

# **MUNICIPAL TURN AROUND STRATEGY**

## **NALA LOCAL MUNICIPALITY**



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## **Executive Summary**

### **1. Introduction**

The National and Provincial Departments of Cooperative Governance and Traditional Affairs conducted municipal performance assessments in all Municipalities the Province. The outcomes of the Municipal Assessments were presented for noting in the Provincial Executive Council, MECLOGA and Council meetings. This Reports were further directed to develop and implement with Provincial Departments of COGTA; Municipal specific Turn Around Strategy.

In line with Cabinet directive National COGTA prepared National guidelines to inform and guide municipalities during the process of preparing and implementing their own Turn Around Strategies. The Provincial Departments of COGTA was requested to identify two Municipalities in their respective Provinces for the purpose of the National pilot of the development of Municipal specific turn around strategies

The Provincial Department of COGTA identified three Municipalities namely, Thabo Mofutsanyana District , Masilonyana and Nala Municipalities.

## **2. The Nala Local Municipality assessment outcomes**

a. The Assessment of Nala Local Municipality revealed amongst others the following shortcomings in the political and administrative processes:

- The Municipality has never complied with the Municipal Systems Act by submitting Section 46 reports for two consecutive years.
- The Municipality failed to develop a Performance Management Framework to regulate the performance of its own staff
- Apex vacant posts of the Municipality have been vacant for more than six months.
- The inability to spend Municipal Infrastructure Grant (MIG) funds where expenditure is at 25% as at the end of November 2009, whereas the target was supposed to be 50%.
- The inability to provide quarterly reports in compliance with the Municipal Finance Management Act.
- The overall financial management of the municipality is in disarray given the inability of the Auditor General to access documentation for audit purposes.
- The suspension of municipal manager and the appointment of a non-section 56 manager as the Acting Municipal Manager further reflected a need for a new strategy and approach.

b. Based on the report above; the Provincial Executive Council resolved to intervene in terms of section 139(1)(b) of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) to assume responsibility for the relevant obligations in Nala municipality to the extent necessary to maintain essential national standards and meet established minimum standards for the rendering of services, is necessary.

## **3. The role out of the MTAS – Nala Municipality**

The roll out of the Municipal Turn Around Strategy to Nala Municipality was preceded by a number of planning meetings attended by different Sector Department both Provincial and National; Trade Unions operating at Municipalities and Public entities.

Teams were constituted comprising all stakeholders to visit the three identified Municipalities. During February 01, to 05, 2010 the team responsible for Nala Municipality visited the Municipality and undertook the following:

- i. Meeting with Senior Managers of the Municipality to brief them of the process of MTAS.
- ii. Explain the implementation plan, guidelines and information around structural arrangements for Turn Around Implementation Plan with COGTA within the Municipality.
- iii. Request the senior managers to provide all necessary supporting documents in order to draft MTAS.
- iv. The Provincial team also met Troika to outline the MTAS process of the Municipality.
- v. The draft MTAS was presented for adoption before the Council meeting.

#### **4. The Implementation plan of the MTAS**

The implementation plan below outlines short term deliverables that the municipality will prioritise.

### **1. Key Focal Areas of this Turn Around Strategy**

**Focal Area 1:** To build and enhance the governance system in order to enable improved service delivery.

**Focal Area 2:** To strengthen the financial management system that will enhance the institutional capacity of the municipality.

**Focal Area 3:** To ensure access to services delivery across the municipal area.

**Focal Area 4:** To ensure functionality of the Labour Relations Forum.

**Focal Area 5:** To improve Local Economic Development of the Municipality.

**(i) Governance**

**Focal Area 1:** To build and enhance the governance system in order to enable improved service delivery

The Governance arrangement within the municipality was assessed during the 2009/10 financial year and revealed major challenges as outlined in the Nala Municipality report.

During the engagements with the Troika of the Municipality, they committed to improving relations amongst themselves and to exercise their oversight role over Municipal administrative affairs. Thereby improving and enhancing the capacity of the Municipality to deliver effective and efficient service delivery.

