

PART 3

Functional Areas Reporting

PART 3, CHAPTER 1 (INTRODUCTION)

Geographical context surrounding Senqu Municipality.

A. FUNCTIONAL SERVICE DELIVERY REPORTING

GENERAL INFORMATION

1. Geographical Context and Overview of the Municipality

During December 2000, Senqu Municipality was established after the amalgamation of the following Local Authorities and towns:

- Lady Grey (including Transwilger and KweziNaledi);
- Barkly East (including Nkululeko, Fairview and LulamaHlanjwa);
- Sterkspruit;
- Rhodes (including Zakhile); and Rossouw
- Portion of Wodehouse (Dordrecht) and Indwe

Senqu Area also covers commercial farms and villages of the former magisterial districts of Barkly East, Rhodes, Herschel, Lady Grey and Sterkspruit and portions of Wodehouse (Dordrecht) and Indwe.



Senqu Municipality is the largest Municipality in the Joe Gqabi District Municipality, and spans an area of 6772 km². A unique feature of this Municipality is the fact that it borders the Eastern Cape Province and Lesotho. It has beautiful mountains and beautiful rivers to lay claim to, and with many game-fishing opportunities the potential for tourism within the area is an opportunity that requires nurturing. Elundini and Sakhisizwe Municipalities are in the south of Senqu Municipality and in the west is Maletswai Municipality. To the north is the border between the Eastern Cape Province and the Free State Province. The R58 and R392 are the key transport routes through this Municipality and these then link to the N6 at Aliwal North.

The municipality has three urban nodes viz Barkly East, Sterkspruit and Lady Grey with Sterkspruit displaying the highest population growth rate. The rest of the municipality is characterised by small villages and communal and commercial farming land.

With regard to the provision of services 15 586 have no access to water which is 13.2 % of the population. 21 330 have water provision below RDP standards which means that 68.8 % have water service above RDP standards. Sanitation

service levels are far lower with 53 140 (45 %) not receiving services and 65 034 (55%) receive sanitation. 62.1 % receive access to electricity provision and work is ongoing to connect households to the grid and concentrate on off grid connections to renewable sources of energy such as solar. The largest backlog is experienced with road provision. District and access gravel roads in spite of ongoing maintenance are generally in a bad state especially in the communal areas.

DEMOGRAPHIC

Population Figures

The population has decreased since 2001 from 135 141 to 118 174 according to the Community Survey 2007. Correspondingly it appears that the number of households have increased from 33 728 to 35 107 (Statistics South Africa, 2007). This could be attributed to the fact that the average household size is decreasing.

Rural vs. Urban Population

86% of households are rural in nature (Statssa 2001) with 93 % residing near the town of Sterkspruit. The population is fairly youthful in nature with approximately 51.88 % being below the age of 20 with more women than men. This phenomena may be ascribed to migrant and commuter labour which has resulted in many households having a woman as the head of the household and the chief breadwinner living away from the home.

It is critical to note that based on current modelling it is expected that the population will be decreasing in the area due to the effects of out migration as well as due to the impact of HIV and Aids.

Age and Gender

Approximately 53.13% of the municipal population fall in the 15-65 age category, which can be regarded as the economically active sector of the population, with 41% of the population below the age of 15. The population is fairly youthful in nature with approximately 51.88 % being below the age of 20 with more women than men. This suggests continued population growth in the area with a need for education facilities and a focus on education and skills training.

The table below details the gender split, with 46.85% of the population being male and 53.15% female (Census 2001)

2001	
FEMALE	MALE
71 834	63 310

This split may be attributed to migrant and commuter labour which have resulted in many households having a woman as the head of the household, and the chief breadwinner living away from the home. This gender split will also likely impact on the type of development that may occur, especially in regard to manual labour-type employment.

EMPLOYMENT AND INCOME

Employment

Senqu Municipality's three (3) key economic sectors are Agriculture, Services and the Tourism sectors, with the latter (Tourism), having the potential to grow.

Data from the 2007 Community Survey indicates that the average unemployment rate of the Senqu Municipal area is 16%. This number only includes people that are actively searching for work. The percentage of people who are unemployed but not looking for work is 65%, compared to 54% for the district and 48% for the province.

Income Level

The Community Survey 2007 indicates that 50.25% of the population of Senqu earns no income and that a further 21.39% earn between R1 and R1600 per month. This is compared to 50.58% of the district population with no income and 59.34% of the provincial population with no income. The municipality has a high dependency ratio of 161:100, which means that for every 100 economically active people, there are 161 people who are dependent upon them for survival. This has implications with regard to the affordability of services and the sustainability of these services
It is estimated that:

- 16% actively seeking employment
- 50.25% households have no steady income
- 21.39% of population earn less than R1 600 per month

Note: This figure is below the Household Subsistence Level for the Province.

Employment Sectors

The main economic sectors in the Senqu municipal economy are community services which account for 36% of the employment, followed by agriculture with 21%. This in conjunction with the fact that about 39% of Senqu Local Municipality workforce is made up of elementary or unskilled workers makes the economy very vulnerable to external stresses.

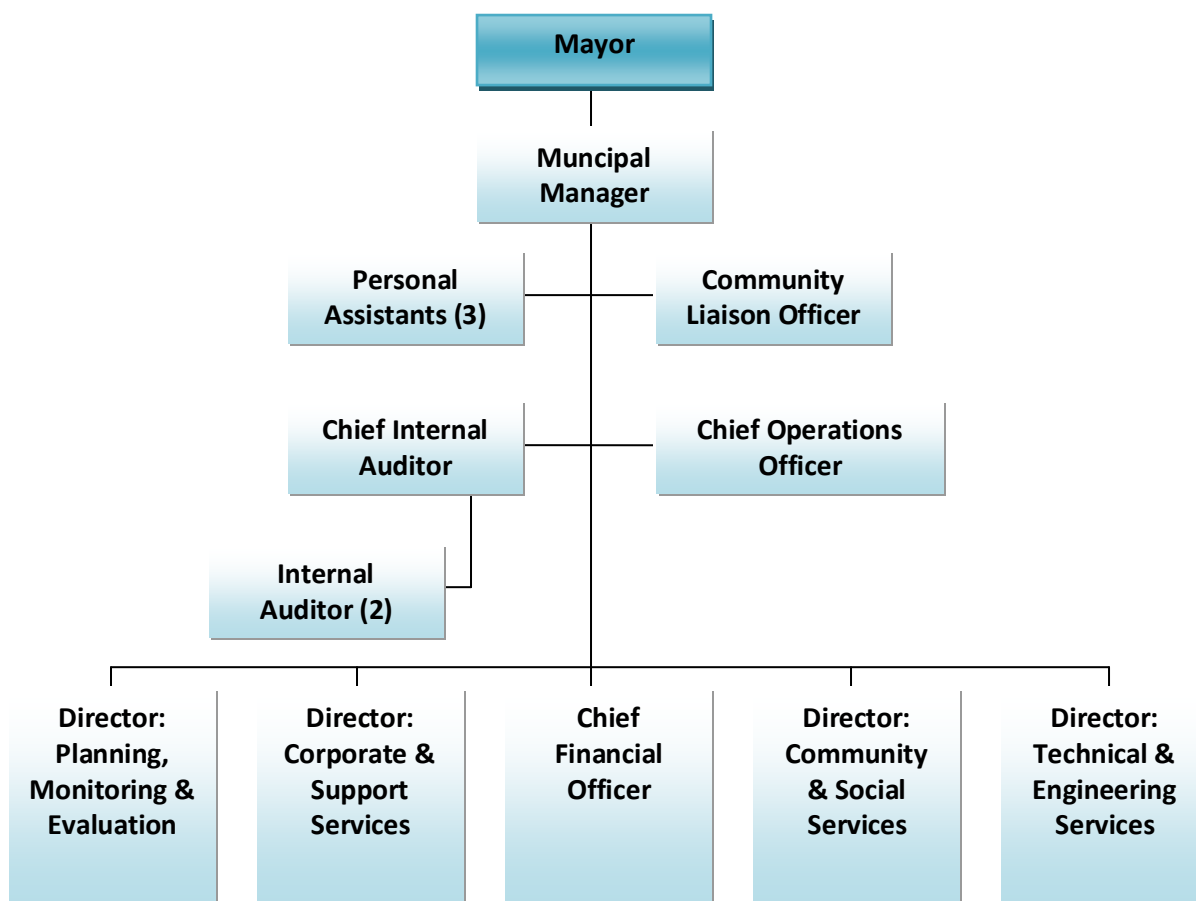
Occupational Skills Levels

The high levels of unskilled workers corresponds with the low levels of educational facilities in the area and indicates a need for skills development and education programmes.

About 39% of Senqu Municipality's workforce is made up of elementary or unskilled workers, and this represents the largest percentage in the District. Senqu Municipality has low levels of senior management and technical staff, and these are reflected as 3% and 4% respectively. This corresponds with low levels of educational facilities in that area, and indicates a need for skills development and education programmes.

