



Laingsburg Municipality Annual Report 2010/11



TABLE OF CONTENTS

LIST OF TABLES6

LIST OF FIGURES9

LIST OF GRAPHS.....9

EXECUTIVE MAYOR’S FOREWORD 10

MUNICIPAL MANAGER’S FOREWORD..... 11

CHAPTER 1: INTRODUCTION AND MUNICIPAL OVERVIEW 14

 1.1 MUNICIPAL OVERVIEW..... 14

 1.1.1 *Vision and Mission* 14

 1.1.2 *Demographic Information*..... 14

 a) Municipal Geographical Information..... 14

 b) Population 18

 c) Households..... 18

 d) Key Economic Activities..... 19

 1.1.3 *Socio Economic Information*..... 21

 a) Socio Economic growth 21

 b) Population by Gender..... 21

 c) Population by Age 22

 d) Population by race categories 23

 1.1.4 *Municipal Challenges* 24

CHAPTER 2: GOVERNANCE..... 25

 2.1 NATIONAL KEY PERFORMANCE INDICATORS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION 26

 2.2 PERFORMANCE HIGHLIGHTS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION 26

 2.3 CHALLENGES - GOOD GOVERNANCE AND PUBLIC PARTICIPATION..... 27

 2.4 GOVERNANCE STRUCTURE..... 27

 2.4.1 *Political Governance Structure*..... 27

 a) Council..... 27

 b) Executive Mayoral Committee 29

 c) Portfolio Committees 29

 2.4.2 *Administrative Governance Structure*..... 30

2.5	PUBLIC ACCOUNTABILITY	31
2.5.1	<i>Area Committees</i>	31
2.5.2	<i>Functionality of Area Committee</i>	33
2.5.3	<i>Representative Forums</i>	34
a)	Labour Forum	34
b)	IDP Forum.....	34
c)	Risk Steering committee.....	35
2.5.4	<i>Izimbizo</i>	36
2.6	CORPORATE GOVERNANCE	36
2.6.1	<i>Anti-Corruption and anti-fraud</i>	36
a)	Developed Strategies	36
2.6.2	<i>Audit Committee</i>	36
a)	Functions of the Audit Committee	37
b)	Members of the Audit Committee	37
2.6.3	<i>Internal Auditing</i>	37
2.6.5	<i>Auditor General</i>	39
2.6.6	<i>By-Laws, Policies and strategies</i>	39
2.6.7	<i>Communication</i>	39
2.6.8	<i>Websites</i>	40
CHAPTER 3: ORGANISATIONAL DEVELOPMENT PERFORMANCE		42
3.1	NATION33KIJAL KEY PERFORMANCE INDICATORS – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT	42
3.2	PERFORMANCE HIGHLIGHTS – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT	42
3.3	CHALLENGES – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT	42
3.4	INTRODUCTION TO THE MUNICIPAL WORKFORCE.....	43
3.4.1	<i>Employment Equity</i>	43
a)	Employment Equity targets/actual.....	43
b)	Employment Equity vs. Population.....	43
c)	Occupational Categories - Race	44
d)	Occupational Levels - Race	44

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

e) Departments - Race.....	45
3.4.2 Vacancy Rate.....	45
3.4.3 Turnover rate	46
3.5 MANAGING THE MUNICIPAL WORKFORCE.....	47
3.5.1 Injuries.....	47
3.5.2 Sick Leave	47
3.5.3 HR Policies and Plans	48
3.5.4 Employee Performance Rewards	48
3.6 CAPACITATING THE MUNICIPAL WORKFORCE.....	49
3.6.1 Skills Matrix.....	49
3.6.2 Skills Development – Training provided	50
3.6.3 Skills Development - Budget allocation.....	51
3.7 MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE	52
3.7.1 Personnel Expenditure	52
CHAPTER 4: STRATEGIC PERFORMANCE	54
4.1 NATIONAL KEY PERFORMANCE INDICATORS – BASIC SERVICE DELIVERY AND LOCAL ECONOMIC DEVELOPMENT.....	57
4.2 GENERAL PRIORITY AREAS.....	57
4.3 STRATEGIC SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TOP LAYER).....	58
4.3.1 Top Layer SDBIP - Good Governance and Public Participation.....	59
4.3.2 Top Layer SDBIP - Municipal Transformation and Institutional Development.....	62
4.3.3 Top Layer SDBIP - Municipal Financial Viability and Management	63
4.3.4 Top layer SDBIP - Local Economic Development	64
4.3.5 Top Layer SDBIP - Basic Service Delivery.....	65
4.4 DEVELOPMENT AND SERVICE DELIVERY PRIORITIES FOR 2011/12	70
4.5 BASIC SERVICE DELIVERY.....	73
4.5.1 Basic services delivery Performance highlights.....	73
4.5.2 Basic services delivery challenges.....	73
4.5.3 Access to Free Basic Services.....	74
4.5.4 Access to basic level of services.....	75

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

a) Capital budget spent on municipal services 76

b) Percentage spending on total capital budget 78

c) Summary of backlogs that must still be addressed 78

4.5.5 *Water and Sanitation* 78

a) Water Service Delivery Levels 79

b) Sanitation Service Delivery Levels 80

4.5.6 *Electricity* 82

4.5.7 *Housing* 84

4.5.8 *Refuse Removal* 84

4.5.9 *Roads* 86

a) Tarred Roads 86

b) Graveled Roads 86

c) Cost of Construction/Maintenance 87

4.5.10 *Stormwater* 87

a) Storm Water Infrastructure 87

b) Cost of Construction/Maintenance 87

4.6 MUNICIPAL INFRASTRUCTURE AND OTHER GRANTS 88

4.7 ADDITIONAL PERFORMANCE 88

4.8 LED 90

4.8.1 *Highlights: LED* 90

4.8.2 *Challenges: LED* 91

4.8.3 *Strategic Objectives* 91

4.8.4 *Economic Activity* 92

4.8.5 *LED initiatives* 93

4.9 SERVICE PROVIDERS STRATEGIC PERFORMANCE 93

CHAPTER 5: FUNCTIONAL PERFORMANCE 94

5.1 PERFORMANCE HIGHLIGHTS PER FUNCTIONAL AREAS 96

5.2 OVERVIEW OF PERFORMANCE 97

5.3 PERFORMANCE PER FUNCTIONAL AREA 99

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

5.3.1 *Executive and Council*..... 99

5.3.2 *Finance and Administration* 100

5.3.3 *Public Safety*..... 102

5.3.4 *Technical Services*..... 104

CHAPTER 6: FINANCIAL PERFORMANCE **106**

6.1 NATIONAL KEY PERFORMANCE INDICATORS - MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT..... 107

6.2 FINANCIAL VIABILITY HIGHLIGHTS 107

6.3 FINANCIAL VIABILITY CHALLENGES 107

6.4 FINANCIAL SUSTAINABILITY 108

6.4.1 *Operating Results* 108

6.4.2 *Outstanding Debtors*..... 109

a) Gross outstanding debtors per service..... 109

b) Total debtors age analysis 110

6.4.3 *Viability indicators* 110

a) Level of reliance on grants and subsidies 110

b) Liquidity ratio 111

6.4.4 *Audited Outcomes*..... 111

6.4.5 *Equitable Share vs Total Revenue* 113

6.4.6 *Repairs and Maintenance* 113

6.4.7 *Capital funded by source*..... 114

LIST OF ABBREVIATIONS **116**

ANNEXURE A: FINANCIAL STATEMENTS..... **1**

ANNEXURE B: REPORT OF THE AUDITOR GENERAL..... **1**

LIST OF TABLES

TABLE 1: MUNICIPAL AREAS 16

TABLE 2: DEMOGRAPHIC INFORMATION OF THE MUNICIPAL AREA – TOTAL POPULATION..... 18

TABLE 3: TOTAL NUMBER OF HOUSEHOLDS 18

TABLE 4: KEY ECONOMIC ACTIVITIES..... 21

TABLE 5: SOCIO ECONOMIC INFORMATION 21

TABLE 6: DEMOGRAPHIC INFORMATION OF THE MUNICIPAL AREA – GENDER..... 21

TABLE 7: POPULATION BY AGE..... 23

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

TABLE 8: DEMOGRAPHIC INFORMATION OF THE MUNICIPAL AREA – RACE CATEGORIES	23
TABLE 9: MUNICIPAL CHALLENGES.....	24
TABLE 10: NATIONAL KPIS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION PERFORMANCE.....	26
TABLE 11: GOOD GOVERNANCE AND PUBLIC PARTICIPATION PERFORMANCE HIGHLIGHTS.....	27
TABLE 12: GOOD GOVERNANCE AND PUBLIC PARTICIPATION CHALLENGES	27
TABLE 13: COUNCIL UNTIL 18 MAY 2011.....	28
TABLE 14: COUNCIL AFTER 18 MAY 2011	28
TABLE 15: COUNCIL MEETINGS.....	29
TABLE 16: FINANCE AND ADMINISTRATION PORTFOLIO COMMITTEES.....	29
TABLE 17: FINANCE AND ADMINISTRATION PORTFOLIO COMMITTEE MEETINGS	29
TABLE 18: TECHNICAL SERVICES PORTFOLIO COMMITTEE	30
TABLE 19: TECHNICAL SERVICES PORTFOLIO COMMITTEE MEETINGS	30
TABLE 20: COMMUNITY SERVICES PORTFOLIO COMMITTEE	30
TABLE 21: COMMUNITY SERVICES PORTFOLIO COMMITTEE MEETINGS	30
TABLE 22: ADMINISTRATIVE GOVERNANCE STRUCTURE	30
TABLE 23: VLEILAND AREA COMMITTEE MEETINGS.....	32
TABLE 24: AREA 2 MATJIESFONTEIN AREA COMMITTEE MEETINGS.....	32
TABLE 25: LAINGSBURG AREA COMMITTEE MEETINGS	33
TABLE 26: FUNCTIONING OF AREA COMMITTEES	34
TABLE 27: LABOUR FORUM	34
TABLE 28: IDP FORUM.....	35
TABLE 29: RISK FORUM	35
TABLE 30: STRATEGIES	36
TABLE 31: MEMBERS OF THE AUDIT COMMITTEE	37
TABLE 32: INTERNAL AUDIT COVERAGE PLAN	38
TABLE 33: INTERNAL AUDIT FUNCTIONS.....	38
TABLE 34: POLICIES	39
TABLE 35: COMMUNICATION ACTIVITIES.....	40
TABLE 36: WEBSITE CHECKLIST	40
TABLE 37: NATIONAL KPIS– MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT	42
TABLE 38: PERFORMANCE HIGHLIGHTS– MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT	42
TABLE 39: CHALLENGES – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT.....	42
TABLE 40: 2010/11 EE TARGETS/ACTUAL BY RACIAL CLASSIFICATION	43
TABLE 41: 2010/11 EE TARGETS/ACTUAL BY GENDER CLASSIFICATION.....	43
TABLE 42 EE POPULATION 2010/11	43
TABLE 43: OCCUPATIONAL CATEGORIES.....	44
TABLE 44: OCCUPATIONAL LEVELS.....	45
TABLE 45: DEPARTMENT - RACE.....	45
TABLE 46: VACANCY RATE PER POST AND FUNCTIONAL LEVEL	46
TABLE 47: VACANCY RATE PER SALARY LEVEL.....	46
TABLE 48: TURNOVER RATE.....	46
TABLE 49: INJURIES.....	47
TABLE 50: SICK LEAVE	47
TABLE 51: HR POLICIES AND PLANS	48
TABLE 52: PERFORMANCE REWARDS.....	49
TABLE 53: SKILLS MATRIX	50
TABLE 54: SKILLS DEVELOPMENT.....	51
TABLE 55: BUDGET ALLOCATED AND SPENT FOR SKILLS DEVELOPMENT	51
TABLE 56: PERSONNEL EXPENDITURE	52
TABLE 57: PERSONNEL EXPENDITURE	53

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

TABLE 58: NATIONAL KPIS – BASIC SERVICE DELIVERY AND LOCAL ECONOMIC DEVELOPMENT.....	57
TABLE 59: GENERAL PRIORITY AREAS	58
TABLE 60: TOP LAYER SDBIP – GOOD GOVERNANCE AND PUBLIC PARTICIPATION.....	62
TABLE 61: TOP LAYER SDBIP – MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	62
TABLE 62: TOP LAYER SDBIP – MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	64
TABLE 63: TOP LAYER SDBIP – LOCAL ECONOMIC DEVELOPMENT	64
TABLE 64: TOP LAYER SDBIP – BASIC SERVICE DELIVERY	70
TABLE 65: DEVELOPMENT AND SERVICE DELIVERY PRIORITIES FOR 2011/1.....	73
TABLE 66: BASIC SERVICES DELIVERY HIGHLIGHTS.....	73
TABLE 67: BASIC SERVICES DELIVERY CHALLENGES.....	73
TABLE 68: FREE BASIC SERVICES TO INDIGENT HOUSEHOLDS	74
TABLE 69: FREE BASIC ELECTRICITY SERVICES TO INDIGENT HOUSEHOLDS	74
TABLE 70: FREE BASIC WATER SERVICES TO INDIGENT HOUSEHOLDS	75
TABLE 71: FREE BASIC SANITATION SERVICES TO INDIGENT HOUSEHOLDS	75
TABLE 72: FREE BASIC REFUSE REMOVAL SERVICES TO INDIGENT HOUSEHOLDS PER TYPE OF SERVICE.....	75
TABLE 73: ACCESS TO BASIC LEVEL OF SERVICES	75
TABLE 74: CAPEX	76
TABLE 75: TOTAL CAPITAL EXPENDITURE ON ASSETS	77
TABLE 76: TOTAL CAPITAL EXPENDITURE	78
TABLE 77: BACKLOGS	78
TABLE 78: WATER SERVICE DELIVERY LEVELS.....	79
TABLE 79: SANITATION SERVICE DELIVERY LEVELS.....	81
TABLE 80: ELECTRICITY SERVICE DELIVERY LEVELS	83
TABLE 81: HOUSING WAITING LIST	84
TABLE 82: HOUSING	84
TABLE 83: REFUSE REMOVAL SERVICE DELIVERY LEVELS	85
TABLE 84: TARRERD ROADS.....	86
TABLE 85: GRAVELLED ROADS.....	86
TABLE 86: COST OF CONSTRUCTION/MAINTENANCE OF ROADS.....	87
TABLE 87: STORMWATER INFRASTRUCTURE	87
TABLE 88: COST OF CONSTRUCTION/MAINTENANCE OF STORMWATER SYSTEMS.....	87
TABLE 89: SPENDING OF GRANTS.....	88
TABLE 90: ADDITIONAL PERFORMANCE.....	90
TABLE 91: LED HIGHLIGHTS	90
TABLE 92: LED CHALLENGES	91
TABLE 93: LED OBJECTIVES AND STRATEGIES.....	92
TABLE 94: ECONOMIC ACTIVITY BY SECTOR	93
TABLE 95: LED INITIATIVES.....	93
TABLE 96: FUNCTIONAL AREAS.....	96
TABLE 97: PERFORMANCE HIGHLIGHTS PER FUNCTIONAL AREA.....	97
TABLE 98: SUMMARY OF TOTAL PERFORMANCE	98
TABLE 99: FUNCTIONAL ALIGNMENT – EXECUTIVE AND COUNCIL	99
TABLE 100: FUNCTIONAL ALIGNMENT – FINANCE AND ADMINISTRATION	101
TABLE 101: FUNCTIONAL ALIGNMENT – PUBLIC SAFETY	103
TABLE 102: FUNCTIONAL ALIGNMENT – TECHNICAL SERVICES	104
TABLE 103: NATIONAL KPI’S FOR FINANCIAL VIABILITY AND MANAGEMENT	107
TABLE 104: FINANCIAL VIABILITY HIGHLIGHTS.....	107
TABLE 105: FINANCIAL VIABILITY CHALLENGES.....	107
TABLE 106: PERFORMANCE AGAINST BUDGETS.....	108
TABLE 107: GROSS OUTSTANDING DEBTORS PER SERVICE	109

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

TABLE 108: SERVICE DEBTOR AGE ANALYSIS.....	110
TABLE 109: RELIANCE ON GRANTS	111
TABLE 110: LIQUIDITY RATIO	111
TABLE 111: AUDIT OUTCOMES.....	111
TABLE 112: 2009/10 DETAIL ON AUDIT OUTCOMES.....	112
TABLE 113: 2010/11 DETAIL ON AUDIT OUTCOMES.....	112
TABLE 114: EQUITABLE SHARE VS TOTAL REVENUE	113
TABLE 115: REPAIRS & MAINTENANCE AS % OF TOTAL OPEX.....	113
TABLE 116: CAPITAL FUNDED BY SOURCE	114

LIST OF FIGURES

FIGURE 1: LAINGSBURG AREA MAP	15
FIGURE 2: STRATEGY MAP.....	56
FIGURE 3: SDBIP MEASUREMENT CATEGORIES.....	59

LIST OF GRAPHS

GRAPH 1: TOTAL % INDIGENT HOUSEHOLDS WITHIN THE MUNICIPAL AREA.....	19
GRAPH 2: GENDER POPULATION	22
GRAPH 3: POPULATION BY RACE	23
GRAPH 4: PERFORMANCE PER NATIONAL KEY PERFORMANCE AREA.....	59
GRAPH 5: WATER SERVICE DELIVERY LEVELS	80
GRAPH 6: WATER WITH MINIMUM SERVICE LEVEL.....	80
GRAPH 7 SANITATION SERVICE DELIVERY LEVELS	81
GRAPH 8 SANITATION MINIMUM STANDARDS.....	82
GRAPH 9: ELECTRICITY SERVICE DELIVERY LEVELS.....	83
GRAPH 10: ELECTRICITY LEVELS ABOVE MINIMUM STANDARDS	83
GRAPH 11: REFUSE REMOVAL SERVICE DELIVERY LEVELS	85
GRAPH 12: REFUSE REMOVAL LEVELS ABOVE STANDARDS	86
GRAPH 13: OVERALL PERFORMANCE OF DIRECTORATES	98
GRAPH 14: EXECUTIVE AND COUNCIL SUB-DIRECTORATE PERFORMANCE	100
GRAPH 15: FINANCE AND ADMINISTRATION SUB-DIRECTORATE PERFORMANCE	102
GRAPH 16: PUBLIC SAFETY SUB-DIRECTORATE PERFORMANCE	103
GRAPH 17: TECHNICAL SERVICES SUB-DIRECTORATE PERFORMANCE	105
GRAPH 18: REVENUE.....	108
GRAPH 19: OPERATING EXPENDITURE.....	109
GRAPH 20: DEBT PER TYPE OF SERVICE.....	110
GRAPH 21: RELIANCE ON GRANTS AS %	111
GRAPH 22: REVENUE STREAMS.....	113
GRAPH 23: REPAIRS AND MAINTENANCE AS PERCENTAGE OF OPEX	114
GRAPH 24: CAPITAL FUNDED BY SOURCE.....	115

EXECUTIVE MAYOR'S FOREWORD



Laingsburg Municipality is the smallest in the Western Cape as well as in the whole of South Africa. In 2008 Laingsburg Municipality was crowned the best municipality in the Western Cape as well as is in the whole of South Africa.

We are proud to say that being the smallest is not an excuse not to do our best and not to be in the forefront of service delivery to the broader community of Laingsburg – despite limited resources at hand. We are privileged to relive “*NoliProcrastinare*” within Council and Administration. It means that Council, together with its Administration, will not procrastinate to deliver adequate and quality mandatory services to its broader community.

The 2007/08 financial year, characterised as a year during which we realised the aforementioned significant achievements, such as the Vuna Awards, urged us to work even harder to improve service delivery to our people. By putting the needs of the broader community first, we constantly strive to adopt innovative approaches to work within our constraints and limitations to create the best opportunities that will improve the conditions of our people.

We are pleased that the Municipal Governance System has been converted from a Plenary Executive system of government to a Collective Executive combined with a Ward Participatory government system.

We can report that 590 households in our municipality are indigent and receive 100% free services, which include services such as: free basic electricity, free basic water, free basic sanitation, and free basic refuse removal.

Through our vision and mission we are a municipality that wishes to do the best for all our people. Our integrated development plan (IDP) expresses the Council’s vision for development and with its developmental oriented nature it guides the Council’s decision making initiatives.

Our focus areas are aligned with that of National Government and include: Local Economic Development, Access to Infrastructure, Environmental and Spatial Development, Human Rights, Social Development, Disaster Management, Crime Prevention, Poverty Alleviation, Job Creation and lobbying for financial investment.

In a “*NoliProcrastinare*” manner, we will work twice as hard to achieve the desirable impact on the broader community of Laingsburg.

WILHELM DUP THERON
EXECUTIVE MAYOR

MUNICIPAL MANAGER'S FOREWORD



The municipal financial year 2010-11 was a period of notice. During this period we were encountered with National Municipal Elections, whereby the broader community exercised their democracy. We are quite pleased that for Laingsburg Municipality's administration it was business as usual and was, thus, not negatively affected during the mentioned period. For a municipality like Laingsburg this would have affected or contributed to additional challenges to an already challenged environment in which we have a common goal of focusing on the needs of our broader community.

During this period we also finalised the long awaited issue regarding our financial management and hope that implementation will take place in an effective and efficient manner. We also committed ourselves to the Department of Cooperative Governance and Traditional Affairs objectives in terms of Operational Clean Audit, and Governance in its entirety.

As Municipal Manager I am extremely proud to say that our municipality is characterised by good governance practices and we commit ourselves to continuous improvement in this area. In our developmental mandate we, through constructive public participation processes, continue to strive and enhance ownership and a sense of belonging in the community and their own development initiatives.

Thus, the municipality administration of Laingsburg and its local community structures has made the paradigm shift towards developmentally orientated local government, and has made this approach integral to our collective future perspectives. In striving to realise our hope for a better future we have established a sound practice in our integrated development planning (IDP) processes.

For us this is not only a compliance process, but we consider it a process through which we collectively prepare our strategic plan (IDP) as the principal strategic instrument that guide all planning, management, investment, development and implementation decisions, and taking into account inputs from all stakeholders. Our focus is constantly on improving the living conditions of our people by tapping into their own experiences and input in all our processes.

The paradigm shift also includes that from Area-based Planning Approach to a Community-based Planning Approach due the shift from a Plenary Executive System to an Executive and Ward-based Participatory System.

As the Municipal Manager, I am proud to affirm that our administration is geared towards participative, professional, transparent and accountable administration to improve service delivery.

The success of Laingsburg municipality is attributed to the contributions and harmonisation between our newly elected politicians and professional administration, which is committed to service delivery and our municipal vision.

Laingsburg is a municipality that work for its people!

P.A. Williams
Municipal Manager

CHAPTER 1

MUNICIPAL OVERVIEW



CHAPTER 1: INTRODUCTION AND MUNICIPAL OVERVIEW

1.1 MUNICIPAL OVERVIEW

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

The 2010/11 Annual Report reflects on the performance of the Laingsburg Municipality for the period 1 July 2010 to 30 June 2011. The Annual Report is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA), in terms of which the Municipality must prepare an Annual Report for each financial year.

1.1.1 VISION AND MISSION

The Laingsburg Municipality committed itself to the vision and mission of:

Vision:

“Laingsburg municipality is a desirable place where to live, invest and visit, and where all people enjoy a sustainable quality of life”

Mission:

“A people centered and economically viable municipality where all have equal access to:

- i) Basic social services***
- ii) Educational and skills enhancement programmes***
- iii) Entrepreneurial and job opportunities ”***

1.1.2 DEMOGRAPHIC INFORMATION

A) MUNICIPAL GEOGRAPHICAL INFORMATION

Laingsburg Local Municipality (LLM) is located in the Central Karoo region of the Western Cape. It is the smallest municipality in South Africa with a total population estimate of **7 505** with **1 959** households. The municipality's main socio-economic challenges include high unemployment and declining school enrolment. Agriculture has historically been the dominant sector in the region, but as there has been strong growth in wholesale trade and retail as well as on the tourism sectors, this is no longer the case.

The municipality covers an area of approximately **8 800** square kilometres and the town of Laingsburg; 276 km from Cape Town, is the main centre which straddles the N1 National Road.

