



Annual REPORT

2004 / 2005

ANNUAL REPORT 2004/2005

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EXECUTIVE MAYOR'S FOREWORD



B J Modisakeng
Executive Mayor

Lesedi Local Municipality has since it was established done its best to adhere to all legislation and to be as transparent as possible.

The Council receives inputs from the community with each and every project and the council has also given feedback on the previous performance to the community. Lesedi Local Municipality rates communication between the community and council very high in order to be successful on all levels of Local Government.

LEGISLATION

The council implemented and adheres to all legislation. The Council Implemented all the legislation and circulars from National- and Provincial Government. The acts, which are referred to, are the following: -

- Municipal Systems Act (*Act 32 of 2000*)
- Municipal Structures Act (*Act 117 of 1998*)
- Municipal Finance Management Act (*Act 56 of 2003*)
- Property Rates Act. (*Act 6 of 2004*)
- Occupational Health and Safety Act
- Skills Development Act
- Labour Relations Act
- Employment Equity Act
- BEE Act
- Basic Conditions of Employment Act

The Council furthermore put the following policies in place to adhere to good administration, namely: -

- Investment Policy
- Credit Control Policy
- Indigent Policy
- Fraud Policy and Response Plan
- I.T. Policy
- Procurement Policy
- Supply Chain Management Policy
- Audit Committee and Performance Audit Committee Charter
- Assets & Risk Management Policy
- Rates Policy
- Study Policy
- Internship Policy

The Municipal Finance Management Act (MFMA) which came into operation in 2004, requires a fundamental shift in the financial principles that were pursued in the past, but as a team of the Mayoral Committee and Executive Managers accepted these challenges and will build Lesedi Municipality with all the stipulations of the Municipal Finance Management Act, 2003 (Act 56 OF 2003) to be in place.

The Lesedi Local Municipality has successfully linked its budget with the Integrated Development Plan and is also in the process of linking the Performance Management System with the Balanced Scorecard software in accordance with the Systems Act (Act 32 of 2000).

The Performance Management of Lesedi Local Municipality is very important for the future of the municipality as it will identify what is needed, who will deliver, and when will it be delivered. The community, political leaders and officials will know what services are important on what levels and when it will be in place. Performance Management is a requirement of legislation and therefore Lesedi has implemented Performance Management System in order to measure performances and to increase productivity.

There are new challenges to be faced however, and our budget has been crafted in such a manner that it will enable us to reasonably confront those challenges. The budget represents the collective will of our municipality to translate our vision and mission into reality

The council acknowledges the challenges of the ring fencing of the electricity account and the change of the financial statements into the GAMAP format in the near future.

The council will keep its strong financial discipline in place to make sure that Lesedi Local Municipality remain financially sound in future and give the necessary services to the community that it requires.

The municipality envisages the following for the coming year, namely:-

- A Customer Care Strategy
- Public Participation Strategy
- A comprehensive infrastructure maintenance and extension plan to provide the fundamental base for levels of service
- Continuing improvements in our overall financial management
- Working with all our partners in an over all Municipality Development Strategy
- Employee Wellness Projects
- HIV / AIDS campaigns

The goal is to facilitate economic growth, job creation and better lives for all in Lesedi Local Municipality.

CHAPTER 1: INTRODUCTION AND OVERVIEW

Lesedi Local Municipality is located on the south-eastern edge of Gauteng, and together with the Local Municipalities of Midvaal and Emfuleni, falls under the jurisdiction of the Sedibeng District Council.



P J van den Heever
Acting Municipal Manager

Lesedi spans an area of $\pm 1\,430\text{km}^2$, which is largely rural, with two towns situated within its border, namely Heidelberg/Ratanda in the western part, and Devon/Impumelelo on its eastern border. The area can be described as mostly agricultural, Heidelberg and Devon being the primary service centre for the surrounding agricultural areas. (Refer to map in annexure A)

As far as its regional context is concerned, Lesedi is situated relatively far away from the hub of economic activity in Gauteng, but is traversed by two national roads, namely the N17 and the N3, which create vast potential in terms of future economic development. Lesedi's contribution to the region lies primarily within the agricultural sphere; however areas like Heidelberg, Jameson Park/Kaydale and Vischkuil/Endicott also fulfill a residential function for many people working in the East Rand/Far East Rand.

POLITICAL STABILITY

The Council invites the community to participate in the processes through the Integrated Development Plan (IDP) and Budget processes.

The Council uses a ward system to communicate with the community on their requirements and addresses their needs. The Council also report on and all the projects undertaken by Province as well as Local Government which resulted in political stability.

During the 2004/2005 financial year, the Council has given employment to many unemployed inhabitants through different projects. The projects were run by the Engineering Department as well as the Development and Planning Department. Many people also received training and developed skills that could be used in future. Six (6) unemployed youths were trained in the Finance Department to enhance their financial skills.

Growth and development in the Township was created for people in the middle and higher income groups.

The request and development of Townhouses were above average as well as the demand for services and sports facilities.

PERFORMANCE MANAGEMENT SYTEM

The Lesedi Local Municipality has entered into a contract of employment with the Executive Managers in terms of section 57 (1) (a) of the Local Government Municipal Systems Act, (Act 32 of 2000).

Section 57 (1) (b) of the Systems Act, read with the contract of employment concluded between the parties, require the parties to conclude an annual performance agreement. The Executive Manager's performance, in addition will be measured and a report will be submitted in terms of contributions to the goals and strategies set out in the Municipality's Integrated Development Plan.

The report reflects the work that has been done over the period of the 2004/2005 financial year. **The purpose of the report is:**

- To provide a record of performance activities of the municipality
- To provide a report comparing actual with promised performances
- To provide accounts of goals set by council and the success in achieving those goals

The report reflects that our long term strategic objective to 'effectively address the basic needs of the Council's customers' has been successfully achieved through individual and departmental contribution.

AUDITOR-GENERAL

The Auditor-General is required to provide an assessment of the controls implemented by the municipality to implement and manage the Performance Management System (PMS) as required in section 45(b) of the MSA.

For the financial year 2003/2004 the Auditor-General issued numerous queries aimed at improving the Lesedi Local Municipality's PMS. The queries covered the following areas:

- Cascading of PMS to all levels of employees
- KPA's and KPI's for service providers etc.

In response to the Auditor-General's assessment we invited Primeserve HR Solution Company to assist in this regard. However, it turned out that their total investment fees is higher than the amount budgeted for the financial year 2004/2005. Nonetheless the balanced Scorecard system was implemented and built into the Performance Plans of all Executive Managers who are appointed on a performance-based contract.

QUARTELY REPORTS

The Mayoral Committee, Council and the Province were served with the performance quarterly reports.

MEASURES TO IMPROVE THE PERFORMANCE MANAGEMENT SYSTEM

We have taken a bold step to remedy our performance management system (PMS) by inviting proposals in respect of cascading the PMS to other levels of employees, thus further addressing the Auditor-General's observation and queries.

We appointed Dr. van Zyl and Associates to assist in this regard. We have also applied for financial assistance from the Development Bank of Southern Africa (DBSA) as an alternative measure to cover the

costs for the total implementation of PMS. In response, an acknowledgement letter has been sent by the bank, and it is likely that the outcome will be positive. These funds will be used to cascade the PMS to all levels in all departments. The target date to finalise the implementation is end of February 2006.

All the objectives, indicators and targets will be stated in the reviewed Integrated Development Planning (IDP) for discussions with the community. Feedback will also be given annually to the community on all the objectives and targets of the municipality.

1.1. Basic Demographic Figures

Lesedi's current population is estimated as follows:

Area	Total Population	% of Total
Heidelberg / Ratanda	± 74 000	58,7%
Devon / Impumelelo	± 15 100	12,0%
Rural Areas	± 36 900	29,3%
Total	± 126 000	100%

Approximately 70, 7% of the total population of Lesedi resides in the urban areas of Heidelberg/ Ratanda and Devon / Impumelelo, while the rest (29,3%) can be categorised as Rural.

Vision

To be a people's centered performance driven municipality.

Mission

Lesedi Local Municipality strives to:

- Provide access to quality affordable sustainable services;
- Professionally fulfill and sensitively address the needs of the whole community;
- Recognise the diversity of the community;
- Create a safe and healthy environment for all;
- Empower the human resource component and monitor and improve productivity;
- Facilitate sustainable growth and integrated development;
- Embrace sound management practices and a culture of accountability;
- Promote the Batho Pele "People First" principle;
- Optimally utilize and protect natural resources at our disposal; and
- Encourage a commitment to excellence and innovation.

1.2. Nature of Business

Lesedi has six (6) departments tasked with various objectives as stated below:

1.2.1. Engineering Services

- Provision of basic water services
- Provision of basic sanitation services
- Provision of basic electricity services
- Free basic water and electricity
- Cemetery services

1.2.2. Development and Planning

- Job creation through LED initiatives
- IDP, land use, local area planning and environment management

- ❑ Provision of basic housing
- ❑ Local economic development

1.2.3. Community Services

- ❑ Provision of basic solid waste removal
- ❑ Provision of basic health services
- ❑ Recreation, arts, culture, heritage and library services management
- ❑ Social development

1.2.4. Safety and Security

- ❑ Law enforcement
- ❑ Traffic services
- ❑ Provision of fire, rescue and emergency services
- ❑ Disaster management

1.2.5. Finance

- ❑ Managing the billing and collection processes of the Municipality
- ❑ Compiling timely and effective integrated budgets that underpin the municipality's strategic priorities
- ❑ Developing sound financial reporting mechanisms. (Accurate performance reporting)
- ❑ Revenue and expenditure management
- ❑ Ensuring effective accounting services
- ❑ Managing assets and risk.

1.2.6. Management Support Services

- ❑ To enhance the skills of the local authority workforce
- ❑ Human resource development and management
- ❑ Provision of corporate and legal services
- ❑ Information technology systems management
- ❑ Performance Management System implementation

CHAPTER 2: PERFORMANCE HIGHLIGHTS

2.1. FINANCE

The Council is financially sound and all creditors are paid within 30 days. The IDP, Budget and Financial Statements are annually compiled within the time frames as prescribed.

The cash-flow budget was implemented and the Council never ran into cash-flow problems during the 2004-2005 financial year.

The Council financially bridged many projects when grants allocated were not sufficient to complete the project when tenders were invited (*Ratanda Sport stadium, Swimming Pool, Sportsfields, Ext. 7 and Ringroads*). With the bridging, the projects were completed sooner and the costs on the projects were limited.

The IDP and the budgets are annually discussed with the community and the community leaders are invited to fully participate throughout the process.

The council still experience problems with other tiers of government paying for the services delivered to them. The non-payment of the accounts has a negative influence on the cash flow of the council. The outstanding amount as at 30 June 2005 was R1,4 million.

Tampering and bypassing of meters are still experienced which increases the distribution losses water and electricity. The cost of losses amounted to R6,3 million up to 30 June 2005.

The Council is furthermore not comfortable with the ever increase of the outstanding debtors amounts, which at this stage amounts to R77,3 million. This will need the attention of the Council and should be seen as a high priority.

