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**ANNUAL REPORT**  
**2007/2008**

**MAKHADO LOCAL MUNICIPALITY (NP 344)**  
*Vhembe District (DC 34)*  
*Limpopo Province*

8 January 2008



CLLR J HOORZUK  
CHAIRPERSON OF COUNCIL  
MAKHADO LOCAL MUNICIPALITY

It is my pleasure to submit the Annual Report of Makhado Local Municipality (MLM) for the financial year 1 July 2007 to 30 June 2008.

To the best of my knowledge the contents of the report are consistent with the disclosure principles contained in the Guide for Preparation of Annual Reports issued by National Treasury.

This report seeks to portray the MLM's activities during the financial year under review and is based on sound underlying municipal information and management systems.

In presenting this report we acknowledge progress made during 2007/08 financial year as well as the challenges that lie ahead.

MS. A F MUTHAMBI  
MUNICIPAL MANAGER

8 January 2009

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# **CHAPTER 1**

## **Introduction**

**And**

**Overview**

## **The Makhado Local Municipality at a glance for the year ending 30 June 2008**

### **OVERVIEW – General Information**

Makhado Local Municipality (NP 344), located in the most northern region of Limpopo Province and one of four participating local municipalities in the Vhembe District Council (DC 34) region, has a vision indicative of its physical location and true to its ambition as institution which reads

*The Municipality of Makhado, being the gateway to other African states, strives to improve the quality of life of all its people by rendering basic, efficient, affordable and sustainable services through transparent, participatory governance and a dedicated, efficient and accountable institution focused on developing the area as a growth point.*

#### **1. ORIENTATION BY MUNICIPAL MANAGER: THINGS TO KNOW – INTRODUCTION**

- 1.1 *Makhado Local Municipality (MLM) (NP 344) was inaugurated as the new local government system on 5 December 2000. Its first term ended after 5 years in December 2005 and the second elections were held on 1 March 2006.*
- 1.2 *The geographical area of the MLM consist of 279 villages and 28 formal towns with a vast number of privately owned and state farms in between. The estimated population is about 515 763 with 129 665 households .*
- 1.3 *In January 2001 the municipality set itself up to operate in four respective regions namely Dzanani, Vuwani, Waterval*

*and Makhado regions. The Civic Centre as the main core for municipal business, is located in Louis Trichardt township which is one of the four urban nodes in the geographical area.*

*1.4 The MLM is responsible for provision of basic services like refuse removal, municipal roads, provision of electricity within its license area. The Water Services Authority, the Fire Fighting Services and the Health Services have been devolved to both the Vhembe District Municipality and the Provincial health Department respectively. The jurisdiction of MLM functions in 37 municipal wards.*

## **2. OVERVIEW BY THE ACCOUNTING OFFICER**

*As we present this Annual Report for the 2007/08 financial year, it is of utmost importance that we provide an overview of some of our successes, in our efforts to provide a better life for the communities we serve.*

*The successes that we had gained in 2007/08 financial year are highlighted in terms of the following National Key Performance Areas:*

### *2.1 Municipal Transformation and Institutional Development*

*The MLM have been able to adopt its IDP in time. According to the MEC's Assessment Report of the MLM, there has been a great improvement on our IDP, save to say that financial management challenges as well as financial policies, procedures and internal control measures were not outlined.*

*In addition to this, the MLM adopted the Performance Management Regulations, promulgated by the Department of Provincial and Local Government. Unfortunately the Mayor did not conclude a performance agreement with the*

*Municipal Manager, despite the development and approval by Council of Key Performance Areas (KPA's), Key Performance Indicators (KPI's) and Core Management Competencies (CMC's). It must be mentioned that the expiry of employment contract of the four Section 57 managers during the first and second quarters of 2007/08 respectively left a gap and as an interim measure post level 1 incumbents have been tasked to act in those posts. The CFO position which was vacant for over 3 years have finally been filled on 1 January 2008, the Director Technical Services and the Director Community Services both commenced with duties on 1 March 2008 and 1 April 2008 respectively. The critical position of Director Corporate Services remains vacant till to date.*

## *2.2 Financial Management and Viability*

*Good financial management remains a key challenge in the MLM. In the last year, we have seen some improvements, for example the municipality was able to timeously submit the Annual Financial Statements. The Audit Committee was not functional for the period under review. Although the Chief Financial Officer was appointed, the critical vacancies in finance are to date not yet filled, despite Council's approval of the Finance Department's organisational structure. The Finance Department also experiences high staff turnover in key personnel joining other municipalities for greener pastures due to the low grading of the municipality. The Department of Local Government had since appointed a service provider, Corp MD to assist the municipality in addressing all the issues raised by the Auditor General.*

## *2.3 Local Economic Development (LED)*

*It should be noted that no actual tourism projects were identified for implementation for the period under review, and that the single mouthpiece for our community tourism*



*association is still not as functional as envisaged. The implementation of the LED strategy has become a major challenge due to staffing problems which need to be addressed.*

#### *2.4 Basic Service Delivery and Infrastructure Development*

*The municipality is operating as a retail water services provider on behalf of Vhembe District Municipality through a service level agreement. Lack of water resources remains a major challenge coupled with continuous vandalism of water services infrastructure. The water service capacity is not coping due to ageing infrastructure and lack of financial resources to develop and refurbish such. The surface base of our streets is completely finished and enough resources are required to reseal all the critical streets around the Louis Trichardt CDB and the R293 towns.*

#### *2.5 Good Governance and Community Participation*

*The instability between political and administration has resulted in slow pace and fair quality of services. In some areas there were cases of poor communication between Council and the communities but there has been an overall improvement on the involvement of communities in local decision-making and in the implementation of the development programmes.*

*With our ward/community based planning project “Amplifying Community Voices in Makhado Municipality”, a partnership with the University of Venda’s School of Rural Development under the leadership of Dr Joseph Francis, a silver award was scooped from the Impumelelo Innovations Award Trust during the year under review.*

*The success of our work is dependent on interaction with stakeholders and partners in development, and therefore there is a need to structure such interactions.*

## **2.6 Organisational Capacity and Performance**

*There is an ongoing need to develop our human and institutional capabilities. During the year under review, a significant number of staff members and councillors received training in various fields. Furthermore there is a need for organisational performance analysis that has to be conducted at each quarterly review meeting to assess the achievements of the municipality*

## **3. CONCLUSION**

*This Annual Report outlines the details of the various programmes managed by the municipality and how we have performed towards meeting the targets we set.*

*I wish to appreciate the support that we continue to receive from our staff members and councillors.*

*Furthermore our partnership with the University of Venda has yielded positive results in our municipality and we are encouraged by their levels of commitment to partner with us.*

*The staff of the Makhado Local Municipality continues to put in every effort to ensure that our organization implements its mandate effectively and that we, individually and collectively are able to make a difference in our communities.*

**MS. A F MUTHAMBI**  
**MUNICIPAL MANAGER**

## INTRODUCTION AND GENERAL INFORMATION

### Vision

Peace, harmony and prosperity in  
a healthy environment for all.

### Mission

The Municipality of Makhado,  
being the gateway to other  
African states, strives to  
improve the quality of life of  
all its people by rendering  
basic, efficient, affordable and  
sustainable services through  
transparent, participatory  
governance and a dedicated,  
efficient and accountable  
institution focused on developing  
the area as a growth point.

# **ORGANIZATIONAL STRUCTURE**

























































# **INTRODUCTION OF MUNICIPAL DEPARTMENTS**

- 1. Community Services**
- 2. Corporate Services**
- 3. Finance**
- 4. Technical Services**

**We are pleased to record some of our significant achievements for the period under review (2007/08 financial year)**

# **CHAPTER 2**

## **Performance**

### **Highlights**

**(i) Service Backlog**

	30 June 2006			30 June 2007			30 June 2008		
<b>Water Backlog (6kl per month)</b>				<b>Total. No. of Household</b>			<b>Total no. of households</b>		
Backlog to be reduced ( No of household not receiving minimum standard of service)				129 665	59785		129665		
Backlogs to be eliminated (Percentage. Household identified as backlog/Total House Holds in the municipality)				129 665	46.1%		45.24%		
Spending on new infrastructure to eliminate backlog (R'000)				129 665			R51m		
Spending on Renewal of existing Infrastructure to eliminate backlog (R'000)				129 665			R7m		
Total spending to eliminate backlog (R'000)				129 665	R49111452		R58m		
Spending on maintaining infrastructure to ensure that no new backlog created				129 665	R10m				

	30 June 2006			30 June 2007			30 June 2008		
<b>Sanitation Backlog</b>									
Backlog to be reduced ( No of household not receiving minimum standard of service)				129 665	99119		129665		
Backlogs to be eliminated (Percentage. Household identified as backlog/Total House Holds in the municipality)				129 665	76.4%		93454		
Spending on new infrastructure to eliminate backlog (R'000)				129 665			R17m		
Spending on Renewal of existing Infrastructure to eliminate backlog (R'000)				129 665			R3m		
Total spending to eliminate backlog (R'000)				129 665			R20m		
Spending on maintaining infrastructure to ensure that no new backlog created				129 665			R6m		



	30 June 2006			30 June 2007			30 June 2008		
<b>Refuse removal</b>							<b>Total no. of household</b>		
Backlog to be reduced ( No of household not receiving minimum standard of service)				129 665	119800		129665	11000	
Backlogs to be eliminated (Percentage. Household identified as backlog/Total House Holds in the municipality)				129 665	92%		119809		
Spending on new infrastructure to eliminate backlog (R'000)				129 665	R1.33154m		R1.5m		
Spending on Renewal of existing Infrastructure to eliminate backlog (R'000)				129 665	R250000		R200,000.00		
Total spending to eliminate backlog (R'000)				129 665	R1.58154m		R1.7m		
Spending on maintaining infrastructure to ensure that no new backlog created				129 665					

	30 June 2006			30 June 2007			30 June 2008		
<b>Roads Backlog</b>									
Backlog to be reduced ( No in KMs not providing minimum standard of service)				15627km	11876.5km		4328km		
Backlogs to be eliminated (Percentage. KMs identified as backlog/Total KMs)				129 665	75%		50%		
Spending on new infrastructure to eliminate backlog (R'000)				129 665			R23m		
Spending on Renewal of existing Infrastructure to eliminate backlog (R'000)				129 665			R5m		
Total spending to eliminate backlog (R'000)				129 665	R7416600		R28m		
Spending on maintaining infrastructure to ensure that no new backlog created				129 665					

	30 June 2006			30 June 2007			30 June 2008		
<b>Electricity Backlog</b>							<b>Total no. of household</b>		
Backlog to be reduced ( No of household not receiving minimum standard of service)				129 665	33094		129665		
Backlogs to be eliminated (Percentage. Household identified as backlog/Total House Holds in the municipality)				129 665	25%		45000		
Spending on new infrastructure to eliminate backlog (R'000)				129 665			R15m		
Spending on Renewal of existing Infrastructure to eliminate backlog (R'000)				129 665			R3m		
Total spending to eliminate backlog (R'000)				129 665	R14185630		R18m		
Spending on maintaining infrastructure to ensure that no new backlog created				129 665					
<b>TOTALS</b>									

**Table 6: Access to Services: Makhado Local Municipality**

SERVICE	2005/06 (88 977 households)		2006/07 (113 534 Households)		2007/08 (129 665 households )	
	Basic and above	Below basic	Basic and above	Below basic	Access (RDP Standard)	No Access (Below RDP Standard)
Water	75 458	13 519	65 844	43 516	69 880	59 785
Sanitation	77 714	11 263	22 547	86 814	30 546	99 119
Electricity	25 227	63 750	75 913	37 611	96 561	33 094
Refuse Removal	8 680	80 297	12 527	100 997	9 856	119 809
'Housing	50 012	38 987	82 316	31 211	106 345	23 320
Telephones	48 472	40 505	104 372	9 153		

**MUNICIPAL CHALLENGES IN ORDER OF PRIORITY (BACKLOGS)** (from Project Consolidate Assessment Report)

**Sanitation: 76%**

**Water: 46%**

**Electricity: 26**

**(ii) Department Corporate Services:**

**1. Town-planning Section** This section consisted of one (1) dedicated staff member.  
Zoning applications to acquire land use rights received and processed: 2007/8 Financial Year

Applications outstanding 1 July 2007	Category	Number of applications received 2007/8	Total valuation of applications received Rand	Applications outstanding June 2008
0	Residential new	0	Values not available	0
0	Residential Additions	9	Values not available	0
0	Commercial (Business)	4	Values not available	0
0	Industrial	0	Values not available	0
0	Other (Special for Guesthouse/Conference facility)	3	Values not available	0
	*Subdivision (densification)	35		0
	*Special consent use business & other)	17		0
	*Consolidations of land	6		0
	*Comments on land use change applications to provincial authority (business rights on farm lands)	8		0
0	Township establishment applications received	4		
	1. Bushvalley, Farm Vondeling			
	2. Waterval Township Extension			
	3. Uitspan Wildlife Estate, Farm Uitspanning 321 LS			
	4. Louis Trichardt Extension 13			

**REMARK:**

1. No backlog in approval of rezoning applications of which Municipality is an authorized authority at beginning or end of financial year. The delegation system was applied to fast track the consideration process in categories of the level of Departmental Head, Municipal Manager and Executive Committee. Only in a case of objections received would the matter be submitted to full Council (in session) according to fixed procedure dictated by Ordinance.

2. Land zoning application process is dictated by Town-planning and Townships Ordinance, 1986 in terms of Town-planning Scheme-in-operations in respect of the Town-planning scheme area. The Town-planning Scheme area is at present still limited to a very small part of municipal geographical area. This will change in 2008/9 when the present TPS would have been extended to cover the total municipal jurisdiction.

3. The geographical area beyond the proclaimed *Town-planning Scheme Area* is managed by the provincial department of Local Government and Housing in regard to land use rights. Municipality only comments on applications which the said Department refers to it for comments. Or Municipality refers such applications that are received from users in R293 towns to DLGH for considerations. Such applications are mostly for limited business rights on privately owned farms or land held in R293 towns in terms of Deeds of Grant.

4. Engineering Services Contributions collected in all land use change approved applications

4.1 Rezoning

4.2 Subdivisions

4.3 Special consents

The actual income from this source will be reflected under the financial reporting of the Department Finance.

Building plans processed by Town-planning section for the period up to **6 February 2008-**

Business – 7

Residential – 71

R293 towns & rural villages – 39

The Director Technical Services keeps a register of building plans actually approved; reference to total approved plans in the 2007/8 financial year will be reflected in the report of Department Technical Services

**2. Geographic Information System (GIS)** This section consists of one (1) dedicated staff member on post level 6 to capture data and keep the system updated

Updating of maps – this function **was not performed** due to down time of the system

Check the use zones – this function was performed from hard copy documents only due to down time of the electronic system

Development of GIS maps – the system was down and **the function could not be performed**

Maintenance of TGIS system - the TGIS system was newly installed in the 2007/8 financial year. Due to server problems it was not operative for about half of the year. The server has in the meantime been upgraded and the TGIS system became operable as a tool in town-planning and development information.

**3. Land Claims**

The following land claims was registered as per Council Resolution B.23.29.01.08 –

Tshivhula, Musingadi, Ndouvhada, Rambuda, Makwatambani, Funyufunyu, Neluvuvhu and Matshisevhe

# **CHAPTER 3**

## **Human Resources & other Organizational Management**

# HUMAN RESOURCE AND OTHER ORGANISATIONAL MANAGEMENT

## A. ORGANISATIONAL STRUCTURE

The original organizational structure was composed of seven directorates and four regional service delivery units. The following directorates are in existence during the year in question

### (i) DEPARTMENT COMMUNITY SERVICES

Consist of the former Corporate Services and Community Services. Waste management was transferred to the Technical Services. Primary Health Services are to be transferred to the Provincial Department and Environmental Health to Vhembe District in the 2005/6 financial year. Incorporates Economic and Strategic Development now as Special Projects unit that includes IDP.

#### SOCIAL SUPPORT / FACILITATION SERVICES

- Office of the Mayor
- Office of the Speaker
- Disaster Management
- Gender desk
- Youth desk
- Aged desk
- Disability desk
- Arts and Culture including Libraries

#### TRAFFIC SERVICES

- Traffic Control
- Law Enforcement
- Hawker Control
- Road Markings and Traffic Signs
- Security
- VIP Escorts
- Accident response
- Bus and Tax Operator Forum

#### LICENSING SERVICES

- Motor vehicles licensing
- Driving licenses testing and issuing
- Roadworthy testing centre
- Business licenses
- Public driving permits
- Certificate of fitness
- Road transportation plan
- Bus and Taxi routes

LOCAL ECONOMIC DEVELOPMENT SERVICES

Macro Economy

New Investors in Municipality  
Commercial and Retail Development  
Industrial Development  
Local economic development master plan  
Tourism and Marketing  
International relations

Micro economy

Community Projects  
Informal Sector Development  
Youth Farming Project

**(ii) DEPARTMENT CORPORATE SERVICES**

HUMAN RESOURCES DIVISION

All aspects of Human Resource Management and Administration  
Employment Equity  
Skills gaps analyses and skills development programs  
Recruitment and Placement of staff  
Labour Related Policies  
Personnel Administration

MUNICIPAL SECRETARIAT DIVISION

Legal Services  
Committee Services  
Council Administration  
Ward Committees  
Records and Archives  
Town Planning  
Caretaker Services  
Municipal property administration  
Support services to all municipal departments

INFORMATION & COMMUNICATION TECHNOLOGY DIVISION

Information Technology – hardware, software and user assistance  
Communication Technology – hardware, software and user assistance

**(iii) DEPARTMENT OF FINANCES**

ALL ASPECTS RELATED TO FINANCE THAT INCLUDE

Financial Accounting and Financial Statements  
Budget Office  
Expenditure costing and Income section procurement  
Asset management  
Supply Chain Management  
Systems, mainframe and network  
Financial reporting  
Consisting of four respective sections – Revenue, Expenditure, Budgeting and Supply Chain Management

- (vi) **TECHNICAL SERVICES**  
 Water and sanitation services  
 Water and sewerage purification  
 Mechanical workshop for maintenance of fleet  
 Electricity network, distribution and maintenance  
 Electrical workshop  
 Roads and storm water  
 Parks and recreation  
 Sidewalks and open space  
 Waste Management (domestic and industrial)

The four directorates are supported by four Regional Administration units due to the vastness of the municipal area. Four Regional service centers are operational where all levels of services are delivered and co-ordinated at regional level. These regional centers are the following:

Makhado Region, Dzanani Region, Vuwani Region and Waterval Region

These centers are headed by Regional Administrators that co-ordinate service delivery and all other municipal services such as enquiries, account payments etc at regional level in a quest to take services as close as possible to the community additional pay points have been established at ward/village level to cater for pre-paid electricity customers.

## **B. DISCUSSION OF DEPARTMENTS**

### **1. DEPARTMENT COMMUNITY SERVICES**

#### **1.1 PERFORMANCE HIGHLIGHTS**

##### **1.1.1 OBJECTIVES**

During 2007/2008 financial year, the department has set the following objectives:

Provision of bursary to the needy and deserving learners

Promotion of Sport and cultural activities

Consultation and interaction with the communities.

Promotion and protection of the interests of the designated groups.

Enforcement of law.

Provision of learners licenses, drivers licenses and registration of motor vehicles

Provision and co-ordination of security services.

Provision of municipal health services.

Ensuring a clean and healthy environment.

Promotion of talent through the Mayoral Achievers' Awards.

Management of disaster within the municipal area.

Provision of library services

Facilitate for Local Economic development

Special Programs; coordination of programmes for Women, Youth, Elderly, Children and people with disabilities.



### **1.1.2 OBJECTIVES FOR 2007/2008**

- To appoint more examiners
- To appoint three management representatives
- To see that all capital items budgeted for are bought
- To sort out filing space shortage
- To advertise and appoint examiners internally and externally.
- To budget for the upgrading/erection of the new testing station in Dzanani.
- Maximization of law enforcements
- Proper functionality and viability of the parking meters
- Increase the collection of revenue
- Reduction of the accidents on the roads
- Intensify the prevention of HIV and AIDS through the Intergrated Approach
- Coordinate the IDP processes for 2008/9
- Promotion of Batho-Pele Principles in the Municipality

### **1.2 ACTUAL ACHIEVEMENTS/ OUTPUTS**

For full information see schedules in Chapter 5.

### **1.3 CHALLENGES**

- Shortage of E – NATIS terminals
- High demand of Drivers Licenses applications
- Non – finalization of the transfer of Environmental Health Services to the Vhembe district Municipality resulting in lack of provision of dedicated budget for this function.
- Insufficient funding for other programs.
- Poor Report back to the communities on the community outreach programme.
- Shortage of sufficient personnel, especially traffic (Examiners) and testing grounds facilities.
- Lack of funding for identified and priorities community LED projects.

## **2. DEPARTMENT CORPORATE SERVICES**

### **2.1 HUMAN RESOURCE MANAGEMENT, EMPLOYMENT EQUITY, SKILLS DEVELOPMENT, RECRUITMENT AND OTHER HUMAN RESOURCE RELATED MATTERS**

The Human Resource division form part of the Corporate Services directorate and provide support to all directorates. This division consisted of altogether ten (10) incumbents who took charge of the responsibilities of the division. The following is a summary of functions performed and services rendered

#### **Labour Relations**

- Employment Equity Plan;
- Employment Equity Report;
- Conditions of Service;
- New Collective Agreement on Conditions of Service
- Employment Policies;
- Practices & Procedures, Disciplinary Hearings, Grievances Hearings, Trade Unions, Local Labour Forum; and
- Conditional Grants

**Personnel Administration**

Leave records;  
Retirement Funds;  
Medical Aid Funds;  
Vacancies;  
Appointments;  
Resignations;  
Transfers;  
Placements; and  
Promotions & Demotions

**Organizational Development & Work Study**

Training courses;  
Learnerships;  
Apprenticeships;  
Workplace Skills Plan and Workplace Skills Report;  
Skills Levy Grant and Skills Development Facilitator Forum;  
Organograms, Duty Sheets and Job Profiles; and  
Performance Management System

**2.1.1 PERFORMANCE HIGHLIGHTS OF THIS DIVISION**

**OBJECTIVES FOR 2007/8 WERE THE FOLLOWING**

Implement new Employment Equity Plan 2007-2012  
Update general Information and Personnel History on VIP System  
Address skills gap in accord with the Work Place Skills Audit and Work Place Skills Plan  
Implement Employee Assistance Program  
Develop Performance Management System (PMS) for organization and post level 1 to 3 incumbents and measure their performance in terms of PMS Policy  
Review organizational structure  
Compile job profiles/descriptions and do job evaluation for post level 1 to post level 17  
To have a Performance Management System for post levels 1 to 3 in place and measure their performance in 2007/08.

**ACTUAL ACHIEVEMENTS 2007/8**

For actual achievements for the financial year in question see Chapter 5 of this Report

**CHALLENGES EXPERIENCED 2007/8**

Job profiles and descriptions were completed but proved problematic in some cases; SALGA has pended the process and job assessment as such have not been done

Only the Finance Department's organizational structure were reviewed and approved by Council during November 2007, based on the Model for Grade 4 Local Government Authorities;

The organogram in respect of Water and Sewer services were reviewed in order to integrate staff that have been transferred from DWAF to VDM – the process have not been concluded; the Staff Transfer Agreement as such could not be furnished by Consultants who are responsible for the project as appointed by VDM; as such the staff administration has not yet been integrated with that of MLM

**2.1.2 OPERATIONAL ACHIEVEMENTS AND CHALLENGES IN BRIEF SUMMARY****(a) Disciplinary Hearings**

Involved in 13 officials' hearings as observer to ensure fair and just procedure

**DISCIPLINARY CASES AND SUSPENSIONS**

<b>EMPLOYEE</b>	<b>OFFENCE</b>	<b>TRIAL</b>	<b>OUTCOME</b>
1. Matumba HJ	Theft	2007	Dismissed and reinstated
2. Netshivhega R	Theft	2007	Dismissed
3. Khodobo HT	Theft	2007	Dismissed
4. Maphaha R V	Theft	2007	Dismissed
5. Maluleke MT	Theft/negligence	2007	Repayment
6. Sithole M B	Misuse of Council vehicle	2007	10 days Suspension
7. Sikhwari TJ	Gross insubordination	2007	Pending
8. Sikepe P	Theft	2007	Resigned
9. Maluleke T S	Conducting non-work related business during office hours	06-12-2007	Still pending
10. Nengovhela T S	Conducting non-work related business during working hours	06-12-2007	Still pending
11. Dzwedzhi N E	Conducting non-work related business during working hours	06-12-2007	Still pending
12. Seshoka M E	Conducting non-work related business during working hours	06-12-2007	Still pending
13. Mudoka H E	absenteeism	21-05-2008	Still pending

**(b) Grievances Hearings**

Involved in 3 officials' processes in observer status only

**(c) Trade Unions**

Maintains continuous communications through regular Labor Forum meetings; Labor Forum meetings were scheduled on monthly frequency although it did not always form a quorum.

**(d) Training & Development**

Skills intervention through formal training was facilitated as more fully set out in the Table below.