Historically, a village was established along the banks of the Buffels River in 1880, which was first called Buffalo, followed by Nassau and then Laingsburg. Thirty years ago, on Sunday 25th of January 1981, a devastating flood that laid Laingsburg to waste, secured for this Karoo town a permanent place on the map and in the history of South Africa. Within a few hours the whole town was under water (the water reached heights four times greater than any other flood over the previous two centuries). 103 Inhabitants lost their lives and 184 houses were destroyed.

Laingsburg town has a population of **5 925** people, followed by Matjiesfontein, the second largest community, with approximately **535** people. The rest of the population (± 870 people) are scattered over the farms in the municipal area. The Municipality of Laingsburg have no wards prior to the 2011 local government elections due to the small number of voting rights, but for planning purposes, the municipal area is divided into three areas. Area Committees have been elected by the communities in these areas. These committees have the same functions as Ward Committees and are accountable to the communities they represent.

Below is a map that indicates the location of the Laingsburg Municipality in the Central Caroo District area:

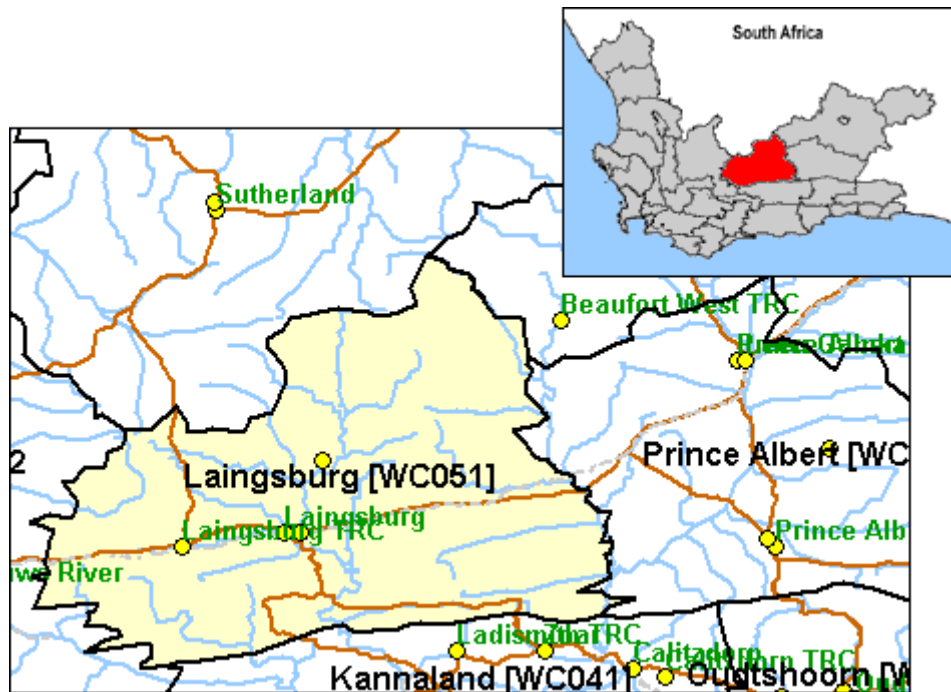


Figure 1: Laingsburg Area map

Areas

The three Areas are:

Area	Neighbourhoods and Settlements
Laingsburg	Bergsig, Goldnerville, Bodorp, Onderdorp, Nuwedorp and Moordenaars Karoo Farms
Matjiesfontein	The Village, Konstale and the Witteberge farms
Vleiland	Vleiland and Klein Swartberg areas

Table 1: Municipal Areas

Laingsburg

This friendly, modern Karoo village, only 280 km from Cape Town, was almost entirely destroyed by a huge flood only a century after it started. The town lies in a geologically fascinating area, steeped in history and tradition. It's a worthwhile and hospitable stop on the busy N1 highway through the Great Karoo.

The warm welcome that awaits tourists in Laingsburg dates back to the mid-1700's. In those years farmers along the banks of the Buffels River offered hospitality to adventurers brave enough to cross the mountains and venture out onto the arid plains of the Great Karoo. In exchange for news of Cape Town and the civilised world, as well as gossip garnered from other farms along the way, these isolated farmers of the interior offered accommodation, sustenance and fodder.

Many early officials and explorers, such as Barrow, Lichtenstein, De Mist and Swellengrebel, wrote of the people they met in what was later to become the district of Laingsburg. They described the Karoo as "awesome, hot, dry, and dusty. An inhospitable land peppered with friendly outspans veritable jewels in the desert."

At tiny homesteads dotted about on the vast plains travellers found fresh, drinking water, safe outspans, "a true welcome, homely hospitality and a nourishing meal." Many wrote that "such comforts were offered by God-fearing but brusque men, their shy women and hoards of children."

Matjiesfontein

In 1884, young immigrant Scot, James Logan, purchased lands at "a place called Matjiesfontein", an insignificant railway halt in the depths of the Karoo. The Cape Government Railways had, by then, reached the Kimberley diamond fields, and - following Cecil Rhodes' vision of the "road to the North", his dream of a Cape to Cairo line - was extending into the Zambezi hinterland. Logan, whose meteoric rise was based on an energetic and meticulous efficiency, had been awarded the government catering contract at Touws River, which lies within the vast spaces of the Karoo.

In those days, dining cars were unheard of, and - aware that travellers needed sustenance on those interminable journeys to the interior - Logan saw the potential of this remote Matjiesfontein halt. He had already found the Karoo air beneficial for his weak chest; and, entranced by the lunar majesty of the landscape, resigned his post and set about creating a village, seemingly in the depths of nowhere, which would make his fortune and become for many what John Buchan (remember "Prester John" and "The 39 Steps"?) would have recognised as a "Temenos" - a special place of the spirit.

Logan purchased the farm Matjiesfontein and, with his thoroughly commercial instincts, three others which possessed plentiful water. He created what an enthusiast describes as an "Oasis"; planted trees (inevitably including the ubiquitous pepper) and a garden; built his own still-surviving residence, Tweedside Lodge; and established the famous Hotel Milner which was conveniently completed in 1899, and shortly thereafter served as the Headquarters of the Cape Western Command.

By early 1899, Matjiesfontein had become a fashionable watering place, attracting those who could afford to seek relief for chest complaints in the clear, bright air, entertaining distinguished visitors, some of whom were more parasite than patron. Lord Randolph Churchill is still remembered for "borrowing" a hunting dog which he never returned.

Olive Schreiner lived in her own cottage here for five years and published the book "Story of an African Farm", which brought her instant fame and an income to last her a lifetime. Olive later became one of the first voices of feminism in South Africa. Today her small three-roomed cottage is a landmark in the village; Logan, a cricket fanatic, entertained most of the famous early teams visiting the Colony. Rudyard Kipling, on his first call at the Cape, made a special journey inland specifically to visit her. During the Boer War, Matjiesfontein supported a base hospital, and Logan offered five of his villas as convalescent homes for soldiers.

Virtually all the British Army commanders - Lord Roberts, Douglas Haig, after his post as Commander-in-Chief of the BEF in France, and Edmund Ironside (Chief of the Imperial General Staff, 1940) - stayed or were entertained in the Village. Edgar Wallace - ex-trooper, war correspondent, thriller writer - sent his superb "Unofficial Despatches" from there.

All celebrated in their time and, even now, some are still remembered.

Vleiland

There is a delightful short drive quite close to Laingsburg which offers some unbeatable mountain scenery. Follow the road past the railway bridge and drive to the small settlements of Vleiland and Rouxpos. Turn left and drive through the tiny, seemingly forgotten little village of Vleiland. It consists of little more than a post office and library which seem trapped in time. The road curves through this scenic historic spot and rejoins the main road. A little further along is a turn off to the right which takes the tourist through the awe-inspiring scenery of the Rouxpos settlement area of tiny historic thatched farms. Again the road curves along and meets the main road back to Laingsburg. This drive is truly a worthwhile experience.

B) POPULATION

The municipality is estimated to account for **9.5%** of the Central Karoo District’s population.

a) Total Population

The table below indicates the total population within the municipal area according to the 2001 Census:

Number of Households	Total Population	African	Coloured	Indian	White
1 959	6 677	147	5 386	10	1 134

Table 2: Demographic information of the municipal area – Total population

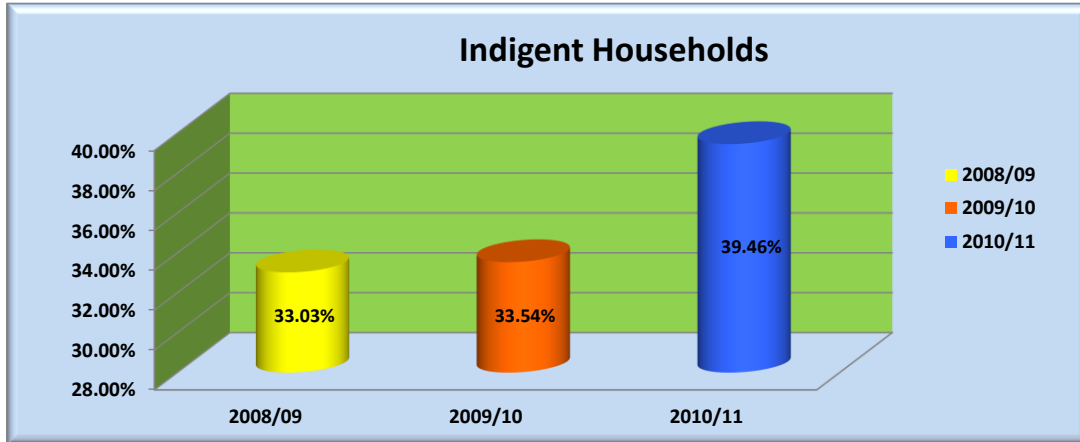
C) HOUSEHOLDS

The 2007 Community survey indicated that 96.6% of the population resided in formal dwellings, while 1.4% lived in informal dwellings. The average household size in the Laingsburg Municipal area is 3.54 which is in line with the national norm of 3.81.

Households	2008/09	2009/10	2010/11
Number of households in municipal area (Census 2001)	1 959	1 959	1 959
Number of indigent households in municipal area	647	657	773

Table 3: Total number of households

The graph below shows that the total number of indigent households increased from **31.5%** in 2008/09 to **39.4%** in 2010/11 financial year. The indigent households show an annual increase of **17.6%** growth over the past two financial years.



Graph 1: Total % indigent households within the municipal area

D) KEY ECONOMIC ACTIVITIES

Laingsburg regional gross value added figure (GVA-R) 8 amounted to **R122.217 million** and accounted for **10.8%** of total the regional economy of **R1.130 billion** in 2009, making it the smallest economic contributor in the Central Karoo District.

When the economic growth trends of Laingsburg is compared to the Central Karoo District growth rate for the period 2001 to 2009 (periods of surveys done), Laingsburg’s economy was growing at a higher rate than the District’s economy with the exception of 2005 when the District’s economy outperformed the economy of the Laingsburg. Laingsburg’s economy grew at an annual average rate of 4.0% over the period 2001 to 2009 compared to the District’s annual average growth rate of 3.6%

The Municipality is dependent upon the following economic activities according to the 2009 survey results:

Key Economic Activities	Description
Services Sector (Community)	Community services, consisting mainly of government departments, made up 18% of Laingsburg economic sector.
Construction	Although the construction industry only makes up 2% of the economic activities of Laingsburg, this sector had the biggest growth between the survey periods of 2001 and 2009 with a growth of 8.1% over this period.
Commerce	Laingsburg produces fruit and vegetables of exceptional sun ripe quality especially down stream from the Floriskraal dam. The region is known for its seasonal production of apricots, dried yellow peaches, pears, plums, quinces and tomatoes and produces 300t to 400t of apricots; 200t to 300t yellow peaches dried 200t; 100t pears, 50 t plums 20t quinces and 200t tomatoes. Farmers are currently processing fruit in small quantities or sell fruit in bulk that impact on the season. The

Key Economic Activities	Description
	<p>profit they make as well as their ability to provide more employment opportunities have lead farmers to pledge their support to a central processing facility. A survey has revealed high interest and skills in the Laingsburg community regarding jams and preserves. The central processing facility will sort and process fruit and vegetables into dried products, juice, jam, chutney, sugar fruit and preserves. The project will, through its cooling facility, ease the seasonal problems farmers have to flatten out peaks and obtain labour. Public Private Partnerships; Black Economic Empowerment (SMME Development) and equity ventures could ensue.</p>
<p>Manufacturing and mining</p>	<p>Manufacturing is the sixth largest sector in the region accounting for 5.9% of the regional GDP and is growing at a rate of 3.0%. In 2005, Uranium was discovered at Ryst Kuil (55 km from Beaufort West) and Ruitkuil (60-80km from Merweville). The Toronto-based company, UraMin, has been granted twelve of fourteen prospecting licences for the Ryst Kuil channel and are hoping to have a mine up and running by 2010. An estimated 3000 job opportunities are expected to be created, thereby providing Beaufort West Municipality and neighbouring municipalities with direct and indirect job opportunities.</p>
<p>Finance</p>	<p>The finance sector consists mainly of private sector business and services and was also one of the biggest growing sectors between the survey periods of 2001 and 2009 with a growth of 8.0%. This sector makes up around 35% of the economic sector of Laingsburg. This mainly due to the growth in the hospitality sectors as well as property sales and new business developments.</p>
<p>Wholesale and Retail</p>	<p>This is the second largest sector in Laingsburg which contributes approximately 22.6% of the regional GDP. This sector includes the areas of catering and accommodation and also showed a positive growth. The N1 national road running through the town is the main contributor this growth.</p>
<p>Agriculture</p>	<p>Agriculture is one of the main sectors providing employment opportunities in the Laingsburg region. Processing is seen as a major opportunity for employment creation as raw materials are currently being exported to neighboring regions such as the Cape Winelands Districts in the Western Cape and Port Elizabeth in the Eastern Cape. Agriculture is also one of the leading economic contributor and makes up around 22% of the economic activities in the area. However, this sector is currently showing a decline due to the global recession, continuing drought, a shift from agriculture to game farming, and the under-utilisation of agricultural land. However, potential exists for growth in the following areas:</p> <ul style="list-style-type: none"> • Value-Adding of the Agricultural sector specifically fruit and meat • SMME's Development within the Agricultural Sector • Skills Development • Raise Awareness regarding labour intensive agricultural methods and practices • Public Private Partnerships
<p>Transport</p>	<p>This sector accounts for 19.3% of the regional GDP and experienced a real growth rate of 7.2%. This is attributed to the road traffic traversing the N1 between Cape Town and Johannesburg. There is however concern that only a small portion of the population benefits from the business propelled by the traffic on the N1. This is directly related to all the current economic opportunities being concentrated on the N1. This is perceived to limit economic development in other sections of the town and thus promote skewed development.</p>
<p>Tourism</p>	<p>The tourism industry plays a key role in the South African economy. It is estimated that at a national level, tourism contributes approximately 8.2% to the GDP, it contributes a total of R 53.2 billion, directly and indirectly, to the South African economy and employ 7% of the country's workforce (Department of Economic Affairs, Agriculture and Tourism, 2002). It is important to note that approximately 55% of the domestic visitors to Western Cape destinations originated within the province. This implies that fewer external, non Western Cape domestic tourists visit the province than what the figures might suggest.</p> <p>Tourism planning is central to tourism, as it organises "the future to achieve certain objectives". Strategic tourism frameworks often form the core of tourism planning. Central to the development of any strategic tourism framework is the concept of tourism products. These components are attractions (natural, built and cultural), accessibility (infrastructure, operations</p>

Key Economic Activities	Description
	and government regulations), amenities (accommodation, restaurants, entertainment and retail) and ambience (friendliness, way of life, history and service levels).

Table 4: Key Economic activities

1.1.3 SOCIO ECONOMIC INFORMATION

A) SOCIO ECONOMIC GROWTH

The socio-economic information for the municipal area is as follows:

Housing Backlog	Unemployment rate	Households with no Income	People older than 14 years illiterate	HIV/AIDS Prevalence 2010	Urban/rural household split
500	26.2%	5.7%	42%	2.7%	91%/9%

Table 5: Socio Economic information

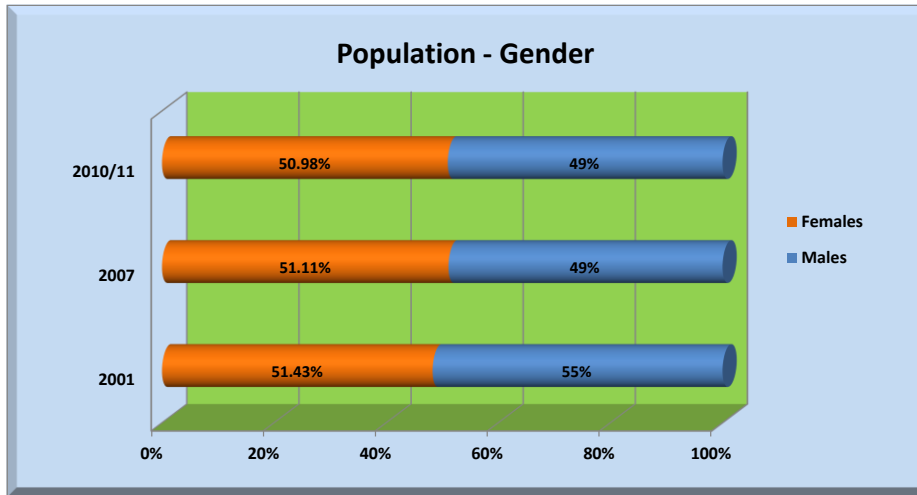
B) POPULATION BY GENDER

In 2007 the Laingsburg population showed that females represented 3 740 (**51.1%**) and males represented 3 587 (**48.9%**) of the population. In 2010/11 the population was much more closely balanced with **50.9%** (3 836) representation of females and **49.1%** (3 679) of males. The table also indicates that the female population had a growth rate of 2.3% whilst males had a growth rate of 2.8% over the indicated period.

Population - Gender	2001	2007	2010/11	Growth rate since 2007
Females	3 434	3 740	3 826	2.3%
Males	3 679	3 578	3 679	2.8%
Total	6 677	7 318	7 505	2.6%

Table 6: Demographic information of the municipal area – Gender

The following graph displays the female to male ratio.



Graph 2: Gender Population

c) POPULATION BY AGE

Population - Gender/Age		2009
0-4	Males	372
	Females	351
5-9	Males	332
	Females	345
10-14	Males	310
	Females	287
15-19	Males	234
	Females	192
20-24	Males	258
	Females	288
25-29	Males	252
	Females	310
30-34	Males	299
	Females	331
35-39	Males	250
	Females	273
40-44	Males	264
	Females	261
45-49	Males	261
	Females	279
50-54	Males	227

	Females	213
55-59	Males	154
	Females	171
60-64	Males	127
	Females	167
65-69	Males	122
	Females	127
70-74	Males	91
	Females	89
75+	Males	126
	Females	142

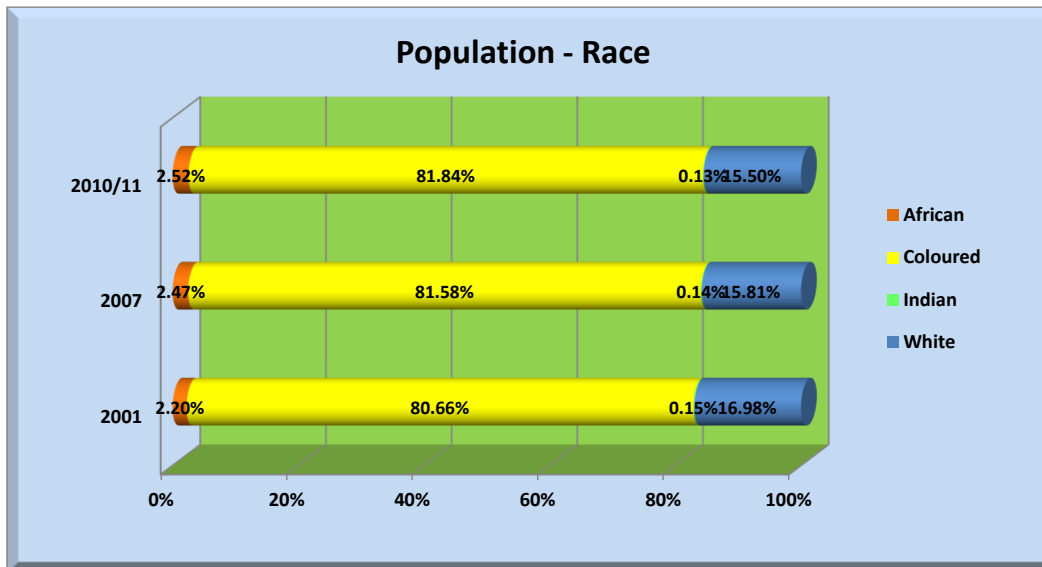
Table 7: Population by age

D) POPULATION BY RACE CATEGORIES

Population - Racial	2001	2007	2010/11	Increase from 2007 to 2011
African	147	181	189	4.4%
Coloured	5 386	5 970	6 142	2.9%
Indian	10	10	10	0.0%
White	1 134	1 157	1 163	0.5%
TOTAL	6 677	7 318	7 505	2.6%

Table 8: Demographic information of the municipal area – Race categories

The graph below shows the population by race.



Graph 3: Population by race

1.1.4 MUNICIPAL CHALLENGES

The following general challenges are experienced by the municipality:

CHALLENGES	ACTIONS TO ADDRESS CHALLENGES
Small Revenue Base	Implementation of the LED Strategies which promotes job creation, further enhancements of the LED initiatives to promote growth in order to further stimulate job creation
Local Economic Development	Apply for funding or lobby for investment in the local economy
Job creation	Make full use of the Extended Public Works Program / LICM to create as much jobs as possible
Substance abuse	Continuation and expansion of ELADAAG and Laingsburg Anti-Drug and Alcohol Group based on past experiences
Draught	Water saving awareness programs and improved planning as well stricter water usage control measures
GAP Housing & slow housing delivery	Attract funding and improve working relationship with Sector Departments
Lack of public transport	Assist locals to start up Public Transport and identify and construct routes
Capacity	Revenue Collection & Lobby funding to address institutional gaps (Staff)

Table 9: Municipal Challenges

CHAPTER 2

GOVERNANCE



CHAPTER 2: GOVERNANCE

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

2.1 NATIONAL KEY PERFORMANCE INDICATORS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The following table indicates the municipality’s performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations 7146 2001 and section 43 of the MSA. This key performance indicator is linked to the National Key Performance Area - Good Governance and Public Participation.