No.	Priority Turn Around Focal Area	January 2010  (Current situation/Baseline)	Target for December 2010  (Changed Situation)	Municipal Action	Unblocking Action needed from other Spheres / Agencies	Human Resources allocated	Budget	
							Allocated	Projected
3 GOVERNANCE								
3.1	Political Management and Oversight							

No.	Priority Turn Around Focal Area	January 2010 (Current situation/Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action needed from other Spheres / Agencies	Human Resources allocated	Budget	
							Allocated	Projected
3.1.1	Stability of Council	<p>Relative stability, and regular Council meetings are convened <i>albeit</i> there are challenges</p> <ul style="list-style-type: none"> <li>- <i>lack of role clarification,</i></li> <li>- <i>effective oversight;</i></li> <li>- <i>non-implementation of Council decisions</i></li> </ul> <p>Select Committee on Finance not sitting</p> <p>Council does not apply its mind fully to resolutions and take resolutions without obtaining correct legal</p>	<p>Sound relations between administration and Council</p> <p>Greater understanding of roles, responsibilities and functions</p> <p>Council taking sound resolutions and municipal manager advising</p>	<p>Provide support to administration to provide adequate support to the Finance Committee</p> <p>An internal session on reporting standards;</p> <p>Meetings to convened in order to discuss financial issues of the Municipality</p> <p>Ensure compliance with reporting requirements.</p>	<p>Assistance needed from Provincial COGTA, SALGA, LGSETA on to facilitate a session addressing challenges and a team buildings exercise</p> <p>COGTA will assist with role clarification.</p>	An official from the office of the Speaker and support staff from HR (Internal) <b>COGTA</b>		

No.	Priority Turn Around Focal Area	January 2010 (Current situation/Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action needed from other Spheres / Agencies	Human Resources allocated	Budget	
							Allocated	Projected
		advice beforehand.  Municipal manager not informing council correctly before a resolution is taken	correctly after obtaining legal advice on matters where needed	Council to ensure that members are more dedicated and insist on legal advice prior to taking resolutions				
3.1.2	Delegation of functions between political and administration	Council adopted delegation of powers. These powers were all delegated to a Mr. Shongwe in his personal capacity. No delegations to other management and or any other levels exists.	Review, adopt and implement delegations	Implement and review delegations	COGTA and SALGA to assist with review and legal correctness of reviewed delegations.	1 official (internal)  1 legal advisor (COGTA)		



No.	Priority Turn Around Focal Area	January 2010 (Current situation/Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action needed from other Spheres / Agencies	Human Resources allocated	Budget	
							Allocated	Projected
3.1.3	Training of councilors	4 Councilors on Certificate Programme in Management Development	20 councilors attending short-courses on relevant aspects (themes) of local government	Development and implementation of a Councilor Development Programme	None  Provincial COGTA, SALGA LGSITA and Friday Solutions to be involved	COGTA to arrange	R200 000	
<b>3.2</b>	<b>Administration</b>							
3.2.1	Recruitment, Selection and Supervision of employees	<p>Council adopted a new structure in 2007. The structure does not have post levels and is not costed. No council resolution could be produced.</p> <p>187 vacancies exist according to HR's information. Only one employee is placed on the Organisational Structure.</p>	<p>Finalise the placement of staff</p> <p>All critical and funded vacancies filled</p> <p>Recruitment and HR Policies finalised.</p>	<p>Finalise the placement of all staff in the municipality</p> <p>Fill funded and critical vacancies</p> <p>Absorbing 40 employees that are extra to the establishment-Verify with Corporate Services , what is the financial</p>		HR Staff internal	Internal	Internal

No.	Priority Turn Around Focal Area	January 2010 (Current situation/Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action needed from other Spheres / Agencies	Human Resources allocated	Budget	
							Allocated	Projected
		Recruitment and HR Policies adopted as a draft by Council for consultation.  HR Policies still have to be submitted to LLF	Council should delegate powers and functions correctly.  HR policies be adopted by Council & implemented	implications and are these posts critical				
3.2.2	Vacancies (Top 4 – MM, CFO, Planner, Engineer)	CFO, IDP & LED Manager vacant	Fill CFO, IDP and LED vacancies by June 2010	Fill CFO, IDP and LED vacancies by June 2010	None.  Provincial COGTA will assist if required.	HR Staff internal	Internal	Internal
3.2.3	Vacancies in other levels	There are critical vacancies that have a bearing on the ability of the municipality to provide effective service delivery.	To have secured resources and fill critical posts	Conduct and extensive audit of critical vacancies  Fill funded and critical posts	None. Provincial COGTA will assist if required.	HR Staff internal	Internal	Internal

No.	Priority Turn Around Focal Area	January 2010 (Current situation/Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action needed from other Spheres / Agencies	Human Resources allocated	Budget	
							Allocated	Projected
3.2.4	Top 4 appointed with Performance Agreements	No 2009/2010 Performance Agreements exist		Finalise all draft agreements and have them signed by July 2010.	None.  Provincial COGTA	HR Staff internal	Internal	Internal
3.2.5	Organisational Performance Management System	Draft organisational Performance Management System developed.	Finalised by end of May 2010.  Automated PMS by Dec 2010.	Implementation starts July 2010.  Develop monthly, quarterly and bi-annual reports.	None.  Provincial COGTA will assist when needed and ascertain compliance.	HR Staff internal		R1 million
3.2.6	Skills development for employees	WSP incomplete as Labour Unions have not signed	Set up a training committee which will present WSP to LLF  50% implementation of WSP	Conclude the WSP  Conclude skills audit by March 2010  Appoint a Skills Development Facilitator	None.  Provincial COGTA, LGSETA and Treasury will assist where and when needed	HR Staff internal	Internal	Internal

