



#448400

**2008/2009  
ANNUAL REPORT**

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# **CHAPTER 1**

## **FOREWORD AND OVERVIEW OF THE MUNICIPALITY**

### **Foreword by the Executive Mayor**

#### **Introduction and Overview of the Municipality**

Polokwane Municipality has for the past years developed the IDP and Budget that were intended for delivery of services to the communities. The 2008/2009 annual report is developed to report the achievements of municipal targets that are to change and improve the lives and economical status of all communities within Polokwane Municipality during the financial year. The report is tabled at the opportune time when the City of Polokwane and the rest of the Limpopo Province are finalizing the preparations for hosting the 2010 FIFA World Cup™.

Council approved the 2008/11 IDP and 2008/11 Budget on 19 June 2008. To ensure that the implementation of the 2008/11 IDP and 2008/11 Multi Year Budget is in good practice, the SDBIP was approved according to the Municipal Finance Management Act of 2003. To ensure that the IDP and budget are implemented according to plan, monthly and quarterly reports were developed as tools to track achievements and to make adjustment to speed up service delivery processes. This was achieved by adjusting the budget in January 2009.

During the 2008/2009 financial year, strategic priorities and targets were set towards eradicating service backlogs in the municipal area. This was done in the context of meeting the aims of developmental local government that promotes development of the communities and local economic development and seeks to empower the communities and transform institutions of local government.

The municipality adopted strategic priorities during the 2008/2009 financial year that are geared to ensure service delivery and infrastructure development, local economic development, municipal development and institutional transformation, good governance and public participation and sustainability. These strategic priorities have specific priorities to realize the mission and vision statement of the municipality.

## **VISION**

***A safe, prosperous and caring municipality ,free of poverty and inequality ;promoting participatory development and providing sustainable services for better life for all***

## **MISSION**

***To build a prosperity ,eradicate poverty and inequality ,promote the social ,political and economic empowerment of all our people through delivery of quality services ,community participation ,promotion of local economic development and smart administration***

***Geared to realize the vision and mission statement the municipality adopted value statement to guide both council and the communities.***

## **VALUE STATEMENT**

**We shall strive in all our activities and programs to be:**

- **Responsive**
- **Efficient**
- **Effective**
- **Transparent**
- **Informative;**
- **Competitive;**
- **Accountable;**
- **Representative;**
- **Consultative**
- **Loyal ;**
- **Honest and;**
- **Empowering**

## ***Profile of Polokwane Municipality***

Polokwane Municipality is located within the Capricorn District in the Limpopo Province. It covers a surface area of 3775 km<sup>2</sup> and accounts for 3% of the Province's total surface area of ±124 000 km<sup>2</sup>. In terms of its physical composition, the municipality is 23% urbanised and 71% rural. The remaining area (6%) is made up of small holdings and institutional, industrial and recreational land.

The municipality is home to approximately 561 770 people .With a provincial population of approximately 5,2 million people, it surmises that Polokwane houses over 10% of the province's population on 3% of the province's surface area. This is significant and reiterates the City's capital status and shows that it is an area of confluence.

**Table 1** below shows that the City has a much higher settlement density than any other area in the Province although such is to be expected given the vast rural areas which make up the Province.

**Table 1: Demographic Features Comparison of National, Limpopo Province, Capricorn District Municipality and Polokwane Local Municipality**

Levels	Population	Households	Population below 15 yrs	Surface Area	% of population	% of households	% of population below 15
National	48 502 063	12 500 610	15 672 800		100	100	100
Limpopo	5 238 286	1 215 935	1 968 900	123 910 km <sup>2</sup>	10,8	9,73	12,56
Capricorn	1 243 167	285 565	607 161	18,570.30 km <sup>2</sup>	2,54	2,28	3,87
<i>Polokwane</i>	<i>561 772</i>	<i>130 361</i>	<i>244 274</i>	<i>3 775 km<sup>2</sup></i>	<i>1,16</i>	<i>1,04</i>	<i>1,59</i>

**Table 1: StatsSA: Community Survey, 2007**

Population growth in Polokwane is significant. Growth figures from 1996 to 2001 showed that the municipal population increased by about 16.39%, which means an annual average population growth rate of 3.27%. Much of this growth is ascribed to an influx of people from other more rural municipal areas into Polokwane where the perception of more employment and greater economic wealth exists. Since 2001 the population has increased from 508 280 to 561 770 (1, 7% growth p.a.).The number of households has also increased from 124 980 (2001 Census) to 130 360 in 2007. This implies an additional 5380 households that the municipality must provide with new services.

## **Economic Composition**

Polokwane is without doubt the rising regional economic centre and development and has the largest municipal economy within Limpopo Province, contributing 18% to the provincial economy during 2008. It is the economic hub of the Limpopo Province and is strategically located to be the administrative and economic capital of the Province. It is situated at the cross roads of important National and Provincial roads which radiate out into hinterland providing good access.

The economy is comprised of both tertiary and second sector economies. The tertiary sector dominates much of the economic activity followed by the secondary sector, which includes the manufacturing sector. The primary sector, which includes mining, agriculture, and related activities is the least important sector in terms of value added to the economic activity of the Polokwane Municipality.

Polokwane is the logistics hub of the province boasting world class infrastructure catering for a number of national corporates and also providing freight interchange systems within the region given its proximity to the neighbouring countries of Botswana, Zimbabwe, Mozambique and Swaziland. Three of the four Spatial Development Initiatives pass through Polokwane, which reiterates the City's strategic location and its importance as far as the economy of the Province is concerned. Polokwane offers various educational institutions, colleges, Technikons and the University of Limpopo (Turfloop Campus).

The city lies on 1312 m altitude and has a pleasant climate with temperatures averaging 27 degrees in summer and 20 degrees in winter. It only rains in summer (400 - 600 mm precipitation annually).

The following have been identified as the most important strategic development potential of Polokwane Municipality:

- Availability of both industrial and commercial land
- Access to international airport
- Diverse farming base
- Land in CBD (Specifically for retail & professional services)
- Well developed Transport facilities (N1, SDI, Development Corridors & Industrial Development Zone)
- Massive Labour Force & Young population
- Various Academic institutions in the municipal area for skills development
- Proximity to SADC Community (to serve as a Regional Trading Hub).
- Access to minerals resource (Beneficiation)

In line with development potentials, the following are identified as development opportunities in Polokwane municipality:

- Government Precinct
- Airport Upgrading
- Regional Mall – Retail concentration
- Sports Complex
- Relocation of Legislature from Lebowakgomo to city of Polokwane
- Massive residential Developments
- International Convention Centre
- 2010 FIFA World Cup
- Concentration of Buying power
- Agglomeration effect
- Rising property values – increasing asset base
- Stable regulatory environment
- Safety and security
- Strategic location

## Council and Administrative Overview

Polokwane Municipality is a Category B constituted by 73 councilors. Thirty-seven are elected Ward councilors and the rest represent political parties in their different proportional election lists. The Municipality has ten members of the Mayoral Committee (see table below) appointed by the Executive Mayor and six full time councilors.

The Municipality has ten Portfolio committees (see table 02 below). Each of the ten members of the Mayoral Committee chairs a special Portfolio Committee and reports their activities to the Executive Mayor. The Executive Mayor reports to Council during Council meetings, which are open to the public. Polokwane Municipality holds its Council meetings quarterly on average. Mayoral Committee meetings are held fortnightly while Portfolio Committee meetings are held once a month (see table below for detailed information). Council meetings are chaired by the Speaker.

The ruling party, the African National Congress, has an overwhelming majority in the Council. There are eight opposition parties in the Council, namely; Democratic Alliance (DA), Azanian People's Organization (AZAPO), United Democratic Movement (UDM), the African Christian Democratic Party (ACDP), United Independent Front, New Vission Party and Vryheidsfront Plus.

Representation of Political Parties in the Council:

<b>Name of Political Party</b>	<b>Number of Seats</b>
African National Congress	58
Democratic Alliance	07
African Christian Democratic Party	02
Azanian People's Organization	01
Pan African Congress	01
Vryheidsfront Plus	01
Independent Candidate	01
New Vission Party	01
United Democratic Movement	01
<b>Total:</b>	<b>73</b>

**Table 2**



The administrative component of the municipality is comprised of seven (7) directorates, namely; Technical Services, Planning and Development, Community Services, Corporate Services, Chief Financial Office, 2010 and office of the Municipal Manager. Each directorate is headed by a director and consists of a number of strategic business units headed by managers. All directors report directly to the Municipal Manager, who reports to the Executive Mayor. Strategic Business Units Managers in the Office of Municipal Manager report directly to Municipal Manager. (See the attached structure containing both the Council and administrative components and their relations).

The Municipal Manager presides over the Executive Management team, which is comprised of all directors and managers in the Office of the Municipal Manager. The primary role of the Executive Management is to drive the strategy of the municipality, and to oversee integration and coordination of various programmes in the municipality. It is also responsible for the performance management of the organization. The table below provides detailed information about the municipality:

Name of Municipality	Polokwane Municipality
Grade of Municipality	Grade 10 Local Authority
Postal Address:	P O Box 111 Polokwane 0700
Physical Address:	Corner Landros Mare & Bodestein Street, Polokwane 0700
Telephone Number:	(015) 290 2457
Fax Number:	(015) 290 2255
Auditors:	Office of the Auditor General
Bank:	Standard Bank
Bank Account Number:	030172349
Branch Code Number:	052548
Executive Mayor:	Cllr. T.L. Makunyane
Municipal Manager:	Adv. J.L. Thubakgale
<b>MAYORAL COMMITTEE AND THEIR PORTFOLIOS</b>	
Cllr. T.L. Makunyane	Executive Mayor
Cllr. L.E. Hardy	Speaker
Cllr. M.N. Ntsewa	Water and Sanitation
Cllr. C. Machete	Roads, Stormwater and Transport
Cllr. O. Mashakgomo	Energy
Cllr. M.L. Mokwele	Housing and Environment
Cllr. P.C. Mosomane	Local Economic Development
Cllr. S.M. Moloto	Culture, Sport and Recreation
Cllr. M. Ralefatane	Special Projects
Cllr. B.A. Hassim	Finance

Cllr. A.M. Legora	Spatial Planning and Development
Cllr. M. Madikoto	Safety and Emergency Services
<b>SENIOR MANAGERS</b>	
Mr. C. Ledwaba	Chief Financial Officer
Mr. S. Mabotja	Director: Planning and Development
Mr. M. Srinivasan	Acting Director: Corporate Services
Mr. L. Mojapelo	Acting Director: Technical Services
Mr. H. Lubbe	Director: Community Services
Mr. N. Ramakuela	2010 Directorate

**Table: 03**

**Portfolio Committee Meetings**

Portfolio Committee	Annual Target	Number of Meetings Convened and Materialized
Finance	11	11
Spatial Planning and Development	11	11
Water and Sanitation	11	05
Housing and Environment	11	09
Culture, Sport and Recreation	11	07
Energy	11	09
Special Projects	11	07
Local Economic Development	11	05
Roads, Stormwater & Transport	11	06
Safety & Emergency Services	11	08
<b>Other Council Committees Meetings</b>		
Land Use Management	16	16
Performance Audit Committee	04	05
Audit Committee	04	02
Council Meetings	04	05
Mayoral Committee Meetings	21	14

**Table 04**

Council and Administrative structure



## Audit Committee Report

### Municipal Services Overall Outcomes

Services Provided	Number of New Beneficiaries Provided by the End of 2005/06	Number of New Beneficiaries Provided by the end of 2006/07	Number of new beneficiaries provided by the end of 2007/08	Number of New Beneficiaries Provided by the end of 2008/09
Number of Households Provided with Electricity	107 194	3 599	6100	4 577
Number of Households Provided with Water	4 601	5 945	8 700	10 812
Number of Houses Provided with sanitation	1 782	2 130	2 873	6 628
Number of Jobs Created through Labour Intensive Programme	2004	261	2122	
Total Number of Tenders Awarded to Previously Disadvantage Groups (Youth, Women and Disabled People)	787	732	1800	
Number of Private Consultation on HIV/AIDS	811	504	559	500

Services Provided	Number of New Beneficiaries Provided by the End of 2005/06	Number of New Beneficiaries Provided by the end of 2006/07	Number of new beneficiaries provided by the end of 2007/08	Number of New Beneficiaries Provided by the end of 2008/09
Counselling				
Number of HIV/AIDS Awareness Activities Convened by the Municipality	68	55	47	36
Number of Sports Activities Convened	55	95	115	115
Number of Library Visits per Year	484056	454964	461 043	445 500
Refuse Removal by Municipality at Least Once a Week	58 000	60 000	72 000	72 000
Refuse Removal by Municipality Less Often	3645	4890	4900	4900
Communal Refuse Dump Used	01	01	01	01
Own Refuse Dump	01	01	01	04
Clusters without Refuse Removal Services	Moletjie	Moletjie	Moletjie	Moletjie
	Maja/Chuene/Molepo	Maja/Chuene/Molepo	Maja/Chuene/Molepo	Maja/Chuene/Molepo
	Other parts of Mankweng/Dikgale/Sebayeng	Other parts of Mankweng/Dikgale/Sebayeng	Other parts of Mankweng/Dikgale/Sebayeng	Other parts of Mankweng/Dikgale/Sebayeng

**Table 6**

### **Annual Progress Against Overarching Legislative Requirements**

Act	Section	Requirement	Legislative Provisional	Annual Progress Made
MSA	25 (1)	Integrated Development Plan	Each municipal council must, within the prescribed period after the start of its elected term adopt a single, inclusive and strategic plan for the	Adopted IDP

			development of the municipality.	
MSA	34 (1)	Review of IDP annually	A municipal council must review its Integrated Development Plan annually in accordance with the assessment of its performance measurements and to the extent that the changing circumstance so demand.	Reviewed IDP
MSA	46 (1)	Annual Report	Municipality must prepare for each financial year its annual performance report	2007/08 Annual Report is prepared as required
MFMA	69 (3)	Service Delivery and Budget Implementation Plan	The accounting officer must ,no later than 14 days after the approval of the annual budget, submit to the Executive Mayor a draft service delivery and budget implementation plan and draft of annual performance agreements of municipal manager and all Section 57 Managers.	2008/09 SDBIP was submitted to the Executive Mayor as required.
MFMA	121 (3)(a)	Annual Report with consolidated financial statements	Annual financial statements of the municipality and Section 12(2) applies, consolidated annual financial statements, as submitted to the Auditor-General for audit in terms of section 126(1).	Submitted 2008/09 financial statement to Auditor General
MFMA	121(3)(b)	Auditor-General' s audit report	Auditor-General' s audit report in terms of Section 126(3) on those financial statements.	Not yet received 2008/09 financial statement from Auditor General
MFMA	121(3)(c)	Annual performance report	Annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal Systems Act.	Annual Report prepared and will serve before Council during January 2009
MFMA	121(3)(d)	Auditor-General' s performance audit report	Auditor-general' s audit report in terms of Section45 (b) of the Municipal Systems Act.	Auditor General to provide after audit process.

**Table 07**

## Municipal Financial Health

### 2008/09 Operational and Capital Results

The operating surplus for the year under review amounted to R845 964 528.00, while the accumulated surplus amounts to R944 634 503.00. The following table reflects a summary of the operational and capital results for 2008/09 financial year.

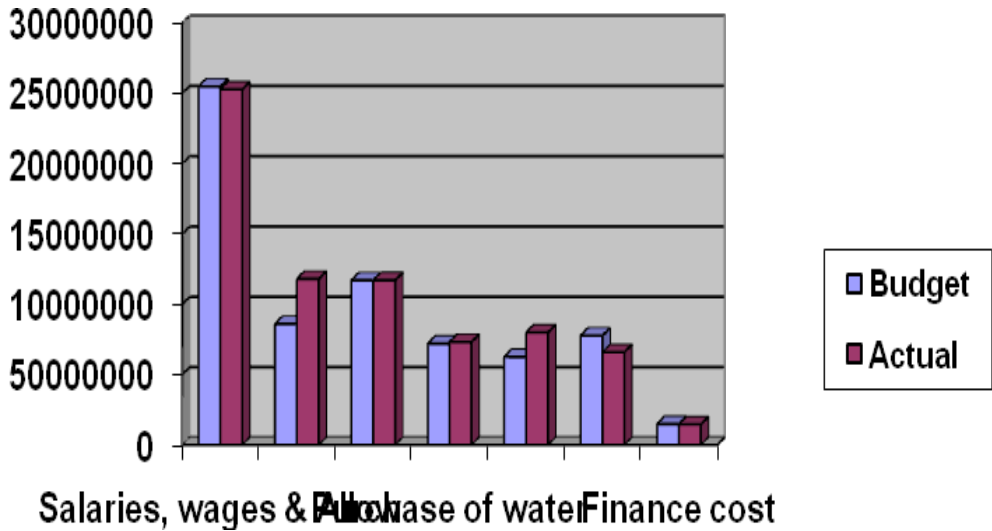
Item	Budgeted Amount	Actual Amount	Percentage
Operating Revenue	2 444 497 480.00	1 717 732 516.00	70.26
Operating Expenditure	873 965 000.00	871 767 987.00	99.74
Operating Surplus	1 570 532 480.00	845 964 528.00	53.86
Capital expenditure	1 570 532 480.00	1 003 166 406.00	63.87

The following tables indicate summary of operating and capital budget for 2008/09.

### Operating Budget for 2008/09

Item	Budgeted Amount	Amount Expended
Salaries, wages & Allowance	291 471 000.00	278 411 807.00
General expense	162 906 470.00	140 138 684.00
Purchase of electricity	151 749 000.00	164 163 684.00
Purchase of water	80 000 000.00	80 410 748
Depreciation	83 920 785.00	121 073 373.00
Repairs and Maintenance	89 017 745.00	71 536 987.00
Finance cost	14 900 000.00	16 032 429.00
<b>Net Expenditure</b>	<b>873 965 000.00</b>	<b>871 767 987.00</b>

The graph below indicates expenditure in relation to the budgeted amount.



Capital Budget		
Item	Budgeted Amount	Amount Expended
Water	162 704 637.00	98 288 432.00
Waste water Management	67 378 025.00	46 604 203.00
Electricity	135 225 780.00	102 322 606.00
Roads & Stormwater	376 545 910.00	217 128 036.00
<b>Sub total</b>	<b>741 854 352.00</b>	<b>871 767 987.00</b>

Community Service		
Item	Budgeted Amount	Amount Expended



Sports & Recreation	631 211 300.00	447 457 273.00
Cultural service	9 336 312.00	4 619 326.00
Public safety	20 479 641.00	8 485 202.00
Health	76 400.00	57 626.00
Environmental management	20 329 200.00	4 653 835.00
Waste management	20 258 320.00	14 706 085.00
<b>Subtotal</b>	<b>701 691 173.00</b>	<b>479 979 347.00</b>

#### **Planning & Development**

<b>Item</b>	<b>Budgeted Amount</b>	<b>Amount Expended</b>
Spatial planning & Land use management	80 096 470.00	31 689 865.00
<b>Sub total</b>	<b>80 096 470.00</b>	<b>31 689 865.00</b>

#### **Corporate Services and Other Admin**

<b>Item</b>	<b>Budgeted Amount</b>	<b>Amount Expended</b>
Finance & Admin	46 890 485.00	27 153 917.00
Sub total	46 890 485.00	27 153 917.00
<b>TOTAL</b>	<b>1 570 532 480.00</b>	<b>1 003 166 406.00</b>

#### **Empowerment through Supply Chain Management**

<b>Category</b>	<b>Target - %</b>	<b>Progress - %</b>	<b>Monetary Value</b>
HDI	60%	56%	R 367 837 353.65
Women	10%	24%	R 158 166 883.70
Youth	10%	25%	R 162 058 471.66
Disability	10%	0%	R 0
Locality	10%	51%	R 335 572 060.80

## **CHAPTER 2**

### ***PERFORMANCE HIGHLIGHTS***

Through the implementation of the IDP/Budget the municipality achieved 2008/2009 targets. The achievement registered strive to eliminate the backlogs in the municipal area. It is on the basis of 2008-09 SDBIP, that this annual report provides achievements made during 2008/09 financial year (01 July 2008 -30 June 2009). this chapter will focus only on the achievements (annual performance highlight) made during 2008-09 financial year within service delivery and infrastructure development.

## ***Service Delivery and Infrastructure Development***

The municipality views the provision of basic services as a critical area, in terms of ensuring community empowerment, job creation and poverty eradication. The Integrated Development Plan consultation process has affirmed the centrality of the delivery of basic services as the core mandate of local government, which must address both social and economic infrastructure backlogs. This justifies the fact that this Key-Performance Area (Service Delivery and Infrastructure Development) receives a substantial portion of capital allocation in the budget process. In line with this strategic priority, Polokwane Municipality renders the following services:

- Water
- Sanitation
- Electrical services
- Housing
- Road and Stormwater
- Fire fighting,
- Spatial planning and land use management,
- Environmental planning and management,
- Disaster management
- Provision and maintenance of local amenities such as libraries, sports facilities, parks and recreations, and
- Licensing and traffic management

The factors attributable to such a situation have been identified and remedial plans have been developed for implementation.

## **Water**

As indicated above, Polokwane is a water-scarce area with limited water resources. In terms of Water Service Development Plan (2008) of the municipality, opting for higher level of service that require significantly more water at each household may not be

compatible with the available water resources. There are few water sources and this has led to a situation where certain water projects became unsustainable due to lack of water sources. In certain instances, the municipality has had to implement water restriction. To address these challenges, the municipality has implemented the following measures:

- **Regional Water Scheme.**

It is noted that the availability of water supplies with sufficient capacity within close proximity may significantly reduce the costs of providing a higher level of water services to communities. In the past, focus was on individual projects, this has been changed. Instead we have moved to the regional water schemes approach wherein planning has been done on a regional basis. This has enabled us to determine water sources for each regional scheme as well as individual projects across various settlements. This has further enabled us to have a well-informed and reliable budget that is informed by our water sector plan. During 2008/9, the municipality was able to construct over 80 km reticulation pipeline, over 321 stand pipes, over 14 km of bulk pipeline and 1500 yard connections.

- **Dap Naude Transfer mains**

As highlighted, Polokwane does not have enough water sources, and therefore has to import water from Ebenezer, Magoebaskloof and Olifants. Due to high growth experienced by the city, we embarked on a project of revitalizing the pipeline that transports raw water from Dap Naude Dam to the city.

During the previous financial year council was able to increase the provision of water to the city from 9 mega liters per day to 15 mega liters per day, in this financial year council was able to upgrade and reline 60km of water supply line from Dap Naude dam.

- **Water Resource Management**

The council has embarked on the following strategies in order to maximize revenue:

- Minimize distribution losses by installing control meters in respect of beneficiaries
- Auditing bulk water meters
- Expand the action to all other meters including pre-paid meters
- Ensured correct billing of all water charges
- Public education to save water
- Demand management, Aquifer Recharge and water re-use at community level.

## **Electricity**

The municipality is a license holder for City/Seshego areas only. This by implication means that the municipality can only electrify houses within the City/Seshego cluster. Although this is the “legal set-up”, we took note of the backlog in the rural areas, which

are mainly Eskom license area. Council has provided R 18 500 000 for rural electrification, in order to increase access to this basic service.

Through this allocation at least thirteen villages were electrified, (see table below). This led to 4143 households getting access to electricity for the first time. The economic and social benefits related to the availability of this service.

<b>Village</b>	<b>Connections</b>
Letsokoane/Manamela/ Dairing	1 145
Makgeng	123
Ngwanamago/ Nare Letsoale	146
Ramongwana 2	671
Chebeng/Sengatane	667
Cottage	233
Mokgohloa 2 (Subiaco)	267
Mshongoville	600
Thune	291
<b>Total</b>	<b>4143</b>

- **Free Basic Electricity**

During the financial year 2008/9 we were able to provide free basic electricity to all 11 500 households in Eskom area and 4500 in Municipal area we were also able to provide free basic electricity subsidy to 2 700 households Solar home system(non- grid) customers.

- **Response to Electricity Load shading Crisis (Polokwane 10% Electricity Saving)**

The electricity crisis in South Africa has resulted in government approving the National Electricity Emergency Plan. In terms of this plan, electricity users in South Africa must use electricity in such a way as to reduce the electricity load with 10% for restoration of the national system security. Polokwane Council has approved a **Power Conservation Programme** which spells out the savings required from the different categories of electricity consumers in order to achieve an overall saving of 10 %.

- Industrial customers 12,5 %
- Commercial (general) 18,75 %
- Hotels, restaurants, shopping malls and  
Conference centres 25 %
- Residential 12,5 %
- Agricultural 6,25 %
- Special cases (hospitals, clinics, emergency  
Centres) no target  
(use sparingly)

]

Once a municipality achieves a 10%, it can apply for exemption from the current Eskom planned outages (load shedding). Polokwane has succeeded in reducing its electricity demand considerably and those customers who are contributing and are saving, have to be applauded. But we are not there yet! We need to save more and very important, once we have reached our 10% target, we will have to maintain that saving.

Residential customers (households) had done a lot and make it relatively easy to achieve the 10% saving target. This is through commitment that together municipality and residence made that every household in Polokwane switches off their geysers during day time which immediately go passed our 10% saving. And what is more, households can do so and should not even experience cold water.

### **Non-Residential Consumers**

Non-residential electricity consumers achieved their savings by innovative adaptation of production and business processes, operation of air conditioning systems at higher than usual temperatures, using energy efficient lighting, and all other means to use electricity more efficiently and sparingly.

### **Residential Consumers**

Residential consumers contribute 37 % of the total electricity demand during peak period in South Africa. They make a huge reduction in electricity demand, and at the same time save money, when reducing their electricity load.

A few easy methods that were provided by municipality to community member and were followed immediately are as follows:

- Switch Off Your Geyser Between 6:00 and 21:00.
- Swimming Pool
- Geyser Blanket
- Switch Off Lights Not In Use
- Set Air Conditioner 3 Degrees Higher Than Usual
- Keep Fridge Door Shut
- Use Stove Sparingly
- Do not Use Tumble Driers
- Dishwashers

### **Waste Management**

Solid Waste Management remains a greatest challenge particularly in urban areas. This is mainly due to the economic status of the people as well as the population density; a lot of waste is generated. Due to past practices there has been a backlog of infrastructure to deal with waste management in former R293 township of Sebayeng, Seshego and Mankweng.

To address this challenge we commenced with the construction of transfer stations at Mankweng and Seshego in line with NEMA and DWAF regulations. During the financial year 2008/9 we were able to complete phase 1 of Mankweng transfer station and the second phase is currently underway i.e. evaporation ponds and fencing of old dumping site.

One of the challenges faced by the municipality is the problem of illegal dumping particularly in Seshego and Westernburg. One of the causes of illegal dumping could be ascribed by lack of non-usage of refuse bags by house holds to the extent that when the bin is full it is emptied at the nearest open-space.

To curb this problem we commenced with the provision of refuse bags to households. The main purpose is to get households to regularly use the refuse bags and their benefits. Once the households are familiar with the practice, the provision will be stopped in the areas, and rolled-out to the other areas. Council managed to distribute 46 600 refuse bags over a period of three months to Seshego and distributed flyers to residence of ext 71, 75 and Lethuli Park to educate the residence about illegal dumping.

During 2008/09 financial year, council spend over R10 000 000 on procurement of skip containers, refuse containers, swivel bins, 240L bins, roll on roll off truck, grab truck, 10 ton tripper truck, frond end truck, load bugger and compactor truck. All this equipments and vehicles will ensure that the municipality will be able to increase the collection points, and provide better service.

## **Roads and Storm water**

The availability of proper roads infrastructure is key to unlocking the social and economic opportunities of areas. It is a well known fact that the majority of roads in rural areas have been in a bad state for quite some time. During 2008/09 we able to complete the planning & design phase of the tarring of all arterial roads which was allocated a budget of R24 000 000. In next financial year we will be implementing the projects. As part of our service levels, Council has approved arterial roads (roads linking major settlements used by public transport, serving a major economic function or leading to major social services, be tarred). Not only will this reduce travel time, but will open up economic opportunities in the various areas.

### **Storm Water Planning Mankweng**

Being a former R293 township, Mankweng does not have a proper storm-water system. As results, during rainy seasons, the area becomes flooded. During 2008/9, we completed the planning and implemented the project, only the snag list needs to be confirmed in order for the project to be 100% complete. Not only will this project solve flooding process, but the construction phase will also create jobs for the locals.

## **Housing**

### **Informal Settlements Upgrading**

One of the national targets is to eradicate informal settlements by 2014. Polokwane Municipality has also aligned its plans in line with these national targets. The following projects were implemented:

➤ **Relocation of 1100 from Disteneng to extension 44**

Disteneng is an old informal settlement on the outskirts of the city within the SDA1. Its mushrooming could amongst other things be attributed to its proximity to the city centre, as most residents could walk or cycle to their places of work.

Heading the national call for eradication of informal settlements, this area was prioritized. Due the land issue surrounding the area, the settlements could not be upgraded/formalized. A decision was therefore taken to relocate part of the household to extension 44 (another township). It should be noted that this had in excess of 3500 households. Although housing is not a municipal function, the municipality made the following contribution to ensure success of the project:

- Provided land/ sites for the 1100 households.
- Spend +/- R658 982.28 for the services of attorneys to obtain eviction order and related attorney services.
- Spend in excess of R142 700 for the transportation of households from Disteneng to Extension 44, demolition of bricks and mortar structures, backfilling of toilets, etc.

➤ **Relocation of 1805 beneficiaries from Tosca, Mashinini and Zone 6 to Polokwane Extension 71.**

The inhabitants of the various informal settlements had to be moved as they were staying in areas not suitable for human habitation. Taking into account, the environmental concerns as well as the social issues, the household were relocated to Extension 71 as the various areas could not be upgraded. The municipality contributed the following to the programme even though housing is not a direct municipal function:

- Spend +/- R200 000 for the households.
- Spent in excess of R658 982.28 for the services of attorneys for the eviction order and other related services.
- An amount of approximately R103 200.00 was spent for the transportation of households from the various areas to Extension 71, demolition of structures, backfilling of toilets etc.

Please note that these amounts only include money paid to external service providers, and exclude costs incurred when municipal officials and resources were used.

It is further important to note that the relocation of the settlements have benefited the households in various ways:

- Security of tenure- the households are now rightful owners of land and can use this asset to further explore economic opportunities.
- Access to various social services that will positively improve them among other health status.
- Reduction in crime due to easy access by crime prevention agencies, etc.

## Social Housing

Being the economic hub of the province, Polokwane affects a lot of people in search of economic opportunities. Among the people, there are those that fall within the middle-low income group and can therefore not be accommodated the low income government subsidized housing, nor afford the private sector accommodation. In addressing this gap, the municipality has established Polokwane Housing Association. The project consists of 508 units made up as follows:

- Number of one bedroom units is 84 accommodating up to a maximum of three family members per unit
- Number of two bedroom units is 408 accommodating up to a maximum of four family members per unit
- Number of three bedroom units is 16 accommodating up to six family members per unit

The implementation of this project has brought a lot of benefits;

- Provide affordable accommodation to the often left out market.
- Located in what was an open veld, which posed serious challenges in terms of crime, the projects has changes the face of Ladanna area, making it safer.
- The availability of additional 508 households has brought economic opportunities (market) for additional retail space particularly in the form of food markets.
- This in turn will result in economic growth and the creation of the much needed jobs.

