



FINAL ANNUAL REPORT

2010/2011

Abbreviations and Acronyms

Abbreviations	Explanation
ABET	Adult Basic Education and Training
ACDP	African Christian Democratic Party
ANC	African National Congress
AZAPO	Azanian People Organization
B&B	Bed and Breakfast
BRT	Bus Rapid Transit
BBBEE	Broad Based Black Economic Empowerment
CFO	Chief Financial Officer
Cllr	Councilor
CBD	Central Business District
CCTV	Closed Circuit Television
CRZ	Commercial Restricted Zone
CAS	Controlled Access Site
CPMD	College of People Property Management and Development
DA	Democratic Alliance
DORA	Division of Revenue Act
ETDP	Education, Training and Development Practices
ELMDP	Executive Leadership Municipal Development Programme
EIA	Environmental Impact Assessment
EPWP	Expanded Public works Programme
EMP	Environmental Management Plan
FY	Financial Year
FBW	Free Basic Water

Abbreviations	Explanation
FIFA	Federation of International Football Associations
GIS	Geographical Information System
HR	Human Resources
HDI's	Historically Disadvantaged Individuals
IDP	Integrated Development Plan
ITS	Intelligent Transport System
IT&T	Information Technology and Telecommunications
ICT	Information and Communication Technology
IGR	Intergovernmental Relations
JMPF	Joint Municipal Pension Fund
KPA	Key Performance Area
LTP	Limpopo Tourism and Parks
LED	Local Economic Development
LGSETA	Local Government Sector Education Training Authority
MFMA	Municipal Finance Management Act
MCPF	Municipal Councilors Pension Fund
MEPF	Municipal Employee Pension Fund
MGF	Municipal Gratuity Fund
MIG	Municipal Infrastructure Grant
MC	Mayoral Committee
MIS	Management Information System
MM	Municipal Manager
MEC	Member of Executive Council
N1	National Road (Cape town-Beit Bridge)

Abbreviations	Explanation
NFMW	National Fund for Municipal Workers
OC	Organizing Committee
OHS	Occupational Health and Safety
PPU	Public Participation Unit
PTIS	Public Transport Infrastructure Support Fund
PHP	People Housing Partnership
ROD	Record of Decision
SDI	Strategic Development Initiatives
SADC	Southern Africa Development Community
SDBIP	Service Delivery and Budget Implementation Plan
SMME's	Small and Medium Enterprises
SOP'	Stand Operating Procedure
SBU	Strategic Business Unit
SABC	South African Broadcasting Corporation
SDF	Spatial Development Framework
SCADA	Supervisory Control and Data Acquisition
SAMWU	South African Municipal Workers Union
UDM	United Democratic Movement
UPVC	Unplasticized Polyvinyl chloride
VIP	Ventilation Improved Pit
VIC	Visitors Information Centre

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1. CHAPTER 1: FOREWORD AND OVERVIEW OF THE MUNICIPALITY

1.1 Foreword by the Executive Mayor

During the financial year under review, Polokwane Municipality has made some efforts despite financial constraints to discharge its mandate which is the provision of basic services to its communities in a manner that will ensure sustainability and improved quality of lives of our people.

This Annual Report for 2010/2011 financial year provides an opportunity for the municipality to take stock of what the municipality has set to achieve and report to its constituency in terms of its performance during the year under review. The report will further offer members of the community and other interested and affected stakeholders an opportunity to confirm the

achievements by the municipality by means of inputs and comments and this will further assist the municipality to increase its energy towards discharging its mandate.

We have to look back as we go forward and as we enter the implementation phase of government priorities and programmes that as a collective we can achieve more through good relations established. We are proud to present this annual report which we believe will provide critical information about the state of the municipality and its performance in discharging its constitutional mandate.

It is noteworthy that although the strategic focus is on service delivery, strategies focusing on financial sustainability are still in place and are being continuously implemented, reviewed and reinforced. The financial year under review saw the continuation of the implementation of the service delivery turnaround strategy focusing on, amongst others, access to free basic services, service improvement and infrastructure development.

According to Free Basic Water policy, implemented by Local Government, households are entitled up to 6 000 liters or 60kl of clean water every month at no cost. Those who use more than this volume of free water must be responsible for the costs. Free Basic Electricity is the amount of electricity deemed sufficient to provide basic electricity services to poor households. The levels of service are 50kw/h per households per month for a grid based system for qualifying domestic consumers and 50W per non-grid connected supply system for all households connected to the official non-grid systems. More than 19 700 customers made use of the free basic electricity service during the 2010/2011 financial year.

Revenue Management saw an increase in payment levels for customers in the City-Seshego Cluster. The Municipality has however not yet developed the rates and tariffs policies or bylaws to guide the revenue management of the municipality. Therefore, there is an urgent need to review the indigent policy to ensure its appropriate alignment with prevailing legislation and the current economic situation.

With regards to skills development, the municipality has allocated resources to ensure that skills development is aligned to the objectives of the Integrated Development Plan. There is still a challenge facing the municipality in planning, technical and management capacity in certain delivery areas. Concerning employment equity, the municipality, has adopted an employment equity plan which gives preference to females and people with disabilities. There is need for the municipality to engage in targeted techniques to employ more females and people with disabilities.

In conclusion, I wish to thank and acknowledge the efforts of my fellow Councilors who served so admirably over the past year. I thank them for the support and faith they have demonstrated in their work relation with me as the Executive Mayor. Together with Council's hard working Executive Management and staff led by the Municipal Manager Mrs. Fanisa Lamola, we are working to ensure a caring, strong and vibrant City of Stars- the City of Polokwane.

End

Cllr Freddy Greaver
Executive Mayor- Polokwane Municipality

1.2 Introduction and Overview of the Municipality

Polokwane Municipality has for the past years developed the IDP and Budget that were intended for delivery of services to the communities. The 2010/2011 annual report is developed to report the achievements of municipal targets that were to change and improve the lives and economical status of all communities within Polokwane Municipality during the financial year.

To ensure that the implementation of the 2010/11 IDP and Multi Year Budget were in good practice, the SDBIP was approved according to the Municipal Finance Management Act of 2003. In addition, monthly and quarterly reports were developed as tools to track achievements and to make adjustment to speed up service delivery processes in order to ensure that the IDP and budget are implemented according to plan.

VISION

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

MISSION

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

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

VALUE STATEMENT

We shall strive in all our activities and programmes to be:

- Responsive
- Efficient
- Effective
- Transparent
- Informative

- Competitive
- Accountable
- Representative
- Consultative
- Loyal
- Honest
- Empowering

1.3 Profile of Polokwane Municipality

Polokwane Municipality is located within the Capricorn District in Limpopo Province. It covers a surface area of 3775 km² and accounts for 3% of the Province's total surface area of ±124 000 km². In terms of its physical composition, the municipality is 23% urbanised and 71% rural. The remaining area (6%) is made up of small holdings and institutional, industrial and recreational land.