KPA & INDICATORS	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT
	2008/09	2009/10	2010/11
The percentage of a municipality’s capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality’s integrated development plan	77.53	62.09	50.82

Table 10: National KPIs - Good Governance and Public Participation Performance

2.2 PERFORMANCE HIGHLIGHTS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Highlight	Description
The municipality had no Ward Committees, but Area Committees with the same functions as ward committees. After the elections Ward Committees was established to strengthen public participation.	Attendance registers are kept during meetings
	Communities are made aware of ward meetings through loud hailing and the distribution of flyers
	Where necessary transport are provided to the community to attend the meetings. This is done to enable them to actually attend and participate in the meetings
	Majority of meetings are taking place in the applicable community hall which makes access to meetings easier for the community
Matjiesfontein Area Committee was identified as a national pilot to determine best practices for Area Committee	Matjiesfontein was chosen as one of the pilot projects for evaluation of the functioning of the Area Committees.
Matjiesfontein Area Committee was rewarded as a Best Practice for functionality and operation	Through various high level role-players evaluations, Matjiesfontein was found to one of the better functioning Area Committees and received the said award of which the Municipality is very proud

Table 11: Good Governance and Public Participation Performance Highlights

2.3 CHALLENGES - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Description	Actions to address
Poor Attendance of Meetings and Public Engagements	Awareness Programmes to educate the community of the importance of the attendance of community meetings
Logistical Arrangements	Identification of the right venue and time to suit everyone
Mobilisation of Community	Extension of a Radio Station for people who cannot read notices, funding for posters and transport from rural areas
Budget Constraints	Designated budget for Public Participation
Municipal Capacity constraints	Designated staff to run Public Participation

Table 12: Good Governance and Public Participation Challenges

2.4 GOVERNANCE STRUCTURE

2.4.1 POLITICAL GOVERNANCE STRUCTURE

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

A) COUNCIL

The Council comprises 7 elected Councillors as at 31 June 2010 after the elections, made up from 3 Ward Councillors and 4 Proportional Representation (PR) Councillors. The portfolio committees are made up of councillors drawn from all political parties. The party and gender representation in the Council is represented the table below

Below is a table that categorised the councilors within their specific political parties and areas before the 18 May 2011 elections:

Name of Councillor	Capacity	Political Party	Area representing or proportional	Meetings Attendance
Aldm. R Meyer (Mrs.)	Executive Mayor	ANC	Bergsig	91%
Cllr. R McKeet	Deputy Mayor	NPP	Matjiesfontein	73%

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

Name of Councillor	Capacity	Political Party	Area representing or proportional	Meetings Attendance
Cllr. B Kleinbooi	Councillor	NPP	Town area	91%
Cllr. M Gouws	Councillor	ANC	Goldnerville/Vleiland	91%
Cllr. W du P Theron	Councillor	DA	Town area	100%
Cllr. J de Bruyn	Councillor	DA	Bergsig	100%

Table 13: Council until 18 May 2011

Below is a table that categorised the councillors within their specific political parties and wards after the 18 May 2011 elections:

Name of councillor	Capacity	Political Party	Ward representing or proportional	Meetings Attendance
Aldm. W du P Theron	Executive Mayor	DA	3	100%
Cllr. B van As	Deputy Mayor/Chairperson: Technical Portfolio Committee	DA	2	100%
Cllr. H Horn	Speaker/ Chairperson: Community Services Portfolio Committee	COPE	Proportional	100%
Cllr. M Gouws	Councillor	ANC	4	100%
Cllr. M Bobbejee (Mrs.)	Councillor	ANC	1	100%
Cllr P Botes	Councillor	DA	Proportional	100%
Cllr. J Botha (Mrs.)	Councillor	ANC	Proportional	100%

Table 14: Council after 18 May 2011

Below is a table which indicates the Council meetings attendance for the 2010/11 financial year:

Meeting dates	Council Meetings Attendance	Apologies for non-attendance
26 Julie 2010	83%	17%
31 August 2010	67%	23%
1 November 2010	100%	0%
15 November 2010	83%	17%
15 December 2010	83%	17%
25 January 2011	100%	0%
21 February 2011	100%	0%
15 March 2011	100%	0%
28 March 2011	100%	0%

Meeting dates	Council Meetings Attendance	Apologies for non-attendance
21 April 2011	100%	0%
16 May 2011	100%	0%
14 June 2011	86%	14%

Table 15: Council meetings

B) EXECUTIVE MAYORAL COMMITTEE

Due to the small size of the Laingsburg Municipality and its Council, there is no Mayoral Committee as it would not be practical to have such a committee.

C) PORTFOLIO COMMITTEES

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

The portfolio committees for the 2006/11 Mayoral term and their Chairpersons are as follow:

a) Finance and Administration

Name of member	Capacity
W du P Theron	Chairperson
M Gouws	Councillor
B Kleinbooi	Councillor

Table 16: Finance and Administration Portfolio Committees

Meeting dates	Number of reports submitted to council
4 October 2010	2
27 June 2011	

Table 17: Finance and Administration Portfolio Committee Meetings

b) Technical Services

Name of member	Capacity
R Meyer	Chairperson
W Theron	Councillor
M Gouws	Councillor
B Kleinbooi	Councillor
R McKeet	Councillor

Table 18: Technical Services Portfolio Committee

Meeting dates	Number of reports submitted to council
27 June 2011	1

Table 19: Technical Services Portfolio Committee Meetings

c) Community Services

Name of member	Capacity
B Kleinbooi	Chairperson
M Gouws	Councillor
W Theron	Councillor
R McKeet	Councillor

Table 20: Community Services Portfolio Committee

Meeting dates	Number of reports submitted to council
27 June 2011	1

Table 21: Community Services Portfolio Committee Meetings

2.4.2 ADMINISTRATIVE GOVERNANCE STRUCTURE

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

Name of Official	Department	Performance agreement signed
		(Yes/No)
Mr. Peter Williams	Municipal manager	yes

Table 22: Administrative Governance Structure

2.5 PUBLIC ACCOUNTABILITY

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

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

2.5.1 AREA COMMITTEES

The area committees (changed to wards after 18 May 2011) support the Ward Councillor who receives reports on development, participate in development planning processes, and facilitate wider community participation. To this end, the municipality constantly strives to ensure that all ward committees function optimally with community information provision; convening of meetings; ward planning; service delivery; IDP formulation and performance feedback to communities.

The municipality has taken the lead in establishing operational area committees in all 4 areas.

Members were elected through a nomination process by community members residing in the Wards and appointment by Council. The Ward Councillors are the Chairpersons of the various Ward Committees.

Open communication channels and interaction exist between the Ward Committee members, the various municipal organisational structures and other interested non-governmental bodies in the Laingsburg Municipal area.

The tables furnished below indicate the respective ward committee membership and the dates on which ward committee meetings were scheduled during 2010/2011.

Vleiland Area Committee:

Name of representative	Capacity representing	Dates of quarterly public ward meetings held during the year
Cllr. Rukeya Meyer	Chairperson	18 Julie 2010 15 Augustus 2010 19 September 2010 24 October 2010 30 November 2010 12 December 2010 30 January 2011 20 February 2011
Susanna Maritz	Woman	
Katrina Bandjies	Schools	
Jeffrey Booysen	Culture and Tourism	
Bennie Beukes	Sport	
Regina Beukes	Churches	
Dorothea Linnerts	Disabled	
Hans Mienies	Youth	
Chris Beukes	Farm workers	
Colleen Jantjies	CDW	
Beverly Vorster	CDW	
Kerneels Solomons	Member	

Table 23: Vleiland Area Committee Meetings

Matjiesfontein Area Committee:

Name of representative	Capacity representing	Dates of quarterly public ward meetings held during the year
Cllr. Richard McKeet	Chairperson	10 August 2010 7 September 2010 24 September 2010 10 November 2010 31 January 2011 15 February 2011
Oerson Herder	Community Development Worker	
Ronel Minies	Woman	
Jennifer Cupido	Older persons	
Cathy Steyn	Crèches	
Sussana Booise	Community Police Forum	
Ben Herder	Sport	
Clive Smith	Schools	
Adam Bobbejee	Disabled	
Renier Ackerman	Businesses	
Jerome Wylbach	Youth	
Anelise Smith	Housing	
Maggie Bobbejee	Deputy chairperson/Churches	

Table 24: Area 2 Matjiesfontein Area Committee Meetings

Laingsburg Area Committee:

Name of representative	Capacity representing	Dates of quarterly public ward meetings held during the year
Cllr. Wilhelm Theron	Chairperson	11 Augustus 2010 4 November 2010 14 December 2010 28 January 2011 28 March 2011
Francina Hermanus	Community District Workers	
Jerome Meyer	Community District Workers	
Andries le Roux	Rural	
Petronella Buys	Imatu	
Amanda Smith	SAMWU	
Francis van Wyk	Tourism	
Uan Speake	Tourism	
Dudley Grootboom	Schools	
Jonathan Vyver	Youth	
Gerlina Thys	Elderly	
Paulina Bruintjies	Elderly	
Rene Smith	Sport and Recreation	
Andries Hartman	Businesses	
Andreas Kok	Churches	
Jannie Matthews	Sport	
Stevem Schippers	Thusong Service Centre	
Jonathan Kleinbooi	Speaker	
Jannie Fortuin	Social Transformation Program	

Table 25: Laingsburg Area Committee Meetings

2.5.2 FUNCTIONALITY OF AREA COMMITTEE

The purpose of an Area committee is:

- to get better participation from the community to inform council decisions;
- to make sure that there is more effective communication between the Council and the community; and
- to assist the ward councilor with consultation and report-backs to the community.

Area committees should be elected by the community they serve and women should be well represented. The Area Councillor serves on the ward committee and act as the chairperson. Although the committees have no formal powers, they advise the Area Councillor who makes specific submissions directly to the Council. These committees play a very important role in the development and annual revision of the integrated development plan of the area.

Transport is provided, where necessary, to Committee members to attend Committee meetings and functions where public participation, through the Area Committee system, is required.

Venues have been established for the meetings, and support personnel, through the Public Participation Officer and Community Development Workers have been put at their disposal. Food and beverages are provided at the Committee meetings.

The table below provides information on the establishment of Area Committees and their functionality:

Area	Committee established (Yes/No)	Number of reports submitted to the Speakers Office	Number meetings held during the year	Committee functioning effectively (Yes/No)	Actions to address
Matjiesfontein	Yes	8	8	Yes	N/A
Vleiland	Yes	6	6	Yes	N/A
Laingsburg	Yes	5	5	Yes	N/A

Table 26: Functioning of Area Committees

2.5.3 REPRESENTATIVE FORUMS

A) LABOUR FORUM

The table below specifies the members of the Labour Forum for the 2010/11 financial year:

Name of representative	Capacity	Meeting dates
Cllr. R Meyer (Mrs.)	Councillor	31 August 2010 22 February 2011
B Kleinbooi	Councillor	
Petro Buys (Mrs.)	Imatu Chairperson	
Amanda Smith (Mrs.)	SAMWU shop steward	
K Meintjies	IMATU	
P Williams	Municipal Manager	

Table 27: Labour Forum

B) IDP FORUM

The table below specifies the members of the IDP Forum for the 2010/11 financial year:

Name of representative	Capacity	Meeting dates
Charene Robinson	Ministry of Faith	21 October 2010 25 March 2011
Johain Nel	Full Gospel	
Patricia Visser	SAPCO	

Name of representative	Capacity	Meeting dates
Wilhelmina Mathys	SAPCO	
Wilhelmina Mienies	BAWSI	
Keith Gertse	IDP	
J Vyver	CKDM / MSAT	
N GOUWS	Municipality	
H Coetzee	Ratepayers Association	
CH Van Zyl	ACDP	
JC Willemse	F.O.C.C.	
M Grootboom	Huis Karoo Elderly	
G January	CWSA	
G Pekeur	IDP	
AW Smit	Ratepayers Association	
Wilhelm Theron	DA	
S Schippers	Thusong Service Centre	
L Botes	Agricultural Association	
F Van Wyk	Tourism Bureau	
PJ Botes	DA	
R Dien	DEADP	
R Van der Westhuizen	Education	
Gerliena Thys	Karoo Lelies Elderly	
Tola	DOA	

Table 28: IDP Forum

c) RISK STEERING COMMITTEE

The table below specifies the members of the Risk Steering Committee for the 2010/11 financial year:

Name of representative	Capacity	Meeting dates
P Williams	Municipal manager	16 march 2011
P Post	Internal Auditor	
A Groenewald (Ms)	Head: Finance	
N Klink	Works Superintendent: Technical	
N Hendricks	Works Superintendent: Traffic	

Table 29: Risk Forum

2.5.4 IZIMBIZO

No Izimbizo were held during the 2020/11 financial year due to budget constraints and the political campaigning leading up to the elections.

2.6 CORPORATE GOVERNANCE

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

2.6.1 ANTI-CORRUPTION AND ANTI-FRAUD

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

A) DEVELOPED STRATEGIES

Name of strategy	Developed Yes/No
Anti-corruption strategy	In the process of being developed (was approved 27 July 2010)
Fraud prevention strategy	In the process of being developed (was approved 27 July 2010)

Table 30: Strategies

2.6.2 AUDIT COMMITTEE

Section 166(2) of the MFMA states that an audit committee is an independent advisory body which must advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to –

- internal financial control;
- risk management;
- performance Management; and
- effective Governance.

A) FUNCTIONS OF THE AUDIT COMMITTEE

The municipality decided that the Audit committee will also perform the tasks of the performance audit committee.

The Audit Committees main functions are prescribed in section 166 (2) (a-e) of the Municipal Finance Management Act, 2003 and the Local Government Municipal Planning and Performance Management Regulation 796.

B) MEMBERS OF THE AUDIT COMMITTEE

Name of representative	Capacity	Meeting dates
Mrs. E vd Westhuizen	Chairperson	4 November 2010 22 February 2011
Ms. M Bobbejee	Committee member	
Ms H Groenewald	Committee member	

Table 31: Members of the Audit Committee

2.6.3 INTERNAL AUDITING

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

The internal audit unit of a municipality must –

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

The Municipality has an in-house Internal Audit function consisting of 1 auditor.

Annual Audit Plan

The Risk Based Audit Plan for 2010/11 was implemented 100% with available resources. The table below provides detail on audits completed:

Description		No of Hours	Date completed	
Phase 1				
Compiling Risk Based Audit Plan		120	August 2010	
Phase 2				
Audit Engagement	Departmental System	Detail	No of Hours	Date completed

Description			No of Hours	Date completed
Finance and Administration	Financial Services	Annual Stock Take	-	August 2010
		Stores	Process Analysis	October 2010
		MFMA Compliance	13	March 2011
		Asset Management	64	September 2010
		Management Intervention Action Plan	17	In progress (started April 2010)
Governance	Performance Management	Performance Information	26	June 2011
Management	General	General Admin Management & Other	155	June 2011
	Championship	Audit File	17	June 2011
	Risk Management	Policies and Procedures	64	July 2011
Follow up Audits			46	In progress
Training CPD			163	Continuous
Total Hours			565	-

Table 32: Internal Audit Coverage Plan

Below are the functions that was performed by the Internal Audit Unit during the financial year under review:

Function	Date/Number
Risk analysis completed	August 2010
Risk based audit plan approved for 2010/11 financial year	November 2010
Internal audit programme drafted and approved	November 2010
Number of audits conducted and reported on	6
Audit reports included the following key focus areas:	
<i>Internal controls</i>	1
<i>Accounting procedures and practices</i>	1
<i>Risk and risk management</i>	2
<i>Performance management</i>	2

Table 33: Internal Audit Functions

2.6.5 AUDITOR GENERAL

Laingsburg Local Municipality was audited by the Auditor-General of South Africa in terms of section 188 of the Constitution and section 4 of the Public Audit Act and section 126 of the MFMA and the audit report for the financial year under review is in Annexure B of this report.

2.6.6 BY-LAWS, POLICIES AND STRATEGIES

Section 11 of the MSA gives municipal Councils the executive and legislative authority to pass and implement by-laws and policies. No By-laws were developed or revised during the financial year, but all By-Laws will be revised during the next financial year.

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

Policies/strategies developed	Date approved
Risk Management Strategy Plan	31 August 2011

Table 34: Policies

2.6.7 COMMUNICATION

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

The communities, on the other hand, have a right and a responsibility to participate in local government affairs and decision-making and ample provision is made in the abovementioned legislation for them to exercise their right in this respect. Our democratic government is committed to the principle of **Batho Pele** and this, in simple terms, means that those we elect to represent us (councillors at the municipal level) and those who are employed to serve us (the municipal officials at municipal level) must always put people first in what they do.

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

Communication activities	Yes/No
Communication unit established	Yes
Communication strategy	Yes
Customer satisfaction surveys	Via IDP process

Communication activities	Yes/No
Functional complaint management systems	Yes
Newsletters distributed at least quarterly	No

Table 35: Communication Activities

2.6.8 WEBSITES

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

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

Documents published on the Municipal website	Yes/No
Current annual and adjustments budgets and all budget-related documents	Yes
Budget implementation policy: Tariff policy	No
Budget implementation policy: Credit control policy	No
Budget implementation policy: Rates policy	No
Budget implementation policy: SCM policy	No
Annual report (09/10)	No
Performance agreements required in terms of section 57 (1) (b) of the Municipal Systems Act for 2010/11	Yes
All service delivery agreements for 2010/11	No
All long-term borrowing contracts for 2010/11	No
All supply chain management contracts above the prescribed value for 2010/11	No
Information statement containing a list of assets over a prescribed that have been disposed of in terms of section 14 (2) or (4) of the MFMA during 2010/11	No
Contracts agreed in 2010/11 to which subsection (1) of section 33 of the MFMA apply, subject to subsection (3) of that section	No
Public-private partnership agreements referred to in section 120 of the MFMA made in 2010/11	n/a
All quarterly reports tabled in the council in terms of section 52 (d) of the MFMA during 2010/11	No

Table 36: Website Checklist

CHAPTER 3

ORGANISATIONAL DEVELOPMENT PERFORMANCE



CHAPTER 3: ORGANISATIONAL DEVELOPMENT PERFORMANCE

3.1 NATION33KIJAL KEY PERFORMANCE INDICATORS – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

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

KPA & INDICATORS	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT
	2008/09	2009/10	2010/11
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality’s approved employment equity plan	3	3	3
The percentage of a municipality’s personnel budget actually spent on implementing its workplace skills plan	5.93	3.42	4.04

Table 37: National KPIs– Municipal Transformation and Organisational Development

3.2 PERFORMANCE HIGHLIGHTS – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

Highlight	Description
Learnership Program	2 people completed their Learnership program during the year
Compilation of new policies	Completion of draft policies on Disability, Risk and Recruitment & Selection
Council change	Although the Council changed after the elections, there were no disruptions in the area and the Council is now a Mayoral Executive system
Staff appointments	Appointment of permanent staff in the Traffic department

Table 38: Performance Highlights– Municipal Transformation and Organisational Development

3.3 CHALLENGES – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

Challenge	Actions to address
HR department	A fully functional and proper dedicated HR department needs to be established

Table 39: Challenges – Municipal Transformation and Organisational Development

3.4 INTRODUCTION TO THE MUNICIPAL WORKFORCE

The Laingsburg Municipality currently employs **46** (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of Municipality’s objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

3.4.1 EMPLOYMENT EQUITY

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

A) EMPLOYMENT EQUITY TARGETS/ACTUAL

African			Coloured			Indian			White		
Target June	Actual June	Target reach	Target June	Actual June	Target reach	Target June	Actual June	Target reach	Target June	Actual June	Target reach
No target was set	2	n/a	No target was set	41	n/a	No target was set	0	n/a	No target was set	3	n/a

Table 40: 2010/11 EE targets/Actual by racial classification

Male			Female			Disability		
Target June	Actual June	Target reach	Target June	Actual June	Target reach	Target June	Actual June	Target reach
No target was set	31	n/a	No target was set	15	n/a	No target was set	0	n/a

Table 41: 2010/11 EE targets/actual by gender classification

B) EMPLOYMENT EQUITY VS. POPULATION

Description	African	Coloured	Indian	White	Total
Population numbers	147	5 386	10	1 134	6 677
% Population	2.2	80.6	0.2	17.0	100
Number for positions filled	2	41	0	3	46
% for positions filled	4.4	89.1	0	6.5	100

Table 42 EE population 2010/11

c) OCCUPATIONAL CATEGORIES - RACE

Below is a table that indicate the number of employees by race within the specific occupational categories:

Posts filled									
Occupational categories	Male				Female				Total
	A	C	I	W	A	C	I	W	
Legislators, senior officials and managers	1	3	-	-	-	-	-	1	5
Professionals	-	2	-	-	-	2	-	1	5
Technicians and associate professionals	-	-	-	-	-	-	-	-	-
Clerks	-	2	-	-	-	5	-	1	8
Service and sales workers	-	2	-	-	-	1	-	-	3
Craft and related trades workers	-	-	-	-	-	-	-	-	-
Plant and machine operators and assemblers	-	8	-	-	1	-	-	-	9
Elementary occupations	-	13	-	-	-	3	-	-	16
Total permanent	1	30	0	-	1	11	0	3	46
Non- permanent	0	5	0	-	0	6	0	0	11
Grand total	1	35	0	-	1	17	0	3	57

Table 43: Occupational Categories

d) OCCUPATIONAL LEVELS - RACE

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

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management	-	1	-	-	-	-	-	-	1
Senior management	-	2	-	-	-	-	-	1	4
Professionally qualified and experienced specialists and mid- management	-	2	-	-	-	2	-	1	5
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	-	10	-	-	1	6	-	1	17
Semi-skilled and discretionary decision making	-	5	-	-	-	-	-	-	5
Unskilled and defined decision making	-	10	-	-	-	3	-	-	13
Total permanent	1	30	-	-	1	11	-	3	46

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Non- permanent employees	-	5	-	-	-	6	-	-	11
Grand total	1	35	-	-	1	17	-	3	57

Table 44: Occupational Levels

E) DEPARTMENTS - RACE

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

Department	Male				Female				Total
	A	C	I	W	A	C	I	W	
Executive and Council (Excl. councillors)	1	1	-	-	-	4	-	-	6
Finance and Administration	-	2	-	-	-	5	-	3	10
Public Safety	-	4	-	-	-	2	-	-	6
Technical Services	-	22	-	-	1	1	-	-	24
Total permanent	1	29	-	-	1	12	-	3	46

Table 45: Department - Race

3.4.2 VACANCY RATE

The approved organogram for the municipality had 49 posts for the 2010/11 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. 3 Posts were vacant at the end of 2010/11, resulting in a vacancy rate of **6.1%**.

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

PER POST LEVEL		
Post level	Filled	Vacant
MM & MSA section 57 & 56	1	0
Middle management	10	0
Admin Officers	11	1
General Workers	24	2
Total	46	3
PER FUNCTIONAL LEVEL		
Functional area	Filled	Vacant
Executive and Council (Excl. councillors)	6	0
Finance and Administration	10	2
Public Safety	6	0

PER POST LEVEL		
Post level	Filled	Vacant
Technical Services	24	1
Total	46	3

Table 46: Vacancy rate per post and functional level

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

Salary Level	Number of current critical vacancies	Number total posts as per organogram	Vacancy job title	Vacancies (as a proportion of total posts per category)
Municipal Manager	-	1	-	0
Chief Financial Officer	-	1	-	0
Other Section 57 Managers	-	-	-	0
Senior management	-	3	-	0
Highly skilled supervision	-	-	-	0
Total	-	5	-	0

Table 47: Vacancy rate per salary level

3.4.3 TURNOVER RATE

A high turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organizational knowledge. Below is a table that shows the turnover rate within the municipality. The turnover rate shows a **decrease** from **4.76 %** in 2009/10 to **2.17%** in 2010/11.

The table below indicates the turn-over rate over the last three years:

Financial year	Total no of posts filled	New appointments	No Terminations during the year	Turn-over Rate
2008/09	40	1	1	2.50%
2009/10	42	4	2	4.76%
2010/11	46	5	1	2.17%

Table 48: Turnover Rate

3.5 MANAGING THE MUNICIPAL WORKFORCE

Managing the municipal workforce refers to analyzing and coordinating employee behavior.

3.5.1 INJURIES

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.

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

Directorates	2008/09	2009/10	2010/11
Executive and Council	-	-	-
Finance and Administration	2	1	-
Public Safety	-	0	-
Technical Services	-	0	-
Total	2	1	-

Table 49: Injuries

3.5.2 SICK LEAVE

The number of day's sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The total number of employees that have taken sick leave during the 2010/11 financial year shows an increase when comparing it with the 2009/10 financial year. The main reasons for sick leave was stress related, injuries due to work conditions e.g. construction, and long term illnesses.

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

Department	2008/09	2009/10	2010/11
Municipal Manager	18	2	5
Finance and Administration	32	10	25
Corporate Services	8	19	29
Community Services	8	11	17
Technical Services	215	54	52
Total	281	96	128

Table 50: Sick Leave

3.5.3 HR POLICIES AND PLANS

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the managing of staff.