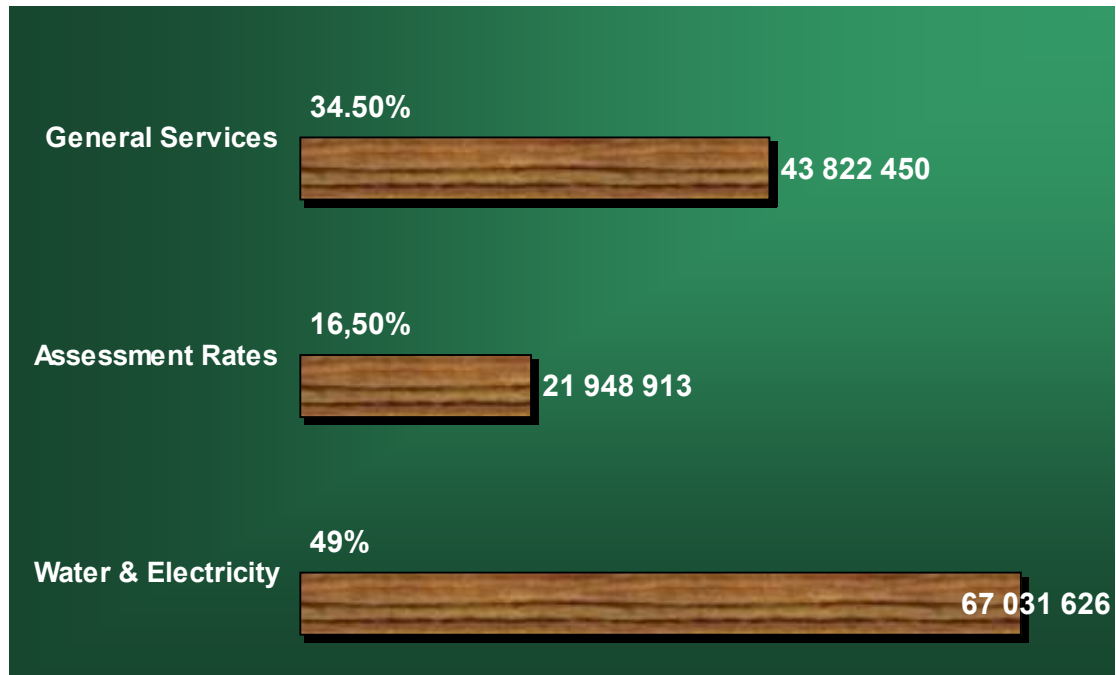
The Council has an audit-committee as prescribed and the internal audit unit is contracted out.

An Asset Register has been completed and all the assets of the Council were captured in the asset register.

The Council rendered the free basic service consisting of 6 Kl of water and 50 Units of electricity to all the consumers in Lesedi. In terms of the Indigent Policy, the Council contributes an amount of R86.00per household earning less than R1 100 per month. The Council is financially sound and all creditors are paid within 30 days. The IDP, Budget and Financial Statements are annually compiled within the time frames as prescribed.

2.1.1 INCOME STATEMENT ANALYSIS

The total revenue for the **2004/2005** financial year amounted to R132,8 million which include trading services (Water and Electricity), as the major source of income at 49%, assessment rates at 16.50% and the general services at 34.50% of the total income. Due to the fact that income from water and electricity cross-subsidise other services, it is crucial that revenue from those sources be collected.



The total expenditure for the 2004/2005 financial year amounted to R132.2 million. Salaries and allowances amounted to R43.7million (33.10%) of total expenditure for the financial year, which is well within the norm of 35%. Trading services (including salaries and allowances) represented 49.29% and rates and general services 50.71% of the total expenditure. This is an indication that measures are being implemented to curtail expenditures, as well as addressing non-payments of services rendered. A surplus of R0.594 million was achieved for the 2005 financial year. The accumulated surplus was R8.951 million after the necessary appropriations at 30 June 2005.

2.1.2 EXTERNAL LOANS AND INTERNAL ADVANCES

The total external loans at 30 June 2005 amounted to R21.6 million. Internal advances to borrowing services (Electricity, Water and Rates and General Services) amounted to R31.2 million at 30 June 2005. The risk is therefore minimal and the Council can easily settle the external loans. The loan installments are up to date with no installments in arrears.

The external loans were utilized to erect the new civic centre building, which accommodates the council's employees of the various council departments, combined into 7 cluster divisions namely: Community Services, Emergency Services, Safety & Security, Finance, Support Services, Development & Planning and Municipal Manager Administration. The rest of the external loans were used to put infrastructure such as Water and Sewer in place.

2.1.3 INVESTMENTS

The external investments with banking institutions and short-term deposits for the 2005 financial year amounted to R69.1 million. The investments are unlisted and the minimum risks are built into the investments. External investments are made according to the investment policy of the Council.

External interest earned for the 2005 financial year amounted to R5.7 million and paid out interest on loans amounting to R3.2 million, resulting in a nett surplus of R2.5 million for the year.

2.2. GENERAL – FINANCIAL CONTROLS

Financial control implemented by the Finance Department during 2004/2005 resulted in the Auditor- General, issuing a unqualified Audit Report. The opinion of the Auditor General, regarding the financial position of the Lesedi Municipality, is that the financial statements fairly present the financial position of the council, and the results of its operations and cash flows for the year, are in accordance with prescribed accounting practice. The financial statement is attached with the audit report as annexure "A".

2.3. DEBT COLLECTION / CREDIT CONTROL

2.3.1 INDIGENT POLICY

The council's indigent policy is implemented to assist the poor households which cannot afford the services rendered. The households receives 50 units electricity and 6 kiloliter of water free, and in addition an amount of R86 is credited to their account in order to assist them with refuse, assessment rates sewerage further and all outstanding arrears at the date of approval were written off.

2.3.2. BILLING OF STATEMENTS

The council has strict controls regarding the timeous issuing of debtors statements for services rendered to its consumers. As a result of this the payment of the accounts by the consumers average 85% of the monthly amounts due. This is followed up by cut-off instructions issued to non-payers of services rendered by the council.

2.3.3. SUPPLIERS' PERFORMANCE RATINGS

Rating : 1 – Low
2 – Moderate Some Concern
3 – Moderate
4 – High

Supplier	DESCRIPTION OF SERVICE	Expenditure (2004/2005)	Comment	Rate
Coin Security	<p>Collecting and banking of cash received.</p> <p>Heidelberg & Ratanda: Daily collections from Monday to Friday.</p> <p>Vischkuil, Impumelelo, Devon & Blesbokspruit: Collections twice a week.</p>	R157 674.45	<p>A trend of non-service in the rural areas (Vischkuil, Impumelelo, Devon & Blesbokspruit). The reason given is normally the unavailability of security motor vehicles that are either broken or allegedly hi-jacked.</p> <p>Credit notes were issued for non-service. This problem has been addressed with the company.</p>	2
Micro Mega	<p>Compile monthly meter readings. Connections and Disconnections in Lesedi area</p>	R236 877.70	<p>Monthly meetings are held with the project manager and minor issues are resolved at these meetings.</p> <p>Where urgent issues exist, the director of the company is approached directly and problems are resolved immediately.</p>	3
Electro Cutts	<p>Disconnections of defaulters – other areas, ad hoc basis.</p>	R244 182.30	<p>Audits are done on a continuous basis to detect and prevent electricity bypasses. Follow-up disconnection's are done on a continuous basis in Lesedi.</p> <p>A number of bypasses (Approximately 300) have been detected.</p>	3
ABSA	<p>Council's banker, daily transactions.</p>		<p>Transactions are recorded timeously and promptly.</p> <p>Daily bank statements are provided and client service is excellent.</p>	4
Deeds Office	<p>Notification of monthly transfers (Registration of new property owners</p>	R17 017.49	<p>Government institution and sole supplier</p>	3
Du Toit Vrey & Partners	<p>Maintenance of Valuation Roll (Contract lapse 30 June 2006)</p>	R150 480.00	<p>Maintenance of the Valuation Roll is done satisfactory and interim valuations are supplied timeously.</p>	4

Supplier	DESCRIPTION OF SERVICE	Expenditure (2004/2005)	Comment	Rate
SA Post Office	Posting of monthly municipal statements.	R199 619.88	Posting of monthly municipal statements.	3
Khatija Abba Attorneys	Council's attorney, responsible for legal actions against defaulters/ outstanding debtors.	R192 952.03	Some concern about the recovery of outstanding debtors which are currently handled by only one attorney.	2

2.4. DELIVERY OF BASIC SERVICES

2.4.1. ENGINEERING SERVICES



Hennie Coetzee
Executive Manager:
Engineering Services

The Council budget annually for infrastructure and the amount budgeted, is not less than 70% of the capital budget on basic services and infrastructure.

Due to the big rural area that forms part of the Lesedi Local Municipal area, the requirement of services and infrastructure is very high. Many informal settlements also form part of the Lesedi Local Municipality.

The distance of the infrastructure in the rural area also needs a lot of money to maintain, like the roads to smallholdings and farms. Big areas in the Lesedi Local Municipality boundaries still have gravel roads.

All the informal settlements receive water (*stand pipes*), refuse and night soil. The dry sanitation toilets, which were installed, were unacceptable to the communities, and the project was temporarily stopped.

2.4.1.1. ROADS & INFRASTRUCTURE

Roads

DEPARTMENT ENGINEERING SERVICES PROJECTS UNDERTAKEN FOR THE PERIOD JULY 2004 TO JUNE 2005	
PROJECT NAME & COST	
Multi-Purpose Hall for Ratanda Ext 7 R3 400 000	This is a new project, but the planning for this was done towards the end of the three years under consideration. The full professional team as well as the contractor consists out of emerging companies. This project will create a number of jobs and training for the local community.
Ratanda Swimming pool R2 500 000	A new project which will start in March 2006. A consultant and contractor were appointed.

DEPARTMENT ENGINEERING SERVICES PROJECTS UNDERTAKEN FOR THE PERIOD JULY 2004 TO JUNE 2005	
Clinic Ext. 7 R2 000 000	Construct a new clinic in Ext. 7. Project completed.
Fencing Lesedi Cemeteries R200 000	Rensburg, Ext. 6 cemeteries are fenced.
Playground equipment R40 000	Installed playground equipment in Ext. 7, 8 & 23
Upgrading Parks R50 000	Planting trees in Ratanda and upgrading the entrances.
Enviro Loo Toilets R12 300 000	Installed 600 toilets in Impumelelo.

2.4.1.2 Services

The Council yearly allocates funds to maintain and upgrade the infrastructure in all the areas. The households in Lesedi Local Municipality receive electricity, water, refuse and sewer services except for the informal settlements where the Council only supplies water, refuse and night soil services.

2.4.1.3 Electricity Distribution

DEPARTMENT ENGINEERING SERVICES PROJECT UNDERTAKEN FOR THE PERIOD JULY 2004 TO JUNE 2005 ELECTRICITY	
Upgrading low tension network – Heidelberg – R600 000	Local labour was used to dig ±30km of trenches, 400 streetlight pole holes and installation of cables. This low-tension network will provide a more stable electrical supply and better area lighting to the consumers.
Safety meter Kiosk, Ratanda R300 000	The installation of these safety meter kiosks are successful to date and cuts down on electrical losses caused by people bypassing electrical meters.
High Mast Lighting, Ext. 23 R150 000	A black empowerment contractor, local Labour and a consultant completed this project, which will improve the safety in this area.
Reticulation of stands R2510 000	Provision was made for 2 500 stands. Black empowerment tractors, local Labour and consultants are busy with 2 500 stands and will complete the project.
Upgrading Ratanda 11kV network R5 000 000	This project will be done over two years. Consultants are appointed and the master plan will be completed February 2005. Tender will be done in March 2005. Project will be completed in April 2006.

2.4.1.4 Access to clean Water and Sanitation

DEPARTMENT ENGINEERING SERVICES PROJECT UNDERTAKEN FOR THE PERIOD JULY 2004 TO JUNE 2005 WATER & SANITATION	
Bulk Water for Heidelberg Ext. 23 R6 000 000	The pump station is completed. Big water pipelines are a specialized type of contract and an experienced contractor was thus used. Project completed.
High pressure connection, Heidelberg – R1 000 000	This area was connected to the high-pressure network in order to ensure high-density townhouse development.
Construction of sewer pipeline for Ratanda Industrial Area R140 000	This sewer pipeline was constructed to encourage industrial development in this area. The work was done departmentally.
Replacement of water meters R200 000	Water meters older than 20 years are replaced every year by the Engineering Department to ensure accurate readings.
Bulk water supply, High Level Zone, Jordaan Park – R1 000 000	Installation of a new 150mm water pipe, 2,5km.
Water and Sewerage Network, 80 Gautrans Erven Ratanda R750 000	Installation of water and sewer to 80 stands. Consultant Contractor with 20 local labourers for 3 months.
Upgrade Sewer Network Jameson Park – R300 000	Upgrade 500m sewer network and manholes in Jameson Park
Kwazenzele Sewer Plant R1 500 000	Waiting for the EIA approval.
Jameson Park Reservoir R2 100 000	Started building a new 1,5 mega liter water reservoir making use of a contractor and consultant.
Water & Sewerage Thokolohong, 110 stands – R620 000	Installation of water and sewer to 110 stands. Consultant Contractor with 10 labourers. Completed the work.
Upgrading and extension of water and Sewer Networks. R200 000	The water and sewer networks are constantly upgraded and extended in order to ensure better service delivery and to reduce operation and maintenance cost.
ROADS	
Construction of Roads : Ratanda R4 000 000	The construction was started on all roads in Ratanda. The roads are paved and ±30 jobs are thereby created. Local emerging contractors are used to execute the work.