The municipality is home to approximately 561 770 people .With a provincial population of approximately 5.2 million people; one would venture to conclude that Polokwane houses over 10% of the province's population on 3% of the province's surface area. This is significant and underlines the City's capital status and shows that it is an area of confluence.

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

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

Levels	Population	Households	Population below 15 yrs	Surface Area	% of population	% of households	% of population below 15
National	48 502 063	12 500 610	15 672 800	1 219 090 km ²	100	100	100
Limpopo	5 238 286	1 215 935	1 968 900	123 910 km ²	10.8	9.73	12.56
Capricorn	1 243 167	285 565	607 161	18 570.30 km ²	2.54	2.28	3.87
<i>Polokwane</i>	<i>561 772</i>	<i>130 361</i>	<i>244 274</i>	<i>3 775 km²</i>	<i>1.16</i>	<i>1.04</i>	<i>1.59</i>

Table 1: StatsSA: Community Survey, 2007

Population growth in Polokwane is significant. Growth figures from 1996 to 2001 showed that the municipal population increased by about 16.39%, which means an annual average population growth rate of 3.27%, much of this growth is ascribed to an influx of people from other more rural municipal areas into Polokwane where the perception of more employment and greater economic wealth exists. Since 2001 the population has increased from 508 280 to 561 770 (1, 7% growth p.a.). The number of households has also increased from 124 980 (2001 Census) to 130 360 in 2007. This implies an additional 5 380 households that the municipality must provide with new services.

Economic Composition

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

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

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

The city lies on 1 312 m altitude and has a pleasant climate with temperatures averaging 27 degrees in summer and 20 degrees in winter. It only rains in summer (400 - 600 mm precipitation annually). The following have been identified as the most important strategic development potential of Polokwane Municipality:

- Availability of both industrial and commercial land
- Access to international airport

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

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

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

Council and Administrative Overview

Polokwane Municipality is a Category B constituted by 76 councilors. 38 are elected Ward councilors and the rest represent political parties in their different proportional election lists. The Municipality has ten members of the Mayoral Committee appointed by the Executive Mayor and six full-time councilors.

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

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

Representation of Political Parties in the Council:

Name of Political Party	Number of Seats
African National Congress	61
Democratic Alliance	09
African Christian Democratic Party	01
Azanian People's Organization	01
Vryheidsfront Plus	01
Congress of the people.	03
Total:	76

The administrative component of the municipality comprise seven (7) directorates, namely; Technical Services, Planning and Development, Community Services, Corporate Services, Chief Financial Officer, 2010 and office of the Municipal Manager. Each directorate is headed by a Director and consists of a number of strategic business units headed by Managers. All Directors report directly to the Municipal Manager, who reports to the Executive Mayor. Strategic Business Units Managers in the Office of Municipal Manager report directly to Municipal Manager.

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

Details of the Municipality, Mayoral Committee and Senior Managers

Name of Municipality	Polokwane Municipality
Grade of Municipality	Grade 10 Local Authority
Postal Address:	P O Box 111 POLOKWANE 0700
Physical Address:	Corner Landros Mare & Bodestein Street, Polokwane 0700
Telephone Number:	(015) 290 2457
Fax Number:	(015) 290 2255
Auditors:	Office of the Auditor General
Bank:	Standard Bank

Bank Account Number:	030172349
Branch Code Number:	052548
Executive Mayor:	Cllr. Freddy Greaver
Municipal Manager	Mrs. F. L. Lamola
MAYORAL COMMITTEE AND THEIR PORTFOLIOS	
Cllr. Freddy Greaver	Executive Mayor
Cllr. C. Mathiba	Speaker
Cllr. O. Mashiane	Chief Whip
Cllr. M.J Ralefatane	Water and Sanitation
Cllr. L.E. Hardy	Waste and Environment.
Cllr. P.J Modikoa.	Electricity
Cllr. M.J. Kaka	Housing.
Cllr. M.E. Maleka.	Local Economic Development and Finance
Cllr. M.K.Teffo	Culture, Sport and Recreation
Cllr. M.M. Peta	Special Focus
Cllr. C. Molepo.	Spatial Planning and Development
Cllr. M.D. Madikoto	Roads and Stormwater
Cllr. T.J. Mogale	Community Safety
SENIOR MANAGERS	
Mr. C. Ledwaba	Chief Financial Officer
Mr. S. Mabotja	Director: Planning and Development
Mr. J. Manyama	Acting Director: Corporate Services
Mr. T. Muller	Acting Director: Technical Services
Mr. H. Lubbe	Director: Community Services
Mr. N. Ramakuela	2010 Directorate

Portfolio Committee Meetings for 2010/11 Financial Year

Portfolio Committee	Annual Target	Number of Meetings Convened and Materialized
Finance	11	05
Spatial Planning and Development	11	06
Water and Sanitation	11	07
Housing and Environment	11	07
Culture, Sport and Recreation	11	06
Energy	11	05
Special Projects	11	04
Local Economic Development	11	05

Portfolio Committee	Annual Target	Number of Meetings Convened and Materialized
Roads, Stormwater & Transport	11	02
Health, Safety & Emergency	11	07
Other Council Committees Meetings		
Land Use Management	12	10
Audit Committee	05	03
Council Meetings	04	07
Mayoral Committee Meetings	14	08

2. CHAPTER 2: PERFORMANCE HIGHLIGHTS

2.1 Summary of the Overall Performance

The performance of Polokwane Municipality is measured against the scorecard with the rate of 1-5. The interpretation of the scorecard should be made against the table.

5	4	3	2	1
167%	133-166 %	100-132 %	67-99%	0-66%
Outstanding Performance	Performance Significantly Above Expectations	Fully Effective	Not Fully Effective	Unacceptable Performance
Performance far exceeds the standard	Performance is significantly higher than the standard	Performance fully meets the standards	Performance is below the standard	Performance does not meet the standard

The overall annual performance of Polokwane municipality for the 2010/2011 financial year stood at 2, which means the municipality, was not fully effective. This is attributed to the lack of progress on the expenditure of capital budget that stood at 41% at the end of the financial year. There was no movement on the capital budget in the first half of the financial year as the municipality had a budget deficit of R484 000 000. The municipality sourced a loan to implement the capital projects.

2.1.1 Water is Life

During the 2010/ 2011 financial year, Polokwane municipality allocated a budget to provide basic water to the community. The focus was to provide reliable water at RDP standard (200m), pipeline reticulation and yard connection. For the financial year under review there was no change of the provision of the basic water to the communities. The number of households with access was at 112 109 000 against 130 361 households.