During its construction, at least R60 500 000 was spent, of this amount R42 800 000 was spend in the local economy and at least 609 jobs were created (200 male, 170 females and 239 youth).

## ***Service provided against backlog***

### Water

<b>Targets</b>	<ul style="list-style-type: none"><li>○ All People have access to appropriate, acceptable, safe, and affordable basic supply.</li><li>○ All people are educated in healthy living practices on the wise use of water.</li><li>○ Provision of water to 100% of Polokwane residents above RDP level by 2008</li><li>○ Comply with national standards regarding water quality standards.</li><li>○ Comply with the Water Service Authority status and complete Section 78 process.</li></ul>
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Service Standard for Water Provision	Number of Households in the Municipality	Number of Households above RDP Level	Number of Households at RDP Level	Number of Households below RDP Level
<b>Total Households</b>	<b>130 131</b>	-	-	-
<b>RDP Standard (200m)</b>	-	<b>70 852</b>	<b>16 642</b>	<b>42 637</b>
Urban	-	34 276	-	11 134
Rural	-	41 893	-	-
<b>Total Number</b>	<b>130 131</b>	<b>76 169</b>	<b>16 642</b>	-
<b>Total Number of Backlog</b>	<b>42 637</b>	<b>42 637</b>	<b>42 637</b>	<b>42 637</b>

Table 09

## Sanitation

<b>Targets</b>	<ul style="list-style-type: none"> <li>○ 100% residents of Polokwane Municipality has access to sanitation at RDP level by 2010</li> <li>○ Comply with national standards regarding sewerage purification standards</li> </ul>			
Service Standard for Sanitation provision	Number of Households in the Municipality	Number of Household above RDP level	Household at RDP level	Household below RDP level
<b>Total of Backlog:</b>	<b>65 342</b>	<b>65 019</b>	<b>6 462</b>	<b>58 880</b>

Table 10

## Electricity

<b>Targets</b>	○ <b>All Households have access to electricity by 2012</b>		
Service Standard for Electricity	Number of Households in the Municipality	Number of Households without Access to electricity	Total Number of Household with Access to Electricity
Rural	117 330	11 933	97 397
Urban	45 000	2 200	42 800
<b>Total Number</b>	<b>162 330</b>	<b>22 133</b>	<b>140 197</b>
<b>Total Number of Backlog</b>	-	<b>22 133</b>	-

**Table 11**

**Roads and storm water**

<b>Targets</b>	○ Tarring and Regravelling of streets and access roads in the municipality.			
Service Standard for Roads	Number of Roads in the Municipality	Tarred Roads and Streets	Gravel Roads and Streets to be upgraded	Tracks to be upgraded to Bladed Roads
<b>Total Km</b>	<b>4 462</b>	<b>567</b>	<b>55</b>	<b>45</b>

**Table 12**

**2.2.5 Refuse Removal**

Service Standard for Waste Management	Number of Households in the Municipality	Number of household s that Receive waste Management Service on Weekly Basis	Number of Households not Receiving any Refuse Removal Services
Total Number	130 361	72 000	58 361
<b>Total Number of Backlog</b>	<b>130 361</b>	<b>72 000</b>	<b>58 361</b>

**Table 13**

**Housing**

Service Standard for Provision of Housing	Number of Beneficiaries on Waiting List	Number of Beneficiaries Provided with 40m2 Shell Houses with Water, Sanitation and Electricity.	Number of Beneficiaries provided with 50m2 Demarcated House with Water, Sanitation, Shower, and Electricity	Total Number of Backlog
Total Number	34 656	0	0	34 656
<b>Total Number of Backlog</b>	<b>34 656</b>	<b>0</b>	<b>0</b>	<b>34 656</b>

**Table 14**

## Land Use Development and Building Zones

This section provides the information on the time taken to approve zoning and building plans applications during the 2008/09 financial year. It also reflects the number of outstanding approvals at the beginning of the financial year and the number of applications processed during the financial year, as well as the outstanding number at the end of same financial year. The table below gives details.

### Administration of the Town-planning Scheme

Category	Number of Applications Received during 2008/09 Financial Year	Number of Applications Approved	Applications Outstanding by the end of 2008/09 Financial Year
Rezoning	99	84 Approved 3 Not Approved	47
Clause 20	29	12	17
Clause 21	53	41	12
Consolidations & Subdivisions	16 Consolidation 22 Subdivision	12 Consolidation 20 Subdivisions	4 Consolidation 2 Subdivision
Town Establishment	15	8	7
Regulation 38	37	37	0
<b>Total:</b>	<b>271</b>	<b>217</b>	<b>89</b>

## 2.2 Municipal Spending on Service Delivery

### Water and Sanitation

Water	2006/07 Financial Year			2007/08 Financial Year			2008/09 Financial year		
	Required Budget	Budgeted amount	Actual	Required Budget	Budgeted amount	Actual	Required Budget	Budgeted amount	Actual
Budget Expended on Maintenance of Existing Infrastructure	40 933 664.00	9 590 934.00		51 815 164.00	42 830 670.00		57 580 000.00	43 953 690	
Budget expended on new infrastructure	128 285 714.00	5 000 000.00		106 350 000.00	42 460 482.00		130 515 000.00	110 777 100.00	
Total:	169 219 378	14 590 934		158 165 164	85 291 152		188 095 000	154 730 790	

	2006/07 Financial Year			2007/08 Financial Year			2008/09 Financial year		
<b>Sanitation Service Backlog</b>	<b>Required Budget</b>	<b>Budgeted Amount</b>	<b>Actual</b>	<b>Required</b>	<b>Budgeted</b>	<b>Actual</b>	<b>Required</b>	<b>Budgeted</b>	<b>Actual</b>
Budget Expended on Maintenance of Existing Infrastructure	83 398 376.00	83 398 376.00		15 150 000.00	10 469 985.00		15 600 000.00	12 518 065.00	
Budget Expended on the New Infrastructure	0	0		35 500 000	25 889 518.00		57 515 000.00	42 538 900.00	
<b>Total:</b>	<b>83 398 376.00</b>	<b>83 398 376.00</b>		<b>50 650 000</b>	<b>36 359 503</b>		<b>73 115 000</b>	<b>55 056 965</b>	

### Electrical Services

	2006/07 Financial Year			2007/08 Financial Year			2008/09 Financial Year		
<b>Electricity Backlog</b>	<b>Required Budget</b>	<b>Budgeted Amount</b>	<b>Actual</b>	<b>Required</b>	<b>Budgeted</b>	<b>Actual</b>	<b>Required</b>	<b>Budgeted</b>	<b>Actual</b>
Budget Expended on the Maintenance of Existing Infrastructure	10 000 000.00	9 200 000.00	11 072 794	11 000 000.00	10 000 000.00	7 957 452.00	12 000 000.00	11 586 245.00	10 130 000.00
Budget Expended on the New Infrastructure	-	-	1 500 000.00	-	-	2 000 000.00	-	-	2 000 000.00
<b>Total:</b>	<b>10 000 000.00</b>	<b>9 200 000.00</b>	<b>12 572 794.00</b>	<b>11 000 000.00</b>	<b>10 000 000.00</b>	<b>9 957 452.00</b>	<b>12 000 000.00</b>	<b>11 586 245.00</b>	<b>12 130 000.00</b>

## Roads and Storm water

Roads Backlog	2006/07 Financial Year			2007/08 Financial Year			2008/09 Financial year		
	Required Budget	Budgeted Amount	Actual	Required Budget	Budgeted amount	Actual	Required Budget	Budgeted amount	Actual
50 Km of street to be tarred	120,000,000	15,400,000	15,400,000	150 000 000	215 453 000	215 453 000	300 000 000.00	280 000 000.00	163 000 000.00
40 Km of roads to be regravelled	5,000,000	3,250,000	3,250,000	6 000 000	6 480 000	6 480 000	10 000 000.00	9 000 000.00	3 000 000.00
70 Km of street to be maintained	13,000,000	6,000,000	6,000,000	14 000 000	6 000 000	6 000 000	10 000 000.00	9 000 000.00	3 000 000.00
<b>Total</b>	<b>138,000,000</b>	<b>24,650,000</b>	<b>24,650,000</b>	<b>170 000 000</b>	<b>227 933 000</b>	<b>227 933 000</b>	<b>320 000 000.00</b>	<b>2980 000 000.00</b>	<b>169 000 000.00</b>

## 2.3.4 Waste Management

Refuse Removal Service Backlog	2006/07 Financial Year			2007/08 Financial Year			2008/09 Financial year		
	Required Budget	Budgeted Amount	Actual	Required	Budgeted	Actual	Required	Bud	Actual
Budget Expended on Maintenance of Existing Infrastructure	29532000	29532000	29588000	26 413 035	26 413 035	26 515 035	35 000 000	28 362 635	36 391 825
Budget Expended on new Infrastructure	R0	R0	R0	8 000 000	5 950 000	R0	20 000 000	14 000 000	10 000 000
<b>Total:</b>	<b>29532000</b>	<b>29532000</b>	<b>29588000</b>	<b>31 999 495</b>	<b>26 420 985</b>	<b>26 515 035</b>	<b>55 000 000</b>	<b>42 362 000</b>	<b>46 391 825</b>

## ***Collections Levels for Revenue and Expenditure***

<b>DETAILED SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2009</b>									
<b>2008</b>		<b>2008</b>		<b>2008</b>		<b>2009</b>		<b>2009</b>	
<b>Actual</b>		<b>Actual</b>		<b>Actual</b>		<b>Actual</b>		<b>Actual</b>	
<b>Income</b>		<b>Expenditure</b>		<b>Surplus/ (Deficit)</b>		<b>Income</b>		<b>Expenditure (Deficit)</b>	
<b>R</b>		<b>R</b>		<b>R</b>		<b>R</b>		<b>R</b>	
-		26,803,557		(26,803,557)	Executive & Council	-		29,849,587	(29,849,587)
904,655,291		69,414,711		835,240,580	Finance & Admin	1,238,700,738		90,763,488	1,147,937,250
16,699,436		30,833,098		(14,133,662)	Planning & Development	18,712,030		30,108,432	(11,396,402)
-		7,268,227		(7,268,227)	Health	-		6,877,452	(6,877,452)
2,179,148		26,955,049		(24,775,901)	Community Services	3,012,724		38,472,549	(35,459,825)
252,696		6,783,100		(6,530,404)	Housing	132,840		4,211,151	(4,078,311)
13,636,568		55,672,394		(42,035,826)	Public Safety	15,984,606		58,042,616	(42,058,010)
656,123		44,301,913		(43,645,790)	Parks & Recreation	883,314		55,831,482	(54,948,168)
-		631,447		(631,447)	Environmental Protection	-		708,581	(708,581)
32,856,590		36,091,511		(3,234,921)	Waste Management	36,430,070		40,951,447	(4,521,377)
5,166,251		33,444,438		(28,278,187)	Road Transport	6,940,783		60,492,514	(53,551,731)
105,687,658		141,567,078		(35,879,420)	Water distribution	98,312,126		145,220,550	(46,908,424)
219,275,771		214,678,317		4,597,454	Electricity	267,435,342		269,316,898	(1,881,556)
20,000		440,938		(420,938)	Other	24,000		27,601	(3,601)
1,331,491,536		721,513,242		609,978,294	<b>Total</b>	1,717,732,516		871,767,987	845,964,529

# **CHAPTER 3**

## **HUMAN RESOURCE AND OTHER ORGANISATIONAL MANAGEMENT**

This chapter provides progress report on the following organizational issues.

- Organizational structure,
- Skills development
- Staffing Information

### ***Organizational Structure***

Section 51 of the Municipality System Act 32 of 2000 stipulates that a municipality must establish and organize its administration in a manner that will enable it to:

- Be performance oriented and focused on the objectives of local government.
- Perform its functions-
  - Through operationally effective and appropriate administrative units and mechanism and /or
  - When necessary on a decentralized basis; and
  - Maximize efficiency of communication and decision-making within the administration.
  - Be responsive to the needs of the Local Communities;
  - Facilitate a culture of public service and accountability amongst its staff, and
  - Be performance orientated and focused on the objects of local government as set out in Section 152 of the Constitution and its developmental duties as required by Section 153 of the Constitution.

The organizational context of the above directives puts an obligation on the Polokwane Municipality to be performance orientated. It is therefore important that an effective structure which is operationally effective and takes into account the challenges of the expanded mandates for instance:

- Becoming a water service authority;
- Electricity Ring Fencing;
- Provision of basic services;
- Supporting councilors
- Legislative functions to be performed.

During 2008/09 financial year the municipality has embarked on the review of the organogram.

The current structure is comprised of the following Directorates.



- Municipal Manager's Office.
- Chief Financial Officer;
- Directorate: Corporate services;
- Directorate: Technical Services.
- Directorate: Community Services, and
- Directorate: Planning and Development.

## **Skill Development**

The Municipality has paid R 1 955 273, 80 in the skills levy for the financial year 2008/2009. We have received an amount of R 1 624 191, 66 as part of the grants for the submission of the workplace Skill Plan and the Implementation Report, and for compliance.

The Municipality has a bursary scheme for its employee; this is used in support of the skills development program. Currently there are 32 Employees who are the recipient of this bursary. 23 bursary holders absconded from their bursary obligations and 11 bursary holders are active and enrolled with institutions of higher learning.

Furthermore, the Municipality has introduced a number of skills and management Development programs. The objectives of the skills development and management program are to ensure that middle managers and supervisors are equipped with the capacity to become effective team players pursuing the goal of excellence.

Councilor training form part of the overall skill development strategy and the municipality has introduced programs for councilors to enhance their skills in particular ob leadership.

The Municipality has an ABET program for employees at occupational levels, that is semi-skilled and unskilled. The skills audit revealed that there is a sizeable number of employees with difficulty in reading and writing at lower job levels. It becomes difficult for them obtain qualification although they have extensive experience's. The ABET program is aimed at benefiting them greatly as well as the municipality.

The table below indicates how the how the Skills Development Programme is implemented in the municipality.

<b>Name of program</b>	<b>Number of Beneficiaries</b>	<b>Level of Beneficiary</b>
1. Supervisory Development Program	5	Supervisory
2. Management Advanced Programme (MAP)	5	Supervisory/ Management
3. Project Management	1	Supervisory
4. New Managers Programme	1	Management
5. Leadership and Management for Transformation	1	Supervisory
6. Certificate Programme in	8	Finance & SCM staff

Municipal Finance Development (CPMD)		
7. Technical Skills	6	Mixed
8. Fundamental Development Program (FMP)	3	Supervisory
9. Labour Relations Diploma	2	Supervisory
10. Traffic Officer Training	12	Supervisory
11. OHS	165	Skilled and Unskilled Employees
12. Conferences	14	Management
13. RPL	2	Management and Skilled
14. Fraud Prevention	5	Management
15. PA Course	25	Skilled Labour
16. ETDP	10	Skilled Labour
17. E-Natis	25	Skilled Labour
18. Councilor Training	11	Top Management
19. National Archives	7	Skilled Labour
20. Water Related Training	10	Supervisory and Semi-skilled
21. Financial Courses	35	Skilled Labour
22. EAP Course	2	Middle Management
23. Legislative Requirement	60	Mixed
24. Basic Computer	300	Mixed
25. ABET	100	Semi skilled Employees
26. Experiential Training	32	Unemployed semi-graduates

## Staffing

- Number of staff per function expressed as total positions and current vacancies

Placement: Vacancies & Field Position	Positions		
	(Total)	Vacant	Filled
Total: Office of the Municipal Manager	71	35	36
TOTAL: Dir Technical Services	492	96	396
TOTAL: Community Services	852	191	662
TOTAL: Dir Corporate Services	89	31	57
TOTAL: Dir Planning & Development	76	25	51
TOTAL: Office of the Chief Financial Officer	118	32	86
<b>TOTAL: Polokwane Municipality</b>	<b>1698</b>	<b>410</b>	<b>1288</b>
<b>TOTAL: Office of the Exec Mayor</b>	<b>82</b>	<b>9</b>	<b>73</b>

Placement: Vacancies & Filled Positions	Levels		
	(Total)	0-15	16-20
TOTAL: Office of the Municipal Manager	71	60	11
TOTAL: Dir Technical Services	492	168	324
TOTAL: Community Services	852	396	466
TOTAL: Dir Corporate Services	89	82	7
TOTAL: Dir Planning & Development	76	74	2
TOTAL: Office of the Chief Financial Officer	118	29	89
<b>TOTAL: Polokwane Municipality</b>	<b>1698</b>	<b>809</b>	<b>899</b>
<b>TOTAL: Office of the Exec Mayor</b>	<b>82</b>	<b>82</b>	<b>0</b>

- The number and name of pension and medical aid funds are reflected below.

## **Medical Aids**

The Municipality has currently six accredited medical aids, namely;

- Munimed/Key Health,
- Bonitas,
- LA Health,
- Samwu Med & Global Health,
- Hosmed.

In terms of contribution the employer has contributed 60% contribution and employee 40% contribution.

## **Pension Funds**

The Municipality has seven pension funds.

MCPF (Municipal Councilor's Pension Fund)	15%
JMPF (Joint Municipal Pension Fund)	22%
MEPF (Municipal Employees Pension Fund)	22%
MGF (Municipal Gratuity Fund)	22%
SNPF (Samwu National Pension Fund)	22%
NFMW (National Fund for Municipal Workers)	22%

**Salary disclosure****Salary disclosure of Councilors**

Description	Executive Mayor	Speaker	Mayoral Committee Members	Councilors x57	Chief Whip
Salary	334665	265990	2041750	5658815	
25% Travel allowance	83670	66500	510440	1414705	
15% Pension Fund	50200	39899	306263	848823	
<b>Total Package:</b>	<b>468535</b>	<b>372389</b>	<b>2858453</b>	<b>7922343</b>	<b>R473138,00</b>

**Salary Disclosure of Senior Officials**

Description	MM	CFO	Director: Planning and Development	Director: Technical Services (Vacant)	Director: Community Services	Director: Corporate Services (Vacant)
Salary	658360	515788	522216	522669	483443	521384
Traveling Allowance	144000	132000	132000	132000	168000	132000
<b>Total Package:</b>	<b>802360</b>	<b>647788</b>	<b>654216</b>	<b>654669</b>	<b>651443</b>	<b>653384</b>

# **CHAPTER 4**

## **REPORT OF THE AUDITOR GENERAL**

### **REPORT OF THE AUDITOR-GENERAL TO THE LIMPOPO PROVINCIAL LEGISLATURE AND THE COUNCIL ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF POLOKWANE MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2009**

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

##### **Introduction**

1. I have audited the accompanying financial statements of the Polokwane Municipality which comprise the statement of financial position as at 30 June 2009, the statement of financial performance, the statement of net changes in assets and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 2 to 38.

##### **The accounting officer's responsibility for the financial statements**

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the Statements of General Recognised Accounting Practice (Statements of GRAP) and in the manner required by the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

##### **The Auditor-General's responsibility**

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.

4. I conducted my audit in accordance with the International Standards on Auditing read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting

policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

8. In my opinion the financial statements present fairly, in all material respects, the financial position of the Polokwane Municipality as at 30 June 2009 and its financial performance and its cash flows for the year then ended, in accordance with Statements of GRAP and in the manner required by the MFMA.

### **Emphasis of matters**

Without qualifying my opinion, I draw attention to the following matters:

#### **Unauthorised and fruitless and wasteful expenditure**

9. As disclosed in note 35.1 to the financial statements, unauthorised expenditure amounting to R151.2 million has been incurred as the actual operating expenditure exceeded the adjusted budget.
10. As disclosed in note 35.2 to the financial statements, fruitless and wasteful expenditure to an amount of R909 100 has been incurred emanating from a consultant who compiled an incomplete valuation roll.

#### **Restatement of corresponding figures**

11. As disclosed in note 28 to the financial statements, the corresponding figures for 30 June 2008 have been restated as a result of correcting my prior year audit findings during the current year in the financial statements of the Polokwane Municipality at, and for the year ended 30 June 2008.

### **Other matters**

Without qualifying my audit opinion, I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

#### **Other information included in the annual report**

12. I have not obtained the other information included in the annual report and have not been able to identify any material inconsistencies with the financial statements.

### **Unaudited supplementary schedules**

13. The supplementary information set out on pages 39 to 47 does not form part of the financial statements and is presented as additional information. I have not audited this and accordingly I do not express an opinion thereon.

### **Non-compliance with applicable legislation**

**Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA)**

14. An investment policy has not been developed and adopted as prescribed by the Municipal Investment Regulations in Government Notice R. 308 of 1 April 2005 and section 13(2) of the MFMA.

**Governance framework**

15. The governance principles that impact the auditor’s opinion on the financial statements are related to the responsibilities and practices exercised by the accounting officer and executive management and are reflected in the key governance responsibilities addressed below:

**Key governance responsibilities**

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

No.	Matter	Y	N
<b>Clear trail of supporting documentation that is easily available and provided in a timely manner</b>			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.	✓	
<b>Quality of financial statements and related management information</b>			
2.	The financial statements were not subject to any material amendments resulting from the audit.		✓
3.	The annual report was submitted for consideration prior to the tabling of the auditor’s report.		✓
<b>Timeliness of financial statements and management information</b>			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines (section 126 of the MFMA).	✓	
<b>Availability of key officials during audit</b>			
5.	Key officials were available throughout the audit process.	✓	
<b>Development and compliance with risk management, effective internal control and governance practices</b>			
6.	Audit committee		
	• The municipality had an audit committee in operation throughout the financial year.	✓	
	• The audit committee operates in accordance with approved, written terms of reference.	✓	
	• The audit committee substantially fulfilled its responsibilities for the year, as set out in section 166(2) of the MFMA.	✓	
7.	Internal audit		
	• The municipality had an internal audit function in operation throughout the financial year.	✓	
	• The internal audit function operates in terms of an approved internal audit plan.	✓	
	• The internal audit function substantially fulfilled its responsibilities for the year, as set out in section 165(2) of the MFMA.		✓
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.		✓
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.		✓
10.	The information systems were appropriate to facilitate the preparation of the financial statements.	✓	
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in section 62(1)(c)(i) of the MFMA.		✓

No.	Matter	Y	N
12.	Delegations of responsibility are in place, as set out in section 79 of the MFMA.	✓	
<b>Follow-up of audit findings</b>			
13.	The prior year audit findings have been substantially addressed.	✓	
<b>Issues relating to the reporting of performance information</b>			
14.	The information systems were appropriate to facilitate the preparation of a performance report that is accurate and complete.	✓	
15.	Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information.	✓	
16.	A strategic plan was prepared and approved for the financial year under review for purposes of monitoring the performance in relation to the budget and delivery by the Polokwane Municipality against its mandate, predetermined objectives, outputs, indicators and targets (section 68 of the MFMA).		✓
17.	There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with governance.	✓	

17. The availability of management and key officials during the audit process resulted in an improvement in the audit opinion, compared to the prior year.

18. Due to a lack of appropriate skills in the finance section over the implementation of the Statements of GRAP, amendments to the financial statements were made with the assistance of a consultant. As a result of a lack of skills a proper quality review of the financial statements could not be performed by the internal audit unit and the audit committee prior to submission for audit purposes.

19. Key vacancies in the internal audit unit existed, limiting the unit in fulfilling its responsibilities while a risk assessment was not conducted. Deficiencies in the design and implementation of internal controls in respect of financial and risk management as well non-compliance with applicable laws and regulations resulted in the identification and disclosure of unauthorised and fruitless and wasteful expenditure, inadequate cut-off procedures and determining of the provision for doubtful debt.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

### Report on performance information

20. I have reviewed the performance information as set out on pages \_\_\_ to \_\_\_.

### The accounting officer's responsibility for the performance information

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

### The Auditor-General's responsibility

22. I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008* and section 45 of the MSA.

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

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



## Findings on performance information

### Non-compliance with regulatory requirements

#### No service delivery agreement

25. The Polokwane Municipality did not enter into a service delivery agreement with Polokwane Housing Association for the provision of a municipal housing service, as required in terms of section 76 of the MSA and regulation 9(2) of the Municipal Planning and Performance Management Regulations, 2001.

#### Content of integrated development plan

26. The integrated development plan of the Polokwane Municipality did not include the key performance indicators and performance targets determined in terms of its performance management system, as required by sections 26(i) and 41(1)(b) of the MSA and regulation 12 of the Municipal Planning and Performance Management Regulations, 2001.

#### Lack of adoption or implementation of a performance management system

27. The Polokwane Municipality did not implement a framework that describes and represents how the municipality's performance management system works with respects to planning, monitoring of and reporting on performance against targets, including determining the roles of the different role players, as required in terms of regulations 7 and 8 of the Municipal Planning and Performance Management Regulations, 2001.

#### No mid-year budget and performance assessments

28. The accounting officer of the Polokwane Municipality did not submit the mid-year budget and performance assessment to the National Treasury as required by Section 72(1)(b) of the MFMA.

#### Inconsistently reported performance information

29. The Polokwane Municipality has not reported on its performance with regard to the following indicators as per the approved integrated development plan:

Programme	Project	Indicator	Target
Provision of Free Basic Water	Implementation of Free Basic Policy	Supply 6kl free basic water to all rural households in Polokwane	Supply of diesel 41 villages, paying of Eskom accounts 59 villages and purchasing of water from Lepelle Northern Water 49 villages
	Reduce water losses	Implement programme for leak deduction that includes specialized equipments, effective water meter reading and zone metering	To reduce water losses to below 17%
	Transfer of DWAF personnel	Transfer of DWAF personnel to Polokwane Municipality	To complete transfer process including Section 78 process
	Water Conservation and Demand Management	To develop and implement water conservation policy	To develop water conservation demand

#### Reported performance information not reliable

#### Source information not accurate and complete

30. The source information or evidence provided to support the reported performance information with regard to the following indicators did not adequately support the accuracy and completeness of the facts:

Programme	Project	Indicator	Actual performance reported	Actual performance per supporting documents
Low Cost Housing	Low Cost Housing	Complete status report	Rural housing 630 approved	Rural houses 618 approved
	New Project	Approval of beneficiaries	Urban housing 1846 approved	Urban houses 2571 approved
	Blocked Project		Houses not 100% legally occupied	Sufficient appropriate audit evidence to support the reported performance was not provided for this indicator
	Upgrading of Seshego Hostel	Complete status report	95% are occupants of the hostel	Sufficient appropriate audit evidence to support the reported performance was not provided for both these indicators.
		Approval of beneficiaries	The remaining beneficiaries will be extracted from the housing data base.	

## APPRECIATION

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

Pretoria

30 November 2009



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

**CHAPTER 5**  
**AUDITED STATEMENTS AND RELATED FINANCIAL**  
**INFORMATION**

			2009			2008	
	Note		R			R	
<b>NET ASSETS &amp; LIABILITIES</b>							
<b>Net Assets</b>			<b>4 496 367 618</b>			<b>3 713 344 405</b>	
Housing development fund	2		10 900 596			10 808 221	
Reserves	3		1 326 170 103			1 326 170 103	
Revaluation Reserve			1 326 170 103			1 326 170 103	
Accumulated surplus/(deficit)			3 159 296 919			2 376 366 081	
<b>Non-current liabilities</b>							
Long term liabilities	4		<b>781 995</b>			<b>93 322 841</b>	
<b>Current liabilities</b>			<b>561 810 347</b>			<b>514 843 721</b>	
Consumer deposits	5		46 216 749			39 182 983	
Trade and other payables	6		200 197 918			101 292 352	
Provisions	38		6 973 945				
Unspent conditional grants and receipts	7		215 880 890			374 368 386	
Current portion of long term liabilities	4		92 540 846			0	
<b>Total Net Assets and Liabilities</b>			<b>5 058 959 959</b>			<b>4 321 510 967</b>	
<b>ASSETS</b>							
<b>Non-current assets</b>							
Property, plant & equipment	8		4 143 286 479			3 190 591 859	
Investment property	39		125 510 500			125 510 500	
Investments	9		82 392 981			70 572 653	
Non-current receivables	10		14 992 173			16 316 974	
<b>Current assets</b>			<b>692 777 826</b>			<b>918 518 982</b>	
Inventory	11		45 162 700			56 381 809	
Short-term investments	9		272 138 301			320 507 554	
Consumer debtors	12		122 471 551			156 421 125	
Other receivables	13		4 648 440			10 923 047	
VAT	14		55 780 835			36 777 151	
Current portion of long-term receivables	10		12 443 918			10 508 221	
Cash and cash equivalents	15		180 132 081			327 000 075	
<b>Total Assets</b>			<b>5 058 959 959</b>			<b>4 321 510 967</b>	

Statement of Financial Performance						
				2009		2008
		Note		R		R
	<b>REVENUE</b>					
	Property rates	16		159 348 303		143 534 876
	Service charges	17		424 420 435		355 610 727
	Rental of facilities and equipment			4 790 960		4 413 851
	Investment Revenue – external investments	20		63 842 963		56 379 484
	Interest earned – outstanding debtors			20 452 404		13 838 508
	Fines			2 713 734		2 776 067
	Licenses and permits			6 962 871		5 125 526
	Income for agency services			12 267 107		9 975 171
	Government grants and subsidies received - operating	18		205 021 421		192 923 655
	Government grants and subsidies received - capital	18		756 337 412		497 543 021
	Public contributions, donated and contributed property, plant and equipment	19		31 091 119		
	Other revenue	21		45 315 905		49 370 649
	<b>Total Revenue</b>			<b>1 732 564 634</b>		<b>1 331 491 535</b>
	<b>EXPENDITURE</b>					
	Employee related costs	22		265 640 569		242 174 283
	Remuneration of councillors	23		16 914 554		13 668 409
	Bad debts			62 424 588		20 000 000
	Collection costs			1 648 188		2 387 708
	Depreciation			107 330 528		79 925 025
	Repairs and maintenance			72 081 089		65 986 492

<b>Statement of Financial Performance</b>							
						<b>2009</b>	<b>2008</b>
			<b>Note</b>			<b>R</b>	<b>R</b>
	Finance cost		24			16 032 429	14 554 690
	Bulk purchases		25			244 574 707	190 264 535
	Grants and subsidies paid		26			220 000	2 003 553
	General expenses		27			145 433 929	111 462 992
	<b>Total Expenditure</b>					<b>932 300 582</b>	<b>742 427 687</b>
	<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>					<b>800 264 052</b>	<b>589 063 848</b>

### Change in Net Assets

	Note	Housing Fund	Other reserves	Revaluation Reserve	Total	Accumulated Surplus/ (Deficit)	Total
			R	R		R	R
<b>Balance at 30 June 2007</b>		10 736 726	876, 781,815	-	887,518, 541	639,289, 061	1,526,80 7,602
Changes in accounting policy			(876, 781,815)		(876,781 ,815)	876,781, 815	-
Correction of prior period error	28				-	141,465, 026	<b>141,465 ,026</b>
<b>Restated balance</b>		<b>10 ,736,726</b>	-	-	<b>10,736, 726</b>	<b>1,657,535, 902</b>	<b>1,668,27 2,628</b>
Surplus/(deficit) on revaluation of property, plant and equipment			-	1,326,170, 103	1,326,170, 103	-	1,326,17 0,103
Transfers to/ from accumulated surplus/(deficit)		71 495		-	71, 495	129,766, 331	129,837 ,826
Surplus/(deficit) for the period					-	589,063, 848	589,063 ,848
<b>Balance at 30 June 2008</b>		<b>10 ,808,221</b>	-	<b>1,326,170, 103</b>	<b>1,336,978, 324</b>	<b>2,376,366, 081</b>	<b>3,713,34 4,405</b>
Surplus/(deficit) on revaluation of property, plant and equipment					-		-
Net gains and losses not recognised in the statement of financial performance					-		-
Transfers to/ from accumulated surplus/(deficit)		92 375			92, 375	(17,333 ,214)	(17,240 ,839)
Surplus/(deficit) for the period					-	800,264, 052	800,264 ,052
<b>Balance at 30 June 2009</b>		<b>10 900 596</b>	<b>0</b>	<b>1 326 170 103</b>	<b>1 337 070 699</b>	<b>3 159 296 919</b>	<b>4 496 367 618</b>

Cash Flow Statement				
			2009	2008
	Note		R	R
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Cash received from ratepayers, government and others			2 777 687 596	2 224 278 104
Cash paid to suppliers and employees			(1964 087 156)	(1406 111 330)
<b>Cash generated from / (utilized in) operations</b>	<b>29</b>		<b>813 600 440</b>	<b>818 166 774</b>
Interest received			63 842 963	56 379 484
Interest paid			(16 032 429)	(14 554 690)
<b>Net cash from operating activities</b>			<b>861 410 974</b>	<b>859 991 568</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>				
Purchase of property, plant and equipment			(1051 250 763)	(634 109 021)
Proceeds on disposal of property, plant and equipment				
(Increase)/decrease in non-current receivables			( 610 896)	(10 248 312)
(Increase)/decrease in non-current investments			(11 820 328)	(10 189 696)
(Increase)/decrease in current investments			48 369 253	(50 507 554)
<b>Net cash from investment activities</b>			<b>(1015 312 734)</b>	<b>(705 054 583)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Increase/(decrease) in long term loans			0	( 37 333)
Increase/(decrease) in deposits			7 033 766	4 669 637
<b>Net cash from financing activities</b>			<b>7 033 766</b>	<b>4 632 304</b>
<b>Increase/(decrease) in cash and cash equivalents</b>			<b>(146 867 994)</b>	<b>159 569 289</b>
Cash and cash equivalents at beginning of the year			327 000 075	167 430 786
Cash and cash equivalents at end of the year			180 132 081	327 000 075

## Summary of Accounting Policies

1.	<b>SIGNIFICANT ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS</b>
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<b>1.1</b>	<b>BASIS OF PRESENTATION</b>
	The Annual Financial Statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost basis unless otherwise stated. Under this basis the effects of transactions and other events are recognised when they occur and are recorded in the financial statements within the period to which they relate.
	The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) and the Standards of Generally Accepted Municipal Accounting Practices (GAMAP) prescribed by the Minister of Finance in terms of General Notices 991 and 992 of 2005.
	These standards are summarised as follows:
	GRAP 1: Presentation of financial statements.
	GRAP 2: Cash flow statements.
	GRAP 3: Accounting policies, changes in accounting estimates and errors.
	GAMAP 4: Effects of changes in foreign exchange rates.
	GAMAP 6: Consolidated financial statements and accounting for controlled entities.
	GAMAP 9: Revenue.
	GAMAP 7: Accounting for investments in associates.
	GAMAP 8: Financial reporting of interests in joint ventures.
	GAMAP 12: Inventories.
	GAMAP 17: Property, plant and equipment.
	GAMAP 19: Provisions, contingent liabilities and contingent assets.
	GAMAP 6, 7 and 8 have been complied with to the extent that the requirements in these standards related to the municipality's separate financial statements.
	Accounting policies for material transactions, events or conditions not covered by the above GRAP and/or GAMAP Standards have been developed in accordance with paragraphs 7, 11 and 12 of GRAP 3. These accounting policies and the applicable disclosures have been based on the South African Statements of Generally Accepted Accounting Practices (SA GAAP) including any interpretations of such statements issued by the Accounting Practices Board.
	The Minister of Finance has, in terms of General Notice 552 of 2007 exempted compliance with certain of the above-mentioned standards and aspects or parts of these standards. Details of the exemptions applicable to the municipality have been provided in the notes to the annual statements.
	These accounting policies are consistent with those of the previous financial year.
	Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a standard of GAMAP or GRAP.
	The principal accounting policies adopted in the preparation of these annual financial statements are set out below.
<b>1.2</b>	<b>PRESENTATION CURRENCY</b>
	These annual financial statements are presented in South African Rand and are rounded to the nearest Rand.