No.	Priority Turn Around Focal Area	January 2010  (Current situation/Baseline)	Target for December 2010  (Changed Situation)	Municipal Action	Unblocking Action needed from other Spheres / Agencies	Human Resources allocated	Budget	
							Allocated	Projected
3.3 Labour Relations								
3.3.1	Functionality of Local Labour Relations	LLF meeting convened as planned, Organisational rights procedure developed.  LLF is ineffective and weak.  Selective implementation of LLF resolutions.		Workshop for all LLF members and workers. Yearly calendar and a stranding item to council	None	HR Staff (Internal)	Internal	Internal
	Filing	No filing system in place. Documents unavailable	Develop and implement a filing system by end May 2010		None	Internal Staff	Internal	Internal
	Loss of information	Information is not classified in its order of confidentiality and or content.  The information is deliberately leaked to communities and external parties by Municipal officials	Implement information management system by July 2010	Develop information management system in line with MIS	COGTA, Security Directorate conduct working sessions with the Municipality	MM and Managers	Internal	Internal

No.	Priority Turn Around Focal Area	January 2010 (Current situation/Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action needed from other Spheres / Agencies	Human Resources allocated	Budget	
							Allocated	Projected
	Divisions in administration	Officials are loyal according to party lines.	Hold regular Management meetings to share information and take collective decisions on other administrative matters.	Convene Team building session and regular management/ staff meetings.	Remove politics from administration.  Those responsible for deliberate dissemination of information illegally be held responsible.	MM and Managers	Internal	Internal

**(i) Service Delivery**

**Focal Area 3:** To ensure access to services delivery across the Municipal area in order to improve the livelihood of communities.

The major areas of focus for the period up until end of December 2010 will be:

Access to water, Operations & Maintenance, Water Loss, Access to Sanitation, Bucket Eradication Project, Outfall sewer in Kgotsong, Waste Water Treatment Works (WWTW) Monyakeng, Access to electricity, Access to municipal roads, Formalization of informal settlements, Access to Housing

Indigent Register Updated

[illegible]

No.	Priority Turn Around Focal Area	January 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Human Resource allocated	Budget	
							Allocated	Projected
	Water Loss	40% water loss	To reduce by 10%	<ul style="list-style-type: none"> <li>Revenue collection</li> <li>Do assessment of infrastructure</li> </ul>	DWA to assist with the development of Water Conservation & Water Demand Management Plans	Technical Director		
<b>1.2</b>	<b>Access to Sanitation</b>							
	Bucket Eradication Project	3177 households at Monyakeng	3177 households to be completed	<ul style="list-style-type: none"> <li>Source funding to complete project</li> <li>Submit Budget maintenance report to MIG</li> </ul>	<ul style="list-style-type: none"> <li>DBSA Technical support – detailed outstanding work audit</li> </ul>	Technical Director		R7m
	Outfall sewer in Kgotsong	Outfall sewer needs attention. 2Km of 315mm dia. uPVC planned.	2Km of 315mm dia. uPVC to be completed.	<ul style="list-style-type: none"> <li>Upgrade of outfall sewer</li> <li>Source additional funding</li> </ul>	<ul style="list-style-type: none"> <li>MIG assist with funding</li> <li>DWAE assist with training of operators</li> </ul>	Technical Director		R2.6m
	Waste Water Treatment Works (WWTW) Monyakeng	6332 households (Not connected to WWTP)	6332 households to have access to WWTW (Wesselsbron and Monyakeng)	Source funding to complete project. (Co funding)	<ul style="list-style-type: none"> <li>Source additional funding</li> <li>Dept. Public Works &amp; RD assist with Technical support e.g drawing up of specifications</li> </ul>	Technical Director		R8m



No.	Priority Turn Around Focal Area	January 2010 (Current Situation/ Baseline)	Target for December 2010  (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Human Resource allocated	Budget	
							Allocated	Projected
1.3	Access to electricity							
	Access to electricity (municipal licensed area) Kgotsong / Bothaville/ Wesselsbron	4107 have access  Backlog of 250	250 households to be electrified	<ul style="list-style-type: none"><li>Implement project –</li><li>Participate in the District Energy Forum</li></ul>	Dept. Of Energy to provide Technical Support	Technical Director	R 5. 6 m	
	Eskom (licensed area) Monyakeng	1692 indigents approved by munic & 1090 Configured customers on Eskom 1117 FBE tokens collected	1692 to be configured	<ul style="list-style-type: none"><li>Public Participation &amp; consumer education in partnership with Eskom</li></ul>	Dept of Human Settlements to provide funding  Eskom share observation with the municipality	Technical Director  Office of the Speaker		

