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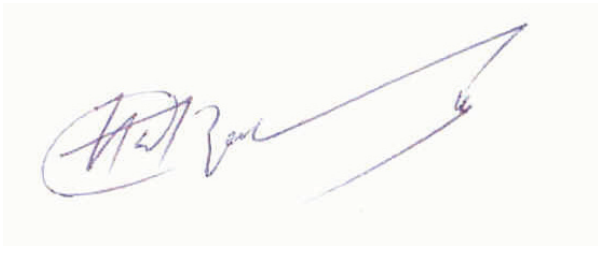
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## **1. GENERAL INFORMATION**

### **1.1 Submission of the annual report to the executive authority**

I hereby submit the 2008/2009 Annual Report of the Department of Local Government and Housing in fulfilment of the requirements of the Public Finance Management Act of 1999.

A handwritten signature in blue ink, appearing to read 'Kopung Ralikhontsane', is written over a horizontal line. The signature is stylized and cursive.

**KOPUNG RALIKONTSANE**

**31 August 2009**

## 1.2 Introduction by the Head of the Department



The mandate of the Department of Local Government and Housing is to ensure provision of infrastructure, shelter and basic services to the people of the Free State. In addition, the department has a constitutional mandate, particularly section 155(6)(b) that places responsibility on the part of provincial government to device measures that promote the development of, and enhancement of local government capacity to perform their functions and manage their own affairs.

Consistent with the constitutional mandate of supporting municipalities in discharging their responsibilities, the department is duty-bound to device measures (that include support interventions and resources) to ensure that municipalities have the capacity to meet the aforementioned challenges.

Research intended for planning for housing, spatial planning, land development and land management in support of policy formulation, and also assist and capacitate municipalities for their own planning is undertaken internally. Regional planning and development in terms of Schedule 5 of the Constitution and as described in the Land Use Management Bill: Chapter 3, where spatial development planning by district or a particular area larger than a local municipal area should be undertaken for the more effective utilization of resources.

Physical infrastructure installation through Municipal Infrastructure Grant (MIG), a labour intensive programme meant for the creation of employment, is one of the core services rendered by the department. The department assisted municipalities in the acceleration of the Municipal Infrastructure Grant (MIG) expenditure of which an amount of R385.8 million out of the total allocated Municipal Infrastructure Grant (MIG) of R595 million was spent at the end of the 2008/2009 financial year. This represents 64.8% expenditure of which 8% of the Municipal Infrastructure Grant was spent on water, 40.3% on sanitation, 11% on roads and storm water, 2% on the Project Management Units and 3.5% on other infrastructure projects such as fire fighting, street and community lighting, community facilities and solid waste. The balance of R209.2 million will be spent before the end of the Municipal Financial Year at the end of June 2009. To meet these challenges, the department deployed 11 technical experts to 10 municipalities, and two engineers were deployed to further assist seven municipalities through the Siyenza Manje programme.

All bucket eradication projects were completed in the Fezile Dabi District. Municipalities which did not complete the project include Mohokare, Mantsopa, Masilonyana, Tokologo, Tswelopele, Majthabeng, Nala, Setsoto and Nketoana.

Inter-Governmental relations were strengthened through the establishment of Provincial Inter-Governmental Relations (IGR) structures in the five districts. The Disaster Management Contingency Plans related to the different sectors has been coordinated and facilitated in preparation for the 2010 FIFA World Cup.

In line with the Provincial Spatial Development Framework, five District Spatial Development Frameworks were developed. The department also completed the Local Economic Capacity assessment in all municipalities and provided support to municipalities through the establishment of four District Local Economic Development (LED) forums, to monitor progress on the implementation of the Provincial Local Economic Development Framework.

The department ensured that the Integrated Development Plans (IDPs) of five district and 20 Local Municipalities were aligned with the Free State Growth and Development Strategy (FSGDS).

With regard to the implementation of policies and guidelines on Traditional Institutional Arrangements, the Provincial and Local Houses Bill has been developed and submitted to the Legislature. As part of capacity building, traditional leaders received training on the induction programme for the House of Traditional Affairs. The department completed 13 854 housing units. A total number of 3 700 units were enrolled with the National Home Builder's Registration Council (NHBRC)

The Federation of the Urban and Rural Poor (FEDUP) was allocated 200 subsidies of which 50 subsidies were spread among the following municipalities: Moqhaka Municipality, Nala Municipality, Matjhabeng Municipality and Maluti-a-Phofung Municipality. In order to promote spatial restructuring and integration of low cost housing in the province, the department managed to acquire a total of four well located land parcels to the value of R12.35 million.

In its attempt to restore the dignity of our people, especially the marginalised communities, the department initiated an off-farm housing project in Viljoenskroon that would improve the lives of 300 families. To this end, a total of 198 units were completed during the 2008/2009 financial year. Rural projects were also undertaken in respect of which 1 100 housing units in the rural areas of Qwa-Qwa and Thaba Nchu have been built.

The department understand the importance of empowering women, and to this end 10 women contractors were allocated 3 000 subsidies for 3 years and 2 000 housing units were completed. The remaining 1 000 will be finalized in the current financial year. The success of this project was realized due to the continuous mentoring that was provided to these women.



**KOPUNG RALIKONTSANE**

**31 August 2009**

### 1.3 Information on the Ministry

The responsibility of the Ministry is to oversee the implementation of the mandate of the Department of Local Government and Housing. The main two policies implemented and monitored in the year under review were, the Breaking New Ground Policy for housing, and the 5-Year Local Government Strategic Agenda for local government programmes.

The following were among the structures that the MEC participated in for the year under review: Economic Growth, Development and Employment Cluster; Justice and Crime Prevention Cluster; Social and Human Development Cluster and Efficient Governance and Administration Cluster. Also of important to the performance of the MEC was the participation in MECLOGA, a forum for the Member of Executive Council for local government and mayors in the province.

Also under the control of the MEC were the following institutions: The Townships Board; The Housing Advisory Council and The Rental Tribunal.

For the year under review the MEC accompanied the Premier of the Free State Province together with some mayors and other members of the executive council to China on a mission of strengthening the province's relations with the government of China and marketing the province for investment purposes.

### 1.4 Mission Statement

The department will strengthen and monitor local governance towards accelerated, quality service delivery.

### 1.1 Legislative Mandate

The Constitution of the Republic of South Africa 1996	The Constitution redefined local government as a sphere of government that is distinctive from, yet interdependent and inter-related with provincial and national government. Importantly, the Constitution conferred developmental duties to local government.
Public Finance Management Act No. 1 of 1999 (as amended by the Public Finance Management Amendment Act No. 29 of 1999)	To regulate financial management in the national and provincial governments; to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; to provide for the responsibility of persons entrusted with financial management in those governments; and provide for matters connected therewith.
Division of Revenue Act of 2004	To provide for the equitable division of revenue raised nationally among the national, provincial and local spheres of government for the 2002/2003 financial year; to provide for reporting requirements for allocations pursuant to such divisions; to provide for the withholding and the delaying of payments; to provide for liability for cost incurred in litigation in violation of the principles of co-operative governance and intergovernmental relations; and to provide for matters connected therewith.

Conversion of Certain Rights into Leaseholds or Ownership Act No. 81 of 1988	This Act provides for the conversion of certain rights of occupation issued to a holder of a site situated in a township whether such township has been formalized or not- established under the now revoked Black Communities Act 4 of 1984, into leasehold or ownership. The Act therefore makes provision for the determination of affected sites or persons; an inquiry into affected sites; grievance (appeal) procedures; and the issuing of leaseholds or transfer of ownership.
Black Communities Development Act No. 4 of 1984	The Act was repealed save for Chapter 6 and the Regulations thereto. As will appear from the above paragraph, this Act is the principal Act 81 of 1988 and makes provision for the designation of certain areas as development areas and makes provision for township establishment.
Upgrading of Land Tenure Rights Act No. 112 of 1991	This Act makes provision for the upgrading of informal rights, viz., the deeds of grant, leaseholds and quitrent title permission to occupy.
Interim Protection of Informal Land Rights Act No 31 of 1996	This Act recognizes certain informal rights to land. One of the functions of the section is to resettle people who are unlawfully occupying land. In the process, it is incumbent on the section to ensure that the informal rights to land are recognized in the process of such resettlement.
Housing Act No. 107 of 1997	Through this legislation, existing and future, and the Housing Code, the Department of Housing is carrying out its legislative imperative as set out in the Housing Act, 1997. Section 2 of the Housing Act, 1997 (Act No. 107 of 1997) compels all three spheres of government to give priority to the needs of the poor in respect of housing development (section 2(1)(a)). In addition all 3 spheres of government must ensure that housing development: <ul style="list-style-type: none"> <li>(i) provides as wide a choice of housing and tenure options as is reasonably possible</li> <li>(ii) is economically, fiscally, socially and financially affordable and sustainable</li> <li>(iii) is based on integrated development planning</li> <li>(iv) is administered in a transparent, accountable and equitable manner, and upholds the practice of good governance (Section 2(1)(c)).</li> </ul>
Prevention of Illegal Eviction from and Unlawful Occupation of Land Act No. 19 of 1998	The Prevention of Illegal Eviction from and Unlawful Occupation of Land Act was promulgated in 1998. The Act repeals the Prevention of Illegal Squatting Act No. 52 of 1951 and makes provision for a fair and equitable process to be followed when evicting people who have unlawfully invaded land, from their homes. The Act also makes it an offence to evict legally without due process of law.
Housing Consumers Protection Measures Act No. 95 of 1998 as amended in 2001	The Act provides for the establishment of a statutory regulating body for homebuilders. The National Home Builders Registration Council will register every builder and regulate the home building industry by formulating and enforcing a code of conduct. The implementation of the Act is monitored continuously

The Rental Housing Act No. 50 of 1999	This Act repeals the Rent Control Act of 1976 and defines Government's responsibility for rental housing property. It creates mechanisms to promote the provision of rental housing and the proper functioning of the rental housing market. To facilitate sound relations between tenants and landlords, it lays down general requirements for leases and principles for conflict resolution in the rental-housing sector. It also makes provision for the establishment of Rental Housing Tribunals and defines the functions, powers and duties of such Tribunals. Provincial housing departments are establishing Rental Housing Tribunals.
Home Loan and Mortgage Disclosure Act No. 63 of 2000	The Act provides for the establishment of the Office of Disclosure and the monitoring of financial institutions serving the housing credit needs of communities. It requires financial institutions to disclose information and identities discriminatory lending patterns. The act will come into operation during 2003.
Subdivision of Agricultural Land Act No. 70 of 1970	This Act is used for Town Planning advice to the Department of Land Affairs on the subdivision of agricultural land.
Development Facilitation Act No. 67 of 1995	This Act provides directive principles to guide the drafting, adoption and implementation of all policies and legislation for all spheres of government regulating spatial planning, land use management and land development.
Townships Ordinance No. 9 of 1969	This Ordinance is used for the establishment of towns, subdivision and consolidation, amendment of the general plan and the amendment of town-planning schemes. The townships board is also instituted in terms of this ordinance.
Disestablishment of SA Trust Limited Act No. 26 of 2002	The winding down of the South African Housing Trust and the transfer of functions relating to financial obligations were completed during the end of 2002 and the beginning of 2003 in terms of Act 2002: Disestablishment of SA trust Limited Act, 2002.
Removal of Restrictions Act No. 84 of 1967	In terms of this act land use is changed either by means of title conditions or rezoning.
Less Formal Township Establishment Act No. 113 of 1991	This Act is specifically for guiding rapid township establishment where housing is in dire need.
Physical Planning Act No. 125 of 1991	This Act governs secondarily land uses on farmland that is not agriculture related by way of permits and it also enables the amendment of guide plans and the evaluation of consistency regarding land development

Local Government Municipal Systems Act No. 32 of 2000	<p>The Act introduces changes towards the manner in which municipalities are organized internally, the way they plan and utilize resources, monitor and measure their performance, delegate authority, render services and manage their finances and revenue. Critically, the MSA formalizes a range of alternative service delivery mechanisms that could be used to complement traditional service rendering mechanisms / arrangements used by municipalities.</p> <p>This Act also enables the Integrated Development Plans (IDP). The IDP is a single and inclusive strategic plan that must be compiled and adopted by the municipality. IDPs must include a financial plan, performance management plan, disaster plan and a spatial development framework within which all sector plans should be addressed</p>
Local Government Municipal Demarcation Act No. 27 of 1998	The Municipal Demarcation Act of 1998 provided for the re-demarcation of municipal boundaries and this resulted in the rationalization of 843 municipal entities into 284 larger and possible economically viable entities.
Local Government Municipal Structures Act No. 117 of 1998 as amended in 1999 and 2000	The Act defined new institutional arrangements and systems for local government. Importantly, the Act laid a foundation for local government performance management and ward committee systems.
White Paper on Local Government of 1998	The White Paper on Local Government is a broad policy framework that proposes wholesale changes in the areas of political, administrative structures of local government, electoral systems, demarcations, finances, services, infrastructure development, planning and so forth. The White Paper maps out a vision of developmental local government that is committed to working actively with citizens to identify sustainable ways of meeting their social, economic and material needs and thereby improve their quality of life. Developmental local government envisages the transformation of municipal administrations into rationalized, representative, less bureaucratic, people-centred, efficient, transparent, accountable and responsive entities.
Fund Raising Act No. 107 of 1978	It provides for the declaration of a disaster by the President in order to provide relief to the Victims of disasters such as drought disaster.
Disaster Management Act No. 57 of 2002	Streamlines and unifies disaster management and promotes a risk reduction approach particularly at provincial and local levels. It eliminates the confusion around disaster declaration and addresses current legislative gaps
National Veld and Forestry Act No. 101 of 1998	It emphasizes the formation of Fire Protection Associations for the purpose of predicting, preventing, managing and extinguishing veld fires
Environmental Management Act No. 107 of 1998	Provides for environmental management strategies so as to prevent and mitigate environmental disasters
Traditional Leadership and Governance Framework Act No. 41 of 2003	The act provides for the recognition of traditional leaders, their roles and functions, recognition of traditional communities, establishment of traditional councils and for matters connected therewith.
Public Audit Act No. 25 of 2004	

**The following acts will be impacted upon by Act 41 of 2003:**

House of Traditional Leaders Act No. 6 of 1994	Provides for the establishment of the Free State House of Traditional leaders, and for matters connected therewith.
Bophuthatswana Traditional Courts Act No. 29 of 1979	The act provides for the conferment and assignment of jurisdiction to tribal and community authorities regarding the Administration of justice
Qwa-Qwa Administration Authorities Act No. 6 of 1983	Provides for the establishment of tribal communities, definition of all categories of traditional leaders and their respective roles. It also provides for the establishment of certain councils for better management, control and administration of affairs within Qwa-Qwa.
Black Administration Act No. 38 of 1927	Provides for the better control and management of Black affairs.
Black Authorities Act No. 68 of 1951	Provides for the administration of communal land and related matters
National Spatial Development Perspective (NSDP)	The NSDP also included a mechanism aimed at aligning spatial choices around government investment and development spending across all sphere of government. This approach seeks to focus the bulk of fixed investments of government on those areas with the potential for sustainable economic development. In these areas Government's objectives of both promoting economic growth and alleviating poverty will best be achieved. In areas of limited potential it is recommended that beyond a level of basic services which all citizens are entitled government should concentrate primarily on social investment such as human resource development, labour market intelligence and social transfers so as to give people in these areas better information and opportunities to gravitate toward areas with economic potential

## PROGRAMME PERFORMANCE Part 2

### 2.1 Voted Funds

Appropriation	Main Appropriation R'000	Adjusted Appropriation R'000	Actual Amount Spent R'000	Under Expenditure R'000
Department of Local Government and Housing	1 022 024	1 138 617	1 127 426	11 191
Responsible Member of the Executive Council	Mr. M J Mafereka			
Administering Department	Department of Local Government and Housing			
Accounting Officer	Superintendent-General of the Department of Local Government and Housing, Mr Kopung Ralikontsane			

### 2.2 Aim of Vote

The department will strengthen and monitor local government towards accelerated, quality service delivery.

The department is driven by the needs of the community of the Free State Province and is characterized by professionalism, compassion and empathy. In its planning and performance of its functions, the department is project-focussed, results-orientated and pro-active.

### 2.3 Key measurable objectives, programmes and achievements

#### Strategic Goal No. 1

A capable and skilled department that is supported and strengthened towards service excellence.

#### Strategic Objectives:

- 1.1 To render administrative support to the Office of the MEC
- 1.2 To support and administratively guide the department towards improved service delivery.

#### Strategic Goal No. 2

Enhanced sustainable human settlements to communities in the Free State province.

#### Strategic Objectives:

- 2.1 To facilitate housing delivery
- 2.2 To promote the effective and efficient delivery of national and provincial housing programmes
- 2.3 To regulate rentals and provide for the effective and efficient management of housing assets.

### Strategic Goal No. 3

Accountable and sustainable local governance in the Free State province.

#### Strategic Objectives:

- 3.1 To mainstream hands-on support towards improving local governance
- 3.2 To promote municipal integrated development planning.

### Strategic Goal No. 4:

Accountable and sustainable local governance in the Free State province

#### Strategic Objectives:

- 4.1 To improve traditional institutional development.

## 2.4 Programmes

The department consists of the following programmes and sub-programmes:

Programme Number	Programme Description	Sub-Programmes
1	Administration	Office of the MEC
		Corporate Services
2	Housing	Housing Needs, Research and Planning
		Housing Implementation, Planning and Targets
		Housing Asset Management
3	Local Government	Local Governance
		Development and Planning
4	Traditional Institutional Development	Traditional Institutional Development

## 2.5 Achievements

In the year under review, the department, in response to the 5-year Local Government Strategic Agenda, achieved the following goals:

Facilitated the deployment of 11 technical experts in 10 municipalities, 2 engineers and a young professional in the department to support 7 additional municipalities through the Siyenza Manje programme. The Development Bank of Southern Africa (DBSA) deployed employees who assisted all municipalities to complete Phase 1 of the Consolidated Infrastructure Plans (CIPs).

The department assisted municipalities in the acceleration of the Municipal Infrastructure Grant (MIG) expenditure of which an amount of R385,8 million of the total allocated Municipal Infrastructure Grant (MIG) of R595 million was spent at the end of the 2008/2009 financial year. This represents 64.8% expenditure of which 8% was spent on water, 40.3% on sanitation, 11% on roads and storm water, 2% on the Project Management Units and 3.5% on other infrastructure projects such as fire fighting, street and community lighting, community facilities and solid waste. The balance of R209.2 million will be spent before the end of the Municipal Financial Year at the end of June 2009.

All bucket eradication projects were completed in the Fezile Dabi District. The following municipalities, Mohokare, Mantsopa, Masilonyana, Tokologo, Tswelopele, Matjhabeng, Nala, Setsoto and Nketoana also made significant progress. Intergovernmental relations were strengthened through the establishment of Provincial Intergovernmental Relations (IGR) structures in all five districts.

In celebration of municipal excellence, the Vuna Awards ceremony was successfully held and the winning municipalities participated in the national competition.

The Project Management Units (PMUs) and Provincial Programme Steering Committee were established and were 100% operational in coordinating the implementation of the 5-Year Local Government Strategic Agenda (5-YLGSA).

In promotion of good governance, 4 district interdepartmental Community Development Workers Programme (CDWP) structures were established and are functional. As part of increasing community participation in government, 319 Local and Provincial Izimbizo were held.

### **The financial viability and management of municipalities were promoted as follows:**

All audited annual financial statements were assessed and reported for the 2004/2005 financial year. The financial recovery strategy was implemented successfully in the Mohokare and Phumelela local municipalities

Financial Support Programmes were sustained at the Naledi Local Municipality and implemented in Xhariep District Municipality for R5 million. Five municipalities implemented the Municipal Property Rates Act (MPRA) bi-laws.

The Disaster Management Contingency Plans related to the different sectors have been coordinated and facilitated in preparation for the 2010 Soccer FIFA World Cup.

In terms of Free Basic Services 99.3% of indigent households have access to free basic water and 100% have access to free basic electricity.

Five District Spatial Development Frameworks were developed in line with the Provincial Spatial Development Framework. A total of 931 land development applications have been evaluated and processed. This is 376 more than the planned 555 for the 2008/2009 financial year.

The department completed the Local Economic capacity assessment in 25 municipalities. As part of Local Economic Development (LED) support, four district municipalities' LED forums and one provincial LED forum were held to monitor progress on the implementation of the provincial LED framework.

The department ensured that the Integrated Development Plans of five districts and 20 local municipalities were aligned with the Free State Growth and Development Strategy (FSGDS).

With regard to the implementation of policies and guidelines on Traditional Institutional arrangements, the provincial and Local Houses bill has been developed and submitted to the Legislature. Furthermore, 85 Traditional Leaders received training on the induction programme for the House of Traditional Leadership.

The year 2008/2009 was characterised by some challenges but numerous achievements were recorded as we increased our tempo on accelerated housing delivery. The number of qualifying beneficiaries was increased and building contractors were monitored and supported.

During the year under review, various elements of Breaking New Ground (BNG) plan were implemented. In accordance with the business plan, 14 780 and an additional 10 200 housing subsidies were allocated for the 2008/2009 financial year, amounting to a total of 24 900 housing units.

The department completed 14 667 housing units, equivalent to 98% expenditure on the Housing Grant. A total of 3 700 units were enrolled with the NHBRC. The People's Housing Process was allocated 500 units in the three Traditional Councils. Processes towards preparations for implementation in the 2009/2010 financial year were completed.

Federation of Urban and Rural Poor (FEDUP) was allocated 200 subsidies of which 50 subsidies were spread among the following municipalities: Moqhaka, Nala, Matjhabeng and Maluti-a-Phofung. Individual 200 application forms were submitted for registration, capturing, verification and approval. The department facilitated the beneficiary workshops and the establishment of both Provincial and Local Joint Working Committee meetings and their official launching.

In order to promote spatial restructuring and integration of low cost housing in the province, the department managed to acquire a total of four, well located land parcels to the value of R12 350 000 to be transferred to Matjhabeng Local Municipality.

A total of three infrastructure projects were initiated during the year under review, to ensure that the majority of the people of the Free State who previously did not have access to basic services do have access:

- Sanitation project in Bethany in Kopanong municipality (200 erven)
- Reticulation project in Northleigh in Moqhaka municipality (2000 erven)
- Water reticulation project in Marabastad in Moqhaka municipality (310 erven).

The department initiated an Off-farm Housing project in Viljoenskroon for 300 families. To this end, a total of 198 units was completed during the 2008/2009 financial year. Rural projects were also undertaken and 1 100 housing units were built in the rural areas of Qwa-Qwa and Thaba Nchu.

A strategy for the development of the Community Residential Unit (CRU) programme was developed for nine municipalities viz. Matjhabeng, Maluti-a-Phofung, Metsimaholo, Moqhaka, Dihlabeng, Kopanong, Mangaung, Masilonyana, and Mantsopa.

In order to promote awareness and information in the rental-housing sector, road shows were undertaken targeting municipalities on the collaboration of all spheres of government. The private sector was targeted for the implementation of the National Rental Housing strategy so as to ensure an integrated approach towards the "*up scaling*" of the development of rental housing in the province.

As part of the Informal Settlement Upgrading Programme, one socio-economic study was completed in the Grassland Pilot project, and six studies were initiated in six identified areas within the province. This would ensure that the department remains responsive to the needs of the communities. We constructed 1 500 housing units in the Grassland pilot project and more than 80% of the total allocation for the financial year was directed to informal settlements.

Through strategic partnerships with relevant stakeholders, the department managed to fast track the planning and surveying of 16 230 erven towards addressing the current housing backlog in the province.

A total of 4 671 beneficiaries were educated through the Consumer Education programme in order to improve access to housing, community empowerment and to create better awareness of the Housing Programmes, community rights and responsibilities as well as different tenure forms. Three hundred learners completed the theoretical training in the Community House Builder Learnership programme. The department supported the project through participation in the steering committee and the provision of funding to the tune of R1.2 million.

Through its partnership with the NHBRC, the department afforded 99 youth learners training in construction management, bricklaying, plastering, and roofing.

Ten women contractors were allocated 3 000 subsidies for 3 years and have only completed 2 000 housing units. The remaining 1 000 will be finalized in the 2009/2010 financial. Youth contractors have completed 900 housing units of the 1 500 allocated for 3 years.

The 15 emerging contractors were consistently mentored and supported throughout the period under review and 22 women contractors participated in the Women in Housing Indaba during August 2008 in Kimberley. Forty Women Contractors participated in a workshop to develop mentoring and support strategies.

The department developed its Multi-Year Housing Development Plan for 2009/2014 in consultation with the local municipalities and the plan was accordingly approved.

In support of Mangaung Local Municipality as a pilot project towards readiness for Level 1 accreditation, the accreditation business plan to this effect was successfully implemented throughout the financial year.

Audits of incomplete houses in the province were conducted in the following districts: Thabo Mofutsanyana, Fezile Dabi, Lejweleputswa and Motheo. A service provider for project management of the project and contractors have been appointed to complete the incomplete houses.

## **2.6 Overview of the service delivery environment for 2008/2009**

Due to severe lack of funds and internal capacity constraints, the department could not adequately support municipalities on financial management. However, with the establishment of project management units within the five districts, the department managed to monitor progress within municipalities on the five year Local Government Strategic Agenda.

An amount of R385.8 million out of the total allocated Municipal Infrastructure Grant (MIG) of R595 million was spent at the end of the 2008/2009 financial year. This represents 64.8% expenditure of which 8% of the Municipal Infrastructure Grant was spent on water, 40.3% on sanitation, 11% on roads and storm water, 2% on the Project Management Units and 3.5% on other infrastructure projects such as fire, fighting, street and community lighting, community facilities and solid waste. The balance of R209.2 million will be spent before the end of the Municipal Financial Year at the end of June 2009.

Deployment of 11 technical experts in 10 municipalities, 2 engineers and a young professional in the department was completed to support 7 municipalities as part of the Siyenza Manje Programme. The Development Bank of Southern Africa (DBSA), employees were deployed to assist municipalities to complete Phase 1 of the Consolidated Infrastructure plans (CIPs). For Mafube and Mohokare municipalities, two service providers were appointed to support the technical departments.

## **Internal factors that impacted on housing delivery**

The department has worked closely with municipalities in co-coordinating housing planning and delivery processes. It also streamlined its plans, budgets and capacity in an effort to accelerate delivery, sharing of expertise to expedite processes and capacity for enhanced delivery.

## **External factors that affected housing delivery**

### **Contractor skills shortage**

The implementation of Breaking New Ground policies obliges contractors to build quality housing units for the communities but it has become evident that contractors need to have their skills honed so as to build up their experience. There are some projects, which are not being completed due to lack of skills and experience by the contractors.

### **Quality Assurance**

For quality assurance, support is provided to contractors to ensure quality of houses built. The department and municipalities aimed at constructing quality products in line with the Comprehensive Plan, and the norms and standards as prescribed by the National Housing Building Regulations Council (NHBRC). These norms are often compromised by the contractors who try to stretch their budget, given the limited resources.

### **Illegal occupation of land and informal settlements**

The program of upgrading informal settlements made significant strides during the 2008/09 financial year. This program is however undermined by the unregulated illegal occupation of land and the mushrooming of informal settlements and shack farming. There is a need for all the Municipalities to introduce by-laws for the prevention of illegal occupation of land.

### **Availability of well-located land for housing development**

Housing development has been underpinned by the availability of suitable and well-located land in strategic focus areas around the province. In most cases, where well-located land is identified, such pockets of land are largely privately owned and the purchase prices are high.

### **Macro economic factors' influence on housing delivery**

The following factors affect low cost housing at varying degree:

#### **Economic developments and challenges to the housing sector**

The constantly high oil price had contributed to under-performance in many world economies. The monthly average of Brent crude oil increased from \$53,12 in February 2007 to \$102,40 a barrel at the beginning of 2008 (DME, 15 April 2008). In addition, global uncertainty raised questions over foreign capital inflow into South Africa. These trends are likely to continue and will weaken the Rand's ability to act as a buffer against imported inflation.

As a result the rand is expected to remain volatile. High oil prices and the weaker rand continued to impact negatively on petrol and diesel prices in South Africa.

In February 2007 the price of 93 octane petrol increased from R5,75 a litre to R8,78 a litre by April 2008 (the price of 93 octane petrol reached R8,78 a litre, up from R5,75 in February 2007) whilst Diesel increased from R5,42 a litre in February 2007 to R9,38 a litre in April 2008 (DME, 15 April 2008). These challenges, in combination with global food shortages, suggest that inflation in South Africa will remain high for a relatively long time.

### **Inflation movements**

The CPIX targeted by the South African Reserve Bank for inflation targeting surged to 10.1% in March 2008 from 4%, and 9% in February 2007. The trend in producer price inflation reversed the declining trend recorded between May and November 2007. In March 2008, producer price inflation reached 11.8%, well above the peak of 11.3% recorded in May 2007 (StatsSA, 2008). A further increase in inflation is expected due to the second round effect of petrol price hikes. Increasing inflation increases the cost of living while reducing South Africans' ability to provide their own housing. The building cost index rose by 15% in 2007 and the forecast for the first quarter of 2008 was set at 21.9% (BER, 2008). In response to the building cost increase, the subsidy for the poorest of the poor was adjusted from R38 865 to R43 506. This reduced the value of the subsidy for 2008/2009 by about 10.6%, which is the equivalent of 27 044 extra houses that could have been built if the subsidy amount remained unchanged. Failure to adjust the subsidy in the past led to established contractors leaving the subsidy market while those who remained were forced to use poor quality materials in order to remain profitable. The end-result was a poor standard of housing. A further increase in building costs will require an even higher adjustment in the housing subsidy market.