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

Approved Policies	
Name of policy	Date Approved/Reviewed
Recruitment Policy	17 June 2010
Disability Policy	June 2010
Policies still to be developed	
Name of policy	Proposed date of approval
Overtime Policy	2011/12 financial year
Employment Equity Policy	
Occupational Health and Safety Policy	

Table 51: HR policies and plans

3.5.4 EMPLOYEE PERFORMANCE REWARDS

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

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

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

The table below shows the total number of S57 that received performance rewards:

Race	Gender	Number of beneficiaries	Total number of employees received performance rewards	% Employees who received performance rewards
African	Female	-	-	-
	Male	-	-	-
Asian	Female	-	-	-

Race	Gender	Number of beneficiaries	Total number of employees received performance rewards	% Employees who received performance rewards
Coloured	Male	-	-	-
	Female	-	-	-
	Male	1	1	100
White	Female	-	-	-
	Male	-	-	-
Disability	Female	-	-	-
	Male	-	-	-
Total		1	1	100

Table 52: Performance Rewards

3.6 CAPACITATING THE MUNICIPAL WORKFORCE

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

3.6.1 SKILLS MATRIX

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

Management level	Gender	Number of employees identified for training at start of the year	Number of Employees that received training
MM and S57	Female	0	0
	Male	1	1
Legislators, senior officials and managers	Female	1	1
	Male	5	5
Associate professionals and Technicians	Female	0	0
	Male	0	0
Professionals	Female	3	2
	Male	2	1
Clerks	Female	5	4
	Male	2	1
Service and sales workers	Female	0	0

Management level	Gender	Number of employees identified for training at start of the year	Number of Employees that received training
	Male	0	0
Craft and related trade workers	Female	0	0
	Male	0	0
Plant and machine operators and assemblers	Female	1	1
	Male	9	6
Elementary occupations	Female	3	1
	Male	10	4
Sub total	Female	13	9
	Male	29	18
Total		42	27

Table 53: Skills Matrix

3.6.2 SKILLS DEVELOPMENT – TRAINING PROVIDED

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

Occupational categories	Gender	Training provided within the reporting period						
		Learnerships		Skills programmes & other short courses		Total		
		Actual	Target	Actual	Target	Actual	Target	% Variance
MM and S57	Female	0	0	0	0	0	0	-
	Male	0	1	1	1	1	2	(50)
Legislators, senior officials and managers	Female	1	1	2	3	3	4	(25)
	Male	4	4	5	5	9	9	0
Professionals	Female	2	3	2	3	4	6	(33)
	Male	1	2	0	2	1	4	(75)
Technicians and associate professionals	Female	0	0	0	0	0	0	-
	Male	0	0	0	0	0	0	-
Clerks	Female	2	4	1	4	3	8	(63)
	Male	0	2	2	2	2	4	(50)

Occupational categories	Gender	Training provided within the reporting period						
		Learnerships		Skills programmes & other short courses		Total		
		Actual	Target	Actual	Target	Actual	Target	% Variance
Service and sales workers	Female	0	1	0	1	0	1	(100)
	Male	1	2	2	2	3	4	(25)
Craft and related trade workers	Female	0	0	0	0	0	0	-
	Male	0	0	0	0	0	0	-
Plant and machine operators and assemblers	Female	1	1	0	1	1	2	(50)
	Male	2	8	3	8	5	16	(69)
Elementary occupations	Female	0	1	0	2	0	3	(100)
	Male	4	9	0	9	4	18	(78)
Sub total	Female	6	11	5	14	11	24	(54)
	Male	12	28	13	29	25	57	(56)
Total		18	39	18	43	36	81	(56)

Table 54: Skills Development

3.6.3 SKILLS DEVELOPMENT - BUDGET ALLOCATION

The table below indicates that a total amount of R197 000 was allocated to the workplace skills plan and that **178.9%** of the total amount was spent in the 2010/11 financial year:

Financial year	Total personnel budget	Total Allocated	Total Spend	% Spend
	R	R	R	
2008/09	4 956 438	140 000	294 139	210.0
2009/010	7 914 782	160 000	270 930	169.3
2010/11	8 725 934	197 000	352 582	178.9

Table 55: Budget allocated and spent for skills development

3.7 MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE

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

3.7.1 PERSONNEL EXPENDITURE

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

Financial year	Total Expenditure salary and allowances	Total Operating Expenditure	Percentage
	R'000	R'000	
2008/09	9 731	23 007	42.30
2009/10	9 509	26 724	35.58
2010/11	11 946	34 316	34.81

Table 56: Personnel Expenditure

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

Financial year	2008/09	2009/10	2010/11		
	Actual	Actual	Original Budget	Adjusted Budget	Actual
	R	R	R	R	R
Councillors (Political Office Bearers plus Other)					
Salary	1 532 995	1 147 679	1 324 280	1 324 280	1 255 982
Pension Contributions	0	0	0	0	0
Medical Aid Contributions	0	0	0	0	0
Motor vehicle allowance	0	0	431 757	431 757	418 662
Cell phone allowance	0	162 993	86 865	86 865	61 019
Housing allowance	0	0	0	0	0
Other benefits or allowances	476 086	908 457	525 000	525 000	458 691
In-kind benefits	0	0	0	0	0

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

Financial year	2008/09	2009/10	2010/11		
Description	Actual	Actual	Original Budget	Adjusted Budget	Actual
	R	R	R	R	R
Sub Total	2 009 081	2 219 129	2 367 902	2 367 902	2 194 354
% increase/(decrease)	-	10.45	6.70	0	(7.33)
Senior Managers of the Municipality					
Salaries	543 707	709 309	769 460	769 460	769 458
Pension Contributions	0	0	0	0	0
Medical Aid Contributions	0	0	0	0	0
Motor vehicle allowance	0	0	0	0	0
Cell phone allowance	84 000	31 200	0	0	32 697
Housing allowance	0	0	0	0	0
Performance Bonus	87 879	99 303	107 248	107 248	107 724
Other benefits or allowances	1 496	0	0	0	0
In-kind benefits	0	0	0	0	0
Sub Total	717 082	839 812	876 708	876 708	909 880
% increase/(decrease)	17.12	4.39	0	3.78	17.12
Other Municipal Staff					
Basic Salaries and Wages	3 899 052	2 812 121	6 307 885	6 307 885	5 921 033
Pension Contributions	645 075	2 557 276	998 787	998 787	921 171
Medical Aid Contributions	0	0	0	0	0
Motor vehicle allowance	109 844	207 902	231 948	231 948	233 583
Cell phone allowance	0	0	0	0	0
Housing allowance	41 436	44 783	40 500	40 500	125 061
Overtime	152 980	177 481	179 000	179 000	159 158
Performance Bonus	60 096	0	0	0	0
Other benefits or allowances	2 096 504	650 800	1 089 652	1 089 652	1 482 241
Sub Total	7 004 988	6 450 361	8 847 772	8 847 772	8 842 248
% increase/(decrease)	0	0	0	0	0
Total Municipality	9 731 151	9 509 302	12 092 382	12 092 382	11 946 481
Total Senior Managers and Staff	7 722 070	7 290 173	9 724 480	9 724 480	9 752 127
% increase/(decrease)	-	(5.59)	33.39	0	0.28

Table 57: Personnel Expenditure

CHAPTER 4

STRATEGIC PERFORMANCE



CHAPTER 4: STRATEGIC PERFORMANCE

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

This chapter speaks to the strategic performance highlights in terms of the Municipality's IDP, performance on basic service delivery and backlogs addressed the MIG projects as well as the spending priorities for the following year. It addresses the communication and public participation processes of the Municipality to give a holistic view of how the Municipality communicates performance to its stakeholders.

The Strategy map below specifies the strategic link of the focus areas of the Laingsburg municipality aligned with the National Key Performance Areas. The National Key Performance Areas is aligned with the Strategic Objectives that were identified in the 2010/11 reviewed IDP. The strategic objectives are linked to the outcomes for 2010/11. These alignments are directly link to the Laingsburg municipality's vision and mission.

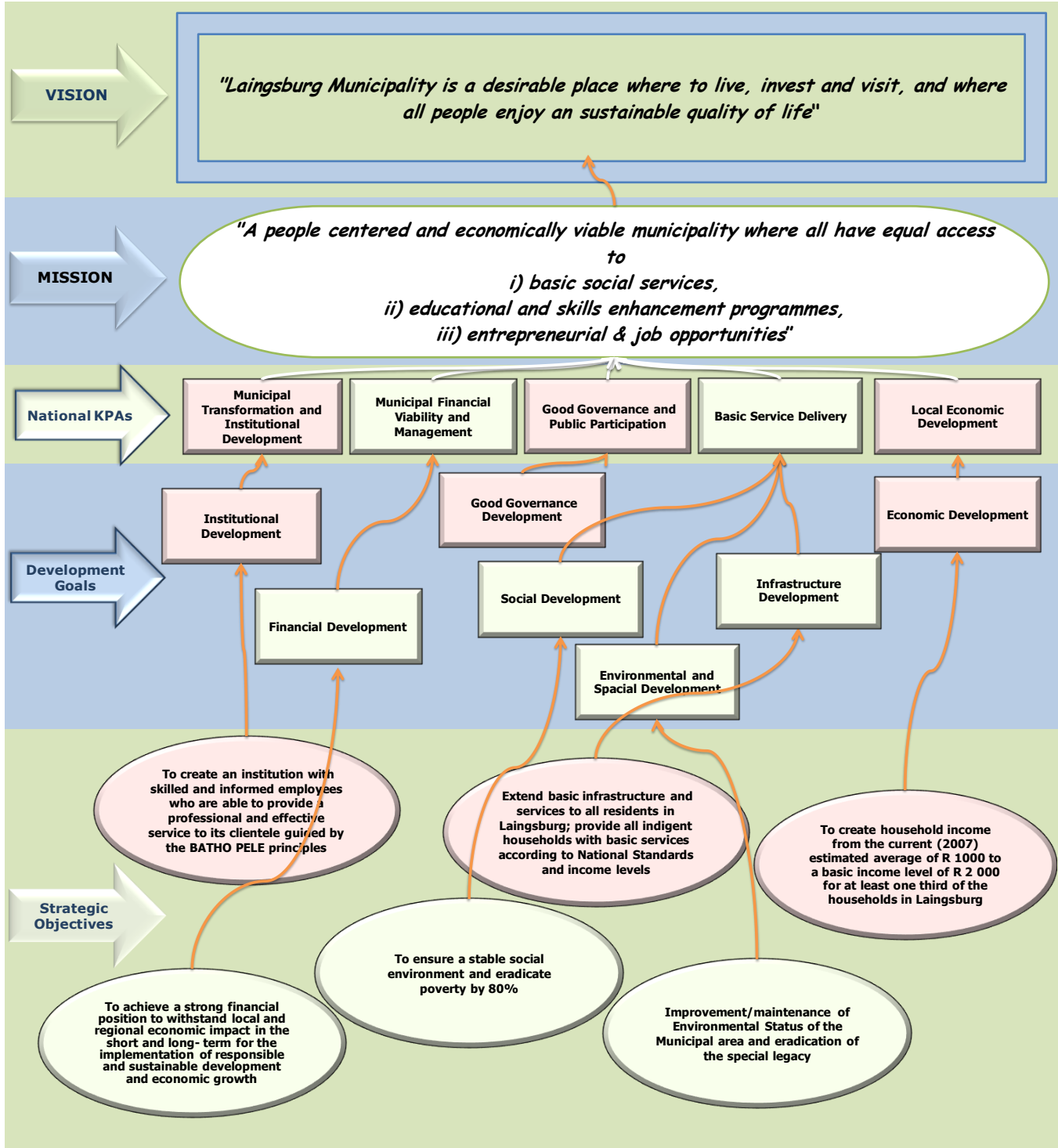


Figure 2: Strategy Map

The Municipal Systems Act, 2000 (Act 32 of 2000) and the Local Government: Municipal Planning and the Performance Management Regulations 2001 require municipalities to adopt a performance management system. Once the IDP and budget have been prepared and approved, the Municipality prepared their Service Delivery and

Budget Implementation Plan (SDBIP) in accordance with the MFMA and MFMA Circular 13. The SDBIP indicates monthly performance targets, financial performance targets and assigns responsibility to execute the respective performance targets. The Municipality assessed its performance on a monthly basis and reported progress on performance against targets set to Council quarterly and ultimately presents the annual performance results in this annual report.

4.1 NATIONAL KEY PERFORMANCE INDICATORS – BASIC SERVICE DELIVERY AND LOCAL ECONOMIC DEVELOPMENT

The following table indicates the municipality’s performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the following two National Key Performance Areas: Basic Service Delivery and Local Economic Development.

KPA & INDICATORS	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT
	2008/09	2009/10	2010/11
Basic Service Delivery			
The percentage of households earning less than R 1 100 per month with access to free basic services	100	100	100
The percentage of households with access to basic level of water	100	100	100
The percentage of households with access to basic level of sanitation	100	100	100
The percentage of households with access to basic level of electricity	100	100	100
The percentage of households with access to basic level of solid waste removal	100	100	100
Local economic development			
The number of jobs created through municipality’s local economic development initiatives including capital projects	1 200	1 185	1 631

Table 58: National KPIs – Basic Service Delivery and Local Economic Development

4.2 GENERAL PRIORITY AREAS

The following table indicates the specific areas in which challenges are experienced by the municipality. They are categorised in general priority areas that are aligned with the National Key Performance areas.

National Key Performance Area	Priority Area	Challenges	Actions to address
Municipal Transformation and Institutional	Appointment of Section 57 Employees	Lack of funding as well as a very small revenue base	Lobby financial intervention from the provincial and

National Key Performance Area	Priority Area	Challenges	Actions to address
Development			National Treasuries.
	Appointment of officials to perform Critical Portfolios	Lack of funding as well as a very small revenue base	Lobby financial intervention from the provincial and National Treasuries.
	Training and capacitating of employees	Small staff component for Service Delivery	Appointment of more staff
	Review of Policies, Strategies, Plans and By-Laws	<ul style="list-style-type: none"> Lack of funding. Unfunded Mandates Very few staff members to perform the tasks 	<ul style="list-style-type: none"> Secure funding for the review of Policies, Strategies, Plans and Bylaws Appoint appropriate staff
Municipal Financial Viability and Management	Filling of critical vacant positions	<ul style="list-style-type: none"> Scarcity of skills in the area Salary scales inadequate 	Budget for and fill vacant positions as a matter of urgency
	Debt Collection and Credit control	Culture of non-payment	<ul style="list-style-type: none"> Strengthening debt collection and credit control processes Campaign to change non-payment culture
	Small revenue base	LED processes	Marketing of the area for investment through the LED
Good Governance and Public Participation	Improve Public Participation	Community not interested in municipal affairs	<ul style="list-style-type: none"> Better mobilisation of the community Campaign to change non-payment culture
	Service Delivery	Lack of funding and small staff component	<ul style="list-style-type: none"> Appointment of more staff Find ways to improve service delivery using innovative ways

Table 59: General priority areas

4.3 STRATEGIC SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TOP LAYER)

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section should provide an overview on the strategic achievement of a municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The top layer SDBIP is the municipality's strategic scorecard and shows the strategic alignment between the different documents. (IDP, Budget and Performance Agreements). The municipality compiled a top layer SDBIP for the first time in the 2010/11 financial year.

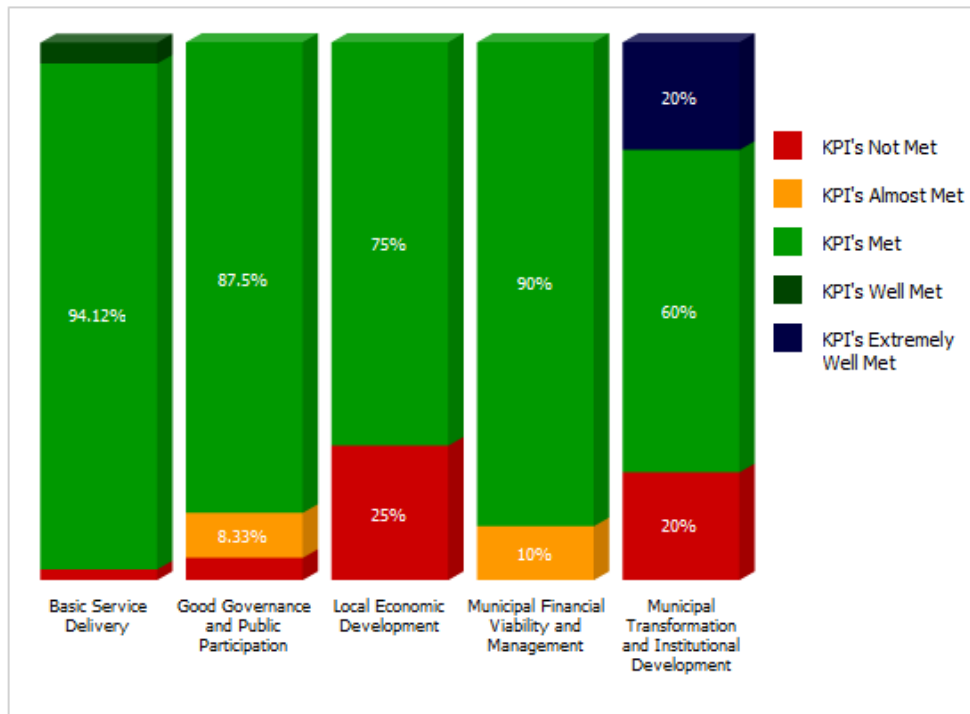
In the paragraphs below the performance achieved is illustrated against the top layer SDBIP according to the 5 National Key Performance Areas linked to the Municipal Key Performance Areas and IDP (strategic) Objectives.

The following figure illustrates the method in which the strategic service delivery budget implementation plan is measured:

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

Figure 3: SDBIP measurement categories

The graph below displays the performance per National Key Performance Areas:



Graph 4: Performance per National Key Performance Area

4.3.1 TOP LAYER SDBIP - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The National Key Performance Area Good Governance and Public Participation are linked to the Municipal Key Performance Area namely, "Good Governance". The municipal objectives that are linked to Good Governance and Public Participation are:

- "To create an institution with skilled & informed employees who can provide an effective and professional service to its clientele guided by the Batho Pele principles".

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

- *"To achieve a strong financial position to be able to withstand local and regional economic impact in short and long-term for the implementation of responsible and sustainable development and economic growth".*
- *"To ensure a stable social environment and eradicate poverty by 80%".*
- *"Improvement & maintenance of environmental status of the municipal area & eradication of the spatial legacy".*

KPI name	Unit of Measurement	Area	Baseline	Previous year actual	Performance 2010/11		Performance Comment	Corrective measures
					Target	Actual		
Approval of adjustments budget	Approval of adjustments budget before legislative deadline	All	100%	New KPI	100%	100%	-	-
Approval of Main budget	Approval of Main budget before legislative deadline	All	100%	New KPI	100%	100%	-	-
Annual performance reporting	Annual report and oversight report of council submitted before legislative deadline	All	100%	New KPI	100%	100%	-	-
Approval of SDBIP	Approval of SDBIP before legislative deadline	All	100%	New KPI	100%	100%	-	-
Creation of effective capacity	% Vacancy level as % of approved organogram	All	20%	New KPI	15%	15%	-	-
Effective functioning of committee system	No of sec 79 committee meetings per committee per annum	All	9	New KPI	10	10	-	-
Effective functioning of council	No of council meetings	All	4	New KPI	4	4	-	-
Functional Internal Audit unit	Approved Risk based audit plan by March 2011	All	10%	New KPI	100%	100%	-	-
Improved good governance	% Implementation of anti-corruption policy	All	100%	New KPI	100%	100%	-	-
Institutional Performance management system in place	Individual performance management system implemented up to the lowest	All	0	New KPI	90%	90%	-	-

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

KPI name	Unit of Measurement	Area	Baseline	Previous year actual	Performance 2010/11		Performance Comment	Corrective measures
					Target	Actual		
	level							
Institutional Performance management system in place	No of performance agreements signed on time	All	1	New KPI	1	1	-	-
Reaching of employment equity targets	% of targets reached	All	80%	New KPI	85%	50%	Insufficient funds to fill post	Targets will be taken into account when posts are filled
Municipality complying with all relevant legislation	% compliance with legislation	All	70%	New KPI	75%	75%	-	-
Citizen satisfaction survey conducted	Survey completed	All	0	New KPI	100%	100%	-	-
Effective communication with communities	Review of communication policy	All	80%	New KPI	100%	100%	-	-
Effective functioning of ward committees	No of area committee meetings per area per annum	All	12	New KPI	12	9	No committee meetings before elections	Committees will meet regularly in 2011/11
IDP and sectoral plans aligned with Spatial development plan	% alignment	All	70%	New KPI	80%	80%	-	-
IDP endorsed by all area committees	No of area committees endorsing IDP	All	3	New KPI	3	3	-	-
IDP endorsed by community organisations and stakeholders as local social compacts	% of public participation and consultation plan implemented in IDP process	All	100%	New KPI	100%	100%	-	-
IDP to include all required sectoral plans	No of required sectoral plans included	All	2	New KPI	4	4	-	-
Reviewed IDP	IDP reviewed by May Annually	All	100%	New KPI	100%	100%	-	-
Strengthen role of	No of area based development	All	0	New KPI	3	3	-	-

KPI name	Unit of Measurement	Area	Baseline	Previous year actual	Performance 2010/11		Performance Comment	Corrective measures
					Target	Actual		
communities	plans completed							
Spatial development plan aligned with PSDF and PGDS	% alignment	All	70%	New KPI	80%	80%	-	-
Functional performance audit committee	No of meetings of the performance audit committee	All	4	New KPI	4	2	-	Committee will meet quarterly in 2010/11

Table 60: Top Layer SDBIP – Good Governance and Public Participation

4.3.2 TOP LAYER SDBIP - MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

The National Key Performance Area Municipal Transformation and Institutional Development is linked to the Municipal Key Performance Area namely, “*Institutional Development*”. The municipal objective that is linked to Municipal Transformation and Institutional Development is:

- “*To create an institution with skilled & informed employees who can provide and effective and professional service to its clientele guided by the Batho Pele principles*”.

KPI name	Unit of Measurement	Area	Baseline	Previous year actual	Performance 2010/11		Performance Comment	Corrective measures
					Target	Actual		
Effective and up to date By-laws	No of By-laws revised annually	All	No Baseline	New KPI	1	0	No need to revise By-Law	By-laws will be revised as needed
Effective and up to date HR policies	Revision of all HR policies annually by March	All	100%	New KPI	100%	100%	-	-
Effective labour relations	No of meetings of the LLF	All	10	New KPI	10	10	-	-
Targeted skills development	% Implementation of skills development plan	All	100%	New KPI	100%	100%	-	-
Targeted skills development	The percentage of allocated budget spent on implementing its workplace skills plan	All	1%	New KPI	1%	1%	-	-

Table 61: Top Layer SDBIP – Municipal Transformation and Institutional Development

4.3.3 TOP LAYER SDBIP - MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

The National Key Performance Area Municipal Financial Viability and Management is linked to the Municipal Key Performance Area namely, "Financial Development". The municipal objectives that are linked to Municipal Financial Viability and Management are:

- "To achieve a strong financial position to be able to withstand local and regional economic impact in short and long-term for the implementation of responsible and sustainable development and economic growth".
- "Extend basic infrastructure and services to all residents in Laingsburg; provide all indigent households with basic services according to national standards and income".