No.	Priority Turn Around Focal Area	January 2010 (Current Situation/ Baseline)	Target for December 2010  (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Human Resource allocated	Budget	
							Allocated	Projected
1.4	Refuse removal and solid waste disposal							
	Refuse removal	All the 20170 formalized households have access to the service  Backlog of 19496 Dustbins	Provision of 19496 Dustbins	<ul style="list-style-type: none"><li>Perform Section 78 assessment</li><li>Identification of distribution plan for the 1000 Dustbins.</li></ul>	<ul style="list-style-type: none"><li>Forge partnership with private service providers</li><li>Engage Service providers to assist with assessment</li><li>District assist regarding refuse removal fleet</li></ul>	Tech Manager		R13.5m
	Solid Waste Disposal	Inadequate Capacity of Landfill sites  Inadequate fleet and Plant	Upgrading of 2 Landfill sites  Procure 4 Refuse Trucks & 2 Bulldozer	<ul style="list-style-type: none"><li>Monitor the project to be completed on time</li><li>Secure funding for fleet.</li></ul>	<ul style="list-style-type: none"><li>MIG funding</li><li>Dept of Environmental Affairs provide Technical Support</li></ul>	Tech Manager	R 7m	R 5 m  R5m  R2.5m

No.	Priority Turn Around Focal Area	January 2010 (Current Situation/ Baseline)	Target for December 2010  (Changed Situation)	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Human Resource allocated	Budget	
							Allocated	Projected
1.5 Access to municipal roads								
	Access to roads	Backlog of 74km of municipal roads excluding 9.5Km in progress.	To address 6kms in 2010/11 under MIG.	Submit business plan for 6km for which 4km has already been approved.	<ul style="list-style-type: none"><li>Dept. Police, Roads &amp; Transport assist with Technical support e.g drawing up of specs.</li></ul>	Tech Manager	R9.6m	R13m
		Rehabilitation of existing tarred streets (repair potholes).	To address 6Km using labour intensive aligned with local manufacturing of brick(pavers) project.	Secure funding for implementation of the plan.				R3.0m
			Sealing of street using labour intensive.					
		Roads and stormwater Master Plan.	Review Roads and stormwater Master Plan.					

<b>1.6</b>	<b>Formalization of informal settlements</b>							
	Informal settlements	1600 existing shacks  Township establishment for 1500 sites Kgotsong	Formalize 1600 existing shacks	Source funding for township establishment & infrastructure	COGTA & Dept. Human Settlements to assist with formalization of informal settlements	Director Corporative Services  Manager: Housing		R1.5m
<b>1.7</b>	<b>Access to Housing</b>							
	Access to Housing	Backlog of 7100  1400 backyard dwellers	400 housing allocation  Address backlog By-Law (control of allocation and use of low cost Housing)	Housing Data base Management System.  Implement Beneficiary management system Develop By-law	Dept. of Human Settlements rolls out of Beneficiary Management system.  Public participation	Director Corporative Services Manager: Housing	R25,608,440	
<b>1.8</b>	<b>Indigent Register Updated</b>							
	Indigent Register	6234 indigent registered  Indigent Policy adopted	Complete and update Indigent register	Review & update Indigent Register. CDW and Ward committees to assist in updating.	COGTA to assist	CFO		

**(ii) Financial Management**

**Focal Area 2:** To strengthen the financial management system that will enhance the institutional capacity of the municipality.

Strengthening the financial management of the Nala municipality and building the capacity of internal financial staff is key in our efforts to improve the municipal governance system and the quality of life for communities. During the remaining months of the calendar year, we have committed to the national programme of turning around the municipality by attending to the following:

Debt management, Cash flow management, Repairs and maintenance provision, Capital expenditure, Clean Audit, Submission of Annual Financial Statements, Capital expenditure, Asset management, Credibility and transparency of Supply Chain Management, Municipal contribution to LED, LED Plan aligned to the PGDS; adopted by Council.