**DEPARTMENT ENGINEERING SERVICES
PROJECT UNDERTAKEN FOR THE PERIOD JULY 2004 TO JUNE 2005**

Paving of sidewalks and parking areas. R200 000	A number of sidewalks and parking areas have been paved in our area during the past five years. This provides 10 jobs for about 6 months of the year.
Upgrade storm water Ratanda R200 000	Cleaning of storm water pipes and culverts – ongoing projects, need more funds.
Construction of Roads at Devon/ Impumelelo – R2 800 000	A number of roads in this area have been constructed during the past three years. An emerging consultant and contractor were used on this project. Approximately 10 jobs were created per year on this project.

2.4.1.5 SERVICE DELIVERY PERFORMANCE RATE : SUPPLIERS

Rating :

- | | |
|----------------------------------|--|
| 1 – Low | Lack in service performance. |
| 2 – Moderate Some Concern | Acceptable performances however room for improvements exist. |
| 3 – Moderate | Acceptable performance with limited problems that are dealt and solve internally to both party's acceptance. |
| 4 – High | Total satisfactory – no room for improvement. |

	SUPPLIER	RATE	BUDGET/ COMMENT
1	<u>ESKOM</u> Main supply to Heidelberg Munic, Ratanda Munic, Jameson Park and Impumelelo	Moderate to some concern (2)	ESKOM switch of Without notice
2	<u>ERWAT (SEWER PLANTS)</u> Heidelberg Plant, Impumelelo Plant	High (4)	
3	<u>RAND WATER BOARD</u> Heidelberg /Ratanda, Impumelelo, Vischkuil/Devon	High (4)	
4	<u>CONSULTANTS ROADS</u> Simunye Consulting and Implementation Partnership Pty LTD (SCIP)	High (4)	R4 000 000
5	<u>CONTRACTORS ROADS</u> Moseme Road Construction Tienie vd Westhuizen JV	High (4) High (4)	Project completed in time

	SUPPLIER	RATE	BUDGET/ COMMENT
6.	<p>WATER & SEWER RETICULATION TOKOLOHONG PHASE 2</p> <p><u>CONSULTANTS</u></p> <p>Mpembe Simelane & Associates Pty LTD (MSA)</p> <p><u>CONTRACTOR</u></p> <p>Messrs Fukama Civils cc</p>	<p>High (4)</p> <p>High (4)</p>	<p>R600 000</p> <p>Project completed in time</p> <p>Project completed in time</p>
7	<p>NEW WATER SUPPLY PIPELINE EXT 23 AND PUMPSTATION</p> <p><u>CONSULTANT</u></p> <p>Mpembe Simelane & Associates Pty LTD (MSA)</p> <p><u>CONTRACTOR</u></p> <p>Phambili Pipelines</p>	<p>High (4)</p> <p>High (4)</p>	<p>R5 035 000</p> <p>Project completed in time</p> <p>Project completed in time</p>
8	<p>UPGRADE WATER SUPPLY HIGH LEVEL ZONE – JORDAAN PARK</p> <p><u>CONSULTANT</u></p> <p>Simunye Consulting and Implementation Partnership Pty LTD (SCIP)</p> <p><u>CONTRACTOR</u></p> <p>Messrs Fukama Civils cc</p>	<p>High (4)</p> <p>High (4)</p>	<p>R1 000 000</p> <p>Project completed in time</p>
9.	<p>JAMESON PARK NEW 1,5 MEGALITRE RESERVOIR</p> <p><u>CONSULTANT</u></p> <p>Mpembe Simelane & Associates Pty LTD (MSA)</p> <p><u>CONTRACTOR</u></p> <p>Gushan Engineers</p>	<p>High (4)</p> <p>High (4)</p>	<p>R2 000 000</p> <p>Project completed in time</p>
10.	<p>WATER & SEWER RETICULATION EXT 26</p> <p><u>CONSULTANT</u></p> <p>Simunye Consulting and Implementation Partnership Pty LTD (SCIP)</p> <p><u>CONTRACTOR</u></p> <p>Messrs Fukama Civils cc</p>	<p>High (4)</p> <p>High (4)</p>	<p>R3 576 000</p> <p>Project completed in time</p> <p>Project completed in time</p>

	SUPPLIER	RATE	BUDGET/ COMMENT
11.	<p>BUILDING NEW CLINIC EXT 7</p> <p><u>CONSULTANT</u> Dombo & Du Plessis</p> <p><u>CONTRACTOR</u> Maphutha Building Construction</p>	<p>High (4)</p> <p>High (4)</p>	<p>R2 000 000</p> <p>Project completed in time</p> <p>Project completed in time</p>
12	<p>BUILDING NEW SWIMMING POOL RATANDA</p> <p><u>CONSULTANT</u> Simunye Consulting and Implementation Partnership Pty LTD (SCIP)</p> <p><u>CONTRACTOR</u> Microzone Trading</p>	<p>High (4)</p> <p>Moderate (3)</p>	<p>R2 515 000</p> <p>Project completed in time</p> <p>Project completed in time</p>
13	<p>CONSTRUCTION EXT 7 COMMUNITY HALL</p> <p><u>CONSULTANT</u> Aphane</p> <p><u>CONTRACTOR</u> Seletje Construction & Kubula Construction</p>	<p>Moderate (3)</p> <p>Concern</p>	<p>R3 400 000</p> <p>Project not completed in time</p> <p>Project not completed in time</p>
14	<p>CONSTRUCTION EXT 7 SOCCERFIELD</p> <p><u>CONSULTANT</u> Simunye Consulting and Implementation Partnership Pty LTD (SCIP)</p> <p><u>CONTRACTOR</u> Jv Big Four and Bomi</p>	<p>High</p> <p>Moderate (3)</p>	<p>R1 500 000</p> <p>Project completed in time</p> <p>BEE Compony and have been helped with project management</p>
15	<p>HIGH MAST LIGHTINNG EXT 23 & TOKOLOHONG</p> <p><u>CONSULTANT</u> Lyon and Partners</p> <p><u>CONTRACTOR</u> Lighting Structures</p>	<p>High (4)</p> <p>High (4)</p>	<p>R1 200 000</p> <p>Project completed in time</p> <p>Project completed in time</p>

	SUPPLIER	RATE	BUDGET/ COMMENT
16	<p>ELECTRICAL RETICULATION EXT 23 & TOKOLOHONG</p> <p><u>CONSULTANT</u> Lyon & Partners</p> <p><u>CONTRACTOR</u> Immediate Electrical</p>	<p>High (4)</p> <p>High (4)</p>	<p>R2 550 000</p> <p>Project completed in time</p> <p>Project completed in time</p>
17	<p>CHRISTMAS LIGHS LESEDI</p> <p><u>CONTRACTOR</u> NWM Electrical</p>	<p>High (4)</p>	<p>R50 000</p> <p>Project completed in time</p>
18	<p>INSTAL ENVIRO LOO TOILETS IMPUMELELO</p> <p><u>CONSULTANT</u> AS Nonyane Associates</p> <p><u>CONTRACTOR</u> Basumi</p>	<p>High (4)</p> <p>Concern (1)</p>	<p>R2 200 000</p> <p>Project stopped by the community. Toilets need a lot of maintenance</p>
19	<p>UPGRADE OUTFALL SEWER HEIDELBERG TO RATANDA</p> <p><u>CONSULTANT</u> Simunye Consulting and Implementation Partnership Pty LTD (SCIP)</p> <p><u>CONTRACTOR</u> Messrs Fukama Civils cc</p>	<p>High (4)</p> <p>High (4)</p>	<p>R2 860 000</p> <p>Project completed in time</p> <p>Project completed in time</p>

2.4.2. DEVELOPMENT PLANNING

2.4.2.1. HOUSING



Nyiko Gudhluza
Executive Manager:
Development Planning

A number of housing projects in terms of the Government Subsidy Housing Programme have been taking place since 1996, however this report will address the progress for the period 1 July 2004 to 30 June 2005.

The following projects are progressing at different levels at Lesedi Local Municipality.

Heidelberg Extension 23
Ratanda Extensions 1, 3, 5, 6, 7, & 8
Tokolohong Agri-Village
Kwa-Zenzele Agri-Village
Heidelberg Extension 26

Heidelberg Extension 23

The project at Heidelberg Extension 23 will result in a construction of 2 503 houses and construction of houses commence in February 2004. For a period 1 July 2004 to 30 June 2005 the following was the status quo:-

- Building contracts signed - 2 378
- Foundations casted - 2 359
- Foundations in progress - 43
- Top structures completed - 2 315
- Handovers (occupation) - 2 311

The progress for that period was 92.5% and the project cost for that period amounted to R45 286 030,00.

The project had empowered twenty-two (22) teams of which two had women as Team leaders.

The project had thirty (30) women in the house building and forty (40) women were involved in the foundations. The project is an MEC project and the main contractor is Grinaker/LTA, however the teams indicated above were sub-contracted in their own right, therefore the teams were empowered financially as well as the transfer of skills.

Ratanda Extensions 1, 3, 5, 6, 7 & 8

The project at Ratanda Extensions 1, 3, 5, 6, 7 & 8 started in 1996, for the period under consideration, little progress was recorded due to the insufficient subsidy amounts which resulted in the emerging contractors not being able to proceed as expected.

Funds have been secured and the contractor is utilising local Labour. The emerging contractor in the project is Tsotetsi Home Builders and he is currently involved in the project. The other contractor was YL Timber Town who has since being taken out of the project due to non-performance.

Tokolohong Agri-Village

The project is on the second phase and for a period under consideration ninety four (94) houses out of one hundred and ten (110) was completed.

The contractor on the project was Messrs YL Timber Town and the contractor has been taken out of the project due to non-performance.

Kwa-Zenzele Agri-Village

The Kwa-Zenzele Agri-Village has experienced delay due to the approval of the Environment Impact Assessment (EIA), however for a period under consideration the Municipality has allocated two hundred and ten (210) beneficiaries to settle in and allocated them with water.

Heidelberg Extension 26

The project is for the construction of five hundred and ninety seven (597) houses. For a period under consideration all 597 stands were serviced with Water and Sewer. The main contractor is also Grinaker/LTA and a number of sub-contractors including women were utilized.

The transfer of skills is also the aim of the main contractor. The performance of the main contractor and the sub-contractor has been satisfactory and the project is expected to be completed by Nov/Dec 2005.

2.4.2.2. TOWN PLANNING

PROJECTS:

1. Flood Line Study:

The main objective of this study is to prevent future development within the 1: 100 year flood lines.

The study has been completed and is available on digital format.

The whole budget of R96 900.00 was spent.

2. Mining Constraints:

The purpose of this study is to obtain information on all the Surface Rights, Mineral Rights and Mining Rights that exist in the Lesedi Local Municipal Area.

The information is crucial for planning with regards to township establishment.

The study has been finalized and is available on digital format.

R100 000.00 was budgeted for the study.

2.4.2.3. TOWNSHIP ESTABLISHMENT:

1. ZONE OF OPPORTUNITY (COMMERCIAL/INDUSTRIAL):

The area is located in the southwestern quadrant of the N3 and R42 interchange and is very accessible. The area is also very visible to passing traffic on either the N3 or R42.