KPI name	Unit of Measurement	Area	Baseline	Previous year actual	Performance 2010/11		Performance Comment	Corrective measures
					Target	Actual		
Updated indigent register for the provision of free basic services	Updated indigent register by June Annually	All	100%	New KPI	100%	100%	-	-
Asset management	Maintained asset register	All	100%	New KPI	100%	100%	-	-
Clean audit	% of Root causes of issues raised by AG in AG report addressed	All	65%	New KPI	70%	60%	Insufficient capacity	Service provider appointed to assist
Effective SCM system	No of successful appeals	All	0	New KPI	0	0	-	-
Financial Viability	Debt coverage ((Total operating revenue- operating grants received)/debt service payments due within the year) -	All	84%	New KPI	84%	84%	-	-
Financial Viability	Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	All	20%	New KPI	18%	18%	-	-
Improved revenue collection	% Debt recovery rate	All	80%	New KPI	85%	85%	-	-
Improvement in conditional grant spending - capital	% of total conditional capital grants spent	All	100%	New KPI	100%	100%	-	-

KPI name	Unit of Measurement	Area	Baseline	Previous year actual	Performance 2010/11		Performance Comment	Corrective measures
					Target	Actual		
Improvement in conditional grant spending - operational	% of total conditional operational grants spent	All	100%	New KPI	100%	100%	-	-
Preparation of financial statements	Financial statements submitted on time	All	100%	New KPI	100%	100%	-	-

Table 62: Top Layer SDBIP – Municipal Financial Viability and Management

4.3.4 TOP LAYER SDBIP - LOCAL ECONOMIC DEVELOPMENT

The National Key Performance Area Local Economic Development is linked to the Municipal Key Performance Area namely, "Local Economic Development". The municipal Objectives that are linked to Local Economic Development are:

- "To ensure a stable social environment and eradicate poverty by 80%".
- "To create households income from the current estimate average of R1000 to basic income level of R2000 per household for at least 70% 1959 households of Laingsburg"

KPI name	Unit of Measurement	Area	Baseline	Previous year actual	Performance 2010/11		Performance Comment	Corrective measures
					Target	Actual		
Reviewed and aligned LED strategy	LED strategy reviewed by March Annually	All	80%	New KPI	100%	100%	-	-
Employment through job creation schemes	No of permanent jobs created	All	10	New KPI	15	15	-	-
Employment through job creation schemes	No of temporary jobs created	All	50	New KPI	60	60	-	-
Enhancement of economic development	Value of contracts assigned to emerging contractors	All	R 500 000	New KPI	R 750,000	R 500,000	Appointed less service providers than foreseen	Will take into account when service providers are appointed

Table 63: Top Layer SDBIP – Local Economic Development

4.3.5 TOP LAYER SDBIP - BASIC SERVICE DELIVERY

The National Key Performance Area Basic Service Delivery is linked to the Municipal Key Performance Area namely, "Infrastructure Development", "Environmental Development" and "Social development". The municipal objectives that are linked to Basic Service Delivery are:

- "Extend basic infrastructure and services to all residents in Laingsburg; provide all indigent households with basic services according to national standards and income".
- "Improvement & maintenance of environmental status of the municipal area & eradication of the spatial legacy"

KPI	Unit of Measurement	Area	Baseline	Previous year actual	Performance 2010/11		Performance Comment	Corrective measures
					Target	Actual		
Implementation of Integrated Human Settlement Strategy	% Adherence to policy	All	70%	New KPI	80%	80%	-	-
Review of the Spatial Development Plan	Review and submitted to PGWC annually by September	All	100%	New KPI	100%	100%	-	-
Percentage electricity losses	KW billed/ KW used by municipality	All	8%	New KPI	6%	6%	-	-
Quantum of free basic electricity received	50Kwh per month per household - all households	All	50Kwh	New KPI	50	50	-	-
Quantum of free basic refuse removal received	R value per month per household	All	R47,80	New KPI	R 48.68	R 48.68	-	-
Quantum of free basic sanitation received	R value per month per household	All	R67,00	New KPI	R 70.11	R 70.11	-	-
Quantum of free basic water received	6Kl per month per household	All	6Kl	New KPI	6	6	-	-
No of HH receiving free basic refuse removal	660 of Households	All	647	New KPI	660	660	-	-
No of HH receiving free basic sanitation	660 of Households	All	647	New KPI	660	660	-	-

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

KPI	Unit of Measurement	Area	Baseline	Previous year actual	Performance 2010/11		Performance Comment	Corrective measures
					Target	Actual		
Percentage of HH receiving free basic water	All households	All	100%	New KPI	100%	100%	-	-
Percentage/ No of HH receiving free basic electricity	660 of Households	All	647	New KPI	660	660	-	-
Reviewed Disaster Management Framework	Disaster Management Framework reviewed by May Annually	All	0%	New KPI	100%	100%	-	-
Maintenance of grave yards	% of allocated maintenance budget of grave yards spent	All	100%	New KPI	100%	100%	-	-
Maintenance of grave yards	Development and approval of a maintenance schedule for grave yards	All	Info not available	New KPI	100%	100%	-	-
Maintenance of halls and facilities	% of allocated maintenance budget of halls and facilities spent	All	100%	New KPI	100%	100%	-	-
Maintenance of halls and facilities	Development and approval of maintenance plan for halls and facilities	All	Info not available	New KPI	100%	100%	-	-
Maintenance of recreational areas	% of allocated maintenance budget of recreational areas spent	All	100%	New KPI	100%	100%	-	-
Maintenance of recreational areas	Development and approval of maintenance plan for recreational areas	All	Info not available	New KPI	100%	100%	-	-
Effective capital spending	% of approved capital budget for electricity spent	All	100%	New KPI	100%	100%	-	-
Improvement of electricity distribution capacity	% improvement	All	0%	New KPI	0%	0%	-	-
Maintenance of	% of approved	All	100%	New KPI	100%	100%	-	-

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

KPI	Unit of Measurement	Area	Baseline	Previous year actual	Performance 2010/11		Performance Comment	Corrective measures
					Target	Actual		
electricity assets	maintenance plan executed							
Maintenance of electricity assets	% of maintenance budget of electricity spent	All	100%	New KPI	100%	100%	-	-
New electricity connections	% of new electricity connections on receipt of application	All	100%	New KPI	100%	100%	-	-
Percentage HH with no street lights	% of HH without lights	All	0%	New KPI	0%	0%	-	-
Percentage of HH that meet agreed service standards (connected to the national grid) -Formal areas	% of HH achieving agreed service standards	All	100%	New KPI	100%	100%	-	-
Percentage of HH that meet agreed service standards (connected to the national grid) -Informal areas	% of HH achieving agreed service standards	All	100%	New KPI	100%	100%	-	-
Development and implementation of a public transport system	% implementation of the public transport system	All	5%	New KPI	50%	50%	-	-
Effective capital spending	% of approved capital budget for waste management spent	All	100%	New KPI	100%	100%	-	-
Maintenance of municipal roads	% of approved capital budget for municipal roads spent	All	100%	New KPI	100%	100%	-	-
Effective functioning of sport forums	No of meetings per type of forum per annum	All	4	New KPI	4	5	-	-
Effective capital spending	% of approved capital budget for stormwater spent	All	100%	New KPI	100%	100%	-	-

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

KPI	Unit of Measurement	Area	Baseline	Previous year actual	Performance 2010/11		Performance Comment	Corrective measures
					Target	Actual		
Effective capital spending	% of approved capital budget for waste management spent	All	100%	New KPI	100%	100%	-	-
Effective capital spending	% of approved capital budget for waste water management spent	All	100%	New KPI	100%	100%	-	-
Improvement of refuse sites' capacity	% improvement	All	10%	New KPI	0%	0%	-	-
Improvement of sanitation system capacity	% improvement	All	0%	New KPI	0%	0%	-	-
Maintenance of refuse removal assets	% of approved capital budget for refuse removal spent	All	100%	New KPI	100%	100%	-	-
Maintenance of refuse removal assets	% of approved maintenance plan executed	All	100%	New KPI	100%	100%	-	-
Maintenance of sanitation assets	% of approved maintenance plan executed	All	100%	New KPI	100%	100%	-	-
Maintenance of sanitation assets	% of maintenance budget of sanitation spent	All	100%	New KPI	100%	100%	-	-
Maintenance of stormwater assets	% of approved maintenance plan executed	All	100%	New KPI	100%	100%	-	-
Maintenance of stormwater assets	% of maintenance budget of stormwater spent	All	100%	New KPI	100%	100%	-	-
No of HH with no stormwater system - Formal areas	No of HH without	All	0	New KPI	0%	0%	-	-
No of HH with no stormwater system - Informal areas	No of HH without	All	0	New KPI	0%	0%	-	-
Percentage of HH that meet agreed sanitation	% of HH receiving service standard	All	100%	New KPI	100%	100%	-	-

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

KPI	Unit of Measurement	Area	Baseline	Previous year actual	Performance 2010/11		Performance Comment	Corrective measures
					Target	Actual		
service standards (at least once a week) -Formal areas								
Percentage of HH that meet agreed sanitation service standards (at least once a week) -Informal areas	% of HH receiving service standard	All	100%	New KPI	100%	100%	-	-
Percentage of HH that meet agreed sanitation service standards (at least VIP on site) -Formal areas	% of HH that meet minimum standard sanitation	All	100%	New KPI	100%	100%	-	-
Percentage of HH that meet agreed sanitation service standards (at least VIP on site) -Informal areas	% of HH that meet minimum standard sanitation	All	100%	New KPI	100%	100%	-	-
Quality of waste water discharge	% water quality level of waste water discharge	All	100%	New KPI	100%	100%	-	-
Effective capital spending	% of approved capital budget for water spent	All	100%	New KPI	100%	100%	-	-
Excellent water quality	% water quality level as per blue drop project	All	80%	New KPI	87%	100%	-	-
Improvement of water purification system capacity	% improvement	All	0%	New KPI	0%	0%	-	-
Maintenance of water assets	% of approved maintenance plan executed	All	100%	New KPI	100%	100%	-	-
Maintenance of water assets	% of maintenance budget of water spent	All	100%	New KPI	100%	100%	-	-

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

KPI	Unit of Measurement	Area	Baseline	Previous year actual	Performance 2010/11		Performance Comment	Corrective measures
					Target	Actual		
New water connections	% of new water connections on receipt of application	All	100%	New KPI	100%	100%	-	-
Percentage of HH that meet agreed service standards (cleaned piped water 200m from household) - Informal areas	% of HH achieving agreed service standards	All	100%	New KPI	100%	100%	-	-
Percentage of HH that meet agreed service standards (cleaned piped water 200m from household) - Formal areas	% of HH achieving agreed service standards	All	100%	New KPI	100%	100%	-	-
Maintenance of municipal roads	Kms of roads patched and resealed according to approved maintenance plan	All	3km	New KPI	4	4	-	-
Percentage of HH with no recreational areas / facilities	% of HH without	All	0	New KPI	0%	0%	-	-
Provision of sport facilities	No of areas without sport facilities	All	0	New KPI	0	1	Insufficient funds	Will be addressed when funds are available

Table 64: Top layer SDBIP – Basic Service Delivery

4.4 DEVELOPMENT AND SERVICE DELIVERY PRIORITIES FOR 2011/12

The main development and service delivery priorities for 2011/12 forms part of the municipality's top layer SDBIP for 2011/12 and are indicated in the table below:

Municipal KPA	KPI	Unit of Measurement	Annual Target
Social Development	Assist prospective businesses with business plan and start-up cost	No of businesses assisted	2
Social Development	Create awareness of the environment with educational programmes at schools	No of educational programmes at schools (1 per school)	6
Social Development	Create awareness of the environment with	No of recycling awareness	7

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

Municipal KPA	KPI	Unit of Measurement	Annual Target
	recycling awareness programmes	programmes	
Social Development	Create awareness of the environment with the planting of trees	No of trees planted	50
Social Development	Educate and involve youngsters in communities with regard to youth development	Host a youth day 16 June 2012	1
Social Development	Educate and involve youngsters in communities with regard to youth development	No of youngsters educated and empowered	150
Social Development	Educate and involve youngsters in communities with regard to youth development	No of motivational and educational sessions	3
Social Development	Educate and raise awareness of critical cancers within communities	No of awareness initiatives	3
Social Development	Expansion of area committee projects	No of projects expanded	3
Social Development	Host a garden competition	Competition hosted by October 2011	100%
Social Development	Market Laingsburg as a tourism destination	No of local artisans and crafters assisted (women)	30
Social Development	Market Laingsburg as a tourism destination	No of community members trained	25
Social Development	Raise awareness amongst children on abuse	No of awareness initiatives	1
Social Development	Raise awareness in the community with regard to substance abuse and high drug and alcohol related crimes	No of awareness programmes	5
Social Development	Raise awareness in the community with regard to substance abuse and high drug and alcohol related crimes	No of substance abusers motivated for rehabilitation	8
Social Development	Raise awareness on HIV/AIDS	Host world AIDS day event 1 December 2011	1
Social Development	Raise awareness on HIV/AIDS	No of awareness initiatives	12
Social Development	Train and empower people with disabilities	Host world disabled day event 10 December 2011	1
Social Development	Train and empower people with disabilities	No of people empowered	10
Good Governance	Strengthen the role of communities by facilitating ward based development plans	No of ward based development plans completed	4
Local Economic Development	Local Economic Development is driven by a strategy	LED strategy reviewed by June 2012	100%
Infrastructure Development	Provision of free basic electricity in terms of the equitable share requirements	Quantum (kWh per month) of free basic electricity per household	50kWh
Infrastructure Development	Provision of free basic electricity in terms of the equitable share requirements, including Eskom areas	No of HH receiving free basic electricity	667
Infrastructure Development	Provision of electricity that are connected to the national grid to all formal areas	No of HH in formal areas that meet agreed service standards	577

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

Municipal KPA	KPI	Unit of Measurement	Annual Target
Infrastructure Development	Provision of free basic refuse removal in terms of the equitable share requirements	No of HH receiving free basic refuse removal	631
Infrastructure Development	Provision of free basic refuse removal in terms of the equitable share requirements	Quantum (R per month) of free basic refuse removal per month per household	R60.99
Infrastructure Development	Provision of refuse removal, refuse dumps and solid waste disposal to all formal areas	No of formal HH for which refuse is removed at least once a week	1 222
Infrastructure Development	Provision of free basic sanitation in terms of the equitable share requirements	No of HH receiving free basic sanitation	631
Infrastructure Development	Provision of free basic sanitation in terms of the equitable share requirements	Quantum (R per month) of free basic sanitation provided per HH	R84.41
Infrastructure Development	Provision of sanitation systems limited to domestic waste water and sewerage disposal to formal HH	No of formal HH that have at least VIP on site	1 222
Infrastructure Development	Provision of free basic water in terms of the equitable share requirements	No of HH receiving free basic water	1 253
Infrastructure Development	Quantum of free basic water per household in terms of the equitable share requirements	Quantum (kl per month) of free basic water provided per household	10
Infrastructure Development	Provision of cleaned piped water to all formal HH within 200m from the household	No of HH in formal areas that meet agreed service standards for piped water	1 253
Institutional Development	Implementation of skills development plan with targeted skills development	No of personnel actually trained/ No of personnel identified for training (%)	60
Infrastructure Development	Disaster Management Plan reviewed by the end of June	Plan reviewed by the end of June	100%
Infrastructure Development	Implement public safety initiatives with Kanniedood, Easter, Arrive Alive, Driver of the year and school holidays	No of awareness initiatives	4
Local Economic Development	The number of jobs opportunities (man days) created through municipality's local economic development initiatives including capital projects	Number of jobs opportunities (man days) created	1 700
Infrastructure Development	Upgrading of the community hall in Laingsburg	% completed	100
Infrastructure Development	Implementation of Integrated Human Settlement Strategy	No of houses built in Matjiesfontein	39
Infrastructure Development	Municipal roads is maintained measured by the kms/square meters of roads patched and resealed according to approved maintenance plan	Kms of roads patched and resealed	350
Infrastructure Development	Upgrading of sportfield in Matjiesfontein	% completion	100%
Infrastructure Development	Improvement of sanitation systems	% completion of upgrading project in Matjiesfontein	100%
Infrastructure Development	Maintenance of road and stormwater assets	% completion of capital project to	100%

Municipal KPA	KPI	Unit of Measurement	Annual Target
		upgrade roads, sidewalks and cycling lanes	
Infrastructure Development	Provision of stormwater management systems in built up areas to all formal HH	% of HH with	100%
Infrastructure Development	Quality of waste water discharge measured by the % water quality level	% water quality level of waste water discharge	89%
Infrastructure Development	Development or implementation of a Water Demand Management plan	% completed	50%
Infrastructure Development	Excellent water quality measured by the quality of water as per blue drop or SANS 242 criteria	% water quality level	79%

Table 65: Development and Service Delivery Priorities for 2011/12

4.5 BASIC SERVICE DELIVERY

4.5.1 BASIC SERVICES DELIVERY PERFORMANCE HIGHLIGHTS

Highlight	Description
Municipal Infrastructure Grants (MIG) projects	Through these grants the Extended public Works Program could be implemented leading to various job creations. The community members are also rotated on such projects to give everyone a change to earn a living.
Level of service delivery	All households in the area are receiving the required services
Matjiesfontein Railway houses	Money has been received to service the railway houses at Matjiesfontein that was given to the municipality

Table 66: Basic Services Delivery Highlights

4.5.2 BASIC SERVICES DELIVERY CHALLENGES

Service Area	Challenge	Actions to address
Water Quality: Household water quality	Treatment process	Correct treatment of the water as well as the enhancement of the training of the process controllers
Water Services: Potable water	Quantity of water supply during summer times	Stricter monitoring and control of water supply on a regular basis
Streets and stormwater	Sub-standard of pipeline	Upgrading of all pipelines to adhere to minimum standards
Waste management	Illegal dumping	Better waste management and erection of more notices

Table 67: Basic Services Delivery Challenges

4.5.3 ACCESS TO FREE BASIC SERVICES

The following table indicates the percentage of indigent households that have access to free basic municipal services. In accordance with the approved indigent policy of the municipality, all households earning less than **R1 500** per month will receive the free basic services as prescribed by national policy.

The table below indicates that **30.12%** of the total number of households received free basic services in 2010/11 if compared to **27.21%** in 2008/09.

Financial year	Number of households								
	Total no of HH	Free Basic Electricity		Free Basic Water		Free Basic Sanitation		Free Basic Refuse Removal	
		No Access	%	No Access	%	No Access	%	No Access	%
2008/09	1 959	533	27.21	533	27.2%	533	27.21	533	27.21
2009/10	1 959	530	27.05	530	27.05	530	27.05	530	27.05
2010/11	1 959	590	30.12	590	30.12	590	30.12	590	30.12%

Table 68: Free basic services to indigent households

The access to free basic services is summarised into the different services as specified in the following table:

Electricity						
Financial year	Indigent Households			Non-indigent households		
	No of HH	Unit per HH (kwh)	Value	No of HH	Unit per HH (kwh)	Value
			R'000			R'000
2008/09	533	50kwh	145	721	50kwh	196
2009/10	530	50kwh	193	723	50kwh	263
2010/11	590	50kwh	295	622	50kwh	310

Table 69: Free basic Electricity services to indigent households

Water						
Financial year	Indigent Households			Non-indigent households		
	No of HH	Unit per HH (kl)	Value	No of HH	Unit per HH (kl)	Value
			R'000			R'000
2008/09	533	6 kl	77	721	6 kl	104
2009/10	530	6 kl	95	723	6 kl	130
2010/11	590	6 kl	77	622	6 kl	81

Table 70: Free basic Water services to indigent households

Sanitation						
Financial year	Indigent Households			Non-indigent households		
	No of HH	R value per HH	Value	No of HH	Unit per HH per month	Value
			R'000			R'000
2008/09	533	56.70	244	-	-	-
2009/10	530	61.50	272	-	-	-
2010/11	590	67.00	339	-	-	-

Table 71: Free basic Sanitation services to indigent households

Refuse Removal						
Financial year	Indigent Households			Non-indigent households		
	No of HH	Service per HH per week	Value	No of HH	Unit per HH per month	Value
			R'000			R'000
2008/09	533	1	244	-	-	-
2009/10	530	1	272	-	-	-
2010/11	590	1	339	-	-	-

Table 72: Free basic Refuse Removal services to indigent households per type of service

4.5.4 ACCESS TO BASIC LEVEL OF SERVICES

The following table indicates the number of households that gained access for the first time to the different types of basic services during the 2010/11 financial year:

Type of service	2008/09	2009/10	2010/11
Housing	0	0	1
Water	0	0	1
Sanitation	0	0	1
Refuse removal	0	0	1
Electricity	0	0	1
Streets & Storm Water	0	0	1

Table 73: Access to basic level of services

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

A) CAPITAL BUDGET SPENT ON MUNICIPAL SERVICES

The percentage (%) of the total approved capital budget spent on each municipal service for the 2008/09, 2009/10 and 2010/11 financial years respectively are as follows:

Financial Year	Housing	Water	Sanitation	Refuse Removal	Electricity	Streets & Storm Water	Community facilities
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
2008/09	0	55	2	0	0	32	11
2009/10	0	19	0	0	4.5	49.3	27.2
2010/11	0	4	1.8	6	0.2	58	30

Table 74: Capex

The following table indicates the total amount of capital expenditure on assets by asset class for the past three financial years:

Description	2008/09	2009/10	2010/11		
	Actual	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure
	R	R	R	R	R
<u>Capital expenditure on new assets by Asset Class/Sub-class</u>					
<u>Infrastructure</u>	3 773 040	5 682 093	7 364 200	7 364 200	3 147 034
Infrastructure - Road transport	1 395 751	1 480 243	4 338 100	4 338 100	2 128 202
<i>Roads, Pavements & Bridges</i>	1 395 751	1 480 243	4 338 100	4 338 100	2 128 202
<i>Storm water</i>	0	0	0	0	0
Infrastructure - Electricity	0	2 172 956	220 000	220 000	195 459
<i>Transmission & Reticulation</i>	0	0	220 000	220 000	195 459
<i>Street Lighting</i>	0	2 172 956	0	0	0
Infrastructure - Water	2 306 492	446 615	878 000	878 000	823 373
<i>Reticulation</i>	2 306 492	446 615	878 000	878 000	823 373
Infrastructure - Sanitation	63 984	1 206 642	0	0	0
<i>Reticulation</i>	63 984	1 206 642	0	0	0
Infrastructure - Other	6 813	375 637	1 928 100	1 928 100	0
<i>Waste Management</i>	6 813	375 637	1 928 100	1 928 100	0
<i>Other</i>	0	0	0	0	0
<u>Community</u>	449 252	72 360	545 766	545 766	0

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

Description	2008/09	2009/10	2010/11		
	Actual	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure
	R	R	R	R	R
Parks & gardens	0	0	0	0	0
Sports fields & stadia	0	0	134 716	134 716	0
Community halls	0	0	0	0	0
Libraries	0	0	0	0	0
Recreational facilities	0	72 360	140 000	140 000	0
Other	449 252	0	271 050	271 050	0
<u>Heritage assets</u>	0	0	0	0	0
<u>Investment properties</u>	0	0	0	0	0
<u>Other assets</u>	0	466 754	597 533	597 533	1 176 175
General vehicles	0	4 124	0	0	0
Plant & equipment	0	442 442	0	0	0
Computers - hardware/equipment	0	0	202 925	202 925	407 555
Furniture and other office equipment	0	20 188	0	0	608 796
Civic Land and Buildings	0	0	0	0	0
Other Building	0	0	0	0	159 824
Other Land	0	0	0	0	0
Surplus Assets - (Investment or Inventory)	0	0	0	0	0
Other	0	0	394 608	394 608	0
<u>Agricultural assets</u>	0	0	0	0	0
<u>Biological assets</u>	0	0	0	0	0
<u>Intangibles</u>	0	0	0	0	0
Total Capital Expenditure on new assets	4 222 292	6 221 207	8 507 499	8 507 499	4 323 209

Table 75: Total capital expenditure on assets

B) PERCENTAGE SPENDING ON TOTAL CAPITAL BUDGET

The total percentage (%) of the capital budget for the past three years is indicated in the table below:

Financial year	% of Capital budget spent	Reasons for under spending
2008/09	77.53	Some of the approved projects did not realise
2009/10	62.09	Some of the approved projects did not realise
2010/11	50.82	Some of the approved projects did not realise

Table 76: Total capital expenditure

C) SUMMARY OF BACKLOGS THAT MUST STILL BE ADDRESSED

The following backlogs exist in the municipal area that must still be addressed:

Area	Total nr of households affected	Timeframe to be addressed	Cost to address
			R'000
Housing	500	2014/15 financial year	47 000
Water (on site)	500		
Sanitation	500		
Refuse removal (at least once a week at site)	500		
Electricity (in house)	500		
Streets and storm water	500		

Table 77: Backlogs

4.5.5 WATER AND SANITATION

Water is probably the most fundamental and indispensable of natural resources – fundamental to life, the environment, food production, hygiene and power generation. Poverty reduction and improved water management are inextricably linked. Section 4B of the Constitution lists water and sanitation services limited to potable water supply systems and domestic wastewater and sewerage disposal systems as a local government function. Basic water is defined as 25 liters of potable water per day supplied within 200 meters of a household.