No	Priority Turn Around Focal Area	January 2010	Target for December 2010	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. Intervention and technical support)	Human Resource allocation	Budget	
		(Current Situation/Baseline)	(changed situation)				Allocated	Projected
4.1.1	Meter Readings	1447 meters are read per month at Bothaville, 10 023 at Kgotsong, 5713 at Monyakeng and 573 in Wesselsbron. Meter reading is outsourced. We currently have 19 Badly installed meters, 4 meters cover is jammed, 10 meters cannot be found, 59 Dials faded, 70 households there are dogs, 6 entry refused by owners, 206 is flooded with water, 3 leakages, 395 locked gates, 7	Ensure that meter readings are reviewed immediately for discrepancies. Keep a detailed monthly record of inaccessible meters.	Households with locked gates or refuse entry to their homes should be issued with letters of demand to submit their own meter readings to municipality. The municipality should ensure that the process is conducted Director of Technical Services to attend to all faulty meters.	COGTA to write to DWAF to assist with replacement of faulty water meters.	The current company should transfer skill to municipal employees. Consider using existing General Workers of the municipality to do meter readings.	R 1 452 000	R 1 539 120

		<p>damaged, 35 meters are green, 66 meters removed, 12 meters too deep, 96 household have no meter, 204 rubble, 24 meters paved or obstructed by old stationary vehicle. 2436 meters for water &amp; electricity are not registered in the municipal system.</p>							
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No	Priority Turn Around Focal Area	January 2010	Target for December 2010	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. Intervention and technical support)	Human Resource allocation	Budget	
		(Current Situation/Baseline)	(changed situation)				Allocated	Projected
4.1.2	Billing process	13th of each month meter readings are uploaded on the financial system. Consumers are issued with invoices from the 24th of each month. Post is delivered by hand with the assistance of Ward Committees. There is no strict control over billing process. Some areas, e.g Bothaville is charged current account (e.g February) using previous month's readings (e.g December readings).	Ensure that reasonably accurate consumption is billed on a monthly basis. Billing process should be reviewed on the monthly basis before invoices are issued. There should 45 days circle from the time meters are read until the consumer pays.	Develop Internal Control Procedures for the billing process. Train the staff about timeous billing process.	Assistance to be sourced from COGTA when and where is needed.	Train the existing personnel about billing process.	R 300 000	R 350 000



4.2	Debt Management	No debt collection strategy, long outstanding debtors. No water services by-laws. Credit & Debt collection policy exist. There is no Debt collection personnel.	Effectively implement debt collection policy. Increase debt collection to 60%. Write off long outstanding debtors. Embark on cleansing the debt book of the municipality to ensure that correct tariffs are being charged correctly. Hand over non-paying consumers to lawyers after the municipality have exhausted all internal processes to recover the money.	Review debt collection policy. Issue letter of demand for long outstanding debtors. Invite community to make arrangements with the municipality to settle debt. Effect cut-offs on a monthly basis for non-payment of services. The current staff compliment in Revenue and Customer care should be trained to perform this function.	Assistance to be sourced from COGTA when and where is needed.	CFO	R 0.00	R 0.00
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4.2.1	Government Debt	Various Government departments still owns the municipality for services; Department of Health, Education, COGTA, Public Works, Correctional services, Defence, Labour, Minerals & Energy, SA Police Services, Post Office, Transnet and Justice.	The municipality must ensure that government debt is fully paid by 31 March 2010.	Draft a letter of demand to various Provincial and National departments.	Intervention of National Treasury/COGTA in case there is a dispute between organs of the state.	CFO	R0.00	R 0.00
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No	Priority Turn Around Focal Area	January 2010	Target for December 2010	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. Intervention and technical support)	Human Resource allocation	Budget	
		(Current Situation/Baseline)	(changed situation)				Allocated	Projected
<b>4.3</b>	Cash flow Management	Creditors are outstanding for more than 30 days. Debtors are outstanding for longer days. There is a low investment portfolio. No cash and investment policy.	Reduce telephone costs, travel & accommodation , overtime, entertainment expenses and other overheads. Accelerated debt collection strategy.	Start immediately reducing cost and increasing collection rates. Develop cash flow management system KPMG to assist the municipality.	Force government departments to pay all outstanding debt. COGTA/Treasury to facilitate the process of collection of debts from provincial departments.	CFO	R 0.00	R 0.00
<b>4.4</b>	<b>Repairs &amp; Maintenance</b>							
<b>4.4.1</b>	Vehicles	+_ 15 vehicles have exceeded their life- span. Repairs are done even on old vehicles that don't have book value.	Develop fleet management policy to ensure that vehicles are used strictly for the business of the municipality. Dispose vehicles that have exceeded life span	Enforce strict control on the use of vehicles. Compile a list of vehicles that need to be disposed.	COGTA to assist with acquiring new fleet.	CFO	R 300 000	R 318 000