### **Interest rates**

As at the end of 2007/2008 financial year, interest rates charged by commercial banks had increased up to 15%, from the 10.5% that was applicable in May 2006 (SARB, 2008). This seriously affected housing affordability. In the case of households with a gross income of R7 000 who bought houses in May 2006, the series of interest rates hikes reduced the affordability of their purchase by 24.2% (R36 602) if the norm of 25% and 20 years payment period is applied.

### **The property market**

During most of 2007, house prices in the affordable bond market continued to increase owing to a mismatch in demand and supply, which meant that many South Africans could not afford housing. Exorbitant house prices further widened the gap between the government subsidy market and the affordable bond market and created a barrier that prevented beneficiaries of the government subsidy market to cross into the affordable bond market even if they wished to do so.

### **Economic performance**

Economic performance during 2007 was better than expected. Growth of 5.3% growth was recorded in the fourth quarter of 2007 compared to 5.5% recorded in 2006 (StatsSA, 2008). However, this performance is expected to decline owing to surging inflation. A decline in economic performance will increase the already unacceptably high rate of unemployment in South Africa.

## **2.7 Overview of the organisational environment for 2008/2009**

As indicated in the 2007-2010 Annual Performance Plan, the department embarked on a major restructuring exercise during 2006 in order to ensure that it is adequately prepared for service excellence. During the year under review, the department identified critical vacancies and subsequently advertised 71 critical vacant posts during this period.

The majority of these have been filled and some are in the process of being filled. This contributed towards improving the department's capacity to realize its strategic objectives. The filling of additional vacant posts that are also considered critical will be addressed continuously during the next three years or until sufficient capacity has been created in the department.

During the previous financial year, the department created five district offices (1 in each district of the Free State province) on its organizational structure, thereby moving from a functional structure to a divisional structure. This was done to:

- Improve decision making
- Fix accountability for performance
- Increase the co-ordination of functions
- Improve service delivery to the community.

In implementing the operation of the above district offices, a Memorandum of Understanding on ways of working between Head Office and District Offices was developed and improved during the year under reporting, address the following aspects in detail:

- Planning
- Authority
- Responsibility and accountability
- Delegations, centralization and decentralization of functions and decision-making powers
- Co-ordination and integration
- Performance management
- Reporting
- Communication
- Nature of services to be rendered within the respective districts.

The Ways of Working Memorandum was meant to ensure a proper and consistent understanding on the roles and responsibilities of Head Office versus District Offices.

## 2.8 Strategic overview and key policy developments for the 2008/2009 financial year

In the year 2008/2009 financial year, the department did not experience policy or legislative change. For the year 2009/2010, the Free State provincial government took a decision to separate the then Department of Local Government and Housing into two departments namely, the Department of Human Settlements and the Department of Cooperative Governance and Traditional Affairs.

***Due to lack of funding, the two departments would operate a shared service with regard to Corporate Services, Internal Audit and Finance. Although they have been separated, they account to same Member of the Executive Council.***

## 2.9 Departmental revenue, expenditure, and other specific topics

Item	2005/06 Actual R'000	2006/07 Actual R'000	2007/08 Actual R'000	2008/09 Target R'000	2008/09 Actual R'000	deviation from target %
Non-tax revenue	2 045	1 942	2 647	2 116	1 825	86%
Sales of goods and services	2 022	1 863	2 354	2 006	1 529	76%
Interest, dividends and rent on land	23	79	293	110	292	265%
Sales of scrap, waste and other used current goods	-	-	-	-	4	
Sales of Capital Assets	-	-	-	3		0%

Sale of Assets	-	-	-	3	-	%
Financial Transactions	888	249	183	200	573	286%
Financial transactions in assets and liabilities	888	249	183	200	573	286%
<b>Total Departmental Receipts</b>	<b>2 933</b>	<b>2 191</b>	<b>2 830</b>	<b>2 319</b>	<b>2 398</b>	<b>103%</b>

## Collection of Departmental Revenue

### Departmental expenditure

Programme	Voted for 2008/09	Roll-overs and Adjustments	Virements	Total voted	Actual Expenditure	Variance
	R'000	R'000	R'000	R'000	R'000	R'000
Administration Support Services	84,640	8,434	(240)	92,834	88,695	4,139
Housing	826,410	92,928	(7,847)	911,491	906,642	4,849
Local Government	95,663	5,781	8,107	109,551	107,960	1,591
Traditional Institutional Development	15,311	9,450	(20)	24,741	24,129	612
<b>Total</b>	<b>1,022,024</b>	<b>116,593</b>	<b>0</b>	<b>1,138,617</b>	<b>1,127,426</b>	<b>11,191</b>

### Transfer payments

#### Transfer payments to municipalities

Name of Grant	Amount Transferred R'000	Estimate Expenditure R'000
Financial Assistance and Projects with a positive impact	7 000	7 000
Provincial Infrastructure Grant	8 258	8 258
Planning and Surveying	7 376	7 376
<b>Total</b>	<b>22 634</b>	<b>22 634</b>

#### Transfer payments to Non-profit Institutions

Name of Non-profit Institutions	Amount Transferred R'000	Estimate Expenditure R'000
House of Traditional Leaders	306	306
<b>Total</b>	<b>306</b>	<b>306</b>

### Transfer payments to Departmental Agencies and Accounts

Name of Agency or Account	Amount Transferred R'000	Estimate Expenditure R'000
Free State Sport Academy	4 310	4 310
<b>Total</b>	<b>4 310</b>	<b>4 310</b>

### Transfer payments to Households

Name of Programme	Amount Transferred R'000	Estimate Expenditure R'000
Project linked Support Housing	814 452	814 452
Individual Support Housing	11 265	11 265
Rural Support-Inf Land Housing	7 349	7 349
Relocation Assistance Support	12 .000	12 .000
People Housing Process	13 053	13 053
Disaster Management Emergency	1 000	1 000
Employer Social Benefit	55	55
Employer Social Ass-Cash	149	149
Bursaries	3 260	3 260
Traditional Leaders	154	154
<b>Total</b>	<b>862 737</b>	<b>862 737</b>

### Transfer payments to Universities and Technikons

Name of Institution	Amount Transferred R'000	Estimate Expenditure R'000
University of the Free State	1 095	1 095
<b>Total</b>	<b>1 095</b>	<b>1 095</b>

### Conditional grants and earmarked funds

Conditional Grants		
Name of Grant	Amount Transferred R'000	Estimate Expenditure R'000
Housing Fund	859 118	859 118
<b>Total</b>	<b>859 118</b>	<b>859 118</b>

### Capital investment, maintenance and asset management plan

None

## PROGRAMME PERFORMANCE

### STRATEGIC GOAL 1: AN ORGANIZATIONALLY CAPABLE AND SKILLED DEPARTMENT THAT IS SUPPORTED AND STRENGTHENED TOWARDS SERVICE EXCELLENCE

Sub-Programme 1.1: Office of the MEC		Strategic Objective: To render administrative support to the Office of the MEC		
Measurable Objective	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)	
To provide secretarial and administrative support to the Office of the MEC	<ul style="list-style-type: none"> <li>Timeous preparation of documents needed by the MEC iro of meetings to be attended</li> </ul>	<ul style="list-style-type: none"> <li>100% Preparation of documents for meetings attended to or chaired by the MEC</li> </ul>	<ul style="list-style-type: none"> <li>100% Preparation of documents for meetings attended to or chaired by the MEC at least 1 working day prior to such meetings</li> </ul>	Attended to on a continuous basis
	<ul style="list-style-type: none"> <li>% Maintenance of the diary of the MEC on a daily basis</li> </ul>	<ul style="list-style-type: none"> <li>All appointments of the MEC are kept and maintained in his diary on a daily basis</li> </ul>	<ul style="list-style-type: none"> <li>All appointments of the MEC are kept and maintained in his diary on a daily basis</li> </ul>	Attended to on a continuous basis
	<ul style="list-style-type: none"> <li>Extent to which the Office of the MEC functions effectively</li> </ul>	<ul style="list-style-type: none"> <li>Incoming and Outgoing Register 100% kept and maintained</li> </ul>	<ul style="list-style-type: none"> <li>Incoming and Outgoing Register 100% kept and maintained</li> </ul>	Attended to on a continuous basis
	<ul style="list-style-type: none"> <li>Extent to which instructions given by the MEC are monitored and reported</li> </ul>	<ul style="list-style-type: none"> <li>All decisions / instructions of the MEC are monitored and reported on weekly</li> </ul>	<ul style="list-style-type: none"> <li>All decisions / instructions of the MEC are monitored and reported on weekly</li> </ul>	Attended to on a continuous basis
				Progress as on 31 March 2009

<b>Strategic Objective: To support and administratively guide the department towards improved service delivery</b>			
<b>Sub-Programme 1.2: Corporate Services (Support Services)</b>	<b>Performance Measure/Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
<b>Measurable Objective</b>	<ul style="list-style-type: none"> <li>% Implementation of the Employee Wellness Programme in the department</li> </ul>	<ul style="list-style-type: none"> <li>EHWP Committees 40% functional</li> <li>45% of officials informed on EHWP</li> <li>100% compliance with days of national importance</li> <li>50% of departmental policies on EHWP updated and implemented within the department</li> <li>1 Report submitted to HOD on the effectiveness of the EHWP</li> </ul>	<ul style="list-style-type: none"> <li>EHWP Committees 50% functional</li> <li>60% of officials informed on the EHWP</li> <li>100% commemoration of days of national importance</li> <li>70% of policies updated and implemented</li> <li>1 report submitted to HOD on the effectiveness of EHWP</li> <li>One sport day held per quarter</li> <li>100% compliance with national and provincial strategies</li> </ul>
	<ul style="list-style-type: none"> <li>% Compliance with OHS Act</li> </ul>	<ul style="list-style-type: none"> <li>60% Compliance with OHS Act, e.g.:               <ul style="list-style-type: none"> <li>OHS Policy updated and partially implemented</li> <li>OHS Committee 50% functional</li> <li>Quarterly inspections conducted towards determining compliance with OHS Act</li> <li>Increased awareness on employers' responsibilities to the Act</li> <li>60% of OHS Committee members trained on health and safety</li> <li>1 Report submitted to HOD on status of health and safety in department</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>66% Compliance with OHS Act, e.g.:               <ul style="list-style-type: none"> <li>OHS Policy updated and 40% implemented</li> <li>OHS Committee 50% functional</li> <li>Quarterly inspections conducted towards determining compliance with OHS Act</li> <li>Increased awareness on employers' responsibilities to the Act</li> <li>60% of OHS Committee members trained on health and safety</li> <li>1 Report submitted to HOD on status of health and safety in department</li> </ul> </li> </ul>
			<ul style="list-style-type: none"> <li>The EH&amp;W committee is 100% functional.</li> <li>All CDWs and newly-appointed staff were informed on the EH&amp;WP. Current staff could not be targeted due to a lack of human resource capacity in the OD unit.</li> <li>100% compliance with days of national importance</li> <li>The Bereavement Policy has been updated and is awaiting stakeholder approval. In the meantime, the existing policies is operational</li> <li>Not submitted due to other work commitments</li> <li>Three sport days were held successfully per quarter, specifically for netball and soccer.</li> <li>All national and provincial strategies were complied with fully</li> </ul>
			<ul style="list-style-type: none"> <li>The OHS policy was reviewed and successfully implemented.</li> <li>The OHS Committee is fully functional.</li> <li>Monthly inspections were conducted towards determining compliance with OHS Act.</li> <li>Group and individual awareness sessions held on employer's responsibilities to the Act</li> <li>95% of OHS committee members were trained on health and safety – those members not trained are officials who have left the services of the department</li> <li>Report not submitted due to other work commitments.</li> </ul>

<b>Strategic Objective: To support and administratively guide the department towards improved service delivery</b>				
<b>Sub-Programme 1.2: Corporate Services (Support Services)</b>	<b>Performance Measure/Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>	<b>Progress as on 31 March 2009</b>
	<ul style="list-style-type: none"> <li>% Reduction in absenteeism of officials in the department</li> </ul>	<ul style="list-style-type: none"> <li>60% reduction in absenteeism by means of the effective application of Resolution 3, the SOMA Initiative and the monitoring of attendance registers</li> </ul>	<ul style="list-style-type: none"> <li>65% reduction in absenteeism by means of the effective application of Resolution 3, the SOMA Initiative and the monitoring of attendance registers</li> </ul>	<ul style="list-style-type: none"> <li>According to the SOMA reports tabled at the steering committee there was a reduction of 60 % in absenteeism in the Department (the department is dependant on the Health Risk Manager process for an effect on absenteeism). All cases were/handled and submitted in terms of the framework – the monitoring of attendance registers also had a positive effect on absenteeism.</li> </ul>
To promote and mainstream Special Programmes within the department	<ul style="list-style-type: none"> <li>% Implementation of updated Special Programmes Policies within the department</li> </ul>	<ul style="list-style-type: none"> <li>Special Programmes Forum 30% functional</li> <li>50% of policies updated and implemented</li> <li>100% compliance with national and provincial strategies</li> <li>1 Report submitted to HOD on effectiveness of special programmes</li> </ul>	<ul style="list-style-type: none"> <li>60% functionality of Special Programmes Forum</li> <li>70% policies updated and implemented</li> </ul>	<ul style="list-style-type: none"> <li>The Special Programmes Forum is not yet functional.</li> <li>The policies on Youth, Disabilities and Gender are yet to be developed in relation to the national mandate. National Youth Policy of 2008-2013 has not been adopted yet and the National Youth Development Agency Act of no 54, 2008 is still in its infancy stages with the mandates of the officer for implementation still to be gazetted. The office is awaiting national adoptions of the policies before customized internally in the department. DPLG Gender Framework has been adopted in 2008 but the DPSA Gender Policy Framework is still at discussion level and the adoption of the national policy on gender will enhance the provinces in developing their provincial document</li> <li>This process has been achieved with distinction on the progressive and effective mandate of the programme. The effectiveness of the programme emanated from the Political mandate of the programme hence the formation of the provincial task team that managed the following programme on behalf of the department and government of the province. 1956 Women Veterans who marched against the pass laws held in Winburg and PHP houses allocated to 6 women and 1 man. More than 5000 people witness the handover ceremony. Launch and handover of 16 days of Activism held in Matjhabeng local municipality. Inter-Faith Forum Service event hosted by the province and deputy president of the Republic of South Africa gave the main speech with more than 7500 attendants from the entire country religious denominations.</li> <li>Report not submitted</li> </ul>
			<ul style="list-style-type: none"> <li>100% compliance with national and provincial strategies</li> </ul>	<ul style="list-style-type: none"> <li>Report not submitted</li> </ul>
			<ul style="list-style-type: none"> <li>1 Report submitted to HOD on effectiveness of special programmes</li> </ul>	<ul style="list-style-type: none"> <li>Report not submitted</li> </ul>

Strategic Objective: To support and administratively guide the department towards improved service delivery			
Sub-Programme 1.2: Corporate Services (Support Services)	Performance Measure/Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
	<ul style="list-style-type: none"> <li>% Implementation of Moral Regeneration Programme within the department</li> </ul>	<ul style="list-style-type: none"> <li>100% of Senior Management informed on MRM resolutions</li> <li>Provincial resolutions on MRM submitted to HOD</li> </ul>	<ul style="list-style-type: none"> <li>60% compliance with MRM strategy</li> <li>MRM resolutions popularised among 60% of staff including CDWs</li> </ul>
Measurable Objective			<b>Progress as on 31 March 2009</b> <ul style="list-style-type: none"> <li>The Inter-faith Service held in March sought to regenerate the moral fibre of our communities and further enhance the peaceful general elections. The service emphasizes the role of religious organization in instilling the moral regeneration of our communities and violence be exposed for the betterment of a prosperous country.</li> <li>The continuous training of the staff on moral regeneration has not yielded the required intention and emphases should be placed on the Provincial Government's commitment to ensure correct placement of the programme with a political will to ensure that its implementation is easily implemented by the Special programme. Until proper placement of the programme is achieved by the province, the MRM will continuously remain at the periphery.</li> </ul>
To support the department towards the recruitment and retaining of adequate and appropriate human resources	<ul style="list-style-type: none"> <li>% Achievement of employment equity targets</li> </ul>	<ul style="list-style-type: none"> <li>60% of representativity targets achieved</li> <li>60% of disability target achieved</li> </ul>	<ul style="list-style-type: none"> <li>65% of representativity target achieved</li> <li>65% of disability target achieved</li> </ul>
	<ul style="list-style-type: none"> <li>% Implementation of HR Plan in line with Strategic Plan of the Department</li> </ul>	<ul style="list-style-type: none"> <li>HR Plan 100% aligned with APP and 60% implemented, and more specifically with regard to representativity</li> </ul>	<ul style="list-style-type: none"> <li>HR Plan 100% aligned with APP and 65% implemented, and more specifically in terms of representativity</li> </ul>
	<ul style="list-style-type: none"> <li>% of allocated bursaries effectively administered and managed in accordance with the needs of the department</li> </ul>	<ul style="list-style-type: none"> <li>100% of allocated bursaries effectively administered and managed in accordance with the needs of the department:</li> <li>HRD Committee 50% functional</li> <li>Bursary policy updated and implemented</li> <li>1 Report submitted to HoD on status of bursaries</li> </ul>	<ul style="list-style-type: none"> <li>100% of allocated bursaries effectively administered and managed in accordance with the needs of the department:</li> <li>HRD Committee 60% functional</li> <li>Bursary policy updated and implemented</li> <li>1 Report submitted to HoD on status of bursaries</li> </ul>
			<ul style="list-style-type: none"> <li>Currently 60% of targets achieved.</li> <li>60 % of target reached</li> </ul>
			<ul style="list-style-type: none"> <li>HR Plan fully aligned and implemented. Still in draft format and must be updated from May to June.</li> </ul>
			<ul style="list-style-type: none"> <li>Bursaries were advertised with special emphasis on scarce skills. All bursaries awarded to recipients were paid in time. Suspensions and breach of contracts were effected where necessary. Premier's Top Hundred Students and deviations were handled and processed timeously. The Skills Development Committee's membership was elevated to level of directors. The Provincial Bursary Policy which was approved in February 2009 was customised to meet the needs of the department and submitted for approval. A report is in the process of being finalised.</li> </ul>

<b>Strategic Objective: To support and administratively guide the department towards improved service delivery</b>			
<b>Sub-Programme 1.2: Corporate Services (Support Services)</b>	<b>Performance Measure/Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
<b>Measurable Objective</b>	<b>Performance Measure/Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
To create and sustain a supportive and safe environment free of corruption and fraud in the department	<ul style="list-style-type: none"> <li>% of Reported cases of misconduct investigated and concluded</li> </ul>	100% of Reported cases investigated and concluded within 3 months following the reporting of such cases	100% of Reported cases investigated and concluded within 3 months following the reporting of such cases
	<ul style="list-style-type: none"> <li>% Improvement in the securing of electronic information</li> </ul>	50% Improvement in the securing of electronic information: <ul style="list-style-type: none"> <li>Dept ICT Security policy reviewed and aligned with MISS Version 3.</li> <li>Advanced ICT Security Training programme in place and 10% implemented</li> <li>Information Security Audit completed.</li> <li>100% compliance with MISS Version 3 on all LGH physical ICT assets</li> </ul>	50% Improvement in the securing of electronic information: <ul style="list-style-type: none"> <li>Conceptual Phase of Departmental Electronic Document management Project completed by March 2008</li> <li>Service provider appointed by June 2008.</li> <li>Departmental Information Indexing and Classification 50% developed</li> <li>Compliance monitored on a monthly basis</li> <li>Quarterly Information Security awareness sessions held</li> </ul>
	<ul style="list-style-type: none"> <li>No. of officials security vetted</li> </ul>	<ul style="list-style-type: none"> <li>25% of officials security vetted</li> </ul>	<ul style="list-style-type: none"> <li>50% of Officials security vetted</li> </ul>
	<ul style="list-style-type: none"> <li>% Reduction of fraud and corruption within the department</li> </ul>	<ul style="list-style-type: none"> <li>10% Reduction of fraud and corruption within the department</li> </ul>	<ul style="list-style-type: none"> <li>30% Reduction of fraud and corruption within the department</li> </ul>
			Not achieved due to lack of capacity
			No officials are vetted at this stage due to lack of capacity by National Intelligence Agency, however there are 68 security clearance forms dispatched to officials in the department to be submitted to NIA for vetting.
			There are no cases of fraud and corruption reported to date. There are only external cases reported to the department to be investigated, and upon finalization the report will be handed over to the Head of department for further action.

<b>Strategic Objective: To support and administratively guide the department towards improved service delivery</b>			
<b>Sub-Programme 1.2: Corporate Services (Support Services)</b>	<b>Performance Measure/Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
	<ul style="list-style-type: none"> <li>% Implementation of data enterprise architecture, data and information management policy and plan</li> </ul>	10% Implementation of data enterprise architecture, data and information management policy and plan: <ul style="list-style-type: none"> <li>Research phase of Master Systems plan and procurement phase via SITA of MSP completed</li> <li>Submission to HoD on Bid and Adjudication Committee regarding appointment of SITA finalised</li> </ul>	30% Implementation of data enterprise architecture, data and information management policy and plan: <ul style="list-style-type: none"> <li>Dept MSP developed by June 2008.</li> <li>2 Training sessions held on e-governance, targeting departmental officials</li> <li>All ICT policies developed and/or updated by October 2008</li> </ul>
	<ul style="list-style-type: none"> <li>% Updating of ICT infrastructure</li> </ul>	25% Updated ICT Infrastructure: <ul style="list-style-type: none"> <li>Dept Data Centre in the Lebohang Building completed and 3 floors of Building rewired to Cat. 6 specification - as well as new electrical wiring.</li> <li>3 districts connected to GCCN with Data Centres completed.</li> <li>Research with regard to server infrastructure completed</li> <li>Fully functional and multi-year contract on Antivirus system</li> </ul>	40% Updated ICT Infrastructure: <ul style="list-style-type: none"> <li>100% Maintenance of Data Centre.</li> <li>Outstanding floors in Lebohang wrt reticulation upgrade completed.</li> <li>2 Outstanding Districts connected to GCCN</li> <li>Server Architecture and Storage Area Network finalised within 3 months of releasing of new SITA Contract</li> <li>Ongoing maintenance of anti-virus system</li> </ul>
	<ul style="list-style-type: none"> <li>% Increase in the no. of employees with access to computers and intranet</li> </ul>	90% of employees within the Department have access to computers and intranet, with only two district offices outstanding.	90% of employees within the Department connected to GCCN
			Progress as on 31 March 2009 <ul style="list-style-type: none"> <li>SITA was approached to assist with dept. ICT Strategy/MSP after the Provincial ICT Strategy/MSP has been completed.</li> <li>Not achieved due to lack of capacity</li> <li>ICT Policies are still in the process of being developed or updated and will be communicated with the committee, after which they will be presented to the HOD for approval</li> </ul>
			<ul style="list-style-type: none"> <li>Data Centre upgrade has been completed and is fully functional.</li> <li>Reticulation upgrade of floors in Lebohang in progress, not yet completed</li> <li>The cabling phase has been completed at Kroonstad, Lejweleputswa, LM Trust building and Thabo Mofutsanyana. The district offices have been connected temporarily via wireless connection to the GCCN, while busy with a permanent connection and waiting for SITA to install Data Lines.</li> <li>Server Architecture and Storage Area network not finalised with SITA</li> <li>Antivirus system is fully functional and has been installed on all computers including district offices.</li> <li>90% of employees within the department including district offices have access to computers. District office officials are connected temporary via wireless connection to the GCCN.</li> </ul>

<b>Sub-Programme 1.2: Corporate Services (Support Services)</b>		<b>Strategic Objective: To support and administratively guide the department towards improved service delivery</b>		
<b>Measurable Objective</b>	<b>Performance Measure/Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>	<b>Progress as on 31 March 2009</b>
	<ul style="list-style-type: none"> <li>% Increase in no. of officials who are computer literate at ICDL level</li> </ul>	<ul style="list-style-type: none"> <li>Partnership established between IT, HRD and FSTDI</li> <li>Final draft submitted on Plan of Action towards increasing the computer literacy of employees.</li> </ul>	<ul style="list-style-type: none"> <li>100% of employees ICDL trained.</li> <li>2 CISSP officials trained by November 2008</li> <li>4 MCSE officials trained by November 2008</li> <li>Departmental Intern policy and plan developed by June 2008 in order to combat high turn-over of IT personnel</li> </ul>	<ul style="list-style-type: none"> <li>Training needs were identified and communicated to HRD</li> <li>One official has completed CISSP training.</li> <li>6 Network Controllers were nominated for MCSE Training and is still in progress</li> <li>7 Network Controllers were absorbed to combat high turn-over of ICT personnel. ICT discussed with HRD that it will align itself with the existing departmental Intern policy to combat high turn-over of personnel.</li> </ul>
	<ul style="list-style-type: none"> <li>% Functionality of Departmental IT Committee</li> </ul>	<ul style="list-style-type: none"> <li>Composition of DITC reviewed</li> </ul>	<ul style="list-style-type: none"> <li>Functionality of DITC 30% increased by establishing IT specification committees within the respective Programmes</li> </ul>	<ul style="list-style-type: none"> <li>Terms of Reference were drafted, approved by the HOD and communicated to the committee. The Departmental Information Technology Committee (DITC) was reviewed and each Branch is represented by two members.</li> </ul>
	<ul style="list-style-type: none"> <li>% Functionality of Departmental Information Forum</li> </ul>	<ul style="list-style-type: none"> <li>Dept Information forum 50% functional</li> </ul>	<ul style="list-style-type: none"> <li>Dept Information forum 80% functional</li> </ul>	<ul style="list-style-type: none"> <li>Departmental Information Forum not functional due to lack of capacity</li> </ul>
To ensure that the department communicates effectively and efficiently with its clients, stakeholders and employees	<ul style="list-style-type: none"> <li>% Functionality of the departmental website</li> </ul>	<ul style="list-style-type: none"> <li>Departmental website 20% operational</li> </ul>	<ul style="list-style-type: none"> <li>100% functional and updated departmental website</li> </ul>	The departmental website is fully functional.