<b>1.3</b>	<b>GOING CONCERN ASSUMPTION</b>
	These annual financial statements have been prepared on a going concern basis.
<b>1.4</b>	<b>HOUSING DEVELOPMENT FUND</b>
	The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund.
	Monies standing to the credit of the Housing Development Fund are used to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.
	Proceeds from housing development fund schemes which include instalment sale of houses is recognised as revenue in the statement of financial performance and a corresponding transfer is made to the Fund.
	Expenditure allowed in terms of the Housing Act is expensed in the Statement of Financial Performance and a corresponding transfer is made from the Fund.
<b>1.5</b>	<b>RESERVES</b>
	<b>1.5.1 Capital Replacement Reserve (CRR)</b>
	The purpose of the CRR is to set aside cash to provide infrastructure and other items of property, plant and equipment from internal sources.
	The cash is transferred to a designated CRR account and can only be used to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus/(deficit) is credited by a corresponding amount when the amounts in the CRR are utilised. The amount transferred to the CRR is based on the municipality's need to finance future capital projects included in the Integrated Development Plan.
	<b>1.5.2 Capitalisation Reserve</b>
	The purpose of this Reserve is to promote consumer equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of these items of property, plant and equipment are offset by transfers from the Capitalisation Reserve to the accumulated surplus/(deficit).
	The balance on the Capitalisation Reserve equals the carrying value of the items of property, plant and equipment financed from the former legislated funds. When items of property, plant and equipment are depreciated, a transfer is made from the Capitalisation Reserve to the accumulated surplus/(deficit).
	When an item of property, plant and equipment is disposed of, the balance in the Capitalisation Reserve relating to such item is transferred to the accumulated surplus/(deficit).
	<b>1.5.3 Government Grant Reserve</b>

	When items of property, plant and equipment are purchased from government grants, a transfer is made from the accumulated surplus/(deficit) to the Government Grants Reserve equal to the Government Grant recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury.
	When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus/(deficit).
	The purpose of this reserve is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the future depreciation expenses that will be incurred over the estimated useful lives of the items of property, plant and equipment funded from government grants.
<b>1.5</b>	<b>RESERVES (CONT)</b>
	When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grants Reserve to the accumulated surplus/(deficit).
	When an item of property, plant and equipment financed from government grants is disposed of, the balance in the Government Grant Reserve relating to such item is transferred to the accumulated surplus/(deficit).
	<b>1.5.4 Donations and Public Contributions Reserve</b>
	When items of property, plant and equipment are financed from public contributions and donations, a transfer is made from the accumulated surplus/(deficit) to the Donations and Public Contributions Reserve equal to the donations and public contributions recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury.
	The purpose of this reserve is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the future depreciation charges that will be incurred over the estimated useful life of the item of property, plant and equipment financed from donations and public contributions.
	When such items of property, plant and equipment are depreciated, a transfer is made from the Donations and Public Contributions Reserve to the accumulated surplus/(deficit).
	When an item of property, plant and equipment financed from donations and public contributions is disposed of, the balance in the Donations and Public Contributions Reserve relating to such item is transferred to the accumulated surplus/(deficit).
	<b>1.5.5 Self-Insurance Reserve</b>
	A Self-Insurance Reserve has been established and, subject to external insurance where, deemed necessary, covers claims that may occur.
	Premiums are charged to the respective services taking into account claims history and replacement value of the insured assets.

	The balance of the Self-Insurance Reserve is determined based on surpluses accumulated since inception. These surpluses arose from the differences between premiums charged against claims paid and various administrative expenditure incurred.
	The balance of the Self-Insurance Reserve is fully cash backed and invested.
<b>1.6</b>	<b>PROPERTY, PLANT &amp; EQUIPMENT</b>
	An item of property, plant and equipment which qualifies for recognition as an asset shall initially be measured at cost. Property, plant and equipment is stated at historical cost, less accumulated depreciation and impairment losses. Such assets are financed either by external loans, capital replacement reserve, government grants and contributions and donations.
	The cost of an item of property, plant and equipment comprises of its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to working condition for its intended use.
<b>1.6</b>	<b>PROPERTY, PLANT &amp; EQUIPMENT (CONT)</b>
	Any trade discounts and rebates are deducted in arriving at the purchase price.
	Directly attributable costs include the following:
	Cost of site preparation.
	Initial delivery and handling costs.
	Installation cost.
	Professional fees.
	Estimated cost of dismantling the asset.
	The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets was measured at its fair value. If the acquired item could not be measured at its fair value, its cost was measured at the carrying amount of the asset given up.
	Subsequent expenditure is capitalised when the recognition and measurement criteria of an asset are met. If expenditure only restores the originally best estimate of the expected useful life of the asset, then it is regarded as repairs and maintenance and is expensed.
	Where an item of property, plant and equipment is acquired at no cost, it is initially recognised at its fair value as at the date of acquisition.
	Incomplete construction work is stated at historical cost. Depreciation only commences when the assets is commissioned into use.
	The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.
	Residual value
	The residual value of an asset is determined as the estimate amount that could currently be obtained from the disposal of the asset. The residual values of assets are reviewed at each financial year end.

	Depreciation
	Depreciation is calculated at historical cost, using the straight-line method over the useful lives of the asset. Assets will be depreciated according to their annual depreciation rates based on the following estimated asset lives:
	<u>Infrastructure Assets</u> <span style="float: right;"><u>Years</u></span>
	Roads, pavements, bridges and storm water <span style="float: right;">30</span>
	Street names, signs and parking meters <span style="float: right;">5</span>
	Water reservoirs and reticulation <span style="float: right;">15–20</span>
	Electricity reticulation <span style="float: right;">20–30</span>
	Sewerage purification and reticulation <span style="float: right;">15–20</span>
	Housing <span style="float: right;">30</span>
	Refuse sites <span style="float: right;">15</span>
	<u>Community Assets</u> <span style="float: right;"><u>Years</u></span>
	Parks and gardens <span style="float: right;">10–30</span>
	Sport fields <span style="float: right;">20-30</span>
	Community halls <span style="float: right;">30</span>
	Libraries <span style="float: right;">30</span>
	Recreation facilities <span style="float: right;">20-30</span>
	Clinics <span style="float: right;">30</span>
	Fire services <span style="float: right;">30</span>
	Cemeteries <span style="float: right;">30</span>
<b>1.6</b>	<b>PROPERTY, PLANT &amp; EQUIPMENT (CONT)</b>
	<u>Other Assets</u> <span style="float: right;"><u>Years</u></span>
	Motor vehicles <span style="float: right;">5</span>
	Plant and equipment <span style="float: right;">2-15</span>
	Security measures <span style="float: right;">3–10</span>
	Buildings <span style="float: right;">30</span>
	IT equipment <span style="float: right;">3-5</span>
	Office equipment <span style="float: right;">3–7</span>
	Specialised vehicles <span style="float: right;">10</span>
	Land is not depreciated as it is regarded as having an infinite life.
	The useful life or depreciation method for items of property, plant and equipment that have been recognised was not reviewed as permitted in terms of Gazette 30013 of 29 June 2007.
	Impairment
	The testing for and impairing of any items of property, plant and equipment were not accounted for as permitted in terms of Gazette 30013 of 29 June 2007
	Heritage assets

	These are assets that are defined as culturally significant resources and are not depreciated as they are regarded as having an infinite life. However, if improvements to heritage assets are conducted and registered as sub-assets and the useful life of the improvements can be determined, the depreciation charge of the relevant property, plant and equipment category is used for the depreciation of the sub-asset which was capitalised against the heritage asset.
	Disposal of property, plant and equipment
	<ul style="list-style-type: none"> <li>The book values of assets are written off on disposal.</li> </ul>
	<ul style="list-style-type: none"> <li>The difference between the net book value of assets (cost less accumulated depreciation) and the sales</li> </ul>
	proceeds is reflected as a gain or loss in the Statement of Financial Performance.
<b>1.7</b>	<b>FINANCIAL INSTRUMENTS</b>
	There are four categories of financial instruments: fair value through profit or loss (which includes trading), loans and receivables, held-to-maturity and available for sale. All financial assets that are within the scope of IAS 39 are classified into one of the four categories.
	Financial instruments include cash and bank balance, investments, trade receivables and borrowings. The municipality classifies its financial assets as loans and receivables. Financial instruments are accounted for in accordance with the exemptions in terms of Gazette 30013 of 29 June 2007.
	<b>Loans and receivables</b>
	Loans and receivables are non-derivative financial assets with fixed or determinable payments. They are included in current assets, except for maturities in excess of 12 months. These are classified as non-current assets.
	Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.
	Loans and receivables are recognised initially at cost which represents fair value. After initial recognition financial assets are measured at amortised cost using the effective interest rate.
<b>1.7</b>	<b>FINANCIAL INSTRUMENTS (CONT)</b>
	<b>Accounts receivable</b>
	Trade and other receivables are recognised initially at cost which represents fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.
	A provision for impairment is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables.
	Significant financial difficulties of the debtor and default or delinquency in payments of all debt outstanding for more than 150 days are considered indicators that the trade receivables are impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

	When an under recovery occurs during the year an additional contribution for impairment is made from the accumulated surplus at year end.
	Bad debts are written off during the year in which they are identified as irrecoverable.
	<b>Financial liabilities</b>
	Financial liabilities are recognised initially at cost which represents fair value. After initial recognition financial liabilities are measured at amortised cost using the effective interest rate.
	<b>Gains and losses</b>
	Gains and losses arising from changes in financial assets or financial liabilities at amortised cost are recognised in profit and loss when the financial asset or liability is derecognised or impaired through the amortisation process.
	<b>Investments held-to-maturity</b>
	Subsequent to initial recognition, held-to-maturity assets are measured at amortised cost calculated using the effective interest method.
	Investments which include listed government bonds, unlisted municipal bonds, fixed deposits and short term deposits invested in registered banks are stated at cost.
	Where investments have been impaired, the carrying value is adjusted by the impairment loss and this is recognised as an expense in the period that the impairment is identified.
	Surplus funds are invested in terms of Council's Investment Policy. Investments are only made with financial institutions registered in terms of the Deposit Taking Institutions Act of 1990 with an A1 or similar rating institution for safe investment purposes.
	The investment period should be such that it will not be necessary to borrow funds against the investments at a penalty interest rate to meet commitments.
	<b>Leases</b>
	Property, plant and equipment subjected to finance lease agreements are capitalised at their cost equivalent and the corresponding liabilities are raised.
	The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over its estimated useful life.
	Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.
	Operating leases are those leases that do not fall within the scope of the above definition. Operating lease payments are recognised as an expense on a straight-line basis over the lease period.
	Operating lease payments or receipts are recognised on the basis of the actual cash inflows and outflows as per the lease contract as permitted in terms of Gazette 30013 of 29 June 2007.

<b>1.11</b>	<b>INVENTORY</b>
	The cost of inventories comprises of all costs of purchase, costs of development, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.
	Consumable stores, raw materials, work in progress, unused water, and finished goods are valued at the lower of cost and net realisable value. In general, the basis of determining cost is the weighted average cost of commodities.
	Redundant and slow-moving stock are identified and written down with regard to their estimated economic or realisable values and sold by public auction. Consumables are written down with regard to age, condition and utility.
	Unsold properties are valued at the lower of cost and net realisable value on a specific identification cost basis. Direct costs are accumulated for each separately identifiable development. Costs also include a proportion of overhead costs.
	The process to identify immovable capital assets as inventory/stock are not finalised yet and were accounted for in terms of GAMAP 17 as permitted in terms of Gazette 30013 of 29 June 2007.
<b>1.12</b>	<b>TRADE CREDITORS</b>
	Trade creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.
	Trade creditors are recognise initially at cost price as permitted in terms of Gazette 30013 of 29 June 2007.
<b>1.13</b>	<b>REVENUE RECOGNITION</b>
	Revenue shall be measured at the fair value of the consideration received or receivable. No settlement discount is applicable.
	Rendering of service
	When the outcome of a transaction can be estimated reliably relating to the rendering of a service, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the reporting date.
	The outcome of the transaction can be measured reliably when all of the following conditions are satisfied:
	<ul style="list-style-type: none"> <li>• The amount of revenue can be measured reliably;</li> </ul>
	<ul style="list-style-type: none"> <li>• It is probable that the economic benefits or services potential associated with the transaction will flow to the</li> </ul>
	entity;
	<ul style="list-style-type: none"> <li>• The stage of completion of the transaction at the reporting date can be measured reliably;</li> </ul>
	and
	<ul style="list-style-type: none"> <li>• The cost incurred for the transaction and the cost to complete the transaction can be</li> </ul>



	measured reliably.
	This principle also applies to tariffs or charges.
	When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses that are recoverable.
	Sale of goods
	Revenue from the sale of goods shall be recognised when all the following conditions have been satisfied:
	· The municipality has transferred to the purchaser the significant risks and rewards of ownership of goods;
	· The municipality retains neither continuing managerial involvement to the degree associated with ownership nor effective control over the goods sold;
	· The amount of revenue can be measured reliably;
	· It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
	· The cost incurred or to be incurred in respect of the transaction can be measured reliably.
<b>1.13</b>	<b>REVENUE RECOGNITION (CONT)</b>
	Finance income from sold housing by way of instalment sales agreements is recognised on a time proportion basis.
	Revenue from the sale of erven is recognised when all conditions associated with the deed of sale have been met.
	Rates, including collection charges and penalty interest
	Revenue from rates including collection charges and penalty interest, shall be recognised when all the following conditions have been satisfied:
	· The amount of revenue can be measured reliably;
	· It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
	· There has been compliance with the relevant legal requirements.
	The Municipality uses a differentiated site value assessment rate system. According to this assessment rates are levied on the land value of properties and rebates are granted according to the usage of a particular property.
	Rebates are respectively granted, to owners of land on which not more than two dwelling units are erected provided that such dwelling units are solely used for residential purposes. Additional relief is granted to needy, aged and/or disabled owners, based on income .
	Assessment rates income is recognised once a rates account has been issued to ratepayers. Adjustments or interim rates are recognised once the municipal valuer has valued the change to properties.
	Service charges

	Flat rate service charges and consumption-based service charges shall be recognised when:
	· It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
	· The amount of the revenue can be measured reliably.
	Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumptions are made monthly when meter readings have not been performed and are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read.
	Revenue from the sale of electricity prepaid meter credit is recognised at the point of sale.
	Service charges relating to refuse removal are recognised on a monthly basis by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage and are levied monthly based on the number of refuse containers on each property, regardless of whether or not containers are emptied during the month.
	Service charges from sewerage and sanitation are based on the size of the property, number of dwelling on each property and connection, using the tariffs approved by Council and are levied monthly.
	Fines
	Revenue from the issuing of fines is recognised when:
	· It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
	· The amount of the revenue can be measured reliably.
	Revenue from fines is recognised when payment is received and the revenue from the issuing of summonses is recognised when collected.
<b>1.13</b>	<b>REVENUE RECOGNITION (CONT)</b>
	Government Grants
	Government Grants can be in the form of grants to acquire or construct fixed assets (capital grants), grants for the furtherance of national and provincial government policy objectives and general grants to subsidise the cost incurred by municipalities rendering services.
	Capital grants and general grants for the furtherance of government policy objectives are usually restricted revenue in that stipulations are imposed in their use.
	Government grants are recognised as revenue when:
	· It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
	· The amount of the revenue can be measured reliably; and

	· To the extent that there has been compliance with any restrictions associated with the grant.
	Other grants and donations received
	Other grants and donations shall be recognised as revenue when:
	· It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
	· The amount of the revenue can be measured reliably; and
	· To the extent that there has been compliance with any restrictions associated with the grant.
	Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment are brought into use.
	Revenue from public contributions is recognised when all conditions have been met or where the contribution to property, plant and equipment is recognised when such items of property, plant and equipment are brought into use.
	Where public contributions have been received but the conditions were not met, a liability is recognised.
	Levies
	Levies shall be recognised as revenue when:
	· It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
	· The amount of the revenue can be measured reliably.
	Interest, royalties and dividends
	Revenue arising from the use of assets by others of the municipal assets yielding interest royalties and dividends shall be recognised when:
	· It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
	· The amount of the revenue can be measured reliably.
	Interest shall be recognised on a time proportionate basis that takes into account the effective yield on the asset;
	Royalties shall be recognised as they are earned in accordance with the substance of the relevant agreement; and
	Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified.
<b>1.13</b>	<b>REVENUE RECOGNITION (CONT)</b>
	The income recognised is in terms of the agency agreement.
	Collection charges are recognised when such amounts are incurred.

	Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.
	Revenue from the recovery of unauthorised irregular, fruitless and wasteful expenditure is based on legislated procedures.
	Revenue are initially recognised at cost as permitted in terms of Gazette 30013 of 29 June 2007.
<b>1.14</b>	<b>PROVISIONS</b>
	Provisions are recognised when the municipality has a present or constructive obligation, as a result of past events, that is probable to cause an outflow of resources embodying economic benefits required to settle the obligation and a reliable estimate of the provision can be made.
	Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.
<b>1.15</b>	<b>CONTINGENT ASSETS</b>
	A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality. Contingent assets are not recognised as assets.
<b>1.16</b>	<b>CONTINGENT LIABILITIES</b>
	A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised as liabilities.
<b>1.17</b>	<b>CONDITIONAL GRANTS AND RECEIPTS</b>
	Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is raised.
<b>1.18</b>	<b>CASH AND CASH EQUIVALENTS</b>
	Cash includes cash on hand and cash with banks.
	For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and cash at bank. Short term investments are excluded. Bank overdrafts are recorded on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.
<b>1.19</b>	<b>UNAUTHORISED EXPENDITURE</b>
	Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act 56 of 2003).
	Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

<b>1.20</b>	<b>IRREGULAR EXPENDITURE</b>
	Irregular expenditure is expenditure that is contrary to the Municipal Finance Act (Act 56 of 2003), the Municipal Systems Act (Act 32 of 2000), the Public Office Bearers Act (Act 20 of 1998) or is in contravention of the municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.
<b>1.21</b>	<b>FRUITLESS AND WASTEFUL EXPENDITURE</b>
	Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.
<b>1.22</b>	<b>COMPARATIVE INFORMATION</b>
	Budgeted amounts have been included in the annual financial statements for the current financial year only. When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are reclassified. The nature and reason for the reclassification is disclosed.
<b>1.23</b>	<b>RETIREMENT BENEFITS</b>
	The municipality contributes towards retirement benefits of its employees and councillors to the under-mentioned pension funds:
	· Joint Municipal Pension Fund
	· Municipal Employees Pension Fund
	· Municipal Gratuity Fund
	· SALA Pension Fund
	Councillors are members of the Municipal Councillor's Pension Fund that was established in terms of the Remuneration of Public Office Bearers Act 1998 (Act 20 of 1998).
	a) Defined contribution plans
	Contributions to the defined contribution pension plan in respect of service in a particular period are included in the employees' total cost of employment and are charged to the statement of financial performance in the year to which they relate as part of cost of employment.
	b) Post employment medical care benefits
	The municipality provides post employment medical care benefits to its employees and their legitimate spouses. The entitlement to post-retirement medical benefits is based on employees remaining in service up to retirement age and the completion of a minimum service period. The expected cost, of these benefits is accrued over the period of employment.
	Post employment medical care benefits are accounted for in accordance with the exemptions in terms of Gazette 30013 of 29 June 2007.
<b>1.24</b>	<b>BORROWING COSTS</b>
	Borrowing costs are recognised as an expense in the Statement of Financial Performance.
<b>1.25</b>	<b>CONSUMER DEPOSITS</b>

	Consumer deposits are a partial security for a future payment of an account. All consumers are therefore required to pay a deposit equal to two months consumption of electricity and water services. Deposits are considered a liability as the deposit is only refunded once the service is terminated. No interest is paid on deposits.
<b>1.26</b>	<b>EVENTS AFTER BALANCE SHEET DATE</b>
	Recognised amounts in the financial statements are adjusted to reflect events arising after the balance sheet date that provide evidence of conditions that existed at the balance sheet date. Events after the balance sheet date that are indicative of conditions that arose after the balance sheet date are dealt with by way of a note to the financial statements.
<b>1.27</b>	<b>VALUE ADDED TAX</b>
	The municipality accounts for Value Added Tax on the invoice basis.

					<b>2009</b>	<b>2008</b>
					<b>R</b>	<b>R</b>
<b>2.</b>	<b>HOUSING DEVELOPMENT FUND</b>					
					<b>10 900 596</b>	<b>10 808 220</b>
	Unappropriated Surplus				7 920 625	7 828 249
	Loans extinguished by Government in April 1998				2 979 971	2 979 971
	The Housing Fund is represented by the following assets and liabilities:					
	Property, plant and equipment				507 721	507 721
	Housing selling scheme loans				2 671 199	2 794 722
	Bank and cash				7 721 676	7 505 777
					<b>10 900 596</b>	<b>10 808 220</b>
<b>3.</b>	<b>RESERVES</b>					
	Capital Replacement Reserve				227 931 145	337 148 802
	Collapsing of reserve and transfer to accumulated surplus				(227 931 145)	(337 148 802)

				-	-
		Capitalisation Reserve		98 305 255	219 378 628
		Collapsing of reserve and transfer to accumulated surplus		(98 305 255)	(219 378 628)
				-	-
		Government Grants Reserve		1 593 470 629	837 133 218
		Collapsing of reserve and transfer to accumulated surplus		(1 593 470 629)	(837 133 218)
				-	-
		Donations and Public Contribution Reserve		60 209 630	29 118 511
		Collapsing of reserve and transfer to accumulated surplus		(60 209 630)	(29 118 511)
				-	-
		Revaluation Reserve		1 326 170 103	
		Collapsing of reserve and transfer to accumulated surplus			
		Self Insurance Reserve		15 626 030	12 793 484
		Collapsing of reserve and transfer to accumulated surplus		(15 626 030)	(12 793 484)
				-	-
				<b>1 326 170</b> <b>103</b>	<b>0</b>
		The impact on Accumulated surplus is as follows:			
		Accumulated surplus Balance: 30 June 2007		1 526 807 602	
		Collapsing of reserve and transfer to accumulated surplus: prior adjustment		1 435 572 643	
		Collapsing of reserve and transfer to accumulated surplus: Current adjustment		1 995 542 689	
		Total impact on accumulated surplus		<b>4 957 922</b> <b>934</b>	
<b>4.</b>		<b>LONG TERM LIABILITIES</b>			
		Local Registered Stock loans		829 995	829 995
		Annuity loans		92 492 846	92 492 846
				93 322 841	93 322 841
		Less: Current portion transferred to current liabilities			
		Annuity loans		(92 540 846)	
				<b>781 995</b>	<b>93 322 841</b>
		Refer to Appendix A for more detail on long term liabilities.			
<b>5.</b>		<b>CONSUMER DEPOSITS</b>			
		Water and electricity		<b>46 216 749</b>	<b>39 182 983</b>

	No interest is paid on consumer deposits.						
	Guarantees held in lieu of electricity and water deposits					<b>8 813 881</b>	<b>8 815 481</b>
<b>6.</b>	<b>TRADE AND OTHER PAYABLES</b>						
	Trade Creditors					101 018 729	32 560 210
	Amounts received in advance					14 579 745	7 045 835
	Other					7 305 357	8 312 905
	Guarantees					261 795	195 931
	Staff leave					30 814 491	26 596 035
	Retentions					46 217 792	26 581 435
						<b>200 197 918</b>	<b>101 292 350</b>
<b>7.</b>	<b>CONDITIONAL GRANTS FROM GOVERNMENT</b>						
	Local Government Restructuring grant					953 927	953 926
	Finance Management grant					0	4 537 537
	PTIF					2 225 602	31 961 062
	2010 Stadium grant					128 455 004	256 341 660
	Municipal infrastructure grant					35 906 043	60 895 103
	Limpopo Provincial Government					2 949 710	0
	DWAF refurbishment					8 621 171	2 000 000
	NERSA					7 058 388	11 661 507
	Housing Accreditation grant					1 697 284	4 397 233
	Local Government Transitional grant					649 874	649 874
	Municipal Systems Improvement grant					0	915 770
	Provincial LED projects					54 714	54 714
	National Heritage Council					50 000	
	Capricorn District Municipality					2 259 173	
	2010 Host City Operating Grant					25 000 000	
						<b>215 880 890</b>	<b>374 368 386</b>
	See note 18 for reconciliation of grants. These amounts are invested until utilised.						

<b>8</b>	<b>PROPERTY, PLANT &amp; EQUIPMENT</b>							
		<b>Land and Buildings</b>	<b>Infrastructure</b>	<b>Other and Movable</b>	<b>Heritage</b>	<b>Biological</b>	<b>Intangible</b>	<b>Total</b>
		<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>
	<b>Carrying values at 1 July 2007</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1 193 203 184</b>
	Revaluation Balance	758 977 344	1 699 556 780	57 976 626	2 862 537			2 519 373 287
	Acquisitions	446 217 707	170 041 500	13 230 750			4 619 065	634 109 022
	Capital under construction	125 394 628	2 908 831	675 815			1 556 044	130 535 318



<b>8</b>	<b>PROPERTY, PLANT &amp; EQUIPMENT</b>							
	Depreciation – based on cost	(28 358 274)	(56 876 249)	(8 161 360)			( 29 885)	(93 425 768)
	Carrying value of disposals							0
	Cost							0
	Accumulated depreciation							0
	<b>Carrying values at 30 June 2008</b>	<b>1 302 231 405</b>	<b>1 815 630 862</b>	<b>63 721 831</b>	<b>2 862 537</b>	<b>0</b>	<b>6 145 224</b>	<b>3 190 591 859</b>
	Cost	1 330 589 679	1 872 507 111	71 883 191	2 862 537		6 175 109	3 284 017 627
	Accumulated depreciation – cost	(28 358 274)	(56 876 249)	(8 161 360)	0	0	( 29 885)	(93 425 768)
	<b>Carrying values at 1 July 2008</b>	<b>1 302 231 405</b>	<b>1 815 630 862</b>	<b>63 721 831</b>	<b>2 862 537</b>	<b>0</b>	<b>6 145 224</b>	<b>3 190 591 859</b>
	Cost	1 330 589 679	1 872 507 111	71 883 191	2 862 537		6 175 109	3 284 017 627
	Accumulated depreciation – cost	(28 358 274)	(56 876 249)	(8 161 360)	0	0	( 29 885)	(93 425 768)
	Acquisitions	12 697 842	259 914 010	33 770 585	1 221 338		16 541 440	324 145 215
	Capital under construction	513 959 628	199 185 054	210 885	1 044 920		12 705 061	727 105 548
	Depreciation – based on cost	(35 279 141)	(60 884 251)	(10 472 321)			( 694 815)	(107 330 528)
	Game count					8 774 385		8 774 385
	Carrying value of disposals	0	0	0	0	0	0	0
	Cost							0
	Accumulated depreciation							0
	Other movements							0
	<b>Carrying values at 30 June 2009</b>	<b>1 793 609 734</b>	<b>2 213 845 675</b>	<b>87 230 980</b>	<b>5 128 795</b>	<b>8 774 385</b>	<b>34 696 910</b>	<b>4 143 286 479</b>
	Cost	1 857 247 149	2 331 606 175	105 864 661	5 128 795	8 774 385	35 421 610	4 344 042 775
	Accumulated depreciation – cost	(63 637 415)	(117 760 500)	(18 633 681)	0	0	( 724 700)	(200 756 296)
	All assets were revalued by using depreciated replacement values. The effective date of the revaluation was 1 July 2008.							
	Included under PPE - Land and buildings, are buildings to the amount of R7 554 992 which is regarded as investment property. See note 38.							

