March 2012	All	100%	100%	0%	R
TL2	The number of jobs created through municipality's local economic development initiatives including	The number of jobs created through municipality's local economic development initiatives including	All	171	10	43	B

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Ref	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Overall Performance 2011/12	
					Target	Actual
	capital projects	capital projects				

Table 53.: Service delivery indicators: Local Economic Development

3.4 COMPONENT D: MUNICIPAL HEALTH

The National Health Act, 2003 (Act 61 of 2003) defines Municipal Health Services as Environmental Health. Environmental health means a condition of optimal wholesomeness of the environment in which man exists and interacts with, through the lowest possible presence therein or total absence of any stimuli detrimental to human health. The Section Environmental / Municipal Health are responsible for the identification, evaluation, control, monitoring and prevention of those factors that can be detrimental to people's health and well-being.

3.4.1 Health Surveillance of Premises; Environmental Pollution Control; Etc

Environmental / Municipal Health Services are rendered by five (5) Environmental Health Practitioners (EHP's) in ten (10) communities in the Central Karoo Region, namely Murraysburg, Beaufort West, Nelspoort, Merweville, Prince Albert, Leeu-Gamka, Klaarstroom, Prince Albert Road, Laingsburg and Matjiesfontein, as well as in the rural areas of the four (4) districts in the Region, namely Murraysburg, Beaufort-Wes, Prince Albert and Laingsburg.

The table below indicates various municipal activities with regard to the Municipal Health function:

Function	Description of activities during 2011/12
Water Quality Monitoring	<ul style="list-style-type: none"> • Monitor the safety and adequate supply of drinking water. • Take steps to have any problems regarding water safety rectified. • Monitor quality of water resources intended for other essential uses, e.g. recreational waters.
Waste Management	<ul style="list-style-type: none"> • Manage and monitor the safe collection, handling and disposal of solid and liquid waste.
Food Control	<ul style="list-style-type: none"> • The implementation of all regulations regarding food safety. Monitor all food safety aspects, including hygiene conditions at food handling premises. • Investigate food poisoning outbreaks. • Health education regarding food safety.
Health Surveillance of Premises	<ul style="list-style-type: none"> • Render non-specialist environmental impact/risk/hazard assessments and occupational hygiene risk assessments. • Render environmental health services in the formal and informal sector. • Render environmental health services at care centers. • Render services regarding the control of nuisances as well as the keeping of animals. • Monitor environmental health aspects of accommodation and its immediate

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Function	Description of activities during 2011/12
	<p>environment in particular the public health aspects of residential, public and institutional buildings.</p> <ul style="list-style-type: none"> • Monitor environmental health legislation enforcement. • Render environmental health planning, zoning, license application services and, • Scrutinize building plans from a health point of view.
Surveillance and Prevention of Communicable Diseases, excluding immunisations	<ul style="list-style-type: none"> • Play an active role in the outbreak response management team of the district. • Render services in respect of outbreak investigations, tracing of contacts and surveillance of communicable diseases.
Vector Control	<ul style="list-style-type: none"> • Monitor the presence of vectors (arthropods, molluscs, rodents and other alternative hosts of disease) and enforce appropriate legislation. • Render vector control services.
Environmental Pollution Control	<ul style="list-style-type: none"> • Render disaster management services in respect of environmental health. • Render pollution control services: inspection and monitoring. • Monitor intensive animals feeding systems regarding environmental pollution and nuisances.
Chemical Safety	<ul style="list-style-type: none"> • Render a non-specialist impact/risk/hazard assessment and environmental evaluation service with regard to the handling of chemicals. • Investigate agricultural and stock remedies poisonings.
Disposal of the Dead	<ul style="list-style-type: none"> • Monitor all environmental health aspects regarding the disposal of the dead (including exhumation, reburial and funeral parlours).

Table 54.: Municipal Health Development Strategies Progress

The table below reflects some of the matters addressed by the Environmental Health Practitioners (EHP's) within the Central Karoo District Municipal Area.

Items	No of inspections	Action
Bacteriological water sampling on behalf of the Beaufort West Municipality (As per agreement)	174	<ul style="list-style-type: none"> • Water sampling took place on a monthly basis. • 174 samples for bacteriological analysis were taken during the reporting period. Samples for the Beaufort West Municipality were taken in Beaufort West, Merweville and Nelspoort. • 170 (98%) of the samples taken did comply with the SANS 241 standard for water quality. • All sample results were send to the mentioned WSA.
Bacteriological water sampling on behalf of Murraysburg (As per agreement)	24	<ul style="list-style-type: none"> • Water sampling took place on a monthly basis. • A total of 24 samples were taken for bacteriological analysis during the reporting period. • 21 (88%) of the samples taken did comply with the SANS 241 standard for water quality. • All sample results were send to the mentioned WSA.
Bacteriological & Chemical water sampling in urban communities in the Region (excluding Beaufort West & Murraysburg)	26	<ul style="list-style-type: none"> • Water sampling took place on a quarterly basis. • A total of 26 samples were taken for bacteriological analysis during the reporting period. • 18 (69%) of the samples taken did comply with the SANS 241 standard for water quality. • All sample results were send to the various WSA's

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Items	No of inspections	Action
Bacteriological sampling of sewerage effluent at sewerage works in urban communities in the Region	49	<ul style="list-style-type: none"> • Sewerage effluent sampling took place on a quarterly basis, except for Beaufort West, Nelspoort and Merweville where sampling are done on a monthly basis. • A total of 49 samples were taken for bacteriological analysis during the reporting period. • 44 (90%) of the samples taken did comply with the set health standards for sewerage. • All sample results were send to the various WSA's.
Capturing of water & sewerage sampling data on DWAF & EHS Database	100%	All water en sewerage results received from the National Health Laboratory were captured on the DWAF and EHS Databases.
Monitoring of Solid Waste Disposal sites in urban communities in the Region	110	<ul style="list-style-type: none"> • The monitoring of Solid Waste Disposal sites took place on a monthly basis. • 110 inspections were conducted at sites in the Region. • A report on the status of Solid Waste Sites in the Central Karoo Region are send on an annual basis to the provincial Health Department.
Monitoring of Liquid Waste Disposal sites in urban communities in the Region	126	<ul style="list-style-type: none"> • In most instances monitoring of Liquid Waste Disposal sites took place on a weekly basis. • 126 inspections were conducted at sites in the Region.
Monitoring of Formal & Informal Food Premises and enforcement of R918 of 1999	1 607	<ul style="list-style-type: none"> • There are a total of 537 food premises within the Central Karoo region. • A total of 1 607 inspections were executed at food premises during the reporting period. • 131 Certificates of Acceptability were issued to new food premises which comply to the Regulations with regards to the General Hygiene requirements for Food premises and the Transport of Food (R 918 of 1999)
Bacteriological & chemical sampling of foodstuffs ito FCD Act & Regulations	38	<ul style="list-style-type: none"> • A total of 38 samples of foodstuffs were taken for bacteriological and chemical analysis. • 24 (63%) of the samples taken did comply with the standards as set in the Foodstuffs, Cosmetics and Disinfectants Act. (Act. 54 of 1972)
Monitoring of milking shed	17	<ul style="list-style-type: none"> • A total of 17 inspections were conducted during this reporting period.
Bacteriological & chemical sampling of raw milk & milk products	12	<ul style="list-style-type: none"> • A total of 12 samples were taken for bacteriological and chemical analysis during this period. • 8 (67%) of the samples taken did comply to the standards set out in the Regulations with regards to Milk and Dairy Products (R1555 of 1997)
Monitoring of Public Institutions (none-food)	144	<ul style="list-style-type: none"> • A total of 144 inspections were conducted during this reporting period. • 9 Health Certificates were issued ito. relevant legislation.
Scrutinize & evaluate building plans from a health point of view	100%	<ul style="list-style-type: none"> • 12 Building plans were scrutinized and evaluated from a health point of view. • Comments were send to the relevant role players.
Identification, investigation & monitoring of notifiable	100%	<ul style="list-style-type: none"> • 2 <i>Notifiable</i> medical conditions were reported during this period.

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Items	No of inspections	Action
medical conditions or any communicable disease		<ul style="list-style-type: none"> All notifications received were investigated and reports, where necessary, submitted to the Provincial Health Department.
Investigation & monitoring of incidences of pesticide poisoning	100%	<ul style="list-style-type: none"> There were no incidents of pesticide poisonings reported during this period.
Monitoring of conditions promoting the habits and breeding habits of vectors	100%	<ul style="list-style-type: none"> There were no vector infestations reported during this period.
Monitoring & supervision of exhumations and re-interments	100%	<ul style="list-style-type: none"> 3 Applications for exhumations were received during the reporting period. Monitoring and supervision were done.
Health and Hygiene promotion	100%	<ul style="list-style-type: none"> 47 actions with regards to health and hygiene promotion were undertaken during the reporting period.
EHS Report to National Department of Health (Sinjani System)	36	<ul style="list-style-type: none"> 3 Reports were submitted on a monthly basis to the National Department of Health. Reports were submitted on a Sinjani System of the relevant Department.
EHS related complaints followed up	100%	<ul style="list-style-type: none"> A total of 37 complaints were received during the reported period. All complaints were attended to and followed up where necessary.
Performance evaluations sessions of all staff in the Section EHS	16	<ul style="list-style-type: none"> Performance evaluations were executed on a quarterly basis against the set targets.
Annual review and updating of municipal health legislation, by-laws and policies	100%	<ul style="list-style-type: none"> A Tariff structure for the rendering of certain environmental health services were compiled and approved by Council for the reporting period.

