

Executive and Council Service Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	2014/15 Target		Actual	Target Corrective/ improvement measure	*Following Year
		*Previous Year	*Current Year			
Service Indicators			*Current Year			
<b>Service Objective Executive and council</b>						
Build human resource capacity	Review workplace skills development plan	None	Compile Annual report	WSP was reviewed on 30 April 2015 and submitted to LGSETA. A letter of acknowledgement was received from LGSETA	N/A	N/A
Build human resource capacity	Bursary scheme	None	Compile report	Bursary policy is approved. Training committee established. Held regular meeting to recommend bursary applications received from employees. 12 Bursaries was allocated during the 2014/15 financial year	N/A	N/A
Employment equity planning	Set realistic targets	None	Review employment equity plan and implement	Employment equity plan was submitted to Department of Labour in terms of legislation. The EE plan was last reviewed during August 2015	N/A	N/A
Employees data purification	Identify all municipal employees	None	Maintain & update employee data Compile a report	Employee verification was done during June 2015	N/A	N/A
Review municipal structure	Align structure to IDP	None	Fill al critical posts and report	The majority of critical position was filled in the 2014/15 financial year.	N/A	N/A

Staff morale	Enhance staff morale	1 Calendar	Report on last session of team building	An employee wellness day was held on 24 October 2014	N/A	N/A	N/A
HR Policies	Review HR policies	None	Implement	The review of HR policies is in process. Consultation meeting was held with LLF. LLF recommendations still to be submitted to Council.	N/A	N/A	N/A

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## FINANCIAL SERVICES

The financial service function is performed by the finance department which is the directorate led by the Chief Financial Officer. The department had three Chief Financial Officers in the current financial year and the full time Chief Financial Officer was appointed.

**The changes in the leadership of the department had an impact in terms of stability in the department and compromised some of the controls.**

The department capacity is not up to acceptable standard as some staff occupying professional positions in the department have no experience. This has an impact in terms of quality of the reports and information provided by the department and it impacts on the control environment in the department.

**Significant strides were done in the current financial year to turnaround the situation in terms of appointing the Managers in the department. This has improved the capacity constraints and appointment additional interns in the department have also improved the departments' performance.**

The financial performance of the municipality remains a challenge as the liquidity ratio remain negative and below the industry standard. The debt collection levels remain low in which this has a huge impact on the viability of the municipality.

Financial Service Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	2013/14		Actual	Target Corrective/Improvement measures	*Following Year
		Target	*Previous Year			
Service Indicators			*Current Year			
<b>Service Objective financial</b>						
Improve capital spending	% spend of capital budget	N/A	Compile draft AFS	Only 82% on capital projects was spent	N/A	N/A
Improve spending on operational budget	% spend of operational budget	N/A	Compile draft AFS	The AFS will disperse the operating expenditure spent at year end before submitting the AFS	N/A	N/A
Maintain municipal credit rating	View of independent credit rating	N/A	Compile a report	The municipality did not have any challenges with regards to trading with businesses and contractors.	N/A	N/A
Enhance revenue	Develop financial enhancement strategy	N/A	Develop financial enhancement strategy	The revenue enhancement strategy was developed and sent to council and was approved.	N/A	N/A

Budgeting	Compile draft budget	N/A	Submit draft budget for approval	The draft budget 2014/2015 was compiled and submitted to Council in March 2014. Council resolution as evidence	N/A	N/A	N/A
Municipal assets management	Develop asset register	N/A	Compile a report	Assets register is only developed at year. The municipality compiles the Assets lists on new additions	N/A	N/A	N/A
Ensure Improvement on Debt Collections from current (40%)	Recover 70% of Outstanding Debt	N/A	Report at year end	At year end the municipality's collection rate was at 73%	N/A	N/A	N/A
Customer care and service excellence	Helpdesk:	N/A	Registers maintained monthly	The municipality has developed the customer care register which is monitor daily	N/A	N/A	N/A
Supply chain management	Maintain Centralized Acquisition	N/A	Maintain Centralized Acquisition	The structure was reviewed to ensure that SCM unit there's segregation of duties	N/A	N/A	N/A
Supply chain management	Ensure Turnaround Time as per SCM	100% Consumers billed	Ensure Turnaround Time as per SCM	Tenders adjudicated on time per SCM procedure	N/A	N/A	N/A