8	<b>PROPERTY, PLANT &amp; EQUIPMENT</b>							
Refer to Appendix B for more detail on property, plant & equipment, including those in the course of construction.								

<b>8</b>	<b>PROPERTY, PLANT &amp; EQUIPMENT</b>							

<b>8</b>	<b>PROPERTY, PLANT &amp; EQUIPMENT</b>							

					2009	2008
					R	R
<b>9.</b>	<b>INVESTMENTS</b>					
	<b>Long Term Fixed Deposits</b>					
	ABSA Bank				81 721 250	69 825 509
	Endowment Policy				671 731	747 144
					<b>82 392 981</b>	<b>70 572 653</b>
	<b>Short Term Fixed Deposits</b>					
	ABSA Bank				55 535 219	65 000 000
	First National Bank				50 533 390	45 000 000
	Investec Bank				0	120 507 554
	Nedbank				56 533 390	45 000 000
	Standard Bank				109 536 302	45 000 000
					<b>272 138 301</b>	<b>320 507 554</b>
	<b>Total Investments</b>				<b>354 531 282</b>	<b>391 080 207</b>
	Council's valuation of investments				<b>354 531 282</b>	<b>391 080 207</b>
	No investments have been written off during the year.					
	The Absa long term investment serves as security for the ABSA Annuity Loan.					
<b>10.</b>	<b>NON CURRENT RECEIVABLES</b>					
	Motor car loans				19 367	267 842
	Housing selling scheme loans				2 671 199	2 794 727
	Sport loans				1 190 907	1 343 907
	Erven loans				12 301 870	11 165 866
	Electrical connection				0	106
	Loan to Subsidiary - Polokwane Housing Association				11 252 748	11 252 748
					<b>27 436 091</b>	<b>26 825 195</b>
	Less: current portion transferred to current receivables				12 443 918	10 508 221
	Motor car loans				19 367	212 949
	Housing selling scheme loans				130 001	138 008
	Erven loans				12 202 708	10 157 158
	Sport loans				91 842	
	Electrical connection				0	106
					<b>14 992 173</b>	<b>16 316 974</b>
	<b>Motor car loans</b>					
	Staff were previously entitled to car loans which attract interest at 7.5% per annum and which are repayable over a maximum period of 6 years. These loans are repayable in the year 2010.					
	<b>Housing selling scheme loans</b>					
	These loans have different interest rates and loans were given over a period of 30 years.					
	<b>Sport loans</b>					
	These loans were given to sporting bodies at an interest rate of 10% repayable over 10 years. These loans are repayable in 2016.					

<b>APPENDIX A</b>								
<b>SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2009</b>								

External Loans	Loan No.	Redeemable	Balance at 30 June 2008	Interest paid during the period	Received during the period	Redeemed or written off during the period	Balance at 30 June 2009	
			R	R	R	R	R	
<b>LONG TERM LOANS</b>								
Stock Loan@10%	506	2010	3 000				3 000	
Stock Loan@10%	507	2010	45 000				45 000	
Stock Loan@10%	508	2012	15 400				15 400	
Stock Loan@10%	509	2011	41 667				41 667	
Stock Loan@10%	510	2013	53 333				53 333	
Stock Loan@10%	511	2013	30 000				30 000	
Stock Loan@10%	512	2014	30 000				30 000	
Stock Loan@10%	513	2011	8 333				8 333	
Stock Loan@10%	514	2015	100 000				100 000	
Stock Loan@10%	515	2015	10 000				10 000	
Stock Loan@10%	516	2014	22 000				22 000	
Stock Loan@10%	517	2015	83 333				83 333	
Stock Loan@10%	518	2016	7 799				7 799	
Stock Loan@10%	519	2016	8 633				8 633	
Stock Loan@10%	520	2016	40 000				40 000	
Stock Loan@10%	522	2015	6 829				6 829	
Stock Loan@10%	523	2015	14 667				14 667	
Stock Loan@10%	524	2016	90 000				90 000	
Stock Loan@10%	525	2015	200 000				200 000	
Stock Loan@10%	527	2016	20 000				20 000	
			<b>829 995</b>			<b>0</b>	<b>829 995</b>	
<b>ANNUITY LOAN</b>								
ANNUITY LOAN @13.65%	404	2010	92 492 846				92 492 846	
			<b>92 492 846</b>			<b>-</b>	<b>92 492 846</b>	
<b>Total External Loans</b>			<b>93 322 841</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>93 322 841</b>	

APPENDIX B										
ANALYSIS OF PROPERTY, PLANT & EQUIPMENT AS AT 30 JUNE 2009										
	HISTORICAL COST					ACCUMULATED DEPRECIATION				
	Openin g Balance	Additio ns/ Transfe rs	Under Construction	Disposal s	Closing Balance	Openin g Balance	Additio ns/ Transfe rs	Dispos als	Closin g Balanc e	Carryin g Value
	R	R	R	R	R	R	R	R	R	R
<b>LAND</b>	<b>237,9 93,495</b>	<b>-</b>	<b>8,383,292</b>	<b>-</b>	<b>246,37 6,787</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>246,3 76,787</b>
Land	237,993, 495		8,383, 292		46,376,78 7				-	246,376, 787
<b>BUILDING S</b>	<b>1,092, 596,185</b>	<b>12,69 7,842</b>	<b>505,576,335</b>	<b>-</b>	<b>1,610,8 70,362</b>	<b>28,35 8,274</b>	<b>35,2 79,141</b>	<b>-</b>	<b>63,6 37,415</b>	<b>1,547,2 32,947</b>
Dwellings	29,998,2 57	65,600	1,28 7,037		31,350,89 4	1,090,72 0	1,135,0 34		2,225,7 54	29,125,1 40
Non Residential	1, 062,597, 928	12,632,2 42	504,289, 298		1, 579,519,4 68	2, 7,267,55 4	34,144, 107		61,411, 661	1, 518,107, 807
<b>INFRASTR UCTURE</b>	<b>1,872, 507,110</b>	<b>259,9 14,011</b>	<b>199,185,055</b>	<b>-</b>	<b>2,331,6 06,176</b>	<b>56,87 6,249</b>	<b>60,8 84,251</b>	<b>-</b>	<b>117,7 60,500</b>	<b>2,213,8 45,676</b>
Electricity reticulation	475,099, 591	95,357,8 63	3,890 784		74,348,23 8	13,117,1 14	13,960, 797		27,077, 911	547,270, 327
Roads, pavements , bridges & stormwater	967,826, 711	49,031,9 95	163,460 820		1, 180,319,5 26	3, 3,354,73 5	34,351, 698		67,706, 433	1,112,61 3,093
Water reservoirs & reticulation	265,129, 948	86,611,2 67	11,6 11,394		3 63,352,60 9	6,038,17 2	7,876,1 01		13,914, 273	349,438, 336
Sewerage purification & reticulation	161,387, 719	28,912,8 86	17,24 7,661		2 07,548,26 6	4,257,23 2	4,584,6 84		8,841,9 16	198,706, 350
Solid Waste	1,480,50 0		2,974 396		4,454,896	5,115	5,115		10,230	4,444,66 6
Cemeterie s	1,582,64 1				1,582,641	103,881	105,856		209,73 7	1,372,90 4
<b>MOVABL E &amp;OTHER ASSETS</b>	<b>71, 883,190</b>	<b>33,77 0,585</b>	<b>210,885</b>	<b>-</b>	<b>105,86 4,660</b>	<b>8,16 1,360</b>	<b>10,4 72,321</b>	<b>-</b>	<b>18,6 33,681</b>	<b>87,2 30,979</b>
Machinery & equipment	20,284,9 85	15,147,7 79			35,432,76 4	1,852,41 0	2,831,4 63		4,683,8 73	30,748,8 91
Furniture & Equipment	8,168,71 3	3,029,43 9	21 0,885		11,409,03 7	1,466,71 4	1,648,4 60		3,115,1 74	8,293,86 3
Computer Equipment	4,023,07 7	2,064,51 0			6,087,587	787,790	1,082,0 81		1,869,8 71	4,217,71 6
Transport Vehicles	39,406,4 15	13,528,8 57			52,935,27 2	4,054,44 6	4,910,3 17		8,964,7 63	43,970,5 09
<b>HERITAG E ASSETS</b>	<b>2,8 62,537</b>	<b>1,2 21,338</b>	<b>1,044,920</b>	<b>-</b>	<b>5,12 8,795</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,1 28,795</b>
Heritage assets	2,862,53 7	1,221,33 8	1,04 4,920		5,128,795				-	5,128,79 5
<b>BIOLOGIC AL ASSETS</b>	<b>8,7 74,385</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,77 4,385</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,7 74,385</b>
Biological Assets	8,774,38 5				8,774,385				-	8,774,38 5
<b>INTANGIB LE ASSETS</b>	<b>6, 175,109</b>	<b>16,5 41,440</b>	<b>12,705,061</b>	<b>-</b>	<b>35,4 21,610</b>	<b>2 9,885</b>	<b>6 94,815</b>	<b>-</b>	<b>7 24,700</b>	<b>34,6 96,910</b>



<b>APPENDIX B</b>										
<b>ANALYSIS OF PROPERTY, PLANT &amp; EQUIPMENT AS AT 30 JUNE 2009</b>										
	<b>HISTORICAL COST</b>					<b>ACCUMULATED DEPRECIATION</b>				
	<b>Openin g Balance</b>	<b>Additio ns/ Transfe rs</b>	<b>Under Construction</b>	<b>Disposal s</b>	<b>Closing Balance</b>	<b>Openin g Balance</b>	<b>Additio ns/ Transfe rs</b>	<b>Dispos als</b>	<b>Closin g Balanc e</b>	<b>Carryin g Value</b>
	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>
Intangible Assets	6,175,10 9	16,541,4 40	12,70 5,061		35,421,61 0	29,885	694,815		724,70 0	34,696,9 10
<b>TOTAL</b>	<b>3,292, 792,011</b>	<b>324,1 45,216</b>	<b>727,105,548</b>	<b>-</b>	<b>4,344,04 2,775</b>	<b>93,42 5,768</b>	<b>107,3 30,528</b>	<b>-</b>	<b>200,7 56,296</b>	<b>4,143,2 86,479</b>

APPENDIX C										
SEGMENTAL ANALYSIS OF PROPERTY, PLANT & EQUIPMENT AS AT 30 JUNE 2009										
	HISTORICAL COST					ACCUMULATED DEPRECIATION				
	Openin g Balance	Additions / Transfers	Under Constr uction	Disposal s	Closing Balance	Openi ng Balan ce	Additio ns/ Transfe rs	Dispos als	Closin g Balanc e	Carryin g Value
	R	R		R	R	R	R	R	R	R
<b>EXECUTIVE COUNCIL</b>	<b>1 007 533</b>	<b>51 527</b>	-	-	<b>1 059 060</b>	<b>77 987</b>	<b>172 396</b>	-	<b>250 383</b>	<b>808 677</b>
Executive Council	1 007 533	51 527			1 059 060	77 987	172 396		250 383	808 677
<b>BUDGET &amp; TREASURY OFFICE</b>	<b>2 937 923</b>	<b>46 7 360</b>	-	-	<b>3 405 283</b>	<b>404 407</b>	<b>4 95 978</b>	-	<b>900 385</b>	<b>2 504 898</b>
Finance	2 937 923	46 7 360			3 405 283	404 407	495 978		900 385	2 504 898
<b>CORPORATE SERVICES</b>	<b>30 6 081 558</b>	<b>10 273 308</b>	<b>1 820 858</b>	-	<b>31 8 175 724</b>	<b>5 699 410</b>	<b>13 043 165</b>	-	<b>18 742 575</b>	<b>299 433 149</b>
Human Resources	714 576	133 692	-		848 268	136 905	159 703		296 608	551 660
IT Services	2 355 622	47 713			2 403 335	17 463	472 965		490 428	1 912 907
Property Services	259 922 711	3 097 577	1 820 858		264 841 146	1 421 403	7 534 412		8 955 815	255 885 331
Other Admin	43 088 649	6 994 326			50 082 975	4 123 639	4 876 085		8 999 724	41 083 251
<b>COMMUNITY &amp; SOCIAL SERVICES</b>	<b>12 8 988 298</b>	<b>8 093 245</b>	<b>6 079 562</b>	-	<b>1 43 161 105</b>	<b>6 553 338</b>	<b>6 794 153</b>	-	<b>1 3 347 491</b>	<b>129 813 614</b>
Libraries & archives	31 341 314	6 289 127	2 110 213		39 740 654	1 486 500	1 690 963		3 177 463	36 563 191
Museums	79 362 909	1 214 477	842 920		81 420 306	4 425 844	4 454 382		8 880 226	72 540 080
Community halls & facilities	-	394 124	3 126 429		3 520 553	-	4 693		4 693	3 515 860
Cemeteries & crematoriums	1 867 826	34 878			1 902 704	128 624	130 599		259 223	1 643 481
Other Social Services	16 416 249	160 639			16 576 888	512 370	513 516		1 025 886	15 551 002
<b>SPORT &amp; RECREATION</b>	<b>622 947 857</b>	<b>11 172 789</b>	<b>49 3 301 495</b>	-	<b>11 27 422 141</b>	<b>5 859 964</b>	<b>6 307 208</b>	-	<b>1 2 167 172</b>	<b>1 115 254 969</b>
Sport & recreation	622 947 857	11 172 789	49 301 495		1 127 422 141	5 859 964	6 307 208		12 167 172	1 115 254 969
<b>PUBLIC SAFETY</b>	<b>3 0 768 815</b>	<b>15 663 423</b>	<b>144 967</b>	-	<b>46 577 205</b>	<b>1 836 839</b>	<b>2 709 182</b>	-	<b>4 546 021</b>	<b>42 031 184</b>
Police	12 050 716	14 757 953			26 808 669	858 973	1 550 344		2 409 317	24 399 352
Fire	18 118 244	905 470	144 967		19 168 681	977 866	1 143 842		2 121 708	17 046 973

APPENDIX C										
SEGMENTAL ANALYSIS OF PROPERTY, PLANT & EQUIPMENT AS AT 30 JUNE 2009										
HISTORICAL COST					ACCUMULATED DEPRECIATION					
	Openin g Balance	Additions / Transfers	Under Constr uction	Disposal s	Closing Balance	Openin g Balan ce	Additio ns/ Transfers	Dispos als	Closin g Balanc e	Carryin g Value
	R	R		R	R	R	R	R	R	R
Street lighting	599 855				599 855		14 996		14 996	584 859
<b>HOUSING</b>	<b>3 363 142</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 363 142</b>	<b>151 534</b>	<b>151 534</b>	<b>-</b>	<b>303 068</b>	<b>3 060 074</b>
Housing	3 363 142				3 363 142	151 534	151 534		303 068	3 060 074
<b>HEALTH</b>	<b>2 366 170</b>	<b>41 108</b>	<b>-</b>	<b>-</b>	<b>407 278</b>	<b>244 719</b>	<b>55 442</b>	<b>-</b>	<b>500 161</b>	<b>1 907 117</b>
Clinics	2 366 170	41 108			2 407 278	244 719	255 442		500 161	1 907 117
<b>PLANNING &amp; DEVELOPMENT</b>	<b>5 412 672</b>	<b>487 062</b>	<b>6 501 953</b>	<b>-</b>	<b>5 401 687</b>	<b>461 092</b>	<b>559 841</b>	<b>-</b>	<b>1 020 933</b>	<b>13 534 705</b>
Economic development	7 934 879	2 950 830	3 240 770		14 126 479	262 221	329 553		591 774	13 534 705
Town Planning	47 068 126	535 436	13 261 183		60 864 745	133 677	152 843		286 520	60 578 225
Licensing & Regulation	409 667	796			410 463	65 194	77 445		142 639	267 824
<b>ROAD TRANSPORT</b>	<b>98 1 188 626</b>	<b>49 771 600</b>	<b>17 2 257 194</b>	<b>-</b>	<b>1 203 136 220</b>	<b>3 361 559</b>	<b>35 35 010 607</b>	<b>-</b>	<b>68 68 626 166</b>	<b>1 134 510 054</b>
Roads	981 107 426	49 771 600	172 257 194		1 203 136 220	33 615 559	35 010 607		68 626 166	1 134 510 054
Vehicle licensing & testing	81 200				81 200	8 408	8 408		16 816	64 384
<b>ENVIRONMENTAL PROTECTION</b>	<b>1 0 190 562</b>	<b>3 15 777</b>	<b>202 000</b>	<b>-</b>	<b>1 0 708 339</b>	<b>105 318</b>	<b>140 235</b>	<b>-</b>	<b>245 553</b>	<b>10 462 786</b>
Pollution Control	19 127	7 049			26 176	3 630	3 982		7 612	18 564
Game Reserve	10 171 435	308 728	202 000		10 682 163	101 688	136 253		237 941	10 444 222
<b>ELECTRICITY</b>	<b>496 224 950</b>	<b>96 587 942</b>	<b>3 890 784</b>	<b>-</b>	<b>596 703 676</b>	<b>1 13 871 604</b>	<b>14 14 755 875</b>	<b>-</b>	<b>28 28 627 479</b>	<b>568 568 076 197</b>
Electricity distribution	496 224 950	96 587 942	3 890 784		596 703 676	13 871 604	14 755 875		28 627 479	568 076 197
<b>WATER</b>	<b>27 6 715 354</b>	<b>87 401 051</b>	<b>1 1 186 765</b>	<b>-</b>	<b>37 5 303 170</b>	<b>7 185 710</b>	<b>8 718 877</b>	<b>-</b>	<b>15 904 587</b>	<b>359 398 583</b>
Water distribution	203 164 035	23 647 659	11 186 765		237 998 459	4 902 586	6 280 063		11 182 649	226 815 810
Water storage	73 551 319	63 753 392			137 304 711	2 283 124	2 438 814		4 721 938	132 582 773
<b>WASTE WATER MANAGEMENT</b>	<b>354 837 096</b>	<b>28 978 008</b>	<b>1 8 745 574</b>	<b>-</b>	<b>402 560 678</b>	<b>1 6 532 488</b>	<b>17 118 023</b>	<b>-</b>	<b>3 3 650 511</b>	<b>368 910 167</b>
Sewerage	349 765	28 978	17 247		395 991	16 424	17 009		33 434	362 556 624

APPENDIX C										
SEGMENTAL ANALYSIS OF PROPERTY, PLANT & EQUIPMENT AS AT 30 JUNE 2009										
HISTORICAL COST					ACCUMULATED DEPRECIATION					
	Openin g Balance	Additions / Transfers	Under Constr uction	Disposal s	Closing Balance	Openi ng Balan ce	Additio ns/ Transfe rs	Dispos als	Closin g Balanc e	Carryin g Value
	R	R		R	R	R	R	R	R	R
	487	008	661		156	637	895		532	
Stormwater	5 063 289		1 497 913		6 561 202	107 851	107 851		215 702	6 345 500
Public toilets	8 320				8 320		277		277	8 043
<b>WASTE MANAGE MENT</b>	<b>1 9 761 455</b>	<b>11 841 016</b>	<b>2 974 396</b>	<b>-</b>	<b>34 576 867</b>	<b>817 391</b>	<b>1 089 604</b>	<b>-</b>	<b>1 906 995</b>	<b>32 669 872</b>
Solid waste	19 761 455	11 841 016	2 974 396		34 576 867	817 391	1 089 604		1 906 995	32 669 872
<b>OTHER</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other					-				-	0
<b>TOTAL</b>	<b>3 292 792 011</b>	<b>324 145 216</b>	<b>72 7 105 548</b>	<b>-</b>	<b>4 344 042 775</b>	<b>9 3 425 768</b>	<b>107 330 528</b>	<b>-</b>	<b>200 756 296</b>	<b>4 143 286 479</b>

APPENDIX D							
DETAILED SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2009							
	2008	2008			2009	2009	
	Actual	Actual	Actual		Actual	Actual	
	Income	Expenditure	Surplus/		Income	Expenditure	
			(Deficit)				
	R	R	R		R	R	
	-	47,718,002	(47,718,002)	Executive & Council	-	72,269,788	(72,269,788)
		46,706,393	(46,706,393)	Council general expenses		70,856,209	(70,856,209)
		82,556	(82,556)	Municipal Manager		12,679	(126,709)
		20,639	(20,639)	2010		3,677	(31,677)
		908,414	(908,414)	Secretariat & Records		1,251,193	(1,255,193)
	904,655,291	69,414,711	835,240,580	Finance & Admin	1,238,700,738	108,313,915	1,130,386,823
				Finance			
	690,466,677		690,466,677	Intergovernmental transfers	992,449,952		992,449,952
		3,372,019	(3,372,019)	Mankweng/Sebayeng		3,506,715	(3,506,715)
	70,142,955	8,248,664	61,894,291	Finance	84,626,229	12,846,216	71,780,013
	143,534,876	8,686,530	134,848,346	Assessment rates	159,348,303	9,947,430	149,400,873
				Human Resources			
		1,673,517	(1,673,517)	Administration			-
		547,565	(547,565)	O & W		57,2445	(572,445)
		18,476,702	(18,476,702)	Personnel		6,119	(6,156,119)
		1,192,258	(1,192,258)	Training	1,624,192	91,3194	710,998
		348,976	(348,976)	Labour relations		34,8365	(348,365)
	11,985	362,157	(350,172)	Occupational Health	6,200	35,9780	(353,580)
	1,276	889,990	(888,714)	IT	192	2,039,236	(2,039,044)
				Property Services			
		7,045,705	(7,045,705)	Administration		7,093,266	(7,093,266)
	8,800	693,308	(684,508)	Civic Centre		13,149,895	(13,149,895)
				Other Admin			
		386,470	(386,470)	Com & public participation		67,865	(676,865)
		41,278	(41,278)	Security & risk management		7,8113	(78,113)
				Project Management		14,6526	(146,526)
		41,278	(41,278)	Internal audit		8,7026	(87,026)
		1,432,675	(1,432,675)	Technical depot		1,894,848	(1,894,848)
		4,825,123	(4,825,123)	Transport workshop		11,127,509	(11,127,509)
		4,263,146	(4,263,146)	Community security		16,057,286	(16,057,286)
		3,370,108	(3,370,108)	Legal Services		2,617,728	(2,617,728)
	488,722	3,517,242	(3,028,520)	Procurement	645,670	18,695,353	(18,049,683)

APPENDIX D						
DETAILED SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2009						
2008	2008	2008		2009	2009	2009
Actual	Actual	Actual		Actual	Actual	Actual
Income	Expenditure	Surplus/		Income	Expenditure	Surplus/
		(Deficit)				(Deficit)
R	R	R		R	R	R
16,699,436	30,833,098	(14,133,662)	<b>Planning &amp; Development</b>	18,712,030	41,195,107	(22,483,077)
13,077,480	12,278,395	799,085	Land use management	15,391,341	19,916,727	(4,525,386)
254,982	5,541,111	(5,286,129)	Spatial Planning	236,886	5,210,280	(4,973,394)
3,366,974	4,738,912	(1,371,938)	Building inspections	3,083,803	5,480,218	(2,396,415)
	1,786,230	(1,786,230)	Community development		3,569,169	(3,569,169)
	959,353	(959,353)	Investment promotion		870,556	(870,556)
	3,070,974	(3,070,974)	Economic planning		3,801,019	(3,801,019)
	2,458,123	(2,458,123)	IDP		2,347,138	(2,347,138)
-	7,268,227	(7,268,227)	<b>Health</b>	-	6,877,452	(6,877,452)
	4,620,265	(4,620,265)	Clinics		4,047,106	(4,047,106)
	2,647,962	(2,647,962)	Health inspection		2,830,346	(2,830,346)
2,179,148	26,955,049	(24,775,901)	<b>Community Services</b>	3,012,724	38,472,549	(35,459,825)
273,976	9,350,219	(9,076,243)	Libraries	311,342	11,379,289	(11,067,947)
			<b>Museums</b>			
	568,122	(568,122)	Art Museum		1,056,515	(1,056,515)
37,091	5,155,085	(5,117,994)	Museum	61,542	6,280,542	(6,219,000)
213,492	2,213,130	(1,999,638)	Community centres	300,114	2,581,178	(2,281,064)
350,749	2,793,891	(2,443,142)	Cemeteries	451,177	3,560,552	(3,109,375)
			<b>Other Community</b>			
1,209,780	4,688,149	(3,478,369)	Game Reserve	1,777,086	6,817,709	(5,040,623)
94,060	1,036,946	(942,886)	Showgrounds	111,463	1,252,410	(1,140,947)
	1,149,507	(1,149,507)	Cultural desk		5,544,354	(5,544,354)
252,696	6,783,100	(6,530,404)	<b>Housing</b>	132,840	4,211,151	(4,078,311)
	6,764,479	(6,764,479)	Administration		4,207,882	(4,207,882)
48,328	18,150	230,178	Assisted schemes	129,144	2,871	126,273
4,368	471	3,897	Letting schemes	3,696	398	3,298
13,636,568	55,672,394	(42,035,826)	<b>Public Safety</b>	15,984,606	58,042,616	(42,058,010)
3,371,399	29,621,956	(26,250,557)	Traffic	3,523,514	29,067,282	(25,543,768)
276,592	17,959,856	(17,683,264)	Fire fighting	181,835	19,789,899	(19,608,064)
	1,582,839	(1,582,839)	Disaster management		1,752,254	(1,752,254)
9,985,481	4,676,797	5,308,684	Licensing	12,274,437	6,218,599	6,055,838

APPENDIX D							
DETAILED SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2009							
	2008	2008	2008		2009	2009	
	Actual	Actual	Actual		Actual	Actual	
	Income	Expenditure	Surplus/		Income	Expenditure	
			(Deficit)				
	R	R	R		R	R	
	3,096	1,830,946	(1,827,850)	Municipal control centre	4,820	1,214,582	(1,209,762)
	<b>656,123</b>	<b>44,301,913</b>	<b>(43,645,790)</b>	<b>Parks &amp; Recreation</b>	<b>883,314</b>	<b>55,831,482</b>	<b>(54,948,168)</b>
	12,775	1,820,077	(1,807,302)	Nursery	5,926	1,807,687	(1,801,761)
	69,528	18,598,712	(18,529,184)	Parks	74,406	21,656,647	(21,582,241)
		25,060	(25,060)	Administration			-
	431,111	20,258,017	(19,826,906)	Sport & recreation	589,925	27,788,267	(27,198,342)
	142,709	3,600,047	(3,457,338)	Swimming pools	213,057	4,578,881	(4,365,824)
	-	<b>631,447</b>	<b>(631,447)</b>	<b>Environmental Protection</b>	-	<b>708,581</b>	<b>(708,581)</b>
		631,447	(631,447)	Air pollution		708,581	(708,581)
	<b>32,856,590</b>	<b>36,091,511</b>	<b>(3,234,921)</b>	<b>Waste Management</b>	<b>36,430,070</b>	<b>43,469,367</b>	<b>(7,039,297)</b>
				Administration			
	32,856,590	32,494,381	362,209	Refuse Removal	36,430,070	37,622,628	(1,192,558)
		3,597,130	(3,597,130)	Street & side walking cleaning		5,846,739	(5,846,739)
	<b>30,406,004</b>	<b>26,627,464</b>	<b>3,778,540</b>	<b>Waste water management</b>	<b>31,163,943</b>	<b>40,893,639</b>	<b>(9,729,696)</b>
	158,140	9,958,783	(9,800,643)	Sewer purification	92,379	26,369,495	(26,277,116)
	30,247,864	9,596,622	20,651,242	Sewer reticulation	31,071,564	7,704,687	23,366,877
		6,234,731	(6,234,731)	Stormwater		5,404,955	(5,404,955)
		837,328	(837,328)	Public toilets		1,414,502	(1,414,502)
	<b>5,166,251</b>	<b>33,444,438</b>	<b>(28,278,187)</b>	<b>Road Transport</b>	<b>6,940,783</b>	<b>47,449,886</b>	<b>(40,509,103)</b>
		31,411,342	(31,411,342)	Roads & streets		45,218,527	(45,218,527)
	5,166,251	2,033,096	3,133,155	Vehicle licensing & testing	6,940,783	2,231,359	4,709,424
	<b>105,687,658</b>	<b>141,567,078</b>	<b>(35,879,420)</b>	<b>Water distribution</b>	<b>101,869,755</b>	<b>145,220,550</b>	<b>(43,350,795)</b>
	105,687,658	52,411,149	53,276,509	Water Distribution	101,869,755	48,554,516	53,315,239
		86,166,371	(86,166,371)	Water provision		92,627,007	(92,627,007)
		2,989,558	(2,989,558)	Water Purification		4,039,027	(4,039,027)
	<b>219,275,771</b>	<b>214,678,317</b>	<b>4,597,454</b>	<b>Electricity</b>	<b>278,709,831</b>	<b>269,316,898</b>	<b>9,392,933</b>
		3,732,457	(3,732,457)	Workshop		6,013,025	(6,013,025)
	219,275,771	206,906,375	12,369,396	Distribution	278,709,831	256,725,778	21,984,053
		4,039,485	(4,039,485)	Street Lighting		6,578,095	(6,578,095)
	<b>20,000</b>	<b>440,938</b>	<b>(420,938)</b>	<b>Other</b>	<b>24,000</b>	<b>27,601</b>	<b>(3,601)</b>
			(420,938)	Airport	24,000	2	(3,601)

<b>APPENDIX D</b>									
<b>DETAILED SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2009</b>									
2008	2008	2008		2009	2009	2009		2009	2009
Actual	Actual	Actual		Actual	Actual	Actual		Actual	Actual
Income	Expenditure	Surplus/		Income	Expenditure	Surplus/		Surplus/	Surplus/
		(Deficit)				(Deficit)		(Deficit)	(Deficit)
R	R	R		R	R	R		R	R
20,000	440,938	38)		000	7,601	01)			
			Adjustment						
<b>1,331,491,536</b>	<b>742,427,687</b>	<b>589,063,849</b>	<b>Total</b>	<b>1,732,564,634</b>	<b>932,300,582</b>	<b>800,264,052</b>			

<b>APPENDIX E (1)</b>					
<b>ACTUAL OPERATING VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2009</b>					
	2009 Actual	2009 Budget	2009 Variance	2009 Variance	Explanations of significant variances greater than 10% versus budget
	R	R	R	%	