Table 55.: Matters addressed by Environmental Health Practitioners (EHP's)

3.4.2 Service Delivery Indicators: Municipal Health

Ref	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Overall Performance 2011/12		
					Target	Actual	
TL60	Annual review identified Environmental health policies to ensure updates with changed legislation and/or municipal systems	No of EHS relevant policies reviewed annually	All	New performance indicator for 2011/12. No comparatives available	1	2	B
TL52	Evaluation of Building Plans from a health point of view to ensure compliance with standards and legislative	Percentage of received building plans evaluated	All	New performance indicator for 2011/12. No comparatives available	100%	100%	G

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Ref	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Overall Performance 2011/12		
					Target	Actual	
	requirements						
TL40	Improving of water quality in the district with water Quality monitoring measured by the no of no of samples taken	No of bacteriological & chemical water samples taken ito SANS 241	All	80%	144	230	B
TL41	Improving the quality of Sewerage Outflow Quality with monitoring measured in term of the no of samples taken	No of bacteriological sewerage samples taken	All	60%	12	51	B
TL58	Investigation and follow-up of EH related complaints received to ensure compliance with legislative requirements	% of reported complaints followed up	All	New performance indicator for 2011/12. No comparatives available	100%	100%	G
TL55	Investigation and monitoring of conditions promoting the habits and breeding of vectors	% of reported cases investigated & monitored	All	New performance indicator for 2011/12. No comparatives available	100%	100%	G
TL54	Investigation and monitoring of incidents of pesticide poisonings	% of reported incidents investigated & monitored	All	New performance indicator for 2011/12. No comparatives available	100%	100%	G
TL53	Investigation and monitoring of notifiable medical conditions & diseases	% of reported conditions & diseases monitored	All	New performance indicator for 2011/12. No comparatives available	100%	100%	G
TL48	Milk Quality Monitoring to ensure compliance with standards and legislative requirements	No of Bacteriological & Chemical milk samples taken ito FCD Act	All	New performance indicator for 2011/12. No comparatives available	12	12	G
TL56	Monitoring & supervision of exhumations and re-interments	% of applications for exhumations and reinterments monitored	All	New performance indicator for 2011/12. No comparatives available	100%	100%	G

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Ref	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Overall Performance 2011/12		
					Target	Actual	
TL51	Monitoring of air pollution to ensure compliance with standards and legislative requirements	Percentage of sampling requests by DEAT executed	All	New performance indicator for 2011/12. No comparatives available	100%	100%	G
TL46	Monitoring of Food Quality to ensure compliance with standards and legislative requirements	No of Bacteriological & Chemical food samples taken ito FCD Act	All	80%	48	52	G2
TL45	Monitoring of Formal & Informal Food Premises to ensure compliance with standards and legislative requirements	No of food production and/or handling sites inspections ito Regulation 918	All	80%	1,152	1,616	G2
TL50	Monitoring of informal settlements to ensure compliance with standards wrt water and sanitation	No of inspections at informal settlements wrt. water and sanitation	All	New performance indicator for 2011/12. No comparatives available	36	26	R
TL44	Monitoring of Liquid Waste Sites to improve compliance with permit requirements	No. of Liquid Waste Site inspections	All	New performance indicator for 2011/12. No comparatives available	48	126	B
TL47	Monitoring of Milking Sheds to ensure compliance with standards and legislative requirements	No of Milking Shed inspections ito relevant legislation	All	New performance indicator for 2011/12. No comparatives available	24	17	R
TL49	Monitoring of Public Institutions (Non Food) to ensure compliance with standards and legislative requirements	No of Public Institution inspections ito relevant legislation	All	New performance indicator for 2011/12. No comparatives available	96	201	B
TL43	Monitoring of Solid Waste Sites to improve compliance with permit requirements	No of Solid Waste Site inspections	All	New performance indicator for 2011/12. No comparatives available	72	110	B

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Ref	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Overall Performance 2011/12		
					Target	Actual	
TL42	On-going reporting to relevant role-players by the capturing of water & sewerage sampling data on the applicable data bases	% of received data captured on DWA & EHS Database	All	New performance indicator for 2011/12. No comparatives available	100%	100%	G
TL59	Regular Environmental Health reporting to the National Dept. of Health (Sinjani System)	No of EHS Reports compiled	All	New performance indicator for 2011/12. No comparatives available	48	48	G
TL57	To enhance awareness with Health & Hygiene Promotion and Education	No of awareness initiative per quarter	All	New performance indicator for 2011/12. No comparatives available	16	47	B

Table 56.: Service delivery indicators: Municipal Health

3.4.3 Employees: Municipal Health

Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
10 - 12	4	5	4	1	20%
13 - 15	1	1	1	0	0
Total	5	6	5	1	20%

Table 57.: Employees: Health services

3.5 COMPONENT E: DISASTER MANAGEMENT

3.5.1 Highlights: Disaster Management

Highlights	Description
Helicopter Services	Good response towards accidents on the roads during festive seasons through the year.
Research on water crisis and drought	Did lot of research by the help of DIMP from the University of Stellenbosch and CAPUT (Cape Town University of Technology) on the drought during the past 5 years in the farming environment and the towns of Beaufort West and Laingsburg and Prins Albert. Reports send to Parliament via Ministers.

Table 58.: Disaster Management Highlights

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3.5.2 Challenges: Disaster Management

Description	Actions to address
To have a good Fire Service for CKDM	Included in new IDP
Implementation of active and affective service for the Central Karoo.	Visit from United States (UK) during Oct. 2012 to do investigation on the Fire situation with in CKDM and try do get donations from UK to support with fire equipment and vehicles.

Table 59.: Disaster Management Challenges

3.5.3 Service Delivery Indicators: Disaster Management

Ref	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Overall Performance 2011/12		
					Target	Actual	
TL38	Effective handling and coordinating of all disasters in the district	% of disasters coordinated	All	New performance indicator for 2011/12. No comparatives available	100%	100%	G
TL37	Increase public awareness in terms of disaster management	No of initiatives executed	All	New performance indicator for 2011/12. No comparatives available	2	2	G
TL36	Monitor the effective provision of fire brigade services in the District to ensure effective Fire Services	No of inspections of the fire brigade services of local municipalities in the District	All	New performance indicator for 2011/12. No comparatives available	6	8	G2
TL39	Provide training for emergency personnel and volunteers	No of training sessions per year	All	New performance indicator for 2011/12. No comparatives available	3	9	B
TL32	Annual revision of disaster risk assessment to identify possible high risk areas	Annual disaster risk assessment completed	All	100%	100%	100%	G
TL31	Annual revision of District Disaster Management contingency Plans	District Disaster Management contingency Plans reviewed March 2012	All	100%	100%	100%	G
TL30	Annual revision of District Disaster Management Framework	District Disaster Management Framework reviewed April 2012	All	100%	100%	100%	G

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Ref	KPI	Unit of Measurement	Wards	Actual performance 2010/11	Overall Performance 2011/12		
					Target	Actual	
TL34	Effective co-ordination of disaster management in the District with the effective functioning of the "Volunteers relief" sub Committee	Functioning " "Volunteers relief"" sub committees of the disaster management advisory forum with volunteers to support victims of accidents and/or disasters (NPO)	All	New performance indicator for 2011/12. No comparatives available	4	8	B
TL35	Effective co-ordination of disaster management in the District with the effective functioning of the disaster management forum	No of meetings of the disaster management advisory forum per annum	All	New performance indicator for 2011/12. No comparatives available	2	4	B
TL33	Effective co-ordination of disaster management in the District with the functioning of all sub committees	No of functioning sub committees of the disaster management advisory forum (fire services, drought, environmental and flood/ accident and response)	All	New performance indicator for 2011/12. No comparatives available	4	6	B

Table 60.: Service delivery indicators: Disaster management

3.5.4 Employees: Disaster Management

Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
13 - 15	1	1	1	0	0
Total	1	1	1	0	0

Table 61.: Employees: Disaster Management

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3.6 COMPONENT F: ORGANISATIONAL PERFORMANCE SCORECARD

The main development and service delivery priorities for 2012/13 forms part of the Municipality's top layer SDBIP for 2012/13 and are indicated in the table below:

3.6.1 To deliver sound administrative and financial services, to ensure good governance and viability

REF	KPI	Unit of Measurement	Wards	Annual Target
TL14	Limit the municipal vacancy rate	Less than 5%	All	5%
TL15	Review identified HR policies	Number reviewed per annum	All	4
TL16	Develop a staff wellness policy by end March 2013	% completed	All	100%
TL17	Promote staff wellness with identified initiatives	Number of initiatives	All	1
TL18	Develop a register of all HR policies by end December 2012	% completed	All	100%
TL19	Review the Employment Equity Plan by March 2013	Plan reviewed	All	100%
TL20	Implement individual performance management to post level T14	% completed	All	100%
TL21	Update administrator record keeping system by end December 2012	% completed	All	100%
TL22	Develop the skills of staff	% of personnel budget use for skills development	All	1%
TL23	Review Workplace Skills Plan by end June 2013	% completed	All	100%
TL24	Submit financial statements by end August 2012	% of target reached	All	100%
TL25	Review required budget implementation policies by end March 2013	Number of policies	All	4
TL26	Maintain an unqualified audit opinion	% achieved	All	100%
TL27	Upgrade of the IT systems of the municipality	% completion	All	100%
TL10	Implement the Risk Based Audit Plan	% implemented	All	60%
TL11	Implement internal and external anti-corruption awareness initiatives	Number of initiatives	All	1
TL12	Review the performance of the municipality to identify early warning signs and implement	Number of performance reports submitted to council	All	4

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REF	KPI	Unit of Measurement	Wards	Annual Target
	corrective measures			
TL13	Develop an action plan to address the top 10 municipal risks by end March 2013 and submit to audit committee and council	Number of plans	All	1
TL8	Establish a fully fledged Internal Audit Unit by end June 2013	Established unit	All	100%
TL9	Approve a Risk based audit plan by end June 2013	Plan approved	All	100%