FUNCTIONAL AREAS REPORTING (Refer to ANNEXURE: Actual vs Required Performance)

B1 OFFICE OF THE MAYOR/MUNICIPAL MANAGER



Functional Responsibilities

- Public Participation
- Management of Ward Committees
- Functioning of Community Development Workers
- Intergovernmental Relations
- Internal and External Communication
- Internal Audit
- Good Governance Coordination
- SPU
- HIV/AIDS Coordination
- IDP and Performance Management

NOTE: Although the SPU, PMS, IDP and SDBIP related issues reside now within the IPME Directorate they have always traditionally been housed in the MM's office and due to their strategic nature there is a dotted reporting line with ultimate accountability at this level. Changes to the organogram are required to reflect these changes.

Objectives for 2010/2011

These include:

- IDP and Performance Management;
- Implementation of special project programmes;
- Development and implementation of the Public Participation Framework and Plan;
- Facilitation of the effectiveness of the Community Development Workers function;

- Improved communications internally and externally;
- Facilitation of the functioning of Ward Committees;
- Ensuring that the Special Programme projects are addressed as planned;
- To facilitate the mainstreaming of HIV/AIDS; and
- Mayoral functioning overall at an administrative level

PERFORMANCE REPORTING AND CHALLENGES

Mayoral Imbizo's

As planned and as part of the Mayoral Outreach Programmes the municipality held Mayoral Imbizo's in all wards, with the intention to utilize these Imbizo's to provide the public with feedback on progress made regarding the IDP and Budget. Feedback was then forwarded to the relevant standing committees for consideration and attention and these were then formally relayed to Council.

Public participation was further encouraged by making one day per month available for the community to meet directly with the Mayor in order to discuss issues of concern.

Public hearings were held in various sector departments in order to discuss by-laws and to communicate on issues relating to administration.

Enlisting increased public participation and support will remain an ongoing challenge.

Ward Committees

Ward Committees were established as required in all Wards. Through increased formal training (especially with the appointment of the new Council) every effort is being made to improve the efficiency and effectiveness of functioning.

Challenges related to the attendance of meetings, and in an effort to remedy this, stipends have been paid to reimburse committee members for their extensive travel (required due to the large geographical spread).

Community Development Workers Performance Mentoring

The municipality currently employs 15 Community Development Workers (although an additional 4 will be appointed to cover the newly demarcated Wards).

These CDW's report on a monthly basis to their coordinator in Sterkspruit and reporting is forwarded to the municipality via the Speaker's office.

The main intention has been for the CDW's to identify households in need and this process has been hampered by the lack of transport and communications which will enable CDW's to ensure that requested services meet the necessary families. This is directly due to the poorly maintained road networks and the lack of access to airtime and few cellphone towers for telephone coverage.

Communications Strategy

The Communications Strategy has been approved by Council and concerted efforts have been made to facilitate communication flow both internally and externally.

Accordingly efforts are made to ensure :

- Effective media and events planning;
- Internal communications structures;
- Website functionality and current data updates; and
- Facilitated communication between the various media i.e. newspapers and radio.

Communication is a vital aspect of successful public participation and effective administration practices, and accordingly will remain an ongoing area of focus.

Intergovernmental Relations

The IGR Forum is driven at the district level and this forum has been developed and designed to provide a vehicle to promote and improve intergovernmental relations. To facilitate this process an Intergovernmental Relations Framework Policy was adopted by the District Municipality. Clusters meet bi-monthly and deal with

matters of interest and reporting (sub-committees meeting monthly to discuss service delivery, policy issues, integration, coordination, monitoring and evaluation. Additionally the District Technical Task Group, the District Mayors forum and Munimec have been established to facilitate intergovernmental relations and are functioning effectively. The Community Liaison Officer is also effectively driving the Presidential Hotline campaign.

IDP and Performance Management

As required, the IDP (**managed through the IPME Directorate**) was reviewed with the required level of public participation and input from all departments. Alignment between the IDP and Budget was ensured and this in turn facilitated the development of the Service Delivery and Budget Implementation Plan.

At the institutional level performance monitoring and reporting was conducted as legislated, and reporting as per quarterly SDBIP reporting, s71 and s72 reports; the s46 report and the development of the Annual Report are examples of these.

At the individual level, while a Performance Management Framework and a PMS Policy exist, these are not fully implemented. PMS is only currently applicable at the level of the s57 managers and additionally this is not conducted with strict adherence to the policy (with the first review in December and coaching and monitoring exercises quarterly in between).

The final review was concluded, and all qualifying managers were provided with performance bonuses as per the PMS Policy.

Internal Audit

The Internal Audit Unit is fully functional and instrumental in ensuring that the issues relating to the Audit Action Plan are adhered to.

Having received an unqualified report for the second year running it is possible to say conclusively that this function is being well achieved. The Internal Audit Plan has been developed, approved and is being effectively implemented.

As a result of the appointment of the Compliance Manager, compliance issues are being managed more effectively.

Special Programmes

A number of successes are to be noted within the Special Programmes area. These are detailed as follows:

- A Youth Council was re-established and is functional, having drawn up a programme of action and highlighted (to keep youth off the streets and away from violence). Challenges to this are funding resources – although Social Development has funded the project the municipality needs to donate a site.
- The Annual Youth festival was not able to be accommodated due to insufficient funding
- The Disabled Forum is functioning well in terms of ensuring the accessibility of housing for disabled persons. A survey was conducted throughout the Wards to determine the figures and types of disabilities and these issues are to be addressed over time.
- Greater efforts are to be taken to ensure access to employment for the disabled.
- A Women's Economic Forum was established to facilitate empowerment of women. This required greater time to establish its real achievement as it was only established late in the year.

HIV/AIDS

HIV and Aids strategy in 2002 and then amended and readopted the strategy in 2008.

The thrust of the Senqu HIV & Aids strategy is to focus on:

1. **Education, Prevention, Awareness and Openness** by reducing the rate of infection and the number of people dying as a result of HIV and AIDS and to ensure that there is a common approach by all stakeholders in educating and providing relevant services.
2. **Treatment and care** by minimising the rate of death by making sure that people have prompt access to medication and care after they have been diagnosed HIV positive, especially those from rural areas.
3. **Caring for Orphans** by sensitising the community on effective ways of taking care of its orphaned children.

Efforts to implement the HIV/AIDS Strategy have continued in earnest with the emphasis on education, prevention, awareness, openness, treatment and care and care for orphans.

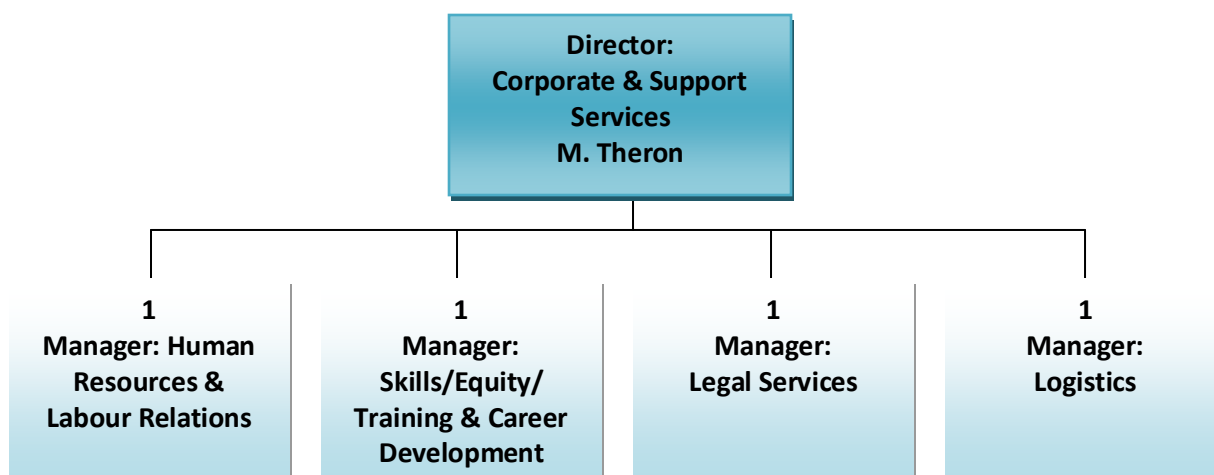
The local Aids Council has been formed but its term of office has ended and a new Council is required to be elected.

Noted that the LAC is not as yet fully functional but meetings have been held with the DAC

Home based caring organisation has been formed and training given to volunteers. Payment of stipends remains a challenge.

One of the major challenges experienced relates to the accessibility of medication and nutrition in rural areas and the challenges in respect of orphan headed households.

B.2 CORPORATE AND SUPPORT SERVICES DIRECTORATE



OBJECTIVE

The overall objective of the Corporate Services Department is to provide effective & efficient Human Resources support, Administrative and Logistical support and to Manage and co – ordinate Employment Equity and Skills Development.

VISION STATEMENT

To promote a service-oriented culture that focuses on providing professional support services across the various municipal business units/departments.

MISSION

To be a dynamic, professional, effective, efficient and results-oriented department that through integrated efforts continually contributes significantly to the successful attainment of Senqu Municipality's vision.