APPENDIX E (1)					
ACTUAL OPERATING VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2009					
	2009 Actual	2009 Budget	2009 Variance	2009 Variance	Explanations of significant variances greater than 10% versus budget
	R	R	R	%	
<b>REVENUE</b>					
Property rates	159 348 303	153 644 000	5 704 303	3.71	
Service charges	424 420 435	403 647 975	20 772 460	5.15	
Rental of facilities and equipment	4 790 960	4 748 210	42 750	0.90	
Interest earned – external investments	63 842 963	38 000 000	25 842 963	6 8.01	Under spending on capital projects - funds invested
Interest earned – outstanding debtors	20 452 404	14 030 000	6 422 404	4 5.78	Non payment of debt
Fines	2 713 734	2 913 655	( 199 921)	( 6.86)	Under collection of fines
Licensing & permits	6 962 871	5 242 255	1 720 616	3 2.82	Growth in issue of licenses
Revenue for agency services	12 267 107	10 883 400	1 383 707	1 2.71	Growth in issue of licenses
Government grants & subsidies – operating	205 021 421	200 289 000	4 732 421	2.36	
Government grants & subsidies – capital	756 337 412	443 697 000	312 640 412	7 0.46	Spending of previous years funds
Public contributions, donated and contributed property, plant and equipment	31 091 119	26 488 000	4 603 119	1 7.38	Spending of previous years funds
Other revenue	45 315 905	41 342 505	3 973 400	9.61	Surcharge on water not budgeted for
<b>Total Revenue</b>	<b>1 732 564 634</b>	<b>1 344 926 000</b>	<b>387 638 634</b>	<b>2 8.82</b>	
<b>EXPENDITURE</b>					
Employee related costs	265 640 569	283 973 445	(18 332 876)	( 6.46)	All vacancies not filled
Remuneration of councillors	16 914 554	13 884 490	3 030 064	2 1.82	11% increase was allowed while 8.3% was budgeted
Bad debts	62 424 588	20 000 000	42 424 588	21 2.12	
Collection costs	1 648 188	2 800 000	(1 151 812)	(4 1.14)	Under collection
Depreciation	107 330 528	12 911 785	94 418 743	73 1.26	GAMAP GRAP implementation
Repairs & maintenance	72 081 089	87 381 990	(15 300 901)	(1 7.51)	Budget control
Finance costs	16 032 429	14 900 000	1 132 429	7.60	Change in financing rules
Bulk purchases	244 574 707	217 000 000	27 574 707	1 2.71	Increase in bulk purchases/price
Grants & subsidies	220 000	500 000	( 280)	(5)	Budget control

**APPENDIX E (1)**

**ACTUAL OPERATING VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2009**

	<b>2009 Actual</b>	<b>2009 Budget</b>	<b>2009 Variance</b>	<b>2009 Variance</b>	<b>Explanations of significant variances greater than 10% versus budget</b>
	<b>R</b>	<b>R</b>	<b>R</b>	<b>%</b>	
paid			000)	6.00)	
General expenses	145 433 929	127 668 290	17 765 639	1 3.92	Budget control
<b>Total Expenditure</b>	<b>932 300 582</b>	<b>781 020 000</b>	<b>151 280 582</b>	<b>1 9.37</b>	
<b>NET SURPLUS/ (DEFICIT) FOR THE YEAR</b>	<b>800 264 052</b>	<b>56 3 906 000</b>	<b>236 358 052</b>		

<b>APPENDIX E (2)</b>							
<b>ACTUAL CAPITAL VERSUS BUDGET (ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT)</b>							
<b>FOR THE YEAR ENDED 30 JUNE 2009</b>							
	<b>2009</b>	<b>2009</b>	<b>2009</b>	<b>2009</b>	<b>2009</b>	<b>2009</b>	<b>Explanations of significant variances greater than 5% versus budget</b>
	<b>Actual</b>	<b>Under Construction</b>	<b>Total Additions</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>	
	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>%</b>	
<b>EXECUTIVE &amp; COUNCIL</b>	-	-	-	-	-	-	
Executive & Council	-		-	-	-	-	
<b>BUDGET &amp; TREASURY OFFICE</b>	<b>300,076</b>	-	<b>300,076</b>	<b>347,900</b>	<b>(47,824)</b>	<b>(13.75)</b>	
Finance	300,076		300,076	347,900	(47,824)	(13.75)	Underspending/ contract less than budget amount
<b>CORPRATE SERVICES</b>	<b>22,131,039</b>	-	<b>2,131,039<sup>2</sup></b>	<b>39,038,000</b>	<b>(16,906,961)</b>	<b>(43.31)</b>	
Human Resources	18,347		18,347	24,000	(5,653)	(23.55)	Underspending/ contract less than budget amount
Information Technology	8,185,533		8,185,533	17,986,900	(9,801,367)	(54.49)	Underspending/ contract less than budget amount
Property Services	4,937,656		4,937,656	9,035,600	(4,097,944)	(45.35)	Underspending/ contract less than budget amount
Other & Admin	8,989,503		8,989,503	11,991,500	(3,001,997)	(25.03)	Underspending/ contract less than budget amount
<b>PLANNING &amp; DEVELOPMENT</b>	<b>31,868,172</b>	-	<b>1,868,172<sup>3</sup></b>	<b>63,115,500</b>	<b>(31,247,328)</b>	<b>(49.51)</b>	
Planning & Development	31,868,172		1,868,172 <sup>3</sup>	63,115,500	(31,247,328)	(49.51)	Underspending/ contract less than budget amount
<b>ROAD TRANSPORT</b>	<b>19,698,014<sup>2</sup></b>	-	<b>9,698,014<sup>21</sup></b>	<b>280,373,900</b>	<b>(60,675,886)</b>	<b>(21.64)</b>	
Vehicle Licensing & Testing	4,581		4,581	7,200	(2,619)	(36.38)	Underspending/ contract less than budget amount
Roads & Stormwater	19,693,433 <sup>2</sup>		9,693,433 <sup>21</sup>	280,366,700	(60,673,267)	(21.64)	Underspending/ contract less than budget amount
Roads Other					-	-	
<b>HEALTH</b>	<b>50,577</b>	-	<b>50,577</b>	<b>68,400</b>	<b>(17,823)</b>	<b>(26.0)</b>	

APPENDIX E (2)							
ACTUAL CAPITAL VERSUS BUDGET (ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT)							
FOR THE YEAR ENDED 30 JUNE 2009							
	2009	2009	2009	2009	2009	2009	Explanations of significant variances greater than 5% versus budget
	Actual	Under Construction	Total Additions	Budget	Variance	Variance	
	R	R	R	R	R	%	
					)	6)	
Clinics	40,893		40,893	59,400	(18,507)	(31.16)	Underspending/ contract less than budget amount
Health Other	9,684		9,684	9,000	684	7.60	
<b>COMMUNITY &amp; SOCIAL SERVICES</b>	<b>8,107,841</b>	<b>-</b>	<b>8,107,841</b>	<b>25,734,100</b>	<b>(17,626,259)</b>	<b>(68.49)</b>	
Libraries & Archives	2,436,718		2,436,718	3,747,800	(1,311,082)	(34.98)	Underspending/ contract less than budget amount
Museums	2,179,797		2,179,797	4,732,500	(2,552,703)	(53.94)	Underspending/ contract less than budget amount
Community Halls & Facilities	3,427,458		3,427,458	6,265,800	(2,838,342)	(45.30)	Underspending/ contract less than budget amount
Cemeteries & Crematoriums	61,058		61,058	985,000	(923,942)	(93.80)	Underspending/ contract less than budget amount
Othet Facilities	2,810		2,810	10,003,000	(10,000,190)	(99.97)	Project abandoned
<b>ENVIRONMENTAL PROTECTION</b>	<b>692,850</b>	<b>-</b>	<b>692,850</b>	<b>912,700</b>	<b>(219,850)</b>	<b>(24.09)</b>	
Pollution control	7,049		7,049	8,000	(951)	(11.89)	Underspending/ contract less than budget amount
Biodiversity & landscape	685,801		685,801	904,700	(218,899)	(24.20)	Underspending/ contract less than budget amount
<b>PUBLIC SAFETY</b>	<b>13,323,129</b>	<b>-</b>	<b>3,323,129</b>	<b>24,177,000</b>	<b>(10,853,871)</b>	<b>(44.89)</b>	
Police	12,104,006		2,104,006	13,081,100	(977,094)	(7.47)	Underspending/ contract less than budget amount
Fire	1,219,123		1,219,123	7,402,500	(6,183,377)	(83.53)	Underspending/ contract less than budget amount
Street Lighting	-		-	3,693,400	(3,693,400)	100.00	Project abandoned

APPENDIX E (2)							
ACTUAL CAPITAL VERSUS BUDGET (ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT)							
FOR THE YEAR ENDED 30 JUNE 2009							
	2009	2009	2009	2009	2009	2009	Explanations of significant variances greater than 5% versus budget
	Actual	Under Construction	Total Additions	Budget	Variance	Variance	
	R	R	R	R	R	%	
<b>SPORT &amp; RECREATION</b>	4 93,057,4 43	-	49 3,057,443	430,052 ,700	63,004, 743	14.65	
Sport & Recreation	4 93,057,4 43		49 3,057,443	430,052 ,700	63,004, 743	14.65	Additional funds received from NT
<b>WASTE WATER MANAGEMENT</b>	46,676,2 26	-	4 6,676,226	73,752, 600	( 27,076, 374)	(36.7 1)	
Sewerage	46,604,2 03		4 6,604,203	69,712, 000	( 23,107, 797)	(33.1 5)	Underspending/ contract less than budget amount
Public Toilets	72,023		72,023	4,040,6 00	(3,968,5 77)	(98.2 2)	Project abandoned
<b>WASTE MANAGEMENT</b>	14,706,0 85	-	1 4,706,085	20,178, 500	(5,472,4 15)	(27.1 2)	
Solid Waste	14,706,0 85		1 4,706,085	20,178, 500	(5,472,4 15)	(27.1 2)	Underspending/ contract less than budget amount
<b>HOUSING</b>	-	-	-	320,200	(320,20 0)	-	
Housing	-		-	320,200	(320,20 0)	-	Project abandoned
<b>WATER</b>	98,316,7 05	-	9 8,316,705	156,394 ,600	( 58,077, 895)	(37.1 4)	
Water Distribution	91,473,6 89		9 1,473,689	149,088 ,100	( 57,614, 411)	(38.6 4)	Underspending/ contract less than budget amount
Water Storage	6,843,01 6		6,843,016	7,306,5 00	(463,48 4)	(6.34 )	Underspending/ contract less than budget amount
<b>ELECTRICITY</b>	1 02,322,6 06	-	10 2,322,606	129,642 ,900	( 27,320, 294)	(21.0 7)	
Electricity Distribution	1 02,322,6 06		10 2,322,606	129,642 ,900	( 27,320, 294)	(21.0 7)	Underspending/ contract less than budget amount
<b>TOTAL</b>	<b>1,0</b>		<b>1,05</b>	<b>1,</b>	<b>(1</b>		

<b>APPENDIX E (2)</b>							
<b>ACTUAL CAPITAL VERSUS BUDGET (ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT)</b>							
<b>FOR THE YEAR ENDED 30 JUNE 2009</b>							
	<b>2009</b>	<b>2009</b>	<b>2009</b>	<b>2009</b>	<b>2009</b>	<b>2009</b>	
	<b>Actual</b>	<b>Under Construction</b>	<b>Total Additions</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>	<b>Explanations of significant variances greater than 5% versus budget</b>
	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>%</b>	
	<b>51,250,763</b>	<b>-</b>	<b>1,250,763</b>	<b>244,109,000</b>	<b>92,858,237)</b>	<b>(15.50)</b>	

## **CHAPTER 6**

### **FUNCTIONAL AREA SERVICE DELIVERY REPORTING (REPORT AGAINST SDBIP)**

This chapter provides a progress report on the implementation overview of the Municipal Infrastructure Grants and other grants utilized by the municipality to provide services. It also includes the report against the Service Delivery and Budget Implementation plan (Functional Area Service Delivery Reporting) as adopted by the municipality for 2008/09 financial year. It also summarizes the report on the implementation of Capital Projects.

#### ***Municipal Infrastructure Grants (MIG)***

Municipal Infrastructure Grants was introduced in 2004/05 financial year to complement the introduction of Equitable Share for local government, although it is not provided unconditionally as equitable shares. This section will provide the overview on the implementation of the Municipal Infrastructure Grant for 2008/09 for full details please refer to chapter 4 (Financial Statement). This section will primarily report in line with the objectives of Municipal Infrastructure Grants and the conditions on which they are based. It will reflect in detail the conditions and objectives of MIG as set out in Section 8.2 of the Municipal Infrastructure Grant Policy Framework Document, concise version-dated 05 February 2004 and the Municipal Infrastructure Grants Guideline Documents dated 17 June 2004.

Polokwane Municipality received an allocation of R107 339 063.10 from the Municipal Infrastructure Grant, for the 2008/09 financial year.

The grants were used to maximize local economic benefits by ensuring that local economic spin-offs, through the provision of required infrastructure, are maximized through employment creation and enterprise development.

The MIG funds for 08/09 financial year were spent in full by the end of June .

## **Overall Compliance with Municipal Infrastructure Grant**

As indicated above, the Municipal Infrastructure Grant is a conditional grant, intended to allocate funding in terms of government's policy priorities. There are various principles relating to setting of conditions, but the important one is that the municipality should use the Municipal Infrastructure Grants to address the objective and parameters of Municipal Infrastructure Grant Policy Statement.

Through our Integrated Development Plan, we have managed to prioritise residential infrastructure in line with municipal infrastructure policy requirements and the type of required infrastructure and level of service, which the funds can be used to address service delivery backlogs. A report has been submitted to the National Treasury detailing the implementation of capital budget after the end of each quarter.

Most of our capital projects are implemented under the Expanded Public Works Programmes principles, including those funded through municipal infrastructure grants in order to adhere to labour intensive construction methods. Our Integrated Development Plan is conceptualized within the national planning framework; hence we have adopted national targets to guide our service delivery objectives. As such the usage of Municipal Infrastructure Grants is aimed at achieving this fundamental service target.

## **Quarterly Information on grants**



**DISCLOSURE OF GRANTS AND SUBSIDIES**

**DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003**

Name of Grants		Quarterly receipts					Quarterly Expenditure for the Year					Delay \ withheld	Gazette amount Municipal year	Reason for delay/withholding of funds	Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	Reason for non-compliance
		Sep	Dec	March	June	Total	Sep	Dec	March	June	Total					
Equitable Share	DPLG	60 449 956	45 337 467	82 749 460		188 536 883	47 134 220	47 134 220	47 134 220	47 134 223	188 536 883	No	188 537 000		Not Applicable	Not Applicable
PTIF	NDT	47 700 000	48 000 000	47 507 000		143 207 000	5 854 040	17 209 044	35 959 821	113 919 555	172 942 460	No	143 207 000		Yes	Not Applicable
NEP	DME			26 488 000		26 488 000	20 416	4 815 375	11 522 643	14 732 686	31 091 120	No	26 488 000		Yes	Not Applicable
Financial Management Grant	National Treas	500 000				500 000	0	0	0	5 037 537	5 037 537	No	500 000		Yes	Not Applicable

**DISCLOSURE OF GRANTS AND SUBSIDIES**

**DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003**

Name of Grants		Quarterly receipts					Quarterly Expenditure for the Year					Delay \ withheld	Gazette amount Municipal year	Reason for delay/withholding of funds	Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	Reason for non-compliance	
		Sep	Dec	March	June	Total	Sep	Dec	March	June	Total						
	ury																
MIG Grants	DPLG	27 050 000	55 250 000	24 289 000		106 589 000	17 767 830	39 766 661	14 295 535	59 748 033	131 578 059	No	113 654 000		Yes	Not Applicable	
2010 Stadium	DSR	2 7 300 000	9 100 000	195 000	53 025 930	284 425 930	112 478 350	131 266 701	78 344 135	108 561 516	430 650 702	No	286 000 000		Yes	Not Applicable	
Water	DWAF	4 933 000	2 907 000	7 907 000	2 690 000	18 437 000		1 579 117	5 083 639	5 153 072	11 815 828	No	22 065 000		Yes	Not Applicable	
NBHDG	National Treasury					0					0	Yes	2 000 000	None	Yes	Not Applicable	
MSIP	DPLG	400 000				400 000				1 315 770	1 315 770	No	400 000		Yes	Not Applicable	

**DISCLOSURE OF GRANTS AND SUBSIDIES**

**DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003**

Name of Grants		Quarterly receipts					Quarterly Expenditure for the Year					Delay \ withheld	Gazette amount Municipal year	Reason for delay/withholding of funds	Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	Reason for non-compliance
		Sep	Dec	March	June	Total	Sep	Dec	March	June	Total					
Limpopo Prov Govt	Limpopo Prov Govt	500 000				500 000			500 000		500 000	No	0		Yes	Not Applicable
Capricorn District Mun	CDM		2 700 000	1 794 660		4 494 660	714 482	774 446	294 660	451 898	2 235 486	No	0		Yes	Not Applicable
National Heritage Council	National Heritage Council	25 000		25 000		50 000					0	No	0		Yes	Not Applicable
Convention Centre	DPLG	23 526 000				23 526 000	14 673 601	5 902 690			20 576 291	No	0		Yes	Not Applicable
		<b>19 238 383</b>	<b>163 294 467</b>	<b>385 760 120</b>	<b>55 715 930</b>	<b>797 154 473</b>	<b>198 642 939</b>	<b>248 448 254</b>	<b>193 134 653</b>	<b>35 6 054</b>	<b>996 280 136</b>	<b>-</b>	<b>782 851 000</b>			

**DISCLOSURE OF GRANTS AND SUBSIDIES**

**DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003**

Name of Grants	Quarterly receipts		March	June	Total	Quarterly Expenditure for the Year		March	June	Total	Delay \ withheld	Gazette amount Municipal year	Reason for delay/withholding of funds	Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	Reason for non-compliance
	Sep	Dec				Sep	Dec								
		956							290						

***REPORT AGAINST SDBIP***

**DIRECTORATE: TECHNICAL SERVICES**

## SBU: Water and Sanitation

Project	Annual Target	Progress to date	Achievement of target	Reason for non achievement	Plan to deal with deficiency
<b>Program</b>	<b>Water</b>				
<b>Olifants sand RWS</b>					
Servicing of stands Seshego zone 5 water	Project Progress should be at 100%	100%	Achieved		
Servicing of stands Seshego Hospital view water	Project Progress should be at 100%	95%	Not Achieved	Awaiting pressure test	Finalise and handover project
Replace water lines Seshego zone 3	Project Progress should be at 100%	100%	Achieved		
Dam safety	Project Progress should be at 100%	100%	Achieved		
Water master plan City	Project Progress should be at 100%	100%	Achieved		
Water master plan Seshego Perskebult	Project Progress should be at 100%	100%	Achieved		
<b>2010 PROJECTS</b>					
Upgrade water reticulation(2010)	Project Progress should be at 100%	50%	Achieved	Awaiting DWAF funds	Negotiate for funds and finalise project

<b>Project</b>	<b>Annual Target</b>	<b>Progress to date</b>	<b>Achievement of target</b>	<b>Reason for non achievement</b>	<b>Plan to deal with deficiency</b>
Reservoir SDA3 (2010)	Project progress should be at 50%	10%	Not Achieved	EIA in progress completed waiting for ROD. Awaiting DWAF funds	Finalise implementation and handover project
Bulk water to SDA 3 (2010)	Project Progress should be at 100%	20%	Not Achieved	Awaiting for delivery of project resources and DWAF funds	Negotiate for funds and finalise project
<b>REGIONAL SCHEMES</b>					
Water reticulation Mankweng Unit G	Project Progress should be at 100%	100%	Achieved		
Mothapo RWS	Project Progress should be at 100%	100%	Achieved		
Moletje East RWS	Project Progress should be at 100%	98%	Not Achieved	Scope of work extended	Finalise and handover project
Moletje North RWS	Project Progress should be at 100%	100%	Achieved		
Moletje South RWS	Project Progress should be at 100%	100%	Achieved		
Houtriver RWS	Project Progress should be at 100%	100%	Achieved		
Chuene/ Maja RWS	Project Progress should be at 100%	95%	Not Achieved	Awaiting Eskom connection	Finalise and handover project
Molepo RWS	Project Progress should be at 100%	90%	Not Achieved	Awaiting completion water tank foundation	Finalise and handover project

<b>Project</b>	<b>Annual Target</b>	<b>Progress to date</b>	<b>Achievement of target</b>	<b>Reason for non achievement</b>	<b>Plan to deal with deficiency</b>
Laastehoop RWS	Project Progress should be at 100%	100%	Achieved		
Mankweng RWS	Project Progress should be at 100%	100%	Achieved		
Boyne RWS	Project Progress should be at 100%	80%	Not Achieved	Limited funds to complete project	Budget for project and finalise and handover project
Segwasi RWS	Project Progress should be at 100%	100%	Achieved		
Badimong RWS	Project Progress should be at 100%	100%	Achieved		
Sebayeng/ Dikgale RWS	Project Progress should be at 100%	20%	Not Achieved	Delayed appointment of contractor	Fast track implementation of project
Community involvement and participation	Continuous dissemination of information through PPU to media & communities	100%	Achieved		

<b>Project</b>	<b>Annual Target</b>	<b>Progress against target</b>	<b>Achievement of Target</b>	<b>Reason for Non-Achievement</b>	<b>Plans to deal with deficiency</b>
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<b>Programme</b>	<b>Sewer</b>				
Rural sanitation	Project progress should be at 100% (3571 units to be completed)	65% (2221)	Not Achieved	Number of units reduced due to hard tock .	Budget and finalise project
Regional purification plant	Project Progress should be at 100%	100%	Achieved		
Seshego Zone, 5	Project Progress should be at 100%	80%	Achieved		
Servicing of stands Seshego Hospital view water	Project Progress should be at 100%	100%	Achieved		
Bulk sewer to SDA 3	Project Progress should be at 100%	70%	Not achieved	Delays with the concrete work on pump station and awaiting for the permission from property owner to install pipeline.	Negotiate with property owners and fast track implementation
Equipment purification plant	Purchase completed	100%	Achieved		
Community involvement and participation	Continuous dissemination of information through PPU to media & communities	100%	Achieved		

<b>Project</b>	<b>Annual Target</b>	<b>Progress against target</b>	<b>Achievement of Target</b>	<b>Reason for Non-Achievement</b>	<b>Plans to deal with deficiency</b>
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Operate and maintain water distribution services in the municipal area	100%	100%	Achieved		
Operate and maintain water purification systems in the municipal area	100%	100%	Achieved		
Operate and maintain sanitation systems in the municipal area	100%	100%	Achieved		
Operate and maintain sewer purification systems in the municipal area	100%	100%	Achieved		
Operate and maintain water supply systems in the municipal area	100%	100%	Achieved		
Water & Sanitation administration	100%	100%	Achieved		

Project	Annual Target	Progress against target	Achievement of Target	Reasons for Non-Achievement	Plans to deal with deficiency
<b>Programme</b>	<b>Anglo Projects</b>				
Peskebuilt Sewer Reticulation	Servicing of 1129 stands including outfall sewer and pipe bridge to Mashinini pump station	98%	.Not achieved	Contract completed busy with snag list	Finalise and handover project
Polokwane Sewage Works Upgrade	Upgrading of sewage treatment works to handle additional 5MI per day	100%	Achieved		
Doornkraal 30 MI Reservoir.	Construction of 30 MI reservoir to supply storage capacity to SD1	100%	Achieved		
Dap Naude Pipe Line Upgrade	Upgrade and re-lining of 60Km of water supply line from Dap Naude dam.	100%	Achieved		
Lebowakgomo 8MI Reservoir.	Construction of 8 MI reservoir to supply storage capacity for Lepelle pump station to Polokwane.		Achieved		
Olifantspoort Water Treatment Plant Upgrade.	Extend water treatment works to supply additional 30MI per day.	45%	Not achieved	Late appointment of contractor	Fast track implementation
Olifants sand Ebenezer Link Line	Link line to supply water from Oliphant sand to Krugersburg reservoirs.	100%	Achieved		

## SBU: Electrical Services

Project	Annual Target	Progress against the Annual Target	Achievement of Target	Reason for Non Achievement	Plans to deal with deficiency
<b>Programme</b>	<b>Electricity</b>				
CBD Developments <sup>New</sup>	Install 11 kV cables to replace undersize cables	100%	Achieved		
Install SCADA in 66 kV circuit breakers	Capture system data on SCADA system. Replace RTU's in one 11 kV distribution substation.	100%	Achieved		
Service connections Seshego Zone 5 and 8	To install ± 225 service connections to houses not connected to system in Zone 1 Ext	100%	Achieved		
Electrification of low income houses X44 X71 Zone 5	Install electrical system to give low income houses access to electricity	100% (1169)	Achieved		
Sterpark – Expand 11 kV system	Install 11 kV cable to supply new development	55%	Not achieved	Delayed implementation	Finalise project implementation
Koppiesfontein Development (Bendor sub)	Install 11 kV cable to replace overhead 11 kV supply to developments	100%	Achieved		

<b>Project</b>	<b>Annual Target</b>	<b>Progress against the Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plans to deal with deficiency</b>
Relays on 66 kV – Fibre optic	Replace 66 kV protection pilot cable	100%	Achieved		
Iota 66/11 kV substation completion	To complete 3 year project to expand Iota 66/11 kV substation	100%	Achieved target		
10. Upgrading 11 kV system – Bo dorp	Install additional 11 kV cables for high demand on systems	100%	Achieved		
Replace 11 kV Switchgear – Sigma sub Seshego 1 500 000	Replace 11 kV switchgear in 66/11 kV Seshego substation over 2 year period	15%	Not achieved	Delayed implementation	Fast track implementation

Project	Annual Target	Progress against the Annual Target	Achievement of Target	Reason for Non Achievement	Plans to deal with deficiency
Service connections to indigent households	Install ± 250 service connections to indigent customers, for many years, not connected to electricity system	100%	Achieved		
Annadale HV Replace XLPE cable	Replace 1 000 metre XLPE cable replaced	100%	Achieved		
Refurbishment of Seshego LT system	To refurbish the ill-maintained system	100%	Achieved		
Refurbish Laboria and Futura 11 kV systems	Upgraded LV system to improve quality of supply	100%	Achieved		
Expansion of 11 kV supply to Koppiesfontein (Cycad)	Install 11 kV cable to replace overhead 11 kV supply to developments	100%	Achieved		
Fauna and Flora 11 kV Refurbish	Replace undersize 11 kV cables with proper size to accommodate load	100%	Achieved		

Project	Annual Target	Progress against the Annual Target	Achievement of Target	Reason for Non Achievement	Plans to deal with deficiency
Annadale LV system	Upgrade LV system to accommodate higher load	100%	Achieved		
Voortrekker Park Distribution Area	Install additional 11 kV cables for high demand on systems	100%	Achieved		
Refurbish Sterpark LV system	Replace 200 metre LV cable and connection boxes	100%	Achieved		
Penina Park – replace XLPE cables	Replace 1 500 metre feeder cables from Beta sub to Penina Park	100%	Achieved		
Fire Walls for 66 kV transformers	Structural design for wall to localize possible transformer explosion	50%	Not achieved	Project re-advertised and no successful bidders	Obtain alternative options to implement project
Capricorn/-Hospital Distribution Area	Install additional 11 kV cables for high demand on systems	100%	Achieved		
Buite Street feeder cable (Urban renewal) Dahl str	Refurbish LV network (replace overhead with cable + street lights)	100%	Achieved		

Project	Annual Target	Progress against the Annual Target	Achievement of Target	Reason for Non Achievement	Plans to deal with deficiency
Nirvana X3 – LT system	Install low voltage system to 108 stands (provided houses are built)	35%	Not achieved	Delayed construction of houses	Council to sell erven and construction of houses
Second Eskom Supply (66 kV line)	Acquisition of land for 2 <sup>nd</sup> Eskom supply line	45%	Not achieved	Change in scope of work	Fast track implementation
Second Eskom Supply	Do phase 1 of establishing municipal 66 kV substation at Bakone 2 <sup>nd</sup> Eskom supply	35%	Not achieved	Delayed acquisition of way leaves from owners	Negotiate property owners and fast track implementation
Replace fibre glass kiosk covers and transformers	Replace fibre glass meter boxes	100%	Achieved		
Electrification low income houses in Eskom area.	To give access to electricity to ± 2 450 households in Eskom area	35%	Not achieved	Delayed approval from Eskom	Negotiate for approval and fast track implementation
Upgrade lower CBD system		100%	Achieved		
Electrification – DME (NERSA) Funded	Electrify maximum number of RDP houses making use of DME funding	Combined with project for Electrification in Eskom area	Achieved		



<b>Project</b>	<b>Annual Target</b>	<b>Progress against the Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plans to deal with deficiency</b>
Ladies ablution facilities (workshop)	Erection of ladies ablution facilities	20%	Not achieved	Delayed implementation	Fast track implementation of project
Eskom check meters	Install check meters to verify Eskom electricity supply and sales to Polokwane	45%	Not achieved	Delayed implementation	Fast track implementation of project
Tourism centre – service connection	Install service connection to tourism centre	Project cancelled			
Contingency capital expenses	Upgrading of system where system needs to be strengthened	100%	Achieved		
Upgrade Beta sub for 2010	Proceed with 3 year project to install additional transformer in Beta sub	100%	Achieved		
Cable supply – Beta to 2010 Stadium	Complete 2010 substation and connect permanent supply to stadium	100%	Achieved		

Project	Annual Target	Progress against the Annual Target	Achievement of Target	Reason for Non Achievement	Plans to deal with deficiency
<b>Program</b>	<b>2010 Electricity</b>				
Stadium precinct (2010)	Electricity reticulation to stadium precinct in terms of master plan	75%	Not achieved	Delayed completion of civil works	Finalise and hand over project
Upgrade LV systems in stadium vicinity	Upgrade LV system in Suid Street and Marshall street	50 %	Not achieved	Roads construction	Finalise and handover project
Upgrade field lighting – Peter Mokaba (existing stadium)	Upgrade field lighting of stadium to deliver correct FIFA required lighting level for practice stadiums	75%	not achieved	Delayed implementation	Finalise and handover project
Streetlights – New main arteries to stadium	Install street lights on new arteries to stadium	100%	Achieved		
Street lights – existing main arteries to stadium	Planning and design of street light systems	100%	Achieved		
Generator sets for main stadium	2 Year project. Install first section of stadium generators	20%	Not achieved	Investigation on alternative options for permanent purchase	Fast track implementation

**SBU: Roads & Stormwater**

<b>Projects</b>	<b>Annual Target</b>	<b>Progress Against Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	
<b>Program</b>	<b>Widening of Street and Upgrading of Intersections</b>				
Upgrading of Polokwane Roads (Ext 29)	Implementation phase at 100%	100%.	achieved		
Upgrading of intersections	Planning and design to be implemented subject to PHA Phase 2				
Widening of street in town: Bok street from T. Mbeki to Devenish str	Planning 100%. Implementation 100%	25%	Not Achieved	Project was placed on hold	Fast track implementation of project
Tarring of street Mankweng Unit D	Planning 100%. Implementation 100%	25%	Not Achieved		
<b>Program</b>	<b>Tarring of Street</b>				
Tarring of street in Seshego Zone 5. Ext of Helen Joseph and internal	Planning 100%. Implementation 100%	25%	Not Achieved	Delayed implementation	Fast track implementation of project