Table 62.: Service delivery priorities 2012/13: Strategic objective 1

3.6.2 To establish an inclusive tourism sector through sustainable development and marketing which is public sector led, private sector driven and community based

REF	KPI	Unit of Measurement	Wards	Annual Target
TL70	Increase public awareness in terms of water with the "working of water" projects	Number of awareness initiatives	All	2
TL61	Revise the tourism strategy by end June 2013	Revised strategy	All	1
TL62	Host the annual district and provincial "welcome" campaign	Hosted campaign	All	100%
TL63	Develop advertising and promotional material	Number of advertising and promotional material developed	All	1
TL64	Provide identified training for tourism burro's	Number training sessions	All	2
TL65	Extend the tourism learnerships	Number of learnerships per annum	All	40

Table 63.: Service delivery priorities: Strategic objective 2

3.6.3 To facilitate effective stakeholder participation

REF	KPI	Unit of Measurement	Wards	Annual Target
TL84	Review the communication strategy by end December 2012	% completed	All	100%
TL85	Implement the communication strategy	Number of articles submitted to media	All	4
TL86	Develop an improved website by end March 2013	% completed	All	100%
TL83	Facilitate the quarterly meeting of the District Intergovernmental Forum (Technical)	Number of meetings	All	4
TL87	Establish a regional sport forum by	Established forum	All	100%

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REF	KPI	Unit of Measurement	Wards	Annual Target
	end March 2013			
TL88	Facilitate the functioning of the regional sport forum	Number of meetings	All	2

Table 64.: Service delivery priorities 2012/13: Strategic objective 3

3.6.4 To improve and maintain our roads and promote effective and save transport for all

REF	KPI	Unit of Measurement	Wards	Annual Target
TL1	Spent Roads Capital conditional grant	% spent of approved provincial roads capital allocation	All	100%
TL2	Maintain provincial roads measured by the No of KM's graded per quarter	Kms of roads graded	All	8,200
TL3	Spent Roads operational conditional grant	% spent of approved provincial roads maintenance allocation	All	100%
TL4	Re-gravel Roads	Number of Kms re-gravelled	All	45
TL5	Submit annual draft roads budget application for inclusion in the Provincial RPM	Budget submitted	All	100%
TL6	Revise the integrated public transport plan / or divisions when required by legislation	% completed	All	100%
TL7	Implement projects in the district integrated transport plan	Number of projects	All	2

Table 65.: Service delivery priorities 2012/13: Strategic objective 4

3.6.5 To plan to minimise the impact of disasters on the community, visitors, infrastructure and environment

REF	KPI	Unit of Measurement	Wards	Annual Target
TL28	Effective handling and coordinating of all disasters in the district	% of disasters coordinated	All	100%
TL29	Increase public awareness in terms of disaster management	Number of initiatives	All	4
TL30	Monitor the effective provision of fire brigade services in the District to ensure effective Fire Services	Number of inspections of the fire brigade services of local municipalities in the District	All	6
TL31	Provide training for emergency personnel and volunteers	Number of training sessions per year	All	4
TL32	Annual revision of identified District Disaster Management contingency Plans	Identified District Disaster Management contingency Plans reviewed	All	100%

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REF	KPI	Unit of Measurement	Wards	Annual Target
TL33	Coordinate the functioning of the "Volunteers relief" sub Committee of the disaster management advisory forum with volunteers to support victims of accidents and/or disasters (NPO)	Number of meetings	All	3
TL34	Coordinate the disaster management in the District with the effective functioning of the disaster management forum	Number of meetings	All	2
TL35	Coordinate the disaster management in the District with the functioning of all sub committees ((fire services, drought, environmental and flood/ accident and response)	Number of functioning sub committees	All	4
TL36	Execute fire prevention inspections	Number of Fire prevention inspections per annum	All	4
TL37	Report on all fires	% submitted when applicable	All	100%

Table 66.: Service delivery priorities 2012/13: Strategic objective 5

3.6.6 To promote a safe and healthy environment and social viability of residents through the delivery of a responsible environmental health service

REF	KPI	Unit of Measurement	Wards	Annual Target
TL38	Bacteriological & Chemical sampling of potable water	Number of Water Samples taken ito SANS 241	All	200
TL39	Monitor Solid & Liquid Waste Sites	Number of Solid & Liquid Waste Sites monitored	All	132
TL40	Bacteriological & Chemical sampling of sewerage water	Number of Sewerage Water Samples taken	All	40
TL41	Monitor Informal Settlements	Number of Informal Settlements monitored	All	16
TL42	Monitor public institutions (non food)	Number of Public Institutions (non food) monitored	All	96
TL43	Evaluate building plans from a health point of view	% of received Building Plans evaluated	All	100%
TL44	Compile and annual review of an Integrated Air Quality Management Plan for the District	Number of Integrated Air Quality Management Plans compiled/ reviewed	All	1
TL45	Investigate and monitor all cases of communicable diseases reported	% of reported Communicable Diseases investigated / monitored	All	100%
TL46	Investigate and monitor of reported conditions promoting the habits and	% of reported Vector Investigations investigated & monitored	All	100%

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REF	KPI	Unit of Measurement	Wards	Annual Target
	breeding of vectors			
TL47	Investigate and monitor of all notifications and incidents of pesticide poisonings reported	% of notifications & reported incidents investigated & monitored	All	100%
TL48	Monitor all applications received for the exhumation, reburial or disposal of human remains	% of applications for exhumations and re-interments monitored	All	100%
TL49	Monitor all formal & informal Food Premises	Number of Food Premises monitored	All	1,152
TL50	Bacteriological & Chemical Sampling of Foodstuffs	Number of Food Samples taken	All	48
TL51	Bacteriological & Chemical Sampling Project obo DWA	Number of Water Samples taken according to Implementation Plan	All	68
TL52	Submit Water Quality Monitoring progress reports to the Department of Water Affairs	Number of Progress Reports submitted to DWA	All	1
TL53	Health & Hygiene training and education through awareness campaigns and local media	Number of H&H Training / Education awareness sessions held	All	12
TL54	Register all EHP's at Health Professional Council (HPCSA)	Number of EHP's registered at HPCSA	All	5
TL55	Compile and submit of EH Reports to Council's relevant Portfolio Committee	Number of EH Reports compiled / submitted to Portfolio Committee	All	12
TL56	Submit Sinjani Reports to the Department of Health (PGWC)	Number of Sinjani Reports submitted to Dept. of Health	All	36
TL57	Compile an EH Information / News letter to Category B-Municipalities	Number of EHS Info / Newsletters compiled	All	1
TL58	Update and development of EH Information Systems	% of EH Information System updated	All	100%
TL59	Revise EH Policies & MHS By-law by June 2013	Number of Policies / By-Laws revised	All	1
TL60	Investigate all EH related complaints received	% of received complaints investigated	All	100%

Table 67.: Service delivery priorities 2012/13: Strategic objective 6

3.6.7 To pursue economic growth opportunities that will create descent work

REF	KPI	Unit of Measurement	Wards	Annual Target
TL78	Implement and monitor approved HIV/AIDS projects	Number of projects	All	17
TL79	Maintain the existing Multi Sectoral Action Teams (MSAT's) for	Number of MSAT's maintained	All	3

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REF	KPI	Unit of Measurement	Wards	Annual Target
	HIV/AIDS in the district			
TL80	Seek external funding to host at least two projects per annum concerning the youth, disabled, elderly and gender	Number of initiatives	All	2
TL81	Provide bursaries to prospective candidates	Number of bursaries	All	50
TL68	Review the district growth and development strategy by end June 2013 and submit to council	% completed	All	100%
TL69	Implement the Masikhule Sonke Mayoral Community Works Programme	Number of projects per annum	All	2
TL71	Complete phase two of the establishment of EDA, including finalising the organogram and appointment of personnel	Phase two of establishment completed	All	100%
TL72	Obtain and approve annual operational of EDA	Approved operational plan	All	100%
TL73	Obtain and approve at least two viable business plans of EDA	Number of business plans	All	2
TL74	Support EDA with the Establish a regional LED forum	Forum Established	All	100%
TL75	Monitor the functioning of the regional LED forum	Number of meetings	All	2
TL76	Obtain reports from EDA on at least two negotiations with potential investors	Number of reports submitted to council	All	2
TL77	Capacitate potential SMME's with training sessions	Number of SMME training/info sessions per year	All	2
TL82	Implement identified road projects in a labour intensive way	The number of jobs opportunities created	All	20

Table 68.: Service delivery priorities 2012/13: Strategic objective 7

Chapter 4: Organisational Development Performance

CHAPTER 4

4.1 National Key Performance Indicators – Municipal Transformation and Organisational Development

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area – Municipal Transformation and Organisational Development.

KPA& INDICATORS	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT
	2010/11	2011/12
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	10	14
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	0.82	0.84

Table 69.: National KPIs– Municipal Transformation and Organisational Development

4.2 Performance Highlights – Municipal Transformation and Organisational Development

Highlight	Description
Career Development	38 Employees was introduced to career development through personal interviews and the completion of questionnaires

Table 70.: Performance Highlights– Municipal Transformation and Organisational Development

4.3 Challenges – Municipal Transformation and Organisational Development

Challenge	Actions to address
Adoption of revised organogram	Council decision
Appointments to be made in accordance with relevant legislation	Adopt new Appointment Policy
Streamline appointment processes	Appointments to be made in accordance with proposed appointment policy
Personnel career development	HR Manager to conduct interviews with personnel
Scarce skills retainment policy	Policy to be adopted

Table 71.: Challenges – Municipal Transformation and Organisational Development

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4.4 Introduction to the Municipal Workforce

The Central Karoo District Municipality currently employs **135** (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of the municipality's objectives.