Township establishment is well underway.

The surface right holders consent must still be obtained in order to proclaim the township.

2. HEIDELBERG KLOOF ESTATE:

This township is situated in the old Heidelberg Kloof and a prestigious low-density housing development will take place in this township.

The southern portion of the township is proclaimed and all the stands have been sold.

3. SHOWGROUNDS (INDUSTRIAL PARK):

This proposed township is situated in between Rensburg and Heidelberg townships in Meyer Street.

The Geo-technical report was done.

A Scoping Report was submitted to GDACE and DACE has requested specialist studies.

Township establishment has not as yet started.

4. ZONE OF INTEGRATION (RESIDENTIAL):

This proposed township is located along the Vaal Dam Road in between Ratanda Township and Heidelberg Agricultural Holdings.

The township is in the early planning stage and it is envisaged that the township will cater for approximately 6 000 low incomes and medium income group housing units.

5. KWA-ZENZEL AGRI VILLAGE:

This township is for 240 households and is nearing proclamation stage.

6. IMPUMELELO EXTENSION 2:

The township is on the eastern boundary of Devon Township and is close to proclamation status.

The township is for approximately 1 250 low cost housing units.

2.4.2.4 ENVIRONMENTAL SECTION:

PROJECTS:

1. ENVIRONMENTAL MANAGEMENT FRAMEWORK:

Lesedi Local Municipality is presently busy with an Environmental management Framework for the whole of the Lesedi Municipal Area.

Lesedi Local Municipality is committed to sound environmental management principles and has set itself the goal of sustainable development, which balances the protection of the environment with the improvement of the socio-economic well being of the inhabitants of Lesedi.

The first phase namely the Status Quo Report has been completed and R100 000.00 of the budget has been spent.

2. CREATING JOBS WHERE WE LIVE

Lesedi Local Municipality has developed a policy that ensures that all visible community projects utilize local Labour. Over the past four years, the Council, through the Emerging Contractor Development Programme has identified potential candidates to be developed by this programme. These candidates have been advised to register their own companies so that they can start exploring the mainstream of the South African economy. They are also encouraged to network with other programmes that are initiated by the Department of Trade and Industry.

Some tenders are awarded to these contractors and if the need is identified they are linked with mentors who have established a reputable track record. The Council is liaising with the Local Development Forum to identify skilled and unskilled Labour. The rates for remuneration are also done in consultation with the Local Development Forum. Training courses are identified, by the latter and jointly with the Council for unskilled people and the necessary facilitation is done with the Department of Labour.

An Early Warning System Study was commissioned by the Council in 2002 to try and investigate the Council's level of performance with reference to service delivery to the community and the image it has portrayed. All the recommendations of the study have been incorporated into the Integrated Development Plan of the Municipality. Investment opportunities are being designed through the identification of the Zone Of Opportunity along the N3 in Heidelberg. At the moment the process of township establishment in compliance with the National Environment Management Act is being finalized. Another investigation is in the process of being conducted to explore development opportunities along the N17 so as to rejuvenate the economic base of Devon and Vischkuil.

The Council has also established the Business and Tourism Fora, with the objective of drawing in business into the decision-making and development process of the Council. Monthly meetings are taking place in this regard. Through trade exhibitions and promotional material, the Municipality is marketing the potential it yields so as to attract investments. The Council has just subscribed to the Department of Trade and Industry's programme known as the Business Referral and Information Network which provides information on opportunities that exist for local business especially SMMEs and survivalists, countrywide and internationally.

OTHER PROJECTS

PROJECT	OBJECTIVES	BUDGET	SERVICE PROVIDERS	REMARKS
HEIDELBERG EXTENSION 23 JOB CREATION CENTRE	Provision of a formal center where technical and business skill could be provided	R1, 500 000	ULUSHA YOUTH AND CIVIL CONSTRUCTION and Inkanyeli Projects	The company is female owned. It could not accomplish the brief and its services were terminated. Inkanyeli Projects completed the project at the record time of two months
PROVISION OF INFRASTRUCTURE FOR INFORMAL TRADERS	Investigate the type of facilities required		ARTARCH	Designs were drawn in consultation with the informal traders
JAMESON PARK COMMONAGE	To identify opportunities for people to empower themselves through agriculture	R6m (from Land Affairs) & a loan of R750 000 negotiated with ABSA for the ploughing season for beneficiaries of Ezolimo neMfuyo Co-operative. R1 500 000 for infrastructure upgrading	ABSA, JA VERMAAK, COUNCIL, GDACE. LAND AFFAIRS and beneficiaries	Previous owner of the farm provided his implements and tractors to help the beneficiaries.

PROJECT	OBJECTIVES	BUDGET	SERVICE PROVIDERS	REMARKS
Ingqayizivele Small – Scale Farm	Promotion of local economic development	R912 000	Hoxane Builders and Machingwane – Kwinyabols Joint Venture	Poor workmanship and cash flow problems necessitated the termination of services of the latter service providers in preparation for the new tender.
Farmer Development Programme	Design a programme for the development of farmers	R500 000		Agriculture and food security projects were identified and supported on infrastructure development matters.

Bophani Izidwaba Agricultural Project

ITEM	AMOUNT EXPENDED TO DATE	NUMBER PF BENEFICIARIES & GENDER	SERVICE PROVIDER	JOB CREATED
Broiler house and storeroom renovation	R25 285.24	21 Male 6 Women 15 Youth 1		6 Temporary Jobs: 2 Bricklayers 2 Plastering
Mesh welded wire	R45 250.00		Elcka Development	1 Glazier 1 Carpentry
Water connection	R 7 000.00		The municipality	7 Labourers for installation
Curtains for broilers	R 887.00		Agro Industrial Products cc. SMX Electrical	3 casual workers
Electrification Supply of 2 easyloo	R15,000.00			

Thuthukani Agricultural Project. (Vischkuil)

ITEM	AMOUNT EXPENDED TO DATE	NUMBER PF BENEFICIARIES & GENDER	SERVICE PROVIDER	JOB CREATED
Purchase of Container circum Office	R18 000.00	20 W=16: M= 4	Big Box Containers	
Purchase of 10 Chairs and 2 steel table	R1 874.53		Timols sound	
Purchasing of 3,5m Gate & installation of the fence	R3 700.00		Elcka fencing	9 Casual workers

Ratanda Farmers Co-operatives

ITEM	AMOUNT EXPENDED TO DATE	NUMBER PF BENEFICIARIES & GENDER	SERVICE PROVIDER	JOB CREATED
Electrical upgrading	R43 000.00	5 M=3: W=5	SMX Electrical	4 Casual workers
Purchase of building material for renovations	R8 042.25		Jadas	
Labour for Renovation	R1 368.00		Mokoena Construct	3 Casual workers
Purchase of broiler curtains	R3 124.00		Agri industrial Equi	
Broiler equipments	R6 965.42		Custom Moulders	
Broilers	R7 131.98		Alpha Chickens	
Chicken Feed	R9 135.00		High Performance	
Cleaning	R789.03		AFGRI	
Chemicals	R182.40		Dr Olivier	
Chicken Medication	R114.00		Nigel Doors	
Saw Dust				
Sup of 2xEasyloo				

Training Provided

ITEM	AMOUNT EXPENDED TO DATE	NUMBER PF BENEFICIARIES & GENDER	SERVICE PROVIDER	JOB CREATED
Tour Guide	R66 780.00	12 (5 M & 7W)	Drum Beat	12 Jobs will be created
Training		62 informal Traders	NAMAC	
Business management	R12 000.00 @	32(7W & 25M)	Unique T.Solution	Placed on cons projects
Construction	R1 800.00 @	10(5M & 5W)	Ekurhuleni College	Serving practical
Entrepreneurship		25 Emerging Contractors	Publics works. Shared Service	
Tendering				
Regulations				

3. Agricultural Project Problems

Lack of proper equipments to plough the 1 hectare land
Lack of financial Skills, e.g. recording of transactions

Challenges

The council have to develop a agricultural strategy in an attempt to address the above, and also to prioritise agriculture as economic mainstream.

Marketing challenges

That the marketing of the Lesedi Local Municipality be intensify through developing the marketing programmes and the increasing of the marketing budget by a reasonable percentage.

4. JOB CREATION AND TRAINING ON PROJECTS

The Council has trained and employed many people on the different capital projects. The unemployed were employed as follows; namely:-

PROJECTS	PEOPLE EMPLOYED LOCAL			TRAINING			COM- PLETION	BUDGET ALLOCATION
	WOMEN	DISABLED	YOUTH	LOCAL CONTRACTORS	LOCAL LABOURS	%		
Upgrading Roads Ratanda	15		10		40	100 %	Completed	R4 000 000
Upgrading Ratanda Stadium				2		100 %	Completed	R4 000 000
Water & Sewer Reticulation Tokolohong Phase 2 (110 stands)					30	100 %	Completed	R600 000
New Water Supply Pipeline Ext 23 & Pumpstation	5		10		20	100 %	Completed	R5 038 000
Upgrade Water Supply – High Level Zone Jordaan Park			5		20	100 %	Completed	R1 000 000

PROJECTS	PEOPLE EMPLOYED LOCAL			TRAINING			COM- PLETION	BUDGET ALLOCATION
	WOMEN	DISABLED	YOUTH	LOCAL CONTRACTORS	LOCAL LABOURS	%		
Water & Sewer Reticulation Ext 26	5			1	20	100 %	Completed	R3 576 000
Paving Sidewalks Ratanda					30	100 %	Completed	R600 000
Opening of Stormwater Ratanda					10	100 %	Completed	R200 000
New Clinic Ext 7			10	1	10	100 %	Completed	R2 000 000
Fencing Lesedi Cemeteries			15	1	5	100 %	Completed	R200 000
New Swimming Pool Ratanda				1	10	100 %	Completed	R2 515 000
Construction Ratanda Ext 7 Community Hall			10	1	15	100 %	Completed	R3 400 000

PROJECTS	PEOPLE EMPLOYED LOCAL			TRAINING		%	COM- PLETION	BUDGET ALLOCATION
	WOMEN	DISABLED	YOUTH	LOCAL CONTRACTORS	LOCAL LABOURS			
Construction & Fencing Ext 7 Soccer Field				1	15	100 %	Completed	R1 500 000
Upgrade Electrical Reticulation Lesedi					15	100 %	Ongoing	R600 000
High Mast Lighting Ext 23 & Tokolohong				1	20	100 %		R1 200 000
Electrical Reticulation Ext 23, Tokolohong & Grautrans				2	35	100 %	Ongoing	R2 550 000
Upgrade Electrical Network Jameson Park					10	100 %	Ongoing	R300 000

PROJECTS	PEOPLE EMPLOYED LOCAL			TRAINING		%	COM- PLETION	BUDGET ALLOCATION
	WOMEN	DISABLE D	YOUTH	LOCAL CONTRACTORS	LOCAL LABOURS			
Install Protective Meter Kiosks Ratanda					10	100%	On-going	R300 000
Upgrading High Tension Reticulation Ratanda					15	100%	On-going	2004/2005 R400 000 2005/2006 R4 600 000
Christmas Lights					4			R50 000
Enviro Loo Toilets Impumelelo	5		15		25			R3 000 000
Upgrade Outfall Sewer Heidelberg to Ratanda					15			R2 860 000
Playground Equipment					10			R40 000
Lotto Greening Projects	10		15		15			R250 000

5. Unemployment rate and the reasons that might lead to shedding of jobs

Formal unemployment is very high. The unemployment is estimated at 30%. Due to the stagnating local economy in Lesedi, the Poverty Problem has not improved in recent years, but has in fact been exacerbated by various factors such as the natural increase of the population and decreasing reliance of farms, business, industry and domestic households on unskilled and semi-skilled Labour.