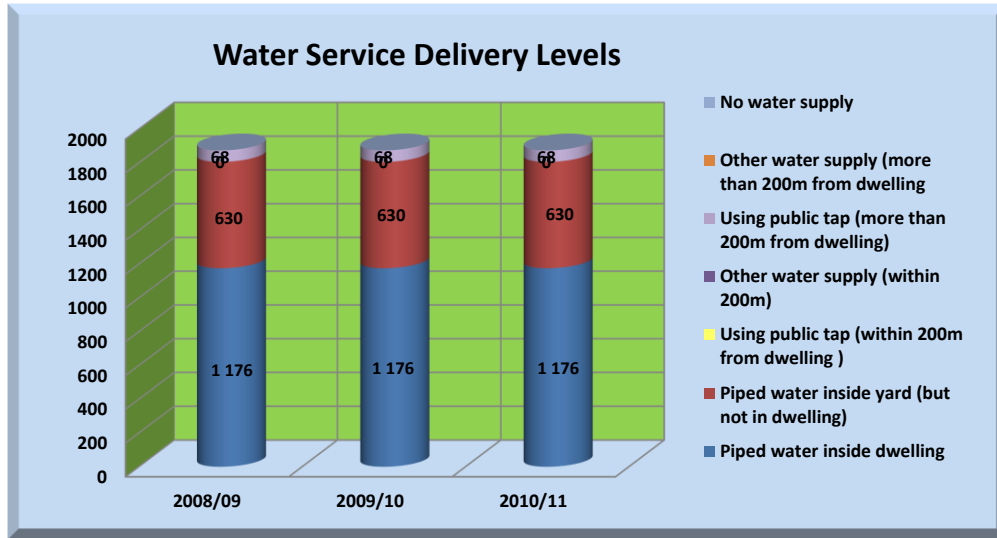
A) WATER SERVICE DELIVERY LEVELS

The table below specifies the different water service delivery levels per households for the financial years 2008/09, 2009/10 and 2010/11 in the areas in which the municipality is responsible for the delivery of the service:

Description	2008/09	2009/10	2010/11
	Actual	Actual	Actual
Household			
<i>Water: (above minimum level)</i>			
Piped water inside dwelling	1 176	1 176	1 176
Piped water inside yard (but not in dwelling – farms)	630	630	630
Using public tap (within 200m from dwelling)	-	-	-
Other water supply (within 200m)	-	-	-
<i>Minimum Service Level and Above sub-total</i>	1 679	1 679	1 679
<i>Minimum Service Level and Above Percentage</i>	96.2%	96.2%	96.2%
<i>Water: (below minimum level)</i>			
Using public tap (more than 200m from dwelling)	68	68	68
Other water supply (more than 200m from dwelling)	-	-	-
No water supply	-	-	-
<i>Below Minimum Service Level sub-total</i>	68	68	68
<i>Below Minimum Service Level Percentage</i>	3.8%	3.8%	3.8%
Total number of households (formal and informal)	1 745	1 745	1 745

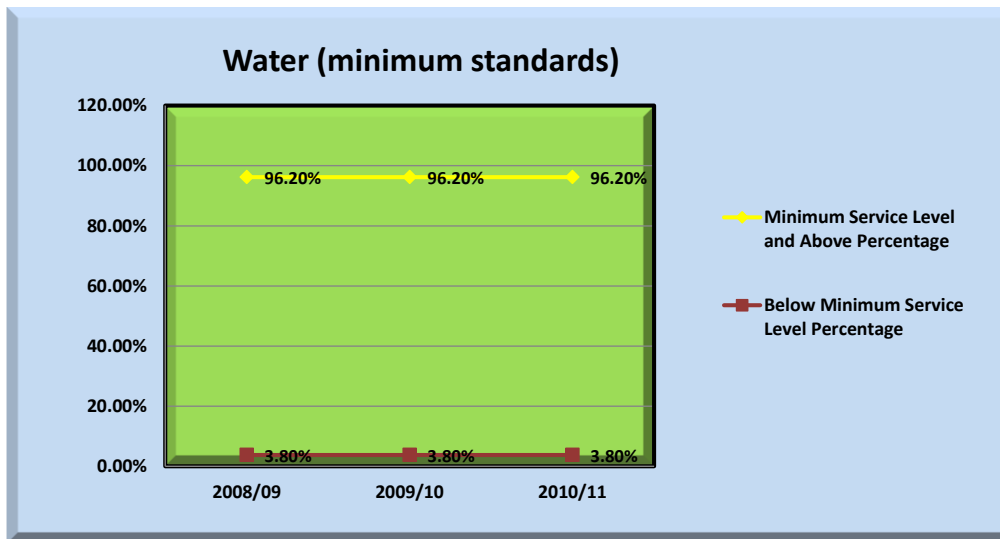
Table 78: Water service delivery levels

The graph below shows the different water service delivery levels per total households and the progress per year



Graph 5: Water service delivery levels

The graph below reflects the water service level below and above minimum standards.



Graph 6: Water with minimum service level

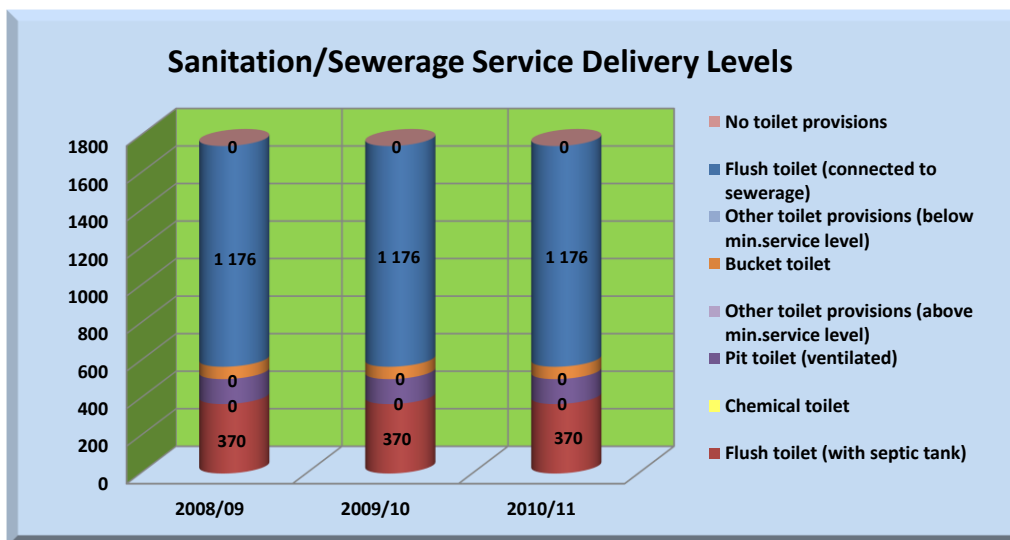
B) SANITATION SERVICE DELIVERY LEVELS

The table below specifies the different sanitation service delivery levels per households for the financial years 2008/09, 2009/10 and 2010/11 in the areas in which the municipality is responsible for the delivery of the service:

Description per households	2008/09	2009/10	2010/11
	Actual	Actual	Actual
Household			
<i>Sanitation/sewerage: (above minimum level)</i>			
Flush toilet (connected to sewerage)	1 176	1 176	1 176
Flush toilet (with septic tank)	370	370	370
Chemical toilet	-	-	-
Pit toilet (ventilated)	133	133	133
Other toilet provisions (above minimum service level)	-	-	-
<i>Minimum Service Level and Above sub-total</i>	1 679	1 679	1 679
<i>Minimum Service Level and Above Percentage</i>	96.2%	96.2%	96.2%
<i>Sanitation/sewerage: (below minimum level)</i>			
Bucket toilet	66	66	66
Other toilet provisions (below minimum service level)	-	-	-
No toilet provisions	-	-	-
<i>Below Minimum Service Level sub-total</i>	66	66	66
<i>Below Minimum Service Level Percentage</i>	3.8%	3.8%	3.8%
Total number of households	1 745	1 745	1 745

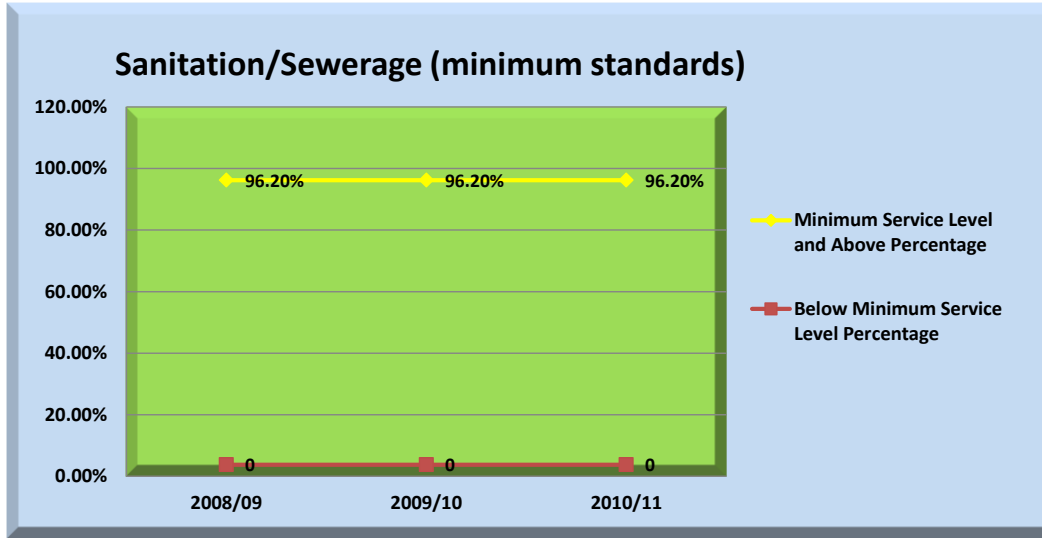
Table 79: Sanitation service delivery levels

The graph below shows the different sanitation service delivery levels per total households and the progress per year.



Graph 7 Sanitation Service Delivery Levels

The graph below shows the total number of households which that are below and above minimum sanitation standards.



Graph 8 Sanitation minimum standards

4.5.6 ELECTRICITY

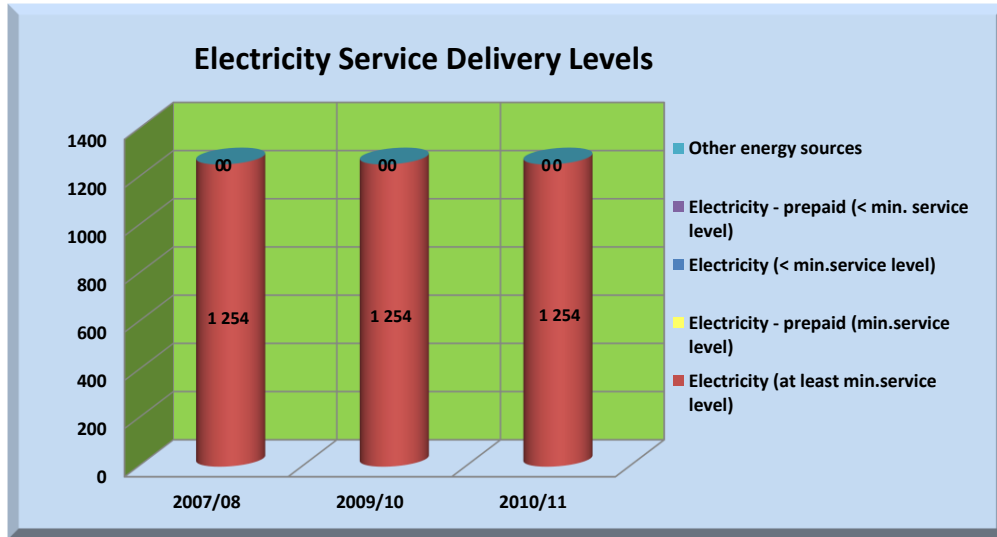
Local Government plays a very important role in the provision of electricity. Section 153 of the Constitution places the responsibility on municipalities to ensure the provision of services to communities in a sustainable manner for economic and social support. The table below indicates the different service delivery level standards for electricity in the areas in which the municipality is responsible for the delivery of the service:

Description	2008/09	2009/10	2010/11
	Actual	Actual	Actual
Household			
<i>Electricity: (above minimum level)</i>			
Electricity (at least minimum service level)	1 254	1 254	1 254
Electricity - prepaid (minimum service level)	-	-	-
<i>Minimum Service Level and Above sub-total</i>	1 254	1 254	1 254
<i>Minimum Service Level and Above Percentage</i>	100%	100%	100%
<i>Energy: (below minimum level)</i>			
Electricity (< minimum service level)	-	-	-
Electricity - prepaid (< min. service level)	-	-	-
Other energy sources	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-

Description	2008/09	2009/10	2010/11
	Actual	Actual	Actual
<i>Below Minimum Service Level Percentage</i>	0%	0%	0%
Total number of households	1 254	1 254	1 254

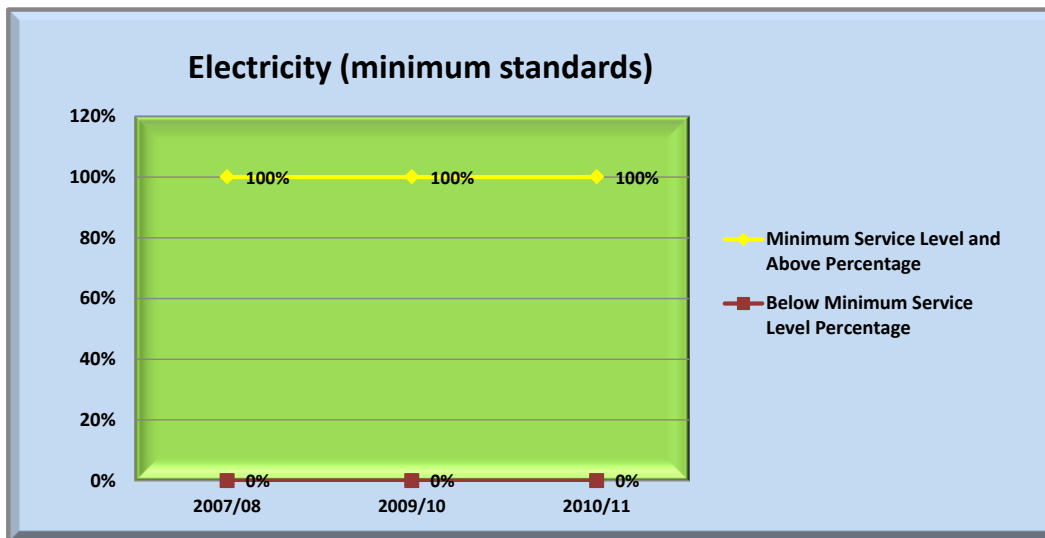
Table 80: Electricity service delivery levels

The graph shows the number of households categorised into the different service levels.



Graph 9: Electricity Service Delivery Levels

The graph below shows the amount of households that receive electricity above minimum electricity standards.



Graph 10: Electricity levels above minimum standards

4.5.7 HOUSING

The following table shows the increase in the number of houses on the housing waiting list. There are currently approximately 500 housing units on the waiting list.

Financial year	Nr of housing units on housing waiting list	% Housing waiting list increase
2009/10	468	18%
2010/11	489	21%

Table 81: Housing waiting list

A total amount of **R3,597 million** was allocated to build houses during the financial year under review. A summary of houses built, includes:

Financial year	Allocation (R'000)	Amount spent (R'000)	% spent	Number of houses built	Number of sites serviced
2008/09	615	0	0	0	0
2009/10	3 597	0	0	0	0
2010/11	3 597	0	0	0	0

Table 82: Housing

4.5.8 REFUSE REMOVAL

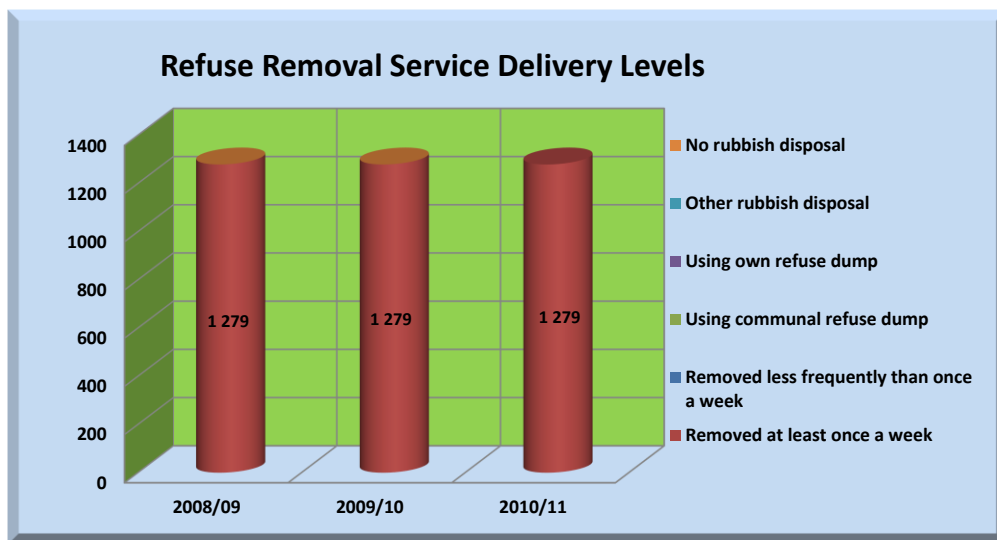
The table below specifies the different refuse removal service delivery levels per households for the financial years 2008/09, 2009/10 and 2010/11 in the areas in which the municipality is responsible for the delivery of the service:

Description	2008/09	2009/10	2010/11
	Actual	Actual	Actual
Household			
<i>Refuse Removal: (Minimum level)</i>			
Removed at least once a week	1 279	1 279	1 279
<i>Minimum Service Level and Above sub-total</i>	1 279	1 279	1 279
<i>Minimum Service Level and Above percentage</i>	100%	100%	100%
<i>Refuse Removal: (Below minimum level)</i>			
Removed less frequently than once a week	-	-	-
Using communal refuse dump	-	-	-
Using own refuse dump	-	-	-

Description	2008/09	2009/10	2010/11
	Actual	Actual	Actual
Other rubbish disposal	-	-	-
No rubbish disposal	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-
<i>Below Minimum Service Level percentage</i>	0%	0%	0%
Total number of households	1 279	1 279	1 279

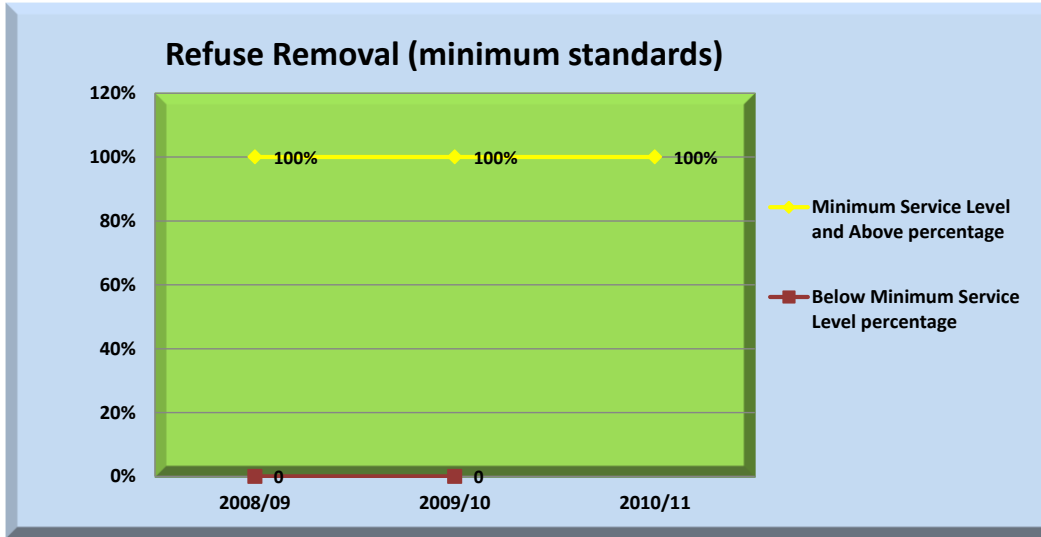
Table 83: Refuse removal service delivery levels

The graph indicates the different refuse removal standards which the households are receiving



Graph 11: Refuse removal service delivery levels

The graph below shows that all households within Laingsburg municipal area receive the minimum refuse removal standards



Graph 12: Refuse removal levels above standards

4.5.9 ROADS

The following tables give an overview of the total kilometers of roads maintained and new roads tarred:

A) TARRED ROADS

Financial year	Total km tarred roads	Km of new tar roads	Km existing tar roads re-tarred	Km of existing tar roads re-sheeted	Km tar roads maintained
2008/09	22.58	0	0	0	22.58
2009/10	23.22	0.64	0	0	22.59
2010/11	23.97	0.75	0	0	23.22

Table 84: Tarred roads

B) GRAVELED ROADS

Financial year	Total km gravel roads	Km new gravel roads constructed	Km gravel roads upgraded to tar	Km gravel roads graded/maintained
2008/09	2.29	0	0	2.29
2009/10	1.65	0	0.64	1.65
2010/11	0.9	0	0.75	0.9

Table 85: Gravelled roads

C) COST OF CONSTRUCTION/MAINTENANCE

The table below shows the costs involved for the maintenance and construction of roads within the municipal area:

Financial year	Gravel			Tar		
	New R'000	Gravel – Tar R'000	Maintained R'000	New R'000	Re-worked R'000	Maintained R'000
2008/09	0	0	0	0	0	0
2009/10	0	0	0	0	0	0
2010/11	0	0	0	0	0	0

Table 86: Cost of construction/maintenance of roads

4.5.10 STORMWATER

A) STORM WATER INFRASTRUCTURE

The table below shows the total kilometers of stormwater maintained and upgraded as well as the kilometers of new stormwater pipes installed:

Financial year	Total km Stormwater measures	Km new stormwater measures	Km stormwater measures upgraded	Km stormwater measures maintained
2008/09	3,967	415	0	3,967
2009/10	4,382	0	0	4,382
2010/11	4.382	0	0	4,382

Table 87: Stormwater infrastructure

B) COST OF CONSTRUCTION/MAINTENANCE

The table below indicates the amount of money spend on stormwater projects:

Financial year	Stormwater Measures		
	New R'000	Upgraded R'000	Maintained R'000
2008/09	0	0	0
2009/10	0	0	0
2010/11	0	0	0

Table 88: Cost of construction/maintenance of stormwater systems

4.6 MUNICIPAL INFRASTRUCTURE AND OTHER GRANTS

The Municipality had a total amount of **R17 749 546** for infrastructure and other capital projects available that was received in the form of grants from the National and Provincial Governments during the 2010/11 financial year. The performance in the spending of these grants is summarised as follows:

Description	2008/09		2009/10		2010/11		
	Amount Received	Amount Spent	Amount Received	Amount Spent	Amount Received	Amount Spent	% Spent
	R'000	R'000	R'000	R'000	R'000	R'000	
National Government							
Finance Management Grant	500	703	750	799	1 250	1 250	100.00
Municipal Systems Improvement Grant	735	435	735	1 400	750	750	100.00
Equitable Share	4 421	4 421	5 530	5 530	6 863	6 863	100.00
Municipal Infrastructure Grant	3 364	2 661	8 271	0	5 617	3 458	61.56
Masibambane	0	0	462	378	555	0	0
Provincial Government							
Community Development Workers	0	0	120	0	125	114	91.38
Department of Transport	0	0	10	10	8	8	100.00
Department of cultural Affairs	0	0	63	63	81	81	100.00
Management Support Programme	0	0	0	0	500	0	0
Department of Public Works	0	0	0	0	2 000	533	26.63
Total	9 020	8 220	15 941	8 180	17 749	13 057	73.56

Table 89: Spending of grants

4.7 ADDITIONAL PERFORMANCE

The table below enclose all additional performance of the municipality:

Type of service	2010/11
General Law enforcement	
Animals impounded	65
Motor vehicle licenses processed	1 126
Learner driver licenses processed	395
Driver licenses processed	953
Driver licenses issued	786
Fines issued for traffic offenses	11 092

LAINGSBURG MUNICIPALITY ANNUAL REPORT 2010/11

Type of service	2010/11
R-value of fines collected	607 340
Operational call-outs	19
Roadblocks held	35
Complaints attended to by Traffic Officers	88
Special Functions – Escorts	10
Awareness initiatives on public safety	12
Fire Services	
Operational call-outs	21
Awareness initiatives on fire safety	8
Town Planning and Building Control	
Building plans application processed	18
Total surface (m ²)	1 403 767
Residential extensions	14
Business extensions	1
Rural applications	3
Land use applications processed	3
Libraries	
Library members	465
Books circulated	83 975
Exhibitions held	12
Social Services	
Trees planted	154
Veggie gardens established or supported	3
Soup kitchens established or supported	3
Initiatives to increase awareness on child abuse	1
Youngsters educated and empowered	35 trained 480 temporary workers
Initiatives to increase awareness on disability	1
Initiatives to increase awareness on women	1
Women empowered	456
Initiatives to increase awareness on HIV/AIDS	1
Initiatives to increase awareness on Early Childhood Development	1
Initiatives to increase awareness on substance abuse and high drug and alcohol related crimes	10

Type of service	2010/11
Special events hosted (World's Aids Day, World Arbour day, World Disability Day, Youth Day, 16 Days of activism against women abuse)	9
Local economic development initiatives	
Small businesses assisted	3
SMME's trained	10
Community members trained for tourism	10
Local artisans and crafters assisted	15
Recycling awareness programmes	2

Table 90: Additional Performance

4.8 LED

4.8.1 HIGHLIGHTS: LED

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

Activity	Description	Impact
New Business Venture: Popie's Kuier Kraal & Bakery	Assisted with the start-up of project and provision of Kuierkraal at the Tourism Centre	The family became self-reliant and expanded the business to Touwsriver. The business also had a positive impact on the local economy
New Business Venture: Gary' Wood Work	Also assisted with start-up of the business	Unemployed people become self-reliant and improved the living conditions of the household. The business also has an impact on the local economy
Business expansion: Salon Patell	Assistance was provided to expand the Salon	More work was created and the project grow
New Business Venture: Kaceys's Coffee shop	Assistance was provided to start a coffee shop to keep clients of the car wash busy while they wait	More work was created and the project had a bigger impact on the economy
5Five new businesses started at Karoo Biltong:	Dit & Dat, AK Cellular & Electronics, Elto's Crafts, Emergency Response, Danie Funerals, Smith Athorn	Job creation and Economic Impact on the Economy

Table 91: LED Highlights

4.8.2 CHALLENGES: LED

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

Description	Actions to address challenge
Unemployment and Job Creation	Intensify the job creation initiative in terms of the LED and IDP strategies
Low Skills Base	Skills Development
Funding for Industrial Projects	Marketing of Town and potentials
Lack of Feasibility Studies for Projects	Source funding for Feasibilities Studies
Gap Housing Backlog	Attract investors to build and let Gap Housing
Availability of Land for Major Developments	Apply at Land Affairs to purchase Land for Development

Table 92: LED Challenges

4.8.3 STRATEGIC OBJECTIVES

Local Economic Development (LED) includes all activities associated with economic development initiatives. The municipality has a mandate to provide strategic guidance to the municipality’s integrated development planning and economic development matters and working in partnership with the relevant stakeholders on strategic economic issues.

