

MC138 of 2017**CURRENT STATUS OF THE MUNICIPAL INFRASTRUCTURE GRANT (MIG) CAPITAL PROJECTS IN MATJHABENG LOCAL MUNICIPALITY OCTOBER 2017 (EDI) (6/4/1)****PURPOSE**

To provide information on the current status of capital projects and related MIG expenditure progress for the month of October 2017.

BACKGROUND

The PMU Department is currently in the Infrastructure Directorate, while working closely with the office of the Chief Financial Officer for the purpose of expediting the Municipal Infrastructure Grant (MIG) funding expenditure.

The operational costs of the PMU are funded from the MIG allocation and the budget has been approved for **R 6 060 800.00** for the current financial year.

DISCUSSION

There are various projects currently being implemented and are on various stages summarized as follows:

STAGE	NUMBER OF PROJECTS
Planning Stage	0
Design Stage	8
Tender Stage	0
Evaluation/ Adjudication Stage	3
Construction Stage	8
Retention Stage	12
Complete beyond DLP/ Retention	2
TOTAL NUMBER OF PROJECTS	33

See the attached implementation plan **on page 1 to 6** Status / progress of projects

LEGAL IMPLICATIONS

- As per Section 19 of the **Municipal Finance Management Act 56 of 2003**, the following:
 - (1) A municipality may spend money on a capital project only if-
 - (a) the money for the project, excluding the cost of feasibility studies conducted by or on behalf of the municipality, has been appropriated in the capital budget referred to in section 17(2);
 - (b) the project, including the total cost, has been approved by the council;
 - (c) section 33 has been complied with, to the extent that that section may be applicable to the project; and
 - (d) the sources of funding have been considered, are available and have not been committed for other purposes.
 - (2) Before approving a capital project in terms of subsection (1)(b), the council of a Municipality must consider-

- (a) the projected cost covering all financial years until the project is operational;
And
- (b) the future operational costs and revenue on the project, including municipal tax and tariff implications.

- (3) A municipal council may in terms of subsection (1)(b) approve capital projects below a prescribed value either individually or as part of a consolidated capital programme

- As per Section 12 of the **Division of Revenue Act (DORA)**, the following:

- (1) The receiving officer of a Schedule 5 or 7 allocation must ensure compliance with the relevant framework.
- (2) The relevant receiving officer must, in respect of a Schedule 5 or 7 allocation transferred to—
 - (b) a municipality, as part of the report required in terms of section 71 of the Municipal Finance Management Act, report on the matters referred to in subsection (4) and submit a copy of that report to the relevant provincial treasury, the National Treasury and the relevant transferring officer;
- (4) A report for a municipality in terms of subsection (2)(b) must set out for the month in question and for the 2017/18 financial year up to the end of the month—
 - (a) the amount received by the municipality;
 - (b) the amount of funds stopped or withheld in terms of section 18 or 19 and the reason for the stopping or withholding;
 - (c) the extent of compliance with this Act and with the conditions of the allocation or part of the allocation provided for in its framework;
 - (d) an explanation of any material difficulties experienced by the municipality regarding an allocation which has been received and a summary of the steps taken to deal with such problems;
 - (e) any matter or information that may be determined in the framework for the allocation; and
 - (f) such other matters and information as the National Treasury may determine.

FINANCIAL IMPLICATION

ALLOCATION	FUNDS WITHHELD	PLANNED EXPENDITURE	CURRENT CUMULATIVE EXPENDITURE	BALANCE TO BE SPENT
R 121,216,000.00	R0.00	R36,364,800.00 (30%)	R39 918 160,44 (33%)	R81,29,839.56 (67%)

CHALLENGES AND PROPOSED REMEDY FOR UNDER EXPENDITURE AND NON-COMPLIANCE WITH LEGISLATION

We are above expenditure target by 3%. Currently there are no challenges to report.

RECOMMENDATIONS

1. That the Mayoral Committee takes note of the report.
2. That the Counter-Funding of R6 307 392.00 to implement the project be approved.
3. That the Counter-Funding must be in the 2018/19 financial year.

MC139 of 2017

COUNTER-FUNDING FOR UPGRADING OF THE WELKOM LANDFILL SITE (EDI) (10/14/1)

PURPOSE

To request the approval of counter-funding for the Upgrading of the Welkom Landfill Site project.

BACKGROUND AND DISCUSSION

The Welkom Landfill Site is the main solid waste disposal site serving the Municipality. This landfill site while still functional does not have adequate support infrastructure.

A MIG business plan was submitted to Department of Cooperative Governance and Traditional Affairs (CoGTA), requesting funding of R18 021 120.00 Incl. VAT for the project for which partial MIG funding of R11 713 728.00 (incl VAT) was recommended by Department of Water and Sanitation as the Sector Department due to the fact that only 65% of the population of Matjhabeng is considered poor and hence qualify for MIG funding.. The funding is to cover for the following:

- Upgrade access road and paving
- Upgrade access control
- Provision of 2 weigh bridges
- Refurbishment of cloak rooms and control office
- Repair perimeter fencing
- Construct a covered material recovery centre
- Upgrade wash bay facility
- Provide carports, outside (street) lighting and security features
- Small office at weighbridge with electricity connection

*** *Attached on page 7 to page 10 of the Annexures* is the letter from Department of Water and Sanitation.

The approval of the R11 713 728.00 (incl VAT), constitute a shortfall of R6 307 392.00 (incl VAT) that must be funded by the Municipality.