Sub-Programme 1.2: Corporate Services (Support Services)		Strategic Objective: To support and administratively guide the department towards improved service delivery		
Measurable Objective	Performance Measure/ Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)	Progress as on 31 March 2009
	<ul style="list-style-type: none"> <li>% Increase in the marketing of the department'</li> </ul>	<ul style="list-style-type: none"> <li>Information on the services rendered by the department exhibited and distributed at all Thusong Service Centres (TSS)</li> <li>Departmental standing exhibitions conceptualised and produced for all departmental buildings.</li> <li>Exhibitions placed in all departmental buildings.</li> </ul>	<ul style="list-style-type: none"> <li>Information on the services rendered by the department exhibited and distributed at all TSSs</li> <li>Departmental standing exhibitions for all departmental buildings conceptualised and produced.</li> <li>Exhibitions placed in all departmental buildings</li> <li>Exhibitions updated regularly.</li> <li>All departmental events conceptualised in support of strategic objectives and linked to the national calendar of events</li> <li>All departmental events managed well to achieve the said targeted objectives and return on investments.</li> </ul>	<ul style="list-style-type: none"> <li>Available information such as annual reports is distributed to all Thusong Service Centres</li> <li>Staff shortage limited the performance of the unit to achieve the objectives fully.</li> <li>Exhibitions produced.</li> <li>Most buildings branded, and standing exhibitions placed in some.</li> <li>Exhibitions updated according to the government calendar of events as well as events within the department. Standard corporate exhibition were used to promote the corporate identity of the department.</li> <li>Events were supported with mainly publications and publicity in line with the departmental objectives.</li> <li>The unit formed part of task teams that managed various departmental and provincial events, all of which were well managed and advertised in the media.</li> </ul>
	<ul style="list-style-type: none"> <li>% Increase in the response time with regard to complaints received from the community</li> </ul>	<ul style="list-style-type: none"> <li>Help Desk Office established with information on the services rendered by the Department available</li> </ul>	<ul style="list-style-type: none"> <li>Fully functional Departmental Help Desk Office, e.g.</li> <li>Timeous response to enquiries</li> <li>Help Desk Services marketed to the public</li> </ul>	<ul style="list-style-type: none"> <li>The Help Desk has been fully operational with all queries referred to various sections of the department for resolution.</li> <li>Departmental information has been available on the website and due to financial constraints could not be printed for dissemination.</li> <li>The Help Desk has not yet been marketed to the public due to lack of human and financial resources.</li> </ul>

<b>Strategic Objective: To support and administratively guide the department towards improved service delivery</b>			
<b>Sub-Programme 1.2: Corporate Services (Support Services)</b>	<b>Performance Measure/Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
	<ul style="list-style-type: none"> <li>% Implementation of Departmental Internal Communication Strategy</li> </ul>	<ul style="list-style-type: none"> <li>Updated Departmental Internal Communication Strategy finalized and approved</li> </ul>	<ul style="list-style-type: none"> <li>40% Implementation of the Internal Communication Strategy, e.g. <ul style="list-style-type: none"> <li>Electronic Weekly Information Notes with the participation of all Programmes</li> <li>Monthly feedback provided to officials within the Department on progress with regard to key projects</li> <li>Quarterly Departmental Staff Meetings held, addressed by HoD and MEC</li> <li>Updated Electronic Departmental Directory</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>% Participation in the Local Government Communication System</li> </ul>	<ul style="list-style-type: none"> <li>30% Participation, e.g. Monthly Provincial Meetings attended Monthly visits to 5 district municipalities towards improving internal and external communication</li> </ul>	<ul style="list-style-type: none"> <li>50% Participation, e.g.: <ul style="list-style-type: none"> <li>Monthly Provincial Meetings attended</li> <li>Monthly visits to 5 district - and 5 identified local municipalities towards improving internal and external communication</li> </ul> </li> </ul>
			<ul style="list-style-type: none"> <li>Internal communication strategy partly implemented with the Weekly Communication Note issued weekly and other electronic information issued regularly as needed.</li> <li>Monthly feedback provided as part of the weekly communication note.</li> <li>Staff meetings not held regularly, with only 3 meetings held in the year. However, the staff was informed of developments through electronic communication.</li> <li>The electronic directory is 75% completed however not yet implemented.</li> </ul>
			<ul style="list-style-type: none"> <li>Due to staff shortage and involvement in various provincial activities, participation in these activities was minimal. Representatives were sent from the unit in some cases.</li> <li>Not achieved due to staff shortage.</li> </ul>

<b>Strategic Objective: To support and administratively guide the department towards improved service delivery</b>			
<b>Sub-Programme 1.2: Corporate Services (Support Services)</b>	<b>Performance Measure/Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
	<ul style="list-style-type: none"> <li>% Increase in positive departmental publicity</li> </ul>	30% Increase in positive departmental publicity: <ul style="list-style-type: none"> <li>Publication of the following Departmental documents in the public domain:               <ul style="list-style-type: none"> <li>Annual Report</li> <li>Strategic Plan</li> <li>Brochure containing information about the Department</li> </ul> </li> <li>Preparations finalized for monthly radio slots</li> <li>Improved distribution of departmental publications</li> </ul>	40% Increase in positive departmental publicity: <ul style="list-style-type: none"> <li>Publication of the following Departmental documents in the public domain:               <ul style="list-style-type: none"> <li>Annual Report</li> <li>Strategic Plan</li> <li>Brochure containing information about the Department</li> </ul> </li> <li>Monthly Radio Slots</li> <li>Monthly media updates</li> <li>Improved distribution of departmental publications</li> </ul>
			Media releases and media interviews were used throughout the year to promote the work of the department. <ul style="list-style-type: none"> <li>Annual report was printed and distributed according to the recommended distribution list.</li> <li>The strategic plan was not printed however had been distributed previously as part of the Annual Performance plan for the 2008-2011 term.</li> <li>Various brochures were published on the work of the department – Fire Awareness for Disaster Management, housing's consumer education posters, local government's rates payment awareness and information brochures were published. The website was published as an overall departmental marketing and information tool of the department.</li> <li>Monthly radio slots were replaced by intermittent slots as required by the department. The department also participated in the national housing's BNG programme that was presented for approximately 4 months on consecutive Friday slots. These were consumer awareness related slots with information on various housing issues and problems.</li> <li>Media was updated regularly though not monthly as per developments within the department and progress on the business of the department.</li> <li>Publicity was obtained for most activities of the departments such as the Opening of the House of Traditional Leadership, the Vuna Awards, and the Govan Mbeki Housing Awards. The department's information was widely and well distributed. The distribution included Thusong Service Centres and all Free State libraries.</li> </ul>
	<ul style="list-style-type: none"> <li>% Improvement in media interaction</li> </ul>	<ul style="list-style-type: none"> <li>Media enquiries responded to within 1 week</li> </ul>	<ul style="list-style-type: none"> <li>Monthly media updates</li> </ul>
	<ul style="list-style-type: none"> <li>% Participation in national communication activities</li> </ul>	<ul style="list-style-type: none"> <li>Bi-monthly meetings attended iro local government and housing</li> </ul>	<ul style="list-style-type: none"> <li>Bi-monthly meetings attended iro local government and housing and implementation of all resolutions</li> </ul>
			All media enquiries responded to within the said period, and where delays experienced, media duly informed of a possible date of response. Excellent media relations were retained.
			The bi-monthly communication meetings were not held regularly in the said periods. One Housing meeting for the Govan Mbeki Awards was attended.

Strategic Objective: To support and administratively guide the department towards improved service delivery				
Sub-Programme 1.2: Corporate Services (Support Services)	Performance Measure/Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)	Progress as on 31 March 2009
Measurable Objective	<ul style="list-style-type: none"> <li>% Alignment of the departmental image and identity with the provincial corporate image and identity</li> </ul>	<ul style="list-style-type: none"> <li>100% Alignment of departmental image and identity with provincial corporate image and identity</li> <li>Conceptualisation and research of relevant corporate gifts and promotional items</li> </ul>	<p>All official departmental documents 100% aligned with updated departmental image and identity:</p> <ul style="list-style-type: none"> <li>Publications</li> <li>Promotional material</li> <li>Correspondence and Templates</li> </ul>	<ul style="list-style-type: none"> <li>All publications and documents have been aligned with the provincial corporate identity.</li> <li>Suitable promotional and marketing items for the department produced.</li> <li>Correspondence templates with the new corporate identity currently being used by all employees.</li> <li>About 95% of all employees have name tags and name plates as per Batho Pele principles.</li> </ul>
To promote the functioning of the department within a sound legal framework	<ul style="list-style-type: none"> <li>% of Requests for legal opinions responded to within reasonable time-frames</li> </ul>	<ul style="list-style-type: none"> <li>100% of Requests for legal opinions responded to within agreed time frames and in line with service standards</li> </ul>	<ul style="list-style-type: none"> <li>100% of Requests for legal opinions responded to within agreed time frames and in line with service standards</li> </ul>	<p>100% of requests for legal opinions responded to within agreed time frames and in line with service standards</p>
	<ul style="list-style-type: none"> <li>% Functionality of Departmental Legal Resource Centre</li> </ul>	<ul style="list-style-type: none"> <li>Legal framework on the creation of the Departmental Legal Resource Centre developed and submitted to MEC after consulting with all SMS Members</li> </ul>	<ul style="list-style-type: none"> <li>Departmental Legal Resource Centre 50% functional</li> </ul>	<p>The centre has not yet being established due to no availability of office space . We also have access to the Legal Resources facilities of the State Law Advisors in the office of the Premier. It is envisaged that preparations for the establishment of the centre will resume as soon as deputy directors have been appointed and office space is available.</p>
	<ul style="list-style-type: none"> <li>No. of legal contracts administered and managed effectively</li> </ul>	<ul style="list-style-type: none"> <li>All legal contracts administered and managed in line with service standards</li> </ul>	<ul style="list-style-type: none"> <li>All legal contracts administered and managed in line with service standards</li> </ul>	<p>All legal contracts administered and managed in line with service standards</p>
To develop officials within the department towards improved service delivery	<ul style="list-style-type: none"> <li>% Implementation of the annually-updated Skills Development Plan</li> </ul>	<ul style="list-style-type: none"> <li>100% implementation of workplace skills plan</li> </ul>	<ul style="list-style-type: none"> <li>100% implementation of workplace skills plan</li> </ul>	<p>WSP implemented successfully. A number of deviations were received with full motivation</p>
	<ul style="list-style-type: none"> <li>No. of officials participating in the Presidential Strategic Leadership Development Programme</li> </ul>	<ul style="list-style-type: none"> <li>Identified middle managers participating in Presidential Strategic Development Programme</li> </ul>	<ul style="list-style-type: none"> <li>60 senior and middle managers trained in leadership and strategic management programmes</li> </ul>	<p>18 middle managers were enrolled for the Executive Management and Leadership Programme consisting of 11 modules spread over 12 months.40 SMS members attended a strategic planning course presented by Marcus Evans at the FSTDI</p>
	<ul style="list-style-type: none"> <li>No. of skills development impact studies conducted</li> </ul>	<ul style="list-style-type: none"> <li>1 Impact study undertaken in the department</li> </ul>	<ul style="list-style-type: none"> <li>1 Impact study undertaken targeting all employees who attended training sessions</li> </ul>	<p>The FSTDI revised the tools to measure impact of training The actual implementation could not be implemented due to ineffective communication of this tool at provincial level</p>

Strategic Objective: To support and administratively guide the department towards improved service delivery			
Sub-Programme 1.2: Corporate Services (Support Services)	Performance Measure/Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
	<ul style="list-style-type: none"> <li>No. of skills audit conducted</li> </ul>	<ul style="list-style-type: none"> <li>1 Skills audit conducted</li> </ul>	<ul style="list-style-type: none"> <li>Skills audit undertaken targeting 70% of employees within the Department</li> </ul>
	<ul style="list-style-type: none"> <li>% Implementation of the provincial knowledge management strategy</li> </ul>	<ul style="list-style-type: none"> <li>Participated in the development of the Provincial Knowledge Management Strategy</li> </ul>	<ul style="list-style-type: none"> <li>50% implementation of the Provincial Knowledge Management Strategy</li> <li>Advocacy programme developed and implemented to raise awareness on the Provincial Knowledge Management Strategy</li> <li>A change management plan developed towards implementing the Provincial Knowledge Management Strategy in the department</li> <li>Learning networks established in the department</li> <li>State of readiness its processes and systems to implement the Provincial Knowledge Management Strategy established</li> </ul>
	<ul style="list-style-type: none"> <li>No. of type of internship programmes implemented</li> </ul>	<ul style="list-style-type: none"> <li>Recommendations submitted to HOD on the implementation of Town and Regional Planning Internships</li> </ul>	<ul style="list-style-type: none"> <li>100% implementation of Town and Regional Planning internship</li> </ul>
To create and sustain a performance culture within the department	<ul style="list-style-type: none"> <li>No. of workshops held towards increasing the awareness and understanding of officials on the development and implementation of the Annual Performance Plan (APP)</li> </ul>	<ul style="list-style-type: none"> <li>System developed towards enabling the department to monitor and evaluate its performance in terms of the APP</li> </ul>	<ul style="list-style-type: none"> <li>M&amp;E System successfully implemented</li> <li>Quarterly workshops held towards monitoring the performance of the Department in terms of the APP</li> </ul>
			<p>The department engaged the University of the Free State and Suzanne Hattingh and Associates to obtain the best service provider to implement a skills audit in the department. The proposals were submitted but lack of funds impeded progress in this regard</p> <p>The department participated fully in the Provincial Knowledge Management Forum. A change management plan/implementation was developed but its implementation did not have the impact as a result of capacity.</p>
			<p>4 interns were appointed in IT, Bursaries, Banking and Financial Management. No suitable candidates could be recruited on Town and Regional Planning Internship</p>
			<p>The department successfully implemented an electronic system toward monitoring the performance of the department in line with its 2008/2009 performance targets on a quarterly basis.</p> <p>The quarterly non-financial reports of the respective programmes were made available to all Programme Managers and a Broad Management Meeting involving all Deputy Directors upwards in the department was held during October 2009 towards monitoring the mid-term performance of the Department.</p>

<b>Strategic Objective: To support and administratively guide the department towards improved service delivery</b>			
<b>Sub-Programme 1.2: Corporate Services (Support Services)</b>	<b>Performance Measure/Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
	<ul style="list-style-type: none"> <li>Extent to which the APP is aligned with the format provided by National Treasury as well as the minimum objectives and performance indicators as determined by National Housing and dplg</li> </ul>	Submission of fully aligned APP as follows: <ul style="list-style-type: none"> <li>1<sup>st</sup> Draft by 31 August 2007</li> <li>2<sup>nd</sup> Draft by 31 October 2007</li> <li>3<sup>rd</sup> Draft by 31 January 2008</li> </ul>	Submission of fully aligned APP as follows: <ul style="list-style-type: none"> <li>1<sup>st</sup> Draft by 31 August 2008</li> <li>2<sup>nd</sup> Draft by 31 October 2008</li> <li>3<sup>rd</sup> Draft by 31 January 2009</li> </ul>
	<ul style="list-style-type: none"> <li>% Alignment of the departmental structure with the APP</li> </ul>	<ul style="list-style-type: none"> <li>Structure fully aligned with APP</li> </ul>	<ul style="list-style-type: none"> <li>Report to align structure with APP submitted by 30 June 2008</li> </ul>
	<ul style="list-style-type: none"> <li>% of officials on levels 1 – 12 having signed Performance and Development Plans</li> </ul>	<ul style="list-style-type: none"> <li>80% of serving officials</li> </ul>	<ul style="list-style-type: none"> <li>90% of officials by the following dates:               <ul style="list-style-type: none"> <li>30 April 2008</li> <li>30 October 2008</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>% of SMS Members having signed Performance Agreements</li> </ul>	<ul style="list-style-type: none"> <li>80%</li> </ul>	<ul style="list-style-type: none"> <li>100% in respect of existing senior managers by 30 of April 2008</li> <li>100% in respect of newly-appointed senior managers within 2 months following their appointment</li> </ul>
			<ul style="list-style-type: none"> <li>Submitted to Provincial Treasury by 31 August 2008</li> <li>Submitted to Provincial Treasury by 31 October 2008</li> <li>Submitted to Provincial Treasury by 31 January 2009</li> </ul>
			A draft organizational structure and post establishment of the department reflecting only filled and funded critical vacancies were prepared and submitted to a SMS Management Workshop during May 2008, thereby enabling SMS Members to assess the extent to which the structure enables them to deliver in terms of their strategic objectives. Draft proposals towards aligning the organizational structure and post establishment of the respective programmes with the APP of the department were also prepared and submitted for discussion in liaison with the respective programme managers. Various proposals towards amending the organizational structure and post establishment of various units in the department in line with the APP were approved and implemented during the year under reporting.
			Various sessions were held with SMS Members towards monitoring the extent to which signed Performance and Development Plans were in place in the department.
			Performance Agreements have been developed and signed in respect of all existing SMS Members in the Department, with the exception of 1 SMS Member (in line with the required format).
			Performance Agreements were developed and signed by all newly-appointed SMS Members in the department.

Strategic Objective: To support and administratively guide the department towards improved service delivery			
Sub-Programme 1.2: Corporate Services (Support Services)	Performance Measure/Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
Measurable Objective	<ul style="list-style-type: none"> <li>% Implementation of the PDMS Policy Framework work within the department</li> </ul>	<p>60% Implementation of the PDMS Policy Framework within the department:</p> <ul style="list-style-type: none"> <li>Fully functional Departmental Moderating Committee</li> <li>Established Quality Assurance Committees per Programme</li> <li>Four Quarterly Information / Training Sessions provided towards improving the understanding of officials on the PDMS</li> </ul>	<p>90% Implementation of the PDMS Policy Framework within the Department:</p> <ul style="list-style-type: none"> <li>Fully functional Departmental Moderating Committee, submitting appropriate recommendations on the annual assessment outcome of officials on levels 1 – 12 into the 2007/2008 financial year to the HoD for consideration by the 30<sup>th</sup> of June 2008</li> <li>Fully functional Quality Assurance Committees per programme, meeting on a bi-annual basis to monitor and report on the status of PDMS</li> <li>Internal and External Moderating Committees meet to finalize the performance assessments of SMS Members into the 2007/2008 financial year, report submitted to HoD and MEC for consideration by the 30<sup>th</sup> of September 2008</li> <li>Four Quarterly Information / Training Sessions provided on the application of the PDMS targeting all SMS Members and Middle Managers</li> </ul>
	<ul style="list-style-type: none"> <li>% of posts job evaluated:</li> <li>Filled posts</li> <li>Vacant posts</li> </ul>	<ul style="list-style-type: none"> <li>80% of Filled posts within the Department job evaluated</li> <li>100% of vacant posts on all levels prior to advertisement</li> <li>All posts on levels 11 and 12 as per the directive of the MPSA</li> </ul>	<p>Progress as on 31 March 2009</p> <ul style="list-style-type: none"> <li>The Departmental PDMS Moderating Committee for Levels 1 – 12 in the Department was fully functional and 3 meetings were held towards finalizing the overall outcome of the annual assessments of officials for the period under reporting. The recommendations of the Moderating Committee were implemented with effect from 1 July 2009 after being approved by the Head of Department and the Executing Authority and all officials were informed of the final decision of the MEC in writing.</li> <li>PDMS Quality Assurance Committees / Dispute Bodies were established and operational in respect of all Programmes and various meetings were held towards handling disputes between officials and their supervisors on their performance assessments.</li> <li>Due to urgent work activities, the Internal and External Moderating Committees met during February 2009 so as to moderate the outcome of the annual assessments of SMS Members in respect of the 2008/2009 financial year. The final decision of the MEC was implemented during February 2009 and all SMS Members were informed accordingly in writing.</li> <li>Four Quarterly Information / Training Sessions were provided on the application of the PDM System, targeting all officials, SMS Members and Middle Managers.</li> <li>All filled posts in terms of which signed JE Request Forms were received have been job evaluated and submitted to the Provincial JE Panel for consideration. The recommendations of the JE Panel were submitted to the HoD and MEC and, once approved, implemented. Programme Managers and officials affected were also informed of the JE results in writing.</li> <li>All funded critical vacant posts in terms of which signed JE Request Forms were received have been job evaluated and, based on the recommendations of the Provincial JE panel, advertised once approved by the HOD and MEC.</li> </ul>

<b>Strategic Objective: To support and administratively guide the department towards improved service delivery</b>			
<b>Sub-Programme 1.2: Corporate Services (Support Services)</b>	<b>Performance Measure/ Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
	<ul style="list-style-type: none"> <li>% Implementation of the JE Strategy within the department</li> </ul>	<p>100% Implementation of the Provincial JE Implementation Strategy within the department:</p> <ul style="list-style-type: none"> <li>All job evaluated posts within the Department considered by the Departmental JE Quality Assurance Committee (DQAC)</li> <li>All Members of the DQAC trained as Panel Members</li> <li>80% of Provincial JE Quality Assurance Committee meetings attended</li> <li>95% of Provincial JE Panel meetings attended</li> </ul>	<p>100% Implementation of the Provincial JE Implementation Strategy within the Department:</p> <ul style="list-style-type: none"> <li>All job evaluated posts within the Department considered by the Departmental JE Quality Assurance Committee (DQAC)</li> <li>DQAC fully represented by all Programmes</li> <li>All Members of the DQAC trained as Panel Members</li> <li>80% of Provincial JE Quality Assurance Committee meetings attended</li> <li>95% of Meetings of the Provincial JE Panel attended</li> </ul>
			<ul style="list-style-type: none"> <li>Complied with. attendance registers were kept of all meetings held</li> <li>All programmes were represented at the departmental QA Committee meetings.</li> <li>6 SMS Members were trained as JE Panel Members during the period under reporting. Due to the work schedules of SMS Members, steps have been taken to train the remaining SMS Members as JE Panel Members during the 1<sup>st</sup> quarter of the 2009/2010 financial year.</li> <li>All Provincial JE Quality Assurance Committee meetings were represented by the Department.</li> <li>All Provincial JE Panel meetings were represented by the Department</li> </ul>
To raise the awareness and accountability of employees regarding the importance of service delivery and increased levels of performance	<ul style="list-style-type: none"> <li>100% Implementation of the SDIP</li> <li>No. of SMS Members who participate fully in Project Khaedu (e.g. training and deployment)</li> <li>No. of front-line staff and CDWs trained in customer care principles</li> <li>No. of SMS Members who participate fully in Project Khaedu (e.g. training and deployment)</li> </ul>	<p>60% implementation of Batho Pele Revitalization Strategy through the following:</p> <ul style="list-style-type: none"> <li>Develop and submit SDIP to DPSA by March 2008</li> <li>60% of senior managers trained in Project Khaedu Departmental Service Charter</li> <li>Develop service standards</li> <li>Observe Public Service Week</li> <li>Observe Africa Public Service Day</li> <li>Frontline staff and CDWs trained on customer care</li> </ul>	<p>90% implementation of Batho Pele Revitalization Strategy through the following:</p> <ul style="list-style-type: none"> <li>Updated SDIP</li> <li>70% of senior managers trained in Project Khaedu</li> <li>50% of trained SMS Members deployed in terms of the Project Khaedu Programme</li> <li>Departmental Service Charter developed</li> <li>Service standards developed</li> <li>Public Service Week observed</li> <li>Africa Public Service Day observed</li> </ul>
			<ul style="list-style-type: none"> <li>The Departmental SDIP was developed and submitted to Dept of the Premier and the DPSA.</li> <li>90% of SMS members attended Project Khaedu</li> <li>70% of SMS Members were deployed at the coalface of service delivery</li> <li>Departmental Service Delivery Charter was revised and submitted</li> <li>Corporate Service Standards were developed</li> <li>Public Service Week was observed</li> <li>Africa Public Service Day was observed on the 23 June 2008. The MEC for Education, Mr Tim Hart of AIA and Mr Helepi from the Public Service Commission were guest speakers. Most of the SMS Members in the department attended the event which was a huge success</li> </ul>

	<ul style="list-style-type: none"> <li>• % Implementation of the Batho Pele Change Management / Revitalization Programme within the department</li> </ul>		<ul style="list-style-type: none"> <li>• Frontline staff and CDWs trained on customer care</li> </ul>	<ul style="list-style-type: none"> <li>• CDWs were trained on customer care. Frontline staff such as secretaries and community development workers attended the Batho Pele Change Management Engagement Programme instilling concepts such as "We belong, We care, We serve."</li> </ul>
<b>Strategic Objective: To support and administratively guide the department towards improved service delivery</b>				
<b>Sub-Programme 1.2: Corporate Services (Support Services)</b>				
<b>Measurable Objective</b>	<b>Performance Measure/Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>	<b>Progress as on 31 March 2009</b>
To review, evaluate and advise on matters related to corporate governance, risk management processes and internal control systems within the department	<ul style="list-style-type: none"> <li>• % review, reassessment of the adequacy and implementation of the Audit Committee as well as the Internal Audit Charters</li> </ul>	<ul style="list-style-type: none"> <li>• 100 % review, reassessment of the adequacy and implementation of the Audit Committee as well as the Internal Audit Charter</li> </ul>	<ul style="list-style-type: none"> <li>• 100% review, re-assessment of the adequacy and implementation of the Audit Committee as well as the Internal Audit Charters</li> </ul>	<ul style="list-style-type: none"> <li>• The National and Provincial Treasury conducted an assessment and the status core of the Internal Audit and Audit Committees of the Department through a completion of the KPIs questionnaire as well as the electronic copy of the Capability Model.</li> <li>• The reports with clear recommendations had been issued and are to be tabled at the next Audit Committee meeting.</li> </ul>
	<ul style="list-style-type: none"> <li>• % development and implementation of the Annual Internal Audit Coverage Plan</li> </ul>	<ul style="list-style-type: none"> <li>• 85% development and implementation of the Annual Internal Audit Coverage Plan</li> </ul>	<ul style="list-style-type: none"> <li>• 100% development and implementation of the Annual Internal Audit Coverage Plan</li> </ul>	<ul style="list-style-type: none"> <li>• 100% of the Plan had been developed and approved by the Audit Committee.</li> <li>• The Plan is currently being executed.</li> </ul>
	<ul style="list-style-type: none"> <li>• % development and implementation of the 3-Year Rolling Audit Plan</li> </ul>	<ul style="list-style-type: none"> <li>• 100 development of the 3-Year Rolling Audit Plan</li> </ul>	<ul style="list-style-type: none"> <li>• 40% Implementation of the 3-Year Rolling Audit Plan</li> </ul>	<ul style="list-style-type: none"> <li>• 30 % of the 3-Year Rolling Plan had been implemented.</li> </ul>
	<ul style="list-style-type: none"> <li>• % implementation of the Risk Management policy and implementation strategy</li> </ul>	<ul style="list-style-type: none"> <li>• 100% development and implementation of the risk management policy and implementation strategy</li> </ul>	<ul style="list-style-type: none"> <li>• 100% development and implementation of the risk management policy and implementation strategy</li> </ul>	<ul style="list-style-type: none"> <li>• The Risk Management Policy and Implementation Strategy is still in a draft format, however, the National Treasury's Risk Management Strategy is currently utilised to direct risk management within the department and the strategy is currently customised.</li> </ul>

	<ul style="list-style-type: none"> <li>• % development of the risk management material and conduct of the risk management workshop</li> </ul>	<ul style="list-style-type: none"> <li>• 100% development of the risk assessment material and conduct of the risk management workshop</li> </ul>	<ul style="list-style-type: none"> <li>• 100% development of the risk assessment material had been developed and the risk management workshop conducted.</li> <li>• The directorate is currently busy with risk reviews and the process is 60% completed.</li> </ul>
	<ul style="list-style-type: none"> <li>• % development and maintenance of the Risk Register</li> </ul>	<ul style="list-style-type: none"> <li>• 100% development and maintenance of the risk register</li> </ul>	<ul style="list-style-type: none"> <li>• The Risk Register is 100% developed and is maintained.</li> <li>• The register is currently updated with the outcomes of the risks reviews conducted.</li> </ul>
	<ul style="list-style-type: none"> <li>• No. of Audit Committee meetings held</li> </ul>	<ul style="list-style-type: none"> <li>• 4 Audit Committee meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Two normal audit committee meetings were held during the financial year as well as special Audit Committee meeting. In total 3 Audit Committee meetings were held.</li> </ul>
	<ul style="list-style-type: none"> <li>• No. of performance evaluation of Audit Committee members conducted</li> </ul>	<ul style="list-style-type: none"> <li>• No. of performance evaluation of Audit Committee members conducted</li> </ul>	<ul style="list-style-type: none"> <li>• No performance evaluation of the Audit Committee members was conducted; however, an assessment/evaluation questionnaire was developed and circulated to all the members.</li> <li>• The questionnaire would be formally adopted in the next meeting.</li> </ul>
	<ul style="list-style-type: none"> <li>• % Implementation of the Departmental Internal Audit Policy and Implementation Strategy</li> </ul>	<ul style="list-style-type: none"> <li>• 50% Implementation of the Departmental Internal Audit Policy and Implementation Strategy</li> </ul>	<ul style="list-style-type: none"> <li>• The Internal Audit Policy and Procedure Manual is still in a draft format, however, the National Treasury's Internal Audit Framework is currently utilised to direct internal audit efforts.</li> <li>• The Implementation strategy had been approved by the Audit Committee and is currently utilised to execute the audits as approved in the Plan</li> </ul>
	<ul style="list-style-type: none"> <li>• No. of audit reports based on the Annual Internal Audit Coverage Plan submitted</li> </ul>	<ul style="list-style-type: none"> <li>• 20% performance against the approve Internal Audit Coverage Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Activity reports reflecting 50 % of the follow-up audit reports had been submitted based on audits conducted as per the Annual Internal Audit Coverage Plan.</li> </ul>

	<ul style="list-style-type: none"> <li>No. of follow-up audit reports submitted on audit conducted</li> </ul>	<ul style="list-style-type: none"> <li>20% of the follow-up audit reports submitted based on audits conducted as per the Annual Internal Audit Coverage Plan</li> </ul>	<ul style="list-style-type: none"> <li>50 % of the follow-up audit reports submitted based on audits conducted as per the Annual Internal Audit Coverage Plan</li> </ul>	<ul style="list-style-type: none"> <li>Activity reports reflecting 50 % of the follow-up audit reports had been submitted based on audits conducted as per the Annual Internal Audit Coverage Plan.</li> </ul>
	<ul style="list-style-type: none"> <li>No of audit reports issued based on Auditor General's recommendations</li> </ul>	<ul style="list-style-type: none"> <li>20 % of the audit reports submitted based on Auditor General's recommendations</li> </ul>	<ul style="list-style-type: none"> <li>50 % of the audit reports submitted based on the Auditor General's recommendations</li> </ul>	<ul style="list-style-type: none"> <li>Activity reports reflecting 50 % of the follow-up audit reports had been submitted based on audits conducted as per the Annual Internal Audit Coverage Plan.</li> </ul>
	<ul style="list-style-type: none"> <li>% of officials declaring financial interests</li> </ul>	<ul style="list-style-type: none"> <li>100% of officials declaring financial interests</li> </ul>	<ul style="list-style-type: none"> <li>100% of officials declaring financial interests</li> </ul>	<ul style="list-style-type: none"> <li>100% of officials declared their financial interests</li> </ul>

Strategic Objective: To support and administratively guide the department towards improved service delivery			
Sub-Programme 1.2 Corporate Services (Fin. and Supply Chain Management)	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
To ensure effective and accurate accounting services within the department	<ul style="list-style-type: none"> <li>% Compliance to monthly financial indicators</li> </ul>	11 Compliance Certificates submitted with a 83% compliance rate in terms of: <ul style="list-style-type: none"> <li>36 Key Performance Indicators</li> <li>Clearance of accounts</li> <li>Reconciliation of Bank Accounts</li> <li>Capturing of transactions</li> </ul>	11 Compliance Certificates submitted with a 85% compliance rate in terms of: <ul style="list-style-type: none"> <li>36 Key Performance Indicators</li> <li>Clearance of accounts</li> <li>Reconciliation of Bank Accounts</li> <li>Capturing of transactions</li> </ul>
		<ul style="list-style-type: none"> <li>100% of salary transactions approved before closing dates</li> </ul>	11 Compliance certificates were submitted with an average compliance rate of 93.55 %. The monthly compliance rate was: <ul style="list-style-type: none"> <li>April 2008: 99%</li> <li>May 2008: 98%</li> <li>June 2008: 100%</li> <li>July 2008: 99%</li> <li>August 2008: 98%</li> <li>September 2008: 88%</li> <li>October 2008: 82%</li> <li>November 2008: 93%</li> <li>December 2008: 89%</li> <li>January 2009: 92%</li> <li>February 2009: 91%</li> </ul>
		<ul style="list-style-type: none"> <li>100% Maintenance and availability of financial documents</li> </ul>	All salary transactions were approved by the respective closing dates.
		<ul style="list-style-type: none"> <li>No. of days within which all payments are made</li> </ul>	All documents requested were submitted within 2 working days after requested except during the audit process when a large volume of documents were requested once.
			All correct payment advices received were approved within three working days. In terms of the Housing Grant an average of two working days was achieved.