Key Functional Areas

- To provide Human Resources support
- To maintain sound labour relations
- To facilitate skills, equity, training and career development opportunities
- To provide legal services
- To coordinate and manage legal services
- To provide an administrative support function to the Council (Council Support)

HUMAN RESOURCES SUPPORT:

- Benefit Administration
- Recruitment and Selection
- Organisational Development and Structure
- Staff Provisioning
- Employee Assistance
- Policy Development

Key Objectives for 2010/2011

- Development and implementation of the Human Resources Strategic Plan
- Updating of all Policies and By-Laws
- Effective application of recruitment and selection policies and procedures
- Updating and approval of the organogram
- Effective application of benefit administration
- Employee assistance provision

Issues and Challenges

For the most part it must be acknowledged that these Human Resources functions were well achieved. More specifically, it is noted that:

- Compliance was achieved in respect of the application of recruitment and selection policies;
- The target of 80% of critical funded vacant posts having been filled continues to be a challenge due to staff retention issues, the geographical nature of the Senqu area and the remuneration packages offered. This is to be addressed through the implementation of adequate staff retention strategies over time.
- Training/Work shopping on updated policies and by-laws took place;
- The organogram has been reviewed and approved, although it is acknowledged that changes are required in order to adequately represent IPME
- The Human Resources Development Strategy was finally developed and approved by Council.
- Approved HR Procedure Manuals from the previous year were updated and approved as required and as per the plan.
- The Document Management System in an effort to preserve the institutional memory, has not yet been finalised (i.e. approved by National Archives and implementation and training of staff is to be conducted.

LABOUR RELATIONS:

- Management of Litigation.
- Capacity building of staff to manage discipline
- Labour Relations Policy Development and application

Key Objectives 2010/2011

- Development and growth of capacity of staff and management in Labour Relations issues;
- Management of all litigation issues;
- Provision of training to capacitate staff to chair/initiate Disciplinary issues;
- .Labour Relations: Implementation of Labour Relations Policy
- Capacitation of staff and management

Issues and Challenges

- Training and development in so far as discipline and the management thereof has been provided, although it is extremely clear that additional training and development initiatives are required.
- Litigation issues are handled by appointed attorneys;
- Monthly statistical reporting is being provided as required in terms of disciplinary issues and reporting; and
- Maintenance contracts are drafted and signed for all staff in an effort to regulate the employment contract.
- Labour Relations: Implementation of Labour Relations Policy
- Capacitation of staff and management
- Provision of capacity building exercises for parties involved in Chairing/Presiding over Disciplinary issues

While staff are monitoring labour relations issues more effectively in-house, it is noted that staff still require extensive capacity building initiatives in order to more effectively manage the process of conducting disciplinary enquiries.

Legal personnel from Joe Gqabi District Municipality continue to be utilised in the absence of their own legal unit in respect of Disciplinary and Legal issues.

External service providers continue to be used for more complex legal issues requiring legal opinions or involving issues surrounding land disputes. Messrs Douglas and Botha in Aliwal North are currently utilized for transfers and title deeds are facilitated by Greyvenstein and Spence in Barkly East as well as Douglas and Botha in Aliwal North.

SKILLS DEVELOPMENT:

- Skills Audit.
- WSP Development and Implementation
- Budget Management

Key Objectives for 2010/2011

- To develop and submit approved WSP to LGWSETA (2010/2011)
- To ensure implementation of WSP
- To claim from LGWSETA in respect of Implementation Reports
- Management of funding
- Workplace Skills Plan developed for 2010/2011
- Employees trained in road construction and paving
- Networks and partnerships with state institutions
- MFMA training conducted:
 - Supply Chain Management,
 - appointment of financial interns as required by the MFMA, and
 - learnerships created for Councillors and unemployed youth with a financial background.
- Health Awareness Campaigns to be conducted
- Scarce and critical skills in the electrical engineering filled and addressed through interventions.
- Submission of WSP Implementation Plan (June to September 2010)
- Progress established with ABET programmes and accessible ABET Centres established (numeracy and basic communication in English)
- Training delivery well received
- Training on OHS Compliance

Issues and Challenges

It is noted that:

- The WSP was developed and approved. Implementation could have been more effectively applied and is an area requiring additional focus;
- For the most part the highlighted training within the objectives was achieved;
- Implementation Plans were well achieved;
- ABET remains a challenge both as a literacy issue and in ensuring commitment and dedication to the process itself; and
- Learnerships and Internship Programmes were provided and managed effectively.

EMPLOYMENT EQUITY:

- Employment Equity Plan.
- Employment Equity Implementation Report
- Policy Assessment and Review

EMPLOYMENT EQUITY

Key Objectives for 2010/2011

- Approval and implementation of Employment Equity Plan for 2010/2011 is required to be submitted to council for information and to the Employment Equity Registry by 1 October each year.

EMPLOYMENT EQUITY STATISTICS: Target groups employed in the three highest levels of management in compliance with a Municipality's approved employment equity plan

Occupational Levels											TOTAL
	Male			Female				White Male	Foreign Nationals		
	A	C	I	A	C	I	W	W	Male	Female	
Legislators, senior officials and managers	1				1						6
Professionals		1		1			1	2	1		4
Technicians and associate professionals	4			13			1	3			21

Occupational Levels											TOTAL
	Male			Female				White Male	Foreign Nationals		
	A	C	I	A	C	I	W	W	Male	Female	
Top management	1										1
Senior Management				1	1			2	1		5
Professionally qualified and experienced specialists and mid-management	4	1		14			2	4			25

Gender Distribution (entire staff complement Municipality (Excluding Councillors)

Females: 56 (28.00%)

Males: 144 (72%)

Issues and Challenges

It is noted that all Employment Equity reports have been submitted as per legislative requirements.

EMPLOYMENT EQUITY STATISTICS

The Employment Equity Report continues to show progress towards meeting the overall goals as highlighted within the Employment Equity Plan.

OCCUPATIONAL HEALTH & SAFETY:

- Compliance with the Occupational Health and Safety issues.

Key Objectives for 2010/2011

Full compliance with the Occupational Health and Safety Act.

Issues and Challenges

During 2010/2011 it was noted that:

- Safety committee meetings were not held regularly and often had to be re-scheduled due to operational requirements.
- Compliance /assessment reports were provided as required.
- Ongoing compliance and management of risk will remain a challenge and area of focus.

COUNCIL ADMINISTRATION AND SUPPORT:

- Meetings scheduled
- Agenda and minutes
- Resolutions implemented
- Standing Committee and Council meeting attendance and support

Key Objectives for 2010/2011

- Meetings scheduled and held as planned;
- Agenda and minutes provided for all Council meetings;
- Tracking and reporting on the implementation of Council Resolutions

Issues and Challenges

- Council Resolutions have not been adequately or timeously conducted or reported on and while a Resolutions Register has been developed, this is required to be reported on more effectively;
- Meetings are attended in terms of administrative support although it is acknowledged that the quality of minute taking and recording of data is to be improved.

LOGISTICS

- Fleet Management
- Record Management
- Maintenance
- Safety

LOGISTICS

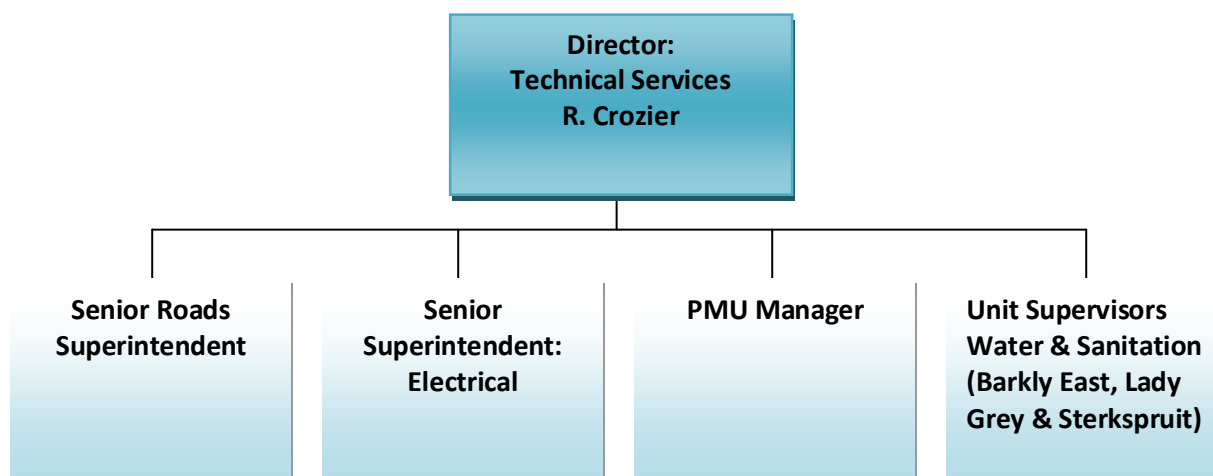
Key Objectives for 2010/2011

- Vehicle maintenance
- Recording of mileage, petrol
- Servicing records
- Vehicle safety (inspections)

Issues and Challenges

- Vehicles were well maintained in as far as services were kept
- Record keeping was kept in respect of vehicle usage
- Vehicle inspections to be conducted formally

B.3 TECHNICAL SERVICES DIRECTORATE



OBJECTIVE

The overall objective of the Technical Services Directorate is to supply efficient, effective and economical services to the community which it serves.