LEGAL AND POLICY POSITION

As per Section 19 of the Municipal Finance Management Act 56 of 2003, as follows;

Capital projects

- (1) A municipality may spend money on a capital project only if-
 - (a) the money for the project, excluding the cost of feasibility studies conducted by or on behalf of the municipality, has been appropriated in the capital budget referred to in section 17(2);
 - (b) the project, including the total cost, has been approved by the council;
 - (c) section 33 has been complied with, to the extent that that section may be applicable to the project; and

- (d) the sources of funding have been considered, are available and have not been committed for other purposes.
- (2) Before approving a capital project in terms of subsection (1)(b), the council of a municipality must consider-
- (a) the projected cost covering all financial years until the project is operational;
And
 - (b) the future operational costs and revenue on the project, including municipal tax and tariff implications.
- (3) A municipal council may in terms of subsection (1)(b) approve capital projects below a prescribed value either individually or as part of a consolidated capital programme

FINANCIAL IMPLICATIONS

DESCRIPTION	AMOUNT(R) (Incl)
TOTAL TO BE FUNDED – MIG	R11 713 728.00
Shortfall	R6 307 392.00
TOTAL PROJECT COST	R18 021 120.00

The amount of **R6 307 392.00** must be funded by the municipality from own funding.

OTHER IMPLICATIONS

It is very important that the counter funding is approved as the funding recommended by MIG will not be enough to complete the project and thus the project will not serve its purpose and might result to Community unrest.

RECOMMENDATIONS

1. That Mayoral Committee takes note of the report.
2. That the Counter-Funding of **R6 307 392.00** to implement the project be approved.

MC140 of 2017

COUNTER-FUNDING FOR UPGRADING OF VIRGINIA WASTE WATER TREATMENT PLANT PHASE 2 (EDI) (3/3/27)

PURPOSE

To request the Mayoral Committee to recommend to the Council to approve counter-funding for the Upgrading of Virginia Waste Water Treatment Plant project for which partial MIG funding was recommended by Department of Water and Sanitation as the Sector Department due to the fact that only 85.6% of the population of Virginia and Meloding is considered poor and hence qualify for MIG funding.

BACKGROUND

The Municipality (MLM) has embarked on a bucket eradication programme. As a result, there is now a need to increase the treatment capacity at the Virginia Sewage Treatment Works (STW). An updated Technical Report, dated 14 November 2014 was submitted to the Department of Water and Sanitation (DWS). The submitted report covered the scope of work of services required to increase the STW capacity. Due to limited MIG funding, there was a proposal for the work to be carried in two phases. The first upgrade (Phase 1) work on the existing STW is currently under way- however, it only covers certain portions of the initial scope of work.

A MIG business plan was submitted to Department of Cooperative Governance and Traditional Affairs (CoGTA), requesting funding of R41 790 175.33 Incl. VAT for the project. The funding is to cover for the following:

- Replace flow measurement equipment
- Refurbish second Bioreactor, including:
 - Replace A-recycle pumps
 - Construct conduit to improve BNR performance
 - Replace vertical shaft mixers (2) and aerators (6)
 - Refurbish baffles and replace overflow weir, hand railings, concrete and joints
 - Replace 50% RAS and WAS pipework
- Refurbish the remaining two existing SST's
- Refurbish the remaining half of the existing RAS pump station including existing MCC replacement with new MCC
- Install disinfection unit for final effluent
- Refurbish sludge treatment – gravity thickener and drying beds
- Refurbish the works return pump station
- Site wide: improvement of security fence, site roads and main administration building
- Install stand-by generator

Department of Water and Sanitation (DWS) recommends to CoGTA partial funding of R35 772 390.00 (incl VAT) for the project.

*** Attached on page 11 to page 15 of the Annexures is the letter from Department of Water and Sanitation.

The approval of the R35 772 390.00 (incl VAT), constitute a shortfall of R6 017 785.33 (incl VAT) that must be funded by the Municipality.

LEGAL AND POLICY POSITION

As per Section 19 of the Municipal Finance Management Act 56 of 2003, as follows;

Capital projects

- (1) A municipality may spend money on a capital project only if-
- (a) the money for the project, excluding the cost of feasibility studies conducted by or on behalf of the municipality, has been appropriated in the capital budget referred to in section 17(2);
 - (b) the project, including the total cost, has been approved by the council;
 - (c) section 33 has been complied with, to the extent that that section may be applicable to the project; and
 - (d) the sources of funding have been considered, are available and have not been committed for other purposes.
- (2) Before approving a capital project in terms of subsection (1)(b), the council of a municipality must consider-
- (a) the projected cost covering all financial years until the project is operational;
- And
- (b) the future operational costs and revenue on the project, including municipal tax and tariff implications.
- (3) A municipal council may in terms of subsection (1)(b) approve capital projects below a prescribed value either individually or as part of a consolidated capital programme

FINANCIAL IMPLICATIONS

DESCRIPTION	AMOUNT(R) (Incl)
TOTAL TO BE FUNDED – MIG	R35 772 390.00
Shortfall	R6 017 785.33
TOTAL PROJECT COST	R41 790 175.33

The amount of **R6 017 785.33** must be funded by the municipality from own funding.