<b>4.4.2</b>	Furniture & Equipment	The is a very low cost of repairs on furniture & office equipment	Replace all old computers of the municipality. Auction old computers or consider donating them to schools.	Safeguard the assets of the municipality. Update the replaced assets in the register	Assistance to be sourced from COGTA when and where is needed.	CFO	R 100 000	R106 000
<b>4.4.3</b>	Sewer networks	Repairs of sewer networks are done on the basis of emergency.	Attend to all blockages timeously	Community campaigns to educate them about items that should not go through sewer networks. Develop a master plan for Sewer.	Write to DWAF to assist with community campaigns. Write to DBSA to assist with developing Master plan	Director Technical Services	R 1 000 000	R 1 060 000
<b>4.4.4</b>	Roads	Internal roads are in bad conditions. Municipality currently working on potholes.	Resealing of all major internal roads	Municipality to implement a technical plan for resealing roads. The plan is aligned with OPERATION HLASELA. Develop master plan for Roads.	Financial support from other spheres of government. Need 4 additional qualified Technical Staff. DBSA to assist in developing Roads Master Plan	Director Technical Services	R 2000 000	R 4 000 000

No	Priority Turn Around Focal Area	January 2010	Target for December 2010	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. Intervention and technical support)	Human Resource allocation	Budget	
		(Current Situation/Baseline)	(changed situation)				Allocated	Projected
4.5	Capital Expenditure							
4.5.1	Roads	2 kilometers of paved road already completed. 9.5 kilometers of pave roads under construction	9.5 kilometers to be 100% completed.	Monitor the projects to be completed on time	None	Director Technical Services	R 17 000 000	R 17 000 000
4.5.2	Buildings	Wesselsbron Taxi Ranks is 30% completed. Kgotsong multi-purpose centre is at procurement process awaiting appointment of a contractor.	The taxi rank and Multi-purpose centre will be completed 100%. Develop Health and Safety Policy and By-law on the taxi rank.	Monitor the projects to be completed on time	Additional funding from MIG. Environmental Affairs to assist with health related issues at taxi rank.	Director Technical Services	R 4 000 000	R 2 000 000
4.5.3	Land fill sites	Upgrading of landfill sites	Landfill Phase 1 will be completed.	Monitor the projects to be completed on time. The municipal must apply for regulation license.	Need compliance Procedures from DWAF. Environmental Affairs to assist with the regulations of the sites.	Director Technical Services	R 8 000 000	R 8 480 000

4.5.4	Sanitation	<p>The bucket eradication in Kgotsong Phase 4 is completed.</p> <p>Monyakeng bucket eradication is 80% completed with 3177 buckets remaining to be eradicated.</p> <p>Wesselsbron Waste Water treatment Plant is 50% completed.</p>	<p>3177 buckets in Monyakeng will be eradicated completely.</p> <p>Waste Water Plant will be completed.</p>	<p>Monitor the projects to be completed on time. Submit budget maintenance to MIG specifying what caused the delay.</p>	<p>Additional funding from COGTA for bucket eradication.</p>	<p>Director Technical Services</p>	R 6 000 000	R 6 360 000
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No	Priority Turn Around Focal Area	January 2010	Target for December 2010	Municipal Action	Unblocking Action Needed from other Spheres and Agencies (e.g. Intervention and technical support)	Human Resource allocation	Budget	
		(Current Situation/Baseline)	(changed situation)				Allocated	Projected
4.6	Clean Audit							
4.6.1	MFMA Implementation	Sec 71 Reports have not been submitted on time. Budget timelines have been submitted on a wrong municipal entity template. Mid-year performance plan, Bi-annual returns not submitted. Budget formats not in line with Circular 28.	Establish MFMA Implementation Committee with representative from all Directorates. Finance Department to lead the committee	Review monthly reports for correctness and timeous submission to Treasury. Establish a full Budget Treasury Office.	Technical Support from Provincial Treasury	CFO	R 0.00	R 600 000
4.6.2	Internal Audit Function	Internal Audit charter exists and approved by Council. Internal Audit Committee not yet established. There is Risk Management Plan but not approved. No fraud prevention plan. Internal Audit Plan exists but not approved. Internal	Establish Internal Audit Committee. Appointment of additional Audit Clerk. Consider a shared audit service with Lejweleputswa District Municipality.	Approve all outstanding Internal Audit Documents. Advertise for the appointment of Audit Committee Members.	Technical Support from Provincial Treasury	Internal Auditor	R0.00	R 0.00

		Audit quarterly reports not submitted to Council. The municipality has not been audited by the Internal Auditor.						
<b>4.6.3</b>	Policies & Internal Controls Procedures	Internal Control & Procedures Manual exist but not yet approved by Council.	Enforce strict internal controls.	Review internal controls and procedures manual and implement	COGTA/TREASURY where necessary	CFO	R 0.00	R0.00
<b>4.7</b>	<b>Financial Management System</b>							
<b>4.7.1</b>	The following was not done for the past six months:	Bank Recon, Creditors recon, VAT recon, Register of direct income. Budget is not loaded on the system. Expenditure is not completely processed in the system. Revenue is not completely processed in the system. Suspense accounts not cleared. Salary Control Account not cleared. Grant Register not kept. Inventory register not kept. There is no IT Department it	All information must be updated by June 2010.	Start immediately to update information on the financial system of the municipality. Finance staff to be trained on the system. The EXCO Rep to consult BIQ consultants by 11 Feb 2010.	COGTA/TREASURY assistance	CFO	R0.00	R 0.00