6. Economic Growth / Economic Activities, Business Development and Agricultural Activities

The local economy is heavily reliant on the agricultural and industrial sectors, which is dominated by a limited number of large concerns. The most notable industries include:

- British American Tobacco (BAT)
- Eskort
- Crystal Paper Mills International
- PK Farming
- Karan Beef
- Flora-Cadia
- Heidelberg Eggs and Millers
- Shopping Centres

7. Agricultural Activities

Limited economic growth has been experienced during the recent past and one of the key factors influencing the local economy is the relative distance from the economic core of Gauteng. However agriculture has been the backbone of the local economy in Lesedi and is likely to remain so in the foreseeable future.

The agricultural activities encountered in the Lesedi area include:

- Crop farming – maize, grain sorghum, wheat, soya and dry beans, groundnuts, sunflower (oil seeds), vegetables and potatoes as well as tobacco.
- Animal production – milk and beef (cattle and sheep), broiler and eggs (poultry)

The contribution of this sector to GGP in Lesedi is significant and that indicates it as an activity that promotes Job Creation and Self-employment among local residents. From an economic development perspective, the agricultural sector in Lesedi provide the opportunity for the promotion of urban, agriculture and commercial farming of which the Municipality has initiated several projects in this regard.

With regard to small scale farming there are community agricultural project that have been started. These can be highlighted as follows:

- Bophani Izidwaba - chicken farming project
- Ratanda Farmers – chicken farming project
- Vischkuil Farming Project – crop farming
- Ingqayizivele – crop farming as well as chicken farming

8. The Contribution of the Municipality towards Local Economic Development

An economic development and marketing strategy for the Lesedi Local Municipality was prepared by Seaton Thomson and Associated CC. The main purpose of the strategy was to position the Lesedi Local Municipality Region as an ideal location for new commercial, industrial, agricultural and tourism investment opportunity.

Certain projects have been planned while others have been completed or are ongoing.

9. Projects implemented.

Bophani Izidwaba

Infrastructure Provided	Member of Beneficiaries	Women	Males
<ul style="list-style-type: none"> • Broiler house and storeroom • Electricity installation • Security Fence • Water connection • Bush Cutters 	21	15	6

Vischkuil Thuthukani Agricultural Project

Infrastructure Provided	Member of Beneficiaries	Women	Males
<ul style="list-style-type: none"> • Purchase of office container • Installation of fence • Installation of irrigation system 	20	16	4

Ratanda Farmers Co-operative

Infrastructure Provided	Member of Beneficiaries	Women	Males
<ul style="list-style-type: none"> Electrical upgrading Broiler equipments Renovation of broiler house Purchase of office furniture 	9	5 (3 youth)	4 (1 youth)

Jameson Park Commonage

Infrastructure Provided	Member of Beneficiaries	Women	Males
<ul style="list-style-type: none"> Land purchase at 6 million rand (by Land Affairs) Mill is being constructed R1,5 million grant received from Land Affairs will be used for fence upgrading, poultry structure renovation, sheds irrigation 	27	8	19

Homestead Food Garden Project

- Equipments and seeds are being delivered and beneficiaries have started with the backyard sowing training. 229 beneficiaries / households have already benefited from the programme. The aim is to target 500 households. The project is being implemented in conjunction with DACE.

Inggayizivele Small Scale Farming

Infrastructure Provided	Member of Beneficiaries	Women	Males
<ul style="list-style-type: none"> Hydroponics Broiler houses admin block R917 000 has been spent Electricity and water reticulation 	26	17	9

10. Job Creation Centre

- The construction of a Job Creation Centre has started and the anticipated date of completion is end of August 2005. The centre will provide workshops where small industrialists can lease the space at nominal amounts. Other form of business support will be provided at the centre. The project is part of the community bases Public Works Programme. The total cost of the project is R2 157 605.04 million.

11. Provision of Infrastructure for Informal Traders

This project has been identified by the municipality and is part of the Integrated Development Plan. The need of the project arises as a result of the unemployed resorting to informal trading in an attempt to earn a living.

R500 000 has been budgeted for from Lesedi Funds and a further R150 000 has been allocated from the Vuna Awards funds.

The intention of the provision is to improve these facilities throughout the Lesedi Municipality. The project will contribute to job creation, SMME development and forging linkages with the formal businesses. The site to effect the creations has already been identified, the designs and costing were compiled and presented to stakeholders for recommendation and approval was granted. Tenders for the project will be coming out in August.

10 Informal Traders structures were also constructed at the Heidelberg Taxi Rank accommodating 13 traders. Ablution block, water and electricity is also provided. The traders are also provided with an internal basin. The composition of the traders is 6 female youths and 7 males (4 youths)

12. Training Provided

Number	Aim	Course content	Women /men/youth	Funding
12 unemployed youth trained as Tour guides	To provide them with interesting and enjoyable developmental skills so as to actively cultivate brand awareness of our tourism products	Guide tourist taxi operator, business skills in tourism, customer care tourism	Youth, 5 males and 7 females	Dept of Labour (<i>funder</i>) and the municipality as <i>the facilitator and Drum Beat</i> (Service provider):R66,780.00
62 informal traders in Business Management	To help the informal traders to implement the measures that will ensure the growth and competitiveness of their informal business sector.	Meso card methodology	Youth: 17 (F 7) Men: 29 Female: 16	NAMAC TRUST AND THE (DTI)MUNICIPALITY
32 Emerging Contractors trained in building construction	To equip the uncertified builder so that they may filled in all the building tenders	Brick laying Carpenter Plastering Plumbing Electrification	Youth F=7 Males 25	Dept of Labour (<i>funder</i>), Municipality(<i>facilitator</i>) and Unique Training Solution(<i>Service Provider</i>)
10 Emerging entrepreneurs trained in business management	To ensure that they run their businesses professional properly and to meet future challenges of job creation.	Business management in general	Youth Male 5 Female 5	Dept of Labour (<i>funder</i>) The Municipality (<i>Facilitator</i>) Ekurhuleni College (<i>Service Provider</i>)
25 Emerging Contractors trained in tendering regulations	To equip them with tendering processes	Workshop	25 Business people in construction	Dept of Public Works (<i>facilitator</i>) The Municipality (<i>facilitator</i>) Gauteng Shared Services Centre (<i>facilitator</i>)

2.4.2.5. Rating of Service Providers for the 2004/2005 Financial Year

Rating :

1 – Low

Lack in service performance.

2 – Moderate Some Concern	Acceptable performances however room for improvements exist.
3 – Moderate	Acceptable performance with limited problems that are dealt and solve internally to both party's acceptance.
4 – High	Total satisfactory – no room for improvement.

1. Local Economic Development (LED)

Malnor	4
Standout Promotions	4
Illanga Lomzantsi	4
Awuzwe	4
EL Shadai	4
SMX Electrical	1
Jadas	3
Agri – Industrial Equipment	3
Custom Moulders	3
High Performance	4
AFGRI	4
Dr Olivier (VET)	4
Nigel Doors	3
Drum Beat	4
Unique Solutions	4
Ekurhuleni College	4
Elcka Development	4
Timols Sound	4
Agro - Industrial	3

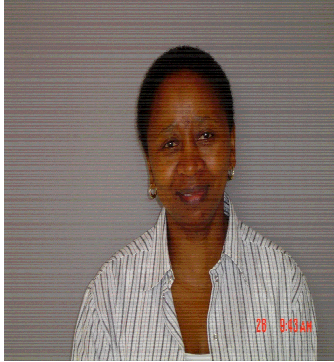
2. Planning and Environment

Zwelisha	4
SCIP	4
Mining Authorization CC	3
Imvelo	3
Strategic Environmental Focus	4
Johan Deetleffs	4
Jack Schubert	4

3. Housing

Khatija Abba	3
Magistrate Court (Heidelberg)	3
Liebenberg Malan	3
Grinaker LTA	3
Tsotetsi Home Builders	3
Gauteng Department Housing	4
YL Timber Town	2
Powerhouse Consortium	4
Xhasa ATC	3
Moutch	4
Semenya Reinforcing	4
Vic Staal	4
Mike Van Wyk Properties	4
Cloten Steel	3
Khutsong Trading	3
Paul Masha Attorney	1
LJ Tsotetsi	4
Velobala Construction	3
Velamofu	3
Phikelela	1
Leeds Construction	4
Vuyisile Construction	3

2.4.3. COMMUNITY SERVICES



Cynthia Mokoena
Executive Manager:
Community Services

The following clusters falls within the competence of the Department of Community Services:

- Municipal Health Services (Environmental Health Services)
- Primary Health Care Services
- Sports, Recreation, Arts and Culture
- Library Services
- Social Services (Welfare)
- Municipal Buildings
- Refuse Removal including Night soil removal
- HIV / AIDS

2.4.3.1. MUNICIPAL HEALTH SERVICES (ENVIRONMENTAL HEALTH SERVICES)

This is a pro-active service, and following services rendered:

- Weekly inspections at council's premises, major food outlets, dairies, butcheries and general businesses.
- Ensure access to safe and clean water
- Ensure provision of safe food
- Ensure the availability of waste removal/dumping services/facilities
- Prevent/control of communicable diseases
- Air quality monitoring/noise pollution control
- Ensure the availability of vector control services
- Prevent environmental pollution
- Disposal of the dead (paupers)
- Inspections/education of pre-schools, day-care centers, day mothers, after schools, playgroups, schools, welfare organizations, NGO'S, CBO'S and informal traders.
- Ensure that all premises comply with the minimum legislative requirements applicable
- Inspection of building plans and initiation schools

2.4.3.2. PRIMARY HEALTH CARE SERVICES

Core free Primary Health care Services are rendered from 3 permanent and two satellite facilities which include the following:

- Anti and Post natal services
- TB (Tuberculosis)
- EPI (Expanded Program Immunization)
- HIV/AIDS
- STD (SEXUALLY Transmitted Diseases)
- Manage and control outbreak of diseases
- Minor ailments
- Geriatric
- Rehabilitative services
- Counseling (VCT Voluntary Counseling Testing; PMTCT Prevention Mother to Child; TOP)
- Oral services
- Mental Health
- Reproductive Health
- IMCI
- Training

Extended hours were implemented at RATANDA clinic two day a week from 16h15 – 19h00

2.4.3.3. SPORTS, RECREATION, ARTS AND CULTURE

- The formation of Lesedi Sports Council
- Formation of Arts, Culture and Heritage Forum
- Promote activities through events on sports, arts and culture
- Create a database, which reflects areas of historical value
- Arrange festivals in line with Provincial/National Government

2.4.3.4. LIBRARY SERVICES

Currently 7 libraries are available to render library and information services to the community. The libraries also assist alleviation of illiteracy by means of literacy programs. All libraries also offer holiday programs to attract mainly school children to the libraries.

2.4.3.5. SOCIAL SERVICES (WELFARE)

Social services are available to the community on a full time basis. Social Services include services such as:

- Screening and evaluation of indigent applications. Approved households receive R86.00 per month
- Programs for the youth and elderly
- Marital problems
- Youth development
- Family and individual Counseling
- Indigent funeral scheme established and implemented in cooperation with the Mayor's office.
- Poverty alleviation by means of self-help projects/programs

Self Help Projects available

Sewing projects: 18 women accommodated in Impumelelo and Ratanda

Detergent manufacturing: 7 jobs created

Carpentry: 12 jobs created-focus on manufacturing of furniture

Coffin Project-Impumelelo-Inqayizivele: 8 jobs created

Windy Windy Paint Manufacturing: 6 jobs created

Zivuseni: This project is coordinated by the Waste section and is plus minus 1600 opportunities crated per annum. (Funded by Province and coordinated by IDT)

2.4.3.6. MUNICIPAL BUILDINGS

The main aim or objective of this section is to provide a clean office environment to the officials and politicians as well as to provide clean and accessible halls to the community.