OTHER IMPLICATIONS

It is very important that the Executive Committee recommends this counter funding to the Mayoral Committee for approval by Council as the funding recommended by MIG will not be enough to complete the project and thus the project will not serve its purpose and might result to Community unrest.

RECOMMENDATIONS

1. That the Mayoral Committee takes note of the report.
2. That the Mayoral Committee recommends to the Mayoral Committee to approve the Counter-Funding of **R6 017 785.33** to implement the project.

MC141 of 2017

PROGRESS ON MUNICIPAL ACCREDITATION PROGRAMME (MM) (5/1/2/12)

PURPOSE

To report to the Mayoral Committee about progress pertaining to the Municipal Accreditation Programme.

BACKGROUND

In its sitting on the 25 September 2012 **COUNCIL RESOLVED:**

1. That Council **ACKNOWLEDGES** the requirements of the accreditation process.
 2. That Council **APPROVES** the participation of the municipality in the accreditation programme.
 3. That the Municipal Manager **MUST SUBMIT** a quarterly report to Council indicating Progress made
- Subsequently, Lekwa Consulting was appointed to assist Municipalities with the development of the Accreditation Business Plan

In its sitting on the 28th March 2017 **COUNCIL RESOLVED**

1. That Council **ACKNOWLEDGES** the requirements of the Level 1 accreditation Business Plan process to be compiled by Lekwa Consulting (HDA)
 2. That Council **APPROVES** the participation of the municipality in the Level I accreditation Business Plan programme.
 3. That Me Mothekhe be appointed as accreditation champion on behalf of the Municipality.
 4. that workshop be held on behalf of all councillors on accreditation process.
- In compliance with the council resolution a workshop was held on the 9th May 2017.

A progress report was submitted to council on the 31st May 2017

COUNCIL FURTHER RESOLVED to take note of progress made in the Accreditation process.

On the 29th June the department and Lekwa consulting had working session to finalise the outstanding ABP templates, required documents were submitted electronically with an undertaken to submit copies per requirements of Lekwa.

During this working session the consultant expressed a concern on the lack of following plans;

1. Housing Sector Plan
2. Infrastructure Plan: water and sanitation, electricity, roads.
3. Risk Management Plan
4. Land use management strategy
5. Integrated Transport Management Plan
6. Economic Growth strategy or LED Plan.
7. Updated Spatial Development Framework

Subsequently a final meeting was convened on the 3rd October 2017 by the Provincial Department of Human Settlements to finalise the completion of the Enhanced Accreditation

Tool questionnaire.

Pursuant to the above meeting, a Provincial Accreditation PSC was convened in Bloemfontein on the 6th October 2017 for the identified municipalities to submit the Business Plan. The Municipal Manager successfully signed off for the final assessment document that would inform level 1 accreditation readiness.

Limitations were however indicated on the absence of the compliance plans as alluded to above, as well as their possibility to negatively affect the acquisition of ABP Level 1.

During the compilation of this report, the consolidated document developed by HDA after the Accreditation PSC was not yet forwarded to the Municipality.

After submission of the submission of the business plan stating the status of a assessment readiness, HDA was tasked to compile a report aimed at addressing the identified limitations.

*** **Attached on pages 16 to 30 of the annexures is a report compiled by HAD.**

On the 25th October 2017 a high level meeting was convened by National Department of Human Settlements to deliberate on action plan on distressed mining towns. The issue of absence of the sector plans was sharply raised as well as how it impacts negatively on Housing delivery.

Subsequent to that meeting, there were discussions between the Chief Director Performance in the Provincial Department of Human Settlements, me Carol Tlali, the HDA Acting Regional Manager Me Lipalesa as well as the Matjhabeng senior Manager Human Settlements Me Mothekhe regarding the execution of the recommendations on the report.

It was agreed that a formal request for assistance with regard to the compilation of the Human Settlements Sector Plan be submitted to the Provincial Department of Human Settlements.

FINANCIAL IMPLICATIONS

The business plan towards Accreditation status is financed by Provincial Department of Human Settlements

All necessary sector plans will have to be secured by the Municipality if we are to meet the deadline of January 2018.

LEGAL AND POLICY FRAMEWORK

- **The Constitution of South Africa 1996**

Section 26 of the Constitution of the Republic of South Africa, 1996, states that everyone has the right to have “access to adequate housing”

- **Housing Act of 1997 as amended (second amendment Act. No 60 of 1999)**

Section 9 of the Housing Act of 1997 section 1 as amended, states that every Municipality must, as part of the municipality’s process of integrated development planning, take all reasonable and necessary steps within the framework of national and provincial housing legislation and policy to-

Ensure that-

“the inhabitants of its area of jurisdiction have access to adequate housing on a progressive basis”

- Guidelines on Breaking New Grounds(BNG)
- Approved Municipal IDP and Budget

- SDBIP

RECOMMENDATIONS

1. That the Mayoral Committee takes note of the progress report.
2. That the sector plans be secured in line with the recommendations from Lekwa Consulting and Free State Provincial Government.
3. That the Provincial Department of Human Settlement be approached for assistance with acquisition of Sector Plans.