The primary objective of Human Resource Management is:

1. To render a provisioning and support service function that will ensure the recruitment, utilization and retention of the organization's human capital.
2. To give effect to the Employment Equity Plan of the organization as well as to ensure compliance with employment equity measures.
3. To facilitate a sound relationship between employer and employees and a climate of labour peace, stability and wellness.

4.4.1 Employment Equity

The Employment Equity Act (1998) Chapter 3, Section 15 (1) states that affirmative action measures are designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan"

a) Employment Equity targets/actual

African			Coloured			Indian			White		
Target June	Actual June	Target reach	Target June	Actual June	Target reach	Target June	Actual June	Target reach	Target June	Actual June	Target reach
30	31	103%	92	90	98%	1	1	100%	18	13	52%

Table 72.: 2011/12 EE targets/Actual by racial classification

Male			Female			Disability		
Target June	Actual June	Target reach	Target June	Actual June	Target reach	Target June	Actual June	Target reach
97	108	111%	35	27	77%	2	2	100%

Table 73.: 2011/12 EE targets/actual by gender classification

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b) Employment Equity vs. Population

Description	African	Coloured	Indian	White	Total
Population numbers	7 926	41628	85	5 984	55 623
% Population	14	75	0	11	100
Number of positions filled	31	90	1	13	135
% of Positions filled	23%	66.7%	0.7%	9.6%	100

Table 74.: EE population 2011/12

c) Occupational Levels - Gender

The table below categorise the number of employees by race within the occupational levels:

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management	0	1	0	3	0	0	0	0	4
Senior management	0	1	0	1	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management	2	2	0	5	1	0	0	3	13
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	4	11	0	0	5	7	0	1	28
Semi-skilled and discretionary decision making	4	25	1	0	0	1	0	0	31
Unskilled and defined decision making	12	36	0	0	3	6	0	0	57
Total permanent	22	76	1	9	9	14	0	4	135
Non- permanent employees	4	20	0	0	2	0	0	0	26
Grand total	26	96	1	9	11	14	0	4	161

Table 75.: Occupational Levels

d) Departments - Race

The following table categorise the number of employees by race within the different departments:

Department	Male				Female				Total
	A	C	I	W	A	C	I	W	
Municipal Manager	3	3	0	0	4	1	0	0	11
Corporate Services	4	3	0	7	1	5	0	2	22

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Department	Male				Female				Total
	A	C	I	W	A	C	I	W	
Financial Services	0	0	0	1	1	1	0	2	5
Technical Services	15	70	1	1	3	7	0	0	97
Total permanent	22	76	1	9	9	14		4	135
Non- permanent	4	20	0	0	2	0	0	0	26
Grand total	26	96	1	9	11	14		4	161

Table 76.: Department - Race

4.4.2 Vacancy Rate

The approved organogram for the municipality had 141 posts for the 2011/12 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. 6 Posts were vacant at the end of 2011/12, resulting in a vacancy rate of **4.25%**.

Below is a table that indicates the vacancies within the municipality:

PER POST LEVEL		
Post level	Filled	Vacant
MM &MSA section 57 & 56	4	1
Middle management	15	1
Admin Officers & Operators	59	2
General Workers	57	2
Total	135	6
PER FUNCTIONAL LEVEL		
Functional area	Filled	Vacant
Municipal Manager	11	2
Corporate Services	22	1
Financial Services	5	1
Technical Services	97	2
Total	135	6

Table 77.: Vacancy rate per post and functional level

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The table below indicates the number of staff per level expressed as total positions and current vacancies express as full time staff equivalents:

Salary Level	Number of current critical vacancies	Number total posts as per organogram	Vacancy job title	Vacancies (as a proportion of total posts per category)
Municipal Manager	1	1	Municipal Manager	100%
Chief Financial Officer	0	1	-	0%
Other Section 57 Managers	0	2	-	0%
Senior management	0	2	-	0%
Highly skilled supervision	1	14	Internal Auditor	7%
Total	2	20	-	10%

Table 78.: Vacancy rate per salary level

4.4.3 Overall employee turnover rate

A high turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organizational knowledge. Below is a table that shows the turnover rate within the municipality for the past two years. The turnover rate shows a decrease from **5.17%** in 2010/11 to **3.87%** in 2011/12.

Financial year	New appointments	No of Terminations during the year	Turn-over Rate
2010/11	17	9	5.17%
2011/12	8	6	3.87%

Table 79.: Turnover Rate

4.5 Managing the Municipal Workforce

4.5.1 Injuries

The injury rate shows a decrease in 2011/12 if compared to 2010/11.

The table below indicates the total number of injuries within the different directorates:

Directorates	2010/11	2011/12
Municipal Manager	0	0
Corporate Services	2	3
Financial Services	0	0
Technical Services	10	8

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Directorates	2010/11	2011/12
Total	12	11

Table 80.: Injuries

4.5.2 Sick Leave

The total number of employees that have taken sick leave during the 2011/12 financial year shows a decrease when comparing it with the 2010/11 financial year.

The table below indicates the total number sick leave days taken within the different directorates:

Department	2010/11	2011/12 (New Cycle Jan2012 – Jun2012)
Municipal Manager	51 11 employees: 4.6 average	28 11 employees : 2,55 average
Corporate Services	192 25 employees: 7.6 average	60 22 employees : 2,72 average
Financial Services	88 6 employees: 14.6 average	16 5 employees : 3,2 average
Technical Services	963 99 employees: 9.7 average	734 97 employees : 7,57 average
Total	1 294	838

Table 81.: Sick Leave

4.5.3 HR Policies and Plans

The table below shows the HR policies and plans that are approved and that still needs to be developed:

Approved policies	
Name of policy	Date approved/ revised
Recruitment , selection and appointment	4 September 2008 (Draft)
Farewell functions on resignation	18 August 2008
Stop order facilities	31 May 2000
Accouchement leave	21 July 2009
Essential motor vehicle scheme	22 August 2007
Disability	8 May 2006
In service training (Students)	17 June 2008
Induction	1 August 2005
Medical membership	22 April 2005

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Name of policy	Date approved/ revised
HIV/AIDS	1 March 2005
Nepotism	22 April 2005
Evacuation plan	22 August 2005
Training and development (Skills)	1 August 2005
Parking spaces	30 August 2007
Public drivers permit (Professional drivers))	18 August 2008
Private work	19 July 2007
Affirmative action	15 July 2002
Travel and subsistence allowances	4 April 2008
Smoking	1 July 2001
Sexual harassment	13 March 2008
Cell phones	30 July 2008
Study / driver's license	23 July 2009
Acting in posts	18 August 2006
Housing subsidies on loans from pension/ provident fund	15 June 2004
Declaration of interests	22 February 2001
Disciplinary procedures and code	Collective agreement July 2009 – June 2012
E-mail records management	1 August 2008
Essential Services agreement	25 September 2002
Jail time	24 October 2001
Gift policy (receiving of)	May 2009 (Draft)
Group insurance	28 June 1999
Revenue limit	28 January 2004
Communication lines (internal)	1 July 2001
Long services bonuses (20 years)	31 May 2001
Telephone usage	31 July 2003
Pension – single amount	6 October 1998
Reporting lines	27 January 2005
Travel time – re-gravelling team	26 November 2004
Rehabilitation policy	1 July 2001
Leave	3 January 2007
Leave – buy back	26 March 1997
Unpaid leave	April 2009 (Draft)
Fleet management – issuing and fuel	26 January 2009

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Name of policy	Date approved/ revised
Whistle blowing	March 2009 (Draft)
Intoxication Management	June 2011 (Draft)
Scarce Skills	June 2011 (Draft)

Table 82.: HR policies and plans

4.5.4 Employee Performance Rewards

In accordance with regulation 32, a performance bonus, based on affordability, may be paid to an employee, after -

- (1) the annual report for the financial year under review has been tabled and adopted by the municipal council;
- (2) an evaluation of performance in accordance with the provisions of regulation 23; and
- (3) approval of such evaluation by the municipal council as a reward for outstanding performance.

The evaluation of the performance of Section 57 managers forms the basis for rewarding outstanding performance.

The table below shows the total number of Section 57 managers that received performance rewards:

Race	Gender	Number of beneficiaries	Total number of employees received performance rewards	% Employees received performance rewards
Coloured	Male	1	1	100
White	Male	3	3	100
Total		4	4	100

Table 83.: Performance Rewards

4.6 Capacitating the Municipal Workforce

Section 68(1) of the MSA states that municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998) and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

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4.6.1 Skills Matrix

The table below indicates the number of employees that received training in the year under review:

Management level	Gender	Number of employees identified for training during the year	Number of Employees that received training
MM and S57	Female	0	0
	Male	3	3
Legislators, senior officials and managers	Female	5	5
	Male	12	12
Associate professionals and Technicians	Female	0	0
	Male	1	0
Professionals	Female	1	1
	Male	0	0
Clerks	Female	2	2
	Male	0	0
Service and sales workers	Female	0	0
	Male	0	0
Craft and related trade workers	Female	0	0
	Male	0	0
Plant and machine operators and assemblers	Female	0	0
	Male	0	0
Elementary occupations	Female	4	0
	Male	16	12
Sub total	Female	12	8
	Male	29	27
Total		41	35

Table 84.: Skills Matrix

4.6.2 Skills Development – Training provided

The Skills Development Act (1998) and the Municipal Systems Act, (2000), require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1)(f) states that as head of administration the Municipal Manager is responsible for the management, utilization and training of staff.