**DEFINITION OF NQFs**

<b>NATIONAL QUALIFICATION FRAMEWORK</b>					
<b>School Grades</b>	<b>NQF Levels</b>	<b>Bands</b>	<b>Types of Qualifications</b>		
<b>HIGHER EDUCATION AND TRAINING CERTIFICATE</b>					
-	8	<b>HIGHER EDUCATION AND TRAINING CERTIFICATE (HED)</b>	Doctorates		
-	7		Masters		
-	6		B.Degrees and Honours Degrees		
	5		Higher Diplomas, National Diplomas and National Certificates		
<b>FURTHER EDUCATION AND TRAINING CERTIFICATE</b>					
12	4	<b>FURTHER EDUCATION AND TRAINING CERTIFICATE (FET)</b>	Certificate from Private School/College or Technical		
11	3		Certificate from Private School/College or Technical		
10	2		Certificate from Private School/College or Technical		
<b>GENERAL EDUCATION AND TRAINING CERTIFICATE</b>					
9	1	<b>GENERAL EDUCATION AND TRAINING CERTIFICATE (GET)</b>	Senior Phase	ABET 4	
8				Intermediate Phase	ABET 3
7					Foundation
6			Pre School		
5					
4					
3					
2					
1					
R					

**(e) SKILLS GAPS IDENTIFIED AND TRAINING INTERVENTIONS CONDUCTED**

<b>No.</b>	<b>Description of the Activity</b>	<b>Total No. of Employees</b>	<b>Total/Amount</b>	<b>Department./s</b>
1.	ABET	56	No payment made	- Corporate Services - Technical Services - Community Services
2	ABET	17	R10 000	- Corporate Services - Technical Services - Community Services
3.	Employment Equity	2	No payment made	- Corporate Services
4.	IFLA Annual General Conference	1	R9 272	- Community Services
5.	IMPSA Conference	4	R28 604	- Corporate Services
6.	Lawn mower operator	30	R21 894	- Technical Services
7.	ORHVS Assessment Practical	4	R20 580	- Technical Services

<b>No.</b>	<b>Description of the Activity</b>	<b>Total No. of Employees</b>	<b>Total/Amount</b>	<b>Department./s</b>
8.	Coaches, Mentor and Assessor	3	R5 400	- Corporate Services
9	ICT in Provincial and Local government	3	R2 355	- Corporate Services - Technical Services
10.	HIV/AIDS,STI and TB	18	R33 448	- Corporate Services - Technical Services - Community Services - Finance - Office of the Mayor - Office of the Municipal Manager
11.	Top Women Award	10	R25 000	- Office of the Municipal Manager - Office of the Mayor
12.	Customer Services	7	No payment made	- Finance
	Economic Development for LED Practitioners	2	R7 024	- Community Services
13.	IMFO conference	5	R45 042	- Finance - Office of the Mayor
14.	Women of excellence	1	R524	- Corporate Services
15.	Occupational Health and Safety Act	26	No payment made	- corporate Services - Technical Services
16.	Annual labour law seminar	2	R8 467	- Corporate Services
17.	Fraud and Corruption Presentation	94	R4 341	- Corporate Services - Technical Services - Community Services - Finance - All Trade Union - All Regional Administrators
18.	Information session on Skills Audit	2	No payment made	- Corporate Services
18.	Consultation on VIP Softline on Equity matters	4	R6 087	- Corporate Services
19.	Information Technology	26	No payment made	- Various community wards members around Makhado Municipality
20.	Labour Intensive Construction	2	R12 494	- Community Services - Technical Services
21.	Certificate Programme in Municipal Development Programme	1	R50 983	- Municipal Manager
22.	Capacity Building for non Financial Management	27	R54 900	- Office of the Mayor - Corporate Services - Technical Services Community Services
23.	Executive Leadership Management Development Programme	19	R24 857	Office of the Mayor - Corporate Services - Technical Services Community Services
24.	Supply Chain Management/	4	R26 857	- Finance

<b>No.</b>	<b>Description of the Activity</b>	<b>Total No. of Employees</b>	<b>Total/Amount</b>	<b>Department./s</b>
	Acquisition Management			
25.	White Paper Process and Single Public Services	3	R4 655	-Corporate Services - Office of the mayor
26.	Fleet Management and Budget Planning	1	R7 590	- Finance
27.	Gun Shooting Practice	12	R2 100	- Finance
28.	Examiners of Drivers License	3	R13 230	- Community Services
29.	Legislative Drafting	1	R1 960	- Community Services
30.	Legal aspect for Project Managers	1	R5 816	- Technical Services
31.	Trade test and preparation for carpentry	1	R2825	- Technical Services
32.	Executive Leadership management Development Programme	11	R58 025	- Office of the Mayor - Community Services - Administrators
33.	Monitoring and Evaluation	2	R4 800	- Community Services
34.	VIP Payroll	1	R13 965	- Finance
35.	Electrical Reticulation Learnership	3	R4 500	- Technical Services
36.	Limpopo provincial conference	3	R2 030	Office of the Mayor
37.	IDP skills programme	1	R2 576	- Community Services
38.	Housing Induction	1	R1 785	- Office of the Mayor
39.	Fraud Examination	2	R27 950	- Community Services - Office of the mayor
40.	Recognition of prior learning assessment of electrical reticulation	2	R6 080	- Technical Services
41.	Skills Development Facilitator course, Quality monitoring and Moderator training	3	R12 315	- Corporate Services
42.	Restructuring electrical industry	2	R500	- Corporate Services
43.	Award of ELMDP certificate	17	R8 290	- Office of the Mayor - Municipal Manager - Waterval - Dzanani - Finance
44.	SALGA National assembly	3	R4 818	- Office of the Mayor - Community Services - Vuwani Regional office
45.	Section 57 competence assessment / Skills audit questionnaire	3	R1 946	- Finance - Technical Services - Office of the Municipal manager
46.	Moderation course	3	R2 580	- Corporate Services
47.	Institute of license officials Annual general meeting and seminar	1	R2 180	- Community Services

<b>No.</b>	<b>Description of the Activity</b>	<b>Total No. of Employees</b>	<b>Total/Amount</b>	<b>Department./s</b>
48.	Tourism indaba preparation	2	R10 664	- Community Services
49.	Dream wear	2	R7 179	- Corporate Services
50.	National disaster risk management	2	R18 100	- Community Services
51.	ICT strategy development	2	No payment made	- Corporate Services
52.	Financial management	3	R7 080	- Finance - Office of the mayor
53.	IRP5 submission	2	R2 179	- Finance
54.	Certificate programme in management development for municipal finance	3	R149 340	- Corporate Services - Finance - Technical Services
55.	Essential skills for mastering minutes and meeting	1	R4 558	- Corporate Services
56.	Risk management	2	No payment made	- Corporate Services
58.	Training for training committee members	2	No payment made	- Corporate Services
59.	Mentoring and coaching for speakers	1	No payment made	- Corporate Services
60.	LGSETA Annual general meeting	2	R4 160	- Corporate Services
61.	Beaumont workshop	3	R513	- Corporate Services
62.	Peace officer	10	R16 734	- Community Services - Technical Services
63.	Municipal pension fund	4	R1 042	- Corporate Services - Vuwani regional office
64.	Data Capture	2	R1 680	- Community Service
65.	National credit Act	2	R940	- Corporate Services - Finance
66.	Housing indaba	2	R470	- Technical Services - Office of the Municipal Manager
67.	PHP policy	3	R3 743	- Technical Services
68.	Municipal infrastructure planning	3	R6 400	- Technical services - Office of the Municipal manager
69.	Waste management	2	No payment made	- Technical Services
70.	Records management	14	No payment made	- Corporate Services
71.	Indoor air quality	1	No payment made	- Community Services
72.	Supervisors registration and licensing	5	R62 519	- Community Services
73.	E-natis registration and Licensing	5	R62 519	- Community Services
74.	Municipal Administration	4	R6 400	- Corporate Services
75.	Records management	15	No payment made	- Corporate Service

**(f) NUMBER OF VACANCIES ON APPROVED ORGANOGRAM AS AT 30 JUNE 2008**

DEPARTMENT	NO. OF VACANCIES	DESIGNATIONS
Municipal Manager's Office	3	<ul style="list-style-type: none"> <li>▪ PA to the Municipal Manager: Planning</li> <li>▪ Regional Administrator: Makhado</li> <li>▪ Regional Administrator: Waterval</li> </ul>
Corporate Service	11	<ul style="list-style-type: none"> <li>▪ Director Corporate Services</li> <li>▪ Administrative Officer: Legal services</li> <li>▪ Administrative Officer: Properties</li> <li>▪ Administrative Officer: Town Planning</li> <li>▪ Town Planning Assistant</li> <li>▪ Records Clerk</li> <li>▪ Manager HR &amp; LR</li> <li>▪ Service Worker</li> <li>▪ Caretaker</li> <li>▪ IT Internship</li> <li>▪ Messenger</li> </ul>
Community Services	20	<ul style="list-style-type: none"> <li>▪ Traffic Wardens x 2</li> <li>▪ Management Representative: Makhado</li> <li>▪ Snr Clerical Assistant x 1</li> <li>▪ Traffic Officers x 5</li> <li>▪ Examiner of Drivers License x2</li> <li>▪ Testing Officer x1</li> <li>▪ Clerical Assistant x6</li> <li>▪ Senior Assistant Librarian</li> <li>▪ Assistant Manager Traffic</li> </ul>
Finance	10	<ul style="list-style-type: none"> <li>▪ Secretary</li> <li>▪ Snr. Clerk Income</li> <li>▪ Accountant SCM</li> <li>▪ Snr. Clerk: Indigents &amp; Filing</li> <li>▪ Chief Accountant: Income</li> <li>▪ Data Capturer</li> <li>▪ Clerk Gr. III x 2</li> <li>▪ Clerk: Budget (Intern) x1</li> <li>▪ Data Processing Officer</li> </ul>
Technical Services	83	<ul style="list-style-type: none"> <li>▪ Superintendent: Protection</li> <li>▪ Meter Readers x 4</li> <li>▪ Artisan Assistant x 13</li> <li>▪ Service Workers x 38</li> <li>▪ Surveyor</li> <li>▪ Snr. Electrician</li> <li>▪ Team Leader</li> <li>▪ Railroad Caretaker</li> <li>▪ Superintendent: Urban</li> <li>▪ Road Maintenance Caretaker</li> <li>▪ General workman</li> <li>▪ Superintendent: Metering</li> <li>▪ Electrician x 5</li> <li>▪ Engineering Technician: Roads and Storm water</li> </ul>



DEPARTMENT	NO. OF VACANCIES	DESIGNATIONS
		<ul style="list-style-type: none"> <li>▪ Operator x 2</li> <li>▪ Caretaker: Pool</li> <li>▪ Engineering Technician: Electrification</li> <li>▪ Engineering Technician: Metering &amp; Protection</li> <li>▪ Instructor</li> <li>▪ Manager Civil Engineering</li> <li>▪ Superintendent: Rural</li> <li>▪ Secretary</li> <li>▪ Engineering Technician: Waste Management</li> <li>▪ Vehicle Driver x 1</li> <li>▪ Handyman x 1</li> <li>▪ Building Control Officer</li> </ul>
Dzanani Regional Office	13	<ul style="list-style-type: none"> <li>▪ Plumbers x 2</li> <li>▪ Handy man</li> <li>▪ Tractor Driver</li> <li>▪ Service Worker x 7</li> <li>▪ Operator x 2</li> </ul>
Vuwani Regional Office	6	<ul style="list-style-type: none"> <li>▪ Service Worker</li> <li>▪ Liaison Officer</li> <li>▪ Law Enforcement Officer</li> <li>▪ Regional Librarian</li> <li>▪ Superintendent: Protection</li> <li>▪ Senior Admin Clerk</li> </ul>
Waterval Regional Office	10	<ul style="list-style-type: none"> <li>▪ Environmental Health officer</li> <li>▪ Regional Librarian</li> <li>▪ Vehicle Drivers x 2</li> <li>▪ Service Worker x 4</li> <li>▪ Liaison Officer</li> <li>▪ Assistant Registry officer</li> </ul>

**(g) NEW APPOINTMENTS/TRANSFERS/PROMOTIONS FROM JULY 2007 - JUNE 2008**

Designation	Incumbent	Post Level	Date Transferred/ Appointed/ Seconded/ Promoted	Department	Remark
Examiner of Drivers License	Mr. Mahlaela TC	07	2007.07.1	Community	New
Examiner of Drivers License	Mr. Rambuda TE	07	2007.07.01	Community	New
Examiner of Drivers Licenses	Mr. Khangale MM	07	2007.07.01	Community	New
Data Capturer (PMU)	Ms Gabula Z	08	2007.07.01	Technical	New
Data Capturer (Housing)	Mr. Nkhwamalau B	09	2007.07.01	Office of the Municipal Manager	New
Traffic Officer	Ms Mavhungu TL	10	2007.07.01	Community	New

<b>Designation</b>	<b>Incumbent</b>	<b>Post Level</b>	<b>Date Transferred/ Appointed/ Seconded/ Promoted</b>	<b>Department</b>	<b>Remark</b>
Finance Intern	Mr. Mavhunda FM	10	2007.07.01	Finance	New
Examiner of Drivers License	Mr. Ntshauba TG	07	2007.07.01	Community	New
Chief Licensing Officer	Mr. Mokiri HB	05	2007.07.01	Community	New
Chief Licensing Officer	Ms Ramahlo MP	05	2007.07.01	Community	New
Senior Clerical Assistant	Mr. Khange MA	09	2007.07.16	Community	New
Senior Clerical Assistant	Mr. Phaswana LJ	09	2007.07.16	Community	New
Senior Clerical Assistant	Mr. Muila MP	09	2007.07.16	Community	New
Senior Clerical Assistant	Mr. Netshiavha TE	09	2007.07.16	Community	New
Senior Clerical Assistant	Ms Mufhadi KC	09	2007.07.16	Community	New
Superintendent Parks & Receptions	Sikhitha NP	05	2007.08.01	Technical	New
Building Inspector	Raleshuku MG	06	2007.08.01	Technical	New
Assistant Manager: Community liaison Communication	Bobodi AL	03	2007.10.01	Community	New
Assistant Manager: Network & Design	Scheepers H W	03	2007.10.01	Technical: Electrical	New
Assistant Manager: Metering and Protection	Matodzi MT	03	2007.10.01	Technical: Electrical	New
Ass. Manager: Manager Budget	Murashiwa R.L	03	2007.11.01	Finance	New
Data Processing Officer	Khuba T	06	2007.11.01	Finance	New
Ass. Manager: Building Control, Parks, and Waste Management	Nndwakhulu N.P	03	2007.11.01	Technical	New
Typist	Senoamadi C	09	2007.11.01	Corporate	New
Ass. Manager: Roads & Storm Water	Ragimana L.N	03	2007.11.01	Technical	New
Ass. Manager: IDP	Sidimela M.P	03	2007.11.01	Municipal Manager	New
Manager: Protection	Kanwendo MJ	01	2007.12.01	Community	New

<b>Designation</b>	<b>Incumbent</b>	<b>Post Level</b>	<b>Date Transferred/ Appointed/ Secoded/ Promoted</b>	<b>Department</b>	<b>Remark</b>
Assistant Manager: IT	Muvhango P	03	2007.12.01	Finance	New
Controller Storeman	Makhuvha FT	04	2007.12.01	Finance	New
Administrative Clerk(Committee)	Shiringane TE	06	2007.12.04	Corporate	New
Director Finance	Maluleke RH	0	2008.01.02	Finance	New
Director Technical Services	Mamuremi F	0	2008-03-01	Technical	New
Director Community	Mugari EL	0	2008.04.01	Community	New
Library Assistance	Muavha L	10	2008.04.22	Community	New
Library Assistant	Rivisi HM	10	2008.05.01	Community	New
Senior Licensing Officer	Mudau ME	06	2008.06.01	Community	New
Traffic Officer	Chabalala IA	08	2008.06.01	Community	New
Traffic Officer	Mugwena NT	08	2008.06.17	Community	New

**(h) TERMINATION OF SERVICE DUE TO RESIGNATION, RETIREMENT, DISMISSAL, DEATH, OR MEDICAL BOARD: JULY 2007 – JUNE 2008**

<b>Designation</b>	<b>Incumbent</b>	<b>Post Level</b>	<b>Date of Resignation/ Dismissal/ Retirement/ Death</b>	<b>Department</b>	<b>Remark</b>
Clerical Assistant	Sidimela VJ	11	2007.08.01	Community Services	Death
Service Worker	Muhovhekanyi PS	17	2007.08.18	Technical Services	Death
Director	Mapholi M	0	2007.08.31	Technical Services	End of Contract
Director	Magwala NP	0	2007.08.31	Community Services	End of Contract
Director	Viljoen V	0	2007.11.30	Corporate Services	End of contract
Director	Masengana D	0	2007.11.30	Special Projects	End of contract
Administrator: Makhado	Ntsundeni NG	03	2007.09.14	Municipal Manager's Office	Resignation
Service Worker	Mulaudzi NS	17	2007.09.18	Technical Services	Death
Traffic Officer	Mavhungu TL	08	2008.12.28	Community Services	Resignation

<b>Designation</b>	<b>Incumbent</b>	<b>Post Level</b>	<b>Date of Resignation/ Dismissal/ Retirement/ Death</b>	<b>Department</b>	<b>Remark</b>
Caretaker-Hall	Bezuidenhout CJ	09	2007.12.31	Corporate Services	Retirement
Electrician	Mapingire TJ	07	2008.01.04	Technical Services	Resigned
Artisan	Munyai FD	11	2008.01.18	Technical	Death
Service Worker	Ndouvhada NJ	17	2008.01.31	Technical	Retirement
Legal Admin Officer	Masindi MK	05	2008.01.31	Corporate Services	Resigned
Service Worker	Mphephu NM	17	2008.01.31	Technical Services	Retirement
Assistant Registry	Shishavele HB	09	2008.02.01	Corporate Services	Death
Library Assistant	Mashapa LP	10	2008.02.08	Community Services	Resignation
Service Worker	Mbeshe HW	17	2008.02.18	Technical Services	Death
Service Worker	Mashao MJ	13	2008.02.28	Technical Services	Death
Driver Vehicle	Muvhali TP	12	2008.02.29	Technical Services	Death
Assistant Librarian	Phuluwa L	09	2008.03.31	Community Services	Resigned
Service Worker	Thagwana AN	17	2008.04.17	Technical Services	Death
Assistant Manager Traffic	Luus MT	03	2008.04.30	Community Services	Resign
Electrician	Goosen CAC	07	2008.04.30	Technical Services	Retirement
Handyman	Mathiloli MW	11	2008.04.30	Technical Services	Retirement
Service Worker	Mutambe TT	13	2008.04.30	Technical Services	Death
Service Worker	Ramadzhiela NE	17	2008.05.21	Technical Services (Civil)	Death
Admin Officer Gr 1 Town	De Waal C	05	2008.05.30	Corporate Services	Resign
Service Worker	Ramovha NP	17	2008.06.24	Technical Services (Civil)	Death
Service Worker	Maletsha MA	17	2008.06.30	Technical Services (Civil)	Retirement
Building Control Officer	Tharaga G	05	2008.06.30	Technical Services (Civil)	Resign

<b>Designation</b>	<b>Incumbent</b>	<b>Post Level</b>	<b>Date of Resignation/ Dismissal/ Retirement/ Death</b>	<b>Department</b>	<b>Remark</b>
Senior Clerk	Davhana DD	09	2008.06.30	Corporate Services	Retirement

**(i) EMPLOYMENT EQUITY: 2007/8**

The following table indicates the Employment Equity as applicable at 30 June 2008

Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Specialists and Professionals	<b>72</b>	-	<b>1</b>	<b>11</b>	<b>39</b>	<b>2</b>	-	<b>2</b>	<b>127</b>
Field (Supervisory/Foreman) Technicians and associate Professionals	<b>104</b>	-	-	<b>11</b>	<b>10</b>	-	-	<b>2</b>	<b>127</b>
Clerks	<b>79</b>	-	-	<b>2</b>	<b>60</b>	<b>1</b>	-	<b>5</b>	<b>147</b>
Non Professionals (blue collar, outside) workforce	<b>366</b>	-	-	-	<b>87</b>	-	-	-	<b>453</b>
Temporary Staff	<b>19</b>	-	-	-	<b>14</b>	-	-	-	<b>27</b>

**(j) FIXED ESTABLISHMENT**

Total Number of Employees	=	815
Contractual	=	6
Temporary posts	=	15
Total vacant post per Oganogramme (80 vacant posts were not budgeted for)	=	235
Total vacant posts budgeted for but not filled	=	155

**(k) MEDICAL AID SCHEME'S INFORMATION: MEMBERSHIP NUMBERS**

KEY HEALTH	=	89
BONITAS	=	84
SAMWUMED	=	58
LA HEALTH	=	14
COMMED	=	03
HOSMED	=	03
SPECTRAMED	=	01

**(l) PENSION FUNDS INFORMATION: MEMBERSHIP NUMBERS**

Municipal Gratuity Fund (MGF)	=	391
Municipal Employees Pension Fund (MEPF)	=	230
SAMWU National Provident Fund (SAMWUNPF)	=	126
National Fund for Municipal Workers (NFMW)	=	18
Joint Municipal Pension Fund (JMPF)	=	03
Local Government Pension Fund (LGPF)	=	14
Municipal Councilors Pension fund (MCPF)	=	73

## **2.2 LEGAL, ADMINISTRATION & COMMITTEES DIVISION**

### **2.2.1 The functions of this division can be summarized further as follows:**

Properties – selling & leasing of municipal land.

Administration – records/registry section, typing services, house cleaning services, purchase of materials & services, processing of public notices, bidding processes administration; general correspondence activities; writing of reports

Council and its Committees – writing reports, compiling agendas, taking of minutes, compiling and distributing minutes to all heads of departments

Town-planning - land use management through processes of township establishment, rezoning, densification by subdivision, imposing town-planning scheme.

Legal services - liaise with council attorneys in all litigations, disputes, claims against & claims by council, disciplinary cases, legal opinions, assess small claims of value less than excess payment for insurance.

Maintains a law library of government & provincial gazettes, national, provincial & municipal legislation - statutes, ordinances, by-laws & policy guidelines and legal cases/ law reports

Maintains & updates policy documents of local, provincial & national government that apply to municipal powers & functions.

Maintains & updates legislation sources - hard copy & electronic format.

Maintains & updates policy register of council to guide decision making by Council.

Maintains & updates delegation register & other charters in circulation.

### **2.2.2 Objectives 2007/2008 financial year**

The following were the KRAs (Key result areas) for the Legal, Administration and Committees Division for 2007/8

#### Legal support services and legislation

Finalise Phase 1 of By-law review project

Commence with Phase 2 of By-law review project

Revise, update and consolidate Delegation Codex

Assign delegations in terms of Municipal Finance Management Act, 2003

Implement contracts register for contracts between municipality and its service providers

Land Use Management

Implement process for township development to provide residential, commercial and industrial stands to meet growth demand

Complete extension of Town-planning Scheme for whole jurisdiction

Develop Land Use Management Plan

Develop Land Use Rights Data base

Property Administration

Implement Contracts Register of municipal land leases

Implement Register of Immovable Municipal property

General Administration and Procedures

Source suitable electronic records management system

Implement manual tracking system at registry offices

Secretariat and Committee Services

Investigate electronic resolution register

Bind all official agendas and minutes of Council and Executive Committee

Achievements for 2007/8 KRAs

See chapter 5 of this report for complete information about achievements of KRA's.

Challenges experienced 2007/8 financial year

Staff capacity, both in respect of vacant posts and competencies lead to under achievement of the KRA's especially on the level of By-law review and Delegation and Policy Codex updates. Administration is comprehensive and time consuming and the vacant posts impacted negatively on achieving the goals set for the financial year

**2.2.3 Operational Objectives 2007/8 for Legal, Administration and Committee Division**

Outputs, Achievements and Challenges

**Legal and Property Section**

**(a) Prosecution Services**

13 employees were prosecuted, of which:

4 were dismissed from service

1 dismissal is in arbitration process

1 staff member was demoted

3 staff members received a written warning

1 staff member was referred for Employee Assistance Program

1 staff member was referred for EAP and had to refund Council's money

1 staff member was put on ten days' suspension

1 staff member was transferred to another section in the same department

**(b) Claims against Council**

25 legal claims, amounting to R686 290,72 were lodged against Council.



**(c) *Permission to Occupy Certificates***

Makhado Municipality received and processed applications for PTO's for both residential, business and other purposes and forwarded it to Department of Local Government and Housing for final approval.

Applications received	356
Applications approved	72
Applications outstanding	284

**(d) Property Sales*****Elti Villas Extension 1 town***

Of the 152 residential erven available in Elti Villas Extension 1 township, a number of 130 was sold on 25 April 2008 being the day of the public auction. Purchasers had 28 days within which they had to deliver guarantees for the purchase prices fetched at the public auction. By 9 June 2008 the contracts concluded between Municipality as Seller and the Purchasers were all at different stages of the legal process managed by Council's attorneys on behalf of Council.

***Makhado Extension 8***

A number of 77 residential and 3 business erven remains in Council's possession. It was due to be serviced in the 2007/8 financial year and marketed thereafter. However, the Technical Department was unable to service the sites and it could thus not be marketed.

***Makhado Extension 5 township (industrial)***

One (1) stand was sold

Only 3 serviced stands remain available.