Objectives for 2004:

- To renovate old Town Hall
- To replace or repair the stage at the Town Hall
- To upgrade the kitchens
- To purchase new curtains
- To provide a toilet for the disabled
- To make the buildings accessible for the whole community(including the disabled)
- To ensure that buildings are cleaned in line with the program developed by council

2.4.3.7. REFUSE REMOVAL INCLUDING NIGHT SOIL REMOVAL

The aim of this service is as follows:

- To provide a clean and safe environment
- Decrease waste generated
- Provision of dumping sites
- Decrease illegal dumping by means of education
- Daily refuse removal services
- Accessible services
- User friendly service
- Cleaning of vacant stands
- Developing of illegal dumping site at Devon/Impumelelo(licensed)

All residents and businesses in Lesedi receive refuse removal services. (Excluding farms and small holdings)

All informal settlements receive night soil removal services. Dry sanitation has been installed at Blue Valley (only a section) and we are busy installing dry sanitation at Impumelelo.

2.4.3.8. COMBATTING HIV/AIDS

Due to the impact of this disease on the socio-economic environment, one professional nurse has been allocated full time to coordinate and develop programs for this service.

The following has been put into place to prevent and coordinate HIV/AIDS:

- Voluntary counseling and testing (VCT&PMCTC) at all clinics.
- Supplementary feeding scheme for HIV/AIDS patients
- Additional support groups have been established
- Integrate support groups with clinics
- Education and awareness campaigns implemented
- Assist support groups obtaining funding
- HIV/AIDS Council established
- HIV/AIDS workplace forum established
- A grant was received from DLG (R460 000.00)
- Lesedi inter-sectoral forum established
- Training:
 - 80 community members attended and completed training in home based care
 - As TB is directly related to HIV/AIDS, 25 community members were trained TB (DOTS)
 - 17 school children were trained in HIV/AIDS counseling
- Other training done:
 - Reach to recovery: 4 Community members attended training and only one candidate did pass the exam
 - Care and Support for cancer patients: 10 Community members attended the training
 - ESTABLISH AIDS FRAIL CARE CENTRE (in process)

Currently there are two multi racial frail care centers in Lesedi. (Silver Akker and Sedaven)

Funding for an AIDS frail care centre has been obtained from the Department of Transport and Public Works to build this centre. Even though this centre will mainly cater for AIDS patients, it will also make provision for terminally ill, bed-ridden patients.

2.4.3.10 General:

1. WARD SUB-HEALTH COMMITTEES:

Nine ward sub-health committees have been established and all the members of the committees were trained.

These committees serve as a link between the clinics, hospital and the community.

2. ALCOHOL DRUG DEPENDENCY PROBLEMS

Department of Community Services took it upon itself to organize stakeholders and formed a committee that will alleviate substance abuse problems amongst learners, educators, workplace-industry and the community. Sanca-Heidelberg was formed and affiliated to the Sanca-National office. Application for funding was made and funds received in 2002 from Gauteng Department of Social Services and the United Office on Drug & Crime Prevention. (UNIODCP)

A fully-fledged office is opened to the community. Free services rendered 5 days a week.

Professionals like 3 social workers, a cleaner, and 3 youth peer counselors are employed on a full time basis. Approximately 50 patients a month are receiving counseling.

Referral to Rehabilitation centers is done where a need arises.

3. DELIVERY OF FOOD SECURITY

Ventures are also underway to promote Urban and Rural Agriculture Development by way of encouraging food security, income generation and job creation. The 2003/ 2004 financial year has made an allocation to boost agriculture development in previously disadvantaged areas of Ratanda, Jameson Park, Vischkuil and Devon. Efforts are underway to draw in the private sector in this regard. On the same breadth an amount of R150 000 has been allocated in the 2003 / 2004 budget to develop a business plan for the infrastructure for informal traders. The business plan will be used for the IDP and future budget process. Self-help facilities, which encourage skills development are in place in Ratanda where trades in the sewing, household detergents manufacturing and leatherwork are on course. Another similar project under the banner of Ingqayizivele Development Programme is in place in Devon. Numerous projects are housed by the Resource Centre that was funded by the Department of Social Services and Population Development, the erstwhile Devon Rural Local Authority, Department of Transport and Public Works and the Department of Labour namely sewing, brick making, carpentry, household detergents manufacturing and a bakery, which projects are still ongoing.

4. BUILDING LOCAL DEMOCRACY

The Lesedi Local Municipality was established as a Category B Municipality as determined by the Demarcation Board in terms of section 4 of the Municipal Structures Act, with a collective executive system combined with a ward participatory system.

The Lesedi Local Municipality consists of 21 Councilors as determined in the Provincial General Notice No 2183 dated 9 May 2000 of whom:

- a) 10 are proportionally elected Councilors; and
- b) 11 are Ward Councilors.

The Municipality consists of 11 wards with boundaries as set out in the Provincial General Notice No 3689 dated 8 June 2000.

5. DECISION MAKING MODEL

With the inception of the Executive Mayoral system at the council, committees established i.r.o. section 80 of the Local Government: Municipal Structures Act, 1998 operate on the basis of the various portfolios in the Mayoral Committee and are thus the following:

- ❑ Finance and Administration Committee
- ❑ Development Planning Committee
- ❑ Engineering Services Committee
- ❑ Community Services and Safety Committee

It also needs to be mentioned that Ward Committees were established for all 11 wards of the Municipality in terms of section 73 of the Local Government: Municipal Structures Act, 1998, to encourage and develop public participation in the affairs of the Municipality.

In addition to the above the following ad-hoc committee is operational and serves to assist in decision-making:

- ❑ Accident Committee;
- ❑ Audit Committee;
- ❑ Tender Committee; and
- ❑ Local Labour Forum.

The decision making process is currently structured as follows and it is to a great extent dependant on community participation:

- ❑ Ward Committees;
- ❑ Committees in terms of section 80 of the said Act;
- ❑ Mayoral Committee / Executive Mayor; and
- ❑ The Council.

6. DELEGATION SYSTEM

Section 59 of the Local Government: Municipal Systems Act 2000 provides that: "A Municipal Council has developed a system of delegation that is maximizing administrative and operational efficiency and provide for adequate checks and balances".

A system of delegation that was developed by the former Heidelberg Town Council is currently still in use, but the process to develop a system of delegations that is in line with current relevant legislation and suitable for a Mayoral Executive System combined with a ward participatory system is currently unfolding.

7. MUNICIPAL CODE

In terms of section 15 of the Local Government: Municipal Systems Act, 2000: "A Municipality must compile and maintain in bound or loose – leave form and when feasible also in electronic format, a compilation of all its by-laws, including any provisions incorporated by reference as by-laws of the Municipality".

The said Act further stipulates that the compilation to be known as the municipal code must be:

- a) Constantly updated and annotated; and
- b) Kept at the Municipality's head office as the Municipality's official record of all applicable by-laws.

The Lesedi Local Municipality as successor in law of the disestablished Municipalities that it replaced is in the process of reviewing the by-laws developed by these Municipalities to bring it in line with the current political ethos and context of the Municipality.

2.4.4. SAFETY AND SECURITY

2.4.4.1.

DEVELOPMENT OF THE CRIME PREVENTION STRATEGY.



Allen Taho
Executive Manager:
Safety and Security

Crime affects the quality of life of every South African. Reducing crime and building safer communities is therefore a priority to all of us in this beautiful province.

To make this happen, Crime Prevention was initiated at community level. Because crime occurs at the local level, it was necessary for local government to initiate action and engage with other levels. Crime is a deterrent to effective service delivery.

The Safety and Security Department has, in recognition of challenges faced by the Municipality dedicated itself to Develop the local Crime Prevention Strategy as an operational strategy for the processes of implementation and co ordinations of the NCPS activities within Lesedi Local Municipality. We have developed this Vehicle and begun the consultation process to ensure sustainability, buy in and impact of the strategy.

Mbeva Holdings was appointed to help Lesedi with the development of the Crime Prevention Strategy.

The formulation of the Crime Prevention Strategy for Lesedi Local Municipality was informed by legislative framework. Subsequent to that Numerous Strategic Workshops were held in Ratanda, Heidelberg, Visckuil and Devon. The Proposed programmes and projects were as a result of depth input by structures in Lesedi Local Municipality, the officials of Lesedi and Sedibeng, Business sector and the broader community representatives. Focus groups and interviews were used to elicit crime prevention issues that are detailed in the document, all these endeavors culminated to the delivery of the Crime Prevention Strategy Document on 15th July 2005. Council adopted the Crime Prevention Document. Implementation of the strategy is however on going and will be in effect on continuous basis.

2.4.4.2. INTEGRATED DEVELOPMENT PLANNING

The Lesedi IDP was prepared in terms of the Municipal Systems Act, 2000, and is a single, inclusive and strategic plan for further development in the municipality during the rest of the current term of office of the Council. It thus covers the 2003/4, 2004/5 and 2006/7 financial years.

2.4.4.3. TEN PRIORITY ISSUES ON LESEDI IDP

1. High levels of poverty and unemployment
2. Inadequate Infrastructural and transport services to previously disadvantaged and rural areas.
3. Inadequate Health, Social and Environmental Services as well as a lack of Youth Development, Entrepreneurial and Skills Training Facilities.
4. Inadequate Safety, Security and Emergency Services.
5. Housing backlog and the proliferation of informal settlements.
6. Landlessness.
7. Lack of funds and inadequate municipal income.
8. Need for institutional capacitating.
9. Inadequate development facilitation and control measures.
10. Lack of urban amenities in Ratanda, Impumelelo and other areas.

2.4.4.4. CORE STRATEGIES IDENTIFIED:

- Improve and provide services that are: cost effective; efficient; immediately available; sustainable and affordable to the community in such a manner that accessibility is a key function thereof;

- ❑ Empower the human resource component to the extent that productivity will be a continuous benchmark to be improved and monitored to ensure efficiency;
- ❑ Determine and analyze community needs through the various mechanisms in order to ensure client/community satisfaction;
- ❑ Facilitate growth and development of the area of jurisdiction to improve the quality of life of all inhabitants of the area;
- ❑ Commitment to excellence;
- ❑ Good governance; and
- ❑ Create financial viability.

All the projects are derived from the Integrated Development Plan of the Council, which is annually reviewed. In 2005 a total of 214 projects were undertaken to address the 10 priority issues. In 2004 all these projects were reviewed in terms of progress, future expected funding and their continued relevance in terms of addressing priority issues. The 2004 IDP project list consists of a total of 211 projects requiring a capital expenditure of approximately R349 million until the end of 2006/7 financial year. All the projects were listed on the basis of the most urgent needs in Lesedi. Should funding not be forthcoming, the Council will do further prioritization.

The main factors that were considered when the selection was done included the following:

- ❑ **STRATEGIC DIRECTION:** sectoral strategic guidelines and strategies pertaining to priority issues suggested certain projects;
- ❑ **NEEDS EXPRESSED BY COMMUNITIES AND OTHER ROLE PLAYERS:** most projects, which were selected, are in response to needs expressed by local communities in the area;
- ❑ **GRANT FUNDING** all projects for which grant funding have already been secured were included in the IDP;
- ❑ **CONTINUITY:** many capital projects run for more that one-year and they have been included in the Service Delivery strategy of the Council; and
- ❑ **THE EQUITY PRINCIPLE:** the need to balance the capital budget between upliftment of previously disadvantaged areas and the maintenance of established area is highly considered.

2.4.4.5. BUILDING ACCOUNTABILITY

1. Municipal Code

In terms of section 15 of the Local Government: Municipal Systems Act, 2000: “A Municipality must compile and maintain in bound or loose – leave form and when feasible also in electronic format, a compilation of all its by-laws, including any provisions incorporated by reference as by-laws of the Municipality”.

The said Act further stipulates that the compilation to be known as the municipal code, must be:

- a) Constantly updated and annotated; and
- b) Kept at the Municipality’s head office as the Municipality’s official record of all applicable by-laws.

The Lesedi Local Municipality as successor in law of the disestablished Municipalities that it replaced is in the process of reviewing the by-laws developed by these Municipalities to bring it in line with the current political ethos and context of the Municipality.