VISION

Service delivery to the community in line with the powers and functions allocated to the Senqu Municipality, in accordance with the Integrated Development Plan.

MISSION STATEMENT

The Technical Services Directorate will improve the quality of life of the Senqu community through a sustainable maintenance and service delivery programme conducted within all applicable legislation

FUNCTIONAL RESPONSIBILITIES

- Electricity distribution – licensed areas only.
- Street Lighting
- Roads construction and maintenance – Municipal and access roads
- Storm water and pavement construction
- Water Provision – Bulk, treatment and reticulation
- Sanitation – Sewerage removal and treatment
- PMU / Infrastructure planning and Technical Administration

Key Directorate Objectives for 2010/2011

In the focusing on the objectives for 2010/2011, the following issues must be noted:

- Water and Sanitation Services are to be provided only in the urban areas, as Senqu Municipality is a Water Services Provider appointed until 31 July 2011 by Joe Gqabi District Municipality (as a Water Services Authority);
- Electricity supply and provision is to occur in the towns of Sterkspruit, Lady Grey and Barkly East, as Senqu Municipality is licenced by the National Energy Regulator of South Africa;
- This department is responsible for the ongoing operation and maintenance of the services of electricity, roads, stormwater and pavement construction, however all water and capital sanitation projects fall under Joe Gqabi District Municipality. Services provision within the Senqu areas and powers and functions are done by application only.
- Provision of assistance to the Senqu Plastics Industry Youth LED Project (based in Lady Grey) and the Neighbourhood Development Grant Programme (a planning initiative funded by National Treasury).

- Construction of the new Senqu Office Extension in Lady Grey;
- The establishment of a Call Centre in Lady Grey; and
- The transfer of the Senqu Plastics Industry, Job Creation Project and NDGP to the Integrated Planning, Monitoring and Evaluation (IPME) Department in the new financial year.

Performance Reporting and Challenges

Management of Funds

Funding is received from the following areas:

- Operational and maintenance costs: funded through internal resources (from service charges, equitable share allocation under Division of Revenue Act and Rates and Taxes)
- Capital Projects: funded through internal resources and Municipal Infrastructure Grants (MIG conditional grants) and allocations from the Department of Housing.
- Funding for capital projects received from the Department of Roads and Public Works as per Service Level Agreements for the surfacing of Musong Road, Mlamli Hospital Road and the HoloHlhatshi Dam Road.

It must be noted that the MTREF was required to be revised as tenders received on projects far exceeded the budgeted amounts. Revision was also required in an effort to complete projects instead of continually downscaling due to escalation costs due to time lapses between project approvals and implementation.

It is acknowledged that Technical budgets are difficult to predict due to the fluctuating nature of changing circumstances and this in turn could contribute towards overspending or underspending (most frequently caused by poor performance of service providers). Certain budgetary items are not within the control of the Department and these include issues such as : Human Resources, stationery, Free Basic Services, bulk purchases and the like. These are therefore issues that need to be taken into consideration.

ELECTRICITY & STREET LIGHTING

Service Delivery Objectives:

- Provision of electricity to all residential and commercial consumers
- Provision of public lighting to Sterkspruit, Lady Grey, Barkly East & Herschel
- New connections done on request in licensed areas – connections are done on request
- Ongoing maintenance of existing networks
- The rural areas of Senqu Municipality are within the licensed area of ESKOM and will remain so in the foreseeable future
- Maintenance of existing public lighting streetlight repaired faults attended to
- Extension of Public Lighting Systems
- Maintenance and renewal of public buildings electrical installations as required
- Reduced electricity losses.

In terms of Senqu Municipality's licence agreement with the National Energy Regulator of South Africa, it is responsible to supply electricity to Sterkspruit, Lady Grey and Barkley East. Within this licenced area, the level of service supplied is very high and consumers all have a minimum of a 60A single phase supply. The standard of service is at present mediocre but is improving annually.

It is noted that the rural areas (including Rhodes and Herschel) are supplied by ESKOM. Rossouw is provided with electrical supply with the exception of the SAPS.

Issues and Challenges

Electricity bulk purchases amounted to R 12 494 708 (actual) during the 2010/2011 Financial year. Budgeted (13,655,670) variance of R 1,160,962 (- 9%)

Operationally and taking into account the challenges faced, electricity provision has been well delivered. Some of the greatest challenges related to the extreme levels of electricity losses due to theft, poor metering, and ageing networks.

Efforts to remedy these challenges include:

- A 3-year plan to reduce electricity losses to 10% within 2 years;

- Funding to address infrastructure challenges and staff capacity and staff shortage challenges;
- Capacitation and appointment of suitable staff.

ROADS AND STORMWATER

Service Delivery Objectives:

Roads

- The construction of sidewalks
- The maintenance and reconstruction of gravel and surfaced roads
- Maintenance of road furniture
- Purchase of plant
- Planning and design of new projects

Storm water

- The construction of sidewalks
- The construction of storm water systems
- The construction of bridges and river crossings
- Planning and design of new projects

Challenges and Issues

Senqu Municipality is responsible for all access and municipal roads and it is noted that the balance of roads falls under the powers and functions of the Department of Roads and Public Works (DoRPW).

Due to insufficient resources it is acknowledged that the level of road services in rural areas is low. In essence gravel roads prevail with the exception of the Mokhesi Taxi Route (surfaced) and the Musong Road (currently being surfaced) – funded by DoRPW. The department is responsible for maintenance on all roads that are numbered (in respect of provincial and district roads).

In an effort to resolve these challenges, the Ward Councillor has identified the roads within the Ward requiring attention and has detailed a 3 months programme to resolve many of these issues.

While construction and maintenance has been successful with the resources available it is noted that the greatest issues relate to resources and specifically funding to address backlogs.

WATER

Service Delivery Objectives

- Senqu Municipality was appointed as the Water Services Provider by the Water Services Authority (Joe Gqabi District Municipality)
- Water purification undertaken at Lady Grey, Barkly East & Rhodes
- Bulk water is supplied to Lady Grey, Barkly East, Rhodes and Rossouw
- Sterkspruit water is supplied by Amatola Water but reticulated by Senqu within the town
- New connections are to be done upon application
- Infrastructure and capital is the responsibility of the Water Services Authority
- Rural areas fall under Amatola Water who were appointed by the JGDM
- Maintenance of purification works and reticulation systems is required within the appointed area.

Issues and Challenges

- It must be noted that in most instances a very high quality of water is being provided and connections are provided to the yard and the houses.
- While water is available 24 hours a day in urban areas, this is not the case in the rural areas;
- Addressing challenges requires mostly funding and infrastructure issues such as:
 - A permanent Water Treatment Works in Barkly East (Joe Gqabi District Municipality);
 - Upgrading of Lady Grey Water Treatment Works (Joe Gqabi District Municipality);
 - Staff capacitation, and
 - Funding to address backlogs and infrastructure needs.

SANITATION

Service Delivery Objectives

- The Senqu Municipality has been appointed as Water Services Provider by the Water Services Authority (Joe Gqabi District Municipality) in the delegated areas of Lady Grey, Barkly East and Sterkspruit
- The rural areas fall directly under the Water Services Authority
- Infrastructure projects are the responsibility of the Water Services Authority
- New connections are done upon request as there is no real backlog in the delegated area although a large percentage are below RDP standards
- Maintenance of ponds, conservancy tanks and reticulation systems
- Waterborne households
- Buckets are below RDP standard
- Conservancy tanks
- Urban VIP's
- The urban communities are insisting on waterborne sanitation removal and are not prepared to accept other methods
- A political decision has been taken for waterborne sanitation in urban areas and VIP's in rural areas

Issues and Challenges

Addressing challenges requires mostly funding to address infrastructure issues and capital projects.

Information Technology (Graphical Information Services)

This Directorate is responsible for the implementation and maintenance of Council's Geographical Information System is also part of this function.

The Key Performance Indicators are:

- Update General Plans (GP's)
- Update Ownership / Title Deed information
- Update Valuation information
- Update Road & Street Infrastructure
- Update Geographical information
- Update ESKOM infrastructure
- Update electrical infrastructure
- Update water infrastructure
- Update sewerage infrastructure
- Update solid waste infrastructure.
- Daily & monthly processing of records when required by other departments.