***Makhado Extension 9***

The 179 un-serviced stands west of the N1 that were sold by public tender for an amount of R15,3 million to a private developer in 2004/5 is still in progress. The Developer is in final stages of land rezoning to redesign the township layout, consolidate and rezone portions of the land to cater for residential, commercial and hotel and conference facilities. Guarantees were delivered in respect of the purchase price. Transfer of the land will be passed once all Conditions of Sale have been duly met by the Developer.

**(e) Acquisition of Land by Council**

Council purchased erven 2588 and 2589, Louis Trichardt Extension 5 township from C de Wet Family Trust in order to secure the sewer pump station, sewer overflow pond and a number of main sewer lines that run across the erven as municipal assets. The legal transfer of property ownership is being performed by Council's Attorneys, Hammann-Moosa Inc of Louis Trichardt.

**(f) By-laws review project*****GENERAL NOTES as HISTORICAL BACK GROUND (from previous Annual Reports)*****PROGRESS WITH BY-LAW REVIEW PROJECT – 2002 TO NOVEMBER 2006**

1. In respect of the *draft by-laws in (A) and (B) below* that were sent to the Service Provider on 23 May 2006, he responded in a letter which was received on 19 July 2006 together with a CD of newly developed Codex of By-laws. The CD is in possession of Office of Director Corporate Services. This requires **further desk study** to determine the variation with the contents of those which management had already scrutinized and commented on. **The desk study is scheduled for completion in January 2007.** Thereafter the outcome and modus operandi will be discussed at the Management Meeting scheduled for 26 January 2007.

2. The next step would be to have the final drafts of by-laws approved by Council so that one can engage in a public participation / consultation process. A service provider would have to assist with this step of the process and funds provided in the 2007/8 financial year for this purpose. A special council meeting to consider the draft by-laws prior to public consultation will have to be convened.

3. We also have to provide funds for Phase 2 of the By-law project, i.e for the review / repeal of all existing by-laws and proclamations and substituting for new regulations. Funds must be provided in the 2007/8 financial year for Phase 2 of the project.

4. The draft by-laws on

- 4.1 *Outdoor signs*
- 4.2 *Environment: Inflammable Liquids and Substances*
- 4.3 *Public Health: Animal*
- 4.4 *Fences and Fencing*

were not concluded by management at the meetings of 21 April and 7 July 2006 due to the fact that the primary functionary department of that By-law failed to attend the meetings, and also failed to offer any comments through its acting persons, or through written comments. While compiling this progress report their comments have still not been received as requested for at the meetings of 21 April and 7 July 2006. (These by-laws have yet to be discussed by management before comments can be furnished to the service provider – it is anticipated that the discussion will be held in January 2007.)

And the draft by-laws on (7 July 2006)

- 4.5 Property Rates
- 4.6 Parking Meters and Parking Grounds
- 4.7 Heritage Resources and Cultural Institutions
- 4.8 Street Trading

were discussed by management at the meeting of 7 July 2006. The comments and amendments have not yet been sent to the service provider as it has to be aligned first with the contents of the CD that was received on 19 July 2006 from the service provider. This desk study is scheduled for January 2007.

5. This by-law review project commenced in 2002. Department Corporate Services took the project over during September 2005. The By-law project is listed as a KPI for the Director Corporate Services, the Manager Municipal Secretariat and the Assistant Manager Legal and Administration for the 2006/7 financial year and beyond – as such the monitor and control is part of the PMS of this Department.

The following is a summarized schedule of the activities related to the By-law project as such-

(A)	<u>DRAFT BY-LAW</u>	<u>Accepted as draft by Council</u>
	1. Rules and Orders	2004
(B)	<u>DRAFT BY-LAW</u>	<u>Public consultation undertaken</u>
	None	None
(C)	<u>DRAFT BY-LAW</u>	<u>Date: 1st management discussion</u>
	1. Land and Buildings: Aerodrome	31 August 2005
	2. Public Health: Livestock Market	31 October 2005
	3. Municipal Facilities: Hiring of Municipal Premises and Amenities	28 October 2005
	4. Municipal Facilities: Sporting	28 October 2005
	5. Municipal Facilities: Library	18 January 2006
	6. Regulation of Conditional Study Grants for Employees	18 January 2006
	7. Supply Chain Management	18 January 2006
	8. Customer Care and Revenue Management	18 January 2006
	(The amended versions of 1 <sup>st</sup> draft discussions were sent to service provider Prof Van der Bergh per courier on 23 May 2006.)	
(D)	<u>DRAFT BY-LAW</u>	<u>Date: 1<sup>st</sup> management discussion</u>
	1. Outdoor signs	Not yet concluded - DTS absent
	2. Inflammable Liquids and Substances	Not yet concluded - DTS absent
	3. Environment: Waste Management (Non hazardous)	21 April 2006
	4. Environment: Parks, Gardens & Open Spaces	21 April 2006
	5. Environment: Caravan Park	21 April 2006
	6. Municipal Facilities: Cemeteries	21 April 2006
	7. Land and Buildings : Aerial Systems	21 April 2006

8. Public Health: Fumigation 21 April 2006  
 9. Public Health: Pre-school Institutions 21 April 2006  
 (The amended versions of 1<sup>st</sup> draft discussions were sent to service provider Prof Van der Bergh per courier on 23 May 2006.)
- (E) DRAFT BY-LAW Not applicable to LM  
 1. Emergency Municipal Services: Fire Brigade
- (F) DRAFT BY-LAW Date 1<sup>st</sup> management discussion  
 1. Property Rates 7 July 2006  
 2. Parking Meter and Parking Grounds 7 July 2006  
 3. Heritage Resources and Cultural Institutions 7 July 2006  
 4. Street Trading 7 July 2006  
 (The amended drafts have yet to be sent to the service provider – it is pending conclusion of the other outstanding drafts as in (G) below, as well as the desk study of new Codex received on 19 July 2006 from service provider)
- (G) DRAFT BY-LAW Date 1<sup>st</sup> management discussion  
 (21 April & 7 July 2006)  
 1. Outdoor signs Primary department absent when  
 2. Environment: Inflammable Liquids meetings were held – still and  
 Substances awaiting their written comments  
 3. Public Health: Animal (Director Technical Services)  
 4. Fences and Fencing  
 (Upon receipt of written comments will be processed further and furnished to service provider per courier.)
- (H) EXISTING OLD LTT BY-LAWS All listed for review  
 See Extract of Records File Plan Index as list of old Phase 2 of project  
 LTT existing 54 By-laws. These are all scheduled for review in Phase 2 of the Project but Phase 1 must first be concluded (see Annexure B)
- (I) FORMER TRCs AND part of TRCs All listed for review  
 1. R 293 dated 1962 Phase 2 of project  
 2. R 16 dated 1992  
 3. R 188 dated 1969  
 4. R 49 dated 1991  
 5. R 35 dated 1993

\* \* \* \* \*

**STATUS OF BY-LAW REVIEW PROJECT AS ON 30 JUNE 2008**

Only one (1) Makhado Local Municipality By-law was promulgated on 31 August 2007, i.e. Local Authority Notice No 228 on page 34 of Limpopo Provincial Gazette No 1391 dated 31 August 2007 – Rules and Orders, 2007.

A second (2<sup>nd</sup>) Makhado Local Municipality By-laws was adopted by Council during the 2007/8 financial year for implementing in the 2008/9 financial year, i.e. the Municipal Property Rates By-law, 2008 which was promulgated in the Limpopo Provincial Gazette No. 1523 on 25 July 2008 per Local Authority Notice No 216, page 34 of the said Gazette. This By-law was developed in conjunction with Council's service provider in the Financial Department as part of the Valuation Roll project under Tender No 49 of 2005 and was concluded simultaneously with the conclusion of the Valuation Roll project which became effective 1 July 2008.

**CHALLENGES****By-law project**

No other progress can be reported on this KPI

This project was also listed for assistance by DLGH as in house capacity is inadequate

**(g) Town Planning Section**

Building plans processed by Town-planning section for the period up to 6 February 2008-

Business – 7

Residential – 71

R293 towns & rural villages – 39

The Director Technical Services keeps a register of building plans actually approved; reference to total approved plans in the 2007/8 financial year will be reflected in the report of Department Technical Services

**(h) Approval of:**

Use	Engineering Services Contributions
Re-zonings	21
Subdivisions	41
Special consent uses	20

Maintained and updated the Town Planning Scheme.

Maintained and updated all registers required for town planning / land use management

Coordinated project of extending Town-planning Scheme to cover municipal area

Coordinated project to develop a Spatial Development Framework and Plan

**(i) *Zoning applications to acquire land use rights received and processed***

Applications outstanding 1 July 2007	Category	Number of applications received 2007/8	Total valuation of applications received Rand	Applications outstanding June 2008
0	Residential new	0	Values not available	0
0	Residential Additions	9	Values not available	0
0	Commercial (Business)	4	Values not available	0
0	Industrial	0	Values not available	0
0	Other Special for guest house	3	Values not available	0
	Subdivision (densification)	35		0
	Special consent use business & other)	17		0
	Consolidations of land	6		0
	Comments on land use change applications to provincial authority (business rights on farm lands)	8		0
	Township establishment applications received (private)	4		
	Township established (DLGH)	1		

**REMARK:**

1. No backlog in approval of rezoning applications of which Municipality is an authorized authority at beginning or end of financial year. The delegation system was maximized to streamline the consideration process in categories of the level of Departmental Head, Municipal Manager and Executive Committee. Only in a case of objections received would the matter be submitted to full Council (in session) according to fixed procedure dictated by Ordinance.
2. Land zoning application process is dictated by Town-planning and Townships Ordinance, 1986 in terms of Town-planning Scheme-in-operations in respect of the Town-planning scheme

**(j) Township Establishments**

Processed 4 applications of which 3 were for private township establishment.

**(k) Land Claims**

Participated as stakeholder / service provider in a number of investigations and stakeholder meetings conducted by the Land Claims Commissioner 8 land claims were registered to witt-

Tshivhula, Musingadi, Ndouvhada, Rambuda, Makwatambani, Funyufunyu, Neluvuvhu and Matshisevhe.

**Other functions performed****(l) Peri-urban Electricity Supply Agreements & Way Leave Agreements**

Completed new contracts and supply agreements for 48 new consumers

An additional 13 consumers enlarged their existing supply capacities and 61 contracts and 61 way leave agreements were processed for this purpose.

Maintains a contract and supply agreement register to keep track of document movement.

**(m) Project management**

The administration was responsible to manage projects such as the compilation of the Valuation Roll 2007-1011. The project was completed under Tender 49 of 2005 when the Valuation Roll 2008-2012 became a duly certified roll to implement with effect of 1 July 2008. The remainder of the Contract, i.e. Compiling Supplementary Valuation Rolls and correcting bona fide errors in the Roll then became the task/portfolio of the financial officer dedicated to this task.

**(n) Leasing of municipal halls & facilities**

Facility	Frequency of use
Show Hall	77
Rissik Street Facility	13
Beer Garden	26
Other halls & Show Ground	165
Library Activity Room	2
Tshikota Hall	19
Muduluni Hall	79
Ravele Hall	0
Sports Hall	4
Parking area behind Edgars	15

**(o) Department's occupational health & safety duties**

The Director is chairperson elect of the department's Occupation and Health Safety Committee – 12 meetings were held and attended 12 Central Occupational Health and Safety Meetings. Ms C de Waal was elected chairperson of the Departmental Safety Committee until 30 May 2008.

**(p) Committees & Administration**

Meetings held:

Meetings	Number	Reports considered
Portfolio Committee meetings	52	361
Executive Committee meetings	37	361
Council Meetings	14	36
Tender Adjudication meetings (as final process of Bid Committees consisting of the Specifications Committee, the Assessment Committee and the Adjudication Committee)	16	58

Number of reports considered at meetings 361 plus 58 at three different forums each. The return of meetings attended by Councilors are reflected elsewhere in this report on page 41.

**(q) Ward committee elections**

No ward committee elections took place in 2007/8 financial year.

**(r) Typing services**

Two typists are responsible for this function. All items and minutes of agenda work and all other typing work are generated in this office. This office performs core function without which Council would not be able to take decisions based on full information as neatly set out in Council documents by the typing office.

**(s) Purchases & payments - Stationary and materials**

Altogether 265 requisitions were processed for purchase of materials and payment of invoices generated by this department. This department stocks general stationary such as amongst others paper for use by all other departments.

**(t) Messenger services**

Deliveries of agendas and other documents at least on a weekly basis to 76 Councilors and 14 Traditional Leaders that have a sitting in Council as Ex-Officio members.

## 2.3 INFORMATION AND COMMUNICATION TECHNOLOGY

### 2.3.1 Objectives for 2007/8

Wireless connection of remote offices  
Municipal Website

### 2.3.2 Wireless Project

The Regional Offices of Vuwani, Waterval and Makhado were connected through the radio link wireless project. Challenges were experienced with connecting Dzanani Regional Office due to geographical hindrances.

2.3.3 Website

The Municipal website went live during March 2008 after the contract for the job had been allocated June 2005 already. Many challenges were encountered with the service provider until results were ultimately delivered in March 2008.

2.3.4 Operational achievements**(a) Telephone services**

Five operators render this service viz two at head office and one in each of the other regions

Civic Center, Makhado

Incoming calls 233 806

Outgoing calls 169 188

Regional offices do not have statistics due to telephone system.

(b) The 3 staff members of this section render a full support service to 250 end user work stations on continuous day to day basis, including remote pay points in the regions.

(c) The section takes care of 10 servers that run nine (9) respective software systems which are administered by the System Administrators for three different user groups.

2.4 **Meetings attended by Councilors – this information relates to paragraph 2.2.3(p) and informs on the attendance of meetings by councillors****(a) COUNCIL MEETINGS FROM 1 JULY 2007 TO 30 JUNE 2008: 14**

NAMES	PRESENT	APOLOGY	ABSENT
1. BALADZI P	12	2	
2. BALOYI R.S.	9	1	4
3. BOPAPE M.B.	11	1	2
4. CHAYA A.A.	14	1	
5. DU PLOOY A	10	5	1
6. DZHOMBE J	11	2	1
7. GUNDULA A.S.	14		1
8. HELM M.A.	10	2	2
9. HLONGWANE B.F.	8	2	5
10. HONWANA X.N.C	9	1	4
11. KHUMALO J.D.	11	1	2
12. LEBEA M.E.	13		1
13. LOWANE L.B.	12	2	
14. MABILA N.K.	13	1	3
15. MABOHO N.K.	13	1	
16. MABOHO T.E.	13	1	
17. MACHOVANI R.G.	10	2	2
18. MADUWA E.	13	1	
19. MAGUGA S.G.	11	1	1
20. MAHANI M.F.	11	3	
21. MAHLAULE N.V.	9	3	1
22. MAHWAI S.J.	11	2	1
23. MAKANANISE M.M.	11	2	1

NAMES	PRESENT	APOLOGY	ABSENT
24. MAKHADO M.M.	14		
25. MAKHADO M.N.	13		1
26. MAKHERA M.A.	14		
27. MAKHOMISANI S.E.	12	2	
28. MAKHUBELE R.T.	13	1	
29. MALETE D	13		1
30. MANGANYI S.D.S.	10	2	2
31. MAPHALA O.S.12	13	1	
32. MASHABA T.G.	12	2	
33. MASHAMBA H.A.	10	2	2
34. MASHAU L.P.	12		2
35. MASHELE W.N.	9	3	2
36. MASUKA S.	10	3	1
37. MATAMELA N.S.	11	1	2
38. MATODZI A.N.	11	3	
39. MATUMBA J.	12	1	1
40. MAUBA K.D.	13	1	
41. MAVHUNGU K.	12	2	
42. MBOYI M.D.	13		1
43. MUDAU T.J.	14		
44. MUFAMADI A.J.	13	1	
45. MUKHAHA A.J.	12	1	2
46. MULOVEDZI M.D.	14		
47. MUNUNGUHALA M.L.	12	1	1
48. MUROVHI N.J.	9	1	3
49. MUTAVHATSINDI F.D.	14		
50. MUVHUMBE M.A.	14		
51. NCHAUBA T.G.	14		
52. NDHLIWAYO B.T.	14		
53. NEMALEGENI P.R.J.	1		4
54. NEPHawe K.P.	14		
55. NGOBENI E.H.	13	1	
56. NGOBENI N.E.	12	2	
57. NGWANA A.G.	9	4	1
58. NKANYANI R.G.	7	5	0
59. NTHULANE L.T.	12	1	1
60. PHASWANA P	10	2	2
61. RADAMBA M.S.	14		
62. RAMASHIA N.G.	11	1	2
63. RAMUDZULI S.D.	11	2	1
64. REKHOTSO S.M.	13	1	
65. REYNEKE P.Q.	8	4	2
66. RIKHOTSO F.J.	12	1	1
67. RUMANI F.F.	10	4	
68. SELEPE M.R.	14		
69. SIKHUTSHI P.	10	2	2
70. SIPHUMA A.L.	13	1	
71. SMALLE J.F.	12	2	
72. TSHAVHUYO T.G.	14		
73. <b>SPEAKER : J HOORZUK</b>	14		



<b>Traditional Leaders</b>	<b>Present</b>	<b>Absent</b>	<b>Apologies</b>	<b>Traditional Leaders</b>	<b>Present</b>	<b>Absent</b>	<b>Apologies</b>
<b>HOSI MAKHARI T.J.</b> (ELIM-SHIRLEY TRADITIONAL AUTHORITY)	5	9		<b>KHOSI MASHAMBA N T L</b> (MASHAMBA TRADITIONAL AUTHORITY)	5	9	
<b>HOSI BUNGENI M S</b> (BUNGENI TRADITIONAL AUTHORITY)	2	12		<b>HOSI MUKHARI S T</b> (NKHENSANI (CHAVANI) TRADITIONAL AUTHORITY)	4	10	
<b>KHOSI MULIMA S A</b> (MULIMA TRADITIONAL AUTHORITY)	5	9		<b>HOSI BALOYI J</b> (RIBUNGWANA TRADITIONAL AUTHORITY)		14	
<b>KHOSI MASAKONA M C</b> (MASAKONA TRADITIONAL AUTHORITY)	3	11		<b>KHOSI RAMABULANA V C</b> (NTHABALALA TRADITIONAL AUTHORITY)		14	
<b>HOSI MAJOSI H M</b> (KHOMANANI TRADITIONAL AUTHORITY)	2	12		<b>KHOSI MASHAU T R V</b> (MASHAU TRADITIONAL AUTHORITY)	7	7	
<b>KHOSI MADZIVHANDILA</b> (TSHAKHUMA TRADITIONAL AUTHORITY)	3	11		<b>KHOSI NETSIANDA M W</b> (TSIANDA TRADITIONAL AUTHORITY)	2	12	
<b>KHOSI NESENGANI T P</b> (NESENGANI TRADITIONAL AUTHORITY)	9	5		<b>KHOSI SINTHUMULE S E</b> (SINTHUMULE TRADITIONAL AUTHORITY)	8	6	

## PORTFOLIO COMMITTEES FOR THE PERIOD JUNE 2007 TO JULY 2008

### (b) CORPORATE SERVICES (MEETINGS 22)

<b>NAMES COUNCILLOR</b>	<b>PRESENT</b>	<b>APOLOGY</b>	<b>ABSENT</b>
1. MUDAU T.J	21	1	
2. NEPHAWE K.P	10	3	9
3. SIKHUTSHI P	7	3	8
4. MAHANI M.F.	9	4	4
5. NGOBENI N.E.	12	2	3
6. PHASWANA P	10	4	4
7. NTHULANI L.T	8	5	9
8. MATAMELA N.S.	7	6	5
9. RADAMBA M.S.	16	1	5
10. HLONGWANI B.I	4	6	12
11. HELM M		1	3
12. MAUBA K.D.	4		
13. MABILA M.N.	3		1
14. MAKHADO M.M	2	2	

**(c) FINANCE (MEETINGS 18)**

<b>NAMES</b>	<b>PRESENT</b>	<b>APOLOGY</b>	<b>ABSENT</b>
1. MASHABA T.G.	11	7	
2. MATODZI A.N.	8	8	2
3. MAKANANISE M	13	3	2
4. LEBEA M.E.	4	7	7
5. MUKHAHA A.J.	14	2	2
6. MUVHUMBE M.A.	10	2	2
7. MAKHADO M.M	12	4	2
8. PHASWANA P	13	4	1
9. MASHAU L.P	17		1
10. SMALLE J.F.	11	5	2
11. MASHELE J.F.			4
12. NKANYANI	1	1	2

**(d) TECHNICAL SERVICES (MEETINGS 9)**

<b>NAMES</b>	<b>PRESENT</b>	<b>APOLOGY</b>	<b>ABSENT</b>
1. MUVHUMBE A	5	2	1
2. MAVHUNGU K	3	2	4
3. BOPAPE M.B.	4	2	2
4. RUMANI F.F.	2	2	5
5. LEBEA M.E.	5	1	3
6. MAKANANISE M.M	5	2	2
7. MUTAVHATSINDI F.D	5	2	2
8. BALOYI R.S.	4	1	4
9. SMALLE	7	2	
10. MASUKA S	3	1	4

**(e) LOCAL LABOUR FORUM (MEETINGS 5)**

<b>NAMES</b>	<b>PRESENT</b>	<b>APOLOGY</b>	<b>ABSENT</b>
1. SIKHUTSHI F	2		2
2. MAHANI M.F.	1		3
3. NGOBENI N.E.	2		3
4. MAUBA D	3		
5. NEPHAWE	3		2
6. MAKHADO M.M			2

**(f) RULES ETHICS (MEETINGS 3)**

<b>NAMES</b>	<b>PRESENT</b>	<b>APOLOGY</b>	<b>ABSENT</b>
1. HOORZUK	3		
2. MAGUGA S.G.	3		
3. RAMASHIA M	3		
4. MAKANANISE M.M.	1		1
5. MATODZI A.N.	1	1	1
6. MAVHUNGU K	1		2
7. MASHAU L.D.	3		

NAMES	PRESENT	APOLOGY	ABSENT
8. HONWANA C	2		1
9. RADAMBA M	1		2
10. DU PLOOY	2		
11. MUFAMADI	1		
12. MAHLAULE			1

**(g) NAMING COMMITTEE**

NAMES	PRESENT	APOLOGY	ABSENT
1. MUDAU T J	3		
2. MASHAU L.P.	3		
3. PHASWANA P	2		1
4. MANGANYI SDS	2		
5. HLUNGWANE B.F.	1		1
6. MALETE D	1		11
7. RIKHOTSO	12		
8. MUFAMADI			
9. MAHWAI	11		1
10. MADZIVHANDILA	1		1
11. MUKHARI	1		
12. SIKHUTSHI			

**(h) COMMUNITY SERVICES (MEETINGS 1)**

NAMES	PRESENT	APOLOGY	ABSENT
1. LOWANI L	1		
2. MAHWAI S.J.	1		
3. DZHOMBE J	1		
4. MULOVEDZI D	1		
5. MBOYI D			1
6. MATUMBA J			1
7. REKHOTSO S.M			1
8. MAKHADO M.N.			1
9. MASHAU L.P	1		
10. GUNDULA S			1

**(i) EXECUTIVE COMMITTEE (MEETINGS 40)**

NAMES	PRESENT	APOLOGY	ABSENT
1. MASHABA	36	4	
2. MUVHUMBE	35	5	
3. LOWANI	35	3	2
4. MABILA	10		
5. MAKHOMISANI	30	8	2
6. MUDAU	35	3	2
7. NKANYANI	5	4	1
8. RYNEKE	27	7	6
9. SMALLE	34	4	2
10. MASUKA	24	5	11
11. MUTAVHATSINDI	25	2	3
12. MATAMELA	20	4	6

### **3. DEPARTMENT OF BUDGET AND TREASURY (FINANCE)**

#### **3.1 OFFICE OF BUDGET AND TREASURY**

During the 2007/8 financial year the Makhado Municipality acquired the service of a private firm, Akhile, to review the organizational structure of the Budget and Treasury Office

The firm came up with a proposed organizational structure which was approved by the Council as per council resolution no: A.72.25.10.07

The Office of the Budget Treasury is divided into four functional areas:

- \*.Revenue Division
- \* Expenditure Division
- \* Supply Chain
- \* Financial Control Division

##### **3.1.1 REVENUE DIVISION**

The Division is managed by the Assistant Manager, as the Manager has not yet been appointed as per new organizational structure. Total Incumbents under this division is 40

The main Functions under this division are Revenue Management and Debtors control.

This division is responsible for the collection of revenue due to the municipality. It is also responsible for ensuring that all outstanding debts due to the municipality are collected. The financial statements for the year under review are attached for easy reference.

##### **3.1.2 EXPENDITURE DIVISION**

The Division is managed by the Assistant Manager: However as per new organizational Structure, it will be managed by the manager: Expenditure which is still vacant. The Total Incumbents under this Division are 13 as per approved by the Organizational Structure.

The Expenditure Division comprised of the Salaries and Creditors Sections. During the year under review, the Expenditure Division preformed well in making sure the payment to Creditors and Salaries are paid timeously. However, the provisions of the MFMA were ignored as payments were made immediately instead of them being made in 30 days. Early payment should have been made only to take advantage of discounts.

An irregular payment of R1373 366.00 occurred during the year under review. The amount was recovered and disclose as required by the Municipal Finance Management Act in note 25 in the Annual Financial Statement.

The personnel under this division need training, especially on control of expenditure so as to avoid breakdown in internal control.