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Occupational categories	Gender	Training provided within the reporting period						
		Learnerships		Skills programmes & other short courses		Total		
		Actual	Target	Actual	Target	Actual	Target	% achieved
MM and S57	Female	0	0	0	0	0	0	0
	Male	3	3	2	1	5	4	125
Legislators, senior officials and managers	Female	2	2	3	3	5	5	0
	Male	2	2	10	10	12	12	0
Professionals	Female	1	1	0	0	1	1	0
	Male	0	0	0	0	0	0	0
Technicians and associate professionals	Female	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0
Clerks	Female	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0
Service and sales workers	Female	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0
Craft and related trade workers	Female	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0
Elementary occupations	Female	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0
Sub total	Female	3	3	3	3	9	9	0
	Male	5	5	12	11	17	16	106
Total		8	8	15	14	23	22	104

Table 85.: Table 55: Skills Development

Chapter 4 Organisational Development Performance

4.6.3 Skills Development - Budget allocation

The table below indicates that a total amount of **R415 000** were allocated to the workplace skills plan and that **79%** of the total amount was spend in the 2011/12 financial year:

Total personnel budget	Total Allocated	Total Spend	% Spend
R'000	R'000	R'000	
9 359	415 000	327 001	79

Table 86.: Budget allocated and spent for skills development

4.7 Managing the Municipal Workforce Expenditure

Section 66 of the MSA states that the accounting officer of a municipality must report to the Council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations, (2002), as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

4.7.1 Personnel Expenditure

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past two financial years and that the municipality is well within the national norm of between 35 to 40%:

Financial year	Total Expenditure salary and allowances(R'000)	Total Operating Expenditure(R'000)	Percentage(%)
	R'000		
2010/11	12 389	66 102	19
2011/12	9 316	52 213	18

Table 87.: Personnel Expenditure

Below is a summary of Councilor and staff benefits for the year under review:

Financial year	2010/11	2011/12		
	Actual	Original Budget	Adjusted Budget	Actual
R				
Councillors (Political Office Bearers plus Other)				
Mayor	625 648	608 982	611 895	614 323

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Financial year	2010/11	2011/12		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R			
Executive Committee Members	1 140 946	606 776	866 553	1 238 222
Councillors	991 661	1 409 416	1 411 552	967 032
Sub Total	2 758 255	2 625 174	2 890 000	2 818 577
% increase/(decrease)	-	(5)	10	(0.2)
Senior Managers of the Municipality				
Salary	2 368 525	2 489 320	2 489 320	2 483 872
Performance Bonus	230 211	248 932	248 932	255 051
Other benefits or allowances	10 284	21 600	21 600	21 600
Sub Total	2 609 020	2 759 852	2 759 852	2 760 523
% increase/(decrease)	-	6	0	0
Other Municipal Staff				
Basic Salaries and Wages	5 794 269	4 434 031	4 385 220	3 865 623
Pension Contributions	1 210 016	803 314	782 584	820 924
Medical Aid Contributions	634 409	572 402	575 083	621 258
Motor vehicle allowance	778 283	650 795	496 101	887 188
Cell phone allowance	7 200	14 400	14 400	12 700
Housing allowance	84 191	96 526	83 208	55 794
13 th Cheque	783 282	297 657	546 465	391 593
Other benefits or allowances	320 750	14 510	-417 247	-347 284
In-Kind benefits	167 966	142 025	133 371	247 343
Sub Total	9 780 367	7 025 660	6 599 185	6 542 312
% increase/(decrease)	-	(3)	(6)	(0.8)
Total Municipality	12 389 387	9 785 512	9 359 037	9 315 662
% increase/(decrease)	-	(21.02)	(4.36)	(0.46)

Table 88.: Personnel Expenditure

4.7.2 MFMA Competencies

In terms of Section 83 (1) of the MFMA, the accounting officer, senior managers, the chief financial officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act. National Treasury has prescribed such financial management competencies in Government Notice 493 dated 15 June 2007.

Chapter 4 Organisational Development Performance

To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role players in the local government sphere, developed an outcomes-based NQF Level 6 qualification in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, "(1) No municipality or municipal entity may, with effect 1 January 2013, employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations."

Five (5) Employees were identified to obtain the abovementioned qualification and prescribed competencies. The table below provides details of the financial competency development progress as required by the regulations:

Financial Competency Development: Progress Report				
Description	Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials				
Accounting officer	1	1	1	1
Chief financial officer	1	1	1	1
Senior managers	2	2	2	2
Any other financial officials	0	0	0	0
Supply Chain Management Officials				
Heads of supply chain management units	1	In process	n/a	1
Supply chain management senior managers	0	0	0	0
Total	5	4	4	4

Table 89.: Financial Competency Development: Progress Report

Chapter 5: Financial Performance

CHAPTER 5

This chapter provides details regarding the financial performance of the municipality for the 2011/12 financial year.

Please note: The significant decreases in all figures from the 2010/11 financial year to the 2011/12 financial year is due to the shift of the Murraysburg district management area to the Beaufort West municipality as from 1 July 2011. Comparisons and trend analysis will therefore only be possible at the end of the 2012/13 financial year.

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

The Statement of Financial Performance provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

5.1 Financial Summary

The table below indicates the summary of the financial performance for the 2011/12 financial year:

Description	2010/11	2011/12			2011/12 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Financial Performance						
Property rates	1 087	0	0	0	0	0
Service charges	2 883	0	0	0	0	0
Investment revenue	217	200	200	91	-54.52	-54.52
Transfers recognised - operational	56 270	49 803	54 353	47 241	-16.04	-8.82
Other own revenue	2 713	1 355	1 567	3 889	2.87	2.48
Total Revenue (excluding capital transfers and contributions)	63 171	51 357	56 119	51 221	-0.26	-8.73
Employee costs	12 389	9 786	9 359	9 316	-4.80	-0.46
Remuneration of councillors	2 758	2 625	2 890	2 820	7.41	-2.44
Depreciation & asset impairment	2 593	398	398	893	124.12	124.12
Finance charges	813	291	920	978	236.00	6.39
Materials and bulk purchases	1 937	0	0	0	0	0
Transfers and grants	22 265	23 145	26 210	26 694	15.33	1.85
Other expenditure	19 940	15 501	16 117	11 512	0.42	-9.60
Total Expenditure	62 695	51 746	55 894	52 213	0.90	-6.59
Surplus/(Deficit)	476	(388)	225	(992)	155.42	-440.42

Chapter 5: Financial Performance

Description	2010/11	2011/12			2011/12 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Transfers recognised - capital	(6 932)	(108)	(108)	0	-100.00	-100.00
Contributions recognised - capital & contributed assets	(127)	141	98	(145)	-202.66	-247.85
Surplus/(Deficit) after capital transfers & contributions	(6 583)	(355)	215	(1 137)	320.28	-528.84
Share of surplus/ (deficit) of associate	2 589	398	398	893	124.12%	124.12%
Surplus/(Deficit) for the year	(3 993)	43	614	(244)	-565.95	-39.83
<u>Capital expenditure & funds sources</u>						
Capital expenditure						
Transfers recognised - capital	7 028	0	0	0	0	0
Public contributions & donations	980	0	0	142	0	0
Borrowing	208	0	0	45	0	0
Internally generated funds	127	100	235	227	0	0
Total sources of capital funds	8 344	100	235	414	0	0
<u>Financial position</u>						
Total current assets	4 069	50	2 762	2 596	0	0
Total non current assets	50 102	100	4 324	4 184	0	0
Total current liabilities	11 210	250	1 373	9 547	0	0
Total non current liabilities	56 113	6 000	47 875	11 162	0	0
Community wealth/Equity	(13 151)	(6 100)	(13 314)	(13 929)	0	0
<u>Cash flows</u>						
Net cash from (used) operating	4 725	10	800	(2 207)	0	0
Net cash from (used) investing	(8 068)	0	(6 119)	(414)	0	0
Net cash from (used) financing	2 797	0	3 000	(10)	0	0
Cash/cash equivalents at the year end	(547)	10	(2 319)	(2 631)	0	0
<u>Cash backing/surplus reconciliation</u>						
Cash and investments	1 504	2 376	47	(264)	0	0

Chapter 5: Financial Performance

Description	2010/11	2011/12			2011/12 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
available						
Application of cash and investments	5 535	2 326	(149)	2 367	0	0
Balance - surplus (shortfall)	(4 032)	50	196	(2 631)	0	0
Asset management						
Asset register summary (WDV)	65 381	8 801	8 801	8 801	0	0
Depreciation & asset impairment	17 719	5 031	5 031	5 031	0	0
Renewal of Existing Assets	8 344	100	343	414	0	0
Repairs and Maintenance	180	82	82	112	0	0
Free services						
Cost of Free Basic Services provided	4 892	n/a	n/a	n/a	n/a	n/a
Revenue cost of free services provided	1 020	n/a	n/a	n/a	n/a	n/a
Households below minimum service level						
Water:	1 845	n/a	n/a	n/a	n/a	n/a
Sanitation/sewerage:	1 845	n/a	n/a	n/a	n/a	n/a
Energy:	1 845	n/a	n/a	n/a	n/a	n/a
Refuse:	1 845	n/a	n/a	n/a	n/a	n/a