2. Institutional Development

A new office building to house the entire administration of the Municipality was constructed in 2002 to a total amount of approximately R25 million. In addition a custom designed telephone system was installed in the new building to improve communication internally and externally.

The following pay points are in operation in the outlying (rural areas) of the Municipality to ensure

that residents in these areas have adequate access to the affairs of the Municipality:

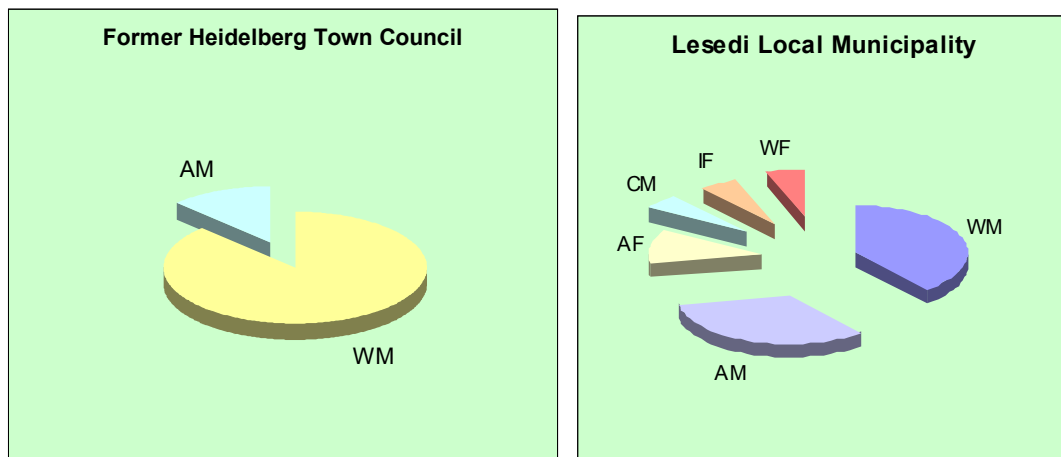
- Jameson Park;
- Devon / Impumelelo;
- Blesbokspruit;
- Vischkuil / Endicott; and
- Ratanda.

2.4.5. SUPPORT SERVICES



Hendrik Brits
Executive Manager:
Support Services

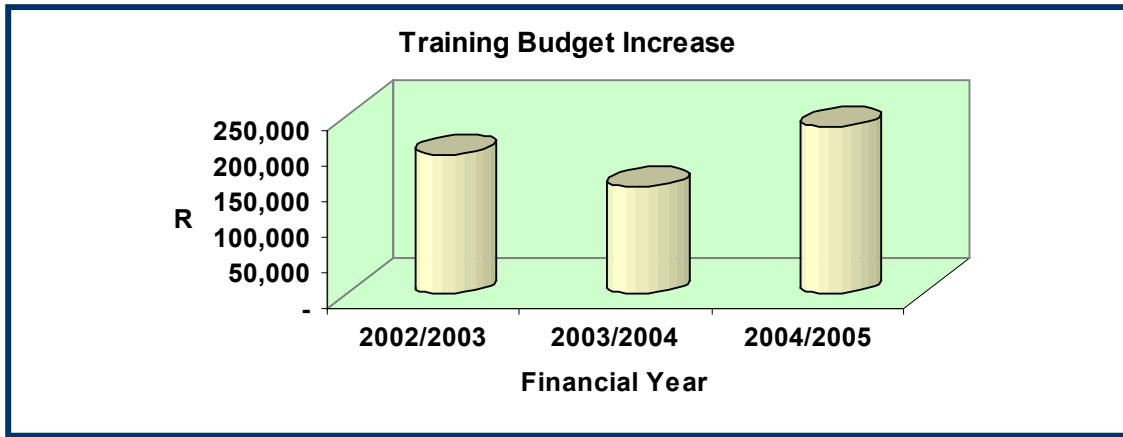
The former Heidelberg Town Council had 7 White males in post levels 0 and with 1 African female in a management level. The new structure has now been transformed into 3 African males, 3 White males and 1 African female on post level 0 and 1 (*Municipal Manager and Executive Managers*). The Managers on a post level 2 now comprises of 3 African males, 1 African female, 1 Colored male, 1 Indian female, 2 White females, and 3 White males.



The 5 years Employment Equity Plan for this Council has endeavoured to reach equal numbers in a 33.3% for black males, 33.3% white males and 33.3% females. It is thus fairly obvious that through the Transfer, Migration and Placement Process these targets have just about been met.

The Local Labour Forum has also been established in 2001 and has formed an integral part of all the processes followed for the drawing up of the Employment Equity Plan as well as the Workplace Skills Plans. The approval of the Transfer, Migration and Placement Policy document is believed to have contributed to the amicable manner in which management and labour coincide with each other.

Lesedi Local Municipality has been contributing the relevant levies in terms of the skills development act and levies have been recovered in this regard. Accredited service providers presented extensive training and the Council should therefore receive back all the relevant levies as prescribed in the various grants. Furthermore 25% of the 250 elementary workers have been enrolled on two ABET Programmes to improve their literacy and productivity levels.



Regarding the Performance Management System, the Council can report that a framework has been adopted. The Municipal Manager has in terms of the relevant sections of the Municipal Systems Act been delegated the responsibility of PMS within the Council. The HR Manager will manage the process.

The Council has purchased a software package based on the Balanced Scorecard system to an amount of ±R45 000. The Executive Managers, Municipal Manager and HR Section have received training and it is anticipated that the relevant info for the Executive Managers was captured and submitted in the quarterly report during March 2005. All Executive Managers are responsible for the measuring of their relevant staff's performance until the PMS has cascaded down to the lowest level. The Municipal Manager will measure the Executive Managers' performance and new performance agreements were entered into with all relevant section 57 employees.

2.4.3.9. PRIVATE PROVIDERS

Rating : 1 – Low
2 – Moderate Some Concern
3 – Moderate
4 – High

2.4.3.9.1. CORPORATE & LEGAL SERVICES

<u>Name of Service Provider</u>	<u>Rating</u>
Khatija Abba Attorneys	3
Quidity	3
Pitney Bowes	3
Toshiba Vaal	4
Du Toit, Very & Panthers	4
Minolta	3
Hymax	3
All Round Stationers	4
Wernel	4

2.4.3.9.2. HUMAN RESOURCES SECTION

<u>Name of Service Provider</u>	<u>Rating</u>
Media Works	4
George Nene & Associates	1
Mamela Pro - Training	4
Megro Myeni Learning	4
Execu Training	2
ICL / Fujitsu	4

University of Pretoria	4
Payday	3
Traffic College	4
Bruniquel & Associates	4
Tswinyane Adult Centre	4
Labour Law Management Consultants	4

2.4.3.9.3. IT SECTION

<u>Name of Service Provider</u>	<u>Rating</u>
ICL / Fujitsu	3
Business Connexion	4
BC Computer Service	3
Eclipse Networks	3
UCS Software	4
Mailing and Mechanisation	4
Combined Systems	4
Payday	4
MWEB BUSINESS	4
QKON	4
Marnic Computers	4
Conlog	4
Printegration	4
Telkom	3
Pricewaterhouse Coopers	4
ABSA	4
ManMud	4
Hymax	3
SALGA	3
SITA	4
Trekscale	4
Wernel	4

CHAPTER 3: HUMAN RESOURCE AND OTHER ORGANISATIONAL MANAGEMENT

3.1. STAFFING

3.1.1. EMPLOYEE PROFILE

The total number of **employees** (including employees with disabilities) in each of the following **Occupational categories** are:

Occupational Categories	Male				Female				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	6	1	0	6	3	0	1	1	18
Professionals	1	0	0	2	14	0	0	7	24

Occupational Categories	Male				Female				TOTAL
Technicians and associate professionals	9	1	0	12	5	0	0	5	32
Clerks	7	1	0	3	26	0	0	12	49
Service and sales workers	17	2	0	11	9	0	0	0	39
Skilled agricultural and fishery workers	0	0	0	1	0	0	0	0	1
Craft and related trades workers	6	0	0	5	0	0	0	0	11
Plant and machine operators and assemblers	4	0	0	2	0	0	0	0	6
Elementary occupations	228	0	0	4	30	1	0	0	263
TOTAL PERMANENT	278	5	0	46	87	1	1	25	443
Non – permanent employees	9	1	0	8	3	0	0	2	23
TOTAL	287	6	0	54	90	1	1	27	466

The total number of **employees with disabilities** in each of the following occupational categories:

Occupational Categories	Male				Female				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	0	0	0	1	0	0	0	0	1
Professionals	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	0	0	0	0	0	0	0	1	1
Clerks	1	0	0	0	0	0	0	0	1
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agricultural and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	2	0	0	0	0	0	0	0	2
TOTAL PERMANENT	3	0	0	1	0	0	0	1	5
Non – permanent employees	0	0	0	0	0	0	0	0	0
TOTAL	3	0	0	1	0	0	0	1	5

Termination: (report the total number of terminations in each occupational level during the twelve months preceding this report)

Occupational Levels	Male				Female				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	1	0	0	0	0	0	0	0	1
Senior management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	1	1	0	0	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	3	0	0	1	0	0	0	0	4
Semi-skilled and discretionary decision making	8	0	0	3	1	0	0	0	12
Unskilled and defined decision making	10	0	0	0	2	0	0	0	12
TOTAL PERMANENT	22	0	0	5	4	0	0	0	31

People with disabilities	0	0	0	0	0	0	0	0	0
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Termination categories: (report the total number of terminations in each category during the twelve months preceding this report)

Terminations	Male				Female				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Resignation	5	0	0	5	0	0	0	0	10
Non-renewal of contract	0	0	0	0	0	0	0	0	0
Dismissal – Operational requirements (retired)	7	0	0	0	3	0	0	0	10
Dismissal - misconduct	2	0	0	0	0	0	0	0	2
Dismissal – incapacity(health)	1	0	0	0	1	0	0	0	2
Death	7	0	0	0	0	0	0	0	7
Total	22	0	0	5	4	0	0	0	31

Training: (report the total number of people who received training in each occupational category during the twelve months preceding this report)

Occupational Categories	Male	Female	TOTAL						TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	7	2	0	10	5	0	3	0	27
Professionals	5	0	0	4	13	0	0	5	27
Technicians and associate professionals	9	0	0	1	6	0	0	0	16
Clerks	1	1	0	3	21	0	0	12	38
Service and sales workers	0	0	0	0	2	0	0	0	6
Skilled agricultural and fishery workers	0	0	0	0	0	0	0	0	0

Occupational Categories	Male	Female	TOTAL									
	African	Coloured	Indian	White	African	Coloured	Indian	White	TOTAL			
Craft and related trades workers	0	0	0	0	0	0	0	0	4			
Plant and machine operators and assemblers	1	0	0	0	0	0	0	0	1			
Elementary occupations	31	0	0	0	0	0	0	0	19			
TOTAL PERMANENT	54	3	0	18	50	0	3	17	145			
Non – permanent employees	0	0	0	1	0	0	0	0	1			
TOTAL	54	3	0	18	50	0	3	17	145			

We moved from a predominantly white municipality to a more representative municipality although some discrepancies are still experienced we are in the process of eliminating them slowly but surely to adhere to all legislative aspects.

We also focus for the future to employ more employees with disabilities on different levels more equally distributed under race. We also focus on decreasing our turnover rate by putting certain motivational factors in place.

We are also in the process of enhancing our gender equity by focusing on women and their empowerment, HIV/AIDS and Youth Projects.