### 3.1.3 SUPPLY CHAIN MANAGEMENT DIVISION

The Division has never been operating properly since most Incumbents were on acting capacity. Therefore, the implementation of the Municipal Finance Management Act: Policy and Regulation on Supply Chain Management was not satisfactory at all.

Supply Chain Management Policy was compiled and submitted to the Council, but there is no resolution to indicate that it was approved.

Members of the Bid Committees i.e., specification, Evaluation and Adjudication were appointed by the Municipal Manager in terms of Municipal Finance Management Act during the year under review.

Bids are processed through this committees and approval of such Bids are done by the Municipal Manager as the Financial delegation of powers have not yet been finalised and signed for by the delegated officials at 30 June 2008

Bids that were awarded during the year under review are as follows

<b>BID NO</b>	<b>PARTICULARS</b>		<b>AMOUNT</b>
26/2007	Mayoral Vehicle	Bridge Auto	R497000
25/2007	Maintenance and operational of all Council Air Conditioners	Belta Service	R1379.40 per unit
22/2007	Drafting of Job Descriptions in Format TASK	Expectra 982	R191 500
21/2007	Fleet Management system with full Maintenance Plan	Bridge Auto Fleet	R312 200 pm for five years
20/2007	Meter Reading Services	Matla Engineering(pty)Ltd	R41.64 EXC VAT METER
29/2007	Short Term Insurance	Forbes Risk Services PTY LTD	R862 759 FOR PERIOD OF 1 JULY to 30 JUNE 2008
1.17.10.07	Electrification of Mashamba, ward Extended Appointment of Engineers and Contractors	Usizo Engineering iand Brightside Electrical	R3000 000

33/2007	Refuse Removal at Vleutonten R293Town	Mr Mudau NG	R8023.40
34/2007	Refuse Removal at Vuwani R293 Town	Nange Security and Safety	R4709.84
35/2007	Cutting, Cleaning of overgrown stand at Makhado	Thavhana General Trading	R185.00 PER Stand
36/2007	Dzanani Transfer Station	Vhembe Shakes Trading	R100.00
37/2007	Vleitontein Transfers station	Vleitontein Refuse Removal	R100.00 per month
38/2007	Vuwani Transfer Station	LTT Handelaars cc	R450.00
39/2007	Vondeling Dumping Site	LTT Handelaars cc	R4100.00
12/2007	MG Projects	4MeConsulting	
(01)	Musekwa Multipurpose Centre	Engineers and Projects	R5000 000
(02)	Upgrading and Surfacing of streets: Joe Slovo, Vleitotein: Consulting Services	Namurango Consulting Engineers	R5400.00
(03)	Vuwani Internal Street Surfacing	Kulani Consulting Engineers	R4000.000
(04)	Makhado Graveyard Extention	Victor Consulting Engineers	R1900.000
(05)	Louis Trichardt Rehabilitation of streets	Namurango Consulting Engineers	R2000.000
(06)	Tsianda toVuwani access road	SGL Consulting Engineers	R6000.000
(07)	Eitivillars Street Rehabilitation Centre	T2 Tech Consulting Engineers	R3000.000
(08)	Dzanani Town Side walk	Nemurango	R5000.000
28/2007	Supply and Delivery of Protective Clothing for 2007/8	Chimuranga Traders	

32/2007	Auto Electrical Repairs and Battery Replacement on Municipal Vehicles	Jai Jai Auto Centre	
40/2007	Relocation of a firm 15 MVA 22/66 KV Substation from Makhado Main Sub to Rivolwa Sub near Elim	Net group Pty Ltd	R517312.05
41/2007	Upgrading of a firm 3.5 MVA 66/22 Beaufort Substation appointing of Professional Electrical Consultant	IPES Projects	R835965.11
45/2007	Supply and Delivery of Calendars and Diaries	Thina Printers and Distributors	R98050
46/2007	Appointment of a Valuer for Valuation of Council Properties	S Rudolph Valuer	
48/2007	Supply and Delivery of a Photocopying Papers	Mulweli Catering Cleaning and Supplier of Chemicals	
7/2007	Event Management Makhado Annual Show	Mvelelo Events	Entrance fee R30.00 Adults and R20.00 Student 20% of audited profit to charity of council choice
52/2007	Rehabilitation of Streets Industrial Area: Louis Trichardt	David Diva Construction	R1713647.03
53/2007	Upgrading and SURFACING OF streets Joe Slovo, Vleitontem Township	Capstand Trading 215	R4 799 218.47
1.17.03.08	Supply and Delivery of material to repair potholes: Roads	Humbulani Trading Enterprise	R256 000
01/2008	Sheets Rehabilitation Eltivillas Township	Collys Agro processing Projects	R1 598 878.16
03/2006	Supply and Delivery of 1x2MVA (22/11KV Transformer, Electricity Division	Destapower Matla	R481 647.72
5/2008	Musekwa Multipurpose Centre :Dzanani Region	Maitazwitoma/Indlovu JV	R4010 105.60

6/2008	Electrification of Rabali, Mukhethakhetha, Pfumbada, Majozi, Tshituni, Mapakhophele and Gave Villagers: Appointment of Professional Electrical Consultant	Lusovu Consulting Services	R1 877 120.00
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### 3.1.4 FINANCIAL CONTROL DIVISION

The Division has under during the year of the Review, compiled and monitor the Budget through compilation of the year monitoring reports in terms of sections 71 of the Municipal Finance Management Act.

The section has also performed factions of compiling Back reconciliation Manage cash flow and Investment. The Division under the control of the Manager: Financial Control. The Division is composed of Seven Positions

The Annual Financial Statement were compiled and submitted by the Municipal Financial Management Act. The Annual Financial Statement as presented are reflected in Chapter 4.

### 3.2 AUDIT REPORT 2007/8 FINANCIAL YEAR

The requirement in respect of the audit was not met due to the fact that the audit committee did not meet as required by Municipal Finance Management Act.

Their term has expired and advertisement was made and it's only a matter of time that credible audit committee members are appointed.

The contract of the internal audit function has expired and it was extended on month to month basis to ensure that there is no breakdown in internal control. The Municipality is to establish this unit in-house during the review of the organogram which will start during the 2008/9 financial year.

The report of the auditor general is reflected in Chapter 4. The Municipality has an adverse audit opinion during the year under review. This can be seen under section 37 of the report.



# **CHAPTER 4**

## **Audited Statements and Related Financial Information**



## **4.2 REPORT OF THE AUDITOR-GENERAL TO THE LIMPOPO PROVINCIAL LEGISLATURE AND THE COUNCIL ON THE FINANCIAL STATEMENTS OF MAKHADO MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2008**

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Introduction**

1. I have audited the accompanying financial statements of the Makhado Municipality which comprise the statement of financial position as at 30 June 2008, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages [xx] to [xx].

#### **Responsibility of the accounting officer for the financial statements**

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting determined by the National Treasury, as set out in accounting policy note 1 and in the manner required by the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and Division of Revenue Act, 2007 (Act No. 1 of 2007 (DoRA). This responsibility includes:
  - designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
  - selecting and applying appropriate accounting policies
  - making accounting estimates that are reasonable in the circumstances.

#### **Responsibility of the Auditor-General**

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with the International Standards on Auditing and *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance on whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
6. An audit also includes evaluating the:
  - appropriateness of accounting policies used
  - reasonableness of accounting estimates made by management
  - overall presentation of the financial statements.

7. Paragraph 11 *et seq.* of the Statement of Generally Recognised Accounting Practice, GRAP 1 *Presentation of Financial Statements* requires that financial reporting by entities shall provide information on whether resources were obtained and used in accordance with the legally adopted budget. As the budget reporting standard is not effective for this financial year, I have determined that my audit of any disclosures made by the Makhado Municipality in this respect will be limited to reporting on non-compliance with this disclosure requirement.
8. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Basis of accounting**

9. The municipality's policy is to prepare financial statements on the basis of accounting determined by the National Treasury, as set out in accounting policy note 1.

### **Basis for qualified opinion**

#### **Corresponding figures**

10. In my previous audit report dated 10 June 2008 I was unable to express an audit opinion on the financial statements of the municipality for the year ended 30 June 2007. The qualification matters have not been resolved while no alternative procedures were possible and my audit report is modified regarding the corresponding figures as discussed hereunder.

#### **Unauthorised expenditure**

11. The prior year actual expenditure of R272.3 million exceeded the adjusted budgeted expenditure of R251.6 million by R20.7 million. I regard the overspending of R20.7 million as unauthorised expenditure in terms of the definition provided in section 1(1) of the MFMA. This unauthorised expenditure was not previously disclosed nor was it brought into consideration when the current year's financial statements were compiled as required by section 125(2)(d) of the MFMA.

#### **Property, plant and equipment**

12. I was unable to confirm or verify by alternative means the existence, completeness, valuation and rights and obligations of property, plant and equipment of R743,6 million recorded in the financial statements due to:
  - With reference to paragraph 9 of this report, the municipality changed their basis of accounting during the year under review which necessitated the unbundling of assets and the restatement of the corresponding figures in the prior year. Although assets were re-valued to their fair values, I was not provided with documentation to support the determination of the values and the process followed.
  - The asset register is not maintained in a logical format to facilitate the verification and identification of the assets of the municipality.
  - Due to inconsistencies between the valuation roll and the asset register of the municipality, land registered in the name of the municipality at R25 million could not be confirmed as being correctly valued in the financial statements.

**Revenue and receivables**

13. Supporting documentation for receipts and receivables were not submitted. There is also an unreconciled and unexplained difference of R22,6 million between the debtors age analysis and the accounts receivable of R68 million as disclosed in note 10 to the financial statements. Consequently I was unable to confirm the occurrence, cut-off, completeness and accuracy of revenue of R148,9 million and the existence, completeness, valuation, allocation and rights to receivables of R68 million.
14. Property rates totalled R9,2 million for the period under review. A reconciliation between the rates base used in the billing system for property rates, and the rates base used in the valuation roll was not performed. I could not be provided with sufficient evidence to satisfy myself regarding the completeness and occurrence of property rates.
15. According to paragraph 1.12.1 of the accounting policies, service charges are based on consumption metered and an estimate of consumption between the latest meter reading and the reporting date. Services income as disclosed in the statement of financial performance of R112,1 million is, however, only based on metered consumption. No estimate between the latest metered date and 30 June 2008 had been made resulting in the understatement of receivables within the financial statements. The records of the municipality did not allow me to calculate the understatement.
16. The municipality did not reconcile the accounting records to the electricity cash power system. I was not able to perform an alternative procedure to determine the completeness of pre-paid electricity of R9,77 million as a report could not be generated from the cash power system.
17. With reference to note 16.1 to the financial statements and the amount of R5,1 million disclosed as the subsidy for the provision of free basic services to indigent community members, sufficient supporting documentation was not provided to ascertain the completeness and classification of the information presented.
18. The classification of income sources disclosed as service income in note 15 to the financial statements is inaccurate compared to the supporting records of the municipality. As a result the revenue allocation of electricity is overstated by an amount of R5,16 million and correspondingly the revenue allocation of water, sewerage and refuse is understated by R2 million, R2 million and R1 million respectively.
19. The municipality did not adequately provide for the provision of bad debts as required by International Accounting Standard (IAS) 39. Based on the current payment history, the provision is inadequate and accounts receivable is overstated by R21,47 million.
20. Supporting documentation for components of other debtors disclosed in note 11 to the financial statements which totalled R3,795 million could not be submitted. I was unable to confirm the existence, rights to, valuation and allocation of other debtors. The records of the municipality did not permit me to perform any alternative procedures.

**Purchases and payables**

21. Included in the trade and other payables balance of R26 million are other creditors of R11,817 million. Supporting documentation could not be provided to verify the existence, obligations, valuation and allocation of the other creditors of R11,817 million.

22. There is an unreconciled and unexplained difference of R2,159 million between the Value Added Tax (VAT) returns and the VAT creditor balance of R2,8 million. I was unable to confirm the completeness, valuation, allocation and rights to or obligations in respect of the VAT balance of R2,8 million.
23. Current liabilities within the statement of financial position had been understated by an amount of R1, 79 million which consists of retention creditors of R1, 2 million that were not recorded, and an under-provision for staff leave of R583,713. General expenditure is understated by the same amount.
24. Bulk purchases as disclosed in note 20 to the financial statements have been understated by an amount of R4,978 million as an unexplained difference existed between the disclosed amount and the accounting records of the municipality. I was unable to perform alternative procedures to determine the allocation and classification of bulk purchases amounting to R46,638 million as disclosed in note 20 to the financial statements.

#### **Irregular expenditure**

25. The municipality has omitted to disclose irregular expenditure of R378,516, which was incurred during the financial year. This is contrary to section 125(2)(d) of the MFMA, which requires disclosure of irregular expenditure in the annual financial statements.

#### **Cash and bank**

26. The bank reconciliation statement does not reconcile to the bank balance per the general ledger. The bank overdraft disclosed in the financial statements was overstated by R5,57 million.
27. The bank reconciliation includes unrecorded items of R13,899 million. As a consequence, I was unable to satisfy myself as to the valuation, allocation and completeness of the bank balance of R7,896 million disclosed in the annual financial statements.

#### **Accumulated surplus**

28. The accumulated surplus balance was adjusted by R8,17 million in the current financial years' accounting records. Supporting documentation for the adjustment was not provided. Furthermore, the corresponding figures in the statement of financial performance have not been restated as required by the Statement of Generally Recognised Accounting Practice (GRAP) 3.49. Consequently, I was unable to satisfy myself as to the completeness, existence, valuation and rights to the accumulated surplus balance of R549,7 million.

#### **Grants and subsidies**

29. The statement of changes in net assets is incorrect as transfers of R15,6 million from reserves were incorrectly set off to the accumulated surplus. As a result depreciation and the current year surplus is understated by R29,2 million and the depreciation offset is understated by R44,878 million.
30. Assets of R25,26 million, purchased with grants have not been transferred to grant reserves. As a result grants and reserves are understated and accumulated surplus is overstated by R25,26 million.

31. Transfers of R15,6 million do not agree to the amounts in the fixed asset register. As a result grants and reserves are understated by R808,401.
32. Assets financed from grants and reserves amounting to R225,757 million do not reconcile to the amounts disclosed as grants and reserves in the financial statements. As a result grants and reserves are understated by R37,878 million.

### **Inventory**

33. I observed the count of physical inventories on 25, 26 and 27 June 2008. The amount disclosed within the financial statements differs from the period-end variance report by R369,644. As a result, inventories are overstated and expenditure is understated by R369,644.

### **Capital Commitments**

34. Property, plant and equipment under construction of R17,38 million as per Appendix D to the financial statements, is incorrectly disclosed as capital commitments in note 27 to the financial statements. The records of the municipality did not permit alternative procedures to determine the correct value of the commitments to be disclosed in the annual financial statements.

### **Cash flow statement**

35. Information on the cash flow statement that includes cash receipts from ratepayers, government and other; cash paid to suppliers and employees and non-cash adjustments as per Note 22 of R286,9 million; R249,948 million and R6,39 million respectively, cannot be linked to other information to ascertain the classification and accuracy of the information presented.

### **MFMA disclosure**

36. With reference to note 26.6 to the financial statements, no amounts are disclosed as councillor's consumer accounts in arrears as required by section 124(1)(b) of the MFMA. The accounting records of the municipality did not permit me to quantify the value that should be disclosed in the annual financial statements.

### **Adverse opinion**

37. In my opinion, because of the significance of the matters described in the Basis for adverse opinion paragraphs, the financial statements do not present fairly, in all material respects, the financial position of the Makhado Municipality as at 30 June 2008 and its financial performance and cash flows for the year then ended, in accordance with the basis of accounting determined by the National Treasury, as set out in accounting policy note 1.

### **Emphasis of matter**

I draw attention to the following further matter:

### **Amendments to the applicable basis of accounting**

38. As set out in accounting policy note 1.1 the National Treasury approved a deviation from the basis of accounting applicable to the municipality in terms of *General Notice 552 of 2007* issued in *Government Gazette 30013 of 29 June 2007*.

## OTHER MATTERS

I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

### Non-compliance with applicable legislation

#### Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998) (Structures Act)

39. Section 84(1) of the Structures Act regulates the functions and powers of a district municipality which includes the provision of potable water supply systems as well as systems for domestic waste-water and sewage disposal. Despite the fact that the Vhembe District Municipality is the water service authority and Makhado Municipality is the water service provider, the municipality accounted for all water and sewerage related transactions in its accounting records.

#### Internal controls

40. Section 62(1)(c)(i) of the MFMA states that the accounting officer must ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The table below depicts the root causes that gave rise to the inefficiencies in the system of internal control, which led to the disclaimer of opinion. The root causes are categorised according to the five components of an effective system of internal control. In some instances deficiencies exist in more than one internal control component.

Reporting item	Control environment	Risk assessment	Control activities	Information and communication	Monitoring
Unauthorised expenditure			<input type="checkbox"/>		<input type="checkbox"/>
Property, plant and equipment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Revenue and receivables	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Purchases and payables	<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>
Cash and bank	<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>
Grants, reserves and surplus			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Inventory	<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>
Capital commitments			<input type="checkbox"/>		
Cash flow statement			<input type="checkbox"/>		
MFMA disclosure			<input type="checkbox"/>		

Control environment: establishes the foundation for the internal control system by providing fundamental discipline and structure for financial reporting.



Reporting item	Control environment	Risk assessment	Control activities	Information and communication	Monitoring
<p><u>Risk assessment</u>: involves the identification and analysis by management of relevant financial reporting risks to achieve predetermined financial reporting objectives.</p> <p><u>Control activities</u>: policies, procedures and practices that ensure that management's financial reporting objectives are achieved and financial reporting risk mitigation strategies are carried out.</p> <p><u>Information and communication</u>: supports all other control components by communicating control responsibilities for financial reporting to employees and by providing financial reporting information in a form and time frame that allows people to carry out their financial reporting duties.</p> <p><u>Monitoring</u>: covers external oversight of internal controls over financial reporting by management or other parties outside the process; or the application of independent methodologies, like customised procedures or standard checklists, by employees within a process.</p>					

### Matters of governance

41. The MFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of certain key governance responsibilities, which I have assessed as follows:

Matter of governance	Yes	No
<b>Audit committee</b>		
• The municipality had an audit committee in operation throughout the financial year.		<input type="checkbox"/>
• The audit committee operates in accordance with approved, written terms of reference.		<input type="checkbox"/>
• The audit committee substantially fulfilled its responsibilities for the year, as set out in section 166(2) of the MFMA.		<input type="checkbox"/>
<b>Internal audit</b>		
• The municipality had an internal audit function in operation throughout the financial year.	<input type="checkbox"/>	
• The internal audit function operates in terms of an approved internal audit plan.	<input type="checkbox"/>	
• The internal audit function substantially fulfilled its responsibilities for the year, as set out in section 165(2) of the MFMA.		<input type="checkbox"/>
<b>Other matters of governance</b>		
• The annual financial statements were submitted for audit as per the legislated deadlines (section 126 of the MFMA for municipalities and municipal entities).	<input type="checkbox"/>	
• The annual report was submitted to the auditor for consideration prior to the date of the auditor's report		<input type="checkbox"/>
• The financial statements submitted for audit were not subject to		<input type="checkbox"/>

<b>Matter of governance</b>	<b>Yes</b>	<b>No</b>
any material amendments resulting from the audit.		
<ul style="list-style-type: none"> <li>No significant difficulties were experienced during the audit concerning delays or the unavailability of expected information and/or the unavailability of senior management.</li> </ul>		<input type="checkbox"/>
<ul style="list-style-type: none"> <li>The prior year's external audit recommendations have been substantially implemented.</li> </ul>		<input type="checkbox"/>
<b>Implementation of Standards of Generally Recognised Accounting Practice (GRAP)</b>		
<ul style="list-style-type: none"> <li>The municipality submitted an implementation plan, detailing progress towards full compliance with GRAP, to the National Treasury and the relevant provincial treasury before 30 October 2007.</li> </ul>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>The municipality substantially complied with the implementation plan it submitted to the National Treasury and the relevant provincial treasury before 30 October 2007, detailing its progress towards full compliance with GRAP.</li> </ul>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>The municipality submitted an implementation plan, detailing further progress towards full compliance with GRAP, to the National Treasury and the relevant provincial treasury before 31 March 2008.</li> </ul>	<input type="checkbox"/>	

### **Unaudited supplementary schedules**

42. The supplementary information set out on pages xx to xx do not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion on them.

### **OTHER REPORTING RESPONSIBILITIES REPORT ON PERFORMANCE INFORMATION**

43. I have reviewed the performance information as set out on pages xx to xx.

#### **Responsibility of the accounting officer for the performance information**

44. In terms of section 121(3)(c) of the MFMA, the annual report of a municipality must include the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA).

#### **Responsibility of the Auditor-General**

45. I was engaged to review the performance information I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008* [and section 45 of the MSA].

46. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

47. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the audit findings reported below.

**Audit findings (performance information)**

**Non-compliance with regulatory requirements**

48. The annual report of the Municipality did not include the annual performance report of the municipality prepared by the municipality in terms of section 46 of the MSA, as required by section 121(3)(c) of the MFMA.
49. The Municipality did not appoint and budget for a performance audit committee, neither was another audit committee utilised as the performance audit committee.
50. The Municipality did not develop and implement mechanisms, systems and processes for auditing the results of performance measurement as part of its internal auditing processes as required in terms of section 45 of the MSA.

**APPRECIATION**

51. The assistance rendered by the staff of the Municipality during the audit is sincerely appreciated.

Polokwane

28 November 2008



**A U D I T O R - G E N E R A L**

**C. ACTION PLAN TO DEAL WITH ISSUES RAISED BY THE AUDITOR GENERAL.**

The action plan could not be included because the Department of Local Government and Housing has acquired the services of CorpMD to assist this municipality in clearing the issues raised by the Auditor General.

The process has already started as the company has already been introduced to the institution. The management letter and the audit report have been submitted to them for their perusal and as soon as they have gone through the reports, an action plan will be compiled.

#### **D. CHALLENGES THAT CONTRIBUTED TO THE ADVERSE OPINION**

- Shortage of human resources and relevant experience.
- Organogram not covering supply chain management which is core in implementing the supply chain management regulation and the MFMA.
- Personnel on Acting capacity
- Lack of proper training on financial field.
- Lack of training on pieces of legislation relevant to financial matters.
- Lack of commitment to the few staff members that are available.
- Lower grading which resulted in key personnel resigning and going for better offers.
- Non review of organogram to meet the needs of the municipality, especially the supply chain management unit where there are key personnel which are very much direct in internal controls.
- Non functional of the audit committee and the oversight committee.
- The Municipality was operating without all bids committees up to the third quarter of the year under review.
- Opening balances brought forward from previous financial years are not supported by documents.

Intervention to address these challenges were initiated, but could not be dealt with entirely during the year under review. Most of these challenges will dealt with in the 2008/9 financial year.