Technical Infrastructure /Administration (including /PMU

Objectives

- GIS: Updating Ownership / Title Deed information
- Updating Valuation information (received from Budget & Treasury)
- Updating Road & Street Infrastructure
- Daily & monthly processing of records when required by other departments.
- Provision of technical and other administration services within the Senqu area;
- Provision of an efficient Project Management Unit, Electrical Team, and Roads Team under good administration, regularly exceeding targets. The administration of all capital projects is done within this department;
- Extension as Water Services Provider till 30 June 2011 in place, but the SLA needs revision if the bulk services take over is implemented with regard to water & sanitation in the coming year;
- 8 Standing Committees held (2 cancelled due to elections)
- 4 SDBIP reports submitted to Council
- 12 x monthly technical reports submitted to Technical Standing Committee and Council
- The youth LED project, Senqu Plastics Industry purchased an Injection machine.
- Monthly reports submitted to MIG on expenditure
- Annual stock take and asset verification done in conjunction with finance department

- Annual report submitted for the 2009/2010 year.
- A Public Viewing Area for the FIFA World Cup was established in Lady Grey.
- The office extension project was completed.
- The Job Creation Project was successful.
- The EPWP was successful with Senqu receiving R 1,088,000 in rebates thus exceeding the target of R780 000, which will be used in the coming year for continued job creation.
- Revitalization of the Sterkspruit taxi rank project through savings.
- Signed SLA between Senqu and the DRPW for surfacing of Musong road.
- Business Plans submitted for rural sport fields.
- Budget for operational cost for the 2011/12 financial year
- Capital MTREF drawn up with Mayor.
- Electrical plan implementation for losses successful to date. (40.15% - 23.89%)
- A double cab LDV to be purchased for the Project Management Unit.
- Electrical accounts system continually being updated in order to facilitate a drop in electrical losses
- Efficient middle management an asset to Senqu
- Efficient PMU an asset to Senqu
- Split phase pre-payment metering to be approved by Council (Consumer choice).
- Under the NDGP the Kwezi - Naledi greening project, Sterkspruit land acquisition project, and minor construction at Kwezi is under way, with planning completed and implementation expected early in the coming year.
- An injection molding machine was purchased for the Senqu Plastics Industry.

Challenges and Issues

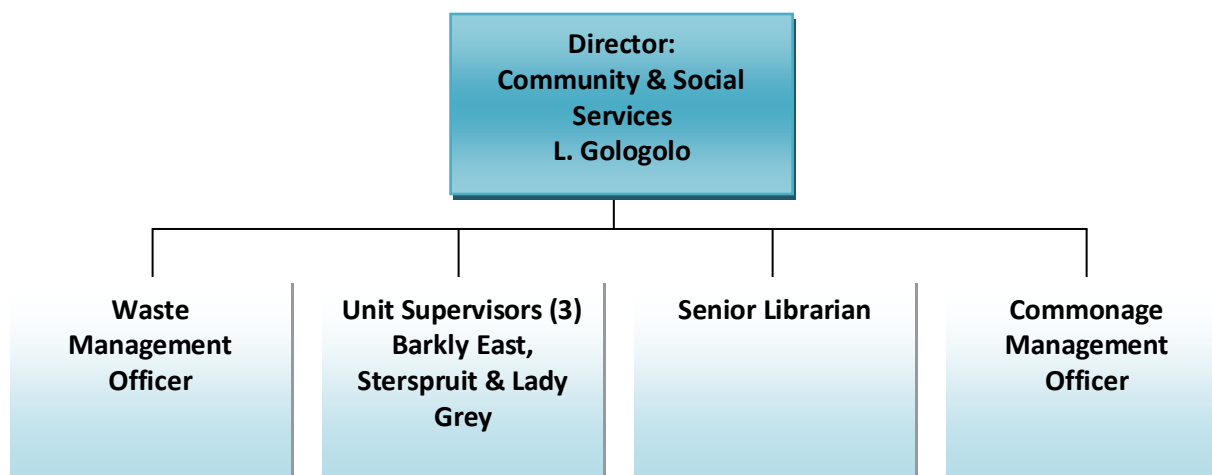
Major challenges in the administration department and remedial actions:

- No mechanic employed due to insufficient funding leading to plant & equipment down time (see roads) Council required to allocate sufficient funding to employ a qualified mechanic for the roads team.
- No vehicle tracking system Council needs to address this urgently in order to control vehicles and avoid abuse.
- EIA blocking Solid Waste Site project in Sterkspruit

The matter needs to be combined with the Sterkspruit WWTW and dealt with under the NDGP.

- Poor performance of service providers appointed due to SCM having a negative impact on service delivery Supply Chain Regulations sometimes result in ineffective consultants/contractors being appointed. The SCM regulations need to be revised and a performance monitoring system, with punitive measures, is adopted and implemented.
- Insufficient funds for the Senqu Plastics Industry LED project has now lead to the project being mothballed. Political intervention is urgently required.
- No movement on the Orange River Project due to lack of funding and interest.
As in Water.
- Supply Chain Regulations are impractical.
These need to be revised to suit the regulations to be more suited to rural circumstances, where service providers are few and far away, resulting in funds that could benefit the local community leaving the already indigent areas
- Staff incentives for performance need to be considered.
Staff Retention Strategy to be applied
- The Performance Management System needs to be cascaded to all staff urgently.
Corporate Services needs to ensure budget for implementation.
- Project costs on the MTERF capital programme.
Escalation needs to be included for future and current capital projects.
- No water and sanitation supervisor in Barkly East (Water and Sewerage)
- Staff employment/replacement period too long.
Corporate Services needs to expedite the process.
- Assets management a high risk and needs resources.
The appointment of an Assets Control Officer for the department is critical

B.4 COMMUNITY AND SOCIAL SERVICES DIRECTORATE



OBJECTIVE

To ensure effective services to the community.

VISION

To provide social services, promote social development thereby creating a better lifestyle for the people of Senqu.

MISSION STATEMENT

The community and the social services department promote social development by providing primary health services, community services and facilitates development of local economic development.

Functional Responsibilities:

Library Services
Community Halls and facilities
Cemeteries
Sport and Recreational Facilities
Parks and Public Open Spaces
Health (Robert Mjobo Clinic)
Public Safety
Commonages
Issuing of business licences

Community and Social Services Section

a. Libraries

2011

Government Grant (for up keep of the libraries)(Operating) R 660,000 (DSRAC)

Objective: Provision of reading and study material and to promote reading amongst the youth

Services:

- Supply and provision of library material
- Selection of books from the book fare
- Promotion and participation in the library week activities
- Promotion of library in rural areas
- Establishment of book clubs

Nature and Extent of Facilities Provided

Library Services

LIBRARY	NUMBER OF FACILITIES	USERS	CIRCULATION OF BOOKS
Rhodes	1	55	4126
Rossouw	1		Library closed – will open 2011/2012
Barkly East	1	861	10 217
Lady Grey	1	786	4 538
Sterkspruit	1	705	11322

b. Community & Social Services

Expenditure by Vote

2011	2011	2011	2011
Actual	Budget	Variance	%
R 5,122,402	R 5,886,875	R(764,473)	13%

Capital Expenditure by Vote

2011	2011	2011	2011	
Actual	Budget	Variance	%	Reason for material variance
R 110,515	R 103,000	R 7,515	7%	Projects did not start as planned

The overall objectives of this function are to provide new facilities in the rural areas and to maintain existing facilities.

Strategic Objectives

- Phase 2 renovations of the Nkululeko Hall at Barkly East.
- Maintenance of existing facilities.

Community Halls**Nature and Extent of Facilities Provided**

Community Halls/Facilities

LOCATION	FACILITIES
Barkley East	3 Nkululeko Hall renovated
Lady Grey	3 Transwilger vandalised
Sterkspruit (Urban)	1 in a good condition
Sterkspruit (rural areas)	12
Rossouw	1

There are 72 multipurpose centres (inclusive of rural areas) and it must be noted that certain of these are not being utilized.

c. Cemeteries

The overall objective of this function is to improve cemeteries/ provide and control burials within the framework of the Health Act/Developmentcommunityrecords and administration. Resilience for

Strategic Objectives

- The development of multiple cemeteries within Senqu Municipality
- Control and maintenance of cemeteries

Nature and Extent of Facilities Provided

LOCATION	SERVICE PROVISION
Barkley East	3 Facilities and 70 burials
Lady Grey	3 Facilities and 65 burials
Sterkspruit (Urban)	1 Facility and 3 burials
Rhodes	2 Facilities and 2 burials

While burials are taking place within rural areas it must be noted that there are no statistics available as no records are sent to the municipality offices. Additionally it is noted that there are facilities developed in rural areas although these are not fully utilized.

Income derived from cemetery fees

2011	2010
R 13,632	R 21,258

Income has decrease by R 7,626 in the 2010/2011 financial year.

e. Sport and Recreation Facilities

Community & Social Services

Expenditure by Vote

2011	2011	2011	2011	
Actual	Budget	Variance	R	%
R 193,491	R 3,22,065	R(128,574)	R 764,473	- 40%

Capital Expenditure by Vote

2011	2011	2011	2011	
Actual	Budget	Variance	%	Reason for material variance
Nil	R 514,960	(R514,960)	100%	Projects did not start as planned

The overall objectives of this function are to provide basic sport and recreation facilities within the whole of Senqu Municipality.

Strategic Objectives

- Repairs and maintenance to existing buildings at sports fields within Senqu Municipality;
- Levelling, planting and cutting of grass in Lady Grey and Barkly East; and
- Upgrading of rural sports fields.