		is outsourced.						
<b>4.7.2</b>	Supporting documentation files.	Manual file system is not in order. Two financial years are combined in one file. Financial records are lying around offices. Record Management and Registry is dysfunctional.	Keep all the source documentation of the municipality in a safe place. Consider electronic document management system. Keep all the financial records in the Registry.	Conduct a file audit on financial records to prepare for 2009/2010 audit. Open a police case where records are lost.	COGTA/TREASURY where necessary	CFO		
<b>4.8</b>	<b>Submission of Annual Financial Statements</b>							
<b>4.8.1</b>	Preparation of AFS	AFS outsourced to ALTIMAX and were submitted on time. 2008/2009 issues raised in the audit report not yet solved.	Municipality to prepare AFS internally on a monthly basis to detect material misstatement in the books of the municipality timeously.	Develop an action plan to solve audit queries 2008/9.	COGTA/TREASURY where necessary	CFO	R 0.00	R0.00
<b>4.9</b>	Asset Management	Fixed Asset Register does not exist. Asset Management Policy does not exist. There is no personnel responsible for management of assets.	Compile a fully compliant GRAP Asset Register. Develop and implement an Asset Management Policy.	Develop a plan for physical asset count to prepare for 2009/2010 audit. Obtain the services of the consultant to compile GRAP compliant	Provincial Treasury to assist/ or provide funding for compilation of GRAP compliant asset register.	CFO	R 0.00	R2 000 000

				asset register.				
<b>4.10</b>	Supply Chain Management policy applied in fair and transparent manner (e.g. Open tenders, Adjudication committee established.)	No SCM unit, the current SCM policy has not being reviewed in 5 years, SCM systems are not followed.	Review the SCM policy by June 2010	Establishment and formalization of SCM unit.	Technical Support from Provincial Treasury.	Allocation of Human Resource is not enough i.e. One personnel is allocated for procurement of goods and services- Support system is needed.- Capacity Building. And establishment of and formalisation of relevant committees.	R 0.00	R600 000

**(iii) Labour Related Matters**

**Focal Area 4: To ensure functionality of the Labour Relations Forum that will support**

With regard to the functionality of the Labour Relations forum we have committed to support the smooth running of Municipal Programs and administrative processes. We further commit to participate positively in the affairs of the Municipality:

3.3	Labour Relations							
3.3.1	Functionality of Local Labour Relations	LLF meeting convened as planned, Organisational rights procedure developed.  LLF is ineffective and weak.  Selective implementation of LLF resolutions.		Workshop for all LLF members and workers. Yearly calendar and a stranding item to council	None	HR Staff (Internal)	Internal	Internal

**(v) Public Participation**

### Focal Area 5: To enhance public participation

2.	Public Participation							
2.1	Functionality of Ward Committees	<p>Post of Public Participation Officer not filled (Acting)</p> <p>11 re-established ward committees</p> <p>Functionality indicators not adopted</p>	<p>Create Public Participation Unit and fill the Public Participation Officers posts</p> <p>Re-establishment of the remaining 1 ward committee</p> <p>Adopt the ward committee functionality indicators in line with Legislation</p> <p>Develop and adopt the schedule of ward committees and community meetings</p>	<p>Appoint PPO and other staff members</p> <p>Fill the PPO posts</p> <p>Develop elections programme</p> <p>Develop the ward functionality indicators</p> <p>Develop and adopt schedule of ward meetings</p>	<p></p> <p>COGTA to assist with community mobilisation</p> <p>COGTA to assist with the development of functionality indicators</p> <p>COGTA to assist with mass mobilisation during the re-establishment of the remaining ward committee</p>	<p>Administrator</p> <p>COGTA PP Unit PPO</p> <p>COGTA PP Unit PPO</p> <p>PPO Councillors</p>	<p>124 519,83 + R50 000</p> <p>R100 000</p> <p>R100 000</p>	R174 519,83

2.2	Broader Community participation policies and plans	None	Develop community participation policy	Development and adoption of the draft Public Participation policy	Facilitate development of the policy using existing public participation literature and legislations	COGTA Legal Advisors Municipal Legal Advisors	R100 000	R3M
		Draft out of pocket payment policy	Adoption of the out of pocket payment by-law	Adoption of the draft by-policy	Facilitate finalisation of the provincial policy by the provincial legislature	COGTA Legal Advisors Municipal Legal Advisors	R100 000	
		12 ward profiles	Develop 12 ward plans Develop household profiles for 12 wards Update the 12 ward profiles	Train CDWs and ward committees on Community Based Planning	Facilitate training of ward committee and CDWs on Local Governance	IDP Manager COGTA CDW	R1M	
2.3	Public Communication systems	10 CDWs	Fill the remaining 2 posts of CDWs	Provide Office Space for CDWs Provision of mentors	Finalise appointments of CDWs and their training	Municipality COGTA Mentors CDWs	R100 000	