Table 90.: Financial Performance 2011/12

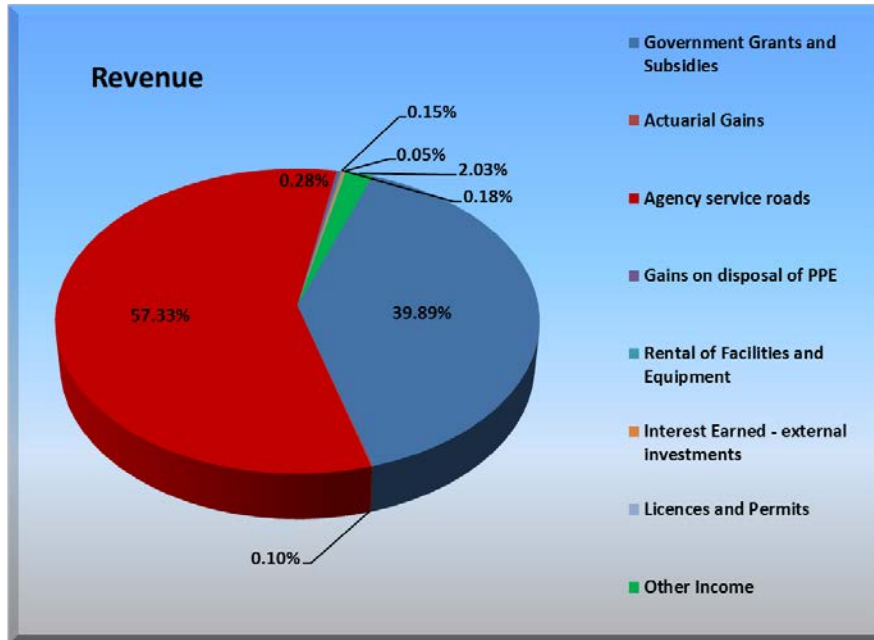
The table below shows a summary of performance against budgets:

Financial Year	Revenue				Operating expenditure			
	Budget	Actual	Diff.	%	Budget	Actual	Diff.	%
	R'000				R'000			
2010/11	71 239	63 171	8 068	89	66 102	62 695	3 407	95
2011/12	56 119	51 221	4 898	91	55 894	52 201	3 694	93

Table 91.: Performance against budgets

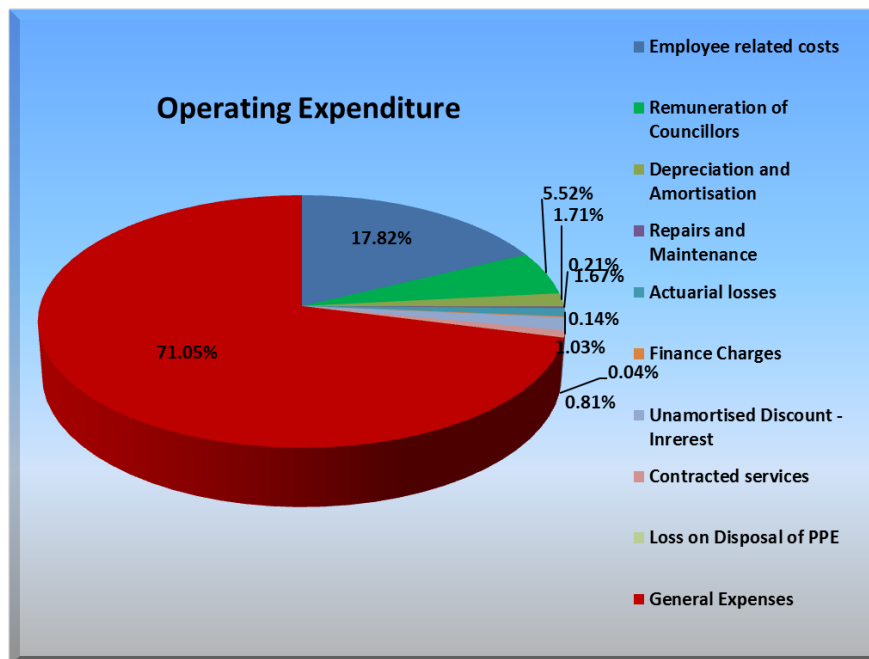
Chapter 5: Financial Performance

The following graph indicates the various types of revenue items in the municipal budget for 2011/12:



Graph 11.: Revenue

The following graph indicates the various types of expenditure items in the municipal budget for 2011/12:



Graph 12.: Operating expenditure

Chapter 5: Financial Performance

5.1.1 Revenue collection by Vote

The table below indicates the Revenue collection performance by Vote:

Vote Description	2010/11	2011/12			2011/12 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Vote1 - Executive and Council	915	965	1 006	1 006	4	0
Vote2 - Budget and Treasury Office	16 801	13 357	13 754	13 748	3	0
Vote3 - Corporate Services	5 986	8 437	8 716	2 595	-69	-70
Vote4 - Planning and Development	7 862	1 990	2 889	2 079	4	-28
Vote5 - Public Safety	447	0-	92	92	0	0
Vote6 - Health	797	12	757	2 288	18967	202
Vote7 - Community and Social Services	65	591	0	0	-100%	0
Vote8 - Sports and Recreation	5	0	0	0	0	0
Vote9 - Housing	0	0	0	0	0	0
Vote10 - Waste Management	1 383	0	0	0	0	0
Vote11 - Road Transport	25 559	26 005	28 905	29 414	13	2
Vote12 - Waste Water Management	0	0	0	0	0	0
Vote13 - Water	898	0	0	0	0	0
Vote14 - Electricity	2 455	0	0	0	0	0
Vote15 - Environmental Management	0	0	0	0	0	0
Total Revenue by Vote	63 171	51 357	56 119	51 221	0	-9

Table 92.: Revenue by Vote

5.1.2 Revenue collection by Source

The table below indicates the revenue collection performance by source for the 2011/12 financial year:

Description	2010/11	2011/12			2011/12 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Property rates	1 087	0	0	0	0	0

Chapter 5: Financial Performance

Description	2010/11	2011/12			2011/12 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Property rates - penalties & collection charges	2	0	0	0	0	0
Service Charges - electricity revenue	1 629	0	0	0	0	0
Service Charges - water revenue	175	0	0	0	0	0
Service Charges - sanitation revenue	1 075	0	0	0	0	0
Service Charges - refuse revenue	0	0	0	0	0	0
Service Charges - other	5	0	0	0	0	0
Rentals of facilities and equipment	80	33	33	75	132.0	132.0
Interest earned - external investments	217	200	200	91	-0.55	-0.55
Interest earned - outstanding debtors	0	0	0	0	0	0
Dividends received	0	0	0	0	0	0
Fines	11	5	5	0	-1	-1
Licences and permits	268	12	12	26	126.48	126.48
Agency services	25 469	26 000	28 900	29 363	12.93	1.60
Transfers recognised - operational	30 801	23 803	25 453	20 431	14.16	19.73
Other revenue	2 351	1 306	1 518	1 235	5.42	18.64
Gains on disposal of PPE	0	0	0	0	0	0
Environmental Protection	0	0	0	0	0	0
Total Revenue (excluding capital transfers and contributions)	63 171	51 357	56 119	51 221	0.26	8.72

Table 93.: Revenue by Source

Chapter 5: Financial Performance

5.1.3 Operational Services Performance

The table below indicates the Operational services performance for the 2011/12 financial year:

Description	2010/11	2011/12			2011/12 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Operating Cost						
Water	445	0	0	0	0	0
Waste Water (Sanitation)	0	0	0	0	0	0
Electricity	0	0	0	0	0	0
Waste Management	(157)	0	0	0	0	0
Housing	-	0	0	0	0	0
Component A: sub-total	288	0	0	0	0	0
Waste Water (Stormwater Drainage)	0	0	0	0	0	0
Roads	(1 928)	(42)	(42)	(58)	27.52	27.52
Transport	0	0	0	0	0	0
Component B: sub-total	(1 928)	(42)	(42)	(58)	27.52%	27.52%
Planning	5 781	(1 078)	(1 136)	(1 642)	34.34	30.84
Local Economic Development	(456)	(1 362)	(1 308)	(1 341)	-1.56	2.43
Component C: sub-total	5 325	(2 440)	(2 444)	(2 983)	18.20%	18.07%
Community & Social Services	(285)	0	0	0	0	0
Environmental Protection	0	0	0	0	0	0
Health	(1 820)	(2 036)	(1 272)	(1 365)	-49.14	6.83
Security and Safety	(391)	(703)	(604)	(707)	0.55	14.52
Sport and Recreation	(90)	0	0	0	0	0
Corporate Policy Offices and Other	(622)	4 832	4 587	4 134	-16.90	-10.97
Component D: sub-total	(3 209)	2 094	2 711	2 062	-1.54	-31.49
Total Expenditure	476	(388)	225	(979)	60.34	123.00

Table 94.: Operational Services Performance

Chapter 5: Financial Performance

5.2 Financial Performance Per Municipal Function

5.2.1 Water Services

Description	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	1 343	0	0	0	0.00
Expenditure:					
Employees	321	0	0	0	0.00
Repairs and Maintenance	51	0	0	0	0.00
Other	525	0	0	0	0.00
Total Operational Expenditure	898	0	0	0	0.00
Net Operational (Service) Expenditure	445	0	0	0	0.00

Table 95.: Financial Performance: Water services

5.2.2 Electricity

Description	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	2 455	0	0	0	0.00
Expenditure:					
Employees	272	0	0	0	0.00
Repairs and Maintenance	81	0	0	0	0.00
Other	2 101	0	0	0	0.00
Total Operational Expenditure	2 454	0	0	0	0.00
Net Operational (Service) Expenditure	1	0	0	0	0.00

Table 96.: Financial Performance: Electricity

Chapter 5: Financial Performance

5.2.3 Waste Management

Description	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	1 383	0	0	0	0.00
Expenditure:					
Employees	1 008	0	0	0	0.00
Repairs and Maintenance	84	0	0	0	0.00
Other	448	0	0	0	0.00
Total Operational Expenditure	1 540	0	0	0	0.00
Net Operational (Service) Expenditure	(157)	0	0	0	0.00

Table 97.: Financial Performance: Waste Management

5.2.4 Roads

Description	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	25 559	26 005	28 905	29 414	-11.59
Expenditure:					
Employees	500	0	0	0	0.00
Repairs and Maintenance	52	0	0	0	0.00
Other	26 935	26 047	28 947	29 472	-11.62
Total Operational Expenditure	27 487	26 047	28 947	29 472	-11.62
Net Operational (Service) Expenditure	(1 928)	(42)	(42)	(58)	-27.52