Nature and extent of Facilities provided

LOCATION	FACILITIES
Barkley East	2
Lady Grey	3
Sterkspruit (Urban)	1
Rhodes	2 (Tennis Courts and Soccer field)
Sterkspruit (Rural)	46 Facilities

e. Parks and Public Open Spaces**Community & Social Services****Expenditure by vote**

2011	2011	2011	2011	2011
Actual	Budget	Variance	R	%
R 5,122,402	R 5,886,875	R(177,551)	R 764,473	- 4%

Capital Expenditure by Vote

2011	2011	2011	2011	
Actual	Budget	Variance	%	Reason for material variance
R 110,515	R 103,000	R 7,515	7%	Projects did not start as planned

The overall objective of this function is to provide and maintain parks and open spaces; in order to create a pleasant environment for the communities

Strategic Objectives

- The pruning of the trees along municipal streets within Senqu Municipality; and
- Regular cutting of grass on sidewalks

f. Commonages

The overall objective of this function is to manage commonages within Senqu Municipality.

Strategic Objectives

- To maintain and repair fencing on commonages at Barkly East and Lady Grey
- To try and obtain farms for Barkly east commonage users as commonages are currently overgrazed; and
- To enter into agreements with people leasing commonages in order to ensure formal contracts are maintained.

In the 2009/2010 financial year an amount of R 60,126 (conditional grant) was allocated and only R 345 was expended in the 2010/2011 financial year the unspent amount of R 59,781 was carried over and an amount of R 1,725 was expended, a variance of R 58,056 exist which has been transferred to current (assets) /liabilities

Noted ; that although the function is housed in Community Services , the IPME Directorate was tasked with development of a commonage management plan (LED project).The plan has not been able to be developed due to difficulties in obtaining the Farmers co – operation.

g. Issuing of Business Licences

The overall objective is to improve economic development in the community for both formal and informal businesses and also to regulate the trading activities of the license holders.

Strategic Objectives

- The inspection of business premises to ensure food preparation is conducted within health standards, this inspection is conducted by Municipal Health – District Municipality and they provide reports to the municipality
- Promoting the development of existing strategic sites within the Municipality by marketing them to developers, and by
- Formulating an informal trading policy and promoting trading facilities, accordingly.

Currently the greatest challenge within this area relates to the challenge of foreign nationals flouting our business laws which in turn makes it difficult to regulate this trading.

h. Public Safety (Municipal Pounds)

The overall objective is to remove stray animals from the roads and streets and impound them; and to establish and maintain pounds.

No allocated funding and this area remains functional at a basic level.

Income derived from pound fees

2011	2010
R 25,290	R 29,270

Income has decrease by R 3,980 in the 2010/2011 financial year.

i. Waste Management (Refuse and Solid Waste Section)

Overall objective: To improve management of the environment and to combat illegal dumping and to ensure that all refuse and waste is removed and disposed of timeously and in an appropriate manner

Expenditure by vote

2011	2011	2011	2011	2011
Actual	Budget	Variance	R	%
R 7,628,385	R 7,277,550	R(177,551)	R 350,835	5%

Capital expenditure by vote

2011	2011	2011	2011	
Actual	Budget	Variance	%	Reason for material variance
R 112,449	R290,000	R(177,551)	- 61%	EIA Not approved for new solid waste site

CAPITAL PROJECT MEDIUM TERM EXPENDITURE FRAMEWORK – 2010/11/12/13

Project Name	Status	Total value	Comments
MIG			
Sterkspruit Solid Waste Site	5%	2 700 000	EIA holding up implementation

Strategic Objectives

- Regular refuse removal to all households once a week
- Regular refuse removal at commercial businesses twice a week
- Daily street cleaning
- Maintenance of vehicles and implements
- Maintenance of the solid waste disposal sites.

Performance Indicators

- Regular refuse removal to all households once a week
All households provided with regular removals once a week in urban areas.
- Regular refuse removals at commercial businesses twice a week or when requested on busy days
- Daily removal during the December holidays in commercial businesses particularly Sterkspruit
- Daily Street Cleaning
Streets being cleaned daily with the assistance of volunteers
- Maintenance of vehicles and implements
Vehicles and implements are maintained in good order
- Establish one registered solid waste site in Sterkspruit
Future planned action

Nature and extent of facilities provided: Number of households receiving regular removal services and frequency and cost of service;

LOCATION	SERVICE PROVISION	AMOUNT IN CUBIC M
Lady Grey	Weekly removal on household and businesses street sweeping	1 472 480
Barkly East	Weekly removal	1 413 691
Sterkspruit	Weekly removal	13 491 500
TOTAL		16 377 671

Figures are estimates as there is an absence of weigh bridges to enable actual figures

- Refuse is removed by the municipality as least once a week (business sites) or when requested over and above the weekly removal schedule
- Refuse is removed by the municipality once a week on residential sites; and
- Refuse removal occurs at commercial business twice a week or when request on busy days.

Waste Management consists in its primary form of collection, transportation and disposal. Where waste management is needed, the collection and transportation aspects thereof are done to a reasonable standard although certain problems do occur with the disposal function.

Refuse Service charges

2011	2010
R 1,748,958	R 1,625,960
R 4,500,580 less rebate R 2,751,625	R 4,024,760 less rebate R 2,398,800

It is noted that Senqu Municipality is in possession of 5 refuse dumps.

Total number, capacity and life expectancy of refuse disposal sites

Type	Capacity
Domestic/Commercial (5)	8000m ²
Garden (5)	Bio degenerative
Only two sites are legal sites	

More than 21 583 112 cubic meters of waste is sent to the waste sites, however the recyclable materials is removed for re-use, recovering and recycling. The remainder of the waste is burnt in the incinerators and only minimal waste actually goes to the waste cells – overall this has a positive impact in that it increases the life expectancy of these sites.

Not all solid waste sites comply with the necessary required legislation; measures are however being put in place to ensure that compliance with legislation is adhered to.

Anticipated expansion of refuse removal services

	Capacity
Domestic/Commercial (1000 new households)	Life span of the activity

Free Basic Service Provision

	Capacity
Quantity (number of households affected)	4 613 R85.50 pm
Quantum (Value to each household)	

Issues / Challenges

Waste services (collection) only offered to a few residents of the area

Disposal of waste a significant challenge and this is leading to lack of compliance with legislation, water, air and aesthetic pollution which is not good for both economic and social development

Cost effectiveness of current services is poor mainly due to a history of lack of investment in the service in terms of equipment, staff, and planning

There is little compliance with legislation

Health waste is not being effectively managed and can lead to other health related injuries and problems

EIA not approved for new solid waste site Sterkspruit

j. Health (Clinic) Section (Discontinued Service)

2010

Government Grant (Operating) R 547,840

2011

Government Grant (Operating) R 263,338

Employee related costs (R 260, 1760

Repairs & Maintenance (R 4,680)

General Expenses (R 49,376)

Profit/ Loss on disposal of assets (R 17,460)

Effect of the discontinued operation (R 68,355)

Background

The service is responsible for the provision of Clinic Services at the Robert Mjobo Clinic in Lady Grey. **This service was only rendered for two quarters** and was transferred / handed over to the province in January 2010.

The function is for the provision of community health clinics within the Municipality This function was performed or only two quarters and was transferred / handed back to the province (provincialisation) at the end of December as follows:

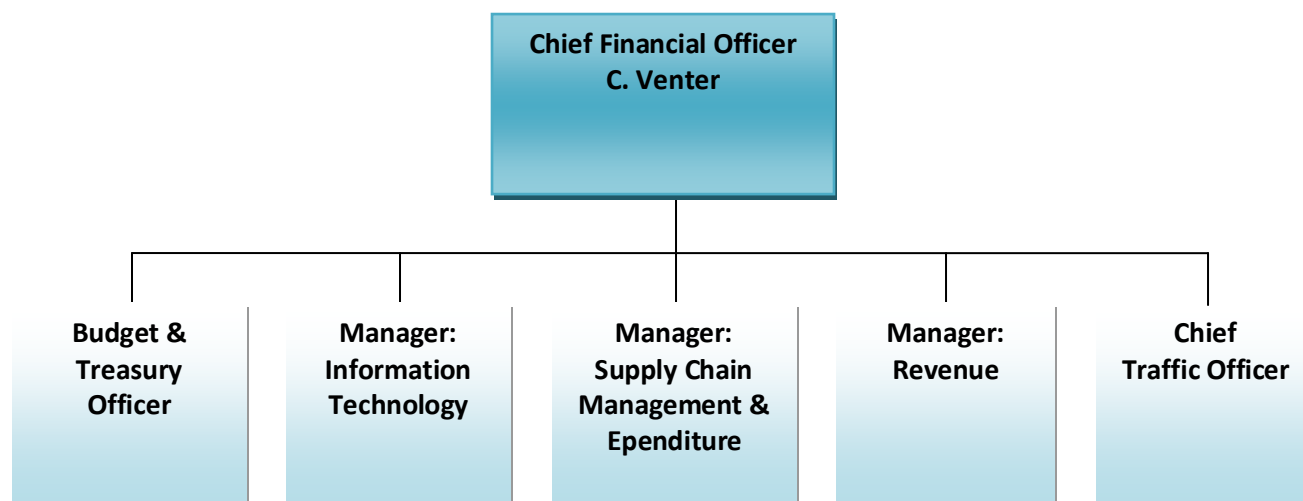
- Agency relationships were established with the Provincial Department of Health in the Eastern Cape
- Unit Management including in-service training of staff occurred as scheduled;.
- Reporting daily activities occurred
- Monthly reports/statistics were developed and provided; and
- Quarterly reports were submitted timeously

The overall objective of this function is to ensure a health environment and to ensure that primary health services and facilities are available.