<b>Strategic Objective: To support and administratively guide the department towards improved service delivery</b>			
<b>Sub-Programme 1.2 Corporate Services (Fin. and Supply Chain Management)</b>		<b>Progress as on 31 March 2009</b>	
<b>Measurable Objective</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
To allocate and control all financial resources effectively and efficiently	<ul style="list-style-type: none"> <li>Annual compilation and maintenance of Annual Budget</li> </ul>	<ul style="list-style-type: none"> <li>Annual budget compiled, captured before the 1<sup>st</sup> of April and maintained on a daily basis and funds shifted within 7 working days</li> </ul>	<ul style="list-style-type: none"> <li>Annual budget compiled, captured before the 1<sup>st</sup> of April and maintained on a daily basis and funds shifted within 7 working days</li> </ul>
	<ul style="list-style-type: none"> <li>Annual compilation and maintenance of Adjustment budget</li> </ul>	<ul style="list-style-type: none"> <li>Adjustment budget compiled and submitted within timeframes</li> </ul>	<ul style="list-style-type: none"> <li>Adjustment budget compiled and submitted within timeframes</li> </ul>
	<ul style="list-style-type: none"> <li>% Decrease in under-spending</li> </ul>	<ul style="list-style-type: none"> <li>20% Decrease in under-spending</li> </ul>	<ul style="list-style-type: none"> <li>15% Decrease in under-spending</li> </ul>
To monitor and report on the financial expenditure of the department	<ul style="list-style-type: none"> <li>% Accuracy of Financial Statements and submission thereof within deadlines</li> </ul>	<ul style="list-style-type: none"> <li>100% Accurate Annual Financial Statements submitted by 31 May</li> </ul>	<ul style="list-style-type: none"> <li>100% Accurate Annual Financial Statements submitted by 31 May</li> </ul>
	<ul style="list-style-type: none"> <li>No. and type of reports compiled and submitted in terms of legislative requirements</li> </ul>	<ul style="list-style-type: none"> <li>4 Quarterly reports and 12 monthly reports compiled and submitted its legislative requirements</li> </ul>	<ul style="list-style-type: none"> <li>4 Quarterly reports on non-financial information compiled and submitted. 12 monthly reports submitted on: <ul style="list-style-type: none"> <li>In year monitoring</li> <li>Departmental expenditure</li> <li>Conditional grants</li> <li>Virements</li> </ul> </li> </ul>
To improve financial management practices within the department	<ul style="list-style-type: none"> <li>No. of officials trained and informed on financial management practices</li> </ul>	<ul style="list-style-type: none"> <li>10 Officials within the Department trained on financial management matters</li> <li>4 Financial information sessions held targeting employees within the Department</li> </ul>	<ul style="list-style-type: none"> <li>74 officials were trained on financial management matters.</li> <li>4 Financial information sessions were held and 5 budget committee meetings were held</li> </ul>

Strategic Objective: To support and administratively guide the department towards improved service delivery				
Sub-Programme 1.2 Corporate Services (Fin. and Supply Chain Management)	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)	
Measurable Objective			Progress as on 31 March 2009	
To conduct demand and needs analysis in department	<ul style="list-style-type: none"> <li>Annual Procurement Plan developed</li> </ul>	<ul style="list-style-type: none"> <li>Annual Procurement Plan compiled</li> </ul>	<ul style="list-style-type: none"> <li>Annual Procurement Plan compiled and/or updated</li> </ul>	Not achieved due to lack of capacity
	<ul style="list-style-type: none"> <li>% Updating of Provincial Database</li> </ul>	<ul style="list-style-type: none"> <li>75% updated Provincial database.</li> </ul>	<ul style="list-style-type: none"> <li>85% updated Provincial database.</li> </ul>	Due to the Provincial Database being suspended during the year under reporting (by the Provincial Treasury) all procurement in the Department was dealt with based on quotations secured by end user components
	<ul style="list-style-type: none"> <li>% Compliance to bidding processes</li> </ul>	<ul style="list-style-type: none"> <li>90% Compliance to bidding process</li> </ul>	<ul style="list-style-type: none"> <li>95% Compliance to bidding process</li> </ul>	All goods and services have been procured according to the bidding process. In the event of any deviation thereof, the transactions have been recommended for ratification by the Bid Adjudication Committee and approved by the HOD
To acquire goods and services in the department	<ul style="list-style-type: none"> <li>% of procurement through Provincial database</li> </ul>	<ul style="list-style-type: none"> <li>25% of procurement done through Provincial database</li> </ul>	<ul style="list-style-type: none"> <li>85% of procurement done through Provincial database</li> </ul>	NB: The Provincial database has since been suspended, thus all procurement is done based on quotations secured by end user components
	<ul style="list-style-type: none"> <li>No. of days within which creditors are paid</li> </ul>	<ul style="list-style-type: none"> <li>All creditors paid within 30 Days</li> </ul>	<ul style="list-style-type: none"> <li>All creditors paid within 30 Days</li> </ul>	Majority of creditors are paid within 30 days of the submission of the invoice.
	<ul style="list-style-type: none"> <li>% of goods and services verified its quality, quantity and accuracy</li> </ul>	<ul style="list-style-type: none"> <li>75% verification of goods and services</li> </ul>	<ul style="list-style-type: none"> <li>85% verification of goods and services and the status thereof reported on annually</li> </ul>	The Asset management Unit has recently conducted stocktaking in the department, thus list of the unverified items has been submitted to the various Heads of Branches to indicate the whereabouts of the said items, only after the submission of the said lists will we be able to do a determination as to how much percentage has been achieved relating to the said unverified items.
To ensure that assets and transport are managed and disposed of effectively	<ul style="list-style-type: none"> <li>% implementation of Asset Management policy</li> </ul>	<ul style="list-style-type: none"> <li>85% implementation of asset management policy</li> </ul>	<ul style="list-style-type: none"> <li>90% implementation of asset management policy</li> </ul>	The asset management policy has been successfully implemented in the department
	<ul style="list-style-type: none"> <li>% implementation of Transport Management policy</li> </ul>	<ul style="list-style-type: none"> <li>85% implementation of transport management policy</li> </ul>	<ul style="list-style-type: none"> <li>95% implementation of transport management policy</li> </ul>	The transport management policy has been successfully implemented in the department
	<ul style="list-style-type: none"> <li>% Decrease in not verified assets</li> </ul>	<ul style="list-style-type: none"> <li>50% decrease in assets not verified</li> </ul>	<ul style="list-style-type: none"> <li>70% decrease in assets not verified</li> </ul>	The Asset management Unit has recently conducted stocktaking in the department, thus list of the unverified items has been submitted to the various Heads of Branches to indicate the whereabouts of the said items, only after the submission of the said lists will we be able to do a determination as to how much percentage has been achieved relating to the said unverified items.

Strategic Objective: To support and administratively guide the department towards improved service delivery			
Sub-Programme 1.2 Corporate Services (Fin. and Supply Chain Management)	Strategic Objective: To support and administratively guide the department towards improved service delivery		
Measurable Objective	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
To ensure that supply performance is monitored and managed effectively in the department	• % Increase in client satisfaction	• 75% increase in client satisfaction	• 85% increase in client satisfaction
	• % increase in vendor performance	• 75% increase in vendor performance	• 80% increase in vendor performance
			Not achieved due to lack of capacity
			Not achieved due to lack of capacity

Strategic Objective: To support and administratively guide the department towards improved service delivery			
Sub-Programme 1.2: Corporate Services (District Services)	Strategic Objective: To support and administratively guide the department towards improved service delivery		
Measurable Objective	Performance Measure Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
To accelerate housing delivery to the community within the respective districts	• % Increase in the understanding and awareness of municipalities and stakeholders within the respective districts on the BNG and Turn Around Strategy	• Limited understanding of the BNG and the Turn Around Strategies among stakeholders	• Information sessions provided to 5 identified municipalities on the Breaking New Ground - / Turn Around Strategy
	• % Increase in the identification of suitable land for housing development	• Lack of suitable land for housing development	• One meeting held per quarter with the municipality per district towards identifying suitable land
• No. of reports submitted on illegal evictions	• No. of reports submitted on illegal evictions	• Not as yet, being monitored and reported	• Quarterly reports submitted to head office by each district on illegal evictions
			<p>All District Offices held information sessions with the respective municipalities on the BNG Turn Around Strategy, and more specifically on the following dates:</p> <ul style="list-style-type: none"> <li>• Xhariep: 14 October 2008</li> <li>• Thabo Mofutsanyana: 9 October 2008,</li> <li>• Motheo: 8 September 2008,,</li> <li>• Fezile Dabi: 26 – 30 January 2009.</li> <li>• Lejweleputswa: October 2008</li> </ul>
			<p>All district offices held meetings with respective municipalities towards identifying suitable land on the following dates:</p> <ul style="list-style-type: none"> <li>• Fezile Dabi: 4 December 2008</li> <li>• Motheo: 7 August 2008</li> <li>• Thabo Mofutsanyana: 4 February 2009</li> <li>• Xhariep: 14 October 2009</li> <li>• Lejweleputswa: 15 April 2008</li> </ul>
			<p>The following reports were submitted by the respective district offices on illegal evictions:</p> <ul style="list-style-type: none"> <li>• Motheo: 3 reports</li> <li>• Thabo Mofutsanyana: 1 report</li> <li>• Fezile Dabi: 1 report</li> <li>• Xhariep: No illegal evictions</li> <li>• Lejweleputswa: No illegal evictions</li> </ul>

Strategic Objective: To support and administratively guide the department towards improved service delivery			
Sub-Programme 1.2: Corporate Services (District Services)	Performance Measure Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
	<ul style="list-style-type: none"> <li>% Decrease in the development of illegal informal settlements</li> </ul>	<ul style="list-style-type: none"> <li>Lack of capacity and/or limited knowledge and understanding within municipalities towards preventing the development of illegal informal settlements</li> </ul>	<p>Quarterly information session held for municipalities per district towards increasing the capacity and/or knowledge on the Informal Settlement Eradication Programme</p> <ul style="list-style-type: none"> <li>Quarterly status reports submitted by each district on the status of illegal informal settlements</li> </ul>
	<ul style="list-style-type: none"> <li>% Increase in the correctness of housing applications</li> </ul>	<ul style="list-style-type: none"> <li>Housing applications submitted directly to Head Office by municipalities, without enabling District Services to verify them for correctness and completeness</li> </ul>	<ul style="list-style-type: none"> <li>All municipalities informed on the correct procedures to be followed when submitting housing applications to the department</li> <li>100% of housing applications received from municipalities verified for correctness prior to submitting such applications to Head Office for capturing and processing</li> </ul>
	<ul style="list-style-type: none"> <li>% accuracy of the Living Waiting List per district</li> </ul>	<ul style="list-style-type: none"> <li>Living Waiting List 20% accurate</li> </ul>	<ul style="list-style-type: none"> <li>40% Accuracy of the Living Waiting List: <ul style="list-style-type: none"> <li>Quarterly meetings held per District with municipalities towards updating the Living Waiting List and communicating it to Head office</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>% Accuracy of an updated database on Housing Projects in each district</li> </ul>	<ul style="list-style-type: none"> <li>Database on Housing Projects 70% accurate</li> </ul>	<ul style="list-style-type: none"> <li>Database on Housing Projects 100% updated within each district on a quarterly basis</li> </ul>
			<p>The respective District Offices rendered support to the following service providers appointed for this purpose by the department:</p> <ul style="list-style-type: none"> <li>Fezile Dabi: Makomota</li> <li>Thabo Mofutsanyana: THM Consultant &amp; Mzemzi-Harakisha Consultants</li> </ul> <p>The following reports were submitted on the status of illegal informal settlements</p> <ul style="list-style-type: none"> <li>Motheo: 2 reports</li> <li>Xhariep: 1 report, dealing with the Phambili informal settlements in Jacobsdal</li> </ul>
			<ul style="list-style-type: none"> <li>All 20 Local Municipalities were informed of the correct procedures to be followed when submitting housing applications</li> <li>95% of housing applications received from municipalities were verified to be correct before capturing and processing</li> </ul>
			<ul style="list-style-type: none"> <li>One meeting was held per district on the accuracy of waiting lists. 70% of the waiting lists assessed were accurate.</li> </ul>
			<ul style="list-style-type: none"> <li>90% of the database on housing projects was updated on a quarterly basis in each district.</li> </ul>

Strategic Objective: To support and administratively guide the department towards improved service delivery			
Sub-Programme 1.2: Corporate Services (District Services)	Performance Measure Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
	<ul style="list-style-type: none"> <li>% Increase in the quality of building material and workmanship</li> </ul>	<ul style="list-style-type: none"> <li>No information available to determine baseline</li> </ul>	<ul style="list-style-type: none"> <li>40% of Housing Projects within districts monitored in terms of the quality of building material and workmanship</li> <li>Quarterly status reports on the quality of building material and workmanship compiled and submitted to Head Office</li> </ul>
	<ul style="list-style-type: none"> <li>% Increase in the awareness and understanding of municipalities on the implementation of the Rental Act</li> </ul>	<ul style="list-style-type: none"> <li>Limited understanding within municipalities on the implementation of the Rental Act</li> </ul>	<ul style="list-style-type: none"> <li>40% Increase in the awareness and understanding of municipalities on the implementation of the Rental Act by means of quarterly information sessions held within each district, targeting all municipalities</li> </ul>
	<ul style="list-style-type: none"> <li>% Increase in the accuracy of information on social housing</li> </ul>	<ul style="list-style-type: none"> <li>Inadequate information available on the status of social housing within each district</li> </ul>	<ul style="list-style-type: none"> <li>Quarter reports compiled and submitted to Head Office per district on the status of social housing within each district.</li> </ul>
	<ul style="list-style-type: none"> <li>% Increase in the rendering of support to PHP Support Centres</li> </ul>	<ul style="list-style-type: none"> <li>Limited support provided to PHP Support Centres</li> </ul>	<ul style="list-style-type: none"> <li>20% Increase in the rendering of support to PHP Support Centre and submitting quarterly reports on the status of PHP Support Centre in each district to Head Office</li> </ul>
			<p>60% of all housing projects were monitored in terms of the quality of material and workmanship in the Thabo Mofutsanyana, Fezile Dabi and Lejweleputswa Districts. In the Xhariep and Motheo districts progress reports have been submitted and the technical monitoring is done by the technical staff at Head Office due to a lack of such staff within these District Offices.</p>
			<p>Information sessions on the Rental Housing Act were held in all districts.</p>
			<p>Four reports were submitted on the status of Social Housing in each District Office</p>
			<p>PHP Support Centres within the Lejweleputswa, Thabo Mofutsanyana and Fezile Dabi Districts were supported by the responsible District Offices. No PHP allocations were made in Xhariep and Motheo Districts. Quarterly reports were submitted to Head Office on the status of PHP within the relevant districts.</p>

Strategic Objective: To support and administratively guide the department towards improved service delivery			
Sub-Programme 1.2: Corporate Services (District Services)	Performance Measure Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
			<b>Status as on 31 March 2009</b>
To provide hands-on support to and increase the monitoring of accountable and sustainable local governance within the respective districts	<ul style="list-style-type: none"> <li>No. of District Inter-Departmental Monitoring, Reporting and Evaluation Fora (MRE) established and functional</li> </ul>	<ul style="list-style-type: none"> <li>5 District Interdepartmental Monitoring, Reporting and Evaluation Fora (MRE) established and functional</li> </ul>	<ul style="list-style-type: none"> <li>Assistance and support provided to enhance functionality of 5 District Interdepartmental MRE Forums</li> </ul> <p>The District Monitoring Interdepartmental Committees were established in all districts</p>
	<ul style="list-style-type: none"> <li>No. of municipalities supported towards fully implementing performance management regulations</li> </ul>	None	<ul style="list-style-type: none"> <li>Quarterly reports submitted on the extent that municipalities compliance with performance management regulations</li> </ul> <p>All municipalities except Mohokare were in compliance with Performance Management Regulations. Progress in this regard was reported in the quarterly reports compiled by the PMU unit dealing with the 5-Year Local Government Strategic Agenda</p>
	<ul style="list-style-type: none"> <li>No. of reports submitted on the functionality of Ward Committees</li> </ul>	None	<ul style="list-style-type: none"> <li>Quarterly status reports submitted on the functionality of ward committees</li> </ul> <p>Ward Committees were fully functional in the Thabo Mofutsanyana and Fezile Dabi Districts. In the Mofheo, Xhariep and Lejweleputswa Districts, Ward Committees were disbanded and reconstructed in line with requirements.</p>
	<ul style="list-style-type: none"> <li>No. of training programmes organized for the CDW per annum</li> </ul>	<ul style="list-style-type: none"> <li>10 training programmes organized for the CDW</li> </ul>	<ul style="list-style-type: none"> <li>Assistance and support provided towards organizing 10 training programmes for the CDW per annum</li> </ul> <p>The respective District Offices provided the following training sessions for CDWs:</p> <ul style="list-style-type: none"> <li>Language skills</li> <li>Local Economic Development</li> <li>Housing-related matters</li> <li>Disaster Management</li> <li>Report writing</li> <li>Service Rights</li> </ul>
	<ul style="list-style-type: none"> <li>No. of ward committees trained on local governance</li> </ul>	<ul style="list-style-type: none"> <li>300 ward committees trained on local governance</li> </ul>	<ul style="list-style-type: none"> <li>Assistance and support provided towards training 300 ward committees on local governance</li> </ul> <p>The following training was provided to the ward committees in the respective districts:</p> <ul style="list-style-type: none"> <li>Thabo Mofutsanyana: Good Governance &amp; Skill developments</li> <li>Fezile Dabi: Induction Training</li> </ul>
	<ul style="list-style-type: none"> <li>No. of Izimbizo Programmes successfully finalized</li> </ul>	<ul style="list-style-type: none"> <li>20 Izimbizo Programmes successfully finalized</li> </ul>	<ul style="list-style-type: none"> <li>Assistance and support provided to ensure the success of 20 Izimbizo Programmes</li> </ul> <p>All district offices assisted with the arrangement and co-ordination of the Izimbizo Programme held on the 1<sup>st</sup> to the 8<sup>th</sup> of November 2008. District Offices also provided support on the social development outreach programme and the National launch on the "War on Poverty" Campaign in Jacobsdal on the 14<sup>th</sup> of August 2008</p>

Sub-Programme 1.2: Corporate Services (District Services)		Strategic Objective: To support and administratively guide the department towards improved service delivery		
Measurable Objective	Performance Measure Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)	Status as on 31 March 2009
	<ul style="list-style-type: none"> <li>% Functionality of District Disaster Management Centres</li> </ul>	Head: District Disaster Management Centre appointed in the following districts: <ul style="list-style-type: none"> <li>• Motheo</li> <li>• Lejweleputswa</li> <li>• Fezile Dabi</li> </ul>	Head: District Disaster Management Centre appointed in the following Districts: <ul style="list-style-type: none"> <li>• Xhariep</li> <li>• Thabo Mofutsanyana</li> </ul> Quarterly reports submitted on functionality of established District Disaster Management Centres	The responsibility to facilitate the appointment of District Disaster Management Centre Managers was performed by Head Office  50% of District Disaster Management Centres were fully functional
	<ul style="list-style-type: none"> <li>No. and % functionality of District Disaster Management Advisory Forums</li> </ul>	<ul style="list-style-type: none"> <li>• Five district forums established and 60% functional</li> </ul>	<ul style="list-style-type: none"> <li>• Five district forums 80% functional</li> </ul>	All District Disaster Management Advisory Fora were established and were functional
	<ul style="list-style-type: none"> <li>No. of municipal district – and local disaster management officials trained</li> </ul>	120 stakeholders trained	150 stakeholders trained	74 Volunteers were trained on matters related to veld fires and fire fighting. An Awareness Campaign workshop was conducted in the Fezile Dabi District on matters related to disaster management
	<ul style="list-style-type: none"> <li>No. of municipalities supported towards providing accurate information with regard to MIG and Provincially Funded Projects</li> </ul>	None	<ul style="list-style-type: none"> <li>• 5 District Municipalities supported towards providing accurate information with regard to MIG and Provincially Funded Projects</li> </ul>	All 20 local municipalities were supported with regard to MIG- and Provincial MIG Funded Projects. All District Offices participated in the MIG bi-monthly meetings towards monitoring the accuracy of information on projects.
	<ul style="list-style-type: none"> <li>No. of municipalities supported towards adopting IDPs aligned with the FSGDS.</li> </ul>	None	5 Districts and 20 Local Municipalities assisted and supported towards adopting IDPs aligned with the FSGDS	All 20 local municipalities were supported on the alignment of IDPs with the FSGDS.
To provide administrative support towards the effective and efficient functioning of District Offices	<ul style="list-style-type: none"> <li>Updated and accurate leave registers per District Office</li> </ul>	<ul style="list-style-type: none"> <li>• Leave Registers kept in some District Offices</li> </ul>	<ul style="list-style-type: none"> <li>• Leave Register per District Office updated and maintained on a monthly basis</li> </ul>	Leave registers were kept and maintained in all the District Offices excluding the Xhariep District Office, whose leave register was maintained by Head Office, who kept a consolidated leave register for all District Offices.

Sub-Programme 1.2: Corporate Services (District Services)		Strategic Objective: To support and administratively guide the department towards improved service delivery		
Measurable Objective	Performance Measure Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)	Status as on 31 March 2009
	<ul style="list-style-type: none"> <li>Updated and accurate Database on signed Performance and Development Plans (PDPs) for officials on levels 1- 12 within the respective District Offices</li> </ul>	<ul style="list-style-type: none"> <li>No Database developed and/or kept in District Offices</li> </ul>	<ul style="list-style-type: none"> <li>100% Accurate and updated Database of signed PDPs per District Office</li> </ul>	PDPs were developed and signed in respect of all employees within the District Offices
	<ul style="list-style-type: none"> <li>% Maintenance of personnel records for all personnel in the respective District Offices</li> </ul>	<ul style="list-style-type: none"> <li>Personnel records partially maintained in some District Offices</li> </ul>	<ul style="list-style-type: none"> <li>100% Maintenance of all personnel records per District Office and communication of such information to the Corporate Services Chief Directorate when required</li> </ul>	All personnel records were maintained and submitted to the Chief Directorate: Corporate Services.
	<ul style="list-style-type: none"> <li>% Compliance to bidding processes</li> </ul>	<ul style="list-style-type: none"> <li>Most goods and services procured through bidding processes</li> </ul>	<ul style="list-style-type: none"> <li>All goods and services in the respective District Offices are procured in line with prescribed bidding procedures</li> </ul>	All goods and services were procured in line with prescribed bidding procedures in all District Offices.
	<ul style="list-style-type: none"> <li>% Accuracy and maintenance of an updated Asset Management Register</li> </ul>	<ul style="list-style-type: none"> <li>Updated Assets Management Registers kept in some District Offices</li> </ul>	<ul style="list-style-type: none"> <li>100% Accurate and updated Asset Management Register and communicated to the Office of the CFO on a quarterly basis</li> </ul>	The Supply Chain Management Directorate kept and maintained the Asset Management Registers for all District offices.
	<ul style="list-style-type: none"> <li>% of Personnel within the respective District Offices receiving monthly salaries</li> </ul>	<ul style="list-style-type: none"> <li>All personnel receive their salaries within due dates</li> </ul>	<ul style="list-style-type: none"> <li>Payment of salaries to all personnel within each District Office by the 15<sup>th</sup> or the 30<sup>th</sup>, whichever applicable</li> </ul>	Paymasters in the respective District Offices complied with the distribution and signing-off of salary advices for all district personnel by the 15 <sup>th</sup> and 30 <sup>th</sup> of each month, whichever applicable
	<ul style="list-style-type: none"> <li>Timeous submission of accurate financial information to the Office of the CFO</li> </ul>	<ul style="list-style-type: none"> <li>100% Accurate financial information submitted to the Office of the CFO as and when requested</li> </ul>	<ul style="list-style-type: none"> <li>100% Accurate financial information submitted to the Office of the CFO on a monthly basis</li> </ul>	Accurate financial information was submitted to the Office of the CFO on a monthly basis.
	<ul style="list-style-type: none"> <li>No. of days within which invoices are verified and submitted for payment</li> </ul>	<ul style="list-style-type: none"> <li>Invoices verified and submitted to the Office of the CFO within 14 days after receipt.</li> </ul>	<ul style="list-style-type: none"> <li>Invoices verified and submitted to payment to the Office of the CFO within 7 working days after receipt</li> </ul>	All invoices were verified and submitted to the Office of the CFO within 7 days after receipts.

## STRATEGIC GOAL NO. 2: ENHANCED SUSTAINABLE HUMAN SETTLEMENTS TO COMMUNITIES IN THE FREE STATE BY 2014

Sub-Programme 2.1: Housing Needs, Research and Planning		Strategic Objective: To facilitate housing delivery		
Measurable Objective	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)	Progress as on 31 March 2009
To conduct housing research	<ul style="list-style-type: none"> <li>No. of research projects conducted</li> </ul>	<ul style="list-style-type: none"> <li>No (none) provincial research conducted</li> </ul>	<p>5 Reports on research findings submitted, and more specifically with regard to the following:</p> <ul style="list-style-type: none"> <li>Housing stock available pre 1994</li> <li>EEDBS audit</li> <li>CRU audit</li> <li>Land Audit</li> <li>Informal Settlement audit</li> </ul>	<p>Not achieved</p> <ul style="list-style-type: none"> <li>Terms of reference for the EEDBS audit were compiled</li> <li>Arrangements are underway for an internal workshop to foster common understanding of what needs to be done.</li> <li>The status quo in respect of municipalities that have previously audited the affected sites still in progress in order to determine an appropriate baseline for the audit.</li> </ul> <p>Service provider appointed to conduct feasibility studies. Terms of reference compiled. Advertisements for the service provider still outstanding. 3 service providers appointed in respect of the six identified areas. The contract period ends at the end of June 2009 whereupon the final reports will be submitted. They are at various stages of completion.</p>

Sub-Programme 2.1: Housing Needs, Research and Planning		Strategic Objective: To facilitate housing delivery		
Measurable Objective	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)	Progress as on 31 March 2009
<p>To provide a regulatory framework for housing delivery:</p> <ul style="list-style-type: none"> <li>• Child Headed Households</li> <li>• Beneficiary waiting lists</li> <li>• Pre-emptive rights</li> <li>• Protection of surviving partners through title deed registration in both parties' names</li> <li>• Housing for Special needs</li> <li>• Social Medium Density Housing</li> <li>• BNG Housing Implementation guidelines</li> </ul>	<ul style="list-style-type: none"> <li>• No. of policy guidelines developed</li> </ul>	<ul style="list-style-type: none"> <li>• 3 frameworks developed</li> </ul>	<p>3 Housing policies, guidelines and/or strategies, and more specifically with regard to:</p> <ul style="list-style-type: none"> <li>• Protection of surviving partners through title deed registration in both parties' names</li> <li>• BNG Housing Implementation guidelines</li> <li>• Increased in the understanding and awareness of officials and stakeholders on the BNG and Turn Around Strategy</li> </ul>	<p>Most title deeds are already registered in the names of both spouses / partners</p> <p>Not finalised</p> <p>Information Sharing Sessions were suspended in August 2008</p>
	<ul style="list-style-type: none"> <li>• % Implementation of the updated Multi-year Housing Delivery Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Multi-Year Housing Delivery Plan not in place</li> </ul>	30%	The Multi-Year Development Plan was developed and submitted to the National Department of Housing.
	<ul style="list-style-type: none"> <li>• No. of Housing Chapters of IDPs compiled</li> </ul>	0	20	Appointment of service providers awaiting evaluation, adjudication and approval
	<ul style="list-style-type: none"> <li>• No. of housing development plans in place</li> </ul>	1	1	The Multi-Year Development Plan was developed and submitted to the National Department of Housing.
	<ul style="list-style-type: none"> <li>• % Improvement in the implementation of the BNG and Turn Around Strategy</li> </ul>	MEC's Panel of Expert Advisors functional	100%, and more specifically with regard to the following: <ul style="list-style-type: none"> <li>• MEC's Panel of Expert Advisors fully functional</li> <li>• Support provided to all meetings of the Panel of Expert Advisors</li> </ul>	The MEC's panel was virtually disestablished

Sub-Programme 2.1: Housing Needs, Research and Planning		Strategic Objective: To facilitate housing delivery		
Measurable Objective	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)	Progress as on 31 March 2009
To monitor and enforce quality and EPWP compliance in housing delivery	<ul style="list-style-type: none"> <li>% of housing projects complying with EPWP principles</li> </ul>	10% of Housing projects EPWP compliant	10%	None. The activity was removed from the APP
	<ul style="list-style-type: none"> <li>% Involvement of NHBRC in PLS projects</li> </ul>	24 Projects enrolled with the NHBRC	100% e.g.: <ul style="list-style-type: none"> <li>Service providers appointed to compile compliant geotechnical reports</li> <li>All projects linked to enrolled geotech reports enrolled with NHBRC</li> </ul>	57 projects enrolment documents were forwarded to the NHBRC for both projects and home enrolment. The documents were all approved by NHBRC for enrolment. The NHBRC could not print enrolment documents due to the outstanding enrolment fees. The Department deferred the enrolment fees payment to 2009/10 financial year.
To ensure the successful implementation of the programme on the rectification of houses with structural defects (15.01.1994 to 31.03.2002)	No. of houses enrolled with NHBRC	0	8000	18 900 housing units were ready for home enrolment. The NHBRC could not print enrolment documents due to the outstanding enrolment fees. The Department deferred the enrolment fees payment to 2009/2010 financial year.
	No. of housing units rectified	No project operational towards rectifying houses with structural defects	1500	The rectification of 29 houses in Dealsville, Botshabelo and Thaba Nchu funded from Emergency Housing. Purchases of 18 Temporary structures to accommodate beneficiaries affected by the floods disaster.
	No. of projects approved	0	20	5 Projects approved.