Table 98.: Financial Performance: Roads

Chapter 5: Financial Performance

5.2.5 Community & Social Services

Description	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	65	0	0	0	0.00
Expenditure:					
Employees	287	0	0	0	0.00
Repairs and Maintenance	0	0	0	0	0.00
Other	62	0	0	0	0.00
Total Operational Expenditure	350	0	0	0	0.00
Net Operational (Service) Expenditure	(285)	0	0	0	0.00

Table 99.: Financial Performance: Community & Social Services

5.2.6 Security and Safety

Description	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	447	0	92	92	100
Expenditure:					
Employees	347	374	367	385	-2.80
Repairs and Maintenance	4	2	2	0	100.00
Other	487	327	327	414	-21.03
Total Operational Expenditure	838	703	696	799	-12.01
Net Operational (Service) Expenditure	(391)	(703)	(604)	(707)	-0.55

Table 100.: Financial Performance: Security and Safety

5.2.7 Sport and Recreation

Description	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	5	0	0	0	0.00

Chapter 5: Financial Performance

Description	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
(excluding tariffs)					
Expenditure:					
Employees	24	0	0	0	0.00
Repairs and Maintenance	8	0	0	0	0.00
Other	62	0	0	0	0.00
Total Operational Expenditure	95	0	0	0	0.00
Net Operational (Service) Expenditure	(90)	0	0	0	0.00

Table 101.: Financial Performance: Sport and Recreation

5.2.8 Corporate Policy Offices & Other

Description	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	23 994	22 485	23 202	18 756	19.88
Expenditure:					
Employees	6 800	5 618	4 865	4 895	14.78
Repairs and Maintenance	165	72	72	107	-33.42
Other	17 651	11 963	13 679	9 620	24.36
Total Operational Expenditure	24 616	17 652	18 615	14 622	20.73
Net Operational (Service) Expenditure	(622)	4 832	4 587	4 134	16.90

Table 102.: Financial Performance: Corporate Policy Offices & Other

5.2.9 Planning

Description	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	7 862	2 856	3 163	2 079	37.38
Expenditure:					

Chapter 5: Financial Performance

Description	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Employees	888	1 101	1 307	1 061	3.73
Repairs and Maintenance	3	1	1	4	-75.82
Other	1 190	2 832	2 991	2 656	6.64
Total Operational Expenditure	2 081	3 934	4 299	3 721	5.72
Net Operational (Service) Expenditure	5 781	(1 078)	(1 136)	(1 642)	-34.34

Table 103.: Planning

5.2.10 LED

Description	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	0	0	0	0	0.00
Expenditure:					
Employees	341	1 140	1 087	1 084	5.19
Repairs and Maintenance	0	2	2	0	100.00
Other	116	220	220	257	-14.35
Total Operational Expenditure	456	1 362	1 308	1 341	1.56
Net Operational (Service) Expenditure	(456)	(1 362)	(1 308)	(1 341)	1.56

Table 104.: LED

5.2.11 Health

Description	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue (excluding tariffs)	60	12	757	881	-98.64
Expenditure:					
Employees	1 600	1 753	1 734	1 878	-6.70
Repairs and Maintenance	16	6	6	0	100.00

Chapter 5: Financial Performance

Description	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Other	263	289	289	368	-21.42
Total Operational Expenditure	1 879	2 048	2 029	2 246	-8.84
Net Operational (Service) Expenditure	(1 820)	(2 036)	(1 272)	(1 365)	49.14

Table 105.: Health

5.3 Grants

5.3.1 Grant Performance

The municipality had a total amount of R30760 million for infrastructure and other projects available that was received in the form of grants from the National and Provincial Governments during the 2011/12 financial year. The performance in the spending of these grants is summarised as follows:

Description	2010/11	2011/12			2011/12 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	R'000					%
National Government:	27 074	25 963	21 447	17 342	-33.20	-19.14
Equitable share	10 279	5 894	5 894	5 894	0.00	0.00
Municipal Systems Improvement	750	790	790	790	0.00	0.00
Department of Water Affairs	2 467	3 655	3 655	2 103	-42.46	-42.46
Levy replacement	5 477	5 641	5 641	5 641	0.00	0.00
Other transfers/grants [ISRDP]	808	159	220	220	38.36	0.00
Other transfers/grants [MIG]	6 293	0	0	0	0.00	0.00
Other transfers/grants [EPWP]	0	3 267	3 267	657	-79.88	-79.88
Other transfers/grants [Dept. Human Settlement]	0	0	730	787	0.00	-0.08
Other transfers/grants [FMG]	1 000	1 250	1 250	1 250	0.00	0.00
Provincial Government:	25 098	25 133	29 059	28 988	153.38	-0.25
Health subsidy	737	1 514	1 763	1 686	11.36	-4.38
Other transfers/grants [Tourism]	388	426	139	140	-67.09	1.05
Other transfers/grants [Dept. of the Premier]	0	6	6	6	0.00	0.00
Other transfers/grants [Local Government & Housing]	882	0	898	487	100.00	-45.77

Chapter 5: Financial Performance

Description	2010/11	2011/12			2011/12 Variance	
	Actual	Budget	Adjust-ments Budget	Actual	Original Budget	Adjust-ments Budget
	R'000				%	
Other grant providers:	1 719	1 200	1 200	769	-64.08	-64.08
DBSA	1 238	0	0	0	0.00	0.00
EDA	0	1 200	1 200	769	-64.08	-64.08
VAT	481	0	0	0	100.00	100.00
Total Grants	53 891	52 296	57 013	47 099	-9.94	-17.39

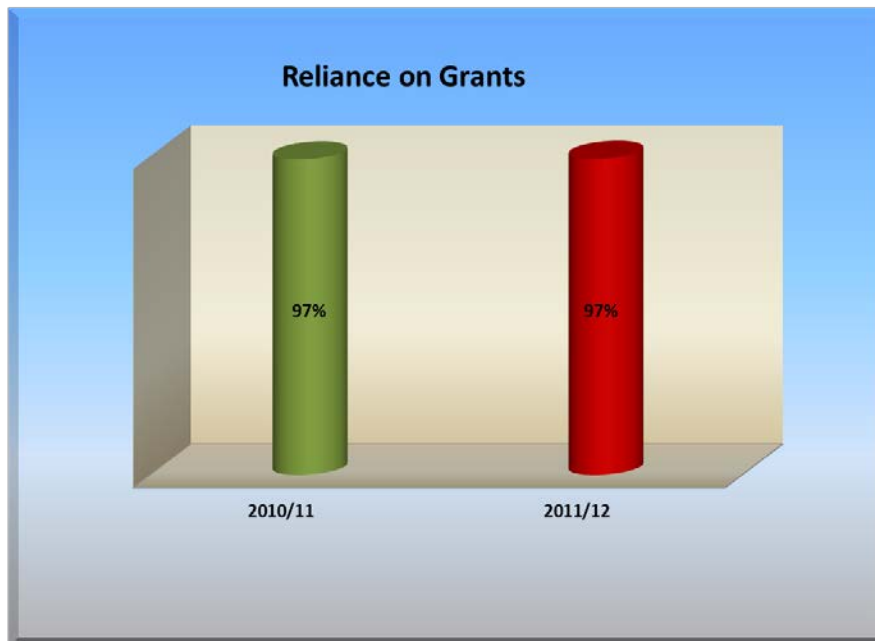
Table 106.: Grant Performance for 2011/12

5.3.2 Level of Reliance on Grants & Subsidies

Financial year	Total grants and subsidies received	Total Operating Revenue	Percentage
	R'000		
2010/11	54 023	55 676	97.03
2011/12	49 794	51 221	97.21

Table 107.: Reliance on grants

The following graph indicates the municipality's reliance on grants as percentage for the last two financial years:



Graph 13.: Reliance on grants as %

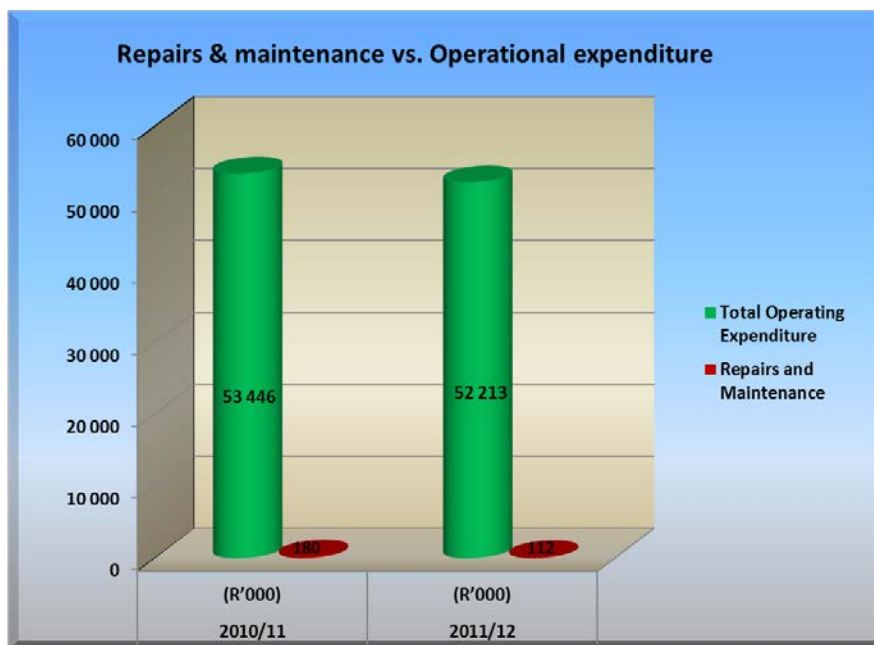
Chapter 5: Financial Performance

5.4 Repairs and Maintenance

Description	2010/11	2011/12
	R'000	
Total Operating Expenditure	53 446	52 213
Repairs and Maintenance	180	112
% of total OPEX	0.34	0.22