<b>Projects</b>	<b>Annual Target</b>	<b>Progress Against Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	
Tarring of street in Westernburg Ext 3: Ben Harris Ext and Internal.	Planning 100%. Implementation 100%	25%	Not Achieved	Delayed implementation	Fast track implementation of project
Tarring of street in Sebayeng	Planning 100% Implementation 100%	25%	Not Achieved	Delayed implementation	Fast track implementation of project
<b>Program</b>	<b>Upgrading of Roads and Street to Tar</b>				
Construction of Roads SDA1/ Seshego Cluster Ward 17, Polokwane Ext 71 & 76 Access	Planning 100% Implementation 100%	25%	Not Achieved	Delayed implementation	Fast track implementation of project
Plan & Implementation of arterial roads Mankweng: R81 to Makotopong, R71 to Mothiba	Planning 100% Implementation 100%	25%	Not Achieved	Delayed implementation	Fast track implementation of project
Plan & Implement of arterial roads: Molepo/ Maja/Chuene Ward 25,26,27 (Ga Thoka to Paledi)	Planning 100% Implementation 100%	25%	Not Achieved	Delayed implementation	Fast track implementation of project
Plan & Implement of arterial roads: Moletjie Ward 23 Blood river to Matlala	Planning 100% Implementation 100%	25%	Not Achieved	Delayed implementation	Fast track implementation of project
Plan & Implement of arterial roads: Moletjie	Planning 100% Implementation 100%	25%	Not Achieved	Delayed implementation	Fast track implementation of project

<b>Projects</b>	<b>Annual Target</b>	<b>Progress Against Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	
Ward 16 Mokgokong					project
Plan & Implement of arterial roads: Mankweng Ward 27 Mamphaka – Komaneng	Planning 100% Implementation 100%	25%	Not Achieved	Delayed implementation	Fast track implementation of project
<b>Program</b>	<b>Expanded Public Work Program ( LIC of Rural Roads)</b>				
EPWP (Moletjie) Ga-Semenya –Makibelo – Ga Hlahla- Matikiring	Planning 100% Implementation 100%	25%	Not Achieved	Delayed implementation	Fast track implementation of project
<b>Program</b>	<b>Provision of Storm Water infrastructure</b>				
Provision and Upgrading of storm water infrastructure all clusters	Feedback from master plan 100% Planning phase 100% Implementation 100%	25%	Not achieved	Awaiting for the master plan	Fast track implementation of project
Upgrading of storm water Mankweng	Planning phase 100%. Implementation 100%	100%	Achieved	Project handover	Handover project
<b>Program</b>	<b>Traffic Engineer Issue</b>				
Roads and Storm Water master plan	Submission of recommendations 100% Report submitted to	0%	Not achieved	Delayed development of plan	Plan and budget for the development of the plan

Projects	Annual Target	Progress Against Annual Target	Achievement of Target	Reason for Non Achievement	
	Council 100%				
<b>Program</b>	<b>Traffic engineer issues</b>				
Contribution to Private Development	Identification of projects 100% Planning 100% and Implementation 100%	25%	Not achieved	Delayed projects identification	Fast track implementation of identified projects
<b>Program</b>	<b>Upgrading of Roads Sign, Directional Sign, Village Names and Street Name Boards</b>				
Upgrading of roads sign and village names	Planning 100%. Implementation 100%	25%	Not Achieved	Project to be re-advertised	Fast track implementation

Program	2010 Soccer World Cup Program					
Project	Annual Target	Progress Against Annual Target	Achievement of Target	Reason for Non Achievement	Plans to deal with deficiency	
Taxi Holding Area Phase 4	Planning 100%. Implementation 100%	55%	Not Achieved	Delayed approval of extension of work	Finalise and handover project	
Widening of Marshall str – Kruger to N1 Phase 2	Planning 100%. Implementation 100%	100%	Achieved			
Widening of Webster-T.Mbeki to Dorp	Planning 100%. Implementation 100%	99%	Not Achieved	Delayed handover project	Handover project	

<b>Program</b>	<b>2010 Soccer World Cup Program</b>				
<b>Project</b>	<b>Annual Target</b>	<b>Progress Against Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plans to deal with deficiency</b>
Widening of SUID STR FROM Compensatie to Webster	Planning 100%. Implementation 100%	99%	Planning- Target Achieved Implementation- Target not Achieved	Delayed project handover	Handover project
Magazyn street Ext Suid to Burger	Planning 100%. Implementation 100%	99%	not Achieved	Delayed project handover	Handover project
Upgrading of intersection Dorp & Landros Mare	Planning 100%. Implementation 100%	Planning 100%. Implementation 99%	Not Achieved	Delayed project handover	Handover project
N.Mandela – N1 Traffic Circle	Planning 100%. Implementation 100%	95%	Not Achieved	Delayed project handover	Handover project
Upgrading of N.Mandela str & Rissik intersection	Planning 100%. Implementation 100%	100%	Achieved		
N.Mandela Drive Seshsgo Circle New Era	Planning 100%. Implementation 100%	87%	Not Achieved	Delayed shifting of Telkom Cables	Finalise and handover project
Upgrading of Houtbosdorp Road	Planning 100%. Implementation 100%	95%	Not Achieved	Change of scope of work	Finalise and handover project
Rabe street link Joubert to Kerk street	Planning 100%.	100%.	Achieved		
N. Mandela Link- Marshall to Kerk street.	Planning 100%. Implementation 100%	99%	Not Achieved	Delayed project handover	Handover project

<b>Program</b>	<b>2010 Soccer World Cup Program</b>				
<b>Project</b>	<b>Annual Target</b>	<b>Progress Against Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plans to deal with deficiency</b>
Kerk street Extension to Hospital	Planning 100%. Implementation 100%	87%	Not Achieved	Delayed shifting of Telkom and University Walls	Fast track implementation and handover project
Intersection Biccard and Landros Mare street	Planning 100%. Implementation 100%	100%	Achieved		
Biccard str widening Jorrison to Hospital street	Planning 100%. Implementation 100%	100%	Achieved		
Planning of NMT facilities & implementation of NMT Infrastructure	Planning 100%. Implementation 100%	25%	Not Achieved	Delayed approval of studies	Fast track implementation of project
Signage Improvement. (Polokwane, Seshego & Mankweng)	Submission of design report 100%	100%	Achieved		
Public transport facilities (Polokwane, Seshego & Mankweng)	Planning 100%. Implementation 100%	25%	Not Achieved	Delayed approval of studies	Fast track implementation of project
<b>Program</b>	<b>Urban Renewal</b>				
Interlinking Bridge Hospital str	Planning 100%. Implementation 100%	30%	Not Achieved	Re-submission of project approval	Monitor project approval and implement project
Kerk street pedestrianisation: Devenish & Rissik	Planning 100%. Implementation 100%	30%	Not Achieved	Delayed approval of studies	Fast track implementation of project
Planning of roads Hierarchy: Polokwane City	Planning 100%. Implementation 100%	25%	Planning- Target Achieved Implementation-	Delayed approval of studies	Fast track implementation of project



<b>Program</b>	<b>2010 Soccer World Cup Program</b>				
<b>Project</b>	<b>Annual Target</b>	<b>Progress Against Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plans to deal with deficiency</b>
			Target not Achieved		

**SBU: Admin & Maintenance**

<b>Project:</b>	<b>Annual Target</b>	<b>Progress Against the Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plans to deal with deficiency</b>
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Civic centre alterations (All projects related to the civic centre)	Provision of open plan offices	25%	Not achieved	Delayed implementation	Fast track implementation of project
Upgrade Municipal Hostel	Finalization of designs	100%	Achieved		
1 Ton LDV (Maintenance team)	Purchase 1 Ton LDV for the Maintenance team	100%	Achieved		Fast track implementation of project
Nursery Relocation & development phase 3	Construction Nursery facilities	25%	Not achieved	Revised designs	
Mankweng Hawkers center Phase 3	Construction of hawkers facilities	30%	Not achieved	Delayed implementation	Fast track implementation of project
Itsoseng Entrepreneurial Center phase 4	Tender documentation and advertisement	100%	Achieved		
African Market	Finalization of designs	100%	Achieved		
Mankweng Taxi rank & Hawkers center	Completion of hawkers facilities	5%	Not achieved	Delayed appointment of service provider	Fast track implementation of project
Ladanna Transfer Station	Completion of transfer station	15%	Not achieved	Change of scope of work	Fast track implementation of project

## SBU: Mechanical Workshop

Project	Annual Target	Progress Against the Annual Target	Achievement of Target	Reason for Non Achievement	Plans to deal with deficiency
1 x Sedan 1.6 cc	Purchase of 1 x Sedan 1.6 cc	100%	Achieved		
1 x Compressor	Purchase of 1 x Compressor	100%	Achieved		
1 x Plasma Cutter	Purchase of 1 x Plasma Cutter	100%	Achieved		
1 x C02 Welder	Purchase of 1 x C02 Welder	100%	Achieved		
Plant & Equipment	Purchase of Plant & Equipment	100%	Achieved		

**DIRECTORATE: PLANNING AND DEVELOPMENT**

## SBU: Housing and Building Inspection

Project:	Annual target	Progress Against Annual Target	Achievement of Target	Reason for Non Achievement	Plan of Dealing with Deficiency
Low Cost Housing New Project Blocked Project	Submission and processing of application forms	100% (630 rural houses approved )	Achieved		Ensure that DPLGH approves forms submitted.
		100% (1846 urban houses approved)	Achieved		Ensure that contractors are on site and that construction is in progress.
	Legal occupation	70%	Not achieved	Dispute over sites.	Verify beneficiaries before key are issued
Transfer of show houses	Registration of the current occupants	50% (DLGH received letter)	Not achieved	Delayed approval of report	Follow up with DLGH. Allocate units and subdivide stands
Upgrading of Seshego Hostel	Approval of 118 beneficiaries	95%	Not achieved	Identify beneficiaries	Submission of application forms to the DLGH for approval.
Bendor Ext 100	Identification of beneficiaries earning R2000 to R3500	100%	Achieved		
Urban Housing database	Upgrading of the waiting list into database	100%	Achieved		

<b>Project:</b>	<b>Annual target</b>	<b>Progress Against Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plan of Dealing with Deficiency</b>
	Extrapolation of information into housing programme	100%	Achieved		
	Analyzing of the housing needs	100%	Achieved		
Rural Housing database	Computerization of the waiting list	100	Achieved		
	Extrapolation of information into housing programme  Analyzing of the housing need	30%	Not achieved	Delayed development of programme	Update all captured applicants. Submit data to the service provider to analyze and screen all applicants
Informal Settlement Data base	Computerization of the waiting list  Extrapolation of information into housing programme  Analyzing of the housing needs	100% (597 residents registered) Zone 6: freedom park completed 322 residents registered. Mohlakaneng complete  597residents registered.  Zone 6 complete 322 residents registered.  Greenside complete Rainbow park complete	Achieved		

<b>Project:</b>	<b>Annual target</b>	<b>Progress Against Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plan of Dealing with Deficiency</b>
		Data captured on the spread sheet			
<b>Programme</b>	<b>Information Settlement Upgrading and Prevention of Land Invasion</b>				
Pietersburg Disteneng Sec A & B	Monitoring and prevention of re-squatting	100%	Achieved		
Tosca Mashinini	Monitoring and prevention of re-squatting	100%	Achieved		
Disteneng Section C and D	Upgrading or relocation of informal settlement	30% (Aerial photograph taken)	Not achieved	Limited funds	Conduct house to house visitation to complete survey.
Greenside	Upgrading or relocation of informal settlement	100%	Achieved		
Rainbow Park	Upgrading or relocation of informal settlement	100%	Achieved		
Seshego Zone 6 Informal Settlement	Computerization of the informal settlement database	100% (322 registered)	Achieved		
Lepakeng	Registration of the Informal settlement database	100% (597 registered)	Achieved		
Mankweng Area between Unit E and F	Computerization of the informal settlement	100% (unit E 227 and Unit F 282 registered)	Achieved		
<b>Programme</b>	<b>Business Development</b>				
Housing Chapter	Approval and adoption by Council	80%	Not achieved	Waiting for confirmation letter from dept for the three year housing allocation	Submit report to council for comments

<b>Project:</b>	<b>Annual target</b>	<b>Progress Against Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plan of Dealing with Deficiency</b>
Municipal Housing Accreditation	Development of Business Plan for level two.  Submission of Audit report for level one.  Level two accreditation	Business plan for level two not yet submitted  Audit report for level one was submitted  Not yet approved	Not achieved  Achieved  Not achieved	Waiting for DLGH to appoint service provider to develop the Business Plan for level two. Waiting for approval from the MEC for level one accreditation.	Write a follow up letter to the DPLGH to get feedback on the application for level two accreditation
Housing Policy	Approval of Housing Policy by Council	70%	Not achieved	Awaiting to undertake consultations	Submission and adoption by council
Informal Settlement Management Strategy	Submission of the Draft Informal settlement Strategy	70%	Not achieved	Awaiting to undertake consultations	Submission and adoption by council
Policy on Building Rubbles	Approved Building Rubbles Policy	70%	Not achieved	Awaiting to undertake consultations	Submission and adoption by council
Municipal Social Housing Policy	Approved Municipal Social Housing Policy	Draft complete not approved	Not achieved	Awaiting Council approval	Submit to council for approval and Portfolio committee for comments.
<b>Programme</b>	<b>Upgrading Hostel</b>				
Upgrading Hostel of Seshego hostel	Facilitation and approval of layout plans	100%	Achieved		
<b>Programme</b>	<b>Enforcement of National Building Regulations</b>				
Occupation Certificate	5000 certificates to be issued	65% (2654 issued)	Not Achieved	Occupation certificates only issued for houses that are built in line with the approved building plan.	Educated contractors and clients to build in line with approved building plans.



<b>Project:</b>	<b>Annual target</b>	<b>Progress Against Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plan of Dealing with Deficiency</b>
Building Inspections	15000 inspections to be conducted	100% (6419 conducted)	Not Achieved	Only houses with approved plans inspected and notices issued to houses without approved plans	Educate community regard to compliance
Approval of Building Plans	5000 plans to be approved	35% (1047 approved)	Not Achieved	Clients or contractors who do not submit building plans.	Educate community regard to compliance
Compliance	60 buildings to be targeted for non compliance	100% (159 notices issued)	Achieved	Notice issued clients but no follow ups are done	Educate community with regard to compliance
<b>Programme</b>	<b>UDZ</b>				
Compliance with SARS Act	Annual report	100%	Achieved		

### SBU: Local Economic Development (LED)

Project	Annual Target	Progress Against the Annual Target	Achievement of Target	Reason for Non Achievement	Plan to deal with deficiency
<b>Program</b>	<b>SMME Development</b>				
Itsoseng Entrepreneurial Centre	Approval of the Business plan	80%	Not Achieved	Awaiting approval of Business plan	
	Appointment of management body	80% (report submitted to Council)	Not Achieved	Awaiting adoption by council	
	Quarterly mentoring reports of the incubates	100%	Achieved		
	2 training session offered to incubates	100%	Achieved		
	Participation of SMMEs in 4 exhibitions	100% (6 exhibitions)	Achieved		
	2 Information Sharing Seminars(Financial and Developmental)	100%	Achieved		
	2 types of Packaged promotional material for SMMEs & the centre	100%	Achieved		
	Council approval for the purchasing of equipments	0%	Not Achieved	Project cancelled	

Project	Annual Target	Progress Against the Annual Target	Achievement of Target	Reason for Non Achievement	Plan to deal with deficiency
	Equipped art center				
Cluster Specific SMME Incubations	3 projects incubated	Facilitated technical training for quality control in clothing and textile sector	Achieved		
	2 trainings sessions offered	Skills audit conducted  Facilitated business management training by SEDA	Achieved		
	2 exhibitions co-coordinated	Facilitated participation of SMMEs in exhibitions and shows	Achieved		
Development of SMMEs strategy	Adoption by council	30%	Not achieved	Awaiting council approval	
<b>Programme</b>	<b>Co-operatives Development</b>				
Cooperatives Development Strategy	Approved Cooperative Development strategy	65%	Not Achieved	Awaiting council approval	
Car Wash co-operative	Functional pilot car wash  Registered entity	The pilot business is registered Facilitated training on co-operative concept and movement	Achieved		

Project	Annual Target	Progress Against the Annual Target	Achievement of Target	Reason for Non Achievement	Plan to deal with deficiency
Community Initiatives	1 Information Seminar for Co-operatives Database of cooperatives	100%	Achieved		
	Approved business Model for car washers	30%	Not achieved	Awaiting council approval	
<b>Programme</b>	<b>Agricultural Development</b>				
Urban Agriculture	List of identified project  1 training offered	100%	Achieved  Achieved		
<b>Programme</b>	<b>Sustainable Livelihood</b>				
Limpopo mall hawkers centre	26 hawker stalls occupied  26 lease agreements signed  2 capacity building offered  1 skills Training Offered	100%	Achieved  Achieved		

<b>Project</b>	<b>Annual Target</b>	<b>Progress Against the Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plan to deal with deficiency</b>
Mankweng Hospital taxi rank and hawkers centre	50 hawker stalls occupied  50 lease agreements signed  1 capacity building offered	100%	Achieved    Achieved		
Mankweng hawkers center phase 1 and 2	30 hawker stalls installed and occupied  26 lease signed  2 capacity building offered	30%	Not Achieved	Delayed finalization of designs	Finalise construction of stalls
<b>Programme</b>	<b>Hawker Management</b>				
Development of Street Vending by-laws	By-law adopted by council	80%	Not Achieved	Awaiting council approval	
Hawker Permits	List of permits  Operational plan	80%	Not Achieved	Awaiting council approval	
<b>Programme</b>	<b>Skills Development</b>				
Skills development strategy	Adoption of a skills development strategy	80%	Not Achieved	Lack of funds	Finalise project
Feasibility on the establishment of a	Adoption of the feasibility study by	80%	Not achieved	Awaiting approval of Council	

<b>Project</b>	<b>Annual Target</b>	<b>Progress Against the Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plan to deal with deficiency</b>
training institute in Polokwane	Council				
<b>Programme</b>	<b>Investment Promotions</b>				
Technical committee LED Forum	Fully functional committee 2 meetings held	100%	Achieved		
Investment promotions strategy	Approved Investment Promotion strategy	80%	Not Achieved	Awaiting council approval	
Business retention and expansion	Approved Conceptual Framework	80%	Not Achieved	Awaiting council approval	
Marketing of Polokwane as investment destination	Approved marketing plan and value proposition  Taking part in investment expo  Urban renewal programme in the CBD	80%	Not Achieved	Awaiting council approval	
Economic development summit	One successful summit to be held	80%	Not Achieved	Awaiting council approval	
Trade missions	Participate in an inward and outward trade missions	100%	Achieved		
		80%	Not Achieved	Awaiting council approval of twinning agreements	

Project	Annual Target	Progress Against the Annual Target	Achievement of Target	Reason for Non Achievement	Plan to deal with deficiency
<b>Programme</b>	<b>Tourism Development</b>				
Polokwane Tourism Information Office	Fully functional office in partnership with LTP	100%	Achieved		
	Partnership with LTP to operate the Polokwane information office	100%	Achieved		
Polokwane tourism information centre	Feasibility study report and business plan  Construction of information centre	80%	Not Achieved	Awaiting council approval	
Marketing of Polokwane as tourist destination	Exhibition in 3 tourism expo	100%	Achieved		
Tourism growth strategy	Approved strategy and marketing plan	80%	Not Achieved	Awaiting council approval	
Community tourism association	Functional Polokwane Community Tourism Association  Approval of the concept document	80%	Not Achieved	Awaiting council approval	
<b>Programme</b>	<b>Economic Planning and Research</b>				

<b>Project</b>	<b>Annual Target</b>	<b>Progress Against the Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plan to deal with deficiency</b>
Feasibility Study: Regional Trading Hub	A detailed report of the study	80%	Not Achieved	Awaiting council approval	
Feasibility Study: Agro-processing	A detailed report of the study	80%	Not Achieved	Awaiting council approval	
Feasibility Study to Establish Polokwane International Coach Centre	A detailed report of the study	80%	Not achieved	Awaiting council approval	
Performance of Local Economy and Investment Trends	4 quarterly economic report	60%	Not achieved	Delayed finalisation of report	Release results
<b>Programme</b>	<b>2010 FIFA Soccer World Cup</b>				
Hawker permits	List of permits issued during construction	100%	Achieved		
2010 Business opportunities conference	Host one business opportunities conference	100%	Achieved		
2010 Readiness Programme	Readiness Programme  Road-shows in all clusters  2 capacity building workshop  4 Socio-Economic Analysis report	100%	Achieved		



<b>Project</b>	<b>Annual Target</b>	<b>Progress Against the Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plan to deal with deficiency</b>
Volunteer programme	Recruit 800 volunteers	100%	Achieved		

**SBU: Spatial Planning and Land Use Management**

Project	Annual Target	Progress Against The Annual Target	Achievement Of Target	Reason For Non Achievement	Plan to deal with deficiency
<b>Programme</b>	<b>Township Establishment And Layout Plans</b>				
Layout Plan: Rezoning, Subdivision, and Consolidation (Seshego A)	Approval of S. G diagrams	50% (Topography)	Not Achieved	Awaiting finalisation of layout plans	Finalise and submit to surveyor general for approval
Township Establishment SDA 1 (Polokwane Ext 108)	Approval of S.G diagram	20%	Not Achieved	Awaiting finalisation of layout plans	
Neighbourhood Development Grant	Prepare proposal for neighborhood Development Grant with National Treasury	30%	Not Achieved	Delayed development of study	Fast development of study and submit proposal to National Treasury for approval
Township Establishment: Additional rights to convention centre	Proclamation	60%	Not Achieved	Awaiting for MEC recommendations before proclamation	
Township Establishment : Polokwane Extension 78	Approval of S.G diagram	60%	Not achieved	Late announcement of high court date	
Township Establishment : Pietersburg Extension 46	Proclamation	60%	Not Achieved	Awaiting for the three remaining landowners to sign (Spoornet, Pietersburg High School and Blood Transfusion)	

<b>Project</b>	<b>Annual Target</b>	<b>Progress Against The Annual Target</b>	<b>Achievement Of Target</b>	<b>Reason For Non Achievement</b>	<b>Plan to deal with deficiency</b>
<b>Programme</b>	<b>Township Establishment And Layout Plans</b>				
Township Establishment Ext 79	Proclamation of Township	100%	Achieved		
Township rezoning Subdivision and Consolidation Unit F Mohlakaneng	Proclamation of the Township	100%	Achieved		
Township Establishment : Polokwane Extension 72	Proclamation of the Township	100%	Achieved		
Township Establishment : Polokwane Extension 73	Opening of a Township register	100%	Achieved		
Rezoning , Subdivision and Consolidation of Erf 2075 Annadale	Proclamation of Township	100%	Achieved		
Rezoning, Subdivision and Consolidation of Unit G Seshego	Proclamation	100%	Achieved		
Illegal Land Use	Reduction of illegal land use by 80 %	100%	Achieved		
Amendment Scheme	Processing amendment schemes within 3 months period Holding hearings	100%	Achieved		

<b>Project</b>	<b>Annual Target</b>	<b>Progress Against The Annual Target</b>	<b>Achievement Of Target</b>	<b>Reason For Non Achievement</b>	<b>Plan to deal with deficiency</b>
Sites Application	Processing of site applications within 3 months	100%	Achieved		
Feasibility Study South Marshall	Approved study	100%	Achieved		
Feasibility Study Eco Village	Approved study	70%	Not Achieved	Delayed adoption by Council	
Town Planning Scheme: Polokwane Perkusbuilt	Approval of the scheme	100%	Achieved		
Framework Plan SDA 2	Approval of the Framework plan by Council	60%	Not Achieved	Delayed development of framework	Finalise development of framework and Council adoption
Development of Spatial Development Framework	Adoption of the Framework plan by Council	60%	Not Achieved	Delayed development of framework	Fast track development of framework
<b>Programme</b>	<b>Land Use Management (Properties)</b>				
Land acquisition	Acquire strategically located land to add to Council property	100%	Achieved		
<b>Programme</b>	<b>Transport Planning</b>				
Operational Plan for the City for 2010	Moving target up to 2010 for 2010 WSC	100%	Achieved		
Intelligent Transport System (ITS)	Installation of required software and hardware to	70%	Not achieved	Delayed development of system	Finalise development and installation of system

<b>Project</b>	<b>Annual Target</b>	<b>Progress Against The Annual Target</b>	<b>Achievement Of Target</b>	<b>Reason For Non Achievement</b>	<b>Plan to deal with deficiency</b>
	deal with traffic management Phase 1				
2010 Transport operational and management plans	Completed transport operational and management plans	100%	Achieved		
Transport Operational Plan (BRT)	Completed transport operational plan	70%	Not achieved	Delayed development of plan	Finalise plan and adoption by Council

**SBU: Strategic Planning and IDP**

Project	Annual Target	Progress against Target	Achievement of Target	Reason Non Achievement	Plan to deal with deficiency
<b>Program</b>	<b>IDP/Budget Review Process</b>				
IDP/Budget	Adoption of the reviewed IDP by council	100%	Achieved		
<b>Program</b>	<b>Performance Management</b>				
Coordination of reporting system	Submission of three quarterly performance reports and annual report 2007/2008 to council for adoption	100%	Achieved		
Coordination of Mayoral Strategic Planning Sessions	Convene four mayoral strategic sessions	100%	Achieved		
Maintenance of the strategic resolutions (Mayoral Bosberaad and executive management)	Consolidation of management to all strategic using document systems	100%	Achieved		
<b>Program</b>	<b>Intergovernmental Relations</b>				
Development of the municipal Intergovernmental Framework	Adoption of the Municipal intergovernmental Relations framework by council	0%	Not Achieved	Lack of resources	Develop framework in the next financial year

<b>Project</b>	<b>Annual Target</b>	<b>Progress against Target</b>	<b>Achievement of Target</b>	<b>Reason Non Achievement</b>	<b>Plan to deal with deficiency</b>
Participation in the District and Provincial Planning forum and support to IGR structures	Annual records of all resolutions of District and Provincial Planning forum and all IGR structures	100%	Achieved		
<b>Program</b>	<b>Special Focus Programs</b>				
Development of the special focus strategy	Collection and collate all relevant information regarding special focus	100%	Achieved		
Mainstreaming the interest of special focus groups in the municipality	Identification of organization dealing with women and disability issues	100%	Achieved		
Special Calendar days	Development and implementation of annual plan	100%	Achieved		

**DIRECTORATE: CORPORATE SERVICES**



## SBU: Human Resources

Project	Annual target	Progress Against annual target	Achievement of target	Reasons for Non-Achievement	Plans to deal with deficiency
<b>Program</b>	<b>Staffing</b>				
Recruitment and Selection	196 budgeted position to be filled	100% (242)	Achieved		
Human Capital planning and forecasting – Age Analysis	Quarterly Age Analysis reports that can indicate the number of possible vacancies in order to assist in identifying forecasting prioritization or filling of vacancies	100%	Achieved		
Human Capital planning and forecasting – Exit Interviews	Work planning in order to plan and anticipate skills shortages that might negatively affect the municipality	100%	Achieved		
Employment Equity-EE Report	Compliance with EEA.  Maximum compliance with the municipality's Employment equity targets.	100%	Achieved		
Employment Equity - Consultations	12 Reports to LLF.	20% (1)	Not achieved	Delayed due to postponement of LLF meetings	Report in all LLF meetings
Employment Equity – New Plan	Revised Equity Plan.	100%	Achieved		
<b>Programme</b>	<b>Policy, practice review and legislative reform</b>				
Review of policies and procedures	Review four policies annually. □ Business Code of	5 % ( S&T Policy approved for	Not achieved		

Project	Annual target	Progress Against annual target	Achievement of target	Reasons for Non-Achievement	Plans to deal with deficiency
	Ethics. <input type="checkbox"/> HIV/AIDS policy <input type="checkbox"/> Recruitment policy	implementation )			
Awareness of policies and procedures	7 Information session with employees to make them aware of applicable policies, and benefits	75% (OHS, recruitment , S & T)	Not Achieved	Policies not finalized by stakeholders for information sessions	Finalise policies for adoption
	Compliances with Skills development Act and the skills development plan targets  Train 700 employee	100% (1100)	Achieved		
Team Building and Diversity Management	Two-teambuilding sessions held twice per year	100%.	Achieved.		
Induction	12 Inductions per yearly	95%	Not achieved .	No new employees	Induct new employees as and when they are appointed.
Abet	100 employees on Abet per annum	60%	Not achieved	Lack of commitment and interest by employees	Develop strategies to encourage enrollment
<b>Programme</b>	<b>Human Resource Development</b>				
Performance management system	4 Assessment sessions of Section 57 Managers	0%	Not achieved	Delayed finalization of the SDBIP	
Performance Management System	Implementable performance Management system	40%	Not achieved	Still consulting with other stakeholders	Fast track implementation of project

<b>Project</b>	<b>Annual target</b>	<b>Progress Against annual target</b>	<b>Achievement of target</b>	<b>Reasons for Non-Achievement</b>	<b>Plans to deal with deficiency</b>
Review of Mayoral Excellence Award Policy	Reward recognition Scheme for all employees	20%	Not achieved	Kept on hold while the OD section was being rescitated	Submit draft to stake holders for discussion
Job Evaluation	Implementation of benchmarked results as per TASK.	100%	Achieved		
<b>Program</b>	<b>Employee wellness</b>				
Employee Assistance program	Conduct 240 counseling sessions annually	299 sessions were held with employees	Achieved		
Campaigns	Conduct 12 awareness campaigns per annum	2 Substance Abuse and Absenteeism Campaigns were conducted 3 Stress management sessions were held at Bakone Malapa and Mankweng/Sebayeng 1 Financial Management information session was conducted	50% achievement	Limited funds to conduct all awareness campaigns	
HIV AND AIDS	Conduct 24 information sessions annually.	100% (24)	Achieved		
<b>Programme:</b>	<b>Occupational Health and Safety</b>				
<b>OHS Training</b>	Eight H&S training session per annum	100%	Achieved		

<b>Project</b>	<b>Annual target</b>	<b>Progress Against annual target</b>	<b>Achievement of target</b>	<b>Reasons for Non-Achievement</b>	<b>Plans to deal with deficiency</b>
OHS policies and legislative compliance	144 OHS meetings	62% (89)	Not achieved	Postponed meetings	Monitor meetings through the Executive management ,LLF
	Two emergency drills at Main Building and two emergency drills at Traffic	0%	Not achieved	Due construction work as well as the Disaster recovery plan process.	
	Two Occupational Health Survey's 1 Baseline Risk Assessment and 1 Legal Audit	100%	Achieved		
<b>Programme</b>	<b>Labour Relations</b>				
Collective Bargaining	10 meetings for Mandatory committees convened annually	40% (4 LLF meeting)	Not achieved	LLF meetings could not take place due to the resolution to be trained on collective agreements	Training conducted on all collective bargaining agreements
Facilitated Interventions	6 training sessions for targeted employees	100%	achieved		
Disciplinary cases and grievance handling	Disciplinary cases handled within 90 days. Less serious cases handled within 60 days Grievances handled within 30days	20 disputes 43 Disciplinary Cases 13 Grievances	70% of disputes finalized 96% of disciplinary cases finalized 98% of grievances finalised	Disciplinary matters in session Disputes at the SALGBC and Labour Court. Grievances in session.	Monitor conclusion of cases by SALBC and Labour Court.Finalise outstanding cases

### 6.1.1.1 SBU: Secretariat & Legal Services

<b>Project</b>	<b>Annual Target</b>	<b>Progress against the annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plans to deal with deficiency</b>
<b>Program</b>	<b>Secretariat</b>				
Meeting date schedule and the convening of meetings.	Adherence to the date schedule as approved by Council	100%	Achieved		
Attending and recording of meetings.	Attend record and perform the general administration of meetings.	100%	Achieved		
Channeling and tracking of Resolutions.	Official distribution of resolutions and relevant information from council and all Committees to various SBU's.	100%	Achieved		
Councillor Support.	Attend to official needs and requests of councillors, including arrangements for attendance of conferences, community meetings, strategic sessions and workshops.	100%	Achieved		
Record keeping in terms of the National Archives Act	Ensure that all files and correspondence is kept in line with the requirements of the archives act.	100%	Achieved		

<b>Project</b>	<b>Annual Target</b>	<b>Progress against the annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plans to deal with deficiency</b>
Safe keeping of Official Minutes	Ensure that all the resolutions of council, Mayoral and Executive Mayor resolutions are neatly bound for research.	100%	Achieved		
Municipal Printing Works	Attending to all official printing needs in a cost effective manner.	100%	Achieved		
<b>Legal Services</b>					
<b>Program</b>	<b>System of Delegation</b>				
Develop and maintain a system of delegation of powers, including annual review of system of delegation of powers	Maintain system of delegations that will be applicable throughout the municipality.  Review and amend delegations to comply with legislation and council resolutions.	60%	Not Achieved	Consultation with stakeholders	Finalise document and council adoption
<b>Program</b>	<b>Promulgation of by-laws</b>				
Amendment, updating and promulgation of by-laws	To amend, update and promulgate by-laws applicable within the municipal area.	100% (5)	Achieved		

Project	Annual Target	Progress against the annual Target	Achievement of Target	Reason for Non Achievement	Plans to deal with deficiency
<b>Program</b>	<b>Illegal Land Uses</b>				
Municipal Policies	Establish a policy register for the Municipality	100%	Achieved		
<b>Program</b>	<b>Litigation – Magistrates Court &amp; High Court</b>				
Implementing and maintaining of regulatory framework with special focus on the Polokwane/Perskebult Town Planning Scheme 2009, including previous Polokwane/Seshego Town Planning Scheme where applicable.	Appropriate legal action against transgressors of the Town Planning Scheme, other by-laws and title conditions	100%	Achieved		
High Court Litigation	To monitor all litigation processes in the best interest of the council in providing legal advice and assisting appointed legal counsel	100% (40 cases)	Achieved		
<b>Program</b>	<b>Municipal Contracts</b>				
Monitoring and managing all municipal agreements.	To have all agreements of the municipality kept safely in one location for purposes of monitoring compliance and easy reference.	This management system has not been very successful to date. It is planned that with implementation and operation of	Not achieved	Lack of resources	

Project	Annual Target	Progress against the annual Target	Achievement of Target	Reason for Non Achievement	Plans to deal with deficiency
		new records management system this issue will also be addressed satisfactorily.			