<b>Sub-Programme 2.2: Housing Development Implementation, Planning and Targets</b>		<b>Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes</b>		
<b>Measurable Objective</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Base-line (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>	<b>Progress as on 31 March 2009</b>
To facilitate the rapid release of state land and ensure the upgrading of land tenure rights	<ul style="list-style-type: none"> <li>No. of deeds of transfer registered in favour of qualifying beneficiaries in terms of the Enhanced Extended Discount Benefit Scheme (EEDBS)</li> </ul>	<ul style="list-style-type: none"> <li>1 000 deeds of transfer registered in favour of qualifying beneficiaries in terms of the Enhanced Extended Discount Benefit Scheme</li> </ul>	<ul style="list-style-type: none"> <li>1887 deeds of transfer registered in favour of qualifying beneficiaries in terms of the Enhanced Extended Discount Benefit Scheme</li> </ul>	<p>1 210 Deeds of Transfer were registered in terms of the EEDBS. Discussions were held with Mangaung Local Municipality in terms whereof, approximately 700 sites are ready for transfer within Bloemfontein. There is another 6000 for possible transfer in the Botshabelo area. A meeting is being convened to assess the process.</p> <p>The Matjhabeng municipality has been requested to proceed with the transfers of approximately 400 units. The Mqohaka and Metsimaholo municipalities have also been contacted with the view to reviving the transfer processes</p>
	<ul style="list-style-type: none"> <li>No. of deeds of transfer registered in favour of qualifying beneficiaries in terms of Act 81 of 1988</li> </ul>	<ul style="list-style-type: none"> <li>1800 deeds of transfer registered in favour of qualifying beneficiaries in terms of Act 81 of 1988</li> </ul>	<ul style="list-style-type: none"> <li>2 000 deeds of transfer registered in favour of qualifying beneficiaries in terms of Act 81 of 1988</li> </ul>	<p>2 024 deeds of transfer were registered in favour of qualifying beneficiaries in terms of Act 81/1988. The implementation of the pilot in Mangaung Local Municipality, though delayed, has started with the cooperation of the Municipality. As a result, call letters, notices to the site permit holders, have been issued in 8 wards. Eight volunteers have been appointed for each ward. The volunteers have been trained by the municipality and the department. It is expected that the volunteers will be going door to door thus resulting in the increase of declarations collected.</p>

Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes			
Sub-Programme 2.2: Housing Development Implementation, Planning and Targets	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
	<ul style="list-style-type: none"> <li>No. of township registers opened</li> </ul>	<ul style="list-style-type: none"> <li>30 township registers opened</li> </ul>	<ul style="list-style-type: none"> <li>40 township registers opened</li> </ul>
			<p>Progress as on 31 March 2009</p> <ul style="list-style-type: none"> <li>21 Township registers were opened including the following areas:               <ul style="list-style-type: none"> <li>Heidedal Ext 29 (Grassland Phase 3)(2846 erven)</li> <li>Bethulie Ext 7</li> <li>Hobhouse Ext 7 (218 erven)</li> <li>Luckhoff Ext 2 (295 erven)</li> <li>Bethulie Ext 3 (304 erven)</li> <li>Boshof Ext 10 (84 erven)</li> <li>Phahameng, Bulfontein (223 erven)</li> <li>Thabong Ext 20 (2117 erven)</li> </ul> </li> <li>Coordination of the opening of township registers in Matjhabeng is taking place. It is difficult to get initial consents for the township establishment so that applications for extension of these consents can be made where necessary. Another problem identified has been that there were unregistered subdivisions which must first be registered before the actual opening of the township register can be done. A request has been made to the Conveyancer to provide progress report which has not been forthcoming.</li> <li>Krohn Attorneys has been delayed by ESKOM for the registration of township in Poling Tse Rolo. Krohn Attorneys has now been instructed to proceed with the registration of the servitude in favour of ESKOM and then registration of township.</li> <li>Ramothello &amp; Tsotetsi Incorporated is busy with the registration of Ficksburg Ext 27.</li> </ul>

Sub-Programme 2.2: Housing Development Implementation, Planning and Targets		Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes		
Measurable Objective	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)	Progress as on 31 March 2009
	<ul style="list-style-type: none"> <li>No. of parcels of land to be facilitated for transfer to municipalities for development purposes</li> </ul>	<ul style="list-style-type: none"> <li>8 parcels of land transferred to municipalities for development purposes</li> </ul>	<ul style="list-style-type: none"> <li>10 parcels of land transferred to municipalities for development purposes</li> </ul>	<ul style="list-style-type: none"> <li>The submission in respect of Phuthaditjhaba Ext 12-16 has been referred back to the Department of Land Affairs for proper disposal processes to be followed.</li> <li>Plan of action in respect of the acquired Transnet properties Finalized.</li> <li>Terms of reference for the Land Audit developed. Advertisement (call for bids) outstanding</li> <li>Report for the Identified Land (worth R114m) available to be updated on a regular basis.</li> <li>The payment of R12 350 000 was made for the following properties : <ul style="list-style-type: none"> <li>- Bokamoso Farm in Hennenman: R6 000 000.00</li> <li>- Farm Kraanvogelviei in Ventersburg : R900 000.00</li> </ul> </li> </ul>

Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes			
Sub-Programme 2.2: Housing Development Implementation, Planning and Targets		Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes	
Measurable Objective	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
To ensure the management of reliable and accurate housing information and data	<ul style="list-style-type: none"> <li>% Increase in the credibility of housing information on the Housing Subsidy System</li> </ul>		
			<p><b>Progress as on 31 March 2009</b></p> <ul style="list-style-type: none"> <li>- Leeuwbosch Farm Leeuwbosch in Odendaalsrus: R4.2 m</li> <li>- Portion 3 of Farm Leeuwbosch in Odendaalsrus: R1.25 m</li> <li>• The municipality has subsequently been requested to develop Business plans for the development of these properties</li> <li>• Some of the land parcels will be acquired via DLA funding (R30million set aside for this purpose). Requests for acquisition of some of the land parcels were forwarded to DLA and now awaits the decision of the Provincial Grant Committee of Land Affairs. The affected properties include: <ul style="list-style-type: none"> <li>- Farm Wesselsrus 451 (Tswelopele) measuring 513HA @ R2 647 000</li> <li>- Farm Vlakvlei 417(Moqhaka) measuring (42, 266Ha) @ R856 832</li> <li>- Farm Thelana 2364(Moqhaka) measuring 10,1617Ha) at R750 000</li> <li>- 36 Plots situated South of Refengkgotso (Deneysville) (Metsimaholo) measuring ± 1542Ha) @ R4,5m</li> <li>- Farm Mofontein(Mohokare) measuring 793HA) @ R4,5m</li> <li>- Farm Koppies 1014(Ngwathe) measuring 55, 573HA) @ R1,650 000</li> <li>- A portion of Farm Liefgekozen 668 (price and extent still to be determined)</li> <li>• There is continuous engagement with Servcon as well as Propnet and Transnet Housing in order to identify further land that may be suitable for housing throughout the Free State- Transnet Housing will be furnishing the Department with the list of properties that can possibly be acquired as well the details in respect thereof.</li> <li>• A development ability/action plan in respect of the Propnet properties has been obtained and is being analysed.</li> <li>• The necessary sub-divisional processes are ongoing in respect of those properties where only portions were acquired.</li> </ul> </li> </ul>
			<ul style="list-style-type: none"> <li>• Data clean-up strategy developed for implementation</li> <li>• Data recovery strategy developed for implementation</li> </ul>
			<ul style="list-style-type: none"> <li>• Current housing information analyzed</li> </ul>
			<ul style="list-style-type: none"> <li>• This indicator, had to be put-on hold, however information is continuously cleaned-up as and when the need arise, e.g through on-site audits</li> </ul>

Sub-Programme 2.2: Housing Development Implementation, Planning and Targets		Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes		
Measurable Objective	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)	Progress as on 31 March 2009
	<ul style="list-style-type: none"> <li>% Implementation of an internal reporting tool on housing information</li> </ul>	<ul style="list-style-type: none"> <li>Reporting systems and internal requirements analyzed</li> </ul>	<ul style="list-style-type: none"> <li>Electronic reporting tool designed and piloted in housing subsidy administration</li> </ul>	<p>Due to unforeseen circumstances where the MEC convened a team to assist with the acceleration of beneficiary approval and project progress, this indicator, amongst others had to be put-on hold, however information is continuously cleaned-up as and when the need arise, e.g through on-site audits</p>
	<ul style="list-style-type: none"> <li>% Increase in the number of officials capacitated in respect of the following aspects of the Housing Subsidy System: <ul style="list-style-type: none"> <li>Beneficiaries</li> <li>Administration</li> <li>Project Management</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Limited number of officials capacitated</li> </ul>	<ul style="list-style-type: none"> <li>50% increase in the number of officials capacitated</li> </ul>	<p>An agreement is reached that the server can move to the newly renovated server room on the 11th floor.</p>
To upgrade informal settlements	<ul style="list-style-type: none"> <li>No. of informal settlements upgraded, inclusive of amenities</li> <li>No. and type of social and economic facilities projects completed in informal settlements</li> </ul>	<ul style="list-style-type: none"> <li>Socio economic study completed</li> </ul> <p>0</p>	<ul style="list-style-type: none"> <li>One Socio economic study conducted</li> </ul> <p>2</p>	<p>No social and economic facilities projects were completed</p> <p>The Grassland Interdepartmental Task Team meetings are held regularly. Various departments continue to submit reports on the projects being implemented in the grassland area</p> <p><u>Department of Sports, Arts and Culture:</u></p> <ul style="list-style-type: none"> <li>A site for multipurpose sports facility has been earmarked in phase 2.</li> <li>Multi Purpose Centre is still at design phase awaiting approval</li> <li>Business Plan for the Multi Purpose Sports Centre has been developed, awaiting approval.</li> <li>For financial year 2009/2010 recreation centre and Fan Park is being planned</li> <li>Once the school has been build in Grassland School Sports Mass Participation will be initiated</li> <li>In last meeting the department indicated that it cannot proceed with its commitments as it has financial constraints</li> </ul>

Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes			
Sub-Programme 2.2: Housing Development Implementation, Planning and Targets	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
Measurable Objective			
			<p><b>Progress as on 31 March 2009</b></p> <p><u>Department of Health</u></p> <ul style="list-style-type: none"> <li>The department's objective is increase access to health care through mobile services though vacant posts not approved on the critical personnel list</li> <li>Bloemspruit clinic: offer to extend operating hours to 19:00 effectively from 2009/2010</li> <li>Request to extend the yard of the clinic onto municipal land still to be considered by the municipality</li> <li>Medical Officer to visit the clinic three times a week after SLA signed with Independent Practitioners Association</li> </ul> <p><u>Department of Education</u></p> <ul style="list-style-type: none"> <li>Site no (17329) in Phase 2 identified, already busy with occupational rites and the site is still to be transferred to the Department of Education.</li> <li>National has allocated R25 million to build a new school in Grassland earmarked for the intermediate school.</li> <li>The school is already registered and funds available only signature waited from the MEC.</li> </ul> <p><u>Department of Social Development</u></p> <ul style="list-style-type: none"> <li>Support is been given to a Drop in Centre / Community based Multi Purpose Centre in Grassland</li> </ul> <p><u>Public Safety</u></p> <ul style="list-style-type: none"> <li>The are no funds available but policing will take place on regular basis</li> <li>Three police stations are available in the surrounding area to combat crime.</li> </ul> <p><u>Department of Labour</u></p> <ul style="list-style-type: none"> <li>An amount of R5 million is committed but only R1.9 million will be used for the courses as per approved Business Plan.</li> <li>Provision of hard skills in Grassland Phase 3 and the adjacent Bloemside will take place in respect of infrastructure development and housing construction</li> <li>No training will take place for this Financial Year 2008/2009</li> </ul>

Sub-Programme 2.2: Housing Development Implementation, Planning and Targets		Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes		
Measurable Objective	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)	Progress as on 31 March 2009
	<ul style="list-style-type: none"> <li>No. and type of social and economic facilities projects completed in existing projects</li> </ul>	0	4	<p>0 social and economic facilities projects completed</p> <p>A Socio-Economic Funding Framework together with Monitoring Frameworks have been developed. Funding Framework was approved by the HOD and has been disseminated to the Grassland Task Team members for the possible submission of Business Plans.</p> <p>However funding available for the amenities was committed to Grassland for the financial year 2008/2009 for which business plan has been awaited from Mangaung.</p>
	<ul style="list-style-type: none"> <li>No. of informal settlements supported</li> </ul>	15	16	84 informal settlements continued to receive support in respect of the Planning and Surveying programme.
	<ul style="list-style-type: none"> <li>No. of formal townships supported</li> </ul>	20	20	20 formal townships were supported in terms of the Conversion process, opening of township registers and EEDBS
	<ul style="list-style-type: none"> <li>No. of townships densified</li> </ul>	0	5	0 townships densified
	<ul style="list-style-type: none"> <li>No. of infrastructure projects commenced</li> </ul>	0	20	3 infrastructure projects commenced
	<ul style="list-style-type: none"> <li>No. of economic projects commenced</li> </ul>	0	2	<p>Sanitation project - Bethany (200 erven)</p> <p>Vijoenkroon-Reticulation process (Northleigh development 2000 erven)</p> <p>Grassland- funding transferred to Mangaung for infrastructure purposes</p> <p>0</p>

Sub-Programme 2.2: Housing Development Implementation, Planning and Targets		Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes		
Measurable Objective	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)	Progress as on 31 March 2009
	<ul style="list-style-type: none"> <li>No. of community projects commenced</li> </ul>	0	4	<p>10 community projects commenced in Grasslands Sports Arts and Culture: Two teams have been identified for assistance in line with Club Development Project</p> <ul style="list-style-type: none"> <li>Once the school has been build in Grassland School Sports Mass Participation will be initiated</li> <li>Department of Health: Bloemspuit clinic: offer to extend operating hours to 19:00 effectively from 2009/2010</li> <li>Department of Social Development: a district Cluster forum has been established to ensure an integrated approach to service delivery in Grassland</li> <li>The registration of beneficiaries through A Drive for Social Grants (Outreach Programme) is ongoing in Grassland</li> <li>11 ECD sites have received their registration certificates: the registration drive is in progress</li> <li>CDP has started with profiling of Grassland on ECD services</li> <li>Busy compiling information for the proposal to the Group 4 Private Prison for the training and assistance towards establishment of vegetable gardens at the ECD centres</li> <li>Busy compiling proposal to Group 4 to assist with renovation of the building, infrastructure, educational toys (indoor/outdoor) equipments (blankets, mattresses) kitchen equipments, furniture and fencing</li> <li>Support is been given to a Drop in Centre / Community based Multi Purpose Centre in Grassland</li> <li>Department of Labour: Provision of hard skills in Grassland Phase 3 and the adjacent Bloemside will take place in respect of infrastructure development and housing construction</li> <li>StatsSa: Listing process being finalised ifor the area.</li> </ul>
	<ul style="list-style-type: none"> <li>No. of projects implemented to build sustainable and functional communities</li> </ul>	2	6	<p>Socio-economic audit in process in respect of 6 identified areas. The audit report will be used to facilitate the creation of sustainable and functional communities.</p>

<b>Sub-Programme 2.2: Housing Development Implementation, Planning and Targets</b>		<b>Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes</b>		
<b>Measurable Objective</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>	<b>Progress as on 31 March 2009</b>
	<ul style="list-style-type: none"> <li>Fast-tracking of Mandela View N8 Corridor (2010 Village) and Grassland Pilot project</li> </ul>	<ul style="list-style-type: none"> <li>1 850 houses built in Phase 2</li> <li>Township Registers opened in respect of Phase 3</li> <li>No houses constructed in respect of Phase 3</li> </ul>	<ul style="list-style-type: none"> <li>1 700 houses built in phase 3 (Grassland)</li> <li>Infra structure logistical preparation done for the 2010 village (Mandela View)</li> <li>Stakeholder mobilisation on 2010 village (Mandela View) resuscitated</li> </ul>	<ul style="list-style-type: none"> <li>2 400 subsidies allocated in respect of Phase 3</li> <li>Bulk services and land acquisition being addressed with Landowner and as part of the 2009/2010 Business Plan. Internal reticulation services budgeted for under IRDP phase 1 in the Housing Grant business plan for 2009/2010</li> <li>Interactions ongoing with Mangaung, the 'developer', HDA and the land owner with the view to properly 'packaging the development ranging from Land acquisition, infrastructure installation, top structure, funding streams etc</li> </ul>
	<ul style="list-style-type: none"> <li>No. of planned residential sites approved</li> </ul>	7 848 erven planned & surveyed	8 000 erven planned and surveyed	14 607 erven planned and surveyed
	<ul style="list-style-type: none"> <li>No. of other planned sites approved</li> </ul>	0	1 500	1 623 other erven planned
	<ul style="list-style-type: none"> <li>No. of sites completed with permanent services</li> </ul>	0	1 500	0
	<ul style="list-style-type: none"> <li>No. of sites serviced</li> </ul>	0	8 000	0
	<ul style="list-style-type: none"> <li>No. of erven planned and surveyed</li> </ul>	<ul style="list-style-type: none"> <li>7 848 erven planned &amp; surveyed</li> </ul>	<ul style="list-style-type: none"> <li>8 000 erven planned and surveyed</li> </ul>	<ul style="list-style-type: none"> <li>16 230 erven planned and surveyed</li> <li>Regular interaction, took place with stakeholders to ensure a smooth flow of the Planning and surveying processes, including the issuing of RODs by DEAT. To date progress is as follows: <ul style="list-style-type: none"> <li>22 Complete projects that have yielded 16 230 stands</li> <li>11 projects awaiting township registration consisting of 3 958 stands</li> <li>11 Projects awaiting general plan approval consisting of 5 001 stands</li> </ul> </li> </ul>
To provide capacity and support to municipalities and other stakeholders with regard to housing delivery in line with the Housing Act	<ul style="list-style-type: none"> <li>No. of municipalities accredited</li> </ul>	<ul style="list-style-type: none"> <li>Mangaung Local Municipality accredited on Level 1</li> </ul>	<ul style="list-style-type: none"> <li>Mangaung Local Municipality accredited on Level 2</li> </ul>	<ul style="list-style-type: none"> <li>Municipality has not been accredited as yet due to the decision taken by MinMec to hold the programme in abeyance.</li> </ul>

Sub-Programme 2.2: Housing Development Implementation, Planning and Targets		Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes		
Measurable Objective	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)	Progress as on 31 March 2009
		None	<ul style="list-style-type: none"> <li>Support five municipalities to obtain readiness to seek Level 1 accreditation:</li> <li>Dihlabeng</li> <li>Metsimaholo</li> <li>Maluti- A Phofung</li> <li>Matjhabeng</li> <li>Moghaka</li> </ul>	<p>Due to the decision to hold the accreditation programme in abeyance the Chief Directorate refused the activity through identifying capacity requirements in 20 (twenty) municipalities to deliver on housing mandates.</p> <p>Only fourteen of the twenty municipalities participated in the audit. A capacity building strategy has been developed to respond to the capacity requirements. The strategy will be presented to the five districts and department in the first quarter of the new financial year and after which it will be submitted to the HOD for approval</p> <p>No programmes were approved as the municipality has not been accredited as yet.</p>
<ul style="list-style-type: none"> <li>No. of programmes approved and funded under the accreditation of municipalities</li> <li>No. of visits executed to support municipalities</li> </ul>		4	4	<ul style="list-style-type: none"> <li>19 visits were executed to municipalities</li> <li>16 municipalities were visited in order to determine institutional capacity.</li> <li>3 visits were conducted on information sharing sessions in respect of Conversion Act No. 81 of 1988 and various Housing subsidy programmes.</li> </ul>
<ul style="list-style-type: none"> <li>No. of workshops conducted towards building the capacity of municipalities</li> </ul>		4	4	<ul style="list-style-type: none"> <li>4 training workshops were conducted on Housing Policies</li> </ul>
<ul style="list-style-type: none"> <li>No. of training workshops provided to municipalities</li> </ul>		8	8	<ul style="list-style-type: none"> <li>17 training sessions were completed. These include: <ul style="list-style-type: none"> <li>12 sessions on the Housing subsidy system (HSS)</li> <li>1 session on Housing policy</li> <li>2 train the trainer – Consumer Education</li> <li>2 advanced train the trainer – Consumer Education</li> </ul> </li> </ul> <p>These courses were attended by both local and provincial government officials.</p>
<ul style="list-style-type: none"> <li>No. of beneficiaries trained on consumer education</li> </ul>		5 000	5 000	<ul style="list-style-type: none"> <li>4 671 Beneficiaries were educated in Matjhabeng, Moqhaka, Bethlehem , Sasolburg and Maluti-a-Phofung municipalities through the Consumer Education programme</li> </ul> <p>In order to improve consumer knowledge and to create better awareness of the Consumer Education programme, three draft brochures were developed, covering the following areas:</p> <ul style="list-style-type: none"> <li>Home owners guide</li> <li>Subsidy application criteria and processes</li> <li>Housing Consumer Education programme</li> </ul>

Sub-Programme 2.2: Housing Development Implementation, Planning and Targets		Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes		
Measurable Objective	Performance Measure / Indicator	Estimated Base-line (Target) as on 31.03.2008	Target Year 1 (2008/2009)	Progress as on 31 March 2009
	<ul style="list-style-type: none"> <li>No. of learners capacitated in the Community House Builder Learnership</li> </ul>	300	300	<p>300 learners completed the theoretical training in the Community House Builder Learnership programme. The learners are currently participating the practical training.</p> <p>The department supported the project through:</p> <ul style="list-style-type: none"> <li>Its participation in the steering committee.</li> <li>Funding to the tune of R1.2m for the purchase of tool boxes, payment of transport and portable ablution facilities on site</li> </ul> <p>100 youth learners participated in the induction training. Only 99 received technical training in Construction management in either, bricklaying, plastering or roofing. One learner dropped out of the programme to pursue a qualification in Civil Engineering. The training was funded by the NHBRC. The second phase of the project was the appointment of ten 10 youth contractors. This was successfully completed. In addition to the short skills programme the chief directorate has applied to CETA to convert the short skills training into a full learnership programme.</p>
	<ul style="list-style-type: none"> <li>No. of partnerships established and maintained (Engineers, Financial and Training Institutions etc</li> </ul>	5	5	<p>Five partnerships were established with the following institutions</p> <ul style="list-style-type: none"> <li>Women for Housing</li> <li>CETA</li> <li>Faranani Training Solutions</li> <li>ADJ Projects</li> <li>NHBRC</li> </ul> <p>In addition to the five partnerships, interdepartmental working relationships were established with:</p> <ul style="list-style-type: none"> <li>Department of Water Affairs and Forestry</li> <li>Department of Land Affairs</li> <li>Department of Minerals and Energy</li> </ul>

Sub-Programme 2.2: Housing Development Implementation, Planning and Targets		Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes		
Measurable Objective	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)	Progress as on 31 March 2009
	<ul style="list-style-type: none"> <li>No. of Housing contractors mentored and supported</li> </ul>	15	10	<p>15 emerging contractors were consistently mentored and supported throughout the period under review.</p> <p>22 women contractors participated in the Women in Housing Indaba during August 2008 in Kimberley. In December 40 Women Contractors participated in a workshop to develop mentoring and support strategies. The workshop was facilitated by the Women in Housing Forum.</p> <p>A formal training programme commenced on 30 March 2009 for 40 emerging contractors. The following fields will be covered.</p> <ul style="list-style-type: none"> <li>Identifying, analysing and select business opportunities</li> <li>Demonstrating the ability to start and run a business and adapt to a changing business environment</li> <li>Applying health and safety to work area</li> <li>Tendering for construction contracts</li> <li>Understanding and applying business finances</li> </ul>

<b>Sub-Programme 2.2: Housing Development Implementation, Planning and Targets</b>		<b>Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes</b>		
<b>Measurable Objective</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>	<b>Progress as on 31 March 2009</b>
To provide individual subsidies to qualifying beneficiaries in accordance with the housing policy	<ul style="list-style-type: none"> <li>No. of subsidies allocated and approved</li> </ul>	15 265 Subsidies allocated and approved: <ul style="list-style-type: none"> <li>1400 PHP</li> <li>12000 Project linked (Women contractors, Youth projects, Houses for the 16 Days of Activism)</li> <li>315 Institutional Subsidies (Social Housing)</li> <li>40 Credit Linked Individual subsidies</li> <li>40 Non-credit Linked Individual Subsidies</li> <li>300 Farm Workers</li> <li>360 Relocation / rightsizing</li> <li>60 Housing Finance-linked subsidies</li> <li>750 Community Residential Units (CRU)s</li> </ul>	14 090 Subsidies allocated and approved: <ul style="list-style-type: none"> <li>1488 PHP (200 Utshani &amp; 500 Traditional Leaders)</li> <li>11000 Project linked (1000 Women contractors, 500 Youth projects, 120 Houses for the 16 Days of Activism, 215 Letsatsi)</li> <li>40 Credit Linked Individual subsidies</li> <li>40 Non credit Linked Individual Subsidies</li> <li>400 Farm Worker housing (Vijoenkroon and Bethanie)</li> <li>360 Relocation / rightsizing</li> <li>300 Housing Finance-linked subsidies ( 183 Pick'n Pay and 85 Letsatsi)</li> <li>600 Institutional Subsidies (Social Housing) at Mangaung</li> <li>650 Community Residential Units (CRU) (Metsimaholo, Mangaung, Maluti-A-Phofung)</li> </ul>	24 300 Subsidies allocated and approved <ul style="list-style-type: none"> <li>1 477 subsidies are approved (200 approved with 175 approvals Utshani &amp; 500 subsidies with 300 approvals for Traditional Leaders)</li> <li>(3 000 allocation for Women with 2406 approvals, 500 allocation for Youth with 493 approvals, 300 allocation for the 16 days of Activism with 266 approvals and 300 allocated for Letsatsi with no approvals 3 applications submitted to date by the Family Trust )</li> <li>40 planned with 160 approvals</li> <li>40 planned with 60 approvals</li> <li>Vijoenkroon Evans Off farm 291 approvals and Bethanie 84 approvals)</li> <li>800 Relocation (FDC) allocated with 600 approvals</li> <li>300 FLISP (183 Pick 'n Pay no applications submitted only lists for searches and 85 Letsatsi - the Bank approved loan for 7 applicants &amp; Trust to submit the applications)</li> <li>No progress – the Institutional Subsidies were relinquished to other Housing Programmes</li> <li>Feasibility Studies for the identified priority projects have commenced at Metsimaholo Local Municipality and Mangaung Local Municipality and these have progressed quite well. Metsimaholo is at the point of developing a cluster of show houses and plans to conduct Community Facilitation whereat affected community members will be informed about the CRU Programme and be given a choice as to the type, size of rental unit they wish to occupy as well as be informed of the monthly rentals payable for the chosen units. Mangaung is still to conduct a Community Facilitation but might have to postpone same up until the issue of the RDP houses is resolved.</li> </ul>

Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes			
Sub-Programme 2.2: Housing Development Implementation, Planning and Targets	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
Measurable Objective	<ul style="list-style-type: none"> <li>No. of beneficiaries approved</li> </ul>	Unknown	<p>5 890 Beneficiaries approved:</p> <ul style="list-style-type: none"> <li>1500 Project linked (1000 Women contractors, 500 Youth projects)</li> <li>40 Credit Linked Individual subsidies</li> <li>40 Non credit Linked Individual Subsidies</li> <li>400 Farm Worker housing (Viljoenskroon and Bethanie)</li> <li>360 iro Relocation assistance</li> <li>600 Housing Finance-linked subsidies (183 Pick'n Pay and 85 Letsatsi)</li> <li>650 Community Residential Units (CRU) (Metsimaholo, Mangaung, Maluti-A-Phofung)</li> <li>1 500 subsidies iro the Integrated Residential Development Programme Phase 4</li> <li>500 PHP (excluding informal settlement upgrading)</li> <li>300 Institutional Subsidies for social and rental housing</li> <li>8000 iro Integrated Residential Development Programme Phase 2</li> </ul>
			<p><b>Progress as on 31 March 2009</b></p> <p>29 406 Beneficiaries were approved, e.g.:</p> <ul style="list-style-type: none"> <li>3000 allocation for Women with 2406 approvals, 500 allocation for Youth with 493 approvals,</li> <li>40 Credit Linked with 160 approvals</li> <li>40 Non Credit Linked with 60 approvals</li> <li>400 Farm Worker housing (Viljoenskroon Evans Off farm 291 approvals and Bethanie 84 approvals)</li> <li>800 relocation (FDC) with 600 approvals</li> <li>300 FLISP (183 Pick'n Pay no applications submitted only lists for searches and 85 Letsatsi - the Bank approved loan for 7 applicants &amp; Trust to submit the applications)</li> <li>Feasibility Studies for the two (2) of the four (4) identified priority projects have commenced at Metsimaholo Local Municipality and Mangaung Local Municipality and these have progressed quite well. Metsimaholo is at the point of developing a cluster of show houses and plans to conduct Community Facilitation wherewith affected community members will be informed about the CRU Programme and be given a choice as to the type, size of rental unit they wish to occupy as well as be informed of the monthly rentals payable for the chosen units. Mangaung is still to conduct a Community Facilitation but might have to postpone same up until the issue of the RDP houses is resolved.</li> <li>1477 subsidies are approved (175 Utshani and 300 Traditional Leaders)</li> <li>No progress - the Institutional Subsidies were relinquished to other Housing Programmes</li> <li>23 349 Subsidies approved iro of phase 2</li> </ul>

Sub-Programme 2.2: Housing Development Implementation, Planning and Targets		Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes		
Measurable Objective	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)	Progress as on 31 March 2009
To facilitate the completion of housing units (excluding blocked projects)	<ul style="list-style-type: none"> <li>No. of housing units completed</li> </ul>	Unknown	<ul style="list-style-type: none"> <li>1 500 Project Linked</li> <li>200 PHP (excluding blocked projects)</li> <li>1 500 housing units towards upgrading of informal settlements</li> <li>300 housing units iro Institutional Subsidies for social and rental housing</li> <li>600 housing units iro the Social Housing Capital Grant (excluding Informal Settlement Upgrading)</li> <li>20 iro New Credit Linked Individual housing units completed and transferred</li> <li>20 Secondary Credit Linked Individual housing units completed and transferred</li> <li>600 Housing Finance Linked Individual Subsidies housing units completed</li> <li>8 000 iro Integrated Residential Development Programme Phase 2</li> <li>1 500 iro Integrated Residential Development Programme Phase 4</li> </ul>	<p>A total of 13 584 housing units completed (all programmes included). 1 477 subsidies were approved (175 Utshani &amp; 300 Traditional Leaders).</p> <ul style="list-style-type: none"> <li>Social Housing, Institutional, Rectification and FLISP were not implemented and funds were shifted to IRDP programmes.</li> <li>Institutional Subsidies were relinquished to other Housing Programmes.</li> <li>The would be developer has yet to establish a Housing Institution in order to access Funding from both National and Province.</li> <li>The Mangaung Municipality has as yet not established a Housing Institution which is required for the payment of the National Restructuring Grant as well as the Provincial Institutional Subsidies</li> </ul>
	<ul style="list-style-type: none"> <li>No. of properties transferred</li> </ul>	Unknown	<ul style="list-style-type: none"> <li>1 500 iro Project Linked subsidies</li> <li>40 iro Non Credit Linked Subsidies</li> <li>200 iro Finance Linked Individual Housing Subsidies</li> <li>1 000 iro Enhanced Extended Subsidies</li> </ul>	<ul style="list-style-type: none"> <li>13 584 registered for qualifying beneficiaries.</li> <li>16 units registered in favour of qualifying beneficiaries.</li> <li>535 deeds of transfer registered in favour of qualifying beneficiaries in terms of the EEDBS</li> </ul>

**STRATEGIC GOAL NO.3: ACCOUNTABLE AND SUSTAINABLE LOCAL GOVERNANCE IS PROMOTED IN THE FREE STATE**

Sub-Programme 2.2: Housing Development Implementation, Planning and Targets		Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes		
Measurable Objective	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)	Progress as on 31 March 2009
	<ul style="list-style-type: none"> <li>No. of projects approved</li> </ul>	Unknown	<ul style="list-style-type: none"> <li>1 Integrated Residential Development Programme: Phase 1</li> <li>1 Project iro Institutional Subsidies for social and rental housing project</li> <li>1 Project under provincial corresponding vulnerable groups policy for social and rental housing</li> <li>1 Project iro the Social Housing Capital Grant (excluding Informal Settlement Upgrading)</li> <li>2 projects iro Farm Worker Housing Assistance (Viljoenskroon and Bethany)</li> </ul>	<ul style="list-style-type: none"> <li>85 Projects were approved in the 2008/09 financial year.</li> <li>2 Projects were approved and registered on the HSS for farm workers assistance programme.</li> </ul>
	<ul style="list-style-type: none"> <li>No. of planned sites approved</li> </ul>	Unknown	<ul style="list-style-type: none"> <li>8 000 Residential Sites (excluding informal settlements)</li> </ul>	14 607 erven planned and surveyed.
	<ul style="list-style-type: none"> <li>No. of mortgage bonds registered</li> </ul>	Unknown	<ul style="list-style-type: none"> <li>400 Housing Finance Linked Individual Subsidies</li> </ul>	None. No project was registered.
	<ul style="list-style-type: none"> <li>No. of projects approved to be unblocked</li> </ul>	Unknown	2	33 projects approved and registered on the HSS for unblocking of the blocked projects.
	<ul style="list-style-type: none"> <li>No. of units represented by projects approved for unblocking</li> </ul>	Unknown	1 000	2 594 units were allocated across the 33 projects approved.
	<ul style="list-style-type: none"> <li>No. of Social Housing Institutions approved for staff gear-up and General Capacity Building Grants</li> </ul>	1	1	Mangaung municipality is in the process of establishing a Housing Institution and has adopted a Council Resolution to that effect.

<b>Sub-Programme 2.2: Housing Development Implementation, Planning and Targets</b>		<b>Strategic Objective: To promote the effective and efficient delivery of national and provincial housing programmes</b>		
<b>Measurable Objective</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>	<b>Progress as on 31 March 2009</b>
	<ul style="list-style-type: none"> <li>No. of social housing Institutions approved for Provincial Accreditation Grant</li> <li>No. of CRU units approved and upgraded</li> </ul>	1	1	Mangaung has resolved to establish a Social Housing Institution and none has been established as yet.
		750	650	CRU Feasibility Studies have already commenced and have progressed well to the point of doing Community Facilitation with the affected Communities. Preliminary Site Layout Plans and Designs have been drawn and rentals have been computed for Metsimaholo and Mangaung Local Municipalities which are part of the identified priority projects.

<b>Sub-Programme 2.3: Housing Asset Management</b>		<b>Strategic Objective: To regulate rentals and provide for the effective and efficient management of housing properties</b>		
<b>Measurable Objective</b>	<b>Performance Measure/ Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>	<b>Progress as on 31 March 2009</b>
To ensure that housing assets / properties are effectively and efficiently managed and maintained.	No. of houses (rental stock) units maintained	250 houses maintained	<ul style="list-style-type: none"> <li>An audit of the assets completed</li> <li>Maintenance plan drafted</li> <li>50 housing assets structurally repaired</li> <li>250 rental stock units maintained</li> </ul>	Emergency Maintenance on 40 houses in Sasolburg and Bloemfontein was conducted.
To ensure the effective transfer and/or selling of housing assets to municipalities in line with guidelines	No. of properties (rental stock) transferred	0	<ul style="list-style-type: none"> <li>Draft transfer policy / procedure in place</li> <li>100 Units transferred</li> <li>Effectiveness of assets transferred to municipalities monitored and reviewed</li> </ul>	None

# STRATEGIC GOAL NO.3: ACCOUNTABLE AND SUSTAINABLE LOCAL GOVERNANCE IS PROMOTED IN THE FREE STATE

Sub-Programme 3.1: Local Governance		Strategic Objective: To mainstream hands-on support towards improving local governance	
Measurable Objective	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
To monitor the extent to which local government comply with legislation	<ul style="list-style-type: none"> <li>No. of municipalities complying with local government legislation</li> </ul>	<p>25 Municipalities monitored on compliance with local government legislation and policy matters, and more specifically with regard to:</p> <ul style="list-style-type: none"> <li>The Constitution</li> <li>Structures Act</li> <li>Systems Act</li> <li>Demarcation Act</li> <li>Finance Management Act</li> <li>Property Rates Act</li> <li>National regulations</li> <li>Municipal by-laws</li> </ul>	<p>25 Municipalities monitored on compliance with local government legislation and policy matters, and more specifically with regard to:</p> <ul style="list-style-type: none"> <li>The Constitution</li> <li>Structures Act</li> <li>Systems Act</li> <li>Demarcation Act</li> <li>Finance Management Act</li> <li>Property Rates Act</li> <li>National regulations</li> <li>Municipal by-laws</li> </ul>
	<ul style="list-style-type: none"> <li>% Improvement in municipal compliance with Local Government Legislation</li> </ul>	<p>40% Improvement in municipal compliance with Local Government Legislation through the following:</p> <ul style="list-style-type: none"> <li>1 Annual audit done of all municipalities</li> <li>Advice, guidance and hands-on support provided to the following municipalities:</li> <li>Xhariep</li> <li>Mohokare</li> <li>Kopanong,</li> <li>Letsemeng</li> <li>Motheo</li> <li>Naledi</li> <li>Mantsopa</li> </ul>	<p>40% Improvement in municipal compliance with Local Government Legislation through the following:</p> <ul style="list-style-type: none"> <li>1 Annual audit done of all municipalities</li> <li>Advice, guidance and hands-on support provided to the following municipalities:</li> <li>Thabo Mofutsanyana</li> <li>Dihlabeng</li> <li>Setsoto</li> <li>Nketoana</li> <li>Phumelela</li> </ul>
	<ul style="list-style-type: none"> <li>No. of progress reports submitted on the rationalisation of by-laws and the development of policies.</li> </ul>	<p>12 Monthly composite progress reports compiled and submitted on the rationalization of by-laws and the development of policies.</p>	<p>12 Monthly Reports were compiled and submitted</p>
	<ul style="list-style-type: none"> <li>No. of municipalities assisted with promulgation of by-laws and development of policies on request</li> </ul>	<p>25 municipalities assisted with promulgation of by-laws and development of policies within one week of request.</p>	<p>Four municipalities were assisted with promulgation of by-laws and the development of policies, e.g.:</p> <ul style="list-style-type: none"> <li>Nketoana</li> <li>Maluti a Phofung</li> <li>Phumelela</li> <li>Mohokare.</li> </ul> <p>The Mqohaka, Matjhabeng and Dihlabeng municipalities were also advised on matters related to by-law and policies</p>

<b>Sub-Programme 3.1: Local Governance</b>			
<b>Measurable Objective</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
	<ul style="list-style-type: none"> <li>Annual municipal capacity assessment and powers and functions adjustments finalised</li> <li>No. of requested municipal establishment matters finalised</li> </ul>	<p>Annual municipal capacity assessment and powers and functions adjustment finalised as follows:</p> <ul style="list-style-type: none"> <li>Assessment August 2008</li> <li>Report Dec 2008</li> <li>Adjustment notice published Jan 2009</li> </ul> <p>All requested municipal establishment matters finalised within 1 month of receipt if legislation process permits, and more specifically with regard to the following:</p> <ul style="list-style-type: none"> <li>Establishment / disestablishment of municipalities</li> <li>Change of type, change of names, change of establishment notices</li> <li>Designation of full-time councillors</li> <li>Floor crossing</li> <li>Change of political parties, etc.</li> </ul>	<p>Annual municipal capacity assessment and powers and functions adjustment finalised as follows:</p> <ul style="list-style-type: none"> <li>Assessment August 2009</li> <li>Report Dec 2009</li> <li>Adjustment notice published Jan 2010</li> <li>All requested municipal establishment matters finalised within 1 month of receipt if legislation process permits, and more specifically with regard to the following:</li> <li>Establishment / disestablishment of municipalities</li> <li>Change of type, change of names, change of establishment notices</li> <li>Designation of full-time councillors</li> <li>Floor crossing</li> <li>Change of political parties, etc.</li> </ul>
	<ul style="list-style-type: none"> <li>No. of municipal by-elections published</li> <li>% Success of the municipal elections in 2011</li> </ul>	<ul style="list-style-type: none"> <li>100% publication of municipal by-elections finalised within 2 weeks of receipt of the request by IEC.</li> <li>All municipal outer boundary adjustments finalised for 2011 municipal elections by Feb 2008</li> </ul>	<ul style="list-style-type: none"> <li>100% publication of municipal by-elections finalised within 2 weeks of receipt of the request by IEC.</li> <li>All municipal outer boundary adjustments finalised for 2011 municipal elections by Feb 2009</li> </ul>
	<ul style="list-style-type: none"> <li>No. of Parliamentary / Legislature questions on local government matters replied to</li> <li>No. of functional District IGR Forums</li> </ul>	<ul style="list-style-type: none"> <li>All questions replied to within 3 days of receipt.</li> <li>5 Functional District IGR Forums</li> </ul>	<ul style="list-style-type: none"> <li>All questions replied to within 3 days of receipt</li> <li>5 Functional District IGR Forums</li> </ul>
To strengthen the intergovernmental system to benefit local government by principally implementing the IGR Framework Legislation			<p>The notice was published in Gazette 2 of 23 January 2009.</p> <p>The publication of the final notice is kept in abeyance to allow for further comments and objections by Lejweletupa and thereafter submission to National Treasury after inputs from all municipalities were evaluated and/or considered.</p> <p>The Mangaung change of type process will commence as soon as the Minister for Co-operative Governance, traditional affairs and Human Settlements has determined and promulgated the formula to determine the number of municipal seats according to the latest Voters Roll. A programme to facilitate the Change of Category of municipality was developed and the department is in the process of compiling draft notices with all relevant stakeholders to facilitate all the changes in respect of municipal establishment notices brought about by this change of type of municipality. This range of amendments effecting amongst others the change of type of municipality of Mangaung will only become operative on the day after the next local government elections in 2011.</p> <p>Two By-election Notices were finalised and Gazetted</p> <p>All outer boundary adjustments were finalised. With regard to the municipal ward delimitation process, said process can only start when the new National Voter's Roll is established by the IEC. The Minister for dplg must Gazette the formulae for the determination of the number of wards prior to the process of ward delimitation by the MDB can commence.</p> <p>All Parliamentary / Legislature questions were replied to</p> <p>5 District IGR Forums established and functional</p>

<b>Strategic Objective: To mainstream hands-on support towards improving local governance</b>			
<b>Sub-Programme 3.1: Local Governance</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>	<b>Progress as on 31 March 200</b>
<b>Measurable Objective</b>	<b>Performance Measure / Indicator</b>		
	<ul style="list-style-type: none"> <li>No. of provincial departmental IGR Structures established</li> <li>No. of District Inter-Departmental Monitoring, Reporting and Evaluation Fora established and functional</li> <li>% Implementation on the Practitioners Manual, Guidelines and other toolkits within municipalities.</li> <li>No. of municipalities supported with Municipal International Relations (MIR) initiatives</li> <li>% Implementation of findings resulting from municipal annual assessment</li> <li>% Participation in the development of an implementation framework for Annual Reports</li> <li>% Functionality of the PMU towards co-ordinating the implementation of the 5-Year Local Government Strategic Agenda (5YLGSA)</li> </ul>	<ul style="list-style-type: none"> <li>1 Fully functional Provincial Departmental IGR structure</li> <li>5 District Interdepartmental MRE Forums functioning effectively</li> <li>25 municipalities consulted on IGR Toolkit</li> <li>5 MIR awareness workshops held</li> <li>1 provincial municipal annual assessment conducted</li> <li>100% participation in the development of an implementation framework for Annual Reports</li> <li>100% Functional PMU towards co-ordinating the implementation of the 5YLGSA</li> <li>100% Operational Provincial Programme Steering Committee (PPSC) for the 5YLGSA</li> <li>5 District Monitoring, Reporting and Evaluation Fora established</li> </ul>	<ul style="list-style-type: none"> <li>1 Fully functional Provincial Departmental IGR structure</li> <li>5 District Interdepartmental MRE Forums functioning effectively</li> <li>25 municipalities implementing IGR Toolkit</li> <li>10 Municipalities entered into MIR agreements</li> <li>100% Implementation of findings resulting from municipal annual assessment</li> <li>100% participation in the development of an implementation framework for Annual Reports</li> <li>100% Operational PMU towards co-ordinating the implementation of the 5YLGSA</li> <li>5 District MRE Forums 100% functional</li> </ul>
			<ul style="list-style-type: none"> <li>1 Provincial Departmental IGR Structure Fully Functional, to the extent that it held special meetings.</li> <li>All 5 District Interdepartmental MRE Forums established and functional</li> <li>All 25 municipalities are implementing the IGR Toolkit when entering into joint working programmes, Memoranda of Understanding and Service Level agreements</li> <li>9 Municipalities have entered into MIR agreements.</li> </ul>
To provide support towards accelerating municipal transformation and organizational development			<ul style="list-style-type: none"> <li>The Vuna Awards ceremony was successfully held on 21 November 2008.</li> </ul>
			<ul style="list-style-type: none"> <li>Section 47 report on financial year under review (2006/2007) has been compiled and submitted to legislature for tabling. The report is still to be tabled by Legislature.</li> <li>The PMU is 100% operational and coordinates the implementation of the 5 Year LGSA throughout the province.</li> <li>The PPSC is 100% operational and meets bi-annually and related reports were developed and submitted to PCF and dplg for PCC/Cabinet Lekgotla</li> <li>The 5 District MRE Fora established and are 100% functional they meet quarterly in all districts. (Due to the provincial and national elections euphoria the last quarter for a was not convened)</li> </ul>

Strategic Objective: To mainstream hands-on support towards improving local governance			
Sub-Programme 3.1: Local Governance	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
Measurable Objective	% compliance with performance management regulations	90% compliance with regulations	100% compliance with regulations
		<ul style="list-style-type: none"> <li>• 90% compliance with regulations</li> </ul>	<p>In terms of Sec 57 (2) (a) of Municipal System Act No. 32 of 2000 and Municipal Performance Regulations (2006), performance agreement are concluded within one month after the beginning of the financial year of the municipality. Performance Agreements for the Section 57 managers iro the following municipalities were signed and submitted:</p> <ul style="list-style-type: none"> <li>• Letsemeng</li> <li>• Phumelela</li> <li>• Mantsopa</li> <li>• Lejweleputswa</li> <li>• Ngwathe</li> <li>• Maluti-a-Phofung</li> <li>• Mophaka</li> <li>• Fezile Dabi</li> </ul> <ul style="list-style-type: none"> <li>• Naledi do not have any Section 57 managers. Compliance with the regulations is being constantly monitored and support provided. All municipalities supported in this regard</li> <li>• All municipalities were supported with core basis systems.</li> </ul>
	No. of municipalities supported in filling vacant Section 57 management posts	<ul style="list-style-type: none"> <li>• 25 Municipalities supported towards filling vacant municipal and senior manager posts on request.</li> <li>• A provincial database tracking the status of Section 57 Managers developed</li> <li>• Participated in the development of the Provincial Recruitment and Retention Strategy with particular focus on less resourced municipalities.</li> </ul>	<ul style="list-style-type: none"> <li>• 12 municipalities supported with core basic systems</li> <li>• All 25 municipalities supported towards filling vacant municipal and senior manager posts on request.</li> <li>• Database on status of Section 57 post 100% kept and maintained</li> <li>• A Provincial Recruitment and Retention Strategy developed and endorsed by all municipalities</li> </ul>
	No. of skills audit profiles updated and maintained	<ul style="list-style-type: none"> <li>• Provincial skills audit profiles developed and recorded on database</li> <li>• Framework for Annual Skill Reports developed and 1 (one) municipality profiled.</li> </ul>	<ul style="list-style-type: none"> <li>• 25 municipalities were targeted to participate in the Free State</li> <li>• 67 out of 105 Section 57 managers participated (64%)</li> <li>• The following municipalities did not participate: <ul style="list-style-type: none"> <li>- Naledi and Mantsopa ( Motheo District)</li> <li>- Dihlabeng and Nketoana ( Thabo Mofutsanyana District)</li> </ul> </li> </ul>

<b>Strategic Objective: To mainstream hands-on support towards improving local governance</b>			
<b>Sub-Programme 3.1: Local Governance</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
To promote good governance and enhance public participation		<b>Progress as on 31 March 200</b>	
		1 Leadership Development Programme 100% implemented	1 Leadership Development Programme 100% implemented
		5 outstanding ward committees established	300 functional ward committees
		50 CDWs recruited	50 CDWs trained Monitoring and evaluation of CDW activities
		5 district interdepartmental CDWP structures functional	4 monitoring and evaluation reports on functionality and effectiveness of district interdepartmental CDWP structures
		10 training programmes organized for the CDW per annum	10 training programmes organized for the CDW per annum
		300 CDWs provided with basic resources	300 CDWs provided with basic resources
		5 CDWP marketing initiatives implemented	5 CDWP marketing initiatives implemented
		300 ward committees trained on local governance	300 ward committees trained on local governance
		Resources provided to 300 ward committees	Resources provided to 300 ward committees
	20 Izimbizo Programmes successfully finalized	20 Izimbizo Programmes successfully finalized	
	100% participation in and provision of support to National Izimbizo Programmes	100% participation in and provision of support to National Izimbizo Programmes	

<b>Sub-Programme 3.1: Local Governance</b>			
<b>Measurable Objective</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
To promote municipal financial viability and management	No. of financial statements of Municipalities submitted to the AG by August 2008	25 sets of annual financial statements submitted to Auditor-General by 31 August	25 sets of annual financial statements submitted to Auditor-General by 31 August
		<ul style="list-style-type: none"> <li>• 25 sets of annual financial statements submitted to Auditor-General by 31 August</li> </ul>	<ul style="list-style-type: none"> <li>• The following District and Local Municipalities failed to submit their 2007/08 Annual Financial Statements (AFS) on 31/08/08 <ul style="list-style-type: none"> <li>• Xhariep (23/10/08)</li> <li>• Thabo Mofutsanyana (01/09/08)</li> <li>• Fezile Dabi (01/09/08)</li> <li>• Mohokare (23/10/08)</li> <li>• Naledi (17/10/08)</li> <li>• Mantsopa (10/09/08)</li> <li>• Masilonyana (01/09/08)</li> <li>• Tokologo (31/10/08)</li> <li>• Matjhabeng (01/09/08)</li> <li>• Nala (31/10/08)</li> <li>• Dihlabeng (01/09/08)</li> <li>• Nketoana (01/09/08)</li> <li>• Maluti a Phofung (01/09/08)</li> <li>• Moghaka (01/09/08)</li> <li>• Ngwathe (01/09/08)</li> <li>• Metsimaholo (01/09/08)</li> <li>• All arrears AFS of Mafube &amp; Phumelela had been completed and submitted.</li> </ul> </li> <li>• All sets of 2004/05 AFS had been assessed &amp; reported to the MEC. In respect of 2005/06 Phumelela and Mangaung Local Municipalities are pending assessment upon receipt from the Auditor General. The 2006/2007 AFS of Xhariep, Letsemeng, Tokologo, Tswelopele and Phumelela are pending assessment upon receipt from the AG.</li> </ul>
	No. of audited annual financial statements assessed and reported on	All audited annual financial statements assessed and reported on	All audited annual financial statements assessed and reported on
		<ul style="list-style-type: none"> <li>• All audited annual financial statements assessed and reported on</li> </ul>	<ul style="list-style-type: none"> <li>• Financial Recovery Plans implemented in identified municipalities</li> </ul>
	No. of Financial Recovery Plans implemented in identified municipalities	3 Financial Recovery Plans implemented in the Naledi, Masilonyana & Phumelela Local Municipalities	Financial Recovery Plans implemented in identified municipalities
		<ul style="list-style-type: none"> <li>• 3 Financial Recovery Plans implemented in the Naledi, Masilonyana &amp; Phumelela Local Municipalities</li> </ul>	<ul style="list-style-type: none"> <li>• Financial Recovery Strategy was implemented at the Mohokare Local Municipality following an Intervention in terms of Section 139. A financial Recovery Strategy was implemented at the Phumelela Local Municipality in partnership with the DBSA</li> </ul>
	No. of municipal support programmes implemented	Municipal Support Programmes implemented in the following municipalities:	Municipal Support Programmes implemented in the following municipalities:
		<ul style="list-style-type: none"> <li>• Xhariep</li> <li>• Phumelela</li> <li>• Naledi</li> <li>• Mohokare</li> <li>• Thabo Mofutsanyana</li> </ul>	<ul style="list-style-type: none"> <li>• Naledi</li> <li>• Xhariep</li> <li>• Phumelela</li> <li>• Mohokare</li> </ul>
			<ul style="list-style-type: none"> <li>• A Municipal Financial Support Program was implemented to assist Xhariep District Municipality with its 2008/2009 Budget &amp; Viability constraints. These include R5 million financial assistance as well as a financial support program and an organizational re-design.</li> </ul>

<b>Sub-Programme 3.1: Local Governance</b>			
<b>Strategic Objective: To mainstream hands-on support to local government towards promoting the functioning of municipalities in the Free State within a sound policy, regulatory and fiscal environment</b>			
<b>Measurable Objective</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
	<ul style="list-style-type: none"> <li>No. of municipalities complying 100% with MFMA – and budget-related guidelines issued by Treasury</li> </ul>	None	<ul style="list-style-type: none"> <li>All high- and medium capacity municipalities (excluding Mangaung) complying 100%</li> </ul>
	<ul style="list-style-type: none"> <li>No. of municipalities with credible Annual Budgets</li> </ul>	None	<ul style="list-style-type: none"> <li>3 High-capacity municipalities and 2 medium-capacity municipality have credible Annual Budgets</li> </ul>
	<ul style="list-style-type: none"> <li>No. of Municipal budgets aligned with their IDPs</li> </ul>	None	<ul style="list-style-type: none"> <li>Tswelopele, Setsoto, Motheo, Letsemeng, Fezile Dabi Municipalities</li> </ul>
	<ul style="list-style-type: none"> <li>No. of municipalities supported in achieving a 100% implementation rate iro Legislative Resolutions (PROPAC and Finance Committee)</li> </ul>	25% Implementation Rate within municipalities	<ul style="list-style-type: none"> <li>50% Implementation Rate within all municipalities</li> </ul>
	<ul style="list-style-type: none"> <li>% implementation of Memorandum of Understanding between LG&amp;H and Provincial Treasury towards providing support to municipalities</li> </ul>	Updated MoU in place	<ul style="list-style-type: none"> <li>Updated and 100% implemented</li> </ul>
	<ul style="list-style-type: none"> <li>No. of Municipalities annually trained in partnership with Provincial Treasury on the application of the physical and financial asset management framework</li> </ul>	50% of Municipalities	<ul style="list-style-type: none"> <li>All municipalities trained and capacitated on the application of Asset Management legislation</li> </ul>
			<p><b>Progress as on 31 March 2009</b></p> <ul style="list-style-type: none"> <li>Support was rendered to the Xhariep District Municipality and the Mokare Local Municipality to compile and balance 2008/2009 Operating Budget Estimates. A process of drafting a Financial Recovery Strategy for the Masilonyana Local Municipality will be finalized in the next financial year.</li> <li>Financial assistance of R 2 million was provided to address immediate financial challenges</li> <li>Mohokare Local Municipality adopted a balanced 2008/09 budget. Xhariep District municipality balanced and approved budget. A submission was tabled to provide Financial Assistance of R5 mil to Xhariep District Municipality was paid</li> <li>The Directorate participated in the Local Government IDP review and hosted the 2008/2009 Joint Municipal Budget Bilaterals with Free State Provincial Treasury. A DORA Workshop for Municipalities was also hosted in partnership with DPLG &amp; Free State Provincial Treasury</li> <li>The implementation status of PROPAC Resolutions is monitored, followed up &amp; reported to Free State Provincial Treasury on a monthly basis.</li> <li>Poor feedback &amp; co-operations is received from Municipalities and remains a challenge</li> <li>A Memorandum of Understanding was signed with Free State Provincial Treasury. The MFMA Joint Work Plan to support Municipalities is reviewed on an annual basis.</li> <li>The Work Plan cannot be fully operationalised due to a lack of dedicated funding</li> <li>Not achieved as yet. Project Khaedu MFMA training for Municipalities scheduled for 10/2008 in partnership with PALAMA/SAMDI had been postponed on request of the latter.</li> </ul>

<b>Sub-Programme 3.1: Local Governance</b>			
<b>Strategic Objective: To mainstream hands-on support to local government towards promoting the functioning of municipalities in the Free State within a sound policy, regulatory and fiscal environment</b>			
<b>Measurable Objective</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
	<ul style="list-style-type: none"> <li>No. of Municipalities successfully implementing the MPRA</li> </ul>	None	<ul style="list-style-type: none"> <li>20 Municipalities having updated Rates and Tariff Policies as well as MPRA-by-laws</li> <li>4 Quarterly MPRA monitoring reports compiled and submitted.</li> </ul>
		<b>Progress as on 31 March 2009</b>	
		<ul style="list-style-type: none"> <li>Metsimaholo, Mantsopa, Mochaka Local Municipalities implemented the MPRA on 01/07/2008. Maluti a Phofung &amp; Mochokare Local Municipalities implemented earlier. The appointments of Valuers were expedited at several Local Municipalities, including Dihlabeng, Masi-lonyana &amp; Mafube. 5 Valuation Appeal Boards were appointed for the Province.</li> </ul>	

<b>Sub-Programme 3.2: Development and Planning</b>			
<b>Strategic Objective: To promote municipal integrated development planning</b>			
<b>Measurable Objective</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
To promote an integrated and co-ordinated approach to disaster management in the Province	<ul style="list-style-type: none"> <li>% Functionality of the Provincial Disaster Management Centre</li> <li>% Functionality of District Disaster Management Centres</li> </ul>	<ul style="list-style-type: none"> <li>Head: Provincial Disaster Management Centre appointed</li> <li>Provincial Disaster Management Centre 50% functional</li> <li>Head: District Disaster Management Centre appointed in the following districts: <ul style="list-style-type: none"> <li>Motheo</li> <li>Lejweleputswa</li> <li>Fezile Dabi</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Provincial Disaster Management Centre 75% functional</li> <li>Head: District Disaster Management Centre appointed in the following Districts: <ul style="list-style-type: none"> <li>Xhariep</li> <li>Thabo Mofutsanyana</li> </ul> </li> <li>Quarterly reports submitted on functionality of established District Disaster Management Centres</li> </ul>
		<b>Progress as on 31 March 2009</b>	
		<ul style="list-style-type: none"> <li>A memorandum on the requirements of the Provincial Disaster Management Centre has been sent to the DDG and HoD for consideration.</li> <li>Three (3) disaster management heads appointed. Appointment of heads in Xhariep and Thabo Mofutsanyana districts remains a challenge</li> </ul>	
		Disaster Management Centres not established.	