Polokwane is water scarce municipal area. Water efficiency is a priority for the municipality. With estimated 37% water loss mainly due to old infrastructure the municipality only reduced the unaccounted water by only 1%. A number of issues continue to cause water losses, including, insufficient budget to upgrade the ageing infrastructure , meter inefficiencies , burst pipes , illegal connection and the fire hydrants in the old CBD that are not metered.

All water systems were tested on Blue Drop standards. According to DWAE standards for a municipality to receive a blue drop certificate is must achieve a 95% rate. The Polokwane and Mankweng water systems received 95.05% and 95.15% respectively. The Polokwane water system also obtained a silver certificate as it achieved the 95% for two consecutive years. The following is the depiction of the performance of the water systems according to DWAE rating:

WATER SUPPLY SYSTEM	DWAE RATING
Polokwane (City)	95.05%
Seshego	89.65

WATER SUPPLY SYSTEM	DWAE RATING
Mankweng	95.15%
Molepo RWS	79.89%
Houtrivier RWS	76.57%
Chuene - Maja RWS	81.44%

2.1.2 Sanitation is Dignity

There is a slow improvement in the provision of dignified and acceptable sanitation facilities to households. In the 2010/2011 financial year only 42% households had access to the service. The municipality regards the fact that the provision of the service is increasing at a limited extent to meet the national target of 2014 steps to find alternative funding sources should be looked at.

Wastewater treatment samples were taken with the aim of meeting the required effluent standard by DWAE. The set target for the financial year of 55% to achieve DWAE standards was achieved. Even though the municipality did not achieve a green drop standard, there was progressive improvement of the wastewater treatment system as within the Limpopo Province, Polokwane achieved the highest score. The municipality to achieve the following DWAE scores:

WASTE TREATMENT PLANT	DWAE RATING
Polokwane (City)	69.7%
Mankweng	62%
Seshego	65.4%

2.1.3 Energy to the People

The provision of electricity and non-grid energy to the communities remains a priority in the municipality. In the 2010/2011 financial year the municipality did not provide electricity to households due to financial challenges. However, there was provision of non-grid energy (solar panels) to 2 503 households. Free basic electricity was provided to 15 056 households in Eskom licensed area and 6 018 households in Polokwane electricity licensed area were provided respectively.

Polokwane Municipality undertook the energy efficiency programme in the 2010/2011 financial year. The programme targeted the reduction of electricity loss by 8% in Polokwane (city) and 10% Seshego. Both Polokwane (city) and Seshego did not achieve the set targets .By the end of the financial year there was an increase in electricity demand by 11.22% and 13.75%

respectively for both Polokwane and Seshego. Non achievement of the target is attributed to illegal connection of meters and inefficient metering that require the municipality to audit metering system and undertake community participation.

12 500 MV light fittings were replaced with energy efficient fittings in municipal buildings during the financial year.

2.1.4 Adequate Houses

The provision of adequate houses to the communities improves the livelihoods of households that depend on the state for their housing needs. As a pilot project in Limpopo Province, the Polokwane Municipality is required to comply with Level One and/or Two accreditation requirements to administer National Housing Programme at local government as outlined in the Accreditation Framework for Municipalities to Administer National Housing Programme: Managing the Incremental Delegation of Housing Functions to Local Government, March 2006. The municipality is accredited to level 1 to provide houses to the communities. Processes of accreditation to level 2 are at an advanced stage and require the municipality to adopt the draft housing policy, operational manual and the business plan.

The management of social houses is bestowed with the municipal housing entity. The municipal entity (Polokwane Housing Association) manages 498 social houses stock. The sustainability of the entity remained a challenge during the financial year as only 61% rental revenue was collected compared to the annual target of 90%. Comparing the annual rand value to be collected of 13,826,000 against the collection of 2 517 872, 09 draws a bleak picture of the sustainability of the entity.

Further than the above challenge the entity was faced with immense challenges as the approval reviewed of the lease agreements by the board was not achieved. The delayed approval of the lease agreement had an impact on the signing of the new agreements by the tenants and increasing revenue generated through rentals. Despite the usage of the old lease agreement, there was improvement of the occupancy of the units by 99% by the end of the financial year.

The appointment of new Board of Directors by the municipality in June will bring improvements in the management of the municipal housing entity. The Board will look in sustainable solutions of completing the remaining 508 housing stock and enable the entity to become sustainable.

Housing entity Board of Directors
<ul style="list-style-type: none">• Mr TM Makofane• Ms NA Baloyi• Ms L Fosu• Ms PN Bosch

- Mr TC Maake
- Mr SP Myeza

2.1.5 Roads and Storm water

The municipality tarred 10.1km during the financial year with the aim of improving accessibility of services by the communities. The main focus was the tarring of arterial, upgrading of roads within the CBD and grading of access roads. The tarring and upgrading of roads is based on the road priority list developed by the municipality. Plans are in place to develop the master plan.

2.1.6 Clean environment

Waste management and environmental management are some of the key thrust that promote sustainable development. Provision of waste removal services is found mainly in the City, Seshego, Mankweng and Sebayeng areas which are mainly urban areas. There is lack of waste removal in rural areas which is a concern to the Municipality. Currently the municipality has only one licensed landfill site with three transfer stations. Informal recycling of waste is minimal at Vergelegen landfill site and it is only done at the scale of 10% of the total waste removed.

Waste Management Achievements

- Acquired 300 (240L bins) Stadium bins
- 1000 pole bins.
- 20 6m³ skip bins.
- 600 pavement bins.
- Created 500 jobs (Temporaries)
- Completed Mankweng transfer station.
- Appointed 1 Senior Superintendent.

Environmental management involves protecting the resources that maintain the quality of life, and using them wisely to maximise opportunities for sustainable growth and development. In the 2010/2011 financial year the municipality planned to adopt the state of the environment report, framework, bylaw and policy. This was planned to achieve the development of the integrated tools to manage the environment. For the year under review only the draft state of the environment was developed. The report still awaits the adoption by council to proceed with other environmental management tools.

2.1.7 Response to emergencies and disasters

During the 2010/2011 financial year, Polokwane emergency services responded to 180 incidents of fire, 61 rescue calls, 15 special services and 175 patients. The response to the

emergencies is mostly limited to the City, Seshego and Mankweng clusters where the municipality has disaster and emergency centres. Other clusters such as Chuene/Maja and Moletjie do not have the facilities. The response to these areas is mostly delayed as distance and accessibility is a challenge.

The municipal disaster management advisory committee advice on technical disaster management issues. The committee convened 4 forums during the financial year. Awareness campaigns were conducted whereby 21 schools were visited, (17 at Polokwane Show, 10 at traditional authority offices).

32 private sector evacuation drills were conducted, 08 government building had complied emergency plan as presented and 212 incidents responded to and victims assessed. 29 foreign nationals were provided with blankets and Red Cross provided food for them during incidents related to xenophobic attacks.