# **CHAPTER 5**

## **Functional Area Service Delivery Reporting**

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**GENERAL INFORMATION**

Reporting Level	Detail		
<p>Overview:</p>	<p>Provide a general overview of municipality: this may include a short narrative of issues peculiar to the municipality and issues specific to the financial year being reported</p> <p>OVERVIEW – General Information</p> <p>Makhado Local Municipality (NP 344), located in the most northern region of Limpopo Province and one of four participating local municipalities in the Vhembe District Council (DC 34) region, has a vision indicative of its physical location and true to its ambition as institution which reads</p> <p><i>The Municipality of Makhado, being the gateway to other African states, strives to improve the quality of life of all its people by rendering basic, efficient, affordable and sustainable services through transparent, participatory governance and a dedicated, efficient and accountable institution focused on developing the area as a growth point.</i></p> <p><u>Demography</u> The geographical area consists of <b>279 villages and 28 formal towns</b> with a vast number of privately owned and state farms in between. Altogether 129 665 households represents the population of estimated number of 583 500 The Municipality in January 2001 set itself up to operate in four (4) respective administrative regions, i.e.</p> <ol style="list-style-type: none"> <li>1. Dzanani Region as the northern part of its jurisdiction</li> <li>2. Vuwani Region as the eastern part</li> <li>3. Waterval Region as the southern part</li> <li>4. Makhado Region as the western part</li> </ol> <p>Each region operates offices to be able to serve the community close to it. The Civic Center as main core for municipal business operations is located in Makhado Township which is one of the four urban nodes in the geographical area. Each region has active business centers located in the formal town of the region.</p>		
<p>Information:</p>	<p>Geography:</p> <p>1 Geographical area in square kilometers Note: Indicate source of information</p> <p>Demography:</p> <p>2 Total population Note: Indicate source of information</p> <p>3 Indigent Population Note: Indicate source of information and define basis of indigent policy including definition of indigent <i>Demarcation Board 2001 Statistics – INDIGENT = earning less than R800 pm</i></p> <p>4 Total number of voters</p>	<p><i>16 000 square kms Demarcation Board</i></p> <p><i>583 000 Census 2001 projected to 2005</i></p> <p><i>460 447</i></p> <p><i>214 458</i></p>	

5	<p>Aged breakdown:</p> <ul style="list-style-type: none"> <li>- 65 years and over</li> <li>- between 35 and 64 years</li> <li>- between 15 and 34 years</li> <li>- 14 years and under</li> </ul> <p>Note: Indicate source of information <i>Demarcation Board 2001 Statistics</i></p>	<p style="text-align: center;">32 751 96 856 172 247 195 235</p>	<p style="text-align: center;">6,6% 19,4% 34,6% 39,4%</p>
6	<p>Household income:</p> <ul style="list-style-type: none"> <li>- over R6,401 per month</li> <li>- between R2,500 and R6,400 per month</li> <li>- between R1,601 and R3,200 per month</li> <li>- under R1,600 per month</li> </ul> <p>Note: Indicate source of information <i>Urban Econ Consultants/Stats SA 2001</i></p>	<p style="text-align: center;">0,9% 1,7% 2,0% 95,4%</p>	



Function: Executive and Council  
 Sub N/A  
 Function:

Reporting Level	Detail		Total
Overview:	Includes all activities relating to the executive and council function of the municipality including costs associated with mayoral, councillor and committee expenses and governance. Note: Remuneration of councillor information should appear in Chapter 4 on Financial Statements and Related Financial Information.	Councilor activities Mayoral activities Committee activities Related costs of each	
Description of the Activity:	The function of executive and council within the municipality is administered as follows and includes: <i>MLM functions according to a collective executive committee system under leadership of the Mayor and Speaker of Council. The Mayor and Speaker and Chief Whip hold full-time capacity posts, together with another two executive committee members who also hold full-time posts.</i> <i>Executive Committee representatives / the Mayor meet with interest groups within communities as the need may require; Council meets in session on quarterly basis but also has special meetings as needed; Executive Committee meets thrice per month but can meet more often for special reasons; Portfolio Committees (section 79/80 committees of Council) meet bi-weekly to make recommendations to Council via Executive Committee; an extensive system of delegations are applicable and Executive Committee can conclude matters with exclusion of the limits set in the LG Systems Act, 2000 and MFMA, 2003; 37 ward committees also serve Council with comments through ward councilors that are chairpersons of ward committees; a sound consultative process as fixed principle is in practice to ensure community inputs into municipal processes.</i>		
Analysis of the Function:	1 Councillor detail: Total number of Councillors 2 Number of Councillors on Executive Committee Ward detail: Total number of Wards Number of Ward Meetings 3 Number and type of Council and Committee meetings: List here Council meetings, followed by individual committee and the number of times that each met Council meetings Executive Committee meetings Portfolio Committee meetings (8 respective committees) Ward Committee meetings Tender Adjudication meetings	76 + 14 ex officio members 10 37 140. meetings 4 meetings per ward in all 37 wards 14 37 52 140 16	
Key Issues	Improve legal support and legislation to Council and all departments Extend activities under land use management to promote development Streamline administrative procedures to ensure efficiency, to be most effective and economic Committee services – ensure prompt processing of all committee business		

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<u>Legal &amp; legislation support</u>	<p>Review of by laws : Complete Phase 1 and commence with Phase 2 Only two respective by-laws were promulgated Rules and Orders, August 2007 Municipal Property Rates, 2008</p> <p>Consolidate Codex of Delegated Powers Task was completed in part. Resolutions dating back to 2000 grouped per year. Task not completed in full</p> <p>Consolidate Policy Codex Task was not completed</p> <p>Implement Contracts Register for Contracts concluded between Municipality and its service providers – project not yet completed</p> <p>Assign delegations in terms of MFMA, 2003</p>	<p>54 Existing by-law plus 5 sets of former government notices that arrange municipal rules and regulations- have to be reviewed and/or repealed to align with local government legislation</p> <p>Delegated Powers to various functionaries that covers the period dating back to December 2000 in fragmented form and not in one Codex</p> <p>Fragmented format of policy documents and information – not user friendly</p> <p>Contracts file at records 13/4 – not yet converted in electronic or into register format</p> <p>Project completed</p>	<p>Submit to Council and conduct public consultation sessions</p> <p>Updated, consolidated and approved Codex of Delegated Powers</p> <p>Consolidate into user friendly format</p> <p>Open separate contracts register</p> <p>Consolidate into user friendly format</p>
<u>Land use management</u>	<p>Extend Town Planning Scheme Official promulgation of new Scheme scheduled for 2008/9</p> <p>Develop Spatial Development Framework Project completed</p> <p>Develop Land Use Management Plan</p> <p>Develop Land Use Rights data base (integrate with Master Systems Plan Project)</p>	<p>Project completed</p> <p>Project completed</p> <p>Incomplete – awaiting promulgation of Land Use Management Act</p> <p>Project shelved awaiting grant funds to finance systems through Master Systems Plan</p>	<p>Project completed</p> <p>Project completed</p> <p>Shelf for 2009/2010</p> <p>Shelved for 2009/2010</p>
<u>Property Administration</u>	<p>Implement contracts register for lease of municipal land</p> <p>Implement register of immovable municipal owned land</p>	<p>Project incomplete</p> <p>Project incomplete</p>	<p>Shelved for 2009/2010</p> <p>Shelved for 2009/2010</p>

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<u>General Administration and procedures</u>  <u>Secretariat &amp; Committee services</u>	Implement electronic document movement system at Registry  Implement manual tracking system at Registry  Investigate electronic resolution register  Bind official council agendas and minutes	Project completed  Project completed  Project incomplete Shelf for 2009/2010 Project incomplete Shelf for 2009/2010	Improve end user capacities
	<p><b><u>CHALLENGES FACED IN 2007/8</u></b></p> <p>Several key positions became vacant and has not been filled during the course of the financial year – the vacancies totaled ten in number, but were on key levels, for example the Director, the Administrative Officer Legal Services, the Administrative Officer Properties – these vacancies left the sections totally non-functional as there was not a 2<sup>nd</sup> person in those sections to perform tasks. The result was that the only one assistant manager and the only one manager had to become functional to close operational gaps in those sections, which impacted on managerial duties.</p> <p>(The incomplete projects of the 2007/8 financial year had to be attended to in the 2008/9 financial year – however, the vacancies had at the time of preparing this annual report still not been filled while yet another key post became vacant, that of Administrative Assistant Town-planning. The recruitment of staff is by nature a lengthy process and specific circumstances at municipality between labour unions and management compounded the subject when appointment of staff was interrupted during the 2<sup>nd</sup> quarter of 2008/9; the result hereof will be reflected in the 2008/9 Annual Report)</p>		
<u>Information and Communication Technology</u>	Activate and maintain municipal website  Implement wireless connection of remote offices  IT and system administration, that includes centralized financial data capturing systems  Network administration & information technology & system purchasing & maintenance	Project completed  Project partially completed  Operational  Operational	

Function: Sub Function:		Finance and Administration Human Resources	
Reporting Level	Detail	Total	
Overview:	Includes all activities relating to the human resource management function of the municipality including recruitment, selection and induction - also performance management systems, code of conduct detail and decision making systems. Note: Read in conjunction with Chapter 3 on Human Resource Management.		
Description of the Activity:	The function of human resource management within the municipality is administered as follows and includes: <u>Human Resource Administration and Labour Relations</u>  <u>To secure stable Labour relations:</u> <i>Collective Conditions of Employment for all staff, including those absorbed from sector departments;</i> <i>Employment Equity Plan; Codex of Human Resource Policies;</i> <i>Local Labour Forum activities on regular basis, including official local union management representatives;</i> <i>Fair and Just procedure Codex for Disciplinary Measures and related matters.</i> <u>Administration:</u> <i>Electronic leave records and effective control systems applicable; contributions and systems for membership of retirement and medical aid funds; official recruitment and appointment procedures and policies applicable, including transfer, promotion and placement policies and procedures</i>		
Strategic Objectives	The strategic objectives of this function are to:  <i>To render a quality support and advice service to Council, the Municipal Manager and all Directorate on all human resource related matters</i>		
Key Issues Personnel Administration	The key issues for 2007/8 are:  <u>PERSONNEL ADMINISTRATION</u> Update general Information and Personnel History on VIP System <i>Project not yet completed – lack of productivity causing delay</i>		
Training and skills development	<u>TRAINING &amp; DEVELOPMENT</u> Address skills gap in accord with the Work Place Skills Audit and Work Place Skills Plan <i>Full details of training in Chapter 3 of this report</i> Implement Employee Assistance Program <i>Program was implemented through in house mechanisms; need identified for possible contractual expertise – 2008/9</i>		
Organisational development	<u>ORGANISATIONAL DEVELOPMENT</u> Implement Employment Equity Plan 2007-2012 Develop Performance Management System (PMS) for organization and post level 1 to 3 incumbents and measure their performance in terms of PMS Policy - <i>system developed but no performance assessment was done</i> Review organizational structure – <i>Finance department and Water and Sewer section's structures were reviewed and adopted by Council; the remainder of project referred to 2008/9 financial year</i> Compile job profiles/descriptions and do job evaluation for post level 1 to post level 17 - <i>project completed; awaiting further directive from SALGA who in meantime pended the project; some problematic cases were referred to SALGA for assistance / clarity</i>		

**CHALLENGES EXPERIENCED**

The vacant post of Manager Human Resource and Labour Relations as well as the vacant post of Director impacted directly on achievements of this division. Recruitment of suitable candidates for these vacancies proved unsuccessful and recruitment process would have to be repeated 2008/9 – 2009/2010. Should these vacancies not be filled it would continue to impact negatively on the performance of the division in the ensuing financial years.

Analysis of the Function:	<Provide statistical information on (as a minimum):>					Total No.	R (000s)
	1 Number and cost to employer of all municipal staff employed:	Race		Gender			
		African	White	Male	Female		
	- Professional (Managerial/Specialist)	144	23	124	43	167	18 899
	- Field (Supervisory/Foremen)	13	07	12	7	20	2 234
	- Office (Clerical/Administrative) & Non –Professional	725	12	543	194	737	56 578
	- Temporary Staff	19	0	8	11	19	609
	- Contract Staff	08	01	06	03	09	3077
	Note: total number to be calculated on full-time equivalent(FTE) basis, providing detail of race and gender according to the breakdown described above. Total cost to include total salary package	909	43	694	258	952	81 397

**EMPLOYMENT EQUITY: 2007/8**

The following table indicates the Employment Equity as applicable at 30 June 2008

Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Specialists and Professionals	72	-	1	11	39	2	-	2	127
Field (Supervisory/Foremen) Technicians and associate Professionals	104	-	-	11	10	-	-	2	127
Clerks	79	-	-	2	60	1	-	5	147
Non Professionals (blue collar, outside) workforce	366	-	-	-	87	-	-	-	453
Temporary Staff	19	-	-	-	14	-	-	-	27

Function: Community and Social Services		All inclusive	
Sub Function:			
Reporting Level	Detail	Total	
Overview:	Includes all activities associated with the provision of community and social services		
Description of the Activity:	The function of provision of various community and social services within the municipality is administered as follows and includes:		
	<p><i>Ad hoc lease of community halls and conference facilities to community members per payment of nominal rental; Cleaning of community halls on regular basis for lease on adhoc basis by community members</i></p> <p><i>Lease at nominal rental of sporting facilities to duly constituted sporting clubs, per formal binding lease agreement</i></p> <p><i>Lending of books through conventional library service to members upon payment of membership fee at minimal tariff</i></p> <p><i>Grave excavation upon payment of promulgated tariff and maintenance of cemeteries and crematorium under existing By-laws</i></p> <p><i>Development and maintenance of urban parks with play equipment for children in urban areas</i></p> <p><i>Cleaning and maintenance of open areas in urban nodes that serve as green belts of environment – planting of grass and flowers to beautify open areas for tourism and investor attraction</i></p> <p><i>Administration of various desks in the Office of the Mayor representing Sports, Arts, Culture, Youth, Gender, Elderly, Health issues, Persons with special needs, Welfare, Publicity, Learners and Bursaries</i></p>		
Strategic Objectives	The strategic objectives of this function are to: <i>See Chapter 3 for details</i>		
Key Issues	The key issues for 2005/06 are: <i>See Chapter 3 for details</i>		
Function Analysis 1	<p>Nature and extent of facilities provided:</p> <ul style="list-style-type: none"> <li>- Library services</li> <li>- Museums and art galleries</li> <li>- Other community halls/facilities</li> <li>- Cemeteries and crematoriums (Excluding graveyards in 276 villages)</li> <li>- Child care (including creches etc)</li> <li>- Aged care (including aged homes, home help)</li> <li>- Schools</li> <li>- Sporting facilities (specify)</li> <li>- Parks</li> </ul>	<p><i>no of facilities:</i></p> <ul style="list-style-type: none"> <li><i>1</i></li> <li><i>0</i></li> <li><i>11</i></li> <li><i>6</i></li> <li><i>0</i></li> <li><i>1</i></li> <li><i>0</i></li> </ul>	<p><i>no of users:</i></p>
2	<p>Number and cost to employer of all personnel associated with each community services function:</p> <ul style="list-style-type: none"> <li>- Library services</li> <li>- Museums and art galleries</li> <li>- Other community halls/facilities</li> <li>- Cemeteries and crematoriums</li> <li>- Child care</li> <li>- Aged care</li> <li>- Schools</li> <li>- Sporting facilities</li> <li>- Parks</li> </ul> <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package</p>		<i>R(000s)</i>

Function: LED SERVICES		Sub Function:	
Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
IDP Drafting process approved	To Develop and implement IDP Process Plan of Council with all stakeholders of the IDP Rep Forum quarterly.  Council to approve 2007/2008 Draft IDP and Budget by 31 March 2007.  Council to approved 2007/2008 IDP Review and budget by 31 May 2007.	The planning process or the business plans for IDP process were adopted by the IDP Representative Forum on 31 August 2007.  Situation analysis phase – including analysis of service backlogs, standards, prioritization of issues finalized by 13 September 2007.  Development of strategies phase whereby vision, guidelines and objectives of municipality are reviewed by 13 December 2007.  Project phase whereby the Draft 2007/2008 IDP and budget was finalized at the IDP Rep Forum in January 2007.  The final IDP and budget was approved by 28 May 2007 in terms of the Council resolution A.45.28.05.07.	Ensure that the IDP Review is finalized and approved by Council by 30 May 2007.
LED (Local Economic Development)  Dzanani Spar Shoppng Complex	Official opening launched during July 2007. 18 various businesses in operation About 120 permanent jobs created Temporary jobs created on demand.	18 various businesses still in operation. About 120 permanent jobs created.	
Development of Tourism and Marketing Strategy	Ongoing implementation of Tourism Plan. Establish Tourism Forum to implement plan.	Tourism Strategy workshop conducted to the members of the 4 community Tourism Associations during February 2007.	Workshop members of the community Tourism associations.
Establish a single mouth-piece for the currently 4 Community Tourism Assoc. (CTA's) in Makhado.	Revive and co-ordinate CTA's. Establish the Tourism model .	Held meetings monthly with the Community Tourism Associations under Makhado Tourism Initiative umbrella body. Tourism Officer co-ordinates activities for the umbrella body on behalf of municipality monthly.	Unify disjointed tourism associations.
Develop Tourism and Marketing Brochures	Attend the annual Tourism Indaba on May 2007. .	Reviewing and integrating the Municipal LED Strategy.	Market the municipality as the tourists and investors destinations.

LED community projects	Monitor and assist 40 LED projects with 412 beneficiaries LED within Makhado Municipality Regions. Total number of men is 15 and women is 339 people with disability.	Total number of LED projects which are ongoing is 36 and 16 projects had collapsed.	Identify LED projects which need assistant.
Hubyeni Shopping Complex	Five hundred permanent jobs have been created.  A total of 635 local people were employed during the construction of the shopping Centre.	Mashamba Thondoni potters supplied 10 000 hand made tiles for the shopping centre, during the construction phase.  Local women were assisted in setting up a cleaning campaign which is rendering cleaning service to the centre Local security company is manning the control centre and providing patrol guards.  50% of the shops are rented by the local residents.  Local operate the 50 permanent hawkers stalls.  Local people are benefiting because they are no longer do their shopping at Louis Trichardt.	
Colour Steel Sheet Metal Factory as well as the Embroidery factory. Fourteen industrial stands covering in excess of 54000m has been sold.	Project on hold due to external factors. An investment value of R103million and about 500 employment opportunities to be created through this project, Weal Sweet Real Estate Development (Pty) Ltd from Dandong city in the Peoples Republic of China..	Project on hold due to external factors as developer is not in the country.	Assist the developer to implement the project.
Co-ordinate Project Consolidate Programme	Implement Council's recovery plan. Improve Council's financial position. Report monthly on specific identified early deliverables. KPA's identified are: <ul style="list-style-type: none"> <li>• Financial viability</li> <li>• Public participation</li> <li>• Governance &amp; Transformation</li> <li>• Performance Management System</li> <li>• Infrastructure Development</li> </ul>	Monthly meetings and reports submitted until 31 June 2007. Working teams identified for each KPA. Workshops attended from March 2007 on Project Consolidate KPA's.	CO –ordinate and ensure submission of monthly reports to province.
Development of Multi-purpose Community Centre in Ward 35	National target is for all municipalities to have at least 1 MPCC by 2014. Provide one stop service centre by municipality and sector departments in outlying rural areas. Municipality to open two pay points for paying municipal services in ward 37 as the area is situated far away from other service centers.	Council and other stakeholders identified Musekwa in Ward 35 as suitable area for MPCC development during November 2007. Sector Departments are busy signing service level agreements in order to start rendering of service in the temporary 5 offices that were used as Crèche at Hamusekwa. Municipality will oversee and maintain the temporary centre.	Operate the MPCC activities by Sector departments by 31 April 2007.



**Function:****Special programmes****Sub Function:****Youth, Sports and Culture activities**

Reporting Level	Detail	Total	Cost
Overview: <b>YOUTH</b>	To provide youth Activities. To coordinate youth programmes		
Description of the Activity:	Back to school campaign is a program whereby the Mayor and the executive visit identified schools to encourage and motivate them to attend school and to work hard.	13	
	Learners meet the Mayor and the executive of the Municipality , schools that perform excellently and those who performed poorly during the previous year matric results are visited. This is to encourage those who performed well to keep the good work and also to motivate and encourage poor performers to do well in future.		
	The strategic objectives of this function are to: <i>To encourage excellent performing schools to keep the good work and to motivate under performing schools to pull up their socks</i>		
	The key issues for 207/08 are: <i>To also visit primary schools that are in the vicinity of the targeted High schools in order to also motivate them from the lower level</i>		
Analysis of the Function	Number of schools visited during the campaign	13	
1	Estimated number of learners	4 500	
2	STI and HIV/AIDS Campaign Number of campaigns	3	
3	Workshops: Youth and democracy Number of workshops	3	
4	Youth in business competition Number of competition	1	
5.	Participating on establishment of Hospital Board Number of participation on hospital board	3	
6.	Establishment of agricultural committee Number of participation in agricultural sector	1	
7	Youth and democracy participation workshop Number of participation workshop	1	
8	Crime Awareness Number of awareness	4	
9	IDC quarterly meetings Number of meetings	4	
10	Launch of environmental committee	1	
Overview : <b>SPORTS</b>	To develop various sports code		
Description of the activity	Land of Legend - Contributed amount		R7 000-00
	54 Golf Tournament	10	
	Three in one Bosveld	Popular sports	R7 000-00
	Kremetart Cycle		16,000. 00
	O.R Thambo games <ul style="list-style-type: none"> <li>▪ Cricket</li> <li>▪ Athletic</li> </ul>		

	<ul style="list-style-type: none"> <li>▪ Tennis</li> <li>▪ Table Tennis.</li> <li>▪ Soccer</li> </ul>		
	Soccer Development in ward level <ul style="list-style-type: none"> <li>▪ Number of participant</li> <li>▪ Establishment of Makhado team under 17</li> </ul>	70 25	R3 000-00 R5 000-00
Analysis of the function	<ul style="list-style-type: none"> <li>▪ To create atmosphere of sports in the municipality</li> <li>▪ To develop young people in sports</li> </ul>		
Overview : <b>Culture</b>	To maintain culture of ethnic groups within municipality		
Description of the function	Makhado cultural activities <ul style="list-style-type: none"> <li>▪ Malende</li> <li>▪ Kuchachula</li> <li>▪ Visa la Nanga</li> <li>▪ Tshifasi</li> <li>▪ Magagase</li> <li>▪ Kuthawuza</li> <li>▪ Muchongolo</li> <li>▪ Matangwa a Mulomo</li> <li>▪ Kivha La Nanga</li> <li>▪ Visa La Mulomo</li> <li>▪ Kivha La Mulomo</li> <li>▪ Matangwa a Nanga</li> <li>▪ Khivha</li> <li>▪ Kusaka</li> <li>▪ Manthega</li> <li>▪ Vuvuzela</li> <li>▪ Legube</li> <li>▪ Xitende</li> <li>▪ Xipendani</li> <li>▪ Makhwaya</li> <li>▪ Xgubu</li> <li>▪ Tshikhaba</li> <li>▪ Xilala</li> <li>▪ Tshikona</li> <li>▪ Poetry Xitsonga</li> <li>▪ Poetry English</li> <li>▪ Speech Xitsonga</li> <li>▪ Speech English</li> <li>▪ Drama Tshivenda</li> <li>▪ Multi Drama</li> <li>▪ Solo Gospel</li> <li>▪ Duet Gospel</li> <li>▪ Double Quartet</li> <li>▪ Sestet</li> <li>▪ Mail voice Gospel</li> <li>▪ Mixed Choir Gospel</li> <li>▪ Cha-Cha-Cha</li> <li>▪ Tango Dance</li> <li>▪ Rhumba Dance</li> <li>▪ Jive</li> <li>▪ Kwasa-Kwasa</li> <li>▪ Choral</li> <li>▪ Drawings</li> </ul>		
Analysis of the function	<ul style="list-style-type: none"> <li>▪ To maintain culture of ethnic groups within municipality</li> <li>▪ To promote culture within communities</li> <li>▪ To create a good relationship of deferent groups in the municipality.</li> </ul>	700	R28 000-00

**Function:****Special programmes****Sub Function:****HIV/AIDS and Bursary award activities**

<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	<b>Cost</b>
Overview:	To assist financial vulnerable and needy pupil to further their studies.		
Description of the Activity:	To assist and have more people educated in engineering and Real Estate.		
	The strategic objectives of this function are to:  <i>To provide financial assistant to needy student in relation to scarce skills profession such as IT, Engineering field, Real Estate and Town planning fields</i>		
	The key issues for 207/08 are: <i>To recruit applicants and evaluate for the awarding of bursaries to the needy students</i>		
Analysis of the Function:	Makhado Bursary Award <ul style="list-style-type: none"> <li>▪ Number of student awarded</li> <li>▪ Number of bazaars doing learnership</li> <li>▪ Number of student doing practicals</li> <li>▪ Permanently employed</li> </ul> TOTAL	10 1 4 1 R240 000	
	HIV and AIDS		
Overview	To create awareness to people about HIV and AIDS and other related diseases, reduction of HIV/AIDS infections.		
Description of the activity	To embark on Intergrated and comprehensive privation and control strategy for the HIV and AIDS epidemic.  The strategic objectives of this function are to:  To reduce the spread of HIV And AIDS and to support those that are infected and affected.		
Analysis of the function	HIV/AIDS Campaign / Condoms distribution <ul style="list-style-type: none"> <li>▪ Number of campaigns</li> <li>▪ Condoms distributed</li> <li>▪ Number of Home Based Cares</li> </ul>	26 60 000 36	

**Function:** LIBRARY  
**Sub Function:** LIBRARY ACTIVITIES

Reporting Level	Detail	Total	
Overview	To provide library and information services to the public.		
Description of the Activity	Readathon Campaign:		
	Number of schools visited	4	
	Back to school Campaign:		
	• Number of schools visited by the Mayor	3	
	Mayibuye Campaign:		
	• Number of prisons visited by the Mayor	2	
	Establishment of satellite library	2	
Analysis of the function	Number of I personnel associated with Library activities		
	• Librarian	1	
	• Senior Assistant Librarian	1	
	• Assistant Librarian	2	
	• Library Assistant	3	
	Total Number of book issued	67 000	
	• Books purchased by the library	342	
	• Books received form DSAC	200	
	• Books received from donations	1 560	
	• Books donated from the library	44	
	• Total number of users visited the library	127 416	
	Furniture received fro DSAC	2	
	• Trolleys	10	
	• Tables	12	
	• Shelves	2	
	• Cabinet	60	
	• Chairs		
	Total income generated by library R52 354 .59		

Function: Sub Function:		Health Municipal Health Services	
Reporting Level	Detail	Total	
Overview:	<p><i>Includes all activities associated with the provision of Municipal health services</i></p> <p>To ensure an environment not detrimental to human health                      To prevent and abate environmental health nuisances and health hazards                      To secure the basic human right to health of all citizens and visitors                      Environmental health comprises aspects of human health, including the quality of life, determined by physical, chemical biological, social and psycho-social factors in the environment.</p>		
Description of the Activity:	<p><i>The function of provision of an environmental health service within the municipality is administered as follows and includes:</i></p> <p>Monitoring water quality and availability                      Ensuring water safety in respect of quality                      Ensuring protection of water sources and resources through law-enforcement                      Water sampling                      Food safety in respect of standards and quality                      Food inspection at production, distribution and consumption area. Food quality monitoring and H A C C P program                      Promotes the safe transportation, handling, storage and preparation of food stuffs.                      Promotes safe handling of meat, meat products, milk and dairy products.                      Environmental health impact assessment including housing projects and indoor air quality monitoring.                      Surveillance and prevention of communicable diseases, vector control, control of hazardous substances.</p>		
	<p><i>These services intend to include whole municipal jurisdiction, but do not take account of provincial health service areas within the jurisdiction of local government. The municipality has a mandate to:</i></p> <p>Render health environmental services under its power and functions which in meantime has been transferred to Vhembe District Municipality. The Transfer processes for our municipal staff has not yet been finalized, and this results in the service being provided by the municipality without a dedicated budget as the function has been devolved to the District Municipality.</p>		
Strategic Objectives	<p><i>The strategic objectives of this function are to:</i></p> <p>Promote health of the community and prevents the occurrence of health hazards and nuisances, and inspects business and residential premises in order to provide a healthy environment for all.</p>		
Key Issues	<p>The key issues for 2007/08 are:</p> <p>Water quality monitoring                      Food Control                      Waste Management                      Health Surveillance of Premises                      Surveillance and Prevention of Communicable Diseases                      Vector Control                      Environmental Pollution Control                      Disposal of the Dead                      Chemical Safety                      Noise Control                      Control of Hazardous Substances                      Sanitation</p>		

	Health Promotion and Education Occupational Health and Safety inspections		
Analysis of the Function: 1	<i>&lt;Provide statistical information on (as a minimum):&gt;</i>  Number and cost to employer of all environmental health service personnel: - Professional (Doctors/Specialists) - Professional (Nurses/Aides) - Environmental health practitioner (qualified) - Non-professional (administrative) - Temporary - Contract  Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package	None  3  0 0	
2	Number and total operating cost of environmental health services servicing population:		
5	Type and number of grants and subsidies received: <i>&lt;list each grant or subsidy separately&gt;</i>	0	
	Note:..		
6	Total operating cost of health (environmental) function		

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<i>&lt;List at least five key performance areas relative to the above function as articulated in the budget here&gt;</i>	1. Complaints Investigation	145	
	2. Building plans	207	
	3. (a) Certificate of Acceptability (b) Application for CA (c) Other Licensing Inspections	27 26 52	
	4. Inspection of Business Premises	116	
	5. Number of reports compiled	35	
	6. Notices	11	
	7. Unsound foodstuffs condemned: Kg Litres Units	59 924 815 1 707	
	8. Cholera Test / Moorepads	-	
	9. Water Sampling: Biological Chemical Chlorine Test	- 23 21	
	10. Number of meetings attended	37	
	11. Medical/Health Care Waste Monitoring	-6	
	12. Solid Waste Management Monitoring	61	
	13. Sewage Purification Works	12	
	14. Water Purification Works/Water Source: Plant/Reservoirs Springs	10 -	

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	Boreholes	11	
	15. HIV/AIDS Campaign / Condoms Distribution	1	
	16. Recreational Facilities / Public Toilets	45	
	17. Sanitation Survey at Schools	5	
	18. Pollution Control Project	-	
	19. Health Education: Formal ---T. no. Informal ----T. no.	8 81	
	20. Circumcision School Monitoring: No. of Pupils Referrals Deaths	- - -	
	21. Notified Medical Condition Investigated	3	
	22. Nuisance Notification Served	13	
	23. Occupational Health & Safety Inspection	5	
	24. Government Institution	1	
	25. Prisons	-	
	26. Motel, Hotel & Accommodation	27	
	27. Tobacco Products Control Act	20	
	28. Farm Inspections	-	
	29. Dwelling (houses) inspections	106	
	30. Meat Inspection/re-inspection	21	
	31. Street Food Vendors	53	
	Our objectives for 07/08 are reflected in our Key Performance area and we will strive to ensure that the overview is conformed to despite the fact that there are two vacant positions.		