<b>Strategic Objective: To promote municipal integrated development planning</b>			
<b>Sub-Programme 3.2: Development and Planning</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
	<ul style="list-style-type: none"> <li>% Implementation of the Disaster Management Act</li> </ul>	<ul style="list-style-type: none"> <li>30% Implementation of the Disaster Management Act</li> </ul>	<ul style="list-style-type: none"> <li>100% Implementation of the Disaster Management Act: <ul style="list-style-type: none"> <li>Effective and efficient sectorial services rendered to all formal disaster management structures chaired by the Head of the Provincial Disaster Management Centre</li> <li>Accurate advice is rendered on the effective management of disasters within the Province, including funding and emergency arrangements</li> <li>Pro-active advice is rendered towards ensuring disaster-free events within the Province</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>% Functionality of the Interdepartmental Committee on Disaster Management (ICDM)</li> <li>Updated disaster management guidelines provided to all stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>ICDM established and 40% functional in accordance with approved terms of reference</li> <li>Guidelines on disaster management plans and contingency plans are developed and provided to municipalities and stakeholder</li> </ul>	<ul style="list-style-type: none"> <li>ICDM 80% functional in accordance with approved terms of reference</li> <li>Sector plans developed and submitted to Provincial Disaster Management Centre (PDMC) <ul style="list-style-type: none"> <li>District Disaster Management Plans and Contingency Plans reviewed and updated</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>% Implementation of the Provincial Disaster Management Framework work as well as District Disaster Management Frameworks</li> </ul>	<ul style="list-style-type: none"> <li>Provincial Disaster Management Framework in place and 50% implemented</li> </ul>	<ul style="list-style-type: none"> <li>Disaster Management Contingency plans developed and consolidated. <ul style="list-style-type: none"> <li>Coordinated Provincial Fire Services Advisory Committee meeting to determine other departments in terms of dealing with fires should they strike</li> <li>Participate in 2009 National Elections registration and identified risks that may occur during elections, assess as what disasters could possibly occur during elections</li> <li>Participated in the 2010 FIFA Soccer World Cup Halfway Emergency Stations needs analysis, what could be based in Halfway Emergency Stations during world cup.</li> <li>Participated in all PROVJOINTS activities, discussed different department's developments to deal with different disasters.</li> <li>Participated in the National 2010 FIFA World Cup Steering Committee, discuss Provincial Disaster Management Centres and districts that will be host cities during 2010 FIFA World cup.</li> </ul> </li> <li>Established and functional IDMC – Members of the committee technical cluster are the members of the committee</li> </ul>
			<ul style="list-style-type: none"> <li>Coordinated and facilitated the development of 2010 Soccer World Cup Disaster Management contingency plans for the following institutions/departments: <ul style="list-style-type: none"> <li>Mangaung Local Municipality</li> <li>Airport Company of South Africa</li> <li>All District Municipalities</li> <li>ESKOM</li> <li>Department of labour</li> <li>Department of Agriculture</li> <li>SANDF</li> <li>Department of Home Affairs</li> <li>SA Weather Services</li> <li>SA National Blood Services</li> <li>Department of Water Affairs and Forestry</li> </ul> </li> <li>Five district disaster management frameworks developed, implemented. <ul style="list-style-type: none"> <li>Review of those frameworks will be executed in the new financial year</li> </ul> </li> </ul>

<b>Strategic Objective: To promote municipal integrated development planning</b>			
<b>Sub-Programme 3.2: Development and Planning</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
			<b>Progress as on 31 March 2009</b>
<b>Measurable Objective</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
	<ul style="list-style-type: none"> <li>No. and % functionality of disaster management advisory forums</li> <li>No. of disaster management partnerships established and maintained</li> <li>No. of municipal district – and local disaster management officials trained</li> <li>% Functionality of Information Management and Communication System (IMCS) (EWS included)</li> <li>% Functionality of the Provincial Vulnerability Atlas</li> </ul>	<ul style="list-style-type: none"> <li>80% functional PDMAF Five district forums established and 60% functional</li> <li>1 Partnership forged with an identified Province who share borders with the Free State Province.</li> <li>120 stakeholders trained</li> <li>IMCS 5% functional</li> <li>Provincial Vulnerability Atlas 50% functional</li> </ul>	<ul style="list-style-type: none"> <li>100% functional PDMAF Five district forums 80% functional</li> <li>1 Partnership forged with six Provinces who share borders with the Free State Province.</li> <li>1 Partnership forged with Lesotho</li> <li>150 stakeholders trained</li> <li>IMCS 75% functional</li> <li>Provincial Vulnerability Atlas 100% functional</li> </ul>
			<ul style="list-style-type: none"> <li>Re-launched the Fezile Dabi and Thabo Mofutsanyana District Disaster Management Advisory Fora.</li> <li>Draft (MOU) developed in consultation with the Departmental Legal Section on provinces that share borders with the Free State Province and will be finalized in the next financial year.</li> <li>Provided training to the Department of Social Development district officials and NGOs on fire fighting, fire prevention and disaster management in Xhariep, Motheo and Lejweleputswa. One hundred and thirty (130) people were trained.</li> <li>Not achieved. A draft memorandum on the requirements of the Provincial Disaster Management Centre has been submitted for consideration.</li> <li>Vulnerability atlas developed and will be reviewed in the next financial year</li> </ul>

<b>Strategic Objective: To promote municipal integrated development planning</b>			
<b>Sub-Programme 3.2: Development and Planning</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
			<b>Progress as on 31 March 2009</b>
<b>Measurable Objective</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
To fast-track the implementation of free basic services	<ul style="list-style-type: none"> <li>No. of Local Municipalities (LMs) implementing the indigent policy</li> <li>% Access of communities in formalized areas to free basic water</li> </ul>	<ul style="list-style-type: none"> <li>Indigent policy 100% implemented in all Local Municipalities</li> <li>74% access of formalised areas to Free Basic Water</li> </ul>	<ul style="list-style-type: none"> <li>Indigent policy 100% implemented in all Local Municipalities</li> <li>Support provided to all municipalities on the development and successful implementation of free water provision policies / strategies</li> </ul>
			<ul style="list-style-type: none"> <li>All local municipalities have implemented indigent policies.</li> <li>A programme developed to assist municipalities on updating Indigent Policies.</li> <li>Access to basic water stands at 969,159 households implying that 97% has been reached.</li> <li>More than 451 345 households of the indigent have access to Free Basic Electricity and this implies that more than 100% has been achieved.</li> <li>More than 435.574 households benefiting in the Free State meaning 99.3 % of the Indigent have access to Free Basic Water.</li> </ul>



<b>Strategic Objective: To promote municipal integrated development planning</b>			
<b>Sub-Programme 3.2: Development and Planning</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
<b>Measurable Objective</b>	<ul style="list-style-type: none"> <li>No. of monthly, quarterly and annual URP meetings held</li> </ul>	<ul style="list-style-type: none"> <li>Monthly reports compiled on the status of implementation of the URP Quarterly URP progress reports provided</li> <li>1 URP Annual Report provided</li> </ul>	<ul style="list-style-type: none"> <li>Monthly reports compiled on the status of implementation of the URP Quarterly URP progress reports provided</li> <li>1 URP Annual Report provided</li> </ul>
To facilitate the successful implementation of the Municipal Infrastructure Grant Programme and projects emanating from the (Provincial) Municipal Infrastructure Fund in municipalities	<ul style="list-style-type: none"> <li>% Implementation of MIG and Provincial Municipal Infrastructure Fund policies and guidelines within municipalities</li> </ul>	<ul style="list-style-type: none"> <li>100% Implemented:</li> <li>All bi-monthly PMU meetings facilitated</li> <li>Quarterly MIG and PMITT meetings held</li> <li>Annual MIG meeting held</li> </ul>	<ul style="list-style-type: none"> <li>100% Implemented:</li> <li>All bi-monthly PMU meetings facilitated</li> <li>Quarterly MIG and PMITT meetings held</li> <li>Annual MIG meeting held</li> </ul>
		<ul style="list-style-type: none"> <li>Monthly reports compiled on the status of implementation of the URP Quarterly URP progress reports provided</li> <li>1 URP Annual Report provided</li> </ul>	<ul style="list-style-type: none"> <li>No URP meetings were held.</li> </ul>
		<ul style="list-style-type: none"> <li>6 PMU meetings were conducted with all Municipalities in the five Districts</li> <li>An additional 81 PMU intervention meetings were held with Municipalities to provide assistance on the planning and unblocking of projects, expenditure and reporting.</li> <li>7 Ad Hoc meetings with DPLG were attended with regard to bucket eradication and financial intervention as replacement of the Quarterly meetings.</li> <li>6 MIG Bi - Monthly meetings were held between the Municipalities and the Department where Sector Departments were present and PMITT issues were discussed in order to prevent duplication of meetings.</li> <li>The dplg planning session facilitated by the department were held with all municipalities in February 2009, which also served as the MIG Annual Meeting</li> </ul>	<ul style="list-style-type: none"> <li>6 PMU meetings were conducted with all Municipalities in the five Districts</li> <li>An additional 81 PMU intervention meetings were held with Municipalities to provide assistance on the planning and unblocking of projects, expenditure and reporting.</li> <li>7 Ad Hoc meetings with DPLG were attended with regard to bucket eradication and financial intervention as replacement of the Quarterly meetings.</li> <li>6 MIG Bi - Monthly meetings were held between the Municipalities and the Department where Sector Departments were present and PMITT issues were discussed in order to prevent duplication of meetings.</li> <li>The dplg planning session facilitated by the department were held with all municipalities in February 2009, which also served as the MIG Annual Meeting</li> </ul>

Strategic Objective: To promote municipal integrated development planning			
Sub-Programme 3.2: Development and Planning	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
	No. of experts deployed to municipalities	<ul style="list-style-type: none"> <li>10 experts deployed to municipalities</li> </ul>	10 experts deployed to municipalities
			<p>11 Technical Experts are deployed by DBSA in consultation with the Department in the following Municipalities as part of Siyenza Manje support:</p> <ul style="list-style-type: none"> <li>Kopanong</li> <li>Masilonyana</li> <li>Tokologo</li> <li>Setsoto</li> <li>Phumelela</li> <li>Ngwathe</li> <li>Nketoana</li> <li>Naledi</li> <li>Mantsopa</li> <li>Metsimaholo</li> </ul> <p>2 Engineers and a young professional were deployed by DBSA to the department to support 7 municipalities on technical matters where full time technical experts were not deployed.</p> <p>2 service providers appointed by the department were supporting the technical departments within the Municipalities of Mohokare and Mafube.</p> <p>Africon on behalf of DPLG in consultation with the department supports the implementation of bulk water projects within Tokologo Local Municipality.</p> <p>The Service Provider appointed by DBSA in consultation with the department completed the assessment of water and sanitation backlogs and costing thereof in Fezile Dabi, Thabo Mofutsanayana and Lejweleputswa District Municipalities. The assessments in the Xhariep and Motheo Districts are still in the process.</p> <p>The department assisted dplg in compiling 25 comprehensive Infrastructure Plans (CIPs) within the FS Province.</p>
			<p>Five out of the planned 20 graduates deployed. Municipalities first request Engineers from DBSA before a graduate could be deployed. Requests were only received for 5 employees in Ngwathe, Phumelela and Masilonyana.</p> <p>DBSA placed the deployment of graduates on hold in the last 6 months of the 2008/2009 financial year and additional graduates will only be deployed in the 2009/2010 financial year subject to approval by the DBSA Board.</p>
	No of graduates mentored by senior engineers and other scarce skills required by experiential students towards graduation	<ul style="list-style-type: none"> <li>20 graduates mentored by senior engineers and other scarce skills required by experiential students towards graduation</li> </ul>	<ul style="list-style-type: none"> <li>20 graduates mentored by senior engineers and other scarce skills required by experiential students towards graduation</li> </ul>

<b>Strategic Objective: To promote municipal integrated development planning</b>				
<b>Sub-Programme 3.2: Development and Planning</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>	<b>Progress as on 31 March 2009</b>
	<ul style="list-style-type: none"> <li>No. of municipalities capacitated towards capturing all MIG project information on the Municipal Information System (MIS)</li> </ul>	<ul style="list-style-type: none"> <li>21 Municipalities</li> </ul>	<ul style="list-style-type: none"> <li>21 Municipalities</li> </ul>	<p>21 municipalities were capacitated on the MIS system during the 2008/2009 financial year. The Department assisted the following 9 Municipalities in capturing MIG registration forms due to the fact that data capture left the municipality during the year:</p> <ul style="list-style-type: none"> <li>Ngwathe</li> <li>Mafube</li> <li>Metsimaholo</li> <li>Setso</li> <li>Dihlabeng</li> <li>Letsemeng</li> <li>Matjhabeng</li> <li>Masilonyana</li> <li>Mohokare</li> </ul> <p>Additional to this training on MIS forms could not be provided by DPLG and the Department therefore trained PMU staff and consultants within the five municipalities of the Thabo Mofutsanyana District. One to one training was provided by the Department to 11 Municipalities on the MIS where data capture was appointed and had to be capacitated. The department also facilitated a training session by DPLG with Municipalities on CIP and CIDB Guidelines.</p>
	<ul style="list-style-type: none"> <li>No. of municipalities capacitated on DORA, MIG and Provincial Municipal Infrastructure fund (selected municipalities) reporting</li> </ul>	<ul style="list-style-type: none"> <li>21 Municipalities</li> </ul>	<ul style="list-style-type: none"> <li>21 Municipalities</li> </ul>	<ul style="list-style-type: none"> <li>All 21 Municipalities are reporting on the DORA and MIG. Provincial Infrastructure Funding was allocated to six Municipalities during the financial year and all Municipalities reported on expenditure.</li> <li>The Department conducted 47 visits to Municipalities to provide assistance on reporting on the DORA, MIG and Provincial Infrastructure fund.</li> </ul>
	<ul style="list-style-type: none"> <li>Identification and Gazetting of all projects funded from the Provincial Municipal Infrastructure Fund</li> </ul>	<ul style="list-style-type: none"> <li>All identified projects</li> </ul>	<ul style="list-style-type: none"> <li>All identified projects</li> </ul>	<ul style="list-style-type: none"> <li>An amount of R14.9 million was transferred from the Departmental Budget to 6 Municipalities: <ul style="list-style-type: none"> <li>R1.5m Naledi - bucket eradication</li> <li>R1.2m Mohokare to provide technical support</li> <li>R1.2m Mafube to provide technical support</li> <li>R5 m Matjhabeng for infrastructure projects</li> <li>R1 m Mohokare for salaries</li> <li>R5m Masilonyana implementation of water metres</li> </ul> </li> </ul>

<b>Strategic Objective: To promote municipal integrated development planning</b>			
<b>Sub-Programme 3.2: Development and Planning</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Progress as on 31 March 2009</b>
<b>Measurable Objective</b>		<b>Target Year 1 (2008/2009)</b>	
	<ul style="list-style-type: none"> <li>No. of accurate financial and/or technical reports submitted by all municipalities with regard to MIG and Provincial Funded Projects on:               <ul style="list-style-type: none"> <li>KPI</li> <li>DORA</li> <li>EPWP</li> <li>PMITT (sector departments)</li> <li>CFO report</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Monthly reports submitted on the following:               <ul style="list-style-type: none"> <li>MIG</li> <li>DORA</li> <li>EPWP</li> <li>CFO</li> </ul> </li> <li>Quarterly reports submitted on the following:               <ul style="list-style-type: none"> <li>KPI</li> <li>EPWP</li> <li>PMITT (sector departments)</li> <li>CFO Report</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Twelve, MIG, DORA, EPWP and CFO reports submitted</li> <li>An amount of R385.8 million out of the total allocated Municipal Infrastructure Grant (MIG) of R595 million was spent at the end of the 2008/2009 financial year. This represents 64, 8% expenditure of which 8% of the Municipal Infrastructure Grant was spent on water, 40,3% on sanitation, 11% on roads and storm water, 2% on the Project Management Units and 3.5% on other infrastructure projects such as fire fighting, street and community lighting, community facilities and solid waste. The balance of R209.2 m will be spent before the end of the Municipal Financial Year at the end of June 2009.</li> <li>4 Quarterly reports were submitted on:               <ul style="list-style-type: none"> <li>- KPI</li> <li>- EPWP (Mangaung, Moqhaka and Maluti a Phofung)</li> <li>- CFO.</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>% Implementation of projects focussed on providing access to water for all</li> </ul>	70%	<ul style="list-style-type: none"> <li>70%</li> </ul>
	<ul style="list-style-type: none"> <li>% Implementation of sanitation projects</li> </ul>	None	<ul style="list-style-type: none"> <li>None</li> </ul>
To provide guidance and support to municipalities on the implementation of municipal service partnerships	<ul style="list-style-type: none"> <li>No of municipalities capacitated in respect of municipal partnerships</li> </ul>	<ul style="list-style-type: none"> <li>All municipalities capacitated in respect of municipal partnerships</li> </ul>	<ul style="list-style-type: none"> <li>All municipalities capacitated in respect of municipal partnerships</li> </ul>
	<ul style="list-style-type: none"> <li>No of municipalities complying with service level agreement on service partnerships.</li> </ul>	<ul style="list-style-type: none"> <li>Audit conducted towards developing database of all municipal partnerships</li> <li>All municipalities complying with service level agreement on service partnerships.</li> </ul>	<ul style="list-style-type: none"> <li>Monthly reports submitted on MSPs.</li> </ul>

<b>Strategic Objective: To promote municipal integrated development planning</b>			
<b>Sub-Programme 3.2: Development and Planning</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
	<ul style="list-style-type: none"> <li>% Maintenance of Service Level Agreement entered into by municipalities</li> </ul>	<ul style="list-style-type: none"> <li>100%</li> </ul>	<ul style="list-style-type: none"> <li>100%</li> </ul>
	<ul style="list-style-type: none"> <li>No. of land development applications processed and evaluated</li> </ul>	<ul style="list-style-type: none"> <li>500</li> </ul>	<ul style="list-style-type: none"> <li>555</li> </ul>
	<ul style="list-style-type: none"> <li>% of land development applications reviewed towards alignment with current policies</li> </ul>	<ul style="list-style-type: none"> <li>80% of land development applications reviewed towards alignment with current policies</li> </ul>	<ul style="list-style-type: none"> <li>85% of land development applications reviewed towards alignment with current policies</li> </ul>
	<ul style="list-style-type: none"> <li>No. of land development guidelines reviewed</li> </ul>	<ul style="list-style-type: none"> <li>Guidelines and policies 90% completed.</li> </ul>	<ul style="list-style-type: none"> <li>Guidelines developed for intensive urban settlement and land use: <ul style="list-style-type: none"> <li>Parking Requirements</li> <li>The extent of sub-divisions</li> <li>Second Dwellings on sites</li> <li>Security villages / communities</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>% Completion of new land development legislation.</li> </ul>	<ul style="list-style-type: none"> <li>Programme developed.</li> </ul>	<ul style="list-style-type: none"> <li>Draft legislation developed and public participation initiated</li> </ul>
	<ul style="list-style-type: none"> <li>No. of Land Use Management Schemes (LUMS) established and implemented</li> </ul>	<ul style="list-style-type: none"> <li>1 LUMS processed and adopted by the Townships Board.</li> </ul>	<ul style="list-style-type: none"> <li>4 LUMS processed and adopted by the Townships Board and 1 implemented.</li> </ul>
	<ul style="list-style-type: none"> <li>Credible spatial data of geographical areas available.</li> </ul>	<ul style="list-style-type: none"> <li>Credible spatial data available.</li> </ul>	<ul style="list-style-type: none"> <li>Credible spatial data available.</li> </ul>
<ul style="list-style-type: none"> <li>To ensure the development of SDFs and the availability of spatial information</li> </ul>	<ul style="list-style-type: none"> <li>No. of District Spatial Development Frameworks aligned to the Provincial Spatial Development Framework. (FSSDF)</li> </ul>	<ul style="list-style-type: none"> <li>3 District Spatial Development Frameworks</li> </ul>	<ul style="list-style-type: none"> <li>5 District Spatial Development Frameworks</li> </ul>
			<ul style="list-style-type: none"> <li>5 municipalities assisted on Service Level Agreements.</li> <li>A total no. of 931 land development applications have been processed and evaluated.</li> <li>± 90% of all applications submitted were in line with current policies</li> <li>These guidelines could not be researched due to severe staff shortages. Guidelines for leisure residential and resorts were however finalised.</li> <li>This task for critical draft is 60% completed. (what does this mean?)</li> <li>5 LUMS are in the process of being finalized for advertisement purposes.</li> <li>960 maps were compiled and 4 882 maps were printed.</li> <li>5 District Spatial Development Frameworks were developed in line with the Provincial Spatial Development Framework.</li> </ul>

<b>Strategic Objective: To promote municipal integrated development planning</b>			
<b>Sub-Programme 3.2: Development and Planning</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
	<ul style="list-style-type: none"> <li>Updated FSSDF.</li> </ul>	<ul style="list-style-type: none"> <li>Updated FSSDF for 2007/2008 period adopted by EXCO.</li> </ul>	<ul style="list-style-type: none"> <li>100% updated FSSDF for 2008/2009 adopted by EXCO and made available to all stakeholders</li> </ul>
To improve local economic development	<ul style="list-style-type: none"> <li>No. of LED capacity assessments completed.</li> </ul>	<ul style="list-style-type: none"> <li>25 LED capacity assessments completed</li> </ul>	<ul style="list-style-type: none"> <li>25 LED capacity assessments have been completed.</li> </ul>
	<ul style="list-style-type: none"> <li>No. of DMs and LMs having adopted LED Strategies</li> </ul>	<ul style="list-style-type: none"> <li>Five Districts and 18 LMs having adopted LED strategies.</li> </ul>	<ul style="list-style-type: none"> <li>Four Districts except TMDM and 16 Municipalities have their strategies except for Tswelopele, Nala, Mqhaka, and Phumelela.</li> </ul>
	<ul style="list-style-type: none"> <li>No. of Growth and Development Summits held in districts</li> </ul>	<ul style="list-style-type: none"> <li>Five District Growth and Development Summits held in the districts.</li> </ul>	<ul style="list-style-type: none"> <li>Fezile Dabi district completed the development of GDS, Motheo district is in process to develop GDS. Xhariep, Thabo Mofutsanyana and Lejweleputswa form part of Project Khulis umnotho which has managed to profile all the districts</li> </ul>
	<ul style="list-style-type: none"> <li>% Implementation of LED strategies</li> </ul>	<ul style="list-style-type: none"> <li>20% of LED strategies implemented.</li> </ul>	<ul style="list-style-type: none"> <li>40% of LED strategies implemented.</li> </ul>
	<ul style="list-style-type: none"> <li>No. of municipalities participating in provincial LED Forum</li> </ul>	<ul style="list-style-type: none"> <li>5 Five Districts and 20 LMs participating in LED Forum at district level</li> </ul>	<ul style="list-style-type: none"> <li>Four District LED fora took place in: Motheo, Fezile Dabi, Lejweleputswa and Xhariep with their local municipalities.</li> </ul>
	<ul style="list-style-type: none"> <li>% Implementation of the Provincial LED Framework</li> </ul>	<ul style="list-style-type: none"> <li>One Provincial LED Summit held</li> </ul>	<ul style="list-style-type: none"> <li>Held Provincial LED Forum on 18 March 2009.</li> </ul>
	<ul style="list-style-type: none"> <li>No. of awareness / information workshops held in municipalities</li> </ul>	<ul style="list-style-type: none"> <li>Five District Awareness / Information workshops held in municipalities.</li> </ul>	<ul style="list-style-type: none"> <li>Five District Awareness/ Information workshops were held on 17-26 February 2009 successfully.</li> </ul>
	<ul style="list-style-type: none"> <li>No. and % functionality of Public-private partnerships / forums towards promoting LED</li> </ul>	<ul style="list-style-type: none"> <li>Five DM Public Private partnership forums established and functional</li> </ul>	<ul style="list-style-type: none"> <li>2 DM and 6 LMS Public Private partnerships established.</li> </ul>

<b>Strategic Objective: To promote municipal integrated development planning</b>			
<b>Sub-Programme 3.2: Development and Planning</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
<b>Measurable Objective</b>			<b>Progress as on 31 March 2009</b>
To enhance the development and implementation of municipal IDPs	<ul style="list-style-type: none"> <li>No. of municipalities with adopted IDPs aligned with the FS-GDS.</li> </ul>	<ul style="list-style-type: none"> <li>Five Districts and 20 Local Municipalities with adopted IDPs aligned with the FSGDS</li> </ul>	<ul style="list-style-type: none"> <li>Five Districts and 20 Local Municipalities with adopted IDPs aligned with the FSGDS.</li> </ul>
	<ul style="list-style-type: none"> <li>No. of municipalities and sector departments trained on the compilation and implementation of IDPs</li> </ul>	<ul style="list-style-type: none"> <li>Five Districts Municipalities, 20 Local Municipalities and 11 sector departments</li> </ul>	<ul style="list-style-type: none"> <li>Five Districts Municipalities, 20 Local Municipalities and 11 sector departments</li> </ul>
	<ul style="list-style-type: none"> <li>Provincial IDP assessments and engagements held and MEC comments developed.</li> </ul>	<ul style="list-style-type: none"> <li>One Provincial IDP assessments and engagements held, and MEC comments developed.</li> </ul>	<ul style="list-style-type: none"> <li>One Provincial Assessment and engagement sessions were held during the month of May and June 2008 respectively. The comments were also developed and communicated to municipalities.</li> </ul>
	<ul style="list-style-type: none"> <li>No. of IDPs in compliance with legal requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Five Districts and 20 Local Municipalities in compliance with legal requirements</li> </ul>	<ul style="list-style-type: none"> <li>14 out of 25 municipalities complied with the legal requirements.</li> </ul>
	<ul style="list-style-type: none"> <li>No. of Provincial Sector Departments' Plans aligned to IDPs</li> </ul>	<ul style="list-style-type: none"> <li>10 Provincial Sector Departments' Plans aligned to IDPs</li> </ul>	<ul style="list-style-type: none"> <li>Seven Provincial Sector Departments' plans were sent to municipalities for alignment.</li> </ul>
	<ul style="list-style-type: none"> <li>% Alignment of Strategic Plans of SOEs and national sector departments' in the FS Province to municipal IDPs</li> </ul>	<ul style="list-style-type: none"> <li>100% Alignment of Strategic Plans of SOEs and national sector departments' in the FS Province to municipal IDPs</li> </ul>	<ul style="list-style-type: none"> <li>70% Provincial Sector Departments' plans were sent to municipalities for IDP alignment.</li> </ul>