MC142 of 2017

**REPORT ON INPUTS ON THE PROPOSED ORGANISATIONAL STRUCTURE:
WORKSHOP ON ORGANISATIONAL STRUCTURE FOR COUNCILORS (ED:
CSS) (2/1)**

PURPOSE

To submit responses from Directors on the inputs made by Councillors at the Proposed Organizational Structure Workshop held at T.S. Du Plessis on the 28th September 2017.

BACKGROUND

Council, at its meeting of the 30th August 2017, resolved as follows:

- that the Proposed Organisational Structure be subjected to a Workshop for clarification of positions and financial analysis, before the 20th September 2017

The workshop referred to above, took place at T.S. Du Plessis on the 28th September 2017. A number of inputs were made by Councillors at the workshop and are attached herewith (Annexure "A").

DISCUSSION

*** The following constitute the inputs made by each Directorate

- 3.1. Department of Infrastructure (Annexure "B")
- 3.2. Department of LED & Human Settlement (Annexure "C")
- 3.3. Department of Finance (Annexure "D")
- 3.4. Department of Strategic Support (Annexure "E")
- 3.5. Department of Corporate Services (Annexure "F")
- 3.6. Department of Community Services (Annexure "G")

IMPLEMENTATION OF INPUTS (CAPTURING OF INPUTS ON THE DRAFT PROPOSED STRUCTURE)

After critical analysis of the inputs made by EXCO, and finalisation reached on them, those that need capturing on the Proposed Organisational Structure will be duly implemented.

PERSONNEL IMPLICATIONS

Any additions or subtractions made on the number of posts will inevitably have a personnel impact on the Proposed Draft Structure.

FINANCIAL IMPLICATIONS

Final financial implications will be determined at the finalisation of the inputs made at EXCO.

RECOMMENDATION

1. That in order to stay within the 35% benchmark of employee costs, it is recommended that only currently filled posts and critical posts be considered for the New Proposed Draft Organisational Structure in the short-term.

MC143 of 2017

PROPOSED ORGANISATIONAL STRUCTURE: (MARCH 2017) (ED: CSS) (2/1)

PURPOSE

To provide an update of Matjhabeng Local Municipality proposed Organization Structure “**MARCH 2017**” to Council.

BACKGROUND AND DISCUSSION

This item served before Council on the 31st May 2017 and Council resolutions are contained hereunder:

COUNCIL RESOLVED: (31 MAY 2017)

1. That Council **TAKES NOTE** of the Draft Organizational Structure.
2. That the TASK-JOB-EVALUATION system **MUST BE APPLIED** to ensure that salaries are correlating with the jobs that are performed, within a period of 30 days.
3. That only critical positions **MUST BE FILLED**.
4. That the Organogram must **BE RE-SUBMITTED** at the next Ordinary Council meeting.

Following the above resolutions, Management has made arrangements for the TASK-JOB-EVALUATION system training for the period 21-25th August 2017 which would be undertaken under the auspices of SALGA.

The Directorates have submitted their lists of Critical positions which will await the approval of the Organogram by Council for their advertisement and filling.

Council resolved on the 30TH August 2017 that a workshop on the proposed Organisational Structure be conducted for Councillors.

*** Attached on page 31 to 45 page of the Annexures are the Minutes and Inputs from different Directorates.

PERSONNEL IMPLICATIONS

The current Draft Proposed Organizational Structure (March 2017) **attached as SEPARATE COVER (1)** is a product, devised from the Draft Proposed Organisational Structure (February 2017) with amendments from different Directorates as per the abovementioned Mayoral Committee Resolutions.

The table below is a summary of staff complement of the current Draft Organizational Structure (**March 2017**) compared to the “**Current Approved**” and the Proposed (**February 2017**) Organizational Structures:-

	TOTAL STAFF COMPLEMENT		
	Approved	Proposed February 2017	Proposed March 2017
TOTAL COMPLEMENT:	3727	4 648	4 048
PERCENTAGE UTILISATION	100	125	109
TOTAL MANAGEMENT POSTS	79	90	74
Savings: "February 2017" - "March 2017." (Posts)			600
Savings: "February 2017" - "March 2017." (%)			12.91

FINANCIAL IMPLICATIONS

** The financial implications are attached as SEPARATE COVER (2).

The table below is a summary of "Annexure A":

	Staff Complement	Total Costs
	Proposed	Proposed
TOTAL COMPLEMENT:	4 048	997 293 166
PERCENTAGE UTILISATION	100	122
TOTAL MANAGEMENT POSTS	74	65 380 604

POLICY STATEMENT

Local Government Municipal Systems Amendment Act, 2011.

Local Government Structure Act

Municipal Financial Management Act.

Approved Organisational Structure

Basic Conditions of Employment Act

RECOMMENDATIONS

- 1 That the Draft Organizational Structure be approved by Council.
- 2 That the posts reflected on the structure are not necessarily going to be filled in the current financial year, given the Municipality's financial status.

MC144 of 2017

REPORT ON TASK JOB EVALUATION (ED: CSS) (2/1)

PURPOSE

The purpose of the report is to provide Council:

- With progress on implementation of **Tuned Assessment of Skills and Knowledge (TASK)** Job Evaluation;
- To inform Council about the training of the TASK Job Evaluation Unit;
- To support the roll out of the TASK Process.

BACKGROUND

Matjhabeng Local Municipality has been in the process of reviewing its Organizational Structure which was last approved in 2009.