Performance during Financial Years against Municipal Backlog

Service Delivery	Municipal Backlog as at 2008/09 FY	Performance During 2005/06 FY	Performance During 2006/07 FY	Performance During 2007/08 FY	Performance During 2008/09 FY	Performance During 2009/10 FY	Performance During 2010/11 FY	Municipal Backlog as at 2010/11 FY
Water	23 465	4 601	5 945	8 700	10 812	5 213	0	18 252
Sanitation	39 871	1 782	2 130	2 873	6 628	1 418	2470	35 983
Electricity	19 933	107 194	3 599	6 100	4 577	6 686	0	20 000
Roads and Stormwater	3 608 km					11.3 km (tarred)	10.1km (tarred)	3 597 km

2.1.8 Investment Promotion & Tourism Attraction and job creation

Polokwane municipality has a Local and Economic Development office consisting of 3 sub components, Investment promotions & Tourism, Enterprise development & Trade and Economic Planning & Research to deal with issues of economy within the city.

The municipality managed to create 200 direct jobs through LED initiatives and 1 589 jobs through the EPWP programme and capital projects.

During the financial year under review a number of MoU (Memorandum of Understanding) with other cities were entered into with the aim of increasing investments and tourism in the municipality. Two MoU with the City of Jilim in China and Reggio Emilia in Italy were signed.

The Visitor and Information Center received an influx of 4 562 people to enquire about investment and tourism opportunities.

2.1.9 Enterprise Development & Trade

The Itsoseng Entrepreneurial Centre found in the city incubates SMME's and hawkers to link them to markets through exhibitions and trainings in partnership with other agencies. The SMME programme is also found in all the clusters of the municipality.

- **5 SMME's trained to participate at Indaba:**

5 SMME's who attended our training on marketing, were part of the SMME's from Limpopo who went through to exhibit at the Tourism Indaba. We linked them with Tourism Enterprise Partnership that paid 50% of the costs of exhibiting and lodging during the Exhibition. The benefits after the exhibition has been that they were able to sell their products to Tour operators who tend to organize tours and make use of their facilities.

- **Hosted 2 exhibitions to link SMMEs with the markets**

The LED unit through enterprise development sub-section co-ordinates exhibitions within the Municipality on a quarterly basis, with an intention of providing SMMEs and Cooperatives with an opportunity to market their products and businesses. Participation of these SMMEs in local and provincial exhibition proved to be beneficial in a sense that entrepreneurs are able to generate revenue and expand their markets, and thus ensuring sustainability of the businesses.

- **2 trainings on costing and pricing, and micro- lending held to provide capacity to SMME's.**

Two trainings were conducted in partnership with Bank Seta and Libsa, i.e. Micro finance lending and costing and Pricing. The trainings are provided to capacitate entrepreneurs in better managing their businesses.

- **Facilitated participation of cooperatives in 3 exhibitions (1 x Air show and 2 x local exhibitions)**

Participation of cooperatives in exhibitions enables them to grow their businesses through revenue that is generated from the sales at those exhibitions. Exhibitions also expand their businesses through networking with other entrepreneurs that are in the same industry.

2.1.10 Promoting the Local Economy: Supply chain management

Through the SCM policy, the municipality managed to award 76.8% of tenders to the local community. Services were awarded to HDI, Women, Youth, Disabled and Locality:

HDI's	Women	Youth	Disabled	Locality
73.64%	49.66%	27.46%	0.49%	76.8%

2.1.11 Land use and Building Inspection

Spatial Planning, Land Use Management and Housing

Category	Number of applications Received 2010/11	Number of Applications approved 2010/11	Applications Outstanding by the end of 2010/11
Rezoning	62	12	50
Clause 22	92	55	37
Clause 21	39	3	36
Consolidations	21	13	8
Subdivisions	22	5	17
Township establishment	09	2	7
Regulation 38	10	09	01
Purchase of land	0	0	0
Building Plans	1786	1554	232
Demolition certificate	09	07	-
Occupational certificate (Low cost housing)	885	645	-
Sale of Land	09		
Building inspections conducted	<ul style="list-style-type: none"> • Middle and High Income=2 190 • Low Cost inspections Conducted=2 081 		
Notices issued	360		
UDZ reports submitted	02		

2.1.12 Transport

Polokwane municipality aims to build a reliable, safe and cost-effective transport network that will offer all the comfort and efficiency of travelling and promote the use of public transport and to improve traffic flow.

In making the Polokwane Municipality transport accessible and efficient to use, the municipality is in the process of reviewing the Integrated Transport Plan. The process is unfolding in stages where in the 2010-11 financial year a budget was put aside to review the plan, Business and Financial Plan for the IRT, Bus Rapid Transit BRT and Intelligent Transport System.

2.1.13 Financial Management and Viability

The municipality has maintained a 95% payment rate from service charges and rates and taxes billed. The municipality also maintained a 30% ration of personnel cost to total operational expenditure. All operational grants were utilized fully.

During the year under review the cash flow position was improved mainly due to cash inflow from the long term loan. The municipality was able to resume paying creditors within 30 days of receipt of invoices due to improved cash flow position

There was steadily improvement on payment of all creditors within 30 days of receipt of invoice or payment certificate after Council acquired a loan from the DBSA.

Not only did the budget deficit affect the payment of service providers, it tremendously had an impact on the provision of services to the communities. During the financial year only 47% of the capital budget was spent to implement programmes and projects of the municipality. The expenditure on MIG allocation stood at 22% by the end of the financial year.

2.1.14 Performance management system

The municipality has been operating for a number of years without the performance management framework. During the 2010/2011 financial year performance management status quo report and performance management framework was developed and approved Council. The framework is divided into three sections which are theoretical perspective on performance management, performance management organizational arrangement and performance management procedural manual. The Municipal Manager and Directors signed performance agreement in terms of section 57 of Municipal Finance Management Act.

2.1.15 Internal Audit & Risk Management

Polokwane municipality has both the internal audit and risk management units which are independent and placed in the office of the Municipal Manager. The units promote the strategic focus area of good governance and regulatory reform within the institution. The internal audit unit works hand in hand with the Audit Committee approved by council in giving independent and objective services, to improving the municipality operations.

During the 1st half of the 2010-2011 there was no audit committee in place, the committee was established in the third quarter of the financial year. The committee convened 2 seating's in the financial year whereby they managed to receive the 4 quarterly risk based audits and 4 quarterly performance reports.