## STRATEGIC GOAL NO.4: TO ENSURE ACCOUNTABLE AND SUSTAINABLE TRADITIONAL INSTITUTIONS IN THE FREE STATE PROVINCE

Sub-Programme 4.1: Traditional Institutional Development		Strategic Objective: To improve traditional institutional development	
Measurable Objective	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
<p>To ensure the successful implementation of legislation, policies and guidelines within traditional leadership</p>	<ul style="list-style-type: none"> <li>% Implementation of policies, guidelines and legislation with regard to Traditional Institutional Arrangements.</li> </ul>	<ul style="list-style-type: none"> <li>Legislation on Provincial and Local Houses enacted</li> </ul>	<p>100% Implementation of Traditional Affairs legislation, e.g.</p> <ul style="list-style-type: none"> <li>Regulations., guidelines and policies developed</li> <li>Audit conducted of all Permission to Occupy (PTO) in Traditional communities</li> </ul>
	<ul style="list-style-type: none"> <li>No. of capacity building programmes and induction programmes implemented on Traditional Institutional Arrangements.</li> </ul>	<ul style="list-style-type: none"> <li>13 capacity building programmes implemented.</li> <li>15 Traditional Leaders attended Induction programme of the new members of the House of Traditional Leaders</li> <li>LGSETA capacity building programme commenced with March 2008</li> </ul>	<ul style="list-style-type: none"> <li>15 capacity building programme</li> <li>1st Intake of Traditional Leaders in terms of leadership programme on LED and CDW at FET Colleges.</li> </ul>
			<p>99% implementation of legislation achieved. The Draft 8th Bill on Provincial &amp; Local houses is awaiting enactment. Draft regulations discussed and aligned with the revised 8th Draft Bill on Provincial and Local Houses as per comments, presented</p>
			<p>Progress as on 31 March 2009</p>
			<ul style="list-style-type: none"> <li>Contract on Training of Traditional Leaders between the department and LGSETA was successfully concluded on 09 April 2008.</li> <li>68 Traditional Leaders have registered for Training on Leadership in Local Economic Development.</li> <li>30 Traditional Leaders are registered for Leadership in Community Development.</li> <li>30 Traditional Leaders registered for ABET.</li> <li>Launch of Training of Traditional Leaders held in QwaQwa on September 2008.</li> <li>The formal training commenced on 16 February 2009 and is still in progress. Training is offered at two District municipalities Thabo Mofutsanyana and Motheo</li> <li>Total Traditional Leaders undergoing targeted Capacity Building Programme is 85 as follows:-</li> <li>Local Economic Development = 30 Traditional Leaders.</li> <li>Community Development Programme = 31 Traditional Leaders</li> <li>ABET= 24 Traditional Leaders.</li> </ul>

<b>Sub-Programme 4.1: Traditional Institutional Development</b>		<b>Strategic Objective: To improve traditional institutional development</b>	
<b>Measurable Objective</b>	<b>Performance Measure / Indicator</b>	<b>Estimated Baseline (Target) as on 31.03.2008</b>	<b>Target Year 1 (2008/2009)</b>
	<ul style="list-style-type: none"> <li>No. of capacity building and induction programmes implemented on Traditional Resource Administration (Traditional Council and Local House)</li> </ul>	<ul style="list-style-type: none"> <li>13 capacity building programmes implemented.</li> <li>LGSETA capacity building programme commenced with by March 2008.</li> <li>11 Induction Programme for the newly Established Traditional Councils implemented.</li> <li>National Programme of Support launched</li> </ul>	<ul style="list-style-type: none"> <li>26 capacity building programmes implemented</li> <li>1st intake of Traditional Leaders in terms of a learnership programme on LED and CDW at FET Colleges.</li> <li>Engagement of processes aimed at the implementation of the National Programme of Support</li> </ul>
			<p><b>Progress as on 31 March 2009</b></p> <ul style="list-style-type: none"> <li>Induction sessions implemented to 86 Traditional Leaders and Traditional Councillors.</li> <li>First intake of Traditional Leaders in terms of a skills development programme commenced with.</li> <li>Three committee coordinators for the FS House of Traditional Leaders were appointed to provide support to the work of the House.</li> <li>In April 2008, Allocated 2 Computers and Printers to Barolong Boo Seleka Traditional Council.</li> <li>June 2008, Conducted verification of staff in the Regions in preparation for absorption staff in the Traditional Councils.</li> <li>68 officials previously employed by Traditional Councils were absorbed into the department with effect from 1st September 2008 in terms of the Framework Act.</li> <li>Employed two drivers for the Chairperson and Deputy Chairperson of the FS Provincial House of Traditional Leaders.</li> <li>Employed two Personal Assistants for the two Kings in the province to render support to the Kings.</li> <li>Held successful Cultural Celebrations namely: Mokete wa Mokopu, Mokete wa Sefika sa Batlokoa &amp; Mokete wa Sefika sa Bakwena to promote cultural awareness to the traditional communities.</li> <li>One of the previously landless Traditional Authority (Kholokoe) was supported to acquire land, township register has been opened to provide for participation of the community in the PHP housing programme.</li> <li>Purchased a house to accommodate the Chairperson of the Free State House of Traditional Leaders which will remain a state property.</li> <li>Support to the work of the Commission on Traditional Leadership Disputes and Claim is provided on an ongoing basis.</li> </ul>

Sub-Programme 4.1: Traditional Institutional Development		Strategic Objective: To improve traditional institutional development	
Measurable Objective	Performance Measure / Indicator	Estimated Baseline (Target) as on 31.03.2008	Target Year 1 (2008/2009)
	<ul style="list-style-type: none"> <li>No. of workshops attended by Traditional Leaders on integrated development facilitation</li> <li>No. of traditional land administration awareness campaigns conducted</li> </ul>	<p>None</p> <ul style="list-style-type: none"> <li>10 Traditional Land Administration awareness campaigns conducted</li> </ul>	<ul style="list-style-type: none"> <li>1 Workshop attended by traditional leaders on Integrated development facilitation in September 2008.</li> <li>10 Traditional Land Administration awareness campaigns conducted</li> </ul>
	<ul style="list-style-type: none"> <li>No. of functional communication units within recognised traditional communities</li> </ul>	<ul style="list-style-type: none"> <li>5 ITC units established and functional</li> </ul>	<ul style="list-style-type: none"> <li>9 ITC units established and functional</li> </ul>
	<ul style="list-style-type: none"> <li>% Improvement on the participation of traditional leaders in local government affairs</li> </ul>	<ul style="list-style-type: none"> <li>Memorandum of Understanding developed between Municipalities, SALGA, other Sector Departments and SOEs</li> </ul>	<ul style="list-style-type: none"> <li>80% participation of traditional leaders in municipal councils affairs</li> </ul>
	<ul style="list-style-type: none"> <li>No. of information sessions held towards increasing the awareness and compliance of all traditional leaders to the Code of Conduct.</li> </ul>	<ul style="list-style-type: none"> <li>2 Induction sessions held on the Code of Conduct, targeting all Traditional Leaders</li> </ul>	<ul style="list-style-type: none"> <li>15 Induction sessions held on the Code of Conduct, targeting all Traditional Leaders</li> </ul>
			<p><b>Progress as on 31 March 2009</b></p> <ul style="list-style-type: none"> <li>1 Workshop attended by traditional leaders on Integrated development facilitation in September 2008.</li> <li>13 Traditional Councils where 65 traditional council members were presented with Land Administration information and relevant legislative matters.</li> <li>15 Traditional Leaders attended a Workshop on Land Use Management Bill to discuss land use management by traditional leaders in their area of jurisdiction. Workshop of Traditional Leaders, Land and Agricultural Commissioners, Land and Agricultural Committee was held on 21 July 2008.</li> <li>Workshop with Regional Land Claim Commissioners of Free State and Northern Cape to discuss settling historical claims lodged by Traditional Leaders was held in July 2008.</li> </ul>
			<ul style="list-style-type: none"> <li>5 communication units provided within recognised traditional communities</li> </ul>
			<ul style="list-style-type: none"> <li>Drafting a Memorandum of Understanding between Traditional Leaders and Municipalities is available.</li> </ul>
			<ul style="list-style-type: none"> <li>13 Traditional Councils where 65 traditional council members were presented with Code of Conduct in March 2009.</li> <li>24-25 April, 2008 3 Training programmes conducted on for 164 Traditional leaders on: -Draft Bill on Provincial and Local House of Traditional Leaders which also include the Code of Conduct for Traditional Leaders.</li> <li>NB the House has adopted the Code of conduct as it appears in the Framework Act, Act 41 of 2003.</li> </ul>

## 5. Report of the Audit Committee

The Audit Committee of the Department of Local Government and Housing is pleased to present its report for the financial year ended 31 March 2009.

### Audit Committee Members and Attendance

The Audit Committee consists of the members listed hereunder and should meet at least four times per annum as per its approved Audit Committee Charter.

During the year under review three (3) meetings were held as reflected in the table below.

Name	Date of Meeting	Date of meeting	Date of meeting	Attendance
Adv Nell van Heerden (Chairperson)	30 July 2008	31 October 2008	23 January 2009	<b>Resigned</b>
Mr. Humphrey Jewell	30 July 2008	31 October 2008	23 January 2009	^
Mr. Walter Mokoena	30 July 2008	31 October 2008	23 January 2009	^
Mr. Jack Motloug	30 July 2008	31 October 2008	23 January 2009	^

Legend: ^ - Attended the meeting

**NB: The Chairperson as indicated in the table above resigned (*had not attended either of the meetings*) during the financial year under review and Mr Jack Motloug was appointed as the Acting Chairperson in all the meetings.**

### Audit Committee Responsibility

The Audit Committee reports that it has complied with its roles and responsibilities arising from **Section 38(1)(a) of the Public Finance Management Act** and **Treasury Regulation 3.1.1 to 3.1.16** with regards to its establishment and Terms of Reference.

<b>S38(1)(a)</b>  <b>(PFMA)</b>	<b>S38(1)(a)(ii) of the PFMA</b> state the following:  (1) "The accounting officer for a department,  a) Must ensure that that department,.... has and maintains-  (ii) a system of internal audit under the control and direction of an audit committee complying with and operating in accordance with regulations and instructions prescribed in terms of sections 76 and 77"
---------------------------------------	--

The Audit Committee also reports that in the year under review it has reviewed and adopted appropriately:

- Revised Audit Committee Charter
- Formal Terms of Reference,
- Risk Based Annual and Three Year Rolling Internal Audit Plans and
- Risk Assessments Reports (which incorporates the Risk Register of the Department)

### **The effectiveness of internal control**

The system of internal control was not entirely effective for the year under review, as compliance with prescribed policies and procedures were lacking in certain instances. During the year under review, several instances of non-compliance were reported by the Auditor General South Africa that resulted from a breakdown in the functioning of controls. Significant control weaknesses have also been reported by the Auditor General South Africa under emphasis of matter and in the management letter.

The Audit Committee further expresses concern over the issues which formed the basis for qualified audit opinion and undertakes to consistently monitor the status quo regarding remedial actions to be taken by the Accounting Officer and Executive Management.

In certain instances, the weaknesses reported previously have not been fully and satisfactorily addressed.

The effect of these instances has been included in the annual financial statements and the report of the Accounting Officer.

### **The quality of in year management and monthly/quarterly reports submitted in terms of the PFMA and the Division of Revenue Act.**

The Audit Committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer of the Department during the year under review.

## Review and Evaluation of Financial Statements

The Audit Committee has:

- reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor General South Africa, the Accounting Officer as well as Executive Management;
- reviewed the Auditor General South Africa's Management Report and management's response thereto;
- reviewed significant adjustments resulting from the audit.

The Audit Committee concurs and accepts the Auditor General South Africa's conclusions on the annual financial statements of the Department, and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor General South Africa.

  
Chairperson of the Audit Committee

Date: 27/08/2009

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Report by the Accounting Officer to the Executive Authority and Free State Provincial Legislature.

## **1. General review of the state of financial affairs**

The mandate of this department is to build capacity in local government and to ensure that it can fulfil its constitutional mandate and to create sustainable human settlements in the Free State Province. To date the department has recorded good progress in terms of implementing BNG and the Five Year Strategic Agenda for Local Government. This department is also tasked to deal with issues of traditional affairs in the province.

In implementing the BNG, the department through the partnership with Maluti-a-Phofung municipalities has embarked on a mixed housing development project in Harrismith, where the department has invested R20 million for the bulk services and the project will yield 3500 sites to accommodate housing for both low and middle income earners, whereas the private sector will participate with regard to high income earners.

Furthermore the department has embarked on feasibility study for the implementation of community residential units in Metsimaholo and Mangaung municipalities. These projects will be ready for implementation in the 2009/2010 financial and will be rolled to Masilonyana, Moqhaka and Maluti a Phofung for implementation in 2010/2011.

The department has also managed to unlock the problems related to land restitution Marabastad (Moqhaka municipality) to the extent that the project has been started just before the end of the financial year. To this end the department has assisted the municipality with R0.5 million for the creation of temporary structures where the residence of Marabastad will be relocated.

For some years the department has been experiencing problems in terms of shortage of land for housing development, and in the financial year under review, the department managed to source the land to the value of R13 million in Matjhabeng municipality. This land will assist in dealing with the housing backlog.

Other projects that were undertaken in the financial year under review were the audit of the informal settlement and the audit of incomplete houses. The project to rectify the incomplete houses based on the outcome of the audit was started in 2008/09 financial year and is currently towards the completion stage.

For three consecutively year, the department has been experiencing huge under-spending on the Integrated Housing and Human Settlement Grant and for the first time 2008/09 the department has spent all its grant and even received R68 million additional after adjustment budget.

The year 2008/09 was a very challenging year in local government due to the election period. The department had to put intervention in 5 municipalities and take over the administration of Mohokare municipality and Xhariep district municipality. An amount of R14.9 million was used for financial intervention in the following municipalities Naledi, Mohokare, Mafube, Masilonyana and Matjhabeng. The challenges in this municipalities ranges from inability to pay salaries, creditors to non payment of different water boards.

With regard to Traditional Affairs, the department managed to strengthen all traditional councils by absorbing all its employees permanently in the departmental structure. The department has further supported the traditional leaders in their different traditional mekete in celebrating their different cultures. Lastly, the department managed to purchase a house for the Chairperson of the House of traditional leaders.

In 2008/09 financial year, the department received a budget of R1 022.024 million during the main appropriation which was adjusted to R1 138.617 million during adjustment budget and this is inclusive of the conditional grant to the amount of R858.349 million. The department spent R1 127.426 million of its total adjusted budget which is 99% as compared to 86% in the previous financial year.

The under-spending was mainly due to the cost containment measures implemented by the Provincial Treasury.

A total amount of R8.107 million was taken to programme 3: Local Government from the following programs: programme 2: Housing R7.874; programme 1: Administration R0.240 and programme 4: Traditional Affairs R20 000. This virement was used mainly to assist with the intervention in municipalities.

## **2. Service rendered by the department**

Services rendered by the Department have been discussed on page 21 to page 88 of the annual report.

### **2.1 Tariff policy**

The department only charges tariffs for rezoning and removal of restrictions and it is determined in terms of the departmental policy. The current fee charged is a flat rate of R5000.00.

### **2.2 Inventories**

The department does not keep inventories in stores, it only acquires that when necessary, and as a result there are no inventories in stores at the end of the financial year.

## **3. Capacity constraints**

Technical skill and project management still remain the constraints in the department, and this contributes to slow service delivery and sometimes poor quality, especially in housing.

## **4. Utilisation of donor funds**

The department has a donor funding to an amount of R1.116 million rolled over from the previous financial. This amount is consisted of R0.659 million from the Flemish Government for training in the field of local governance, and the amount has since been spent. The remaining R0.507 million was from DBSA for capacity building impact assessment, performance review and municipal profiling.

## **5. Organisations to whom transfer payments have been made**

An amount of R14.9 million was transferred from the Departmental Budget to 6 Municipalities:

- R1.5 million Naledi - bucket eradication
- R1.2 million Mohokare to provide technical support
- R1.2 million Mafube to provide technical support
- R5 million Matjhabeng for infrastructure projects
- R1 million Mohokare for salaries
- R5 million Masilonyana –implementation of water meters

## **6. Corporate governance arrangements**

### **6.1 Internal Audit and Audit Committee Functioning**

The Audit Committee had been established and function in terms of Section 3.1.1 to 3.1.16 of Treasury Regulations which came into effect as a result of Section 76 and as well as Section 77 of the Public Finance Management Act (Act 1 of 1999),

During the period under review the following had been fully achieved:

- The Audit Committee Charter had been reviewed and approved on 13 November 2008.
- The Audit Committee reviewed and approved the Annual and the Three Year Internal Audit Coverage Plan. The Plan which is risk based, directs the focus of the Internal Audit Directorate
- The Terms of Reference of the Committee Members were reviewed, approved and signed off by all stakeholders
- The Audit Committee members convened in a Special Meeting to discuss the Auditor - General's Engagement Planning memorandum. The Plan, Audit Strategy, Communication, Reporting and Fees were discussed and approved
- An action Plan regarding the findings of the Auditor-General South Africa had been developed and progress presented to the Provincial Treasury
- All Senior Management Service Members (SMS) had in terms of Public Service Regulations completed the Financial Disclosure Forms which formed the basis to minimise conflict of interest. These reports had been presented to the office of Public Service Commission in order to ensure compliance with the Act.

### **6.2 Risk Management**

The Public Finance and Management Act, 1991 (Act No 1 of 1999) Section 38 provides that an accounting officer for a Department must ensure that the Department has and maintains:

- Effective, efficient and transparent systems of financial and risk management and internal control;
- A system of internal audit under the control and discretion of an Audit Committee complying with the operating regulations and instructions prescribed in terms of this Act.

**During the period under review the following had been fully achieved:**

- Risk Management Committee had been established and the Head of Department formally appointed the members who met three times in order to candidly address items pertinent to their mandate as enshrined in the Risk Management Charter which was formally approved and implemented
- The Terms of reference were duly signed by all the members
- The risk assessment which formed the basis of the Internal Audit Coverage Plan was conducted and reports presented to the Risk Management Committee for adoption and approval,
- A risk register which depicts the risk profile of the Department is maintained and updated regularly based on the outcomes of the risk reviews conducted.

The achievements are symptomatic of the fact that the governing structures as established are functioning efficiently and effectively.

The department does have a fraud prevention policy approved last financial year and implemented and to date the department has dealt with 10 fraud cases. All these cases have been reported to the Accounting Officer and one of them was already referred to Special Investigation Unit by the National Department of Housing.

## **7. Asset management**

Since the implementation of the asset management system called BAUD, the department has been able to capture assets in the asset register and therefore able to meet the minimum requirements for the asset register. As the Department only took over the management of the system during the last quarter of the financial year, problems with verification of assets were experienced.

## **8. Events after the reporting date**

The Free State Provincial Government has taken a decision to split the current department of Local Government and Housing into two departments namely the Department of Cooperative Governance and Traditional Affairs and the Department of Human Settlement. This decision will be implemented in the 2009/10 financial year.

## **9. Performance information**

The Department has numerous processes in place towards monitoring the non-financial performance of the Department. One of the systems used in this regard is the (electronic) Quarterly Performance Review System as provided by National Treasury, which is, as far as the Department is concerned, mandatory to the housing sector. During the 2008/2009 financial year, the Department has however expanded the QPR System to include all the performance targets of all Programmes of the Department as per its 2009/2012 Annual Performance Plan, and Programme Managers / Senior Managers are required to indicate their non-financial performance progress as per these templates on a quarterly basis, after which the collective performance of the Department is monitored and evaluated. These quarterly reports have also been made available to Programme Managers on a quarterly basis, thereby enabling them to identify and suitably address areas of poor performance, where applicable.

Quarterly progress reports with regard to the Budget Injunction Report of the Executing Authority have also been compiled and made available to the Department of the Premier, who co-ordinates this process for the Free State Provincial Government as a collective.

In strengthening the monitoring and evaluation capacity of the Department insofar as non-financial performance is concerned, the Department has embarked on a process to develop a monitoring and evaluation policy towards improving the manner in which the Department reviews and monitors its performance with regard to its strategic and measurable objectives and performance targets. This policy is developed in line with the 'Framework for Programme Performance Information' as issued by the National Treasury and will, once finalized and approved, be populated extensively within the Department prior to being implemented.

During the next MTEF period, steps will also be taken to strengthen the capacity of Senior Managers to monitor and report on the implementation of the measurable objectives and performance targets as contained in this Annual Performance Plan on a monthly basis, and Programmes will be requested to keep and maintain a database of all substantiating documents so as to verify claimed performance.

## 10. PROPAC resolutions

PROPAC resolutions	Subject	Findings on progress
46/2007	Advance Payments to Housing Developers	Finalised
58/2007	Irregular Expenditure	Finalised
63/2007	Proper Budget Control	Finalised
64/2007	Delegations not in place	Finalised
15/2008		
22/2008	Under spending on the Budget of the Department	Finalised

## 11. Prior modifications to audit reports

The department has developed a plan to address the issues as raised in both the management letter and the audit report and the plan clearly allocates the responsibilities with specified deadlines to different officials. The Internal Audit unit monitors the implementation of this on a continuous basis.

## 12. Approval

The Annual Financial Statements set out on pages 105 to 156 have been approved by the Accounting Officer.



.....  
Kopung Ralikontsane  
Accounting Officer  
Local Government and Housing  
Date: 30 May 2009

# **REPORT OF THE AUDITOR-GENERAL TO THE FREE STATE LEGISLATURE ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF VOTE NO 8: DEPARTMENT OF LOCAL GOVERNMENT AND HOUSING FOR THE YEAR ENDED 31 MARCH 2009**

## **REPORT ON THE FINANCIAL STATEMENTS**

### **Introduction**

1. I have audited the accompanying financial statements of the Department of Local Government and Housing which comprise the appropriation statement, statement of financial position as at 31 March 2009 and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 105 to 156

### **The accounting officer's responsibility for the financial statements**

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.1 to the financial statements and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA), Division of Revenue Act (Act No. 2 of 2008) (DoRA) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **The Auditor-General's responsibility**

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.

4. I conducted my audit in accordance with the International Standards on Auditing and *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## **Basis for qualified opinion**

### **Movable Tangible Capital Assets**

7. I was unable to obtain sufficient appropriate audit evidence to conclude on the existence of major moveable tangible capital assets amounting to R4 146 532 and minor movable tangible capital assets amounting to R1 782 686 included in disclosure notes 26 and 26.3 to the financial statements respectively. My inability to confirm these assets was due to the fact that they were either not adequately marked with unique asset numbers or the assets serial numbers/or unique numbers, where allocated, were not recorded in the underlying asset records that support the financial statement disclosure.

8. In a material number of instances I was unable to confirm the valuation of asset included in the asset register at R1. My inability to confirm the valuation of these assets in the asset records of the department was due to the fact that in evidence of the cost and fair value calculations were not readily available to confirm the valuation.

9. Due to a lack of alternative supporting documentation I could not perform reasonable other alternative procedures to confirm the existence and valuation of the above reported assets.

### **Irregular expenditure**

10. As disclosed in note 23 to the financial statements, irregular expenditure to the amount of R4 577 000 was incurred during the year under review as a result of expenditure incurred by the department which was contrary to applicable legislation. This irregular expenditure was identified during the audit and was not prevented or detected by the department's system of internal control.

11. I could not be provided with sufficient, appropriate audit evidence that management has properly identified, investigated and recorded all irregular expenditure transactions during the year under review. There were no satisfactory alternative audit procedures that I could perform to obtain reasonable assurance regarding the completeness of irregular expenditure as disclosed.

### **Qualified opinion**

12. In my opinion, except for the possible effects of the matters described in the Basis for qualified opinion paragraph the financial statements present fairly, in all material respects, the financial position of the Department of Local Government and Housing as at 31 March 2009 and its financial performance and cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.1 to the financial statements and in the manner required by the PFMA and DoRA.

### **Basis of Accounting**

13. The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.1 to the financial statements.

## Other matters

I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

### Unaudited schedules

14. Annexure 1B: *Statement of conditional grants paid to municipalities* includes a column of amounts spent by the municipality. I have not audited this amount and accordingly I do not express an opinion thereon.

## Non-compliance with applicable legislation

### Public Finance Management Act

15. Section 38(1)(f) of the PFMA read with Treasury Regulation 8.2.3 requires the department to pay all invoices within 30 days after receipt thereof. Payments amounting to R5 604 949 were identified where payments were not made within 30 days after receipt of the invoice.

### Governance framework

16. The governance principles that impact the auditor's opinion on the financial statements are related to the responsibilities and practices exercised by the accounting officer and executive management and are reflected in the internal control deficiencies and key governance responsibilities addressed below:

### Internal control deficiencies

17. Section 38(1)(a)(i) of the PFMA states that the accounting officer must ensure that the department has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The table below depicts the root causes that gave rise to the deficiencies in the system of internal control, which led to the qualified opinion. The root causes are categorised according to the five components of an effective system of internal control. The number listed per component can be followed with the legend below the table. In some instances deficiencies exist in more than one internal control component.

Par. no.	Basis for qualified opinion	CE	RA	CA	IC	M
7	Movable Tangible Capital Assets			3,5		
8	Irregular expenditure			3		

18. Notwithstanding additional appointments to uplift assets management, significant weaknesses were found regarding the updating of the assets system. A lack of responsibility by management to follow up on unidentified assets contributed to the state of affairs.

19. The risk of identifying irregular expenditure was not realised by management and as a result insufficient systems were in place to ensure the complete reporting thereof.

<b>Legend</b>	
<b>CE = Control environment</b>	
The organisational structure does not address areas of responsibility and lines of reporting to support effective control over financial reporting.	1
Management and staff are not assigned appropriate levels of authority and responsibility to facilitate control over financial reporting.	2
Human resource policies do not facilitate effective recruitment and training, disciplining and supervision of personnel.	3
Integrity and ethical values have not been developed and are not understood to set the standard for financial reporting.	4
The accounting officer/accounting authority does not exercise oversight responsibility over financial reporting and internal control.	5
Management's philosophy and operating style do not promote effective control over financial reporting.	6
The entity does not have individuals competent in financial reporting and related matters.	7
<b>RA = Risk assessment</b>	
Management has not specified financial reporting objectives to enable the identification of risks to reliable financial reporting.	1
The entity does not identify risks to the achievement of financial reporting objectives.	2
The entity does not analyse the likelihood and impact of the risks identified.	3
The entity does not determine a risk strategy/action plan to manage identified risks.	4
The potential for material misstatement due to fraud is not considered.	5
<b>CA = Control activities</b>	
There is inadequate segregation of duties to prevent fraudulent data and asset misappropriation.	1
General information technology controls have not been designed to maintain the integrity of the information system and the security of the data.	2
Manual or automated controls are not designed to ensure that the transactions have occurred, are authorised, and are completely and accurately processed.	3
Actions are not taken to address risks to the achievement of financial reporting objectives.	4
Control activities are not selected and developed to mitigate risks over financial reporting.	5
Policies and procedures related to financial reporting are not established and communicated.	6
Realistic targets are not set for financial performance measures, which are in turn not linked to an effective reward system.	7
<b>IC = Information and communication</b>	
Pertinent information is not identified and captured in a form and time frame to support financial reporting.	1
Information required to implement internal control is not available to personnel to enable internal control responsibilities.	2
Communications do not enable and support the understanding and execution of internal control processes and responsibilities by personnel.	3
<b>M = Monitoring</b>	
Ongoing monitoring and supervision are not undertaken to enable an assessment of the effectiveness of internal control over financial reporting.	1
Neither reviews by internal audit or the audit committee nor self -assessments are evident.	2
Internal control deficiencies are not identified and communicated in a timely manner to allow for corrective action to be taken.	3

## Key governance responsibilities

20. The PFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of key governance responsibilities, which I have assessed as follows:

No.	Matter	Y	N
<b>Clear trail of supporting documentation that is easily available and provided in a timely manner</b>			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.		X
<b>Quality of financial statements and related management information</b>			
2.	The financial statements were not subject to any material amendments resulting from the audit.		X
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.		X
<b>Timeliness of financial statements and management information</b>			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines section 40 of the PFMA.	X	
<b>Availability of key officials during audit</b>			
5.	Key officials were available throughout the audit process.	X	
<b>Development and compliance with risk management, effective internal control and governance practices</b>			
6.	Audit committee		
	<ul style="list-style-type: none"> <li>The department had an audit committee in operation throughout the financial year.</li> </ul>		X
	<ul style="list-style-type: none"> <li>The audit committee operates in accordance with approved, written terms of reference.</li> </ul>	X	
	<ul style="list-style-type: none"> <li>The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 3.1.10.</li> </ul>		X
7.	Internal audit		
	<ul style="list-style-type: none"> <li>The department had an internal audit function in operation throughout the financial year.</li> </ul>	X	
	<ul style="list-style-type: none"> <li>The internal audit function operates in terms of an approved internal audit plan.</li> </ul>	X	
	<ul style="list-style-type: none"> <li>The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 3.2.</li> </ul>		