**SBU: Information Systems**



Project	Annual Target	Progress against annual target	Achievement of target	Reason for non achievement	Plans to deal with deficiency
<b>Programme</b>	<b>Infrastructure And Information Management Solutions And Systems</b>				
Project Management Hardware	Installation of Hardware	100%	Achieved		
IT Infrastructure and systems	Revamp main building network backbone infrastructure	100%	Achieved		
DOCS	Digital File plan	30%	Not achieved	Delayed finalization of scope of work	Fast track implementation of project
Digital whiteboard	Digital whiteboard	100%	Achieved		
Servers/ Switches	Replacement of outdated servers and storage equipment	100%	Achieved		
UPS/ Electrical Infrastructure	Provide UPS for critical sites	100%	Achieved		
Router/DMZ/ Firewall	DMZ IT information security	5%	Not achieved	Delayed implementation	Finalise project
Finance Finest billing system and phase II	Functioning Financial system	10%	Not achieved	Awaiting arbitration	Finalise project
HR System	Functioning HR system	100%	Achieved		

Project	Annual Target	Progress against annual target	Achievement of target	Reason for non achievement	Plans to deal with deficiency
<b>Programme</b>	<b>Infrastructure And Information Management Solutions And Systems</b>				
Aerial photography for PM	Aerial photography for the entire jurisdiction	100%	Achieved		
Project Management System	Project Portfolio Management System-enhancements & sustainability	60%	Not achieved	Change in the scope of work	Finalise the implementation of project
Digital library	Implement internet cafe for community	100%	Achieved		
DRP/BC IT Management System DRP	Adopt DRP/BC plan	70%	Not achieved	Simulation exercise postponed	Finalise project
SAN Disks	Increased storage capacity/ security	100%	Achieved		
IT Infrastructure and systems	Tape drive & Hot spots	100%	Achieved		
<b>Programme</b>	<b>2010 Projects</b>				
Optic Fibre to Stadium	Link between stadium and Civic Centre	50%	Not achieved	Access to stadium is only available in Sep 2009	Finalise project

Project	Annual Target	Progress against annual target	Achievement of target	Reason for non achievement	Plans to deal with deficiency
Programme	Infrastructure And Information Management Solutions And Systems				

**DIRECTORATE: CHIEF FINANCIAL OFFICER**

## SBU: Supply Chain Management

Project	Annual Target	Progress Against Annual Target	Achievement of Target	Reason for non achievement	Plans to deal with deficiency
<b>Program</b>	<b>Demand management</b>				
<b>Programme</b>	<b>Acquisition Management</b>				
Establish Demand Management Section	Appointment of personnel	The interview was conducted and none of the applicants qualified. The post is re-advertised.	Not achieved	Re advertised	
Improve Quotation system	Obtain quotations on rotational basis from service providers on the database within three days of the requisition and approval within two days	100% (Quotations; R0-R30 000: R57 431 642.39)  (Quotation; R30 000-R200 000: R4 432 608.49)	Achieved		
Improve Bidding system	Advertise bids in two weeks, evaluate in two weeks and adjudicate in one week.	<b>Bids; R200 000.00</b> <b>(132 bids were awarded</b>	Achieved		
Promote Preferential Procurement in terms of PPPF	HDI = 60% Women = 10% Youth = 10% Disabled = 10%	100% HDI - <b>56%</b> Women - <b>24%</b> Youth - <b>25%</b> -	Achieved		Capacitate disabled people

Project	Annual Target	Progress Against Annual Target	Achievement of Target	Reason for non achievement	Plans to deal with deficiency
	Local = 10%	Disabled – 0% Locality – 51%			
Update database to list prospective providers as accredited service providers	One Database invitation	100%	Achieved		
HDI support	Conduct two workshops	100%	Achieved		
Supply Chain Management Policy Review	Consultation with internal stakeholders about SCM Policy review	100%	Achieved	Awaiting approval by Council	
Promote Preferential Procurement	Publication of the HDI empowerment report on the website.	100%	Achieved.		
Database invitation	Publication of database invitation to all prospective suppliers	100%	Achieved		
Supply Chain Management Policy Review	Consultation with internal stakeholders about SCM Policy review	100%	Achieved		
HDI support	Invite service providers to a SCM workshop	100%	Achieved		
<b>Programme</b>	<b>Logistics Management</b>				
Setting of inventory levels	Two stock level reviews	100%	Achieved		

<b>Project</b>	<b>Annual Target</b>	<b>Progress Against Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for non achievement</b>	<b>Plans to deal with deficiency</b>
Stores and warehousing management	Perform four (4) stock counts	100%	Achieved		
Receiving and issuing of stores materials	On line processing to update the stock system	100%	Achieved		
Stock level reviews	Consultation with all SBU's about stock level review	Consultation was done.	Achieved		
<b>Programme</b>	<b>Disposal Management</b>				
Disposal of redundant/written off assets	Annual Auction	95%	Not achieved	Awaiting inspection by the members of the Mayoral Committee.	Finalise project and adoption by council
<b>Programme</b>	<b>Regular Assessment Of Supply Chain Management Performance To Ensure Value For Money</b>				
Reporting on the implementation of the supply chain management system to the Executive Mayor , Council and National Treasury	Three(3) quarterly reports	100%	Achieved		
Internal monitoring system	Compliance with SCM Policy and legislation	100%	Achieved		

## SBU: Financial Services

Project:	Annual Target	Progress Against Target	Achievement of Target	Reason for Non Achievement	Plans to deal with deficiency
Meter reading and meter audit	2.5% reduction on consumption loss  12months billing in Mankweng  Appoint service provider for meter readings	17% water loss.  Meter reading stopped because of challenges in meter reading  Meter reading contract extended until 30 June 2009.	Not achieved  Not Achieved  Achieved.	Aging infrastructure.  Council resolved to write off water reading for Mankweng	
Clearance certificate, Debt collection and arrears collection	0.63% reduction on outstanding debt	80%	Not achieved	Non-payment of debts	Appoint debt collector and develop other strategies
Indigent support	To register 3000 households.	65% (2594)	Achieved		
Creditors and salaries payments	Nil civil claims	Nil	Achieved		
Bank reconciliation	12 monthly bank reconciliation.	100%	Achieved		
Assets management	Perform 1 update	0%	Not achieved	In process of updating the movable assets and immovable assets	Finalise update of asset register
<b>Program</b>	<b>Treasury Management</b>				
MFMA implementation	12 Monthly reports submitted to stakeholders	100%.	Achieved		
Annual financial statements	Submit Annual financial statement by 31 August	100%	Achieved		



<b>Project:</b>	<b>Annual Target</b>	<b>Progress Against Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plans to deal with deficiency</b>
	2008.				
Preparation of Multi Year Budget	Approval by 31 May 2009	10%	Not achieved	Annual budget approved late	
Awareness on payment of services and rates policy	Awareness in Mankweng	100%	Achieved		

**DIRECTORATE: MUNICIPAL MANAGERS OFFICE**

## SBU: Communications and Public Participation

Project:	Annual Target	Progress Against Target	Achievement of Target	Reason for Non Achievement	Plan of Dealing with Deficiency
<b>Communications</b>					
<b>Program</b>	<b>Internal Communications</b>				
Notice Boards	Maintenance and updating of information on the municipal notice boards	100%	Achieved		
Internal Newsletter	Development printing and distribution of 6 publications	5% (1)	Not achieved	Production had been put on hold pending finalization of the framework model	establishment of editorial team
<b>Program</b>	<b>External Communications</b>				
Media Relations	Compilation and distribution of 96 media statements and facilitation of 4 media Briefings and dedicated slots on radio stations	100% (103 media statements) (172 articles) (4 media briefings) (59 slots)	Achieved		

<b>Project:</b>	<b>Annual Target</b>	<b>Progress Against Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plan of Dealing with Deficiency</b>
Communications Strategy	Development of comprehensive municipal wide communications strategy and submission for approval	100%	Achieved		
2010 FIFA World Cup	Development and implementation of a Communication and Marketing plan	100%	Achieved		
Advertisements	Packaging of print and electronic media advertisements for promotion of council programmes	100%	Achieved		
External Newsletter	Development printing and distribution of 2 publications	15%	Not achieved	Production has been put on hold pending finalization of the framework model	establishment of editorial team
<b>Program</b>	<b>Corporate Image</b>				
Promotional material	Production and distribution of material to relevant stakeholders	100%	Achieved		
Resource Centre	Avail council information to all stakeholders.	100% (Linkage created with library)	Achieved		
Audiovisual	Development and transmission of audiovisual material	50%	Not achieved	Lack of filming and editing of transmission of material on the existing infrastructure	Acquire audiovisual material for the development of system

<b>Project:</b>	<b>Annual Target</b>	<b>Progress Against Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plan of Dealing with Deficiency</b>
Branding	Development of branding strategy & branding of municipal assets	100%	Achieved		
Budget Document	Production and distribution of 1 000 copies	10%	Not achieved	Annual budget approved late	
<b>Program:</b>	<b>Municipal events</b>				
Municipal Events	To co-ordinate municipal events and activities of the municipality	100% (25)	Achieved		
Public participation					
Ward Committee	Facilitation of at least six ward committee meetings in 37 wards and establishment of new ward committees	100% (37 established and 208 meetings held)	Achieved		
Ward Committee Training	Facilitate one annual ward committee conference and one capacity building workshop	100%	Achieved		
		65% (185 capacitated)	Not Achieved	Lack of funds	Budget for capacitating of remaining ward committees

Project:	Annual Target	Progress Against Target	Achievement of Target	Reason for Non Achievement	Plan of Dealing with Deficiency
<b>Program</b>	<b>Community Mobilization</b>				
Sector Forums	Facilitate at least 40 sector forum meetings in line with Council portfolio committees.	45%	Not achieved	Sector forum meeting coincided with training	Plan and facilitate sector meetings
Project Steering Committees	Facilitate the establishment of project steering committees in all projects that require public participation.	100% (102 )	Achieved		
	Facilitate monthly PSC meetings	246	Achieved		
	Facilitate projects hand-overs	81	Achieved		
Support to Municipal programs	Facilitate 4 stakeholder meetings in line with municipal services, programs and policies.	100% (77)	Achieved		
Community Development Workers	Identification of service delivery backlogs and submit reports for government interventions	100% Resolved cases – 1754 Unresolved cases - 853	Achieved		

<b>Project:</b>	<b>Annual Target</b>	<b>Progress Against Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plan of Dealing with Deficiency</b>
<b>Program :</b>	<b>Municipal Events</b>				
Events Management	Coordinate all events and activities of the municipality	10%	Achieved		
Municipal campaigns	Facilitate campaigns to educate and inform communities about municipal services	100%	Achieved		
Imbizos	Facilitate at least one Mayoral Outreach programme/ Imbizo in each cluster.	100%	Not Achieved	Delayed implementation of program	Develop and adhere to plan

## SBU: Disaster Management

Project	Annual Target	Progress against the annual Target	Achievement of Target	Reason for Non Achievement	Plan to deal with deficiency
<b>Program</b>	<b>Integrated Institutional Capacity</b>				
Disaster risk Operational Capacity team	Facilitate preparedness planning and operations with disaster management agencies	100% (14)	Achieved		
Municipal internal disaster management committee	To enhance internal capacity to implement the Act and policy	None	Not Achieved	Delayed establishment of committee	Establish disaster management committee
Municipal Disaster Advisory Forum	Facilitate 4 quarterly disaster advisory forum meetings	1001% (4)	Achieved		
<b>Program</b>	<b>Hazards Identification And Risk Assessment</b>				
Disaster risk management planning	To compile municipal disaster risk profile in conjunction with the Provincial Department of Local Government and Housing through external service provider	100%	Achieved		
2010 Disaster Management Plan for the Peter Mokaba stadium	To develop disaster management plan for the stadium	100%	Achieved		



<b>Project</b>	<b>Annual Target</b>	<b>Progress against the annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plan to deal with deficiency</b>
Disaster risk events management planning	To develop disaster risk reduction operational plans for mass events	100%	Achieved		
School awareness campaign	Conduct training in six schools within the municipality	100% (50 schools and 11 traditional Authorities)	Achieved		
Public information and awareness campaigns	Distribute pamphlets and conduct awareness campaigns, and promote risk avoidance culture at Traditional authorities	100% (11 Traditional Authorities)	Achieved		
Emergency preparedness and planning	To make presentation to both private and public institutions such Polokwane Chamber of Business security forum, NGOs and sector departments on emergency planning	100%	Achieved		
<b>Program</b>	<b>Response And Recovery</b>				
Emergency disaster relief and response	To activate disaster resources quickly to avert loss of life, and property, assess, classify, declare and review the disaster	100%	Achieved		
Contingency plans	Facilitate SBU contingency planning for known hazards in the area	100%	Achieved		

### 6.1.1.2 SBU: Internal Audit

Project:	Annual Target	Progress Against the Annual Target	Achievement of Target	Reason for Non Achievement	Plan to deal with deficiency
<b>Audit Coverage Plan</b>	Adopted Audit coverage plan 4 quarterly reports	100%	Achieved		
Convene Quarterly Internal Audit Committee	Convene quarterly Audit Committee meetings	Achieved on adhoc basis	Achieved	Lack of action plan	Development of action plan
Internal Audit and Audit Committee Charters	Approved Internal Audit and Audit Committee charters	100%	Achieved		
Convene Quarterly Internal Audit Committee	Convene Quarterly Audit Committee	100%	Achieved		
Follow Up Audits	4 quarterly reports	25% (1 report)	Not achieved	No follow up of Audits performed	Follow up on all audits
Convene Quarterly Internal Audit Committee	Convene 4 Quarterly Audit Committee	25% (1 meeting)	Not Achieved	Lack of resources	Develop a plan
Financial Audits	12 monthly reports	0%	Not Achieved	Lack of resources	Plan and budget for financial audits
Convene Quarterly Internal Audit Committee	Convene Quarterly Audit Committee	0%	Not achieved	No financial audits performed	Have financial audits
Performance Audits	4 quarterly reports	0%	Not achieved	Lack of resources	Plan and budget for financial audits
Convene Quarterly Internal Audit Committee	Convene Quarterly Audit Committee	No report Submitted to AC meeting	No performance audits performed	Lack of resources	

<b>Project:</b>	<b>Annual Target</b>	<b>Progress Against the Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plan to deal with deficiency</b>
<b>Compliance Audits</b>	6 Compliance Audit reports	No progress	Not achieved	Lack of resources	
Fraud Investigations	Submission of Forensic Audit Report	100% (no incidents)	Achieved		
Convene Quarterly Internal Audit Committee	Convene Quarterly Audit Committee	No report Submitted to AC meeting	No forensic audits performed	No incidence reported	
Advisory Management	12 Monthly reports	No progress	Not achieved	Lack of resources	
Convene Quarterly Internal Audit Committee	Convene Quarterly Audit Committee	No report Submitted to AC meeting	No audits performed	Lack of resources	
<b>Program</b>	<b>Corporate Governance</b>				
Audit Committee	4 quarterly meetings	75% (3)	Not Achieved		
Convene Quarterly Internal Audit Committee	Convene 4 Quarterly Audit Committee	0%	Not Achieved		

## SBU: Project Management Unit (PMU)

Project	Annual Targets	Progress against annual target	Achievement of Target	Reasons for Non Achievement	Plan for dealing with Deficiency
<b>Program</b>	<b>Capital Project Management</b>				
Capital Project Management process	Development of effective project management system	60	Not Achieved	Delays in implementation of system due to various presentations being made by service providers.	Finalise the system
Projects Consultants Management	Submission of 12 monthly reports to the accounting officer	100%	Achieved		
	Ensure that consultants implement projects as per service level agreements	100%	Achieved		
Legislative compliance	Approval of all projects that require DWAF technical report and environmental investigation	100%	Achieved		
Project Impact Assessment Study.	30% of Annual Capital Project Budget support labour intensive project.	Only 11% of the annual capital projects were reported as EPWP 80% of our MIG funds were implemented through EPWP	Not Achieved	delayed planning	To up scale the EPWP program in the coming financial year.

<b>Project</b>	<b>Annual Targets</b>	<b>Progress against annual target</b>	<b>Achievement of Target</b>	<b>Reasons for Non Achievement</b>	<b>Plan for dealing with Deficiency</b>
<b>Program</b>	<b>Municipal Infrastructure Grant</b>				
Projects registration.	Commitment of 2008/2009 allocation as per DoRA	100%	Achieved		
Monitoring & Evaluation of MIG Projects	Submission of 12 reports in the prescribed format by specified time to Provincial and National PMU	100%	Achieved		
Legislative compliance	Compliance with MIG procedures and guidelines	100%	Achieved		
<b>Program:</b>	<b>Expanded Public Works Program</b>				
Monitoring & Evaluation of EPWP Projects	10% to 30% of annual Capital Budget is utilised on EPWP projects	100% (80% of our MIG funds were implemented through EPWP)	Achieved		
Learnership project	Projects awarded to at least 6-learner contractor for their trial period.	100% (physical progress at 65%)	Achieved		
Training	Ensure that training of labourers employed in EPWP projects is conducted	100% (10 training)	Achieved		

<b>Project</b>	<b>Annual Targets</b>	<b>Progress against annual target</b>	<b>Achievement of Target</b>	<b>Reasons for Non Achievement</b>	<b>Plan for dealing with Deficiency</b>
	Secure training funds from the Department of Labour.	5%	Not achieved	Delayed disbursement of funds by DOL	To continue and secure funds from DOL in the next financial year.

# **DIRECTORATE: COMMUNITY SERVICES**

## SBU: Traffic and Licenses

Programme	Annual Target	Progress to date	Achievement of target	Reason for non achievement	Plan for dealing with deficiency
Purchase 1 x 14 seater minibus	1X 14 Seater Minibus	100%	Achieved	Achieved	
Purchase 1 x k78 trailer	Process – request forwarded to adjudication committee to purchase directly from service provider	5%	Awaiting response from adjudication committee	Delayed implementation	Procure goods
Purchase 10x 2000cc sedans	10x 2000cc sedans	100%	Achieved		
Purchase 2x 2000cc Idv (long wheel base)	Bid to be re-advertised	5%	Not achieved	Delayed implementation	Procure goods
Purchase 2x 700cc motor cycles	Bid to be re-advertised	5%	Not achieved	Delayed implementation	Procure goods
Purchase & installation of 4 x traffic lights sets	Installed 4 x traffic lights sets	10%	Not achieved	Report referred back	Projects transferred and re-budgeted in the following year 's budget at Electrical Services
Purchase & installation of 1 x speed & red light camera	Installed 1x speed and red light camera	5%	Not achieved	Delayed implementation	Project re-budgeted within Electrical Services for installation. Further consultations with PMU regarding finalization processes.
Upgrade traffic lights systems (controllers)	Upgraded traffic lights systems	5%	Not achieved	Delayed planning	Plan in the next financial year



<b>Programme</b>	<b>Annual Target</b>	<b>Progress to date</b>	<b>Achievement of target</b>	<b>Reason for non achievement</b>	<b>Plan for dealing with deficiency</b>
Upgrading animal pound	Handing over by Admin & Maintenance to the contractor	20%	Not achieved	Delayed implementation	Fast track implementation and handover
Vehicle license drive-through phase 2	Completed drive-through facility	0%	Not achieved	Delayed planning	Implement project in the next financial year
Booming system at ERF 6045, ERF 36 and Metropolitan Parking Centre. Resolution MC08/07/08	Comprehensive report outlining areas to be boomed	100%	Achieved		

## SBU: Waste Management

Project	Annual Target	Progress Against annual target	Achievement of Target	Reason for Non Achievement	Plan of Dealing with Deficiency
<b>Program</b>	<b>Refuse Storage, Collection, Transportation And Disposal</b>				
30m3 skip containers	Supply and delivery of 8 x 30 m3 skip containers	100%	Achieved		
6 m3 Skip containers	Supply and delivery of 28 skip containers	100%	Achieved		
1.1m3 refuse containers	Supply and delivery of 52 containers	100%	Achieved		
Swivel bins	Supply and delivery of 252 containers	100%	Achieved		
240 litre bins	Supply and delivery of 900 containers	100%	Achieved		
Ladanna transfer station	Completion of upgraded transfer station	5%	Not achieved	Delay in obtaining EIA	Project re-budgeted to build wall around
Roll on roll off truck	Supply and delivery of one truck	100%	Achieved		
Grab truck	Supply and delivery of one grab truck	95%	Not achieved	Awaiting delivery of truck	Fast track delivery of truck
10 ton tipper truck	Supply and delivery of one truck	100%	achieved		
Front end loader	Supply and delivery of one FEL	100%	achieved		
Bid bulletin and flyers		Planning stage			
Load lugger	Supply and delivery of one truck	100%	achieved		
2 x21 m3 compactor truck	Supply and delivery of one truck	100%	achieved		
2 x LDV	Supply and delivery of 2 x ldv trucks	100%	achieved		

<b>Project</b>	<b>Annual Target</b>	<b>Progress Against annual target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plan of Dealing with Deficiency</b>
2 X 4 TON Trucks	Supply and delivery of 2 x 4 ton truck	100%	achieved		
1 x customized trailer	Supply and delivery of one trailer	50%	Not achieved	Awaiting truck delivery	Fast track process of delivery
Administration plant and equipment	Supply of radios x 9	100%	achieved		
White board for Ladanna office	Supply and delivery of one board	100%	achieved		

## SBU: Community Safety

Project	Annual Target	Progress against the annual Target	Achievement of Target	Reason for Non Achievement	Plan to deal with deficiency
<b>Program</b>	<b>Crime Prevention</b>				
Access Cont System Mankweng Fire Brigade	To install an automated access control system at the Fire Station	0%	Not achieved	Facilities not yet handed over	Fast track handover of project
Vehicle Tracking System	To install the covert tracking devices in 285 vehicles and to respond to panic alarms	100%	Achieved		
<b>Program</b>	<b>Control Centre</b>				
Two-way radio Communication	To ensure that all systems are compatible with each other. To the UHF frequency	95% (equipment delivered)	Not achieved	Awaiting ICSASA approval	Monitor process for approval and install system
Two way radios systems R395 000.00	To ensure that all systems are compatible with each other	50%	Not achieved	Monitor process of approval	Monitor process for approval and install system
Upgrading security at council chambers R500 00.00	To protection of Municipal infrastructure and Personnel:	50%	Achieved		
Upgrading camera monitoring system Itsoseng bus terminus	To protection of Municipal infrastructure and Personnel	50%	Achieved		
Upgrading of System and Supply of a Street Surveillance License Plate Recognition	The protection of Municipal infrastructure and community:	System delivered and installed and the final configuration of wireless in process	Achieved		

<b>Project</b>	<b>Annual Target</b>	<b>Progress against the annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plan to deal with deficiency</b>
system					
Upgrading security at Game Reserve	To protection of Municipal infrastructure and Personnel	System delivered and installed	Achieved		
Camera Monitoring System (internal CCTV system) Access Control Budget	To protection of Municipal infrastructure and Personnel:	System delivered and installed	Achieved		
Access Control Monitoring System, Mankweng	To implement access control system at the newly built fire station, Mankweng	System delivered and installed	Achieved		
<b>Program</b>	<b>Fire Safety</b>				
Fire Hoses	To replace twelve obsolete fire hoses	100%	Achieved		
Portable pumps	To purchase three additional portable pumps	100%	Achieved		
<b>Program</b>	<b>Fire Training</b>				
Scheduled courses: First Aid Level 1 =284 Fire Extinguisher =370 Hazmat Ops =75 Dangerous Goods =28 Hazmat Ops =13 Elementary =43	To train both personnel and members of the public	100%	Achieved		
<b>Program</b>	<b>Community Safety</b>				
Purchase of 2 x 2,5 Single Cab LDV's.	To purchase 2 x 2,5 Single Cab vehicles	100%	achieved		
Purchase of 1 x 2,5 Single Cab 4 x4 LDV's.	To purchase 1 x 2,5 CC 4 x 4 Single Cab vehicle	100%	achieved		
Purchase of 1 x 1600 CC Sedan	To purchase 1 x 1600 Sedan vehicle	100%	achieved		

Project	Annual Target	Progress against the annual Target	Achievement of Target	Reason for Non Achievement	Plan to deal with deficiency
<b>Program</b>	<b>Asset Protection</b>				
Static Guards Municipal Sites	To protect 69 high risk municipal sites	100%	Achieved		
Introduction of a Polokwane Municipality Security Policy	Introduction of security standards	50%	Not achieved	Awaiting policy from the National Security Regulator	
Registering of In-house Security with the Private Industry Regulatory Authority	To register 46 in-house security guards with PSIRA	70%	Not achieved	Awaiting for competency certificates from SAPS prior to registering with PSIRA	
Vetting of staff and pre-employment security screenings	To vet all Managers and secretaries and Pre-employment Screening of all new staff. 508 pre employment screening and 41 vetting of employees completed.	100%	Achieved		
Sector crime prevention strategy	Participation in 60 sector crime prevention meetings and workshops	100%	Achieved		
Fire arm competency – all law enforcement officers	Compliance with the new firearms act. 150 certificates to armed officers. Completed 57 competency certificates for firearms	100%	Achieved		
Handling of marches and illegal gatherings	To receive, handle and process all applications for marches. Processed 35 marches in the Polokwane Municipality jurisdiction	100%	Achieved		

<b>Project</b>	<b>Annual Target</b>	<b>Progress against the annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plan to deal with deficiency</b>
Investigation of crime involving Municipal assets	To receive and investigate all reported crimes and report generated. A total of 77 cases completed	80%	Achieved		

## SBU: Environmental Management

Projects	Annual Target	Progress Against Annual Target	Achievement Of Target	Reason For Non-Achievement	Plan For Dealing With Deficiency
<b>Programme</b>	<b>Integrated Environmental Management</b>				
Development of Sterpark ridge and Eduan park (bullfrog) as a protected area	Project approval Appointment of a consultant/architect Public consultation	50%	Not Achieved	Awaiting for approval of project plan	Appoint service provider and develop areas
Upgrading of the Game reserve	Implementation	100%	Achieved		
Infrastructure upgrading – Game reserve	Implementation and Completion	100%	Achieved		
Environmental study: Sterpark and Eduan park	Implementation and Completion	100%	Achieved		
Game reserve service delivery model	Implementation and Completion	100%	Achieved		
<b>Program</b>	<b>Environmental management</b>				
<b>Program</b>	<b>Cemetery</b>				
Replacement of cemetery – New Pietersburg	Project approval Invitation of tenders Appointment of a consultant	100%	Achieved		
Church street cemetery road expansion	Project approval Invitation of tenders Appointment of a	100%	Achieved		



Projects	Annual Target	Progress Against Annual Target	Achievement Of Target	Reason For Non-Achievement	Plan For Dealing With Deficiency
	service provider				
Church street cemetery road expansion	Implementation and completion	100%	Achieved		
Internal road upgrading	Implementation and completion	100%	Achieved		
<b>Programme</b>	<b>Parks and City Entrances Management</b>				
Second phase of Mankweng parks development - Zone A	Project design and approval	100%	Achieved		
Second phase of Mankweng parks development - Zone C	Project design and approval	100%	Achieved		
Development of SABC park, and the Island between Game and Correctional services	Project design and approval	100%	Achieved		
Park development Rainbow park	Project design and approval	100%	Achieved		
Park Development Emdo Park	Project design and approval	90%	Not achieved	Awaiting completion of project	Fanalise and hand over project
City entrances development	Project design and approval	100%	Achieved		
Drilling boreholes municipal parks	Project approval Completion of the roll over phase	85%	Not achieved	Awaiting completion of project	Fanalise and hand over project
Fencing and parking Seshego dam	Project design and approval	50%	Not achieved	Awaiting completion of project	Fanalise and hand over project
Nursery relocation	Project approval	Project approval granted.	Achieved Started		