“Council at its meeting held on the **31 May 2017** resolved among others that:-

1.
2. ***That the TASK-JOB-EVALUATION system MUST BE APPLIED to ensure that salaries are correlating with the jobs that are performed, within a period of 30 days.”***

The first training on TASK Job Evaluation took place from the 06th – 10th October 2014 at Lejweleputswa District Municipality. From the 21st August 2017 – 25th August 2017 SALGA and Deloitte came to provide further training to the District JE Unit due to the fact that there were changes in the team that was originally trained.

In the exercise SALGA then decided to combine Training and Coaching on TASK Job Evaluation. The coaching sessions where the entire Matjhabeng Local Municipality positions would be evaluated was scheduled tentatively from the 26th – 29th September 2017.

DISCUSSIONS

Training Program

- All Local Municipalities in the Lejweleputswa District were invited to the TASK Job Evaluation Training/Coaching programmes at Matjhabeng Local Municipality.
- The Job Evaluation guideline was used as the basic document for the training.
- Training of Job Evaluation Units (JEU) was coordinated and conducted at Matjhabeng Local Municipality.
- The duration of the Training session took two days (21-22 August 2017) and coaching session took three days (23-25 August 2017) with the assistance of Deloitte.
- The Job description assessments were undertaken for Lejweleputswa District Municipalities from 07 November 2017 at Lejweleputswa District Offices.
- The second assessments were continued at Matjhabeng Local Municipality from 13-17 November 2017.

Establishment of TASK Job Evaluation Unit (Committee)

A Job Evaluation Unit (Committee) was established which is constituted by all the members trained as Job Evaluators in Lejweleputswa District.

- Mr. Chris Alexander from Lejweleputswa District Municipality was nominated as Chairperson.
- Mr. Victor Kolisang from Matjhabeng Local Municipality was nominated as Deputy Chairperson, and
- Mr. Abraham Kholumo from Matjhabeng Local Municipality was nominated as the Administrator.

Roles and Responsibilities of Job Evaluators.

- The JE Unit shall conduct the evaluation of all jobs within the municipalities falling under its jurisdiction and present the outcome thereof for auditing by the Provincial Audit Committee (PAC)
- The responsibility of JE Unit is both administrative (planning, prioritising grading programs, quality control, receiving checking and filing job descriptions etc.) and grading of jobs prior to submission to the PAC.
- For purpose of grading, a quorum shall consist of at least two (2) members of JE unit or in the event of larger Unit at Least 50% plus 1.
- The JE Unit may invite both the incumbent of the job, as well as his/her Manager and the Head of Department's input to confirm if the full particulars of the job were taken into account.
- To monitor adequate implementation of the TASK Job Evaluation System to achieve uniform grading of posts.

Trade union representation

- **One trade Union representative from each of the recognized trade unions may participate as observers in the JE Unit.**

Role and responsibilities of the Municipal Manager

SALGA's Guideline Policy on Job Evaluation outlines the following as roles and responsibilities of Municipal Managers in job evaluation.

- The Municipal Manager is responsible for ensuring the implementation of the TASK Job Evaluation System in the Municipality;
- The Municipal Manager must ensure that the designated JE Manager takes full responsibility for supporting and directing the job evaluation implementation and maintenance process.
- The Municipal Manager shall ensure that sufficient staff and resources are allocated to support the process;

- The Municipal Manager shall in terms of Section 66 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000 as amended) ensure that there is a job description for each post on the staff establishment of the municipality;
- The Municipal Manager must ensure that the municipality keeps custody of the copies of job descriptions for all posts;
- The Municipal Manager shall incorporate the responsibility for the compilation of the job description in the performance contract of every Manager.
- The Municipal Manager shall ensure that all staff are informed of the objective of the TASK JE System as required in terms of Section 67 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000 as amended);
- The Municipal Manager for the cluster of municipalities who are responsible for job evaluations at district level shall appoint appropriate persons to serve of the Job Evaluation Unit;
- Municipal Managers shall ensure that Job Evaluation Units are established and are functional.

Role of the Directorates in ensuring that the Job Evaluation process is carried out successfully.

- To enable the Job Evaluation Unit to complete the process effectively and efficiently, it is necessary that all Executive Directors and/or Heads of Department ensure that all their directorates'/departments' Job Descriptions, as per the current approved Organisation Structure, are submitted to the Senior Manager Human Resources as soon as possible.
- All job descriptions confirmed or revised and/or by relevant Supervisors or Management to ensure they are correct according to TASK requirements. A blank copy (template) of the TASK job description format, as well as guidelines for compilation of a job description is attached hereto.
- All job descriptions must be signed by the relevant incumbent and Head of Department. Where there are vacant posts, job descriptions must still be provided, indicating that the post is vacant and signed by the Head of Department.
- When a job description is revised, or a new one compiled, it is important that the functions indicated should be only those functions that belong to the relevant post and not functions that belong to another "post", but are performed by the relevant incumbent due to vacancies or other circumstances. For control purposes a numbering system, e.g. MM1, MM2, etc. for Municipal Manager's Office can be used, to ensure that all posts are covered.

POLICY POSITION

1. Matjhabeng Job Description Policy.
2. Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000 as amended).
3. SALGA's Guideline Policy on Job Evaluations.