2.2 CITY SCORECARD: PERFORMANCE AGAINST TARGETS

2.2.1 KPA 1: Basic Services and Infrastructure Development

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
Basic Services and Infrastructure Development	Water - General	% water unaccounted for - city wide	17%	1 % reduction of unaccounted water - city wide	Dilapidated water systems	Replace worn-out water system
		% registered indigents receiving free basic water - Olifant's Sand Transfer Scheme	100%	100% (6445)	N/A	N/A
		% households with access to basic level of water - all schemes except Olifant's Sands Transfer Scheme	100%	None (0%) Advertised and appointed service providers	Late appointment of contractors	implementation of the projects by end of March
	Sanitation	% households with access to basic level of sanitation	45%	42%	Financial constraints	Allocate funding
		% indigent households with access to free basic sanitation	10%	10% (6445)	N/A	N/A
	Energy	% electricity loss Polokwane	8%	11,22%	Limited meter audit of meters and inaccurate reading of meters	Audit meters and meter readers to read more accurately

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
		% electricity loss Seshego	10%	13,75%	Limited meter audit of meters and inaccurate reading of meters	Audit meters and meter readers to read more accurately

2.2.2 KPA 2: Local Economic Development

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
Local Economic Development	Local Economic Development	# jobs created through EPWP initiatives including capital projects	2472	1257 jobs created through EPWP initiatives including	Delayed implementation of projects	Implement projects and create jobs

2.2.3 KPA 3: Financial Viability

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
Financial Viability	Financial Management	Final Budget adopted by Council by 31 May	100%	100%		
		Adjustment budget adopted by Council by end February	100%	100%		
		% personnel costs (R-value personnel	33%	30.0%		

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
		costs / R-value operating expenses (excl Salaries of councilors))				
		% Cost coverage (R-value all cash at a particular time plus R-value investments, divided by R-value monthly fixed operating expenditure)	200%	181.0%		
		% Debt coverage (total R-value operating revenue received minus R-value Operating grants, divided by R-value debt service payments (i.e. interest + redemption) due within financial year)	9700%	9700%		
		% Capital budget actually spent on capital projects identified for financial year i.t.o. IDP (proportion of capital budget actually spent on	100%	47.0%	Delayed implementation of capital projects	Implement projects and improve capital budget expenditure

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
		tangibles)				
		% revenue shortfalls	8%	3.0%		
		% outstanding service debtors to revenue (R-value total outstanding service debtors divided by R-value annual revenue actually received for services) - over 120 days	12%	57.0%	Delayed appointment of more debt collectors	Appoint additional debt collectors
		# of MFMA S52 reports submitted to Council (quarterly SDBIP report)	4	4		

2.2.4 KPA 4: Municipal Transformation and Organisational Development

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
Municipal Transformation and Organizational Development	Human resources development	% of first 3 level employee voluntary turnover rate (exclude death, pension and dismissals)	20%	0.6% or 4 of 76 employees terminated contracts		
		# people from employment equity groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan	54	4 Employed as per equity plan, that is designated people at top management employed		
		% of S56 positions vacant for more than 3 months	50%	All S56 position filled		
		% municipality's budget actually spent on implementing its workplace skills plan	2%	2 % municipality's budget actually spent on implementing its workplace skills plan		
	Human resources development	% Senior Managers and key positions that meet the required occupational	60%	50% or 31 of 62 Key Staff including finance attending minimum MFMA	Delayed approval of report to source service provider	Obtain approval of the report and appoint service

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
		competencies as per the MFMA		competency courses		provider following the SCM policy.
	Integrated development planning	Credible IDP document adopted by Council by 31 May	100%	the IDP document has been adopted by council		
	SDBIP	Final SDBIP approved by the Executive Mayor 28 days after adoption of budget	100%	Final SDBIP approved by the Executive Mayor 28 days after adoption of budget		
	OPMS	# quarterly performance reports tabled to Council	4	4 quarterly performance reports tabled to Council		
		Mid-Year performance report tabled to Council by end January	Not applicable this quarter	The mid-year performance report was submitted to council by January		

2.2.5 KPA 5: Good Governance and Public Participation

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
Good Governance and Public Participation	Governance	% Council resolutions implemented within time-frames	70%	70%		
		Average % of AG qualifications raised resolved	100%	50 % of AG qualifications raised resolved	Financial constraints	Allocate budget to resolve outstanding issues

2.3 LOWER SDBIP: PERFORMANCE AGAINST TARGETS

2.3.1 KPA: Basic Services and Infrastructure Development

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
Basic Services and Infrastructure Development	Water - General	# (number) of new reservoirs constructed during financial year - city wide	13	None	financial constraints	Allocate funds and complete implementation of projects by end of March
		Water By-laws promulgated	100%	100%	N/A	N/A
	Olifant's Sands transfer scheme	% households with access to basic level of water - per scheme	100%	99%	Poor performance of the contractor	Terminate the contract
		Meeting blue drop water quality standard	100%	95.15% achieved blue drop for the City (In terms of DWA standards to achieve blue drop municipality must achieve 95% or above)	N/A	N/A
	Molepo RWS	% households with access to basic level of water - per scheme	90%	Appointment of contractor	financial constraints	Allocate funds and complete implementation of projects by end of March
		Meeting blue	100%	79.89	Operational and	Meet the

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
		drop water quality standard			Structural requirement	requirements on operations and structures.
	Moletjie East RWS	% households with access to basic level of water - per scheme	100%	Appointment of contractor	financial constraints	Allocate budget & Complete implementation of projects by end of March.
		Meeting blue drop water quality standard	100%	76.57%	not all DWA requirements met	Improve as per DWA requirement.
	Moletjie North RWS	% households with access to basic level of water - per scheme	100%	Appointment of contractor	financial constraints	Allocate budget and complete implementation of projects by end of March.
		Meeting blue drop water quality standard	100%	76.57%	not all DWA requirements met	Improve as per DWA requirements.
		Meeting blue drop water quality standard	100%	76.57%	not all DWA requirements met	Improve as per DWA requirement.
	Houtriver RWS	% households with access to basic level of water - per scheme	80%	Appointment of contractor	financial constraints	Allocate budget and complete implementation of projects by end of March.
		Meeting blue drop water quality standard	100%	Blue drop 76.57%	Operational and Structural requirements	Meet all DWA requirements on operations and structures.
	Chuene - Maja RWS	% households with access to	100%	Appointment of contractor	financial constraints	Allocate budget and complete

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
		basic level of water - per scheme				implementation of projects by end of March.
		Meeting blue drop water quality standard	100%	Blue drop 81.44%	Operational and Structural requirements	Meet the DWA requirements on operations and structures.
	Mothapo RWS	% households with access to basic level of water - per scheme	100%	Appointment of contractor	financial constraints	Allocate budget and complete implementation of projects by end of March.
		Meeting blue drop water quality standard	100%	95.15% Blue drop (In terms of DWA standards to achieve blue drop municipality must achieve 95% or above)	N/A	N/A
	Laastehoop RWS	% households with access to basic level of water - per scheme	100%	Appointment of contractor	financial constraints	Allocate budget and complete implementation of projects by end of March.
		Meeting blue drop water quality standard	100%	95.15% Blue drop (In terms of DWA standards to achieve blue drop municipality must achieve	N/A	N/A