3.1.2. Awareness of Employment Equity

We have the following awareness measures in place:

	Yes	No
Formal written communication	X	
Policy statement includes reference to employment equity	X	
Summary of the Act displayed	X	
Employment Equity training	X	
Diversity management programmes (In process)		X
Discrimination awareness programmes (In process)		X
Other (please specify):		
* In process of being developed		

3.1.3. Consultation

The following stakeholders were involved in the consultation process prior to the development of our employment equity plan:

	Yes	No
Workplace forum	X	
Consultative body or forum	X	
Registered trade union (s)	X	
Employees		X
Other (Please specify):		

3.1.4. Analysis

The following categories of employment policy and/or practices and/or **barriers** to employment equity were identified:

Categories	Yes	No	If yes, specify
Recruitment procedures	X		On lower levels of Council whites don't apply, making it difficult to reach a 33% white males and females.
Advertising positions	X		Is properly done
Selection criteria	X		Fair process at this stage
Appointments	X		Political intervention against legislation
Job classification and grading	X		PJEC is part of it
Remuneration and benefits	X		Must be investigated
Terms and conditions of employment	X		In Process of revising
Job assignments	X		Being revised
Work environment and facilities	X		Being revised
Training and development	X		Being revised,
Performance and evaluation systems	X		Partially implemented
Promotions		X	To flat structure must revisit organogram
Transfers		X	Too few posts
Demotions		X	None, policy to be established
Succession and experience planning		X	None yet, to be put in place future
Disciplinary measures	X		Proper policy must be implemented
Dismissals	X		Very few, policy in revision
Corporate culture		X	To be reviewed
HIV/Aids education and prevention programme		X	In process
Other (please specify):		X	Gender in process

3.1.4.1. Employment Equity Plan:

The following categories of **affirmative action measures** have been implemented:

Categories	Yes	No	If yes, specify
Recruitment procedures	X		Designated groups receive preference in line with the EE plan targets
Advertising positions		X	In line with the EE Plan
Selection criteria	X		Designated groups receive preference in line with the EE plan targets
Appointments	X		Designated groups receive preference in line with the EE plan targets

Job classification and grading		X	
Remuneration and benefits	X		Discrepancies are being identified through the process of JOB EVALUATION
Terms and conditions of employment	X		New COS have been implemented
Job assignments		X	
Work environment and facilities	X		Access
Training and development	X		WSP is currently being implemented
Performance and evaluation systems	X		Partially implemented
Setting numerical goals		X	Goals set according to 33% white males, 33% black males and women as per EE plan
Promotions		X	
Transfers		X	
Demotions		X	
Succession and experience planning		X	
Disciplinary measures		X	
Diversity programme and sensitisation		X	
Community investment and bridging programme		X	
Retention measures		X	
Reasonable accommodation		X	

3.1.4.2. Employment Equity Plan:

The following categories **affirmative action measures** have been implemented:

Categories	Yes	No	If yes, specify
Recruitment procedures	X		Designated groups receive preference in line with the EE plan targets
Advertising positions		X	In line with the EE Plan
Selection criteria	X		Designated groups receive preference in line with the EE plan targets
Appointments	X		Designated groups receive preference in line with the EE plan targets
Job classification and grading		X	
Remuneration and benefits	X		Discrepancies are being identified through the process of JOB EVALUATION
Terms and conditions of employment	X		New COS have been implemented
Job assignments		X	
Work environment and facilities	X		Access
Training and development	X		WSP is currently being implemented

Performance and evaluation systems	X		Partially implemented
Setting numerical goals		X	Goals set according to 33% white males, 33% black males and women as per EE plan
Promotions		X	
Transfers		X	
Demotions		X	
Succession and experience planning		X	
Disciplinary measures		X	
Diversity programme and sensitisation		X	
Community investment and bridging programme		X	
Retention measures		X	
Reasonable accommodation		X	
Other (please specify):		X	

Obstacles to the employment equity goals and objectives during the past year	Applications for employment from racial groups that are in targeted employment categories are not forthcoming, hence making it difficult to reach the envisaged targets.
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Lesedi's main aim is to adhere to all legislative requirements although we have a shortage of manpower and high turnover rate we are in the process of addressing such minor discrepancies and to align ourselves parallel to it to adhere to all legislative measures and requirements

3.1.5. NUMBER OF PENSION FUNDS - SIX (6)

- Joint Municipal Employees Pension Fund
- Municipal Gratuity Fund
- Municipal Employees Pension Fund
- Germiston Pension Fund
- South African Municipal Workers Union Pension Fund
- South African Local Authority Pension Fund

3.1.6. NUMBER OF MEDICAL AID FUNDS – SIX (6)

- Bonitas
- Munimed
- SAMWU – Med
- LA Health
- Global Health
- Hosmed

This Council honors all responsibilities. The only risk with regards to pension funds is with regards to the SALA pension fund where the Council has to address any shortages after actuarial valuation. The only future liability for medical aid funds is the future contribution to membership fees of pensioners.

3.1.7.

SENIOR OFFICIALS SALARIES REPORT								
2004/2005								
DESCRIPTION	MUNICIPAL MANAGER	CFO	EXECUTIVE MANAGER :	EXECUTIVE MANAGER :	EXECUTIVE MANAGER :	EXECUTIVE MANAGER :	EXECUTIVE MANAGER	TOTAL
			ENGINEERING	SUPPORT SERVICES	COMMUNITY SERVICES	DEVELOPMENT & PLANNING	SAFETY & SECURITY	
Salaries	270,048	245,645	245,645	245,645	245,645	245,645	245,645	1,743,915
Bonus	28,588	-	-	17,945	31,818	-	14,305	92,657
Housing	6,792	-	-	-	-	-	-	6,792
Pension	59,410	54,042	54,042	54,042	54,042	54,042	54,042	383,661
UIF	1,060	1,060	1,060	1,060	1,060	1,060	1,060	7,422
Medical	25,032	25,032	25,032	25,032	16,072	7,494	17,755	141,449
Group	5,401	4,913	4,913	4,913	-	4,913	4,913	29,965
Cell phone	-	-	-	5,400	5,400	-	-	10,800
Traveling Allowance	108,259	103,345	103,345	80,000	80,000	120,884	96,317	692,151
TOTAL	504,591	434,037	434,037	434,037	434,037	434,037	434,037	3,108,813

3.1.8

COUNCILLOR'S SALARIES: FY 2004/2005									
Name	Salaries	Contributions		Allowances		Housing	Cell Phones allow.	Sitting	Total
		Pensions	Medical Aid	Traveling	Office				
Exec Mayor	181,127	27,169	12,168	45,282	-	36,167	12,810	-	314,723
Speaker	144,901	21,735	12,168	36,225	-	36,167	12,810	-	264,006
Mayoral Committee	76,707	-	-	19,177	-	-	8,006	-	103,891
Mayoral Committee	76,707	11,506	12,168	19,177	-	-	8,006	-	127,565
Mayoral Committee	76,707	11,506	12,168	19,177	-	-	8,006	-	127,565
Mayoral Committee	76,707	11,506	12,168	19,177	-	-	8,006	-	127,565
Councilor	40,911	6,137	12,168	10,228	3,156	-	8,006	-	80,606
Councilor	40,911	6,137	-	10,228	3,156	-	8,006	-	68,438
Councilor	40,911	6,137	12,168	10,228	3,156	-	8,006	-	80,606
Councilor	-	-	-	-	-	-	-	9,486	9,486
Councilor	40,911	6,137	-	10,228	3,156	-	8,006	-	68,438

COUNCILLOR'S SALARIES: FY 2004/2005									
Name	Salaries	Contributions		Allowances		Housing	Cell	Sitting	Total
Councillor	40,911	6,137	-	10,228	3,156	-	8,006	-	68,438
Councillor	40,911	6,137	-	10,228	3,156	-	8,006	-	68,438
Councillor	40,911	6,137	12,168	10,228	3,156	-	8,006	-	80,606
Councillor	40,911	6,137	-	10,228	3,156	-	8,006	-	68,438
Councillor	40,911	6,137	12,168	10,228	3,156	-	8,006	-	80,606
Councillor	40,911	-	-	10,228	3,156	-	8,006	-	62,301
Councillor	40,911	6,137	-	10,228	3,156	-	8,006	-	68,438
Councillor	40,911	-	12,168	10,228	-	-	-	-	63,307
Councillor	40,911	6,137	-	10,228	3,156	-	8,006	-	68,438
Councillor	40,911	6,137	12,168	10,228	3,156	-	8,006	-	80,606
	1,205,610	157,066	133,848	301,407	41,028	72,334	161,726	9,486	2,082,506

3.1.9. AGE ANALYSIS OF OUTSTANDING AMOUNTS OF STAFF 90 DAYS AND LONGER

The following staff members outstanding for longer than 90 days have signed agreements with the Council and debit orders were instituted to collect amounts in arrear.

DEBTOR	90 DAYS	120 DAYS	120 DAYS +	TOTAL
1237718	164.33	147.09	1,029.42	1,340.84
1254689	157.73	149.22	328.27	635.22
1286183	171.86	63.83	0.00	235.69
1286507	99.05	0.00	0.00	99.05
300759	128.64	0.00	0.00	128.64
314590	335.35	499.86	9,222.29	10,057.50
317784	372.57	388.83	182.03	943.43
328338	395.90	492.88	6,990.44	7,879.22
337861	134.96	133.08	142.01	410.05
428491	159.49	159.88	783.55	1,102.92
428861	153.31	158.29	45.73	357.33
429488	16.41	0.00	0.00	16.41
434505	33.70	0.00	5629.40	5663.10
437062	185.14	226.69	4732.89	5,144.72
460199	143.07	153.59	85.99	382.65
483171	160.61	27.71	0.00	188.32
487546	206.64	270.81	5755.16	6,232.61
1082052	56.42	0.00	0.00	56.42

<u>DEBTOR</u>	<u>90 DAYS</u>	<u>120 DAYS</u>	<u>120 DAYS +</u>	<u>TOTAL</u>
1086233	138.55	193.97	2027.39	2,359.91
1226650	455.67	0.00	0.00	455.67
TOTAL	3,669.40	3,065.73	36,954.57	43,689.70

CHAPTER 4: AUDITED STATEMENTS AND RELATED FINANCIAL INFORMATION

4.1. QUARTERLY GRANTS RECEIVED & PAYMENTS 2004/2005										
GRANT DETAILS	AMOUNT RECEIVED AND SPENT EACH QUARTER									
	01 Jul 2004 to 30 Sep 2004		01 Oct 2004 to 31 Dec 2004		01 Jan 2005 to 31 Mar 2005		01 Apr 2005 to 30 Jun 2005		TOTAL RAND	
	Received	Expenditure	Received	Expenditure	Received	Expenditure	Received	Expenditure	Received	Expenditure
1. Capital:										
MIG	800,000	1,943,073	1,330,000	2,032,518	0	1,404,201	1,254,699	4,056,281	3,384,699	9,436,073
Community Grants	1,195,581	1,413,534	6,500,000	1,947,629	400,000	169,811	0	983,571	8,095,581	4,514,545
Other Grants	0	0	0	0	0	4,805	0	29,109	0	33,914
2. Equitable Share Grant	2,514,047	879,752	0	937,956	5,028,094	948,818	331,028	1,861,665	7,873,169	4,628,190
3. Health & Clinics Grant	0	909,341	576,212	1,039,104	1,099,501	1,130,762	1,077,397	984,415	2,753,110	4,063,621
4. Munic Support Impro Grant	0	100	241,371	679	0	72,434	14,293	314,020	255,664	387,233
5. FMG	155,136	38,784	0	38,784	0	96,422	0	67,892	155,136	241,882
6.HIV Grants	0	543	0	6,559	0	2,259	200,000	54,172	200,000	63,534
7.HIV Grants: Funerals	0	5,658	0	2,800	0	0	30,000	0	30,000	8,458
8.Lotto Greening Projects	0	0	0	0	0	16,665	99,782	83,117	99,782	99,782
9.Fire Service Control Center	0	0	0	0	0	0	385,197		385,197	0
TOTAL	4,664,764	5,190,785	8,647,583	6,006,029	6,527,595	3,846,177	3,392,396	8,434,242	23,232,338	23,477,233

Attached is the following documentation:

1. Audited financial statements Annexure A
2. Chapter 5: Functional Area Service Delivery Reporting Annexure B