Projects	Annual Target	Progress Against Annual Target	Achievement Of Target	Reason For Non-Achievement	Plan For Dealing With Deficiency
		with the project. Ongoing			
Nursery relocation <b>(Roll-over)</b>	Completion of the roll over phase	Implementation and construction going on. We have finalised the relocation to the new site	Achieved		
<b>Program</b>	<b>Greening</b>				
City decorations – benches, sculptures, and paving	Project design and approval Procurement of material and services	100%	Achieved		
2010 Public toilets	Project design and approval Invitation of tenders Tender adjudication	100%	Achieved		
2010 Greening	Project design and approval Invitation of tenders Tender adjudication	100%	Achieved		

**SBU: Cultural Services**

Project	Annual Target	Progress to date	Achievement of Target	Reason for Non-Achievement	Plans to deal with deficiency
<b>Program</b>	<b>Museums</b>				
Replacement of hanging system	Purchase hanging system and install	100%	achieved		
Purchasing of museum art works	Identify and procure 5 art works	10%	Not achieved	Delayed implementation	Finalise procurement processes
Cultural precinct	Implement project	15%	Not achieved	Await feedback from the Institute of Architects	Finalise plans and implement project
Community art mural project	Complete 2 murals	50% (material purchased)	Not achieved	Delayed implementation	Finalise project
Plant and Equipment Art museum	Submit requisitions and purchase items	100%(4 Exhibition display units)	Achieved		
1X1 Ton LDV (Bakone Malapa)		100%	Achieved		
Multi Media Exhibition Upgrade Irish House	Completion of the project	5%	Not achieved	Delayed implementation	Fast track implementation and hand over
New Exhibition Irish House Museum	Completion of the project	55%	Not achieved	Delayed implementation	Fast track implementation and hand over
Public Sculpture	Completion of the project	10%	Not achieved	Insufficient funds and waited for final approval of design.	Fast track implementation and hand over
Signage at Heritage sites	Completion of the project	100%	Achieved		
Bakone Malapa braai facilities	Completion of the project	100%	Achieved		
Translation collection information	Complete translation of 6-acquisition registers.	100%	Achieved		
Purchase of museum	Purchase 20 museum	55%	Not Achieved	Limited funds	

Project	Annual Target	Progress to date	Achievement of Target	Reason for Non-Achievement	Plans to deal with deficiency
objects (upgrading of collection)	items/objects	7			
Production of information brochures.	No target	Produce 6000 brochures/Pamphlets	Achieved		
Outreach programmes	Visit 08 schools	<p>Three schools (two secondary and one primary school) were visited on 20, 21 and 23 April.</p> <ul style="list-style-type: none"> <li>✓ Mogano Primary school</li> <li>✓ Tshebela secondary school</li> <li>✓ Kgakoa Secondary School</li> <li>✓ PEMS Secondary School</li> <li>✓ Flora Park Secondary School</li> <li>✓ Sphakabatho Sec. School</li> <li>✓ Capricorn sec. School</li> <li>✓ Pietersburg Comprehensive Primary</li> <li>✓ Pietersburg English Medium Primary</li> <li>✓ Kgetsas Primary</li> </ul>	Achieved		
Production of Heritage Sites Posters	Produce 3000 posters	Quotation documents prepared and tender	Achieved		

Project	Annual Target	Progress to date	Achievement of Target	Reason for Non-Achievement	Plans to deal with deficiency
		closed on the 28 November 2008. Adjudication took place and the service provider appointed. Project is 100% complete.			
6. Rehabilitation of archaeological site at Bakone Malapa	Completion of the rehabilitation of the site	Service provider appointed and has started with the job. The kraal is almost complete. Finalization of the interpretation board is under construction. Project complete.  Second proposal for the completion of the project made and closed on the 22 May 2009, Await for the evaluation and appointment of the service provider. Evaluation took place and adjudication to take place	Achieved		
Temporary archaeological exhibition.	Complete the archaeological exhibition	Still busy with terms of reference. Communicating with other institutions regarding loan of objects of archaeological significance. Finalization of loan objects underway. Finalization of the project could not take place	Not Achieved	Project cancelled	
Roots Festival	No target	The event is complete.	Achieved		

Project	Annual Target	Progress to date	Achievement of Target	Reason for Non-Achievement	Plans to deal with deficiency
(Museum)		Everything went well and it took place on the 27 <sup>th</sup> September 2008			
Update of Heritage Register	To Update Heritage Register on historic buildings in the City Polokwane	Quotation documents prepared. Meeting with SCM for advertisement took place. Project to be advertised. Received quotation from the service provider and busy liaising with procurement on terms of appointment. Direct order proposed and await for feedback from procurement.	Not Achieved	Delays in procurement	
<b>Additional not referred in the SDBIP</b>					
Re-thatching of the museum huts	1 hut to be thatched	All the huts completed.	Achieved		
Pottery Making	Produce 40 pots	A total of 110 pots produced	Achieved		
Celebration of special events	Exhibitions Commemoration of June 16; Commemoration of Human rights day; Annual celebration international Museums day	Celebration of indigenous games to be held during the month of March 2009. Busy with the research on museum International day from 18-22 May.	Achieved		
Restoration of Cannon	Completion the	Communication held with	Not Achieved	Delays in	

<b>Project</b>	<b>Annual Target</b>	<b>Progress to date</b>	<b>Achievement of Target</b>	<b>Reason for Non-Achievement</b>	<b>Plans to deal with deficiency</b>
and Wagon Wheels	restoration of the Cannon and Wagon Wheels	various service providers but are unable to procure their services due to unavailability of certain documentation required from SCM. Established service providers could not be found.		procurement	
Monitoring of historic buildings within Polokwane	Inspection and report to applicants	Received and evaluated various applications for demolitions.	Achieved		
Documentation	Documentation of purchased objects	Number of purchased objects identified and busy with allocation of numbers to the objects and requisition to be made to purchase the material for accessioning.	Achieved		
Printing of Pietersburg history book	Completion of the project on the editing of the Pietersburg History book.	Meeting held with Prof. Louis Changuion and the Manager Cultural services to decide on the project. Received the necessary documents and submitted them to process the appointment.	Not Achieved	Delays in the procurement	
Construction of new temporary exhibition	Completion of the project	Project is complete and will be on display until December 2009.	Achieved		
Biccard store room	Maintenance of the building terrain. Collections management	Security is intact which means the objects/collections and the building as a heritage is	Achieved		

Project	Annual Target	Progress to date	Achievement of Target	Reason for Non-Achievement	Plans to deal with deficiency
		safe.			
Educational tours to museums	Planning Tourism marketing Educational tours 3000 visitors	Irish House= 10536 Bakone Malapa= 27891 Hugh Exton = 2850 Art Museum =10 866 TOTAL = 52143	Achieved		
Purchase of art museum artworks	Purchasing of + - 8 artworks for the Art Museum ( depending on the prices and the available budget for the purchase of the artworks)	23 artworks	Achieved		
2. Art Exhibitions	To have one exhibition per quarter	2	Achieved		
3. Restoration of Public Sculptures	Restoration of the vandalized public statues i.e. The Giraffes and the Penny Whistle player.	Material on site	Achieved		
4. Statistics Visitors to Art museum					
Art workshops		4	Achieved		
Art Competitions		2	Achieved		
Conservation of Artwork	Complete the Conservation of Artwork	5%			
Polokwane Arts	Stage a mainstream	45%	Target not	Awaiting council	



Project	Annual Target	Progress to date	Achievement of Target	Reason for Non-Achievement	Plans to deal with deficiency
Festival	arts festival in collaboration with an external promoter for participation by a number of artists and a number of patrons attending - Seven (7) Groups/Bands and Five (5) DJs performing. 5000 audience attending		achieved	approval of proposal on "Polokwane Alive" festival	
Polokwane Roots Festival	Presentation of a festival during the heritage month	The festival staged than (1000 spectators )	Achieved		
Polokwane Youth Festival	A number of young local artists participate in a variety festival and a number of patrons attend	The festival hosted concurrently with the festive lights (+ - 1500)	Achieved		
Holiday Program	Stage children's festival	Children's festival (140 )	Achieved		
Awareness Campaign	A number of Artists and Art Groups from all the municipal wards participate in the arts competitions	Cultural Competitions (36 ) Other art activities (500)	Achieved		
Workshops	Host two-day workshops wherein 40 arts administrators are capacitated with relevant business skills	4 (45 arts administrators)	Target Achieved		

Project	Annual Target	Progress to date	Achievement of Target	Reason for Non-Achievement	Plans to deal with deficiency
<b>Program</b>	<b>Library services</b>				
Periodicals and newspapers	Orders completed	80%	Not achieved	Awaiting delivery items	Finalise project
Debating tournament	Elimination rounds complete	100%	Achieved		
Publicity	Project completed	80%	Not achieved	Awaiting delivery items	Finalise project
Children's/Holiday programs	Children's Program	<b>100%</b> <b>Displays: 53</b> <b>Debate: 38</b> 1 488 children <b>Holiday Program: 36</b> 1 233 children <b>Library visits by School: 27</b> 78 adults, 950 children	Achieved		
Rental of venues Auditorium Nirvana Act Room Westenburg Act Room	50 bookings R11000	233	Achieved.		
Statistical Information on library usage		No of books shelved 524 800 No of persons 511 689 Internal use: Books 165 441 Newspapers 25 773 Periodicals 9 876 Info files 5 843 Reference eng + comm. Info 26 312 Internet searches: public 230; info files 907	Achieved		

Project	Annual Target	Progress to date	Achievement of Target	Reason for Non-Achievement	Plans to deal with deficiency
		<p>Reader's guidance 11 802</p> <p><b>Memberships:</b> Members New 1 273 &amp; Re-registered 2 442</p> <p><b>Special requests:</b> Received 157, Provided 150</p> <p><b>Issues/Return of library material:</b> Circulation for all libraries 282 091</p> <p><b>Block loans:</b> 39</p> <p><b>Shelve reading:</b> 272 hours &amp; 15 min.</p> <p><b>Weeding:</b> 5 hours</p> <p>Newspapers received 6 543</p> <p>Periodicals received 925</p> <p>Books: Processed : 11 392</p> <p>Accessioned 11 769</p> <p>Donations: received 0 accessioned 2 426</p> <p>Reminders: 1<sup>st</sup> 2 719, 2<sup>nd</sup> : 477 telephone 643, Letters: 1<sup>st</sup> 713 2<sup>nd</sup> 133, W&amp;L 18</p>			
Library bulletin	To provide the library users/public with 12 book bulletins per	100% (18 000 issued)	Achieved		

Project	Annual Target	Progress to date	Achievement of Target	Reason for Non-Achievement	Plans to deal with deficiency
	annum				
Books issued/returned to branch libraries	Book allocation to all libraries –1 report per month	100% Westenburg 1 130 Mankweng 1 714 Moletjie 606 Seshego 1 120 EC 309 Nirvana 1 045 Stock withdrawn: 2 291 Own: 0 Provincial 0	Achieved		
Library visits	Regular visits	100% Old age homes: 17 Housebound: 21 Branch Libraries: 90	Achieved		
Standby generator Seshego Library: 60 KVA	Completed project	Have to re-advertise	Roll-over	Electrical Services to implement	
Furniture and equipment (Libraries)	Finalize purchase of furniture and equipment	44%	Not achieved	Delayed procurement	Procure goods
Office Equipment (Libraries)	Finalize purchase of furniture and equipment	5%	Not achieved	Delayed procurement	Procure goods
Plant and Equipment (Libraries)	Finalize procure of items listed	3%	Not achieved	Delayed procurement	Procure goods
Standby generator City Library: 250 KVA	Completed project	Have to re-advertise tender	Electrical Services to implement	Have to re-advertise tender	
Irrigation system	Completed project	45%	Not achieved	Service provider	Fast track

<b>Project</b>	<b>Annual Target</b>	<b>Progress to date</b>	<b>Achievement of Target</b>	<b>Reason for Non-Achievement</b>	<b>Plans to deal with deficiency</b>
Mankweng				appointed	implementation and handover project
Logo Nirvana Library	Completed project	35%	Not achieved	Finalized specifications and costing in conjunction with BAM.	Fast track implementation and handover project
Signage Mankweng Library	Project completed	35%	Not achieved	Finalized specifications and costing in conjunction with BAM.	Fast track implementation and handover project
Reposition info kiosk: Seshego	Completed project	56%	Not achieved	Kiosk moved into new position, to finalize details	Finalise project and handover
Collection development Libraries	Completed project	60%	Not achieved	Awaiting delivery	Fast track implementation and handover project

## SBU: Community Health Services

Project	Annual Target	Progress against the annual Target	Achievement of Target	Reason for Non Achievement	Plans to deal with deficiency
<b>Program</b>	<b>Environmental Health Services</b>				
Control and Monitor of food premises	1200 Inspections	1 253	Achieved		
Food Sampling	400 Samples	463	Achieved		
Inspection of Pre-Schools and Schools	280 Inspections	280	Achieved		
Accommodation Establishments	160 Inspections	204	Achieved		
Hawkers Education	11 Sessions	12	Achieved		
<b>Program</b>	<b>Air Pollution Control</b>				
Inspections of heat generating plants	240 Inspections	227	Achieved		
Air Quality analysis	459 Analysis	362	Not Achieved	Repairs to building	
<b>Program</b>	<b>HIV/Aids</b>				
Training	<b>16</b>	28	Achieved		
Information Dispensation	<b>36</b>	60	Achieved		
Resource activities		35669			

Project	Annual Target	Progress against the annual Target	Achievement of Target	Reason for Non Achievement	Plans to deal with deficiency
Client support services			Achieved		
- Counselling of clients	500	563			
-Condoms distributed	1 200 000	1 360 920			
-Support groups	24	24			
<b>12</b>		12			
Carer/Counsellor support					

## SBU: Community Health Services

Project	Annual Target	Progress against the annual Target	Achievement of Target	Reason for Non Achievement	Plans to deal with deficiency
<b>Program</b>	<b>Rendering of Environmental Health Services</b>				
• Control and Monitor of food premises	1200 Inspections	1 253	Achieved		
• Food Sampling	400 Samples	463			
• Inspection of Pre-Schools and Schools	280 Inspections	280			
• Accommodation Establishments	160 Inspections	204			
• Hawkers Education	11 Sessions	12			
<b>Program</b>	<b>Air Pollution Control</b>				
• Inspections of heat generating plants	240 Inspections	227	Achieved		
• Air Quality analysis	459 Analysis	362	Not Achieved	Repairs to building	



## SBU: Sport & Recreation

Project:	Annual Target	Progress Against Annual Target	Achievement of Target	Reason for Non Achievement	Plans to deal with deficiency
<b>Program</b>	<b>Maintenance of Community Halls</b>				
Renovation of Jack Botes Hall phase 3 Roll over & new project	Upgrading of the hall	The contractor has been appointed and the project is 96% complete	Achieved		
Purchase of furniture	Replacement of furniture and fittings	The service provider has been appointed and furniture has been delivered	Achieved		
Purchase of equipments	Purchase and delivery of pot plants for decoration of community halls	The pot plants have been purchased and delivered	Achieved		
Purchase of floor polishes machines	Purchase cleaning machines for halls	The bid was advertised with no companies qualifying	Not achieved	Tender to be re-advertised	
<b>Program</b>	<b>Maintenance of Recreational facilities</b>				
Building of ablution facilities (tennis courts Burger Str)	New facilities for disabled users	100%	Achieved		
Replacement vehicles	Amount of vehicles purchases	100%	Achieved		

<b>Project:</b>	<b>Annual Target</b>	<b>Progress Against Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plans to deal with deficiency</b>
Plant and equipment	Purchase of pot plants for decorating.	100%	Achieved		
Landscaping sport complex.	Provision of a parking area.	5%	Not achieved	Awaiting for paving of the parking areas.	Implement project and handover
Replacement equipment	Purchase specialized ride-on- mower	100%	Achieved		
Ngoako Ramathlodi Indoor Parking (roll over and new project)	Provide a free dust parking area.	45%	Achieved		
Ngoako Ramathlodi Sound system Landscaping Shade nets	Purchase of a sound system, landscaping of the area and installations of car ports.	15%	Not achieved		
Main Pool - Carports	Installation of car ports	100%	Achieved	Change in the scope of work	Implement baby pool
Recreation programmes	5 000 participants	5 000 Participants	Achieved		
Promotion of Polokwane as a sport Hub	15 Events	50 Events	Achieved		
Events held	20 Events	20 Events	Achieved		

## DIRECTORATE 2010

	Project	Annual Target	Progress Against Target	Achievement of target	Reason for non-achievement
Progra	<b>Programme: Fulfilling Host City Obligations</b>				
	Compliance monitoring	Report	100%	2 Reports submitted	
	FIFA Venue Offices	Provision of 800sqm Offices as per HC Agreement	100%	Secured office space for Venue Office	
<b>Programme: coordination of internal stakeholders</b>					
	Development of 2010 Master Plan	Appointment of service provider	30%	Not achieved	Budget was not adequate to meet the chosen service provider's price
	Project Steering Committee Meetings	12 meetings and reports	40%	Not achieved	Failure of members to turn up for meetings
	LOC Meetings (Host Cities Forum)	4 reports	100%	Achieved -4 meetings were held for the year	
	Monitoring implementation of 2010 Capital Projects	12 meetings with work streams & 4 reports	50%	Not achieved - 6 meetings with work streams & 3 reports	Was unable to meet all managers due to the unavailability of some managers
	Stakeholder consultation	Establishment of database, holding of initial 8 general meetings & 4 meeting of the 2010 Advisory Committee	50%	Nota achieved – a database was established and only 2 meetings of the Advisory Committee were held and	Reworking the schedule of meetings and liaising with political office to reschedule the meetings
Progra	<b>Programme : stadium &amp; stadium precinct</b>				
	Construction of Stadium	Stadium Completed	90%	Partly Achieved	Final finishes still needed to be done and major work on plastic seating was still outstanding
	Stadium Precinct	Appointment of consultants	50%	Not Achieved	Report requires approval

<b>Project</b>	<b>Annual Target</b>	<b>Progress Against Target</b>	<b>Achievement of target</b>	<b>Reason for non-achievement</b>
Training Venues	Advertise bids for contractors	Achieved	Achieved – contractors were appointed	
Fan Park	Appointment of consultants	Consultants appointed	Achieved	
<b>Programme: Legacy &amp; Sustainability</b>				
Volunteer Programme	Redo needs analysis within the city as well as opening registration for 2010 FWC	Needs analysis submitted. 5 portals created for internet access and 4 temporary employees appointed to assist applicants	Achieved	
Hawker permits	One workshop	Workshop held, included in the by-laws	Achieved	
2010 readiness programme	-Approval of programme -Capacity building workshop	-Programme approved -Workshop held	Achieved	
Capacity Building (informal sector)	-Develop database and profile of informal sector -facilitate capacity building programmes -facilitate provision of temporary infrastructure for trading	Database done  Ongoing	Achieved	
2010 Business Opportunities conference	Host one business opportunity conference	Business opportunities conference hosted	Achieved	
2010 Greening	Implementation of greening plan	-Consultant appointed to compile the City Greening and Decoration plan	Consultant appointed and draft report circulated for comments	Waiting for final report

<b>Project</b>	<b>Annual Target</b>	<b>Progress Against Target</b>	<b>Achievement of target</b>	<b>Reason for non-achievement</b>
City decorations	Project design	done		
City entrances development	Project design and approval	done		
Waste Management	Develop a detailed plan on waste management, environmental protection and rehabilitation	None	Not achieved	Capacity constraints
Cultural precinct	Planning and terms of reference	None	Not achieved	Capacity constraints
Stadium	Appointment of stadium operator	Drafting of terms of reference for stadium operator in progress	Partly achieved	N/A
Tourism	Thorough audit on the capacity of the hospitality industry	Directory done but not fully updated	Partly achieved	Data change at a fast pace and not captured timeously
<b>Progr</b>	<b>Programme: Marketing &amp; Communications</b>			
Exhibitions	Participate in the Soccerex, ITB, TUR, Polokwane Show & SA Tourism Indaba	Done	Achieved	
Events	Host events to promote 2010 & the City of Polokwane	Done	Target not achieved	Lack of funds
Media Relations	18 media releases & electronic interviews	100%	Achieved – Weekly radio interview	
Newsletter	Produce 2010 newsletter	100%	4 copies issued	
Magazine	Produce 1 <sup>st</sup> edition	0%	Not achieved	Lack of funds
Website	Bi-Weekly updates	70%	Partly achieved	Lack of dedicated person to work on this
<b>Progra</b>	<b>Programme: Safety and Security</b>			

<b>Project</b>	<b>Annual Target</b>	<b>Progress Against Target</b>	<b>Achievement of target</b>	<b>Reason for non-achievement</b>
Disaster Management	Do Disaster Management Plan for Fan Park & City	30%	Not Achieved	Awaiting Appointment of Events Management Company and lack of funds
Safety & Security	Have safety and security plan available	40%	Not Achieved -	Lack of clarity on the role of the city and that of the South African Police Services
Health, Medical & Emergency Services	Aligned of health plan with national plan	100%	Achieved	
<b>Progra</b>	<b>Programme: Finance &amp; Legal</b>			
Promulgation of 2010 By-Laws	Promulgation of 2010 FIFA World Cup By-Laws	100%	Achieved – By-laws have been gazetted	
<b>Progr</b>	<b>Programme : IT &amp; T</b>			
VOIP-Switch 2010 Stadium	SLA Project Plan Start implementation	Done	Achieved	
Optic Fibre to Stadium	SLA Project Plan Start implementation	Done	Achieved	

## **ROLLOVER PROJECTS (2007/2008)**

### **DIRECTORATE: TECHNICAL SERVICES**

#### **SBU:Water & Sanitation**

<b>Project</b>	<b>Annual Target</b>	<b>Progress to date</b>	<b>Achievement of target</b>	<b>Reason for non achievement</b>	<b>Plans to deal with deficiency</b>
<b>Program</b>	<b>Water</b>				
Moletjie East RWS	Project Progress should be at 100%	100	Achieved		
Upgrade water lines CBD	Project Progress should be at 100%	100%	Achieved		
Chuene/ Maja RWS	Project Progress should be at 100%	95%	Not Achieved	Awaiting connection pressure test Eskom and	Finalise project
Molepo Dam	Project Progress should be at 100%	90%	Not Achieved	Limited funds to complete project	Budget and finalise project



Project	Annual Target	Progress to date	Achievement of target	Reason for non achievement	Plans to deal with deficiency
Dam safety	Project Progress should be at 100%	100%	Achieved		
Bulk water to SDA 3 Phase 1	Project Progress should be at 100%	100%	Achieved		
Accommodation pump stations	Project Progress should be at 100%	100%	Achieved		
<b>SEWER</b>					
Sewer network upgrading	Project Progress should be at 100%	70%	Not achieved	Limited funds to complete project	Budget and finalise project
Bulk sewer SDA3	Project Progress should be at 100%	70%	Not achieved	Delays with the concrete work on pump station and also awaiting for the permission from property owner to install pipeline.	Negotiate and finalise project
Sewer line servitudes	Project Progress should be at 100%	20%	Not achieved	Project still at procurement phase	Finalise implementation of the project

## SBU :Electrical Services

Project	Annual Target	Progress against the Annual Target	Achievement of Target	Reason for Non Achievement	Plans to deal with the deficiency
Feeder Cable to Seshego Zone 8 substation	Install feeder cable	100%	Achieved		
Electrify low income houses (Blood River)	Expand license area to include Letsokoane, Manamela, Dairing and compensate Eskom for assets taken over	100% (1145)	Achieved		
Electrify low income houses (Eskom area)	Complete proejct to electrify ± 3 000 houses in Eskom license area	100% (4143)	Achieved		
Sigma sub – replace switchgear	Replace obsolete switchgear over 3 year project	100%	Achieved		

Project	Annual Target	Progress against the Annual Target	Achievement of Target	Reason for Non Achievement	Plans to deal with the deficiency
Nirvana X3 – 108 Erven	Install low voltage system to 108 stands (provided houses are built)	10%	Target not achieved	Delayed building of houses	
Electrify houses – Blood River (Letsokoane)	Complete project to electrify 1100 houses	100% (1145 )	Achieved		
Upgrade Beta Sub (2010)	Proceed with Beta sub upgrade – complete phase 1	100%( ongoing )	Achieved		
Second Eskom supply	Do phase 1 of establishing municipal 66 kV substation at Bakone 2 <sup>nd</sup> Eskom supply	100% (designs)	Achieved		
High mast lights (2)	Install high mast lights once legal issue has been settled	5%	Not achieved	Pending legal issue	Fast track implementation after legal proceeding completed
<b>Programme</b>	<b>Electricity supply to customers within the Polokwane License area.</b>				
Electrification of approximately 1 450 low income houses in municipal license area.  Electrification in terms of updated priority list, ± 2500	To complete projects for: ± 671 connections in X44 ± 750 to 1000 connections in Ext 71 ± 2 500 connections in Eskom area	Connections in Polokwane license area achieves (see capital project 4 + 5). Connections in rural Polokwane not completed (see capital project 29)	Not achieved	Completed in Polokwane/City only and left with rural electrification	Speed up electrification in rural Eskom area

<b>Project</b>	<b>Annual Target</b>	<b>Progress against the Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for Non Achievement</b>	<b>Plans to deal with the deficiency</b>
connections  Approximately 470 connections by Eskom.					
<b>Programme 3</b>	<b>Revenue from electricity sales</b>				
Reduce Polokwane license area technical losses	Reduce total losses ≤ 8,5 % and Seshego specifically to ≤ 18 %.	Since meter are not read regularly nor accurately, losses on system can not be reported	Not achieved		
Ensure that NERSA license condition 5.3.4 is complied with which reads as follows: “The licensee shall ensure that metering, billing and revenue collection are effective, efficient and accurate.	Meter reader contractor to honour “Memorandum of Agreement” to ensure accurate meter reading.		Not achieved	Poor performance by contractor	Review contract
FBE roll out to qualifying municipal customers.	All municipal qualifying customers (± 4 500) to receive FBE.	100%	Achieved		

Project	Annual Target	Progress against the Annual Target	Achievement of Target	Reason for Non Achievement	Plans to deal with the deficiency
FBE subsidy to all Solar Home System 3 300 (non grid) customers – R40 per month.	Provide FBE subsidy to all households which received a non grid connection, from the DME concessionaire (Solar Vision).	100%	Achieved		
Program	Free basic electricity				
FBE roll out to all Eskom customers	± 20 000 Eskom qualifying customers to receive FBE	100% (11 500 applied)	Achieved		
<b>Programme 5</b>	<b>Public Lighting</b>				
Streetlights on main roads and high mast lights in rural areas	Provide street lighting on main roads	Street lights installed as per capital projects.  Streetlight maintenance not up to standard	Not achieved.	Inadequate vehicles to render services	Procure enough vehicles to render the service
<b>Programme 6</b>	<b>Demand Side Management</b>				
Load control on residential hot water cylinders to reduce electricity maximum demand	Complete feasibility study and if viability assessed, to implement ripple control system to reduce load from residential hot water cylinders during peak hours of electricity demand.	100%	Achieved	Limited funds	
Demand Side Management on municipal installations (buildings,	To replace where possible, electric incandescent lamps (globes) with high efficient lamps – load	Project postponed to 2009/10 pending funding allocation from DME	Not achieved	Limited funds	Source funds from DME

Project	Annual Target	Progress against the Annual Target	Achievement of Target	Reason for Non Achievement	Plans to deal with the deficiency
streetlights, traffic lights)	control on other municipal electricity appliances				
Demand Side Management on residential light (illumination) sources	To exchange residential electric incandescent lamps with high efficiency lamps (± 15 000 residential customers)	100%	Achieved		
Review of the mechanism to provide an electricity service within the Polokwane Municipal licensed area of supply	Complete MSA S78(1) internal As-Is assessment, MSA S78(3) external Assessment and report to Council	MSA S 78(1) complete. S78(1) to be updated before S78(3) decision can be taken.	Not achieved	Delayed completion of S78 processes	Finalise S78 (1)
Ring fencing of Electrical Services and creation SOE	Electricity service ring fenced and SOE created	95 % ring fenced	Not achieved	Poor performance by Service Provider	

### Roads and Storm Water

Project	Annual Target	Progress Against Annual Target	Achievement of Target	Reason for non Achievement	Plan to deal with deficiency
<b>Program</b>	<b>Provision of Bus Stop Shelter and Walkways</b>				
Taxi Holding Area (Cemetery0 Phase 1	Implementation 100%	100%	Achieved		

Project	Annual Target	Progress Against Annual Target	Achievement of Target	Reason for non Achievement	Plan to deal with deficiency
&2					
Tsebela Taxi Rank	Planning 100% Implementation 100%	70%	Not achieved	Change in scope of work	
<b>Program</b>	<b>Urban Renewal Program</b>				
Upgrading of Seshego Parking Stadium Phase 3	Implementation 100%	100%	Achieved		
<b>Program</b>	<b>Public Infrastructure Fund 2010</b>				
Roads Network (Marshall street)Phase 1	Implementation 100%	100%	Achieved		
Airport City Link ( Webster street)	Implementation 100%	100%	Achieved		
Non-Motorized transport infrastructure	Implementation 100%	100%	Achieved		
Taxi Holding Phase 3	Implementation 100%	100%	Achieved		
Bus Terminus Phase 4	Implementation 100%	100%	Achieved		
Intelligent Public Transport System	Consolidation of report 100%	100%	Achieved		
Public Transport Operational Planning	Consolidation of 100%	100%	Achieved		
Public Transport Infrastructure System	Consolidation of 100%	100%	Achieved		
<b>Program</b>	<b>Expanded Public Works Program</b>				
LIC Moletjie Cluster (Matamanyane Ward 26)	Planning 100%. Implementation 100%	30%	Not Achieved	Delayed implementation	Fast track implementation and handover

<b>Project</b>	<b>Annual Target</b>	<b>Progress Against Annual Target</b>	<b>Achievement of Target</b>	<b>Reason for non Achievement</b>	<b>Plan to deal with deficiency</b>
LIC Mankweng Cluster (Badimong Ward 28)	Planning 100%. Implementation 100%	30%	Not Achieved	Delayed implementation	Fast track implementation and handover
LIC Molepo/Maja /Chuene cluster (Mamatsa Ward 4)	Planning 100%. Implementation 100%	30%	Not Achieved	Delayed implementation	Fast track implementation and handover
EPWP- (Moletjie- Ga-Semenya-Matikering	Planning 100%. Implementation 100%	30%	Not Achieved	Delayed implementation	Fast track implementation and handover
<b>Program</b>	<b>Upgrading of Roads and Street to Tar</b>				
Planning Arterial Roads(3 rural cluster)	Planning 100%	100%	Achieved		
Planning – Tarring streets in Mankweng, Seshego & Westernburg	Planning 100%	100%	Achieved		
	Planning 100%	100%	Achieved		
Planning of street in Town	Planning 100%	100%	Achieved		
Planning of side walks	Planning 100%	100%	Achieved		



## **Conclusion**

The 2008/09 annual report reflects on the performance of Polokwane Municipality for the period 01 July 2008 to 30 June 2009. This annual report is prepared in terms of section 121 of Municipal Finance Management Act and Section 46 of Municipal Systems Act.