	Procedure Manual ( Adjudicate bids within 60 days) Update & purify SCM database		Procedure Manual ( Adjudicate bids within 60 days) Update & purify SCM database					
Supply chain management	Review operational Procedures (develop a checklist to verify the credibility of the bid documents submitted for compliance/control)	N/A	Review operational Procedures (develop a checklist to verify the credibility of the bid documents submitted for compliance/control)	SCM procedures manuals developed checklist compiled	N/A	N/A	N/A	N/A
Supply chain management	Procure Operating System For SCM	1 N/A	Procure Operating System For SCM	The municipality was advised by Treasury not to change or procure systems due to the mSCOA	N/A	N/A	N/A	N/A
Supply chain management	Compile Quarterly SCM Reports	None	Compile Quarterly SCM Reports	SCM reports are compiled monthly and sent to management, section 80 EXCO and council	N/A	N/A	N/A	N/A
Assets management	Update Municipal Asset Register	12 Updates	Update Municipal Asset Register	Municipal register updated at year end ( Assets list compiled monthly to include the Additions i.e moveable assets)	N/A	N/A	N/A	N/A

Purify data	Ensure that All Municipal Assets are Insured Verification of movable assets bi-annually	N/A	All Municipal Assets are Insured. Verification of movable assets bi-annually	Municipal assets are insured (SLA attached in the evidence) There's supporting document which clearly states the dates and towns	N/A	N/A	N/A	
Budget and reporting and compliance	Stick to Budgeted Allocations	N/A	Monitor Municipal Departmental Expenditure per Vote	Prior to procuring budget is printed which will indicate whether the are funds available or not	N/A	N/A	N/A	
Budget Not Over/under spending as SDBIP	Budget report with no overspent line items	N/A	Budget report with no overspent line items	Request Memo which requires the requesting department to align the requested SDBIP	N/A	N/A	N/A	
Ensure Improvement on Efficient & Effectiveness on Budgeting Preparation Process	100% Monthly Budget Statements (MFMA sec.71) Improve Budget Process by developing a realistic Budget Time line in line with MFMA Preparation and approval of	N/A	100% Monthly Budget Statements (MFMA sec.71) Improve Budget Process by developing a realistic Budget Time line in line with MFMA Preparation	Budget process plan 2015/2016 was approved in October ( Council resolution and a copy of the BPP on file) Council approval for Adjustment budget Budget 2015/2016 was approved within the prescripts of the MFMA NERSA approval of electricity tariffs were approved. Letter attached	N/A	N/A	N/A	

	Adjusted Budget Timeously approval of draft and final annual budget as per required timeframe of MFMA Ensure timeous approval of electricity by NERSA		and approval of Adjusted Budget Timeously approval of draft and final annual budget as per required timeframe of MFMA Ensure timeous approval of electricity by NERSA				
Improve Finance Departmental HR Management	Manage Finance Department by a) Ensuring that internal controls are implemented b) Improved communication within the department c) Develop job description for all employees	N/A	Manage Finance Department by a) Ensuring that internal controls are implemented b) Improved communication within the department c) Develop job description for all employees	N/A	Internal controls are implemented as through sectional procedure manuals Proof of staff meeting attached on file Job description were developed for positions in finance Verification of municipal officials together with corporate services (evidence on file)	N/A	N/A



				description for all employees					
				d) Verification of municipal officials (annually)					
Clean audit	Ensure 100% compliant Pre-Audit File	N/A		Preparation of Pre-Audit File: a) Payment Vouchers b) Journals c) Key Control Monitoring d) SCM Processes			Internal auditor requested to compile the Audit file	N/A	N/A
Address all audit issues and MFMA compliance and reporting	Compile Previous Financial Year AFS	N/A		Compile Previous Financial Year AFS			2013/2014 AFS were compiled and submitted on time. AG acknowledgement letter	N/A	N/A

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## HUMAN RESOURCE SERVICES

HR Section is located in Corporate Services Department and comprises of the following functions:

- Organizational Development
- Labour Relations
- HR Administration
- Skills Development
- Legal Services
- Secretarial Support
- Records Management & Archiving

The section has capability challenges and views its function as administrative rather than strategic, which impacts on the level of its performance at a strategic level. Strides have been made with regard to moving HR in the strategic direction. A number of HR functions have been improved, in particular the leave managements system. Despite the transitional challenges, HR remains committed to improving the function.

The following priorities were identified during the financial year in question:

- Filling of critical positions
- Compliance to OHS and Regulations
- Compliance to WPSP
- Dealing with Labour Relations dispute within regulated time
- Development/Review of HR Policies
- Development/ Review of Organizational Structure
- EE Targets
- Leave Management and Overtime reduction

### HUMAN RESOURCE SERVICES OVERALL:

The HR Section has performed its function to ensure effective functioning of the organization and fulfill internal business excellence. The implementation of the organizational structure resulted in the filling of key positions. HR achieving same of the set targets on skills development due to training that was funded. EE targets were not met due to limited response from the designated groups.

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## INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The purpose of ICT is to serve as an enabler of public service delivery through *inter alia*, achieving stakeholder value and ICT key focus areas that enable the public service to achieve its strategic outcomes. Information on ICT services forms part of the corporate services and mainly responsible for:

- Application Management (Software & Pay Day)
- Network administration (LAN & WAN)
- Infrastructure Management and;
- Systems Administration.

## PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

### Legal Section:

To provide sound legal advice and enabling support to the Municipality Council, the Mayoral and Portfolio Committees of Council, as well as to the Political Office Bearers, the Municipal Manager, Directorates and Sections of the Council.

The Legal Services Section has been capacitated during the year under review with **the appointment of a Legal Advisor. During the period under review Service Level Agreements were either drafted or vetted, while other agreements, e.g. lease agreements, were drafted**

### Property Section:

To provide a property service to the Municipality, including the marketing, sale, and lease of Council properties, as well as all other actions required in this regard, eg. Negotiations with property developers, conclusion of the necessary contracts, effecting transfer of properties to the purchasers thereof, etc.

The process of selling off the residential, commercial and industrial stands which were owned by the Municipality has been successfully completed and this section has been focusing for the period under review, on identifying all the properties of the Municipality with a commercial value, which are occupied by parties who do not have a lease agreement with the Municipality. In this regard 'Institutional' stands have been identified and contracts are being signed with occupiers thereof.

ICT Service Policy Objectives Taken From IDP							
Service Objectives	Outline Service 2014/15		Actual				
	Targets	Target	*Previous Year	*Current Year	Corrective / improvement measures	*Current Year	*Following Year
Service Indicators							
Service Objective ICT							
Improve communication	Promote access to information	N/A	Review communication strategy	Communication strategy is in place and is for 2012 – 2017.	N/A	N/A	N/A
Improve communication	Promote access to communication	N/A	Enhance inter/external communication	Media profiling was done of our projects and service delivery utilizing local newspaper which is Masilonyana news.	N/A	N/A	N/A
Improve communication	Enhance relations with the media	N/A	Enhance relations with the media	The Municipality has relations with the media. There are media statements that have been done including Media briefing held during October 2014.			

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## RISK MANAGEMENT SERVICES

### **RISK MANAGEMENT**

The Risk Management Unit managed to achieve the following as per the Risk Management Plan: The approval of the Risk Management Policy which assists with clearly outlining the roles and responsibilities of risk management.

The approval of the Risk Management Framework Operational and Strategic Risk assessment were conducted during the 2014/15 financial year. To commit risk management as a standing item in Management and Audit Committee agenda.

Conducted risk management training and awareness workshops. Senior Management actively identified, assessed, managed and monitored key risks on an on-going basis.

Continuous implementation of action plans to mitigate risks to acceptable levels in order to assist the municipality to achieve its objectives. Follow ups were made on the implementation of action plans.

The Risk Management E-Learning training provided by National Treasury was introduced to the Risk Management Unit and it is to be extended to all departments of Council during 2015/16 Financial Year.

Risk Management Service Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	2014/15		Actual	Corrective /improvement measures	*Following Year
		Target	*Current Year			
<i>Service Indicators</i>		*Previous Year	*Current Year			
<b>Service Objective risk management</b>						
Risk management	Update risk & develop risk management plan	None	Conduct risks based audits	There were 9 Risks Based Audit that was conducted for 2014/2015 financial year with ad-hoc reviews performed. A risk based plan is in place.	N/A	N/A

**COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD AS AT 30  
JUNE 2015**

**MASILONYANA LOCAL MUNICIPALITY**

**ANNUAL PERFORMANCE REPORT**

## **1. INTRODUCTION**

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Masilonyana Local Municipality is committed to quality service delivery to its residents and to the expansion of services to those who never previously had access to these. Service delivery related focus areas of the Municipality, including performance highlights over the review period, are reflected below:

Provision of integrated, sustainable human settlements

- Provincial Department for human settlement subsidised housing units built
- Erven were provided with permanent water and sanitation services

Provision of quality potable water and reliable water supply

- New state subsidised were houses provided with water connections

Provision of sanitation services

- New state subsidised were houses provided with sewer connections

Provision of energy and electricity

- Erven were connected to electricity

Provision of solid waste management services

- All households within the Municipal area provided with a domestic waste collection service

In addition to the above, the Municipality also focuses on economic growth and development, arts, culture and heritage, as well as sports development and promotion