The LED strategy identifies various issues and strategic areas for intervention which is summarised as follows:

Objectives	Strategies
<p>Diversifying the economy</p> <p>To develop the agricultural sector in such a way that:</p> <ul style="list-style-type: none"> • Current agricultural practices are maintained and further enhanced as this forms the backbone of the local economy. • Value adding practices in the form of agri-processing are initiated and become sustainable. • Agri-processing industries involve the large number of economically active unemployed females in the sub-region. • Synergies are created between the service industry and the agricultural sector, whereby tourists are attracted to local products and utilise other services. 	<ul style="list-style-type: none"> • Sustain existing agricultural practices • Promoting agri-processing industries • Provide for Urban Agriculture and Small Scale Farming <ul style="list-style-type: none"> • Identify and support agri-tourism practices
<p>Transport and service sector</p> <p>To develop a sustainable transport and related services sector in the municipality in a way that:</p> <ul style="list-style-type: none"> • Supports and is aligned with the five strategic issues 	<ul style="list-style-type: none"> • Align with regional transport plan • Cater for the needs of long distance private travellers <ul style="list-style-type: none"> • Capture the trucks market • Facilitate creative alliances with the local agriculture and

Objectives	Strategies
<p>identified in the Central Karoo District's</p> <ul style="list-style-type: none"> • Integrated Transport Plan. • Distinguishes between the two types of travellers that are passing through the Central Karoo and Cape Town towards Johannesburg: private vehicle owners and truck drivers. • Promotes the image of Laingsburg as an ideal stop-over for travellers seeking good services. • Focuses on projects within the municipality that can spread the benefits equitably. • Creates links with the agriculture sector. 	<p>tourism sector</p>
<p>Human resources development</p> <ul style="list-style-type: none"> • To ensure that all children have access to high quality early childhood development programmes. • To ensure that all learners and job seekers have equal access to quality education and training. • To ensure that learners have safe access to learning facilities. • To empower residents of Laingsburg to acquire skills that will enable them to access and acquire favourable city jobs. 	<ul style="list-style-type: none"> • Ensure access to early childhood and school development programmes • Worker Skills Development and Training Programme
<p>Integrated human settlement</p> <p>To establish a pattern of development that:</p> <ul style="list-style-type: none"> • Improves land use integration to enhance the access of poorer communities to economic and social services. • Creates and ensures that housing becomes assets to the poor. 	<ul style="list-style-type: none"> • Improve connectivity between townships and more established parts of the town • Enhance the asset value of low-income housing

Table 93: LED Objectives and Strategies

4.8.4 ECONOMIC ACTIVITY

The table below identifies the various economic activities within the Laingsburg area and the percentage of contribution to the Gross Regional Product (GRP) according to 2002 statistics and 2007 the community survey:

Sector	2001	2009
Agriculture	26.3%	22.1%
Wholesale and retail	1.8%	1.7%
Manufacturing	3.4%	2.3%
Construction and repairs	1.7%	2.5%
Trade	6.3%	4.8%
Transport	16.4%	14%
Finance and insurance	25.4%	34.7%

Sector	2001	2009
Community, social and personal services, tourism	18.7%	17.9%
Total	100%	100%

Table 94: Economic activity by sector

4.8.5 LED INITIATIVES

Within a limited budget for LED projects and one official to assist with LED implementation the following initiatives has been initiated in the municipal area:

Description of project	No of Jobs created	Total Investment R'000	Amount spent to date R'000	Performance Highlights
Cleaning campaign	183	500	500	Job creation project
Sidewalks	121	1 941	1 941	Making full use of the LIC/Extended Public Works Program to create jobs

Table 95: LED initiatives

4.9 SERVICE PROVIDERS STRATEGIC PERFORMANCE

Although the municipality has not implemented a system to measure the performance of the service providers, they did not have to address the performance of any service providers. All appointed service providers have delivered services in terms of agreements and appointment letters.

CHAPTER 5

FUNCTIONAL PERFORMANCE



CHAPTER 5: FUNCTIONAL PERFORMANCE

This chapter provides information on the functional performance of the municipality on the implementation of the Top Layer and Departmental SDBIP for 2010/11.

The municipal functional areas are as indicated below:

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

Municipal Function	Municipal Function Yes / No
Local amenities	Yes
Local sport facilities	Yes
Markets	No
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	No
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

Table 96: Functional Areas

5.1 PERFORMANCE HIGHLIGHTS PER FUNCTIONAL AREAS

Directorate/ Functional area	Sub Directorate	Highlights
Executive and Council	Municipal Manager	Introduction of quarterly round table reporting
		Introduction of a performance management culture
		Introduced participatory budgeting and planning and workshops on policies with stakeholders
		Facilitated the ward delimitation process on behalf of the demarcation board
		Facilitated an improved relationship between the Council and the Community
	Council	Change of the Council after the elections without any disruptions
	IDP	Establishment of Ward Committees in the place of the former Area Committees
		Appointment of an IDP intern that helps with the workload
Internal Audit	Appointment of an intern for training	
	The Audit Committee has been replaced due to the fact that two (2) members took part in the contestation for ward councillor in their respective wards for the 2011 Local Government Elections. The Council decided that the committee be dissolved after vacancies were advertised and Four (4) applications were received. The appointments will be made by Council during the September 2011 Council Meeting.	
Finance and Administration	Finance	Implementation of a new financial system
	Administration	Successful training of staff
		Two Learnerships (interns) completed in LGAC and the waste water/water reticulation

Directorate/ Functional area	Sub Directorate	Highlights
		sections
		Compilation started of new policies for Disability, Risk, Recruitment and Selection
	Information Technology	Implementation of the internal auditing (ERA) system in the internal audit section
		Implementation of the new Financial System (PROMUN)
		Implementation of the LCU itest test system at the traffic Department (2 terminals)
	Properties	Opening of a new Gym at the Thusong Service Centre
		The celebrations of the Laingsburg Flood in 1981 (30 years ago) was a big event that happened in January 2011 whereby some properties were painted, renovated and trees were planted at the Thusong Service Centre. A Braai-area was also build at the Tourism Centre
Libraries	The Wheelie Wagon Library in Matjiesfontein were moved to the Community Hall whereby enough space were created so that more book could fit into- June 2011	
Housing	The Matjiesfontein Housing Project were approved, and we only still awaits the EIA processes to be completed	
Public Safety	Public Safety	Appointment of permanent staff in the traffic department
		Relative low crime rate in the Laingsburg area
Technical Services	Sewerage Services	Appointment of Process Controllers
		Fencing of the Waste Water Treatment Works
	Streets & Stormwater	Construction of Community Sidewalks
	Water provision	Appointment of Process Controllers
	Refuse Removal	Construction of One Cell at Solid waste facility

Table 97: Performance highlights per functional area

5.2 OVERVIEW OF PERFORMANCE

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

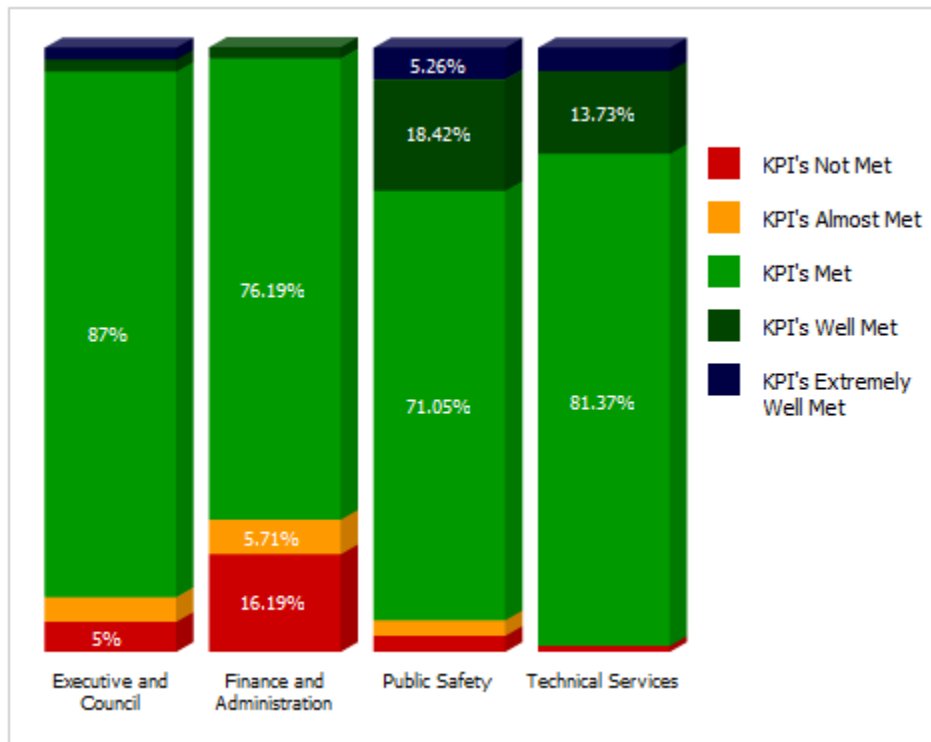
Directorate	Total KPIs	KPI's Extremely Well Met	KPI's Well Met	KPI's met	KPI's almost met	KPI's not met
Executive and Council	100	2	2	86	4	6
Finance and Administration	106	0	2	80	6	17
Public Safety	38	2	7	27	1	1

Directorate	Total KPIs	KPI's Extremely Well Met	KPI's Well Met	KPI's met	KPI's almost met	KPI's not met
Technical Services	102	4	14	83	0	1
Laingsburg Municipality	346	8	25	276	11	25

Table 98: Summary of total performance

Note: The table above does not include KPI's not measured yet in the Top Layer and Departmental SDBIP

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



Graph 13: Overall performance of directorates

5.3 PERFORMANCE PER FUNCTIONAL AREA

5.3.1 EXECUTIVE AND COUNCIL

The Executive and Council consist of the following divisions:

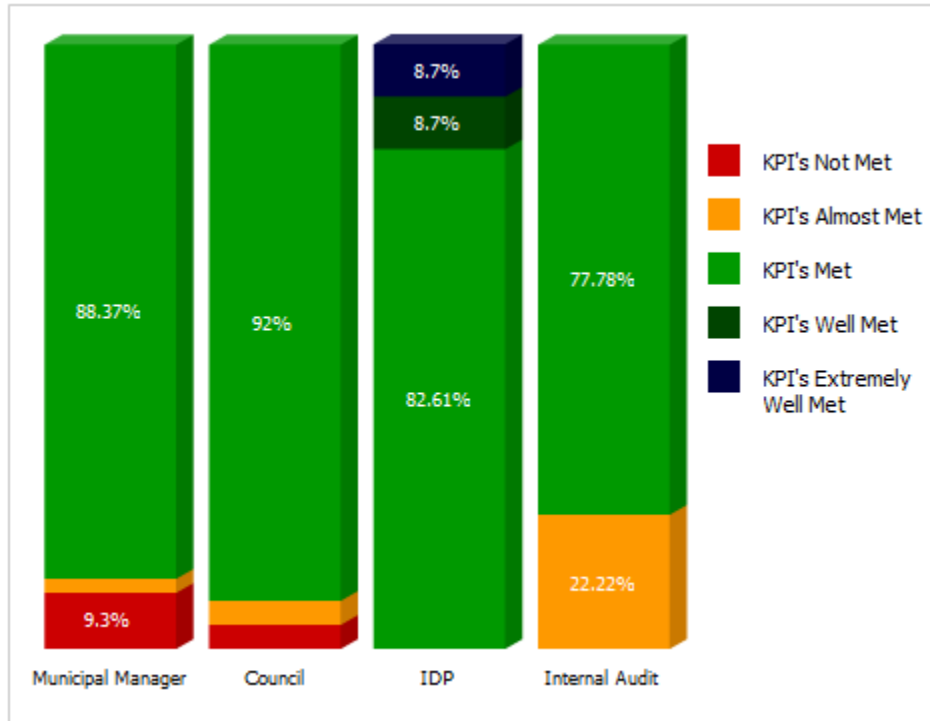
- Municipal Manager
- Council
- IDP
- Internal Audit

The Operational Key Performance Indicators for Executive and Council are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good Governance	To create an institution with skilled & informed employees who can provide and effective and professional service to its clientele guided by the Batho Pele principles
Municipal Transformation and Organisational Development	Institutional development	To create an institution with skilled & informed employees who can provide and effective and professional service to its clientele guided by the Batho Pele principles
Municipal Financial Viability and Management	Financial Development	To achieve a strong financial position to be able to withstand local and regional economic impact in short and long-term for the implementation of responsible and sustainable development and economic growth
Local Economic Development	Local Economic Development	<ul style="list-style-type: none"> • To ensure a stable social environment and eradicate poverty by 80% • To create households income from the current estimate average of R1000 to basic income level of R2000 per household for at least 70% 1959 households of Laingsburg

Table 99: Functional alignment – Executive and Council

The following graph indicates the overall results of all the KPI's measured of the various sub-directorates within the Executive and Council directorate in terms of the municipal SDBIP performance management system



Graph 14: Executive and Council sub-directorate performance

5.3.2 FINANCE AND ADMINISTRATION

Finance and Administration consists of the following divisions:

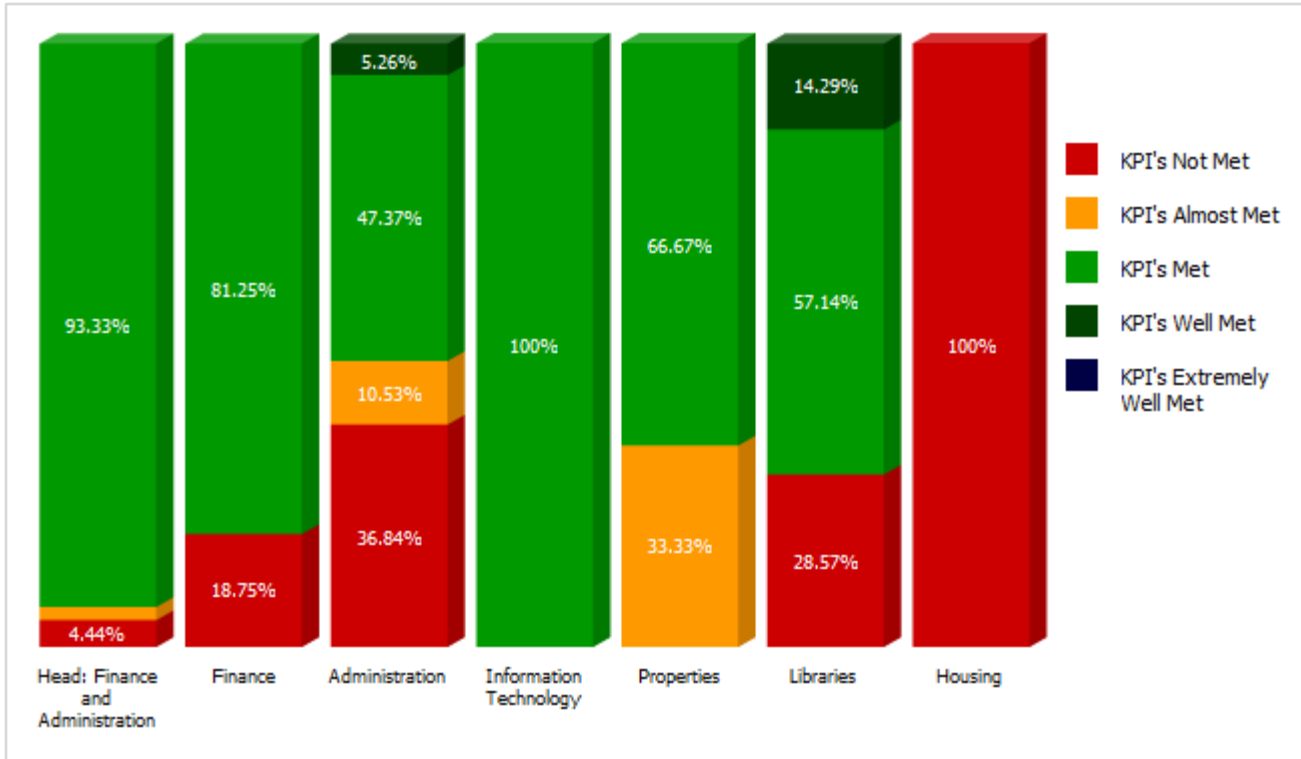
- Head: Finance and Administration
- Finance
- Administration
- Information Technology
- Properties
- Libraries
- Housing

The Operational Key Performance Indicators for Finance and Administration are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good Governance	To create an institution with skilled & informed employees who can provide and effective and professional service to its clientele guided by the Batho Pele principles
Municipal Transformation and Organisational Development	Institutional development	To create an institution with skilled & informed employees who can provide and effective and professional service to its clientele guided by the Batho Pele principles
Municipal Financial Viability and Management	Financial Development	To achieve a strong financial position to be able to withstand local and regional economic impact in short and long-term for the implementation of responsible and sustainable development and economic growth
Basic Service Delivery	Environmental Development	Improvement & maintenance of environmental status of the municipal area & eradication of the spatial legacy

Table 100: Functional alignment – Finance and Administration

The following graph indicates the overall results of all the KPI's measured of the various sub-directorates within the Finance and Administration directorate in terms of the municipal SDBIP performance management system



Graph 15: Finance and Administration sub-directorate performance

5.3.3 PUBLIC SAFETY

Public Safety consists of the following divisions:

- Head: Public Safety
- Public Safety

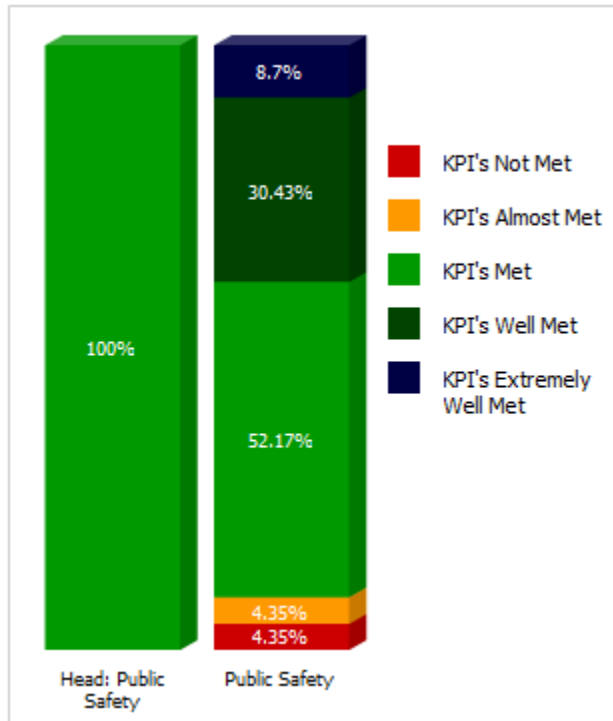
The Operational Key Performance Indicators for Public Safety are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good Governance	To create an institution with skilled & informed employees who can provide and effective and professional service to its clientele guided by the Batho Pele principles

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Municipal Transformation and Organisational Development	Institutional development	To create an institution with skilled & informed employees who can provide and effective and professional service to its clientele guided by the Batho Pele principles
Municipal Financial Viability and Management	Financial Development	To achieve a strong financial position to be able to withstand local and regional economic impact in short and long-term for the implementation of responsible and sustainable development and economic growth
Basic Service Delivery	Good Governance	Extend basic infrastructure and services to all residents in Laingsburg; provide all indigent households with basic services according to national standards and income

Table 101: Functional alignment – Public Safety

The following graph indicates the overall results of all the KPI’s measured of the various sub-directorates within the Public Safety directorate in terms of the municipal SDBIP performance management system



Graph 16: Public Safety sub-directorate performance

5.3.4 TECHNICAL SERVICES

Technical Services consists of the following divisions:

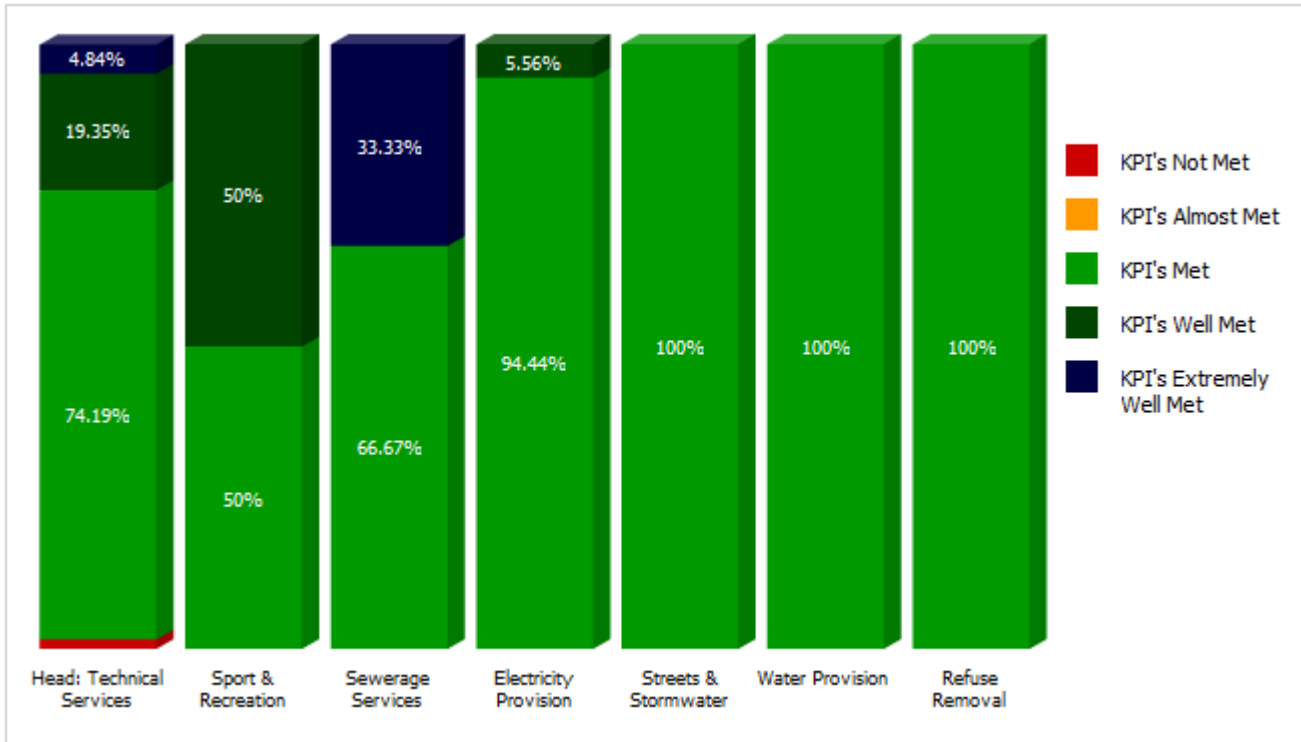
- Head: Technical Services
- Sport & Recreation
- Sewerage Services
- Electricity Provision
- Streets & Stormwater
- Water Provision
- Refuse Removal