RECOMMENDATION

1. That Mayoral Committee takes note on the progress in respect of the TASK Job Evaluation Project.

MC145 of 2017

**SUBMISSION OF BACK TO BASICS MUNICIPAL MONTHLY REPORTS-
MONTHS ENDED AUGUST-OCTOBER 2017 FOR CONSIDERATION (ED: SSS)**

PURPOSE

To submit the draft Back to Basics monthly reports for August to October 2017 for Mayoral Committee to consider.

BACKGROUND

A council meeting which sat on the 31st March 2015 approved implementation of the Back to Basics concept as introduced to municipalities during the Presidential Local Government Summit held in September 2014. The concept acknowledges the needs to implement a basket of services to save time and resources and thus improve service delivery.

The Department of Cooperative Governance and Traditional Affairs identified systemic challenges that impede service delivery and identified three groups of municipalities that provide a picture for local government in terms of levels of service delivery in all the 278 municipalities in South Africa. Among a number of systemic challenges included poor record of service delivery and service management functions such as fixing potholes, collecting refuse, maintain public places, fixing street lights, etc.

The outcome of the presidential local government summit was the convention of the provincial summits on the same matter. The provincial summit for the Free State province was convened for two days (31 October to 01 November 2014) where specific resolutions were taken for implementation of the back to basics concept at local government level.

A template for the population of municipal specific service delivery matters was developed and distributed to municipalities. The template as provided for populating requires information on Service Delivery, Putting People First, Good Governance, Sound Financial Management and Building capable local government institutions.

As a Municipality, we have been submitting this reports to national treasury. The draft reports for consideration relate to processes and events within August and October of the first quarter of the current financial year.

Attached on page 46 to 60 is the draft Back to Basics monthly reports for August to October 2017.

LEGAL AND LEGISLATIVE FRAMEWORK

Municipal Systems Act, Act 32 of 2000

S42: "Community involvement- A Municipality, through appropriate mechanisms, processes and procedures established in terms of Chapter 4 must involve the local community in the development, implementation and review of the Municipality's performance management systems, and, in particular, allow the community to participate in the setting of appropriate key performance indicators and performance targets for the Municipality".

FINANCIAL IMPLICATION

Development of monthly reports do not require funding and are compiled internally. All programmes that form part of the Back to Basics are budgeted for in the 2017/2018 IDP and budget where funding is required.

RECOMMENDATION

1. That Mayoral Committee considers the three monthly draft reports on the back to basics programme for the Municipality.

MC146 of 2017

SUBMISSION OF 1st QUARTER DRAFT NON-FINANCIAL PERFORMANCE REPORT TO MAYORAL COMMITTEE FOR CONSIDERATION (ED: SSS)

PURPOSE

To submit a first quarter draft non-financial performance report to Mayoral Committee for consideration.

BACKGROUND

The draft non-financial report is based on the first quarter of the 2017/2018 financial year of a five year baseline IDP which was approved by council on the 31st May 2017. The Executive Mayor approved a Municipal SDBIP for 2017/2018 for Directorates to implement. Subsequent process was the signing of performance agreements by all Executive Directors with the Municipal Manager. The signed agreements have become implementation plans of Directorates and therefore the draft report contains progress on each of the signed performance agreements.

It is therefore the requirement of section 38(a) (iii) of the Municipal Systems Act of 2000 to provide a clear linkage between the integrated development plan and the performance management system of the municipality. In this case, it is therefore critical that we measure the extent to which the objectives as set out in the integrated development plan are being achieved.

The institutional framework for the performance management process expects the following to take place:

That the Executive Mayor provides oversight that ensures that senior management gathers relevant and planned information throughout each reporting period and submit progress report on a quarterly basis; and

That the internal audit function must audit and assess the accuracy of performance reports, the functionality of the performance management system.

*** Attached on page 61 to 84 is the first quarter draft non-financial performance report.

LEGAL AND LEGISLATIVE FRAMEWORK

Municipal Systems Act, Act 32 of 2000

Section 38- A municipality must:

Establish a performance management system that is-

(iii) in line with the priorities, objectives, indicators and targets contained in its integrated development plan.

FINANCIAL IMPLICATION

Development of Municipal quarterly non-financial report did not require financial inputs as it was done internally.

RECOMMENDATION

1. That Mayoral Committee considers the draft first quarterly non-financial performance report.

MC147 of 2017

MONTHLY FINANCE REPORT – OCTOBER 2017 (ACFO) (12/1/2/3)

PURPOSE

To submit to the Mayoral Committee the Monthly Finance Report for October 2017 in terms of Section 71 of the Municipal Finance Management Act, number 56 of 2003.

BACKGROUND

Section 71 of the Municipal Finance Management Act no 56 of 2003 states that the Accounting Officer must submit to the Executive Mayor a statement in a prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- 1) Actual revenue per revenue source
- 2) Actual borrowings
- 3) Actual expenditure per vote
- 4) Actual capital expenditure per vote
- 5) The amount of any allocations received
- 6) Actual expenditure on allocations received

The compilation of the Section 71 report is as follows:

1. After the billing cycle the Income Department compile the income reports which consist of the following and submit to the Budget Department:
 - Billing and Income per month
 - Top Outstanding debtors for the month
 - Income per ward
 - Debtors age analysis per service
2. After month end the ICT Department runs all the month end