Strategic Objectives

- Ensure optimal primary health for all citizens
- Investing in the training of staff in order to ensure development of skills, thereby contributing to quality in-service delivery
- Regular HIV/AIDS Forum meetings
- Training of HIV/AIDS peer educators
- Water quality monitoring programme by the district municipal health and they provide reports.

B.5 CHIEF FINANCIAL OFFICER



OBJECTIVE

'The overall objective of the Budget and Treasury Department is the provision of Management Support and guidance to staff and Councillors, management of assets, management of the budget and management of revenue and collection of debtors.'

VISION STATEMENT

"The financial management of the resources of Senqu Municipality in order to ensure sustainable and equitable service delivery to all the residents of the municipality".

MISSION STATEMENT

"The sound financial management of the assets, liabilities, revenue and expenditure of the municipality on behalf of the community of Senqu Municipality".

Key Focus Areas for Budget and Treasury Directorate:

- ◇ Revenue Collection/Income Generation
- ◇ Expenditure
- ◇ Budgeting
- ◇ Accounting and Reporting
- ◇ Information Technology
- ◇ Asset Management
- ◇ Motor Vehicle Licensing
- ◇ Compliance with MFMA Act 56 of 2003

It remains the overall objective and intention of this department to improve and refine functioning within each of these areas in order to ensure not only legislative compliance but to ensure ongoing financial viability.

Key Performance Indicators

Each of the Key Performance Areas and their respective priorities will be examined under each subsection as follows:

Revenue Collection/Income Generation

This section ensures that the processing of monthly consumer accounts and the receipting of all revenue is undertaken at three of the towns that fall within the jurisdiction of Senqu municipality, namely Barkly East, Lady Grey and Sterkspruit. The current structure is established so that the villages of Rossouw, Rhodes and Herschel are serviced by staff situated in Lady Grey, Barkly East and Sterkspruit respectively. All these functions are supervised and supported from Lady Grey from where meter readers servicing the water and electricity meters are controlled.

Key Targets 2010/2011

- Annual reconciliation of Valuation Roll;
- Annual reconciliation of Assessment Rates;
- Annual billing of Assessment Rates;
- Complete General Valuation of Farms;
- Valuation Board assessing objections;
- Certification of the General Valuation Roll;
- Implementation of the General Valuation Roll;
- Survey regarding infrastructure & services on farms;
- Monthly updating of the consumer database;
- Maintenance & Implementation of the Credit Control & Debt Collection Policy;
- Development and implementation of plans and intervention strategies in order to enhance revenue;
- Maintenance and implementation of financial policies & procedures;
- Free basic services and indigence subsidy support;
- Tariff determination;
- Rates determination;
- Credit Control & Debt Collection;
- Cash Management, Banking & Investments;
- Appointment of Accountant Income;
- Monthly selling & control of pre-paid Electricity;
- Monthly reading of Water & Electricity meters;
- Accurate monthly billing of accounts;
- Monthly delivery of consumer accounts;
- Daily receipting of all revenue;
- Daily banking of all revenue;
- Secure all revenue collected;
- Implement Municipal Finance Management Act, No 56 of 2003 requirements relating to Revenue collection;
- Development / update Rates Policy;
- Consult community on Rates Policy;
- Implement Rates Policy; and
- Develop & promulgate Rates Policy By-Law

Issues/Challenges

- It is noted that Debt Collection and Credit Control Policies are currently in place, approved and implemented as required;
- Additionally and in an effort to ensure a positive cash flow management status, monthly expenditure reports were compiled, analysed and reacted to where appropriate action was required;
- The Investment Policy has been reviewed and monthly investment management occurs as is required in terms of the policy;
- It is to be noted that Council's outstanding consumer debtors have increased by **44.08%** (R 3 138 798) from R 7 121 227 to R 10 260 025 during this financial year;
- In terms of operational income it must be noted that the anticipated revenue of R 157 152 608 was 24.68 % (R 31 109 361). **This was more than in the previous financial year and** resulted in an estimated surplus of R 36 225 188. It included all sources of income i.e.own revenue, grants, subsidies, agency receipts, donor funds, trust funds and the like.
- As per the legislative requirements and related prescriptions every effort is being made to ensure that the following financial management strategic objectives and targets are prioritized:
 - Annual overview on Risk Management and an Implementation Plan
 - Monitoring of financial viability re- debt coverage and expenditure control.
 - Implementation of Revenue Management Strategies to enhance Revenue.
 - Efforts to facilitate full GRAP compliance. (Immovable assets)
 - The development and ongoing review of all required Financial Policies.

Expenditure and Control

This function is situated in Lady Grey and is supported by staff members who are responsible for the payment of creditors; ordering of goods, services and materials; processing the monthly salaries and allowances; compilation and control of budgets; controlling capital and other projects; processing of monthly and quarterly financial reports and the compilation of annual financial records and statements.

Expenditure is controlled through monthly and quarterly reporting and reconciliations – in order to establish areas requiring intervention and management.

Key Targets 2010/2011

- Monthly reconciliation & payment of all creditors.
- Interventions and strategies/turnaround plan to improve on expenditure (Levels and quality).
- Monthly controlling of purchases.
- Monthly processing of payroll.
- Annually update & maintain council's insurance portfolio.
- Monthly updating & maintaining Council's investments.
- Update & implementation of financial policies and procedures :
 - Supply Chain Management;
 - Loans & Contractual Agreements;
 - Asset Management & Insurance;
 - Cash Management, Banking & Investment.
- Implementation of the Municipal Finance Management Act, No 56 of 2003 requirements related to Expenditure.

Issues/Challenges

- The Auditor General's Report during the 2009/2010 financial year identified **unauthorised expenditure** of R1, 961,269.791; in 2010 /2011. In the 2010/ 2011 financial year this has reduced to R 358349.91, and is awaiting condonement.
- In 2009/2010 **Fruitless and wasteful expenditure** of R3, 113,592.972, was identified and In the 2010/ 2011 financial year has reduced to R R1735952.90

- In 2009/2010 **Irregular expenditure** of R1, 568,252.45, was identified, this was as a result of Non-compliance with Supply Chain Management regulations, the irregular expenditure is awaiting condonement. In the 2010 / 2011 financial year no irregular expenditure was identified.
- As per the Audit Action Plan and remedial action taken it would appear that deficiencies in this regard are in the process of being eradicated although this would remain a long term consideration.
- Outstanding Debt has increased by 10% annually rather than having reduced. This is clearly an issue that needs to be an area of focus moving forward;
- Indigent Support /Free Basic Services is being applied and 2904 Indigent consumers benefit from free basic services. R 9 192 887.00 was actually utilized (Budgeted R 11 412 120.00) will go **directly** to provide services to the (indigent) poorest of the poor as per council Free Basic Service and Indigent Subsidy Support Policy;
- Supply Chain Management targets have been achieved in that the Supply Chain Management Policy has been updated and workshopped; the Service Provider database has been populated and a service providers report has been populated;
- It must be noted that in respect of the performance **of municipal service providers**, there is no comprehensive performance management system for their monitoring. While contractors utilising funding from the Municipal Infrastructure Grant are monitored in a structured way, other service providers are not monitored in a systematic manner;
- There are still issues of non-compliance with Supply Chain Management regulations during the 10/11 financial year. The identified issues have been incorporated into the Audit Action Plan and all remedial action required is in the process of being corrected in the 2011/2012 FY;
- Budgeted Operating Expenditure amounted to R 174 294 902.00 (R 219 104 967 less R 44 809 065 – capital expenditure ex revenue). The Actual Opex Increased from the previous Year by 45.82% and by R 37 999 870. In monetary terms from the previous financial year. (R 120 927 421 – 82 927 551)

Budgeting

The annual compilation of Council's operational and capital budget is the responsibility of this department. It also provides the necessary inputs during the annual review of Council's Integrated Development Plan (IDP). This department is also responsible for the determination of tariffs and maintaining a cash budget. Actual expenditure to date is monitored monthly against Council's approved budget and reports are submitted monthly to all other departments informing them of their expenditure to date.

Key Targets 2010/2011

- Compiling & publishing budget time schedules;
- Establishing & publishing committees & consultation forums.
- Outreach programme provision to all wards.
- Review & preparation of:
 - Integrated Development Plan (IDP);
 - Service Delivery Agreements;
 - Delegations;
 - Budget Related Policies;
 - Operational & Capital Budget
- Determination of Rates & Tariffs.
- Consultation with established committees & forums
- Tabling of budget & supporting documents.
- Approved budget & supporting documents, and submission to:
 - National Treasury;
 - Provincial Treasury; and
 - Publishing on website
- Service Delivery & Budget Implementation Plan (SDBIP).