		IDP Roadshow	Quarterly Mayor Led Izimbizo	Develop annual Izimbizo programme  Mobilization of communities	COGTA to assist with mobilisation	COGTA Municipality		
		None	Ensure that there are street/block committees in the municipality	Organise street/block meeting s to discuss establishment s	COGTA to assist with mobilisation and workshops	COGTA Municipality		
2.4	Complaints management systems	Paper-based complaint management systems	Computer-based complaint management system	Purchase the web-based complaint management system software  Undertake excursions with two municipality funded by DWAF	Administrator to assist with mobilisation of funds for purchasing and training on the new software	Administrator DWAF		
2.5	Front Desk Interface	Call Centre exist in Wesselsbron and Head Office	To have fully staffed and functional call centre at the Head Office and the two Units	Staff the call centre  Marketing of the call centre  Provision of resources  Develop customer charter	Assist municipality to develop customer charter	DWAF Municipality	R144 000	

## Local Economic Development (LED)

### Focal Area 5: To improve Local Economic Development and enhance

No.	Priority Turn Around Focal Area	January 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Indicators	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Human Resource allocated	Budget	
								Allocated	Projected
5.	Local Economic Development	5.1.1 No LED manager, unit , No LED Strategy No project plan	LED Unit established	Appoint LED Manager  Development of LED Strategy		District Municipality & FS COGTA DETEA	One LED Officer/Manager	R	
		5.1.2 Small Hydro electric power plant( Green Energy)	Feasibility study on Small Hydro electric power plant( Green Energy)	Appoint service provider to develop the feasibility study	Report on feasibility study	Independent power producers, DOE			
		5.1.3 DTI-Report on Lejweleputswa LED Profile 2009	Feasibility study on Titanium	Appoint service provider to conduct the feasibility study	Report of Feasibility study	Dept of Mineral and Resources (DMR)  District Municipality  Private Sector  Local Community			

No.	Priority Turn Around Focal Area	January 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Indicators	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Human Resource allocated	Budget	
								Allocated	Projected
		5.1.4 DTI-Report on Lejweleputswa LED Profile 2009	Agro-processing hub including game meat Large silos for storage packaging (Vacuum packaging frozen, tinned and distribution of products Manufactured from crops, maize processing, Groundnuts processing	Develop an implementation that outlines roles and responsibilities of stakeholders.	An implementation plan.	Department of public works and Rural Development  DTI, COGTA			
		5.1.5 Phutumane Farming project  (Land & Equipments are available)	Revival of project	Recall project from current farmer  Identify and train potential youth  Training	List of fully trained beneficiaries	Department of Agriculture	Municipal official		



No.	Priority Turn Around Focal Area	January 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Indicators	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Human Resource allocated	Budget	
								Allocated	Projected
				Consider contractual arrangement  financial consideration  Mobilise key role players					
		5.1.6 DTI-Report on Lejweleputswa LED Profile 2009 (Establish Research and development centre)	Feasibility study Report	Conduct Feasibility study  Identify area for the development centre	Area identified  Feasibility Report	HSRC,DBSA, DTI,		R50 000	
5.2	Municipal contribution to LED	Identify two Major High income LED  Uncoordinated projects:	Commercial Farming  Establishment of cooperatives  Develop investment policy	Benchmark with Mangaung Investment policy  Develop Asset register	Asset register & Policy	SEDA develop business plan for brick making  Department of Agriculture		R 1 million	

No.	Priority Turn Around Focal Area	January 2010 (Current Situation/ Baseline)	Target for December 2010 (Changed Situation)	Municipal Action	Indicators	Unblocking Action Needed from other Spheres and Agencies (e.g. intervention or technical support)	Human Resource allocated	Budget	
								Allocated	Projected
		<ul style="list-style-type: none"> <li>Proposed Brick making</li> </ul>	SMME			Water affairs  Dept of Minerals and Energy			
5.3	LED Plan aligned to the PGDS; adopted by Council.	No Plan	LED Plan developed & aligned to the PGDS	Appoint the service provider to develop a plan	LED Plan	District, Department of Economic and Affairs and Tourism, COGTA		R 250 000	
5.4	Spatial Planning	Spatial Develop framework of 2006	Draft Reviewed SDF	Appoint service provider		Cogta, District		R150 000	