TABLE 1	Actual For the Month (October 2017)	For Year to date (2017/2018)
All Grants Received	10 750 000	241 475 000
Actual Revenue Received	99 251 132	361 420 424
Actual Expenditure	110 980 585	576 007 207
Salaries	56 317 207	225 488 738
Water	10 000 000	83 859 649
Electricity	539 726	36 349 059
Other Expenditure	44 123 652	230 309 761
Sub-Total	-979 453	26 888 217
Loan Redemptions	-	-
Net Surplus/(Deficit) before Capital payments	-979 453	26 888 217

MIG Payments	11 203 488	45 053 499
INEG Payments	-	882 659
WSIG Payments	-	2 198 641
Capital Assets procured - Equitable Share	440 717	880 128
Fleet & Equipment	27 300	27 300
Office convention/ Furniture	413 417	1 293 545

Net Surplus/(Deficit) after Capital payments	-12 623 658	
---	--------------------	--

3. The Budget Department then extracts the required income and expenditure information from Solar. This is done with the GS 560 procedures. This report shows the transactions for the month VAT EXCLUSIVE.
4. The Expenditure Department provides the Budget Department with the creditor's age analysis and the top 20 outstanding creditors.
5. The Costing Section provides the Budget Department with the employee related reports and the overtime per department.
6. The Section 71 report is then compiled with all the information received from other sections and extracted from the Solar System.

DISCUSSIONS

The finance report for October 2017 is attached on **page 85 to 97 of the annexures**.

FINANCIAL IMPLICATIONS

Table 1: The municipality had a deficit of R12 623 658 for the month of October after capital payments,

This deficit indicates that the expenditure incurred is more than the revenue received for month.

TABLE 2	Actual For the Month (October 2017)	For Year to date (2017/2018)
Total Billings	144 791 022	619 124 854
Less: Indigent Billings	3 119 506	14 082 228
Actual Billings	141 671 516	605 042 626
Actual Revenue Received	97 618 661	342 233 344
Consumer Revenue	90 572 645	308 248 236
Other	7 046 016	33 985 108
Grants & Subsidies	-	241 475 000

Pay rate for October 2017 (Total Billings)	69%
Total income percentage - October 2017	70%
Total income percentage – YTD	60%

The pay rate for October 2017 was 57%

The total income percentage October 2017 was 58%.

In order for the municipality to be financially sustainable the pay rate will have to be increased to 80% monthly on the consumer services.

LEGAL IMPLICATIONS

The Finance Report is submitted in compliance with Section 71 of the MFMA no 56 of 2003.

RECOMMENDATIONS

1. That the Finance Report for October 2017 in terms of Section 71 of the Municipal Finance Management Act, number 56 of 2003, be noted.
2. That the Finance Report for October 2017 in terms of Section 71 of the Municipal Finance Management Act, number 56 of 2003, be submitted to provincial and national treasury.

MC148 of 2017

MONTHLY FINANCE REPORT – SEPTEMBER 2017 (ACFO) (12/1/2/3)

PURPOSE

To submit to the Mayoral Committee the Monthly Finance Report for September 2017 in terms of Section 71 of the Municipal Finance Management Act, number 56 of 2003.

BACKGROUND

Section 71 of the Municipal Finance Management Act no 56 of 2003 states that the Accounting Officer must submit to the Executive Mayor a statement in a prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- 7) Actual revenue per revenue source
- 8) Actual borrowings
- 9) Actual expenditure per vote
- 10) Actual capital expenditure per vote
- 11) The amount of any allocations received
- 12) Actual expenditure on allocations received

The compilation of the Section 71 report is as follows:

- 7. After the billing cycle the Income Department compile the income reports which consist of the following and submit to the Budget Department:
 - Billing and Income per month
 - Top Outstanding debtors for the month
 - Income per ward
 - Debtors age analysis per service
- 8. After month end the ICT Department runs all the month end reports.
- 9. The Budget Department then extracts the required income and expenditure information from Solar. This is done with the GS 560 procedures. This report shows the transactions for the month VAT EXCLUSIVE.
- 10. The Expenditure Department provides the Budget Department with the creditor's age analysis and the top 20 outstanding creditors.
- 11. The Costing Section provides the Budget Department with the employee related reports and the overtime per department.
- 12. The Section 71 report is then compiled with all the information received from other sections and extracted from the Solar System.

DISCUSSIONS

*** The finance report for September 2017 is attached on **page 98 to 110 of the Annexures.**

FINANCIAL IMPLICATIONS

TABLE 1	Actual For the Month (September 2017)	For Year to date (2017/2018)
All Grants Received	-	230 725 000
Actual Revenue Received	88 960 658	262 169 292
Actual Expenditure	122 766 560	465 026 622
Salaries	54 259 656	169 171 531
Water	10 000 000	73 859 649
Electricity	1 862 258	35 809 333
Other Expenditure	56 644 646	186 186 109
Sub-Total	-33 805 902	27 867 670
Loan Redemptions	-	-
Net Surplus/(Deficit) before Capital payments	-33 805 902	27 867 670
MIG Payments	11 441 662	33 850 011
INEG Payments	882 659	882 659
WSIG Payments	348 821	2 198 641
Capital Assets procured - Equitable Share	263 881	880 128
Fleet & Equipment	-	-
Office convention/ Furniture	263 881	880 128
Net Surplus/(Deficit) after Capital payments	-46 742 925	

Table 1: The municipality had a deficit of R46 742 925 for the month of September after capital payments, This deficit indicates that the expenditure incurred is more than the revenue received for month.