Accounting and Reporting

Key Targets 2010/2011

As an accounting and reporting function the following reporting is required:

- Daily & monthly updating of accounting records.
- MFMA required reporting to: National Treasury; Provincial Treasury; Accounting Officer; Executive Committee; and the Municipal Council.
- Monthly reconciliation of supporting registers:
 - Funds;
 - Loans;
 - Assets;
 - Banks;
 - Investments;
 - Debtors;
 - Creditors; and
- Income & Expenditure.
- Compilation of annual financial statements.
- Compilation of annual report for Department: Budget & Treasury Service.
- Implementation of the Municipal Finance Management Act, No 56 of 2003 requirements related to Accounting and Reporting.

Issues/Challenges

All required reports in terms of the MFMA have been submitted timeously as required. These include standard monthly, quarterly and mid-year reports as legislated by Provincial and National Treasury and the Auditor General, in terms of the MFMA.

Information Technology

This function is situated in Lady Grey from where all computer hard- and software used at all three administrative units is supported and maintained. The IT unit/division is headed by an IT Manager currently the unit /division is not fully staffed.

Key Targets 2010/2011

- Development of IT policies. Development of IT policies.
- Ensuring the Updating of Valuation information (by co – ordinating with IT & GIS (PMU Unit)
- Daily & monthly processing of records when required by other departments.
- Maintenance and upgrade of computer hard and software
- Secure computer hard and software services
- Training to all staff in utilizing IT systems effectively
- Development & maintenance of the municipal Website.
- Assisting with asset management

Assets and Stores

The existing manual assets register as well as the inventory lists are now in the process of being computerized by means of bar-coding all movable assets.

Key Targets 2010/2011

- Recording & Marking (Bar-coding) of all assets.
- Updating & maintaining a comprehensive assets register
- Compiling, updating & maintaining of inventories.
- Revaluing the fixed assets.
- GRAP conversion

Motor Vehicle Licensing

Apart from the road worthy's, driver's licenses and the like, performed at the Grade A Traffic Test Station situated in Barkly East, the NATIS motor vehicle registration facility service is also rendered by Council on an agency basis for the

Department of Transport in Lady Grey and Barkly East. Business Plans have been submitted as far back as the 9/10 financial year to Department of Transport to extend these facilities to the Sterkspruit administrative unit.

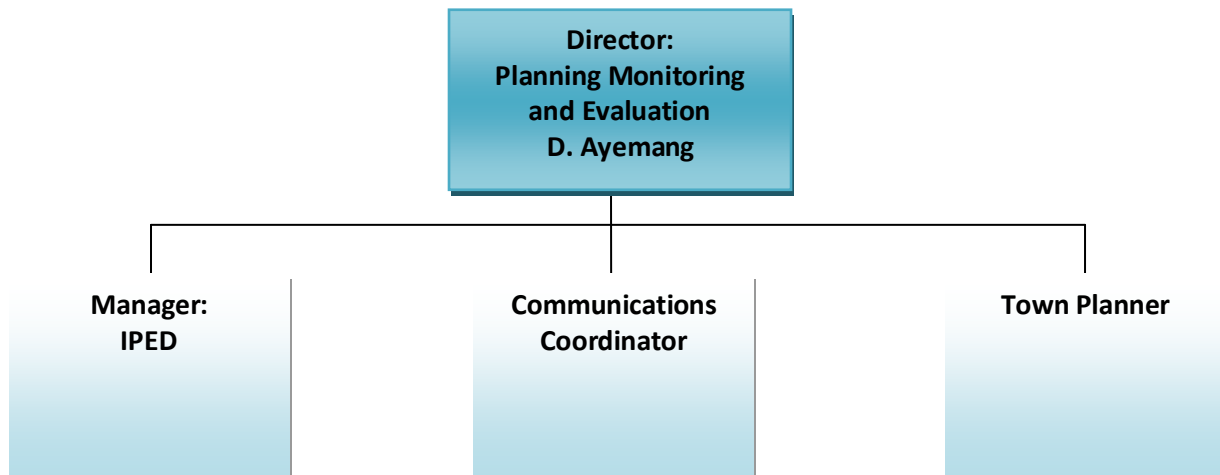
Key Targets 2010/2011

- Available facilities for the licensing of motor vehicles.
- Maintain and perform National Traffic Information System (NaTIS) on behalf of the Department of Transport
- Establish Motor Vehicle Registration facility in Sterkspruit – Awaiting approval from Department of Transport
- Train staff to operate the Natis System.

Improved Payment Levels of Accounts

The target for the payment levels of accounts is 82.5% which clearly indicates that the target of 90% was not achieved (Variance of 7.5%). 80% level remains at a constant. Correspondingly, outstanding debt has increased by 10% annually rather than having reduced. This is clearly an issue that needs to be an area of focus for the new financial year

B.6 INTEGRATED PLANNING MONITORING AND EVALUATION DIRECTORATE



The IPME Manager was appointed to the newly formed directorate on 1 August 2010. As a new directorate, it is noted that many challenges were experienced and these related mostly to the available human and financial capacity within the directorate and the need for adequate and experienced resources to perform and meet the required functions.

Functional Areas:

- Communications
- Town Planning (Land Use Management, Housing and Building Control)
- LED (Tourism, SMME and Poverty Development)

Key Targets 2010/2011 (Directorate)

- Development of the Communications Strategy
- Improved internal and external communication
- Launching of Local Communication Forum
- Development of SDBIP
- PMS Implementation
- Local Economic Development
- Mainstreaming of Women, Youth and Disabled
- Tourism activities
- Job Creation Projects
- Implementation of Greening Projects
- Land Management
- Housing Sector Plan approved
- Building plans approved
- Land Audit conducted
- Building and Town Planning approval
- Deed transfers conducted
- Policies reviewed
- Fixed Assets Managed

COMMUNICATION

- Internal Communication
- External Communication

COMMUNICATION**Issues and Challenges**

It is noted that great strides were made in respect of communication.

- The Communications Strategy was developed and reviewed in consultation with and in partnership with CDW's, Ward Committee Representatives and Community members.
- The Local Communications Strategy was updated, presented to Exco and submitted to Council for adoption.
- Media coverage was received from local and national newspapers and from local radio stations and the SABC.
The challenge remains to ensure that updating and regular reporting occurs.
- Events management is well provided for all important events;
- The External newsletter is provided to communities quarterly;
- The Internal newsletter is discontinued and the challenge will be to revive this, and
- The municipal website is fully functional and updated monthly with all public documents such as tender documents, policies, by-laws, and issues of interest.

TOWN PLANNING

- Estates
- Land Use Management
- Housing
- Building Control

TOWN PLANNING**Issues and Challenges**

Some of the greatest challenges facing town planning relate to the different land legislations currently applicable within different parts of Senqu Municipality.

This remains a huge challenge as Bantustan legislation still applies to the urban areas who are experiencing huge growth. In other areas repealed legislation is still being applied (e.g. issuing of Permission to Occupy Certificates), and this "informal land administration system" is posing to be a major challenge to Senqu Municipality.

These issues coupled with poor disposable income have resulted in insufficient development and maintenance of infrastructure, which in turn affects road infrastructure and linkages between rural settlement areas and the main economic centre of Sterkspruit.

Local Economic Development

- Tourism
- SMME
- Poverty alleviation

LED (Tourism, SMME and Poverty Alleviation)**Issues and Challenges**

It is noted that the LED Strategy was developed in August 2007. Although the LED Unit has been established, this unit is severely challenged in respect of capacity, funding and experience and currently very little activity has occurred within this area as a result.

As resources, the LED Manager has been appointed together with the Tourism Officer, an Enterprise Development Officer and a Poverty Alleviation Officer.

Overall, although efforts are being made to engage with tourists, progress is not as advanced as required.

Progress within the agricultural projects is reflected as follows:

- the Department of Agriculture donated funds to revive the VukaniMangwa project (additional funding for fencing is required),
- the Lady Grey commonages were selling fodder and this has resulted in shortages of land for livestock,
- the Masithembane Poultry Project is progressing well;
- the Cooperatives Project requires additional funding; and
- the LRAD farmers project resulted in farm land being bought and a tractor and equipment being given to the farmers.

INSTITUTIONAL PERFORMANCE

- IDP
- SDBIP
- PMS

IDP, SDBIP's and PMS

Issues and Challenges

These issues have been reported on mostly under the Municipal Management section as these issues were traditionally accommodated for most of the time within this section.

- The IDP must be formally drafted according to the Directorates are required to populate these targets more effectively using the SMART principles;
- Quarterly PMS assessments and reporting must be done with direct and accurate input from responsible parties
- Quarterly reporting and consolidated reporting must be done for the SDBIPS with direct and accurate input from responsible parties;
- Performance (Institutional Performance Reporting) is facilitated;
- Performance management must be formally applied in terms of the Performance Cycle

The organogram is required to be updated to accommodate these issues and to reflect them within the correct areas.

SPECIAL PROJECTS

- Mainstreaming
- HIV/Aids

SPECIAL PROJECTS

NOTE: Refer to the MM/Mayor's office. Although the SPU, PMS, IDP and SDBIP related issues reside now within the IPME Directorate they have always traditionally been housed in the MM/Mayor's office and due to their strategic nature there is a dotted reporting line with ultimate accountability at the MM/Mayor's level. Changes to the organogram are required to reflect these changes.