## **2. LEGISLATIVE REQUIREMENTS**

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



## ANNUAL PERFORMANCE REPORT 2014/2015 FINANCIAL YEAR

### KPA 1: BASIC SERVICE DELIVERY

PRIORITY AREA	IDP OBJECTIVE	BASELINE	PERFORMANCE INDICATOR	PROGRESS	POE
(1) Infrastructure Development	Address all infrastructure Backlogs	Ageing Infrastructure	Winburg /Makeleketa upgrading of existing waste water treatment works	<ul style="list-style-type: none"> <li>- The practical completion for Civil Contractor was done,</li> <li>- Mechanical Contractor was terminated due to non-performance. busy preparing turnkey for the consultant</li> </ul>	<ul style="list-style-type: none"> <li>- Practical completion certificate.</li> <li>- Termination letter.</li> </ul>
			Soutpan/Ikgomotseng Provision of 1MI storage reservoir	<ul style="list-style-type: none"> <li>- Land dispute was not successfully resolved.</li> <li>- New designs was completed for the construction of the elevated tank on the new municipal land</li> </ul>	<ul style="list-style-type: none"> <li>- Land dispute was not successfully resolved.</li> </ul>
			Theunissen/Masilo: Installation of 2 Zone Meters and 4 Bulk Water Meters	<ul style="list-style-type: none"> <li>- Installation of household meters completed.</li> <li>- No contractor</li> </ul>	N/A

				<p>was appointed for the Zone and Bulk meters.</p> <p>- No site establishment was done</p>	
			<p>Winburg/Makelek etla Installation of 3122 water meters, 3 Zone Meters</p>	<p>- Installation of household meters completed.</p> <p>- No contractor was appointed for the Zone and Bulk meters.</p> <p>- No site establishment was done</p>	N/A
			<p>Verkeerdevlei/Tshepong: Installation of 505 domestic water meters, 2 Zone Meters and 5 Bulk Water Meters</p>	<p>- Installation of household meters completed.</p> <p>- No contractor was appointed for the Zone and Bulk meters.</p> <p>- No site establishment was done.</p>	N/A

			<p>Brandfort/Majwe maseu: Installation of 2719 Water Meters, 3 Zone Water Meters and 3 Bulk Water Meters</p>	<ul style="list-style-type: none"> <li>- Installation of household meters completed.</li> <li>- No contractor was appointed for the Zone and Bulk meters.</li> <li>- No site establishment was done</li> </ul>	N/A
			<p>Soutpan/Ikgomot seng :Installation of 1027 Water Meters, 2 Zone Meters and 5 Bulk Water Meters</p>	<ul style="list-style-type: none"> <li>- Installation of household meters completed.</li> <li>- No contractor was appointed for the Zone and Bulk meters.</li> <li>- No site establishment was done</li> </ul>	N/A
			<p><b>Theunissen/Masilo: bucket eradication for 1140 erven (+ 53 toilets from savings)</b></p>	<ul style="list-style-type: none"> <li>- Project Completed</li> <li>- completion certificate and close out reports submitted</li> </ul>	<ul style="list-style-type: none"> <li>- completion certificate</li> <li>- Close out report.</li> </ul>

			<b>Winburg/Makeleketla: Eradication of 1261 buckets</b>	<ul style="list-style-type: none"> <li>- Project Completed</li> <li>- completion certificate and close out reports submitted</li> </ul>	<ul style="list-style-type: none"> <li>- completion certificate</li> <li>- Close out report.</li> </ul>
			<b>Masilonyana: Installation of 6 Highmast lights for all the five towns</b>		
			<b>Winburg Construction of sports centre</b>	<ul style="list-style-type: none"> <li>- Contract terminated due to poor performance.</li> <li>- In a tendering process to appoint the new contractor.</li> </ul>	<ul style="list-style-type: none"> <li>- Termination letter</li> <li>- Technical Report</li> </ul>
			<b>Develop &amp; Review Infrastructure Master Plan</b>	Master plan Completed and approved by council.	Master plan
<b>(2) Technical Departmental Fleet &amp; Asset Management</b>			<b>Assets Management &amp; Maintenance</b>	Assets identified and asset register completed	Infrastructure assists register.
			<b>Fleet Management &amp; Maintenance</b>	Fleet Management plan not completed but in progress.	

			Procure Yellow Fleet	No Yellow fleet procured	
<b>(3) Roads Maintenance &amp; Construction</b>			Municipal Roads	Road Maintenance plan completed and approved by council	Road Maintenance Plan
<b>(4) Basic Service Delivery</b>			<b>Ensure Provision/Supply of Quality Drinking Water To RDP STD</b>	<ul style="list-style-type: none"> <li>- Samples tanked and tested accordingly.</li> <li>- Analysis reports done.</li> <li>- Blue drop data uploaded monthly</li> </ul>	- Analysis reports
			Brandfort/Majwe maseu: Upgrading of the Waste Disposal Site	No funds where available to implement this project.	
			Develop Operational Plan	Operational plan included on the master plan	Master Plan
			Water Provision & Monitor Water Quality	<ul style="list-style-type: none"> <li>- Samples tanked and tested accordingly.</li> <li>- Analysis reports done.</li> <li>- Blue drop data uploaded monthly</li> </ul>	- Analysis reports