TABLE 2	Actual For the Month (September 2017)	For Year to date (2017/2018)
Total Billings	157 341 820	474 333 832
Less: Indigent Billings	3 022 736	10 962 722
Actual Billings	154 319 084	463 371 110
Actual Revenue Received	87 401 369	244 614 683
Consumer Revenue	80 008 684	217 675 591
Other	7 392 685	26 939 092

Grants & Subsidies	-	230 725 000
--------------------	---	--------------------

Pay rate for September 2017 (Total Billings)	57%
Total income percentage - September 2017	58%
Total income percentage – YTD	57%

The pay rate for September 2017 was 57%

The total income percentage September 2017 was 58%.

In order for the municipality to be financially sustainable the pay rate will have to be increased to 80% monthly on the consumer services.

LEGAL IMPLICATIONS

The Finance Report is submitted in compliance with Section 71 of the MFMA no 56 of 2003.

RECOMMENDATIONS

1. That the Finance Report for September 2017 in terms of Section 71 of the Municipal Finance Management Act, number 56 of 2003, be noted.
2. That the Finance Report for September 2017 in terms of Section 71 of the Municipal Finance Management Act, number 56 of 2003, be submitted to provincial and national treasury.

MC149 of 2017

THREE MONTHS FINANCE REPORT – JULY - SEPTEMBER 2017 (ACFO)
(12/1/2/3)

PURPOSE

To submit to the Mayoral Committee three Months Finance Report for July - September 2017 in terms of Section 52(d) of the Municipal Finance Management Act, number 56 of 2003.

BACKGROUND

Section 52(d) of the Municipal Finance Management Act no 56 of 2003 states that the Accounting Officer must submit to the Executive Mayor a statement in a prescribed format on the state of the municipality's budget reflecting the following particulars for that quarter and for the financial year up to the end of that quarter:

- 13) Actual revenue per revenue source
- 14) Actual borrowings
- 15) Actual expenditure per vote
- 16) Actual capital expenditure per vote
- 17) The amount of any allocations received
- 18) Actual expenditure on allocations received

The compilation of the Section 52 report is as follows:

- 13. After the billing cycle the Income Department compile the income reports which consist of the following and submit to the Budget Department:
 - Billing and Income per month
 - Top Outstanding debtors for the month
 - Income per ward
 - Debtors age analysis per service
- 14. After month end the Information Communication Technology Department runs all the month end reports.
- 15. The Budget Department then extracts the required income and expenditure information from Solar. This is done with the GS 560 procedures. This report shows the transactions for the month VAT EXCLUSIVE.
- 16. The Expenditure Department provides the Budget Department with the creditor's age analysis and the top 20 outstanding creditors.
- 17. The Costing Section provides the Budget Department with the employee related reports and the overtime per department.
- 18. The Section 52(d) report is then compiled with all the information received from other sections and extracted from the Solar System

DISCUSSIONS

*** The finance reports for July - September 2017 are attached on page 111 to 121 of the Annexures.

FINANCIAL IMPLICATIONS

TABLE 1	Budget for three months	Actual for three months (2017/2018)
Actual Revenue Received	479 349 340	262 169 292
All Grants Received	140 748 000	230 725 000
Total Income	620 097 340	492 894 292
Actual Expenditure	580 705 415	465 026 622
Salaries	176 727 823	169 171 531
Water	109 856 301	73 859 649
Electricity	103 016 971	35 809 333
Other Expenditure	191 104 320	186 186 109
Net Surplus/(Deficit) before Capital payments	39 391 925	27 867 670

MIG Payments	33 850 011
INEG Payments	882 659
WSIG Payments	2 198 641

Capital Assets procured - Equitable Share	880 128
Fleet & Equipment	-
Office convention/ Furniture	880 128

Net Surplus/(Deficit) after Capital payments	- 9 943 769
---	--------------------

Table 1: The municipality had a deficit of R9 943 769 for the quarter after capital payments, this indicates that the expenditure incurred is more than the revenue received for quarter.

TABLE 2	Actual for three months (2017/2018)
Total Billings	474 333 832
Less: Indigent Billings	10 962 722
Actual Billings	463 371 110
Actual Revenue Received	244 614 683
Consumer Revenue	217 675 591
Other	26 939 092
Grants & Subsidies	230 725 000

Pay rate for First quarter (Total Billings)	53%
Total income percentage - First quarter	58%
Total income percentage – YTD	57%

The pay rate for the first quarter 2015 was 53%

The total income percentage for the first quarter was 57%.

In order for the municipality to be financially sustainable the pay rate will have to be increased to 80% monthly on the consumer services.

LEGAL IMPLICATIONS

The budget report is submitted in compliance with Section 52(d) of the MFMA no 56 of 2003. Section 52(d) stipulates that the mayor of the Municipality must, within 30 days of the end of each quarter, submit a report to council on the implementation of the budget and the financial state of the Municipality.

RECOMMENDATIONS

1. That the Finance Report for the Quarter (July - September 2017) in terms of Section 52(d) of the Municipal Finance Management Act, number 56 of 2003, be noted.
2. That the Finance Report for the Quarter (July - September 2017) in terms of Section 52(d) of the Municipal Finance Management Act, number 56 of 2003, be submitted to provincial and national treasury.