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
				95% or above)		
	Mankweng RWS	% households with access to basic level of water - per scheme	100%	Appointment of contractor	financial constraints	Allocate budget and complete implementation of projects by end of March.
		Meeting blue drop water quality standard	100%	95.15%(In terms of DWA standards to achieve blue drop municipality must achieve 95% or above)	N/A	N/A
	Boyne RWS	% households with access to basic level of water - per scheme	90%	Appointment of contractor	financial constraints	Allocate budget and complete implementation of projects by end of March.
		Meeting blue drop water quality standard	100%	95.15% Blue drop (In terms of DWA standards to achieve blue drop municipality must achieve 95% or above)	N/A	N/A
	Segwasi RWS	% households with access to basic level of water - per scheme	100%	100%(all households have access to RDP standard water. During the 2010/2011		

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
				financial year there were no projects implemented)		
		Meeting blue drop water quality standard	100%	95.15% Blue drop (In terms of DWA standards to achieve blue drop municipality must achieve 95% or above)	N/A	N/A
	Badimong RWS	% households with access to basic level of water - per scheme	100%	Appointment of contractor	financial constraints	Allocate budget and complete implementation of projects by end of March.
		Meeting blue drop water quality standard	100%	95.15%Blue drop (In terms of DWA standards to achieve blue drop municipality must achieve 95% or above)	N/A	N/A
	Sebayeng - Dikgale RWS	% households with access to basic level of water - per scheme	85%	Appointment of contractor	financial constraints	Allocate budget and complete implementation of projects by end of March.
		Meeting blue drop water quality	100%	95.15% Blue drop (In terms	N/A	N/A

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
		standard		of DWA standards to achieve blue drop municipality must achieve 95% or above)		
	Sanitation	Meeting green drop water quality standard	50%	67.2 %Green drop	Not all DWAE requirements met	Improve on meeting all DWAE requirements
		% of waste water treatment samples which meet the required effluent standard	55%	49.4%	Ageing infrastructure	Plants to be refurbished in phases
		Audit on the wastewater purification process conducted yearly	100%	100%	N/A	N/A
	Energy	# rural households electrified	2318	0	Late appointment of service provider	Electrify households by end of March
		# registered indigents in Eskom licensed area receiving free basic electricity	12000	15056(Eskom data base)6018 (Polokwane license area)	N/A	N/A
		# household provided with free solar panels in non grid areas	3000	installed 2478 solar panels	households prefer grid energy	Educate community about alternative energy
	Roads and Storm	# km streets	6.52	11.15KM		

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
	Water	tarred				
		Roads Master Plan developed and approved	100%	None(0)	financial constraints	Allocate funding and develop the plan in the 12/13 Financial year
	Municipal Buildings	# new buildings completed	9	6	Late appointment of service providers	Fast track the implementation of the project by the end of march
		% scheduled maintenance plan developed by June	100%	completed valuation of buildings	limited capacity	Appoint service provider and completed maintenance plan by the end of march
	Green Goals	# MV light fittings replaced with energy efficient fittings	9230	12 613	delayed measurement and verification by external assurer	Finalise measurement and verification by mid December
	Waste Management	Waste by-laws reviewed and adopted	100%	98%	Alignment of the draft bylaw with the new waste Act and waste recycling guidelines	Council adopt by-law
	Environmental Management	State of Environment report developed and adopted by Council	100%	99%	Draft state of the environment plan adopted	Adoption of the state of the environment by end of September
		Environmental Management Plan developed	100%	0%	Awaiting the adoption of the state of the	Adopt the state of the environment report by end of

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
		and adopted by Council			environment report	September
		Environmental Framework developed and adopted by Council	100%	0%	Awaiting the adoption of the state of the environment report	Adopt the state of the environment report by end of September and develop the environmental framework
		Environmental by-laws developed and adopted by Council	100%	0%	Awaiting the adoption of the state of the environment report	Adopt the state of the environment report by end of September and Develop, gazette and adopt the environmental bylaw
		Environmental management policy developed and adopted by Council	100%	0%	Awaiting the adoption of the state of the environment report	Adopt the state of the environment report by end of September and Develop environmental management policy
		# ambient air quality tests that met set standards / # ambient air quality standard tests conducted as %	100%	100% (447)	n/a	
		Green Goal charter	100%	99%	delayed finalization of the	Adoption of the green goal charter

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
		developed and adopted by Council			charter	by end of December
	Community Health	# community health tests that met set standards / # community health standard tests conducted as %	90%	90% (1878)	n/a	n/a
	Green Goals	% waste collected that is recycled	14%	10%	Informal recycling taking place at the landfill site	Formalize recycling at the landfill site
		# clivicola plants in area	367	367	Draft report developed	Submit the report in the 2012/2013 fin year
		Report on outsourcing of Game reserve adopted by Council	100%	99%	Draft Game reserve report developed	Submit the Game reserve report to Council by end of December
		# green goal reports submitted to Council	4	0	Draft green goal report developed	Submit the green goal report to Council by end of March
	Fire and Emergency Services	% reported fire incidences within municipal area of jurisdiction arrived at within 15 minutes of reporting	100%	100% (180 fire incidents reported and attended to).	n/a	n/a
		% emergency	100%	100% (61	n/a	n/a

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
		incidents within municipal area of jurisdiction arrived at within 15 minutes from dispatch		rescue calls and 15 special services received and responded to all. 175 patients in total).		
	Social housing	R-value revenue from rental housing	13,826,000	2 51 7872,09	rental reversal had impact on revenue from rental	Collect rent to tenants in accordance with new rates
		R-value revenue from rental housing paid over to NHFC to service loan / R-value revenue from rental housing received as %	6.4%	R 600000.00 paid over to N.H.F.C for entire year	rental reversal had impact on repayment to NHFC	Collect revenue from tenants and repay the N.H.F.C loan
		Loan for additional housing units secured	100%	0	no additional loan was secured	No additional loan was sought as the was no additional housing required
		% occupation of rental units	98.5%	99%		
		% rental revenue collection rate	90%	61%	Rental dispute resulted in tenants being on credit with rent.	Increase the collection rate
		Maintenance plan with standards developed and approved by	100%	0	No standard plan approved	5 year Planned maintenance to be developed in 2011 /12 Financial