Table 108.: Repairs & maintenance as % of total Operating Expenditure

The following graph indicates the percentage of the budget that was spent on repairs & maintenance in relation to the operational budget:



Graph 14.: Repairs and Maintenance

5.5 Financial Ratio's Based on Key Performance Indicators

5.5.1 Liquidity Ratio

Description	Basis of calculation	2010/11	2011/12
		Audited outcome	Pre-audit outcome
Current Ratio	Current assets/current liabilities	0.4	0.3
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.2	0.3
Liquidity Ratio	Monetary Assets/Current Liabilities	0.4	0.5

Table 109.: Liquidity Financial Ratio

Chapter 5: Financial Performance

Financial year	Net current assets	Net current liabilities	Ratio
	R'000		
2010/11	54 172	67 323	0.81:1
2011/12	6 780	20 709	0.33:1

Table 110.: Liquidity Financial Ratio

5.5.2 IDP Regulation Financial Viability Indicators

Description	Basis of calculation	2010/11	2011/12
		Audited outcome	Pre-audit outcome
Cost Coverage	(Available cash + Investments)/monthly fixed operational expenditure	3%	-1%
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.46%	n/a
Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	48 days	n/a

Table 111.: Financial Viability National KPAs

5.5.3 Borrowing Management

Description	Basis of calculation	2010/11	2011/12
		Audited outcome	Pre-audit outcome
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.12%	0.08%

Table 112.: Borrowing Management

5.5.4 Employee costs

Description	Basis of calculation	2010/11	2011/12
		Audited outcome	Pre-audit outcome
Employee costs	Employee costs/(Total Revenue - capital revenue)	50%	57%

Table 113.: Employee Costs

Chapter 5: Financial Performance

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.6 Analysis of Capital expenditure

Details	2010/11	2011/12				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance	Actual to OB Variance
Source of finance (R)						
External loans	208 381	0	0	45 024	0.0%	100.0%
Public contributions and donations	979 997	0	0	141 674	0.0%	100.0%
Grants and subsidies	7 028 191	0	108 000	0	100.0%	100.0%
Other	127 304	100 000	235 000	227 052	135.0%	127.1%
Total	8 343 873	100 000	343 000	413 750	243.00	313.75
Percentage of finance						
External loans	2.5%	0.0%	0.0%	10.9%	0.0%	100.0%
Public contributions and donations	11.7%	0.0%	0.0%	34.2%	0.0%	100.0%
Grants and subsidies	84.2%	0.0%	31.5%	0.0%	100.0%	0.0%
Other	1.5%	100.0%	68.5%	54.9%	55.6%	40.5%
Capital expenditure (R)						
Water and sanitation	457 269	0	0	0	0.0%	0.0%
Electricity	0	0	0	0	0.0%	0.0%
Housing	0	0	0	0	0.0%	0.0%
Roads and storm water	5 919 653	0	0	0	0.0%	0.0%
Other	1 966 951	100 000	343 000	413 750	243.0%	313.8%
Total	8 343 873	100 000	343 000	413 750	243.00%	313.75%
Percentage of expenditure						
Water and sanitation	5.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Electricity	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Housing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Roads and storm water	70.9%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	23.6%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 114.: Analysis of Capital Expenditure

Chapter 5: Financial Performance

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

5.7 Cash Flow

Description	2010/11	2011/12		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
	R'000	R'000	R'000	R'000
Cash flow from operating activities				
Receipts				
Ratepayers and other	30 279	33 671	30 467	2 114
Government - operating	21 525	23 803	25 453	47 099
Government - capital	7 028	0	0	0
Interest	217	200	140	91
Dividends	0	0	0	0
Payments				
Suppliers and employees	(53 537)	(57 373)	(55 210)	(50 532)
Finance charges	(789)	(291)	(50)	(979)
Transfers and Grants	0	0	0	0
Net cash from/(used) operating activities	4 725	10	800	(2 207)
Cash flows from investing activities				
Receipts				
Proceeds on disposal of PPE	0	0	0	0
Decrease (Increase) in non-current debtors	0	0	0	0
Decrease (increase) other non-current receivables	(18)	0	0	(6)
Decrease (increase) in non-current investments	0	0	(5 884)	0
Assets Held for Sale	275	0	0	0
Payments				
Capital assets	(8 326)	0	(235)	(408)
Net cash from/(used) investing activities	(8 068)	–	(6 119)	(414)
Cash flows from financing activities				
Receipts				
Short term loans	165	0	0	(10)
Borrowing long term/refinancing	0	0	0	0
Increase (decrease) in consumer deposits	0	0	0	0
Payments				
Associated within Assets Held for Sale	2 632	0	0	0

Chapter 5: Financial Performance

Description	2010/11	2011/12		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
	R'000	R'000	R'000	R'000
Repayment of borrowing	0	0	3 000	0
Net cash from/(used) financing activities	2 797	0	3 000	(10)
Net increase/ (decrease) in cash held	(547)	10	(2 319)	(2 631)
Cash/cash equivalents at the year begin:	2 913	2 366	2 366	2 366
Cash/cash equivalents at the year end:	2 366	2 376	47	(264)

Table 115.: Cashflow

5.8 Gross Outstanding Debtors per Service

Financial year	Rates	Trading services	Economic services	Housing rentals	Other	Total
		(Electricity and Water)	(Sanitation and Refuse)			
	R'000	R'000	R'000	R'000	R'000	R'000
2010/11	614	262	895	0	63	1 833
2011/12	0	0	0	0	0	0
Difference	614	262	895	0	63	1 833
% growth year on year	(100)	(100)	(100)	0	(100)	(100)

Note: Figures exclude provision for bad debt

Table 116.: Gross outstanding debtors per service

5.9 Total Debtors Age Analysis

Financial year	Less than 30 days	Between 30-60 days	Between 60-90 days	More than 90 days	Total
	R'000	R'000	R'000	R'000	R'000
2010/11	243	62	47	1 482	1 833
2011/12	0	0	0	0	0
Difference	(243)	(62)	(47)	(1 482)	(1 833)
% growth year on year	(100)	(100)	(100)	(100)	(100)

Note: Figures exclude provision for bad debt.

Table 117.: Service debtor age analysis

Chapter 5: Financial Performance

COMPONENT D: OTHER FINANCIAL MATTERS

5.10 Supply Chain Management

Management has developed a new SCM policy which includes the SCM system and processes to be used by the municipality. Standard operating procedures for SCM was develop during the year which includes the bid committee, complaints and abuse of supply chain. The New PPPFA policy was develop and approved by Council.

No Councilor is members of any committee handling the supply chain processes.

The supply chain official is busy with ongoing training to reach the prescribe level required for their positions by 2013 as prescribed by National Treasury through the MFMA Competency Regulations. There are only one official in the supply chain section.

5.11 GRAP Compliance

GRAP is the acronym for Generally Recognized Accounting Practice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance ensure that municipal accounts are comparable and more informative for the municipality. It also ensure that the municipality is more accountable to its citizens and other stakeholders

GRAP was fully implemented in the municipality in the 2010/11 financial year and the financial statements of 2011/12 in fully GRAP compliant.

Chapter 6: Auditor-General Findings

CHAPTER 6

COMPONENT A: AUDITOR-GENERAL OPINION 2010/11

6.1 Auditor General Report 2010/11

Auditor-General Report on Financial Performance 2010/11	
Audit Report Status	Unqualified
Issue raised	Remedial Action Taken
Emphasis of matter:	
Predetermined objectives: Usefulness of information	Usefulness of KPI's will improve in 2011/12
Predetermined objectives: Reliability of reported performance information	Portfolio of Evidence on performance achieved will be kept more effectively in 2011/12
Non-functioning of Audit Committee and Performance Audit Committee	Will ensure more effective functioning in 2011/12
Non-functioning of Internal Audit	Will be outsourced in future
Irregular expenditure	Was approved by council

Table 118.: AG Report on Financial Performance 2010/11

COMPONENT B: AUDITOR-GENERAL OPINION 2011/12

6.2 Auditor General Report 2011/12

Auditor-General Report on Financial Performance 2011/12	
Audit Report Status	Unqualified
Issue raised	Remedial Action Taken
Material under spending of conditional grants of R4 219 123	This was funds with regard to the Provincial Roads Agency Service which was received at a late stage.
Unauthorised expenditure of R1 836 948 was incurred	Improvement of Internal Control mechanisms
Quarterly reports were not submitted to council on the implementation of the budget in accordance with section 52(d) of the MFMA	Will compile and submit in 2012/13 financial
Monthly budget reports were not submitted to the Mayor in accordance with section 71(1)	Committee meetings were reduced to save money and therefore reports could only be submitted quarterly.
Goods and services with a transaction value of between R200 and R30 000 were procured without obtaining written price quotations from at least three different prospective providers	Improvement of Internal Control mechanisms
Financial Statements have not been prepared in all material respects in accordance with section 122 of the MFMA	Corrections were made on the financial statements
Audit committee issues:	A Service provider was appointed to address the

Auditor-General Report on Financial Performance 2011/12	
<ul style="list-style-type: none"> • Did not fulfil its role ito section 166 of the MFMA • Did not meet at least 4 times for the year 	internal audit shortcomings
Performance Audit Committee was not in place	
Internal audit unit was not functional for the full year	

Table 119.: AG Report on Financial Performance 2011/12

6.3 Auditor General Report on the Financial Statement 2011/12

The Reports of the Auditor General is attached as Annexure B to this report