**Function:** Public Safety  
**Sub Function:** Police (Traffic)

Reporting Level	Detail	Total	
Overview	Provide traffic control services.		
Description of the Activity	<p>The Police and Traffic Control functions of the municipality are administered as follows and include:</p> <ul style="list-style-type: none"> <li>• Joint operations with SAPS</li> <li>• Roads Safety awareness programme</li> <li>• Law Enforcement</li> <li>• Licensing and Registration</li> <li>• Emergency call-outs</li> </ul> <p>These services extend to include the whole municipal jurisdiction but do not take account of the law enforcement on provincial roads. The municipality has a mandate enforce and ensure compliance to the provisions of the National Road Traffic Act as well as the municipal by-laws</p>		
Strategic Objectives	<p>The strategic objectives of this function are:</p> <ul style="list-style-type: none"> <li>• To make an awareness about traffic signs and regulations.</li> <li>• To ensure the safety of members of the public</li> <li>• To enforce Council by-laws and traffic regulations</li> <li>• To reduce road accidents</li> <li>• To secure municipal property and assets.</li> </ul>		
Key Issues	<p>The Key issues for 2007/2008 are:</p> <ul style="list-style-type: none"> <li>• Security for Municipal property and assets</li> <li>• Accident response</li> <li>• Road Awareness Programmes</li> <li>• Crime Prevention</li> <li>• Escorts to VIP and high profile people</li> <li>• Law Enforcement</li> <li>• Point Duty</li> <li>• Accident Investigations</li> <li>• Establishment of scholar patrols</li> <li>• Ensure the viability and sustainability of parking meters</li> </ul>		
Analysis of the function	<p>Number and cost to employer of all personnel associated with traffic control</p> <ul style="list-style-type: none"> <li>• Senior Management</li> <li>• Field Supervisors</li> <li>• Traffic Officers</li> <li>• Office ( Clerical )</li> <li>• Volunteers</li> <li>• Temporary</li> <li>• Contract</li> </ul> <p>Total =</p> <p>-Total number of call- outs attended:                      Emergency Call-Outs                      Standard Call-Outs                      -Average response time to call-outs                      Emergency call-outs                      Standard call-outs</p>	<p>3                      2                      12                      5                      3                      0                      0                      25</p> <p>64                      29                      15 min                      30 min</p>	





Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	<ul style="list-style-type: none"> <li>• Appointed Tshitangu and Delekisa Security Services to secure municipal properties and assets</li> <li>• Developed the draft social crime prevention strategy</li> <li>• Participate in the justice cluster meeting</li> </ul> <p style="margin-left: 20px;">- ROAD MARKINGS AND TRAFFIC SIGNS</p> <p style="margin-left: 40px;">Repainted</p> <ul style="list-style-type: none"> <li>• Waterval stops</li> <li>• Vleifontein stops, speedhumps</li> <li>• Elim (Spar Crossing)</li> <li>• Vuwani test (routes for Drivers Licences)</li> <li>• Dzananni Taxi Rank</li> <li>• Town</li> <li>• Makhado: Rissik street, Krogh street, Jeppe street and Devenish street.</li> <li>• Test routes for Drivers Licences.</li> </ul> <p style="margin-left: 40px;">Replaced Signs</p> <ul style="list-style-type: none"> <li>• Elim – No stopping</li> <li>• Waterval – stop signs.</li> <li>• Dzanani – stop signs <ul style="list-style-type: none"> <li>- No entry</li> <li>- Keep left</li> </ul> </li> </ul> <p style="margin-left: 40px;">Street names</p> <ul style="list-style-type: none"> <li>• Eltivillas</li> </ul> <p style="margin-left: 40px;">Repaired and replace poles</p> <ul style="list-style-type: none"> <li>• Andeson street</li> <li>• Breda street</li> <li>• Jeppe street</li> <li>• Kleynhans</li> </ul> <p style="margin-left: 20px;">-Point Duty Function and the Management of Hawkers</p> <ul style="list-style-type: none"> <li>• Received and processed 47 hawkers` applications and 12 business applications</li> <li>• Conducted point duty at Stubbs and Kruger and the N1</li> </ul>	<p style="text-align: center;">4</p> <p style="text-align: center;">26</p> <p style="text-align: center;">55</p> <p style="text-align: center;">49</p> <p style="text-align: center;">47</p> <p style="text-align: center;">12</p> <p style="text-align: center;">14</p> <p style="text-align: center;">8</p> <p style="text-align: center;">6</p> <p style="text-align: center;">4</p> <p style="text-align: center;">4</p> <p style="text-align: center;">4</p> <p style="text-align: center;">2</p> <p style="text-align: center;">3</p> <p style="text-align: center;">3</p> <p style="text-align: center;">2</p> <p style="text-align: center;">59</p> <p style="text-align: center;">3</p>	
	<p>OBJECTIVES FOR 2007/8</p> <ul style="list-style-type: none"> <li>• Maximization of law enforcements</li> <li>• Proper functionality and viability of the parking meters</li> <li>• Increase the collection of revenue</li> <li>• Reduction of the accidents on the roads</li> </ul>		

**Function:** Public Safety  
**Sub Function:** Road Safety

Reporting Level	Detail	Total	
Overview	It is the responsibility of the public safety division of the Community Services Department of the municipality to ensure road safety by way of clearing stray animals from the public road.		
Description of the Activity	These services extend to the other two (2) regional areas of the municipality i.e. Vuwani and Dzanani Regions. The municipality has got the mandate to impound stray animals and levy fees for that purpose.		
Strategic Objectives	The strategic objectives of this function are: <ul style="list-style-type: none"> <li>To ensure the free flow of traffic and accident free public roads.</li> </ul>		
Key Issues			
Analysis of the function	<p>Number and cost to employer of all personnel associated with impoundment of stray animals:</p> <ul style="list-style-type: none"> <li>The SAPS supply transport in mean time</li> <li>Law enforcement officer</li> <li>Dzanani Area</li> <li>Kutama area</li> </ul> <p>Total income R2 134 555                      Parking meter <u>46 253</u>                      R2 180 808</p>	<p>1 truck                      1                      32 cattles and                      2 donkeys                      54 cattle</p>	

**Function:** Registering Authority  
**Sub Function:** Registering and Licensing of motor vehicles

Reporting Level	Detail	Total	Cost
Overview:	Registering Authority appointed in the area of jurisdiction by the Minister of Transport		
Description of the Activity: Registering and Licensing of motor vehicles	The Registering Authority responsibilities of the municipality are administered as follows and include: To collect monies for temporary advertisement, business license applications, fishing licenses, flammable liquids, public vehicles, parking fees, hawkers fees <i>Register of motor vehicles, licensing of motor vehicles, Law Administration ( NATIS ) National Traffic information system. Application of temporarily, special permits.</i>		
	The municipality has a mandate to: Act as a Registering Authority in terms of the National Traffic Act, no. 93 of 1996		
The strategic objectives of this function are to:	<i>To deliver a complete service to the community, to register and license all vehicles in our area of jurisdiction. To collect all arrear license fees as agent for the Department of Transport per agreement. To disclose information and to assist with completion on forms and the verifying and approval thereof.</i>		
The key issues for 2007/08 are:	<i>Service delivery. To bring basic services to people on grass root level. To make sure that services rendered are done efficiently and in a friendly, helpful atmosphere. That complaints are attended to immediately and followed up without fail. To manage resources to allow maximum productivity. To formally train all personnel in their field of work. To identify and budget for necessary equipment and personnel. To make sure that services at Dzanani and Vuwani continue and even be improved asseconded staff indicated they are going back to the Department of Transport. Offices for eye tests and issuing of card type driving licenses moved to previous clinic to make it more accessible to public, specially disabled and elderly. To see that all busses and taxis operating in our area of jurisdiction are registered and pay for permits on ranking fees as prescribed by our buy-laws.</i>		
Analysis of the Function: 1	<p><i>Number and cost to employer of all personnel associated with registration and licensing.</i></p> <ul style="list-style-type: none"> <li>- Assistant Manager Licensing</li> <li>- Chief Licensing officer</li> <li>- Senior Licensing Officer</li> <li>- Senior Clerical Assistant</li> <li>- Senior Clerks</li> <li>- Clerks</li> <li>- Managements Representatives</li> <li>- Examiner of Motor Vehicles</li> <li>- Examiner of Driving Licenses</li> <li>- Pit Assistant</li> </ul> <p><i>Total cost associated with staff</i></p>	<p>1</p> <p>2</p> <p>3</p> <p>18</p> <p>-</p> <p>-</p> <p>2 + 1 acting</p> <p>3</p> <p>-</p> <p>2</p>	<p>R321353.21</p> <p>R219427.29</p> <p>R351874.65</p> <p>R217117.57</p> <p>R58227.04</p>
Reporting level	Department of Transport, National and Provincial helpdesks		

	and their inspectorate. Inspectorate of driving licenses SABS inspectorate for testing of motor vehicles Assistant Manager Licensing Senior Licensing Officer Management Rep		
	Total revenue collected on registration and Licenses:		<b>R14 455 624,00</b>
	Council's Income 20% of the above-mentioned		<b>R1150253.75</b>
	Drivers license applications	17694	R2459595.00
	Drivers license	7481	R1052325.00
	Learner license application	9967	R1315644.00
	Learner license issued	6330	R398484.00
	Road worthy certificates applications	83	R11070.00
	Road worthy certificates issued	29	R2427.00
	Certificate of fitness applications		
	Certificate of fitness issued		
	Grand Total		R5239545.00
3	Agreement with Department of Transport Payment on the 20 / 80% basis payable every 15 th of the month to DOT .	20% 80%	R1150253.75 R4601014.79
	<b>TOTAL</b>		<b>R5 751268,54</b>
	Income Business Licenses, ranking fees etc.		R210925,02
	<b>GRAND TOTAL</b>		<b>R5 854 067,00</b>

<b>Key Performance Area</b>	<b>Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance</b>	<b>Current</b>	<b>Target</b>
<i>Dzanani, Vuwani, Makhado</i>	<i>Preparation of the movement from NATIS to E- NATIS. Installation of new E-NATIS equipment in all three license sections.</i>	5X Enatis	R161000.00
<i>Take over of Seconded Staff</i>	<i>We have continue to request seconded staff for traffic from the department of transport due to shortage, especially our examiners</i>		
<i>Building of new Admin block at Dzanani.</i>	<i>Capital item. Was postponed to 2007/08 budget.</i>	1	R3.1000.000.00
<i>Formal Training</i>	<i>Several members of existing personnel have been nominated for formal training in new financial year. Budget for 2007/8</i>	1	
<i>Senior Licensing Officer</i>	<i>Someone was appointed to perform this duty</i>	2 + 1 Acting	
<i>Driving Schools</i>	<i>We as management had several meetings with the local and driving schools operating in our area of jurisdiction. Specific guidelines were given to them based on the National Road Traffic Act, 93 of 1996. They will not be allowed to interfere with our functions, applicants must act for themselves. Signs will be put up around testing centres.</i>		
<b>Shortcomings Municipality: Pounds:</b>	<i>There are no proper pounds in other regions. No transport for impoundment pound in town.</i>	1	

<i>Security around Licensing Office</i>	<i>Security will be upgraded in new financial year. Temporary measures were put in place.</i>	Not yet upgraded	
<i>Filing space</i>	<i>Still a problem – we budgeted for scanner for new financial year.</i>	Not yet purchased	
<i>Business Licenses</i>	<i>We still deal with the same status quo as the Department of Finance and Economic Development have not finally rolled out their plan to register all businesses. At this stage they seemingly do not have the necessary resources to deal with this effectively.</i>	-	
<i>2007/8 Objectives</i>	<i>To appoint more examiners To appoint three management representatives To see that all capital items budgeted for are bought To sort out filing space shortage</i>	2 + 1 Acting	

Function: VTC / DLTC

Sub Function: Vehicle Testing Centre / Drivers License Testing Centre

Reporting Level	Detail	Total	Cost
Overview:	Vehicle Testing Centre for roadworthiness and Drivers license testing centre for driver fitness.	3	
Description of the Activity: <b>VTC / DLTC</b>	The responsibilities of the municipality are administered as follows and include: <i>Testing of motor vehicles for roadworthiness, certification of fitness( public vehicles ), testing of applicants for learners licenses, drivers licenses and professional driving permit as well as driver competency for council drivers</i>	Transactions 41584	R5,239 545.00
	These services extended to include the Dzanani and Vuwani area. The municipality has a mandate to:  <i>Do testing for the above mentioned stations</i>	Transactions Dzanani 15142 Vuwani 9563	R2425395.84 R720 381.45
The strategic objectives of this function are to:	<i>To ensure roadworthy vehicles going on to the road. To ensure proper testing procedures being followed. To see that competent learners and drivers onto our roads to prevent unnecessary injuries and lose of life</i>	Roadworthy – 105  Learners and Drivers issued - 22241	R11718  R2.717.325.00
The key issues for 2007/08 are:	<i>Upgrading of testing facilities - all testing centres. Absorption of key seconded personnel. Formal training of existing staff. To see that all testing equipment and materials are regularly calibrated and serviced. To advertise and fill all vacancies, especially shortage of examiners.</i>		
Analysis of the 1 Function:	Number and cost to employer of all personnel associated with testing at Makhado:  - Asst Manager Licensing - Superintendent - Management Representative - Office (Clerical/Administration) - Examiner of vehicles - Examiner of Drivers licenses - Pit assistant	6  1 1 1 1 3 3 2	
2	Number and cost to employer of all personnel associated with testing at Dzanani:  - Superintendent - Management Representative - Office (Clerical/Administration) - Examiner of vehicles - Examiner of Drivers licenses - Pit assistant	1 1 4 2 2	Seconded Seconded Seconded Seconded Seconded
3	Number and cost to employer of all personnel associated with testing at Vuwani:  - Superintendent - Senior Licensing - Management Representative	1 1 0	Seconded 116 000,00

	- Office (Clerical/Administration)	5	45 000,00 + Seconded
	- Examiner of vehicles	1	Seconded
	- Examiner of Drivers licenses	3	76 000,00 + seconded
	- Pit assistant	1	Seconded
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	<b>Cost</b>
4	Reporting structure Department of Transport, SABS, Inspectorate, Internal		
	Auditing, Asst. Manager Licensing, Management Rep.		
5	Total operating cost of function		

<b>Key Performance Area</b>	<b>Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance</b>	<b>Current</b>	<b>Target</b>
<i>Dzanani town, Vuwani town, Makhado town and all areas within the jurisdiction of Makhado Municipality</i>	<p><i>Vuwani testing centre has been registered and is operational. The biggest challenge is to make provision in the budget estimates for the year 2007/2008 for the appointment of skilled personnel at the centers to deliver proper and adequate services and to replace seconded staff who is going back to the Department of Roads and Transport.</i></p> <p><i>A new photocopy machine was budgeted for Vuwani station. It was bought and installed.</i></p> <p><i>Burglar proof were installed at the License office windows and door of Vuwani office. A counter was also installed with temporary steel burglar proof. We will budget for security glass in 2006/7 budget.</i></p> <p><i>Two security guards were placed at Vuwani to upgrade security and access to buildings.</i></p>	<p>1x superintendent 1x Management 3x EDL 1x EOV</p> <p>Borehole. Water tank. Eye Test machine. Generator 1 Bugler door</p>	
<i>Plans to improve performance</i>	<p><i>We need to budget and install airconditioners in the learners testing room at Vuwani.</i></p> <p><i>There is a need for fir extinguishers at the Dzanani License Centre as they are still using buckets with sand.</i></p> <p><i>Water connection need to be done for Dzanani station from the main water line at Dzanani as they are not having running water for drinking and toilets. A boreholes to be considered for the Vuwani and Dzanani stations respectively.</i></p> <p><i>Extra toilets are needed to serve learners and driving license applicants.</i></p>	<p>2 Installed</p> <p>5</p> <p>2 x Taps for drinking None for toilet</p> <p>2</p>	
<i>Shortcomings</i>	<i>Not enough examiners. Bookings for driving license cannot satisfy the demand.</i>		
<i>Objectives 2007/8</i>	<p><i>To advertise and appoint examiners internally and externally.</i></p> <p><i>To budget for new testing station at Waterval.</i></p> <p><i>To upgrade/erect new station at Dzanani</i></p>		



**Function: Road sign / Road marking****Sub Function: Paint / Maintenance road traffic signs**

Reporting Level	Detail	Total	Cost
Overview:	Erection and maintenance of road signs and road markings within the municipality's jurisdiction		
Description of the Activity:	The maintenance and erection of these signs and the road markings are the responsibilities of the municipality are administered as follows and include: <i>Erection of Regulatory signs, Warning signs and Guidance or Information signs. The maintenance of these signs or the replacement thereof. The painting of road markings consisting of regulatory markings, warning markings and guidance markings. Placement of street names.</i>		
	These services extend to include all township areas, but do not take account of provincial and national roads which resides within the jurisdiction of the local government. ( N1 ,etc ) The municipality has a mandate to: <i>Erection and maintaining of road signs and markings according to the Road Traffic Act</i>		
	The strategic objectives of this function are to: <i>Erect and maintain all road signs and markings in all area of jurisdiction to ensure a safe and organized traffic flow in all townships and other areas. To promote road safety and to minimize accidents</i>		
	The key issues for 207/08 are: <i>Erect street names in all townships. Replacement of all old and outdated signs according to RTA.</i>		
Analysis of the Function:			
1	Number and cost to employer of all personnel associated with road maintenance and construction: - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract	0 1 0 13 0 0	R 315,300.00 R 0.00 R 86,000.00 R 0.00 R 229,300.00 R 0.00 0
2	Total number, kilometers and total value of road projects planned and current: - New signs - Existing signs ( refurbishing ) - New markings - Existing markings	150 120 70 85	117664.64
3	Note: total number should appear in IDP, and cost in future budgeted road construction programmed Type and number of grants and subsidies received:	0	0
4	Note: total value of specific road grants actually received during year to be recorded over the five quarters - Apr to Jun this year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year. <i>Maximum Demand at kVA Sinthimule(4174)/Kutama(2560)</i>	6734	

**SOLID WASTE MANAGEMENT**

Function:	Waste Management		
Sub Function:	Solid Waste		
Reporting Level	Detail	Total	R(000)
Overview:	Includes refuse removal, solid waste disposal and landfill, street cleaning and recycling		
Description of the Activity:	The refuse collection functions of the municipality are administered as follows and include:		
<b>1. Supply 3 refuse plastic bags and the collection of households refuse</b> <b>2. Collection of refuse from the business premises twice per week</b> <b>3. Collection of refuse from N1 daily</b> <b>4. Collection of refuse from all R293 towns</b> <b>5. Management of landfills which includes compaction of refuse and covering it with a layer of soil.</b> <b>6. Development of landfills</b> <b>7. Management of recycling</b>	<p>Fully fledged domestic and business refuse removal with own staff in 3 formal towns, once per week at <b>11 731</b> collection points</p> <p>Fully fledged domestic and business refuse removal by means of contractors in two formal R293 towns, once per week at <b>2479</b> collection points</p> <p>Refuse collection and cleaning up of community open spaces in rural areas <b>5 100 000 sq meter</b> area</p> <p>Management, control and operation of one refuse dumping site of <b>120000</b> cubic meters in size</p> <p>Management, control and operation of 2 refuse transfer stations in R293 towns</p> <p>Recycling of waste at official refuse dumping site per contract</p> <p>Sweep tarred streets in formal towns at least once per year.</p> <p>Clean main routes in villages by removing branches and other objects from the surface of roads.</p> <p>Clean streets and main routes from carcasses of animals and undue rubble that are dumped illegally – as and when reported or discovered upon road inspections</p> <p>Assessing overgrown stands and refer them to the contractor for cutting in Louis Trichardt Town</p>	<b>11731X12</b>	R3,027,000.00 R188,000.00
Strategic Objectives	The strategic objectives of this function are to:		
<b>To ensure the management of refuse and ensuring of sustainable environment</b>	<ul style="list-style-type: none"> <li>▪ To improve life of residents through waste management</li> <li>▪ Environmental sustainability</li> <li>▪ Collection of refuse at households, business and factories</li> <li>▪ Management of Landfill sites.</li> <li>▪ Rehabilitation of Landfill sites.</li> <li>▪ Upgrade facilities.</li> <li>▪ Cutting of overgrown grass &amp; shrubs on private empty stands</li> </ul>		R165,000.00
Key Issues	<ul style="list-style-type: none"> <li>▪ <b>The key issues for 2006/07</b></li> <li>▪ Refuse Collection for Vuwani R293: External Services Provider</li> <li>▪ Refuse Collection for Waterval R293: In-house Service Provision</li> <li>▪ Refuse Collection for Velfontein: External Service Provider</li> <li>▪ Refuse removal for Dzanani: In-house</li> <li>▪ Refuse removal for Braambos: In-house</li> <li>▪ Refuse Removal for Louis Trichardt: In-house</li> <li>▪ Tshikota Location: In-house</li> <li>▪ Development of waste management facilities: funded by LEDET</li> <li>▪ Purchasing of new refuse truck x2</li> <li>▪ Rehabilitation of Dzanani refuse transfer station</li> </ul>	<b>10848</b>  <b>28680</b>  <b>18900</b> <b>11136</b> <b>4476</b> <b>36216</b> <b>24000</b>	<b>R78,000.00</b>    <b>R110,000.00</b>        <b>R7.9m</b> <b>Fleet Services</b>