The Operational Key Performance Indicators for Technical Services are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good Governance	To create an institution with skilled & informed employees who can provide and effective and professional service to its clientele guided by the Batho Pele principles
Municipal Transformation and Organisational Development	Institutional development	To create an institution with skilled & informed employees who can provide and effective and professional service to its clientele guided by the Batho Pele principles
Municipal Financial Viability and Management	Financial Development	To achieve a strong financial position to be able to withstand local and regional economic impact in short and long-term for the implementation of responsible and sustainable development and economic growth
Basic Service Delivery	Infrastructure Development	Extend basic infrastructure and services to all residents in Laingsburg; provide all indigent households with basic services according to national standards and income

Table 102: Functional alignment – Technical Services

The following graph indicates the overall results of all the KPI's measured of the various sub-directorates within the Technical Services directorate in terms of the municipal SDBIP performance management system



Graph 17: Technical Services sub-directorate performance

CHAPTER 6

FINANCIAL PERFORMANCE

CHAPTER 6: FINANCIAL PERFORMANCE

6.1 NATIONAL KEY PERFORMANCE INDICATORS - MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

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

KPA & INDICATOR	2008/09	2009/10	2010/11
Debt coverage ((Total operating revenue-operating grants received)/debt service payments due within the year)	20.59	16.12	9.31
Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	9.04	10.17	15.90
Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure	56.77	55.43	27.32

Table 103: National KPI's for financial viability and management

6.2 FINANCIAL VIABILITY HIGHLIGHTS

Highlight	Description
New financial system	Secured funding for the implementation of the new financial system in the new financial year
Implementation of GRAP	Implementation and presentation of financial statements in terms of GRAP

Table 104: Financial Viability Highlights

6.3 FINANCIAL VIABILITY CHALLENGES

Challenge	Action to address
Limited revenue base	Careful financial planning and budgeting

Table 105: Financial Viability Challenges

6.4 FINANCIAL SUSTAINABILITY

6.4.1 OPERATING RESULTS

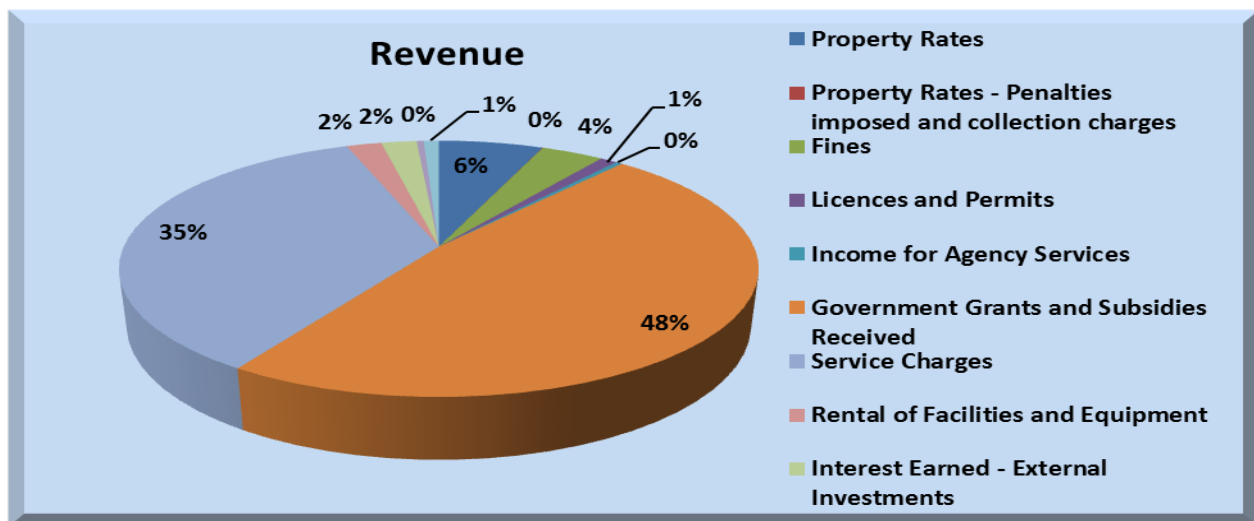
The table below shows a summary of performance against budgets

Financial Year	Revenue				Operating expenditure			
	Budget	Actual	Diff.	%	Budget	Actual	Diff.	%
	R'000	R'000	R'000		R'000	R'000	R'000	
2008/09	20 519	21 192	673	103.28	24 141	23 007	(1 134)	95.30
2009/10	25 336	26 580	1 244	104.91	30 462	26 724	(3 738)	87.73
2010/11	23 756	25 926	2 170	109.13	32 528	34 316	1 788	105.50

Table 106: Performance against budgets

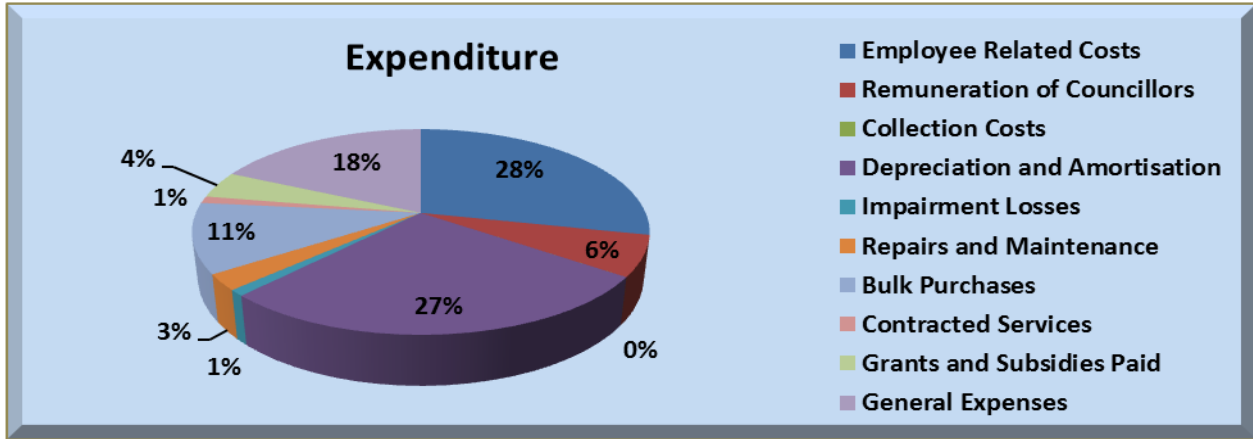
The municipality received R25,926 million revenue for the year of which R34,316 million was utilized for operating expenditure. The expenditure is much higher than the revenue due to the unbundling of assets and the implementation of GRAP with provision for depreciation of assets. Salaries and allowances and expenditure with regards to bulk services and the provision for depreciation make up most of the total operating expenditure of the municipality. Service charges and grants and subsidies, account for most of the revenue for the year under review.

The following graph indicates the various types of revenue items in the municipal budget for 2010/11



Graph 18: Revenue

The following graph indicates the various types of expenditure items in the municipal budget for 2010/11



Graph 19: Operating expenditure

6.4.2 OUTSTANDING DEBTORS

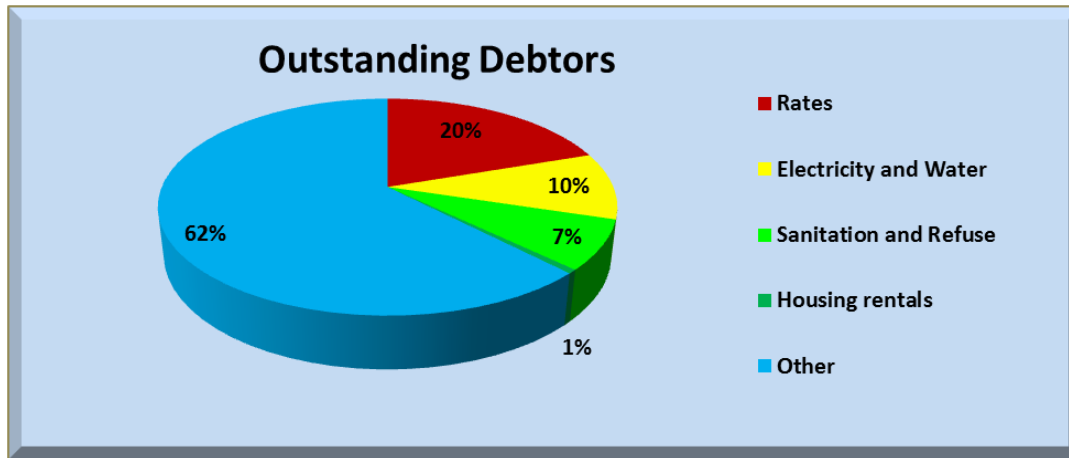
A) GROSS OUTSTANDING DEBTORS PER SERVICE

Financial year & description	Rates	Trading services	Economic services	Housing rentals	Other	Total
		(Electricity and Water)	(Sanitation and Refuse)			
	R'000	R'000	R'000	R'000	R'000	R'000
2008/09	1 124	511	-	68	2 946	4 649
2009/10	1 394	759	-	37	3 548	5 739
2010/11	1 660	836	618	48	5 229	8 392
Difference	266	76	618	11	1 681	2 653
% growth year on year	19.06	10.06	0	30.20	47.38	46.23
% of total outstanding debtors	19.78	9.96	7.37	0.58	62.31	100

Table 107: Gross outstanding debtors per service

Note: Figures exclude provision for bad debt

The following graph indicates the total outstanding debt per type of service for 2010/11



Graph 20: Debt per type of service

B) TOTAL DEBTORS AGE ANALYSIS

Financial year	Less than 30 days	Between 30-60 days	Between 60-90 days	More than 90 days	Total
	R'000	R'000	R'000	R'000	R'000
2008/09	0	4 649	0	0	0
2009/10	0	5 739	0	0	0
2010/11	115	5 803	106	1 790	578
Difference	115	64	106	1 790	578
% growth year on year	100	1.11	100	100	100

Table 108: Service debtor age analysis

Note: Figures exclude provision for bad debt

6.4.3 VIABILITY INDICATORS

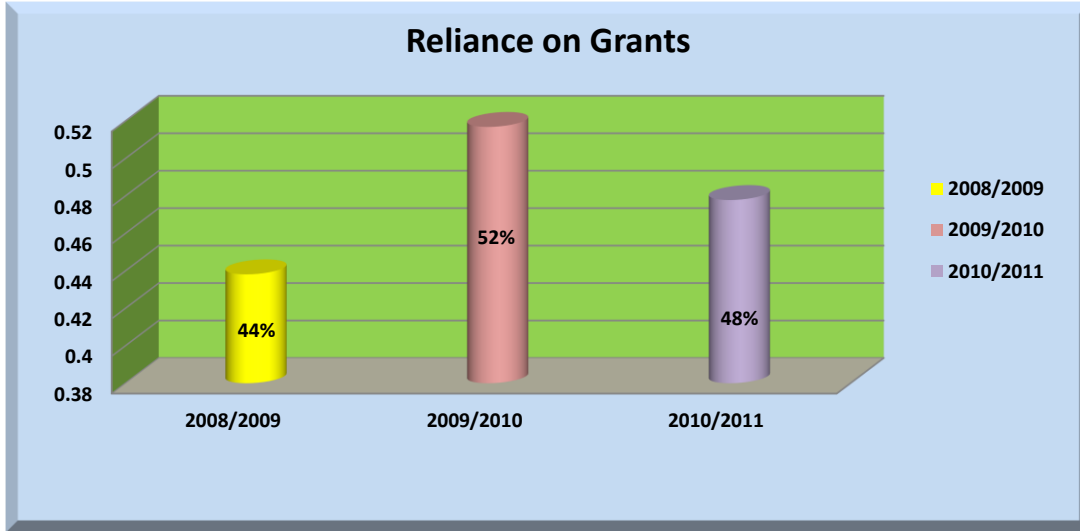
A) LEVEL OF RELIANCE ON GRANTS AND SUBSIDIES

Financial year	Total grants and subsidies received (R'000)	Total Operating Revenue (R'000)	Percentage (%)
2008/09	9 285	21 192	43.81
2009/10	13 739	26 581	51.69
2010/11	12 388	25 926	47.78

Table 109: Reliance on grants

The municipality is more reliant on grants to finance expenditure than other municipalities with the same nature, due to our limited revenue raising capacity.

The following graph indicates the municipality’s reliance on grants as percentage for the last three financial years



Graph 21: Reliance on grants as %

B) LIQUIDITY RATIO

Financial year	Net current assets (R'000)	Net current liabilities (R'000)	Ratio
2008/09	41 424	2 123	19.52:1
2009/10	98 819	2 862	34.53:1
2010/11	93 455	4 096	22.82:1

Table 110: Liquidity ratio

The ratio indicates that the municipality is in a favourable position to meet its short term liabilities. The ratio is currently above the national norm of 1.5:1.

6.4.4 AUDITED OUTCOMES

Year	2006/2007	2007/2008	2008/2009	2009/2010	2010/11
Status	Unqualified	Unqualified	Unqualified	Qualified	Qualified

Table 111: Audit outcomes

The following tables provides the details on the **main** audit outcomes for the past two financial years with the correctives steps implemented:

2009/10	
Issue raised	Corrective step implemented
<u>Qualification</u>	
<p>8. IFRS 7 <i>Financial instruments: Disclosure</i> requires disclosure for those assets and liabilities that are measured in the statement of financial position at fair value. However, the municipality was unable to comply with the requirements of IFRS 7 and disclose a detailed aging of all debtors in the financial statements in the current year and the prior year as they were unable to extract this information from the system. Debtors amounted to R4, 78 million (R4, 53 million – 2009).</p>	<ul style="list-style-type: none"> • Management should ensure that the provision reflected in the financial statements is based on approved accounting policies of the municipality and the bases of its calculation must be rational and consistent • The documentation and evidence supporting these calculations should be kept
<p>9. Although the municipality did disclose the fact that material distribution losses for water had occurred as required by section 125(2)(d) of the MFMA, due to insufficient capacity and capability they were unable to quantify such losses. Consequently, I was unable to obtain sufficient appropriate audit evidence to satisfy myself as to the completeness of water losses.</p>	<p>A disclosure note should be included in the Annual Financial Statements stating that it is impracticable to calculate water losses</p>

Table 112: 2009/10 Detail on audit outcomes

2010/11	
Issue raised	Corrective step implemented
<u>Qualification</u>	
<p>IFRS 7 <i>Financial instruments: Disclosure</i> requires disclosure for those assets and liabilities that are measured in the statement of financial position at fair value. However, the municipality was unable to comply with the requirements of IFRS 7 and disclose a detailed aging of all debtors in the financial statements in the current year and the prior year as they were unable to extract this information from the system. Debtors amounted to R4, 78 million (R4, 53 million – 2009).</p>	<ul style="list-style-type: none"> • Management should ensure that the provision reflected in the financial statements is based on approved accounting policies of the municipality and the bases of its calculation must be rational and consistent • The documentation and evidence supporting these calculations should be kept
<p>Although the municipality did disclose the fact that material distribution losses for water had occurred as required by section 125(2)(d) of the MFMA, due to insufficient capacity and capability they were unable to quantify such losses. Consequently, I was unable to obtain sufficient appropriate audit evidence to satisfy myself as to the completeness of water losses.</p>	<p>A disclosure note should be included in the Annual Financial Statements stating that it is impracticable to calculate water losses</p>

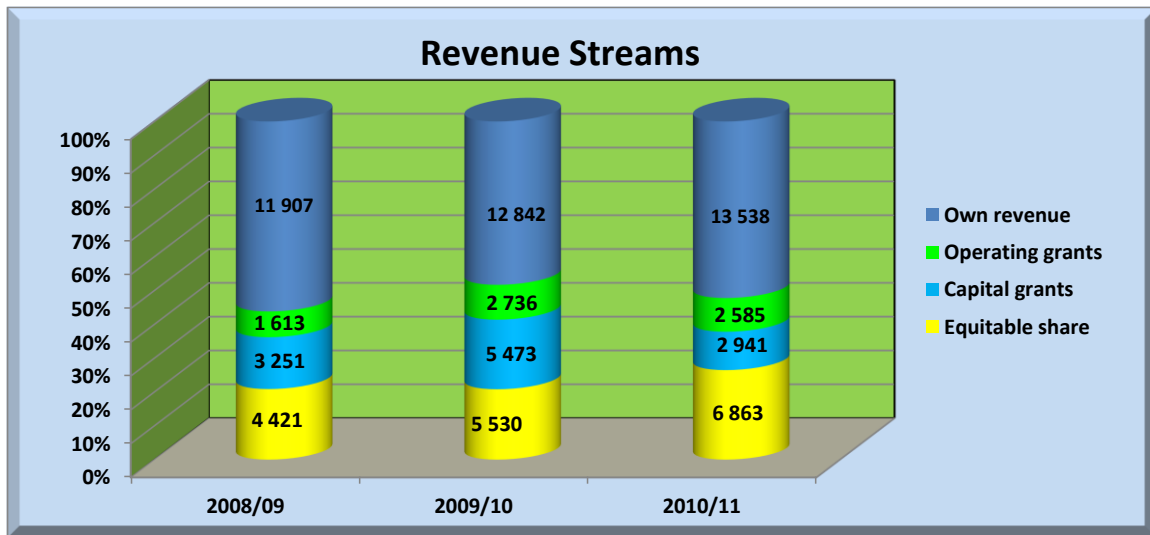
Table 113: 2010/11 Detail on audit outcomes

6.4.5 EQUITABLE SHARE VS TOTAL REVENUE

Description of revenue	Amount received 2008/09	Amount received 2009/10	Amount received 2010/11
	R'000	R'000	R'000
Equitable share	4 421	5 530	6 863
Capital grants	3 251	5 473	2 941
Operating grants	1 613	2 736	2 585
Own revenue	11 907	12 842	13 538
Total revenue	21 192	26 581	25 926

Table 114: Equitable share vs total revenue

The following graph indicates the various revenue streams of the municipality for the past three financial years



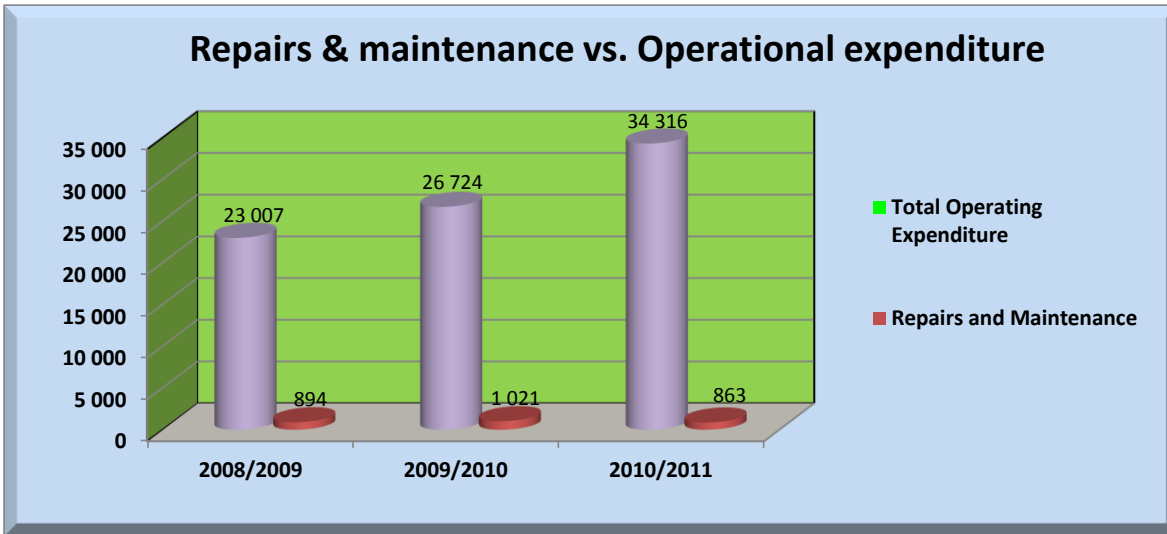
Graph 22: Revenue streams

6.4.6 REPAIRS AND MAINTENANCE

Description	2008/2009	2009/2010	2010/11
	R'000	R'000	R'000
Total Operating Expenditure	23 007	26 724	34 316
Repairs and Maintenance	894	1 021	863
% of total OPEX	3.89	3.82	2.51

Table 115: Repairs & maintenance as % of total OPEX

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



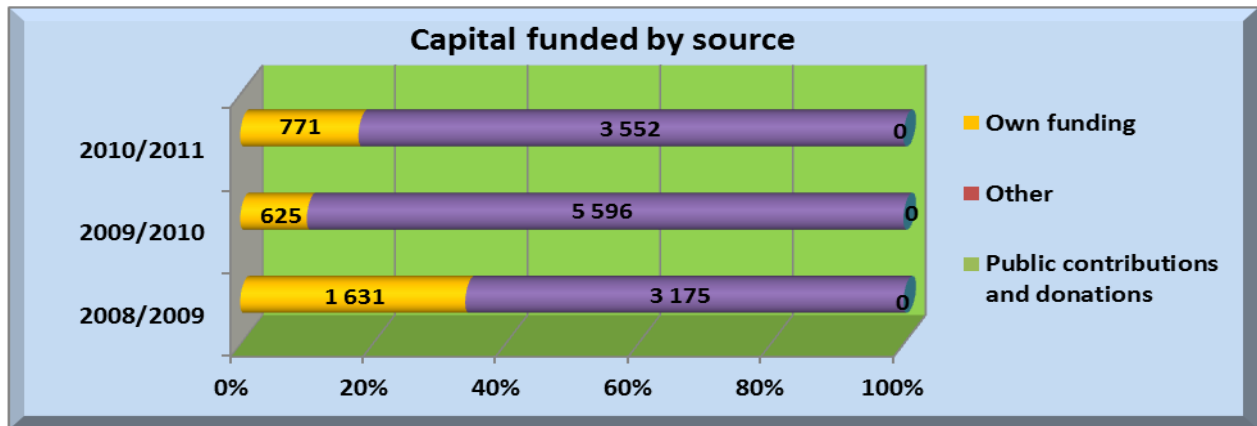
Graph 23: Repairs and maintenance as percentage of OPEX

6.4.7 CAPITAL FUNDED BY SOURCE

Description Source	2008/09	2009/10	2010/11
	R'000	R'000	R'000
External loans	0	0	0
Grants and subsidies	3 175	5 596	3 552
Public contributions and donations	0	0	0
Own funding	1 631	625	771
Other	0	0	0
Total capital expenditure	4 806	6 221	4 323

Table 116: Capital funded by source

The following graph indicates capital expenditure funded by the various sources



Graph 24: Capital funded by source

LIST OF ABBREVIATIONS

AG	Auditor-General
CAPEX	Capital Expenditure
CBP	Community Based Planning
CFO	Chief Financial Officer
DPLG	Department of Provincial and Local Government
DWAF	Department of Water Affairs and Forestry
EE	Employment Equity
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	Generally Recognised Accounting Practice
HR	Human Resources
IDP	Integrated Development Plan
IFRS	International Financial Reporting Standards
IMFO	Institute for Municipal finance officers
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
MAYCOM	Executive Mayoral Committee
MFMA	Municipal Finance Management Act (Act No. 56 of 2003)
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MMC	Member of Mayoral Committee
MSA	Municipal Systems Act No. 32 of 2000
MTECH	Medium Term Expenditure Committee
NGO	Non governmental organisation
NT	National Treasury

OPEX	Operating expenditure
PMS	Performance Management System
PT	Provincial Treasury
SALGA	South African Local Government Organisation
SAMDI	South African Management Development Institute
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework

ANNEXURE A: FINANCIAL STATEMENTS

ANNEXURE B: REPORT OF THE AUDITOR GENERAL