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
		Board				year
		Lease agreement reviewed and approved by Board	100%	0	No board in place	The board has been appointed
		% tenants that signed new / reviewed lease agreements	100%	0	Lease signed to date are based on the old lease for new lettings	develop new lease agreements to be signed by tenants
		Access control to rental units functional	100%	90%	Tenants not happy with the existing security company and the finger system installed	Engage tenants and secure new alternative security system
	Housing and building control	Housing policy developed and adopted by Council	100%	70%	draft policy in place	undertake community participation and Council adopt the policy by end of December

2.3.2 KPA: Local Economic Development

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
Local Economic Development	Spatial Planning and Land Use Management	Densification for urban areas Policy developed and adopted by Council	100%	30%	Delayed appointment of the service provider	Re-advertise in the new financial year and develop policy
		Densification for agricultural farms Policy developed and adopted by Council	100%	30%	Delayed appointment of the service provider	re-advertised in the new financial year
	Integrated transport planning	Integrated Transport Plan developed and adopted by Council	100%	30%	Delayed appointment of the service provider	appointment of service provider and develop ITP
		Financial and business plan for IRT developed and adopted by Council	100%	30%	Delayed appointment of the service provider	appointment of service provider
	Local Economic Development	# jobs created through municipality's LED initiatives	150	200		
		# strategic investment partnerships established with other municipalities and	2	4		

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
		cities				
		Study report on the performance of the local economy and investment trends conducted and submitted to Council	100%	100%		

2.3.3 KPA: Financial viability

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
Financial viability	Financial Management	Draft budget tabled to Council by 31 March	100%	100%		
		% operating budget variance per department YTD	10%	4%		
		% creditors paid within 30 days of receipt of invoices / payment certificates	100%	100%		
		% statutory payments made within timeframes	100%	100%		
		% MSIG allocated utilized	100%	100%		
		% MIG utilization	100%	22%	cash flow challenges	spent all the allocation as budgeted

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
		% payment rate (R-value collection from billings / R-value billed as %)	95%	95%		
		% outstanding service debtors to revenue (R-value total outstanding service debtors divided by R-value annual revenue actually received for services) - under 120 days	6%	42%	inability to collect debt as debt collectors have not been appointed	Appoint additional debt collectors by end of September
		Preparation and submission of the annual financial statements to AG by end August	100%	100%		
		# Monthly Municipal Entity reports submitted to Council	12	0	No board in place	Board appointed
		# Quarterly Municipal Entity reports submitted to Council	4	0	No board in place	Board appointed
		# Mid-term Municipal Entity reports submitted to Council	2	0	No board in place	Board appointed
		# Annual Municipal Entity reports adopted Council	1	0	No board in place	Board appointed

2.3.4 KPA: Municipal Transformation and Institutional Development

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
	Human resources development	Percentage of funded posts in organogram that were filled as at 30 June of FY	70%	70%		
		Organization structure reviewed and adopted by Council	100%	none	Budget constraints	Develop organogram in-house by end of September
	Human resources development	WACCA process finalized and organogram based on occupied positions and budgeted positions approved	100%	none	Awaiting for SALGBC finalise the wage curve project	Implement once the bargaining has been completed
		% job descriptions developed for new positions	100%	100%		
		Workplace skills plan developed and submitted on time	100%	100%. Workplace skills plan developed and submitted on time		

2.3.5 KPA: Good Governance and Public Participation

KPA	Programme / Focus Area	Performance Indicators	2010-11 Target	2010-2011 Actual	Challenges	Mitigating measures
	Information systems and solutions	Draft ICT Governance Model developed	100%	100%		

2.3.6 Performance of Service Providers

LEGEND

- 1 = Failure
- 2 = Very little success
- 3 = Limited Success
- 4 = Successful
- 5 = Very Successful
- N/A = Service provider just appointed or project done internal

Type of service providers	Number of service providers	Performance of service providers				
		Failure	Very little success	Limited Success	Successful	Very Successful
Engineers	154	0	6	55	76	17
Contractors	188	6	6	45	71	60

3. CHAPTER 3: HUMAN RESOURCE AND OTHER ORGANIZATIONAL MANAGEMENT

The chapter requires of the municipality to report on the following organizational matters namely:

- Organizational structure
- Skills development
- Staffing Information

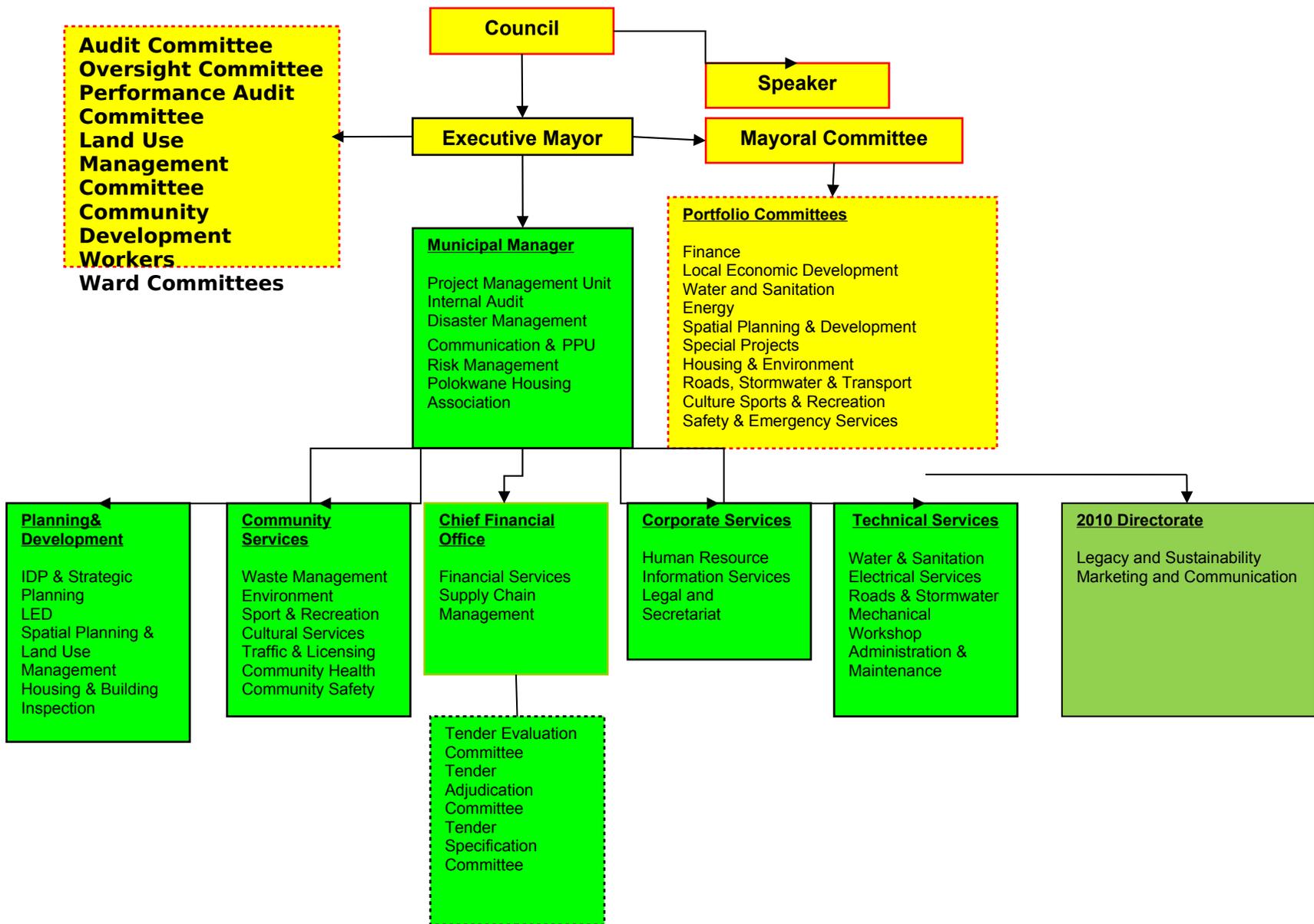
3.1 Organizational Structure

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

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

During 2008/09 financial year the municipality embarked on a process to review the organogram. The process is complete and the results clearly show that there is a need to re-configure the different strategic business units to meet the current challenges. In implementing the results an analysis process has been implemented upon (2011/12) to evaluate current organizational service delivery obligations and adjust the organogram accordingly to suit the situation. The organogram will be costed and presented to Council for adoption and implementation.

Organizational Structure



The Office of the Executive Mayor has been added to the current structure.

Section 51(c) of the Systems Act 32 of 2000 refers to a performance orientated and focused municipality on the objects of local government. In responding to the provision of the Act a performance frame work has been finalized and adopted by council in 2011. The framework sets out parameters for a fully fledged Performance Management System which will be implemented over a three - year period.

3.2 Skills Development

The Municipality has paid R 2.6m to SETA in the skills levy for the financial year 2010/11. We have submitted the Workplace Skills Plan in order to access Grants.

The Municipality has a bursary scheme for its employees as well as students within the jurisdiction of the municipality; this is being used to support skills development programmes and academic programmes for external students. Currently there are 15 employees who are the recipients of this bursary. 6 bursary holders are community members enrolled with institutions of higher learning.

Management development programmes were introduced in order to make sure that those middle managers and supervisors are competent. We currently have 31 employees from finance ranging from Top Management, Middle Management as well as accountants going through Municipal Finance Management Certificate Course. It is a requirement of the National Treasury to take everybody in Finance as well as Management through the Competency program before 2013.

Councilor training forms part of the overall skills development strategy and the municipality has introduced programmes for councilors to enhance their skills, in particular leadership.11 Councilors have gone through Executive Leadership Management Program.

The Municipality has an ABET programme for employees at occupational levels. We currently have 132 employees going through the program.

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

Table below indicates the Skills Development priorities as planned:

	Type of training	Skills priority	Number trained
Employees	ABET	1	132
	CPMD/MFMA	2	31
	Trade tests, Artisans)	3	64
	Road work	3	52
	Legislation	4	236
	Occupational Health and Safety	5	37
	EDTP(Assessor training)	6	12
Councillor	ELMDP	7	11
Employees	Project management	8	12
Learnership		9	3
	Life skills	10	0
	Computer Literacy	11	760
Councillors and employees	Management / Leadership (ELMDP)	12	15 (11 Councillors and 4 officials)
	Corporate, Legal and Support	13	18- law enforcement
employees	Client Services	14	50
Administration		15	0

Table below shows the number of staff per function expressed as total positions and current vacancies (as at the end of June 2011)

Positions (end June 2011)			
Placement: Vacancies & Field Position	Total	Vacant	Filled
Total: Office of the Municipal Manager	71	35	36
TOTAL: Dir Technical Services	494	59	435
TOTAL: Community Services	852	122	731
TOTAL: Dir Corporate Services	89	23	66
TOTAL: Dir Planning & Development	76	19	57
TOTAL: Office of the Chief Financial Officer	119	11	108
TOTAL: Polokwane Municipality	1701	269	1433
TOTAL: Office of the Exec Mayor	82	0	82

Levels (end June 2011)			
Placement: Vacancies & Filled Positions	Total	0-15	16-20
TOTAL: Office of the Municipal Manager	71	60	11
TOTAL: Dir Technical Services	494	168	326
TOTAL: Community Services	852	396	456
TOTAL: Dir Corporate Services	89	82	7
TOTAL: Dir Planning & Development	76	74	2
TOTAL: Office of the Chief Financial Officer	119	90	29
TOTAL: Polokwane Municipality	1701	890	831
TOTAL: Office of the Exec Mayor	82	82	0

3.3 Medical Aids

The Municipality currently has five accredited medical aids, namely;

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

In terms of contributions, the employer contributes 60% and an employee 40% to the medical schemes

3.4 Pension Funds

The Municipality has seven pension funds.

MCPF (Municipal Councilor's Pension Fund)	15%
JMPF (Joint Municipal Pension Fund)	22%
MEPF (Municipal Employees Pension Fund)	22%
MGF (Municipal Gratuity Fund)	22%
SNPF (SAMWU National Pension Fund)	22%
NFMW (National Fund for Municipal Workers)	22%
Group Life Insurance Scheme (Not compulsory)	2%

3.5 Salary disclosure

3.5.1 Salary disclosure of Councilors (end June 2011)

Description	Executive Mayor	Chief Whip	Speaker	Mayoral Committee Members	Councilors x60
Salary (End June 2011)	445908	463236	353460	330348	123644
25% Travel allowance	117191		141752	132893	53157
15% Pension Fund	33443	24776	26509	24776	9273
Other Benefits	112220	43559	45287	43554	26554
Total Package:	708762	531571	567008	531571	212628

3.5.2 Salary Disclosure of Senior Officials (end June 2011)

Description	MM	CFO	Director: Planning & Development (Vacant)	Director: Technical Services	Director: Community Services	Director: Corporate Services	Director: 2010
Salary	851544	728229		469270	469270	469270	469270
Traveling Allowance	238608	72000		168000	216000	144000	168000
Other Benefits	259848	239811		232897	184897	256879	232896.80
Total Package:	1 350000	1 040040		870166,80	870166,80	870166,80	870166.80

4. CHAPTER 4: ANNUAL FINANCIAL STATEMENTS

4.1 Signed Audit report for Polokwane Municipality

4.2 Polokwane Municipality Annual Financial Statement 2011

5. CHAPTER 5: PERFORMANCE OVERVIEW PER DIRECTORATE

6. ANNEXURE A: POLOKWANE HOUSING ASSOCIATION ANNUAL REPORT