			<b>R1.3m R21000</b>
Analysis of the Function	1 Number and cost to employer of all personnel associated with refuse removal:	<b>142</b>	<b>R (3,050,189.00)</b>
	- Professional (Engineers/Consultants)	<b>1</b>	
	- Field (Supervisors/Foremen)	<b>5</b>	
	- Office (Clerical/Administration)	<b>0</b>	
	- Non-professional (blue collar, outside workforce)	<b>72</b>	
	- Temporary	<b>57</b>	
	- Contract	<b>4</b>	
2	Number of households receiving regular refuse removal services, and frequency and cost of service:	<b>11731</b>	<i>R (000s)</i>
	- Removed by municipality at least once a week	<b>10147</b>	
	- Removed by municipality less often	<b>19 villages</b>	
	- Communal refuse dump used	<b>3</b>	
	- Own refuse dump	<b>0</b>	
	- No rubbish disposal	<b>0</b>	
3	Total and projected tonnage of all refuse disposed:	<b>63472</b>	
	- Domestic/Commercial	<b>33871 cub m</b>	
	- Garden	<b>27753 cub m</b>	
4	Total number, capacity and life expectancy of refuse disposal sites:	<b>Full</b>	
	- Domestic/Commercial (number)		
	- Garden (number)		
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	
5	Anticipated expansion of refuse removal service:		<i>R (000s)</i>
	- Domestic/Commercial	<b>6%</b>	
	- Garden	<b>10%</b>	
6	Free Basic Service Provision:	<b>Requires Scientific Research</b>	
	- Quantity (number of households affected)		
	- Quantum (value to each household)		
	Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.		
7	Total operating cost of solid waste management function		<b>R3 180 000</b>

<b>Key Performance Area</b>	<b>Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance</b>	<b>Current</b>	<b>Target</b>
<b>Solid Waste Management</b>	1. Supply 3 refuse plastic bags and the collection of households refuse	<b>120636</b>	<b>120636</b>
	2. Collection of refuse from the business premises twice per week	<b>17928</b>	<b>17928</b>
	3. Collection of refuse from N1 daily		
	4. Collection of refuse from all R293 towns	<b>70736</b>	<b>70736</b>
	5. Management of landfills which includes compaction of refuse and covering it with a layer of soil.		
	6. Development of landfills		
	7. Management of recycling		
	8. Purchasing of refuse removals truck 2006/07		
	9. Rehabilitation of transfer stations		

## PARKS, SWIMMING POOLS AND GRAVE YARDS

**Function** Development of Parks, Swimming Pools and Grave Yards  
**Sub Function** Parks, Pools and Grave Yards

Reporting Level	Detail	Total	Cost
Overview:	Development and maintenance of pools, parks and graveyards within the municipality's jurisdiction		
Description of the Activity:	The maintenance parks, swimming pools and grave yards and construction responsibilities of the municipality are administered as follows and include:		
	<i>Municipal Department Technical Services is responsible for this power and function: Maintenance and control waste management by De-bushing trees of along the N1 roads; Maintenance of parks; Maintenance of Makhado Town Grave Yards; Coordinate and control the activities of racing and shows (annually); Control of caravan parks; Maintenance of Swimming pools</i>		
	These services extend to include maintenance and control of waste management for all the R293 Towns, Makhado CBD, along N1 road, Tshikota Township, Kutama Sinthumule.		
	<ul style="list-style-type: none"> <li>▪ De-bushing and cutting trees along the N1 roads and Provincial Roads</li> <li>▪ Maintenance of Recreational Facilities (Rabali Stadium)</li> <li>▪ Maintenance of Township Entrances (R293)</li> <li>▪ Maintenance of parks (cut grass, bedding, watering and cleaning): Mimosa, Safari, Kameel, Leeu, 2x Ext.9, Piet Moller, Civic Centre, Boom Park, Voel Park, Total Park, De Beer, Palm Park, E59 Park, Eltilvilas Park, Voor-Trekker Park, Rose Park, Alwyn Park, Revier Park, 2 X Tshikota, Voster Park, Douthwait, Air Port Park, Show Ground, Sports Ground, Polo Cross Bane Park, Picnic Terreine Park, Industrial Park.</li> <li>▪ Maintenance of Makhado Town Grave Yards</li> <li>▪ Coordinate and control the activities of racing and shows (annually)</li> <li>▪ Control of caravan parks</li> <li>▪ Maintenance of Park Swimming pools: Eltilvilas &amp; Town Swimming Pool</li> <li>▪ Poisoning weeds</li> <li>▪ Collection and disposal of Garden refuse</li> <li>▪ Pruning of trees</li> <li>▪ Planting of tress</li> <li>▪ Maintenance of a nursery</li> <li>▪ Cutting of Grass</li> </ul>	28km  19sqkm  29 parks  3sqkm  Daily  Daily  Daily Daily Daily Daily Twice per week	R944030.19
	The strategic objectives of this function are to: <ul style="list-style-type: none"> <li>▪ <i>Development of Parks</i></li> <li>▪ <i>Ensuring</i></li> </ul> The key issues for 2005/06 are: <ul style="list-style-type: none"> <li>▪ Purchasing of two grass cutting tractors</li> <li>▪ Purchasing of two small lawn mower tractors (rotivators)</li> </ul>	2 2	R63,000.00

	<ul style="list-style-type: none"> <li>▪ Purchasing of 14 weed eaters machine</li> <li>▪ Purchasing of 2 Chain Saw</li> <li>▪ Maintenance of Parks, Swimming Pools and Grave Yards</li> <li>▪ Maintenance of machinery &amp; equipment (repairs)</li> <li>▪ Maintenance of hand radios</li> </ul>	14 2  07	
Analysis of the Function:	<ul style="list-style-type: none"> <li>▪ Maintenance of 29 Parks and sport field</li> <li>▪ Maintenance of 8km along the N1 Road</li> <li>▪ Maintenance of 2 Swimming Pools and caravan park</li> </ul>		
1	<p>Number and cost to employer of all personnel associated with road maintenance and construction:</p> <ul style="list-style-type: none"> <li>- Professional (Engineers/Consultants) 4</li> <li>- Field (Supervisors/Foremen) 3</li> <li>- Office (Clerical/Administration) 0</li> <li>- Non-professional (blue collar, outside workforce) 78</li> <li style="padding-left: 80px;">- Temporary 20</li> <li style="padding-left: 80px;">- Contract 0</li> </ul> <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package</p>		
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	<b>Cost</b>
6	<p>Note: total number should appear in IDP, and cost in future budgeted road construction programme</p> <p>Type and number of grants and subsidies received: <i>There were no grants received for this function</i></p> <p>Note: total value of specific road grants actually received during year to be recorded over the five quarters - Apr to Jun this year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.</p>	0 0	0 0
7	Total operating cost of Swimming Pools, Parks and Graveyard maintenance function		
<b>Key Performance Area</b>	<b>Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance</b>	<b>Current</b>	<b>Target</b>
<p><b>Cutting of grass in parks and open spaces</b></p> <p><b>Poisoning of weeds</b></p> <p><b>Maintenance of swimming pools</b></p> <p><b>Maintenance of cemeteries</b></p>	<ul style="list-style-type: none"> <li>▪ Purchasing of two grass cutting tractors: no funds available</li> <li>▪ Purchasing of two small lawn mower tractors (rotivators): no funds available</li> <li>▪ Purchasing of 14 weed eater machine: no funds available</li> <li>▪ Purchasing of 2 Chain Saw: no funds available</li> <li>▪ Maintenance of Parks, Swimming Pools and Grave Yards</li> </ul>	<p>Purchased</p> <p>Purchased</p> <p>Purchased</p> <p>No purchased</p> <p>Sustainable maintenance</p>	<p>2 grass cutting tractors</p> <p>2 small lawn tractors</p> <p>14 weed eaters</p> <p>2 chain saw</p> <p>Sustainable Maintenance</p>

**WASTE WATER MANAGEMENT**

<b>Function:</b>	<b>Waste Water Management</b>		
<b>Sub Function:</b>	<b>Sewerage etc</b>		
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	<b>Cost</b>
Overview:	Includes provision of sewerage services not including infrastructure and water purification, also includes toilet facilities		
Description of the Activity:	The sewerage functions of the municipality are administered as follows and include:		
1. Make new water and sanitation network connection. 2. Maintenance of water services infrastructure 3. Operations of Water Services Infrastructure. 4. Upgrading of Water Services Infrastructure 5. Development of Water Services Infrastructure 6. Purification of Water 7. Treatment of Sewer Monitoring of Water Quality	<p><i>Municipal Department Technical Services is in charge of this function and power</i></p> <p><i>One local municipal developed and owned waste water purification plant in Makhado town with related ponds and equipment – operate and maintain</i></p> <p><i>Full water borne sewerage system in Makhado Town and its extensions, Elti Villas town and its extensions, Tshikota town and its extensions</i></p> <p><i>Full storm water drainage systems in Makhado Town and its extensions, Elti Villas town and its extensions, Tshikota town and its extensions</i></p> <p><i>Four (4) R293 towns have water born sewerage systems developed and operated by Department Water Affairs- operations of systems have from time to time been done by agents of the state to a degree as agreed upon from time to time; MLM in some cases assisted as implementing agent of infrastructure projects obo state</i></p> <p><i>Municipal roads in four R293 towns have storm water drainage that flow to existing ponds of Department Water Affairs as owner and functionary of the service</i></p> <p><i>Formal townships Makhado, Dzanani, Vuwani, Waterval, Vleifontein, Elti Villas and Tshikota all consist of water borne toilet facilities (Villages in traditional council areas comprising 279 villages have no water borne sewerage systems but use pit latrine systems)</i></p>		<b>R51m</b>
	<p>These services extend to include operation and maintenance ensuring the provision of the service, but do not take account of infrastructure development which is the responsibility of Vhembe District Municipality as the Water Services Authority. The municipality has a mandate to:</p> <p><i>Management of Waste Water Infrastructure</i></p> <p><i>Operation and Maintenance of Waste Water Infrastructure</i></p> <p><i>Provision of waste water services</i></p>		
Strategic Objectives	<p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> <li>▪ Maintenance network</li> <li>▪ Keep statistics</li> <li>▪ Maintain Waste Water pump stations</li> <li>▪ Outsourced</li> <li>▪ Upgrade Facilities</li> <li>▪ Clean waste water</li> <li>▪ Dispose of by-products</li> <li>▪ Terrain management</li> <li>▪ Maintain plant and pump stations</li> <li>▪ Outsourced</li> <li>▪ Upgrade and construct new facilities</li> </ul>		
Key Issues	<p>The key issues for 2005/06 are:</p> <ul style="list-style-type: none"> <li>▪ <i>Upgrading of Bulk Sewer Systems</i> <ul style="list-style-type: none"> <li>○ <i>Upgrading and Development of Eltililas Sewer Pump Station</i></li> </ul> </li> </ul>		

	<ul style="list-style-type: none"> <li>○ Upgrading and Development of Industrial Sewer Pump Station</li> <li>○ Upgrading and Equipping of Vlei Sewer Pump Station</li> <li>○ Upgrading of Makhado Main Sewer Treatment Works</li> </ul> <ul style="list-style-type: none"> <li>▪ Servicing of Un-serviced sites</li> <li>▪ Sustainable Maintenance of Water Service Infrastructure</li> </ul>		
Analysis of the Function:	<p>Statistical Information</p> <ul style="list-style-type: none"> <li>▪ Sewer Connections to businesses and household (Number) 423</li> <li>▪ Maintenance of Bulk Sewer Line</li> <li>▪ Maintenance of Sewer Booster Pumps</li> <li>▪ Maintenance of Sewer Treatment Works</li> </ul>		
1	<p>Number and cost to employer of all personnel associated with sewerage functions:</p> <ul style="list-style-type: none"> <li>- Professional (Engineers/Consultants) 0</li> <li>- Field (Supervisors/Foremen) 2</li> <li>- Office (Clerical/Administration) 0</li> <li>- Non-professional (blue collar, outside workforce) 11</li> <li>- Temporary 0</li> <li>- Contract 0</li> </ul> <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package</p>	13	R (000s)
2	<p>Number of households with sewerage services, and type and cost of service:</p> <ul style="list-style-type: none"> <li>- Flush toilet (connected to sewerage system) 7644</li> <li>- Flush toilet (with septic tank) 506</li> <li>- Chemical toilet 0</li> <li>- Pit latrine with ventilation 7024</li> <li>- Pit latrine without ventilation 401</li> <li>- Bucket latrine 0</li> <li>- No toilet provision 10869</li> </ul> <p>Note: if other types of services are available, please provide details</p>		R (000s) R9491120 R1265000 R24584222 R23 162 500
3	<p>Anticipated expansion of sewerage:</p> <ul style="list-style-type: none"> <li>- Flush/chemical toilet 6000</li> <li>- Pit latrine 10420</li> <li>- Bucket latrine 0</li> <li>- No toilet provision 449</li> </ul> <p>Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality</p>		R (000s) R570000 R36490000 R1571500
4	<p>Free Basic Service Provision:</p> <ul style="list-style-type: none"> <li>- Quantity (number of households affected)</li> <li>- Quantum (value to each household)</li> </ul> <p>Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.</p>		
5	Total operating cost of sewerage function		R18m
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	<b>Cost</b>
	Type and number of grants and subsidies received:	0	0
	Municipal Infrastructure Grant (MIG) Funds are received and managed by the Vhembe District Municipality as it is the Water Services Authority and they are responsible for the implementation of Bulk Water and Sanitation Projects.	0	0
	Note: total value of specific road grants actually received during year to be recorded over the five quarters - Apr to Jun this year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.	0	0

	Total operating cost of road construction and maintenance function		
<b>Key Performance Area</b>	<b>Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance</b>	<b>Current</b>	<b>Target</b>
<List at least five key performance areas relative to the above function as articulated in the budget here>	<ul style="list-style-type: none"> <li>▪ <i>Upgrading of Bulk Sewer Systems</i> <ul style="list-style-type: none"> <li>○ <i>Upgrading and Development of Eltivilas Sewer Pump Station</i></li> <li>○ <i>Upgrading and Development of Industrial Sewer Pump Station</i></li> <li>○ <i>Upgrading and Equipping of Vlei Sewer Pump Station</i></li> <li>○ <i>Upgrading of Makhado Main Sewer Treatment Works</i></li> </ul> </li> <li>▪ <i>Servicing of Un-serviced sites</i></li> <li>▪ <i>Sustainable Maintenance of Water Service Infrastructure</i></li> </ul>	<p><i>Not achieved due to the lack of financial support</i></p> <p><i>No funds</i></p> <p><i>300 sites</i></p>	<p>Upgrading of Eltivilas Sewer Pump Station</p> <p>Upgrading of Industrial Sewer Pump Station</p> <p>Upgrading of Vlei Sewer Pump Station</p> <p>Upgrading of Main Sewer Treatment Works</p> <p>Number</p>



**D. ROADS AND STORM WATER DRAINAGE**

Function:	Road Transport		
Sub Function:	Roads		
Reporting Level	Detail	Total	Cost
Overview:	Construction and maintenance of roads within the municipality's jurisdiction		
Description of the Activity:	The road maintenance and construction responsibilities of the municipality are administered as follows and include:		
1. Dzanani streets rehabilitation phase II. 2. Tshakhuma ring road phase II. 3. Graveyards extensions 4. Musekwa MPCC 5. Tsianda to Vuwani access road phase II 6. Kutama/Sinthumule Regravelling (Manavhela EPWP) 7. Eltivilas rehabilitation of street 8. Rehabilitation of Industrial streets	<i>Municipal Department Technical Services is responsible for this power and function</i> <i>Maintenance and control of tarred roads in formal townships – filling of potholes, resurfacing of road surfaces, repairs of side walk surfaces, surfacing of sidewalks in business areas, repair of damages caused by heavy vehicles</i> <i>Grading of main routes used by busses and taxis in 279 rural villages</i> <i>Grading of busy routes at schools, leading to business centers, etcetera in 279 rural villages</i> <i>Facilitating road construction performed by contractors appointed by tender process under municipal infrastructure development</i> <i>Storm water drainage development and/or maintenance and operations forms part and parcel of road works / operations</i>		R23.8m
	These services extend to include maintenance and control of tarred roads in formal township, filling of potholes, developing of roads, but do not take account of <b>numbered roads and national roads</b> which resides within the jurisdiction of <national/provincial/other private sector government. The municipality has a mandate to: <ul style="list-style-type: none"> <li>▪ Maintenance Tar roads</li> <li>▪ Maintenance Gravel roads</li> <li>▪ Cleaning Tar roads</li> <li>▪ Street Patching</li> <li>▪ Upgrade roads</li> <li>▪ Construct new paved and gravel roads</li> </ul>		
Strategic Objectives Provision of access roads	The strategic objectives of this function are to: <ul style="list-style-type: none"> <li>▪ Maintenance tar roads.</li> <li>▪ Maintenance gravel roads.</li> <li>▪ Cleaning tar roads.</li> <li>▪ Street patching.</li> <li>▪ Upgrade roads.</li> <li>▪ Construct new paved and gravel roads.</li> <li>▪ <b>Storm water</b></li> <li>▪ Planning of MIG Projects</li> <li>▪ Implementation of MIG Projects</li> <li>▪ Report on MIG Projects</li> <li>▪ <b>Mechanical Workshop</b></li> <li>▪ Maintenance of Council vehicles</li> <li>▪ Management of Fleet</li> </ul>		R9m
Key Issues	The key issues for 2005/06 are: Renewal and upgrading of road and storm water infrastructure; Roads,		

	pavement , bridges and storm water		
	<ul style="list-style-type: none"> <li>▪ Surfacing of Dzanani Internal Street Phase II</li> <li>▪ Construction of Tshakhuma Ring Road phase II</li> <li>▪ Makhado Graveyards Extensions</li> <li>▪ Musekwa MPCC</li> <li>▪ Madodonga Access road and culvert.</li> <li>▪ Tsianda to Vuwani access road phase II</li> <li>▪ Kutama/Sinthumule Regravelling Manavhela EPWP)</li> <li>▪ Eltivilas rehabilitation of street</li> <li>▪ Rehabilitation of Industrial streets</li> <li>▪ Regravelling of Roads for all Regions</li> </ul>	<ul style="list-style-type: none"> <li>4.2km</li> <li>5.0km</li> <li>2.5km</li> <li>2000sqm</li> <li>1.5km</li> <li>3.0km</li> <li>1.5km</li> <li>1.5Km</li> <li>1.6km</li> <li>7031km</li> </ul>	<ul style="list-style-type: none"> <li>R6,000,000.00</li> <li>R6,000,000.00</li> <li>R1,900,000.00</li> <li>R5,000,000.00</li> <li>R3,500,000.00</li> <li>R6,000,000.00</li> <li>R2,000,000.00</li> <li>R2,000,000.00</li> <li>R2,000,000.00</li> </ul>
Analysis of the Function:	<p><i>Statistical information:</i></p> <p><b>Grading Programme 37 Wards</b></p> <p><b>Dzanani</b></p> <ul style="list-style-type: none"> <li>▪ Total length in kms 2092km</li> <li>▪ Total graded 1980km</li> </ul> <p><b>Vuwani</b></p> <ul style="list-style-type: none"> <li>▪ Total length in kms 1875km</li> <li>▪ Total graded 1665km</li> </ul> <p><b>Makhado</b></p> <ul style="list-style-type: none"> <li>▪ Total length in kms 1780km</li> <li>▪ Total graded 1760km</li> </ul> <p><b>Waterval</b></p> <ul style="list-style-type: none"> <li>▪ Total length in kms 1285km</li> <li>▪ Total graded 550km</li> </ul> <p><b>Total gravel roads within Makhado Municipality: 7032</b></p> <ul style="list-style-type: none"> <li>▪ Total graded: 5955km</li> <li>▪ Total remaining: 1077km</li> </ul>	<ul style="list-style-type: none"> <li>2092km</li> <li>1980km</li> <li>1875km</li> <li>1665km</li> <li>1780km</li> <li>1760km</li> <li>1285km</li> <li>550km</li> <li>7031km</li> <li>5955km</li> <li>1077km</li> </ul>	
1	<p>Number and cost to employer of all personnel associated with road maintenance and construction:</p> <ul style="list-style-type: none"> <li>- Professional (Engineers/Consultants)</li> <li>- Field (Supervisors/Foremen)</li> <li>- Office (Clerical/Administration)</li> <li>- Non-professional (blue collar, outside workforce)</li> <li>- Temporary</li> <li>- Contract</li> </ul> <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package</p>	<ul style="list-style-type: none"> <li>5</li> <li>4</li> <li>0</li> <li>19</li> <li>0</li> <li>0</li> </ul>	R (000s)
2	<ul style="list-style-type: none"> <li>▪ Surfacing of Dzanani Internal Street Phase II</li> <li>▪ Construction of Tshakhuma Ring Road phase II</li> <li>▪ Makhado Graveyards Extensions</li> <li>▪ Musekwa MPCC</li> <li>▪ Madodonga Access road and culvert.</li> <li>▪ Tsianda to Vuwani access road phase II</li> <li>▪ Kutama/Sinthumule Regravelling Manavhela EPWP)</li> <li>▪ Eltivilas rehabilitation of street</li> <li>▪ Rehabilitation of Industrial streets</li> <li>▪ Regravelling of Roads for all Regions</li> </ul>	<ul style="list-style-type: none"> <li>4.2km</li> <li>5.0km</li> <li>2.5km</li> <li>2000sqm</li> <li>1.5km</li> <li>3.0km</li> <li>1.5km</li> <li>1.5Km</li> <li>1.6km</li> <li>7031km</li> </ul>	<ul style="list-style-type: none"> <li>R6,000,000.00</li> <li>R6,000,000.00</li> <li>R1,900,000.00</li> <li>R5,000,000.00</li> <li>R3,500,000.00</li> <li>R6,000,000.00</li> <li>R2,000,000.00</li> <li>R2,000,000.00</li> <li>R2,000,000.00</li> </ul>

		- New bituminized (number) - Existing re-tarred (number) - New gravel (number) - Existing re-sheeted (number)	0km 0km	R0.00 R0.00
		Note: if other types of road projects, please provide details		
3	Total kilometers and maintenance cost associated with existing roads provided		7031km	R4,0m
		- Tar	19.8km	R23.8m
		- Gravel	6014km	
		Note: if other types of road provided, please provide details		
4	Average frequency and cost of re-tarring, re-sheeting roads			R (000s)
		- Tar	19.03km	R23.8m
		- Gravel	4.5km	R3.915m
		Note: based on maintenance records		
5	Estimated backlog in number of roads, showing kilometers and capital cost			R (000s)
		- Tar	4380km	R779m
		- Gravel	11876km	R170m
		Note: total number should appear in IDP, and cost in future budgeted road construction programme		
6	Type and number of grants and subsidies received: <Municipal Infrastructure Grant>		19.80km	R (000s) R21,246m
		Note: total value of specific road grants actually received during year to be recorded over the five quarters - Apr to Jun this year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.		
7	Total operating cost of road construction and maintenance function			R1.9m
<b>Reporting Level</b>	<b>Detail</b>		<b>Total</b>	<b>Cost</b>
	Type and number of grants and subsidies received: <list each grant or subsidy separately>		1	R23,875,280.55m
	Note: total value of specific road grants actually received during year to be recorded over the five quarters - Apr to Jun this year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.			
	Total operating cost of road construction and maintenance function			
<b>Key Performance Area</b>	<b>Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance</b>		<b>Current</b>	<b>Target</b>
<List at least five key performance areas relative to the above function as articulated in the budget here>	To surface the projects below to a total distance of 19.8km: <ul style="list-style-type: none"> <li>▪ Surfacing of Dzanani Internal Street Phase II</li> <li>▪ Construction of Tshakhuma Ring Road phase II</li> <li>▪ Makhado Graveyards Extensions</li> <li>▪ Musekwa MPCC</li> <li>▪ Madodonga Access road and culvert.</li> <li>▪ Tsianda to Vuwani access road phase II</li> <li>▪ Kutama/Sinthumule Regravelling Manavhela EPWP)</li> <li>▪ Eltilvilas rehabilitation of street</li> <li>▪ Rehabilitation of Industrial streets</li> <li>▪ Regravelling of Roads for all Regions</li> </ul> <p>Not all gravel roads could be graded due to the lack of reliable equipment.</p>	Completed Tender Construction Construction Completed Construction Construction Completed Completed	Surfaced Streets Ring road fencing Building Surfaced Streets Paved Street Street and culvert Rehabilitation Rehabilitation	

## WATER

Function:	Water		
Sub Function:	Water Distribution		
Reporting Level	Detail	Total	Cost
Overview:	Includes the bulk purchase and distribution of water		
Description of the Activity:  Ensure access to basic water and high level of service in a sustainable manner to satisfy the provisions of the act.	<p>The water purchase and distribution functions of the municipality are administered as follows and include:</p> <p><i>Municipal Department Technical Services is responsible for this power and function</i></p> <p><i>MLM pumps bulk water from Albasini dam and purifies it at the purification works at the dam. Purified water is carried along a 16km main rise to Makhado town to fill four respective reservoirs in Makhado town from where distribution to Elti Villas, Tshikota and Makhado township consumers is done. The storage in four respective reservoirs is supplemented by municipal well fields consisting of 22 boreholes and linked to main lines to reach the storage facilities.</i></p> <p><i>Department Water Affairs is responsible for water service to four formal R293 towns and to 279 villages in the rural area. MLM assists extensively to in these areas in the interest of rendering a basic service to its inhabitants. MLM purchased water trucks to deliver water to areas that have no water through DWAF systems. MLM so delivers to</i></p> <p><i><u>Dzanani Region</u> – 2 water trucks deliver water to 38 respective villages; up to 15 loads are required to serve one of the larger villages in this area which means that delivery can happen once per month cycle in each village; Thursdays and Fridays delivery of water to areas with funeral services upon request and also support other region.</i></p> <p><i><u>Hlanganani/Waterval Region</u> –only 1 water truck is available to deliver to more than 15 villages in this region. The furthest point of delivery is 50km from the source of collection. One truck supplies to each village and point of need once per week only.</i></p> <p><i><u>Vuwani region</u> - 2 water trucks deliver water to 20 villages with utmost point of delivery 40 kms from water intake point. Due to geography delivery cycle is once per every 7 days as some villages require 3 truck loads before basic needs are met</i></p> <p><i><u>Makhado region</u> - no truck is available to serve this area and relief per water truck is only arranged in utmost emergency cases. This area has RDP standard water supply through DWAF ground water infrastructure system which MLM operates for the past 7 years obo DWAF.</i></p> <p><i>In the formal towns of Makhado, Elti Villas, Tshikota, Dzanani, Vuwani, Waterval and Vleyfontein, consumers pay for water consumed. In rural areas in the four administrative regions, all water use is for free.</i></p> <p><i>MLM is at present the agent of Vhembe District Municipality who was appointed as WSA and WSP for its region. MLM performs full operations and maintenance of the function in the total delivery area and carries the losses where no income is generated.</i></p>		R19m
	<p>These services extend to include operation and maintenance of water services infrastructure, but do not take account of water services infrastructure development which sits within the jurisdiction of Vhembe District Municipality which is the Water Services Authority. The municipality has a mandate to:</p> <p><i>Perform daily operation of Water Services Infrastructure, Ensure that communities are provided with water services.</i></p>		

Strategic Objectives	<p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> <li>▪ Maintain water network.</li> <li>▪ Reduce water losses</li> <li>▪ Maintenance of water-pump station.</li> <li>▪ Outsourcing of high tech work.</li> <li>▪ Upgrading of Water Services Infrastructure.</li> </ul>		
Key Issues	<p>The key issues for 2005/06 are:</p> <ul style="list-style-type: none"> <li>▪ Removal of unauthorized water connections</li> <li>▪ Provision of water connections to all occupied sites in proclaimed areas of Makhado Municipality.</li> <li>▪ Refurbishment of Bulk Water Supply Line from Albasini to Makhado Town.</li> <li>▪ Refurbishment of all the water pump stations from Albasini to Makhado Town.</li> <li>▪ Installation of Water Bulk Meters.</li> <li>▪ Refurbishment of Berg Street Reservoir.</li> <li>▪ Implementation of Phase 1 of Bulk Supply Line from Nandoni Dam to Makhado.</li> <li>▪ Refurbishment of Albasini Water Treatment Works Settling Ponds</li> </ul>		
	<p>&lt;Provide statistical information on (as a minimum) :-&gt;</p> <ul style="list-style-type: none"> <li>▪ An estimation of 1100 unauthorized connections</li> <li>▪ An estimation of 2000 connections</li> <li>▪ Refurbishment of supply line (10km at the bridge along Punda Maria Road to Kruger National Park)</li> <li>▪ 15 pumps for (raw water, treatment works, pump stations from 1to 3)</li> <li>▪ 4 Bulk meters (Raw water, treatment works and reservoirs)</li> <li>▪ 2 Reservoirs (roof and walls: Berg Street)</li> <li>▪ 2 Settling Ponds</li> <li>▪ 5 boreholes Refurbishment of Kutama/Sinthumule Supply Systems</li> <li>▪ 7 Boreholes Refurbishment of Middle Letaba Water Supply Systems</li> <li>▪ 3 Boreholes, Pipe lines &amp; Storage Tanks (Refurbishment of Nzhelele North Water Supply Systems)</li> </ul>		
1	<p>Number and cost to employer of all personnel associated with the water distribution function:</p> <ul style="list-style-type: none"> <li>- Professional (Engineers/Consultants)</li> <li>- Field (Supervisors/Foremen)</li> <li>- Office (Clerical/Administration)</li> <li>- Non-professional (blue collar, outside workforce)</li> <li>- Temporary</li> <li>- Contract</li> </ul> <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package.</p>	<p>0 5 0 34 1 0</p>	R19m
2	<p>Percentage of total water usage per month &lt;Insert table showing monthly water usage &gt; Note: this will therefore highlight percentage of total water stock used per month</p>		
3	<p>Total volume and cost of bulk water purchases in kilolitres and rand, by category of consumer</p> <ul style="list-style-type: none"> <li>- Category 1 &lt;Water Allocation from Albasini Dam only&gt;</li> <li>- Category 2 &lt;Wellfield for Makhado Town only &gt;</li> <li>- Category 3 &lt;insert here&gt;</li> <li>- Category 4 &lt;insert here&gt;</li> </ul>	<p>2.4Mm3/a 0,7Mm3/a</p>	R (000s)
4	<p>Total volume and receipts for bulk water sales in kilolitres and rand, by category of consumer:</p> <ul style="list-style-type: none"> <li>- Category 1 House Connection for Makhado)</li> <li>- Category 2 Yard connections (total number of households Requires scientific Research)</li> <li>- Category 3 &lt;insert here&gt; (total number of households)</li> </ul>	<p>7132</p>	R (000s)

	- Category 4 <insert here> (total number of households)		
5	Total year-to-date water losses in kilolitres and rand <Requires Scientific Research>		R (000s)
6	Number of households with water service, and type and cost of service: - Piped water inside dwelling - Piped water inside yard - Piped water on community stand: distance < 200m from dwelling - Piped water on community stand: distance > 200m from dwelling - Borehole - Spring - Rain-water tank Note: if other types of services are available, please provide details	69880	R (000s)  R62892000
7	Number and cost of new connections: <detail total>		R (000s)
8	Number and cost of disconnections and reconnections: <detail total>		R (000s)
9	Number and total value of water projects planned and current: - Current (financial year after year reported on) - Planned (future years) Note: provide total project and project value as per initial or revised budget		R (000s)
10	Anticipated expansion of water service:		R (000s)
	- Piped water inside dwelling	6000	
	- Piped water inside yard	5000	
	- Piped water on community stand: distance < 200m from dwelling	59010	
	- Piped water on community stand: distance > 200m from dwelling - Borehole - Spring - Rain-water tank Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality		
11	Estimated backlog in number (and cost to provide) water connection: - Piped water inside dwelling - Piped water inside yard - Piped water on community stand: distance < 200m from dwelling - Piped water on community stand: distance > 200m from dwelling - Borehole - Spring - Rain-water tank Note: total number should appear in IDP, and cost in future budgeted capital housing programmes		R (000s)
12	Free Basic Service Provision: - Quantity (number of households affected) - Quantum (value to each household) Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.		
13	Type and number of grants and subsidies received:  <ul style="list-style-type: none"> <li>▪ Premier Emergency Infrastructure Grant for Kutama Sinthumule (Managed by the Province)</li> <li>▪ Premier Emergency Infrastructure Grant Nzhelele North (Managed by the Province)</li> <li>▪ Premier Emergency Infrastructure Grant Middle Letaba (Managed by the Province)</li> <li>▪ Emergency Drought Relief (Managed by the District)</li> </ul>	5 boreholes drilled & developed	R (000s)  R1.18m R2,9m R1,74m

	Note: total value of specific water grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.	R2.8m
14	Total operating cost of water distribution function	R (000s)

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<b>Maintenance of water supply infrastructure</b>	<ul style="list-style-type: none"> <li>▪ An estimation of 1350 unauthorized connections</li> <li>▪ Maelula, Tshitavha, Phadzima &amp; Murunwa disconnected</li> </ul>	765	1200
<b>Daily inspections of boreholes</b>	<ul style="list-style-type: none"> <li>▪ An estimation of 1900 connections</li> </ul>	Completed	Completed
<b>Daily inspections of water pump stations</b>	<ul style="list-style-type: none"> <li>▪ Maintenance of Albasini Water Supply Pipe lines</li> </ul>	Completed	R1,700,000.00
<b>Daily inspections of boreholes</b>	<ul style="list-style-type: none"> <li>▪ Maintenance: servicing 15 pumps for (raw water, treatment works, pump stations from 1to 3)</li> </ul>	Completed	R1,300,00.00
<b>Disconnection of unauthorized connections</b>	<ul style="list-style-type: none"> <li>▪ Refurbishing of Albasini Treatment Works Sedimentation Systems</li> <li>▪ 5 boreholes Refurbishment of Kutama/Sinthumule Supply Systems</li> <li>▪ Maintenance of Boreholes, Pipe lines &amp; Storage Tanks: Waterval 11 boreholes, Louis Trichardt 14 boreholes, Kutama Sinthumule 24 boreholes, Mpheni 8 boreholes</li> <li>▪ Refurbishment of Mpheni boreholes: 4 boreholes and line construction:</li> <li>▪ Extension of Manavhela Internal Reticulation</li> <li>▪ Maintenance of Mavhoi Pump Station</li> <li>▪ Maintenance of Dzanani Sewer System</li> <li>▪ Replacement of vandalized water services infrastructure</li> </ul>	Completed Completed Completed Completed Completed Completed Completed Completed Completed Completed Completed	R1,500,000.00 R500,000.00 R455,000.00 R15,000.00 R80,000.00 R3,500,000.00
	<i>Note: the backlog on water connections could not be completed because of the lack of human capacity, lack water resources, lack of main water supply infrastructure and lack of financial resources</i>		

## WATER PROJECTS

Cleaning, testing and equipping of existing borehole and pump house construction <b>Madombidzha</b> Village	100% Complete	R 167,571.43
Drilling, testing, Extensions of the reticulation <b>Magau</b>	100% Complete	R 161,231.43
Cleaning, testing & equipping of existing borehole & pump house construction <b>Tshiozwi</b>	100% Complete	R 152,828.57
Drilling & equipping, construction of pump-house at <b>Madodonga</b>	100% Complete	R 17,783.43
Drilling, testing & equipping of existing borehole & pump house construction <b>Midoroni</b>	100% Complete	R 163,347.14
Cleaning, testing & equipping of existing borehole & pump house construction <b>Tshikwarani</b>	100% Complete	R 210,955.56
<b>Borehole siting</b> , for Mpheni, Waterval Section B, Valdesia, Misevhe D Sedzazwau, Njhakanjhaka Mandela, Mathothwe Gombameni, Tshimbupfe, Tshivhazwaulu, Dolidoli, Masia Kanana, Masakona Tshatshama, Magoro Tiani Khawulani	100% Complete	R 68,000.00
Security Fencing for 10 boreholes supplying <b>Kutama Sinthumule</b>	100% Complete	R 242,800.00
<b>TOTAL NN16</b>		<b>R 1,184,517.56</b>
<b>MIDDLEL LETABA NL6</b>		

	Drilling of Borehole and connecting to pannel tank (2km) <b>Mashau (Mukhoro)</b>	100% Complete	R 145,464.00
	Borehole, Equipping & Reticulation ( <b>Masia Tshiphuseni</b> )	100% Complete	R 142,614.00
	Drilling of Borehole equipping & connecting to the reservoir (Njhakanjhaka Mandela Village) and <b>Mashamba</b>	100% Complete	R 142,764.00
	Drilling of Borehole, equipping, pannel tank and reticulation ( <b>Mathothwe Gombameni</b> )	100% Complete	R 145,464.00
	Drilling of Borehole and pannel tank provision ( <b>Masakona Chachama</b> )	100% Complete	R 145,464.00
	Drill Borehole, equipping, pannel tank & reticulation ( <b>Magoro Tiyani-Khawulani</b> )	100% Complete	R 158,574.00
	Siting, drilling and equipping of borehole, connect to the existing reservoir with a rising main ( <b>Waterval Section B</b> )	100% Complete	R 145,464.00
	Borehole drilling, equipping, provision of pannel tank and reticulation ( <b>Fura u Lale- Mpheni, Elim</b> )	100% Complete	R 147,464.00
	Siting of additional boreholes at <b>Tshino Village, Tshimbupfe Thondoni, Dolidoli, AND testing at Hamulima, Muila and Mailaskop</b>	100% Complete	R 52,964.99
	<b>Drilling of boreholes</b> , for Mpheni, Waterval Section B, Valdesia, Misevhe D Sedzazwau, Njhakanjhaka Mandela, Mathothwe Gombameni, Tshimbupfe, Tshivhazwaulu, Dolidoli, Masia Kanana, Masakona Tshatshama, Magoro Tiani Khawulani	100% Complete	R 378,280.56
	Professional Engineering advice on a call down bases & to compile a close out report.	100% Complete	R 150,000.00
<b>TOTAL NL6</b>			<b>R 1,754,517.55</b>
<b>NZHELELE NORTH NN14</b>			
	Upgrading and installation of pumps and electrical motors of 2 boreholes at <b>Tshitwi</b> to supply water to Tshitwi, Divhani, New Musekwa, Posaito and in future to Maranikwe and Straithaird.	100% Complete	R 450,992.04
	Construction of the rising main from the 3 existing boreholes to the reservoir; Refurbishment of Hand pump at (Pfumembe); Repair of hand-pump ( <b>Mudimeli</b> )	100% Complete	R 251,278.80
	Refurbishment of Hand pump at <b>Maranikwe</b>	100% Complete	R 25,786.80
	Borehole siting, drilling, equipping, pumphouse erection and construction of pannel tanks 1000l and construction of rising main ( <b>Doli Doli</b> )	100% Complete	R 332,661.12
	Repair of hand-pump ( <b>Musekwa</b> )	100% Complete	R 30,348.80
	Repair of main water supply pipe line from Albasini to Mowkop Reservoir	100% Complete	R 680,250.00
	Refurbishment of 15 Booster pumps for Main Water Supply from Albasini to Makhado	100% Complete	R 325,200.00
<b>TOTAL NN14</b>			<b>R 2,096,517.56</b>



2007-2008

Function: Electrical Engineering Services			
Sub Function: Electricity Distribution			
Reporting Level	Detail	Total	Cost
<b>Overview:</b>	<p>The distribution of electricity in the Makhado Municipality's distribution license area which includes the supply, maintenance and operation as well as the bulk purchase and overall reticulation of electricity.</p> <p><b>VISION</b> :- To deliver an effective, safe and reliable electricity supply to all consumers within the Makhado Municipality.</p> <p><b>MISSION</b> :- The Electrical Engineering Services will strive to improve the quality of life to our people by rendering a safe, effective, affordable and reliable electrical service in support of growth and development in terms with Council policy and Government Law.</p>		
<b>Description of the Activity:</b>	<p><b>The electricity purchase and distribution functions of the municipality are administered as follows and include:</b></p> <ol style="list-style-type: none"> <li>1. Buying bulk electricity from Eskom</li> <li>2. Electrification of rural villages inclusive of projects and m&amp;o.</li> <li>3. Urban &amp; Rural HT, MV &amp; LV reticulation inclusive of construction, maintenance &amp; operations.</li> <li>4. Metering &amp; Protection inclusive of loss control and consumer annalysis.</li> <li>5. OHS Act compliance.</li> </ol> <p>These services are rendered in the Makhado Licensed area, but do not take account of the Eskom licensed area which resides within the jurisdiction of Eskom under its own license conditions.</p> <p><b>The municipality has a mandate to:</b></p> <p><i>Distribute electricity in terms with its electricity supply distribution license issued by the NERSA, the Electricity Act, the OHS Act, Council Policies, Procedures and Electricity By Laws.</i></p> <p><b>The strategic objectives of this function are to:</b></p> <p><i>Proceed with rural electrification projects, post connections, school electrification. To construct new and maintain all electrical systems. To implement reliable remote metering systems and circuit protection systems and to recover energy losses. To maintain a stable administrative management for strategic planning maintenance and the execution of all electrical business. To prepare for RED's with directives given by DME through EDI Holdings. To Maintain Council Safety System in terms with the OSH Act. To fill all vacancies. To extend fleet management system. To upgrade main feeder lines and transmission lines.</i></p>		

Analysis of the Function:	<b>The key issues for 2007/08 were:</b> Supply effective electrical service to all customers in Makhado Municipality. Drafting and execute the capex, opex, personnel and vehicle estimates. Reducing Electricity house hold backlog. Complete Electrification of W37, Upgrading of rural feeder lines. Upgrade CBD reticulation. Rebuilding of the 66kV line 2nd phase, Procure tools, equipment & vehicles, Do consumer connections. Fill vacancy backlog and place staff and maintain Safety System.		
	<b>Statistical Information</b>		
1	<b>Number and cost to employer of all personnel associated with the electricity distribution function:</b>		
	- Director	1	R 533,480.20
	- Professional (Engineers/Consultants)	0	
	- Non Professional (Management)	1	R 402,666.00
	- Field (Supervisors/Foremen/Assistant Eng & Tech)	10	R 1,566,024.90
	- Office (Clerical/Administration)	2	R 188,905.20
	- Non-professional (blue collar, outside workforce, artisans)	28	R 3,706,969.20
	- Temporary	0	<cost>
	- Contract	30	R 31,020.00
	- Service Workers (vacancies incl)	90	R 4,500,240.80
	<i>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package.</i>	<b>162</b>	<b>R 10,929,306.30</b>
2	<b>Total quantity and cost of bulk electricity purchases in kilowatt hours and rand, by category of consumer (given in KWH )</b>	<b>231,329,943</b>	<b>R 52,018,422.00</b>
	<b>1. Maximum demand in kVA</b>		
	Makhado(Louis Trichardt)	44142	
	Tshipise(Leeudraai)	4108	
	Sinthimule	2353	
	Kutama	1018	
	Tshithuni Tsha Fasi	692	
	Tshiendeulu	135	
	Mudimeli	360	
	<b>Total Max Demand</b>	<b>52262</b>	
	<b>2. Total quantity and cost of electricity networks due to deliberate theft and vandalism.</b>		
	<b>Villages</b>		
	ABC Bundle conductor & other Low Voltage cables	15	R 64,500.00
	<b>Urban</b>		
	Transformers, m/b's vandalised, 11kV/22kV MV cable, LV cable	5	R 59,500.00
	<b>Rural</b>		
	Transformers, LV Cables ABC, MV network & meter boxes	18	R 612,807.00
	<b>Metering &amp; Protection</b>		
	1x2MVA	1	R 92,000.00
	<b>Total</b>		<b>R 828,807.00</b>

3	<b>Total quantity and receipts for bulk electricity sales in kilowatt hours and rand, by category of consumer: given in MWH)</b>  - Household - Commercial - Industrial - Mining - Agriculture - Other	196318  294477 19631 3926 <volume> 47116 3926	<b>R 82,897,943.00</b>  R 30,672,238.00 R 16,579,588.00 R 22,382,444.00 R 9,118,773.00 R 331,591.00
4	<b>Total year - to -date electricity losses in kilowatt hours and rand</b> <i>(kWH not available - technical losses only @ 10%)</i>	<volume>	R 5,201,842.20
5	<b>Number of households with electricity access, and type of service(?):</b> Conventional customers (9200meters) Prepaid customers (10500 meters) - Electrified areas - Municipal - Eskom (avg cost @ R5000.00/Connection) - Alternate energy source - Gas (not available) - Paraffin (not available) - Solar - Wood (not available) - Non electrified  <i>Note: if other types of services are available, please provide details</i>	<b>73000</b>  4735 10500  15000 58000  <total> <total> 767 <total> 45000	       <cost> <cost> R 502,720.00 <cost> R 337,500,000.00
6	<b>Number and cost of new connections done:</b>  <i>Urban(Pre paid &amp; conventional)</i> <i>Rural (Agriculture Farming)</i> <i>Prepaid Council &amp; DME (Incl of post connections)</i> <i>Prepaid Eskom</i> <i>Prepaid PEIG</i> <i>Prepaid Vhembe</i> <i>School Connections</i>	<b>2393</b>  102 18 760 1000 0 510 3	<b>R 14,322,575.00</b>  R 933,538.00 R 819,037.00 R 3,800,000.00 R 5,700,000.00 R 0.00 R 3,000,000.00 R 70,000.00
7	<b>Number and cost of disconnections and reconnections ( Finance and Electrical Engineering)</b>  <i>Disconnections - Urban (1368@R94.62)</i> - Rural (921@R165) <i>Reconnections: - Urban 1335@R94.63</i> - Rural 135@R165 <i>Disconnections reconnection and special reading Electrical Dept @ R129.81(avg)</i>	<b>4932</b>  1368 921 1335 135 1173	<b>R 582,278.34</b>  R 129,440.16 R 151,965.00 R 126,331.05 R 22,275.00 R 152,267.13
8	<b>Number and total value of electrification projects planned and current:</b>		

	- Current (financial year, after year reported on (2008/9) <b>inclusive of the Eskom area of supply in this Municipality with INEP &amp; Council funding</b> )	<b>7524</b>	<b>R 48,906,000.00</b>
	- Planned (future years 2009/10)	5000	R 40,000,000.00
	<i>Note: Provided total project and project value as per initial or revised budget</i>		
<b>9</b>	<b>Anticipated expansion of electricity service: (Capital works completed for 2007/8 reticulation MV &amp; LV)</b>	<i>AMOUNT</i>	<i>TOTAL R (000s)</i>
	<b>INCOME</b>		
	Radio's	R 10,000.00	
	Ladders Fibre glass	R 100,000.00	
	Computers	R 20,000.00	
	Air conditioners Expenditure	R 2,500.00	
	Air conditioners Vuwani Testing Station	R 50,000.00	
<b>9</b>	Air conditioners Dzanani Region	R 40,000.00	
	Air conditioners Vuwani Region	R 150,000.00	
	Air conditioners Community Services	R 10,000.00	
	Air conditioners Licensing Section	R 30,000.00	
	<b>LOAN</b>		
	Upgrade Central Line - Multi year project	R 1,500,000.00	
	Electrification - post connections	R 1,000,000.00	
	Mangwele	R 219,949.00	
	Gombani	R 256,105.00	
	Madzororo	R 116,440.00	
	Tshikota	R 407,540.00	
	<b>INEP - ELECTRIFICATION</b>		
	Smokey Primary	R 22,780.00	
	Mangwele	R 335,800.00	
	Gombani	R 391,000.00	
	Madzororo	R 184,000.00	
	Tshikota	R 560,000.00	
	Mangwele Primary	R 17,833.34	
	Gombani Primary	R 9,333.34	
	Doli Doli Primary	R 19,333.34	
	<b>TOTAL CAPITAL</b>		<b>R 5,452,614.02</b>
	<b>TOTAL OPERATIONAL</b>		<b>R 6,654,900.00</b>
	<i>Note: provided total number of households anticipated to benefit and total additional operating cost per year to the municipality: ( Total Customers benefiting from above also include Eskom Customers in the Municipal area)</i>	4438	R 21,190,000.00
<b>10</b>	<b>Estimated backlog in number (and cost to provide) electrical connections:</b>		
	Backlog follows the IDP and Priority list on electrification	45000	R 315,000,000.00
	<i>Note: total number appears in IDP, and cost in future budgeted capital housing programmes</i>		
<b>11</b>	<b>Free Basic Service Provision:</b>		
	<b>FBE is done through the indigent register process. Council customers, Eskom customers as well as Solar. 50kWH is given to all registered indigents.</b>	<b>12706</b>	<b>R 3,850,092.00</b>

	- Quantity (number of households affected) Council	6103	R 1,977,372.00
	- Quantity (number of households affected) Eskom Con.= 219 + P/P = 5617 @50c/kWH	5836	R 1,370,000.00
	- Quantity (number of households affected) Solar	767	R 502,720.00
	- Quantum (value to each household) - 50KWH to all indigent customers as per the indigent register @ R25-R28.00/HH/M		R 28.00
	<i>Note: Details provided of how many households receive the FBS provision, and the average value it means per household. Detail description on the level of Free Basic Services provided.</i>		
<b>12</b>	<b>Type and number of grants and subsidies received:</b>  VDM for electrification  <i>INEP For electrification of schools &amp; Villages</i>		R 10,187,791.43  R 1,517,000.00
<b>13</b>	<b>Note:</b> total value of specific electricity grants actually received during year recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.		
	<b>Total operating cost of electricity distribution function: (includes total staff, capital, operational &amp; vehicle fleet estimates)</b>		<b>R 282,805,405.32</b>
<b>Key Performance Area</b>	<b>Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance</b>	<b>Current</b>	<b>Target</b>
<i>Ringfencing - Preparing for RED's</i>	<i>80% Performance due to financial constraints. Project re allocated ifor2008/9 financial year. Report to be reviewed and updated. Funding to be applied for from EDI Holdings</i>	90%	<i>85% of assets identified and determined, 78 process 95% completed. LV assets to be estimated. To be reviewed and updated in 8/9 fin year.</i>
Electrification W37	<i>Have completed 3 Schools and 4 Villages in W37, &amp; Tshikota. Did post connetions</i>	Completed	Completed
Upgrading of rural feeder lines	<i>Could not complete due to financial, staff and vehicle constraints: Rolled over to next year 2008/9.</i>	0%	<i>To upgrade three rural line, Mara, Bandelierkop, Levubu 1</i>
Upgrading of Urban feeder lines	<i>Completed phase 2of Central Lin. Phase 3 for 2008/9</i>	100%	Completed
Tools & equipment	<i>To purchase tools and equipment as provided for in estimates.</i>	100%	<i>All tools purchased</i>
Vehicles	<i>To implement fleet</i>	100%	<i>3 x fleet vehicles implemented 4 x new purchased</i>
Personnel	<i>To fill all vacancies.</i>	30%	<i>Only Ass Man Posts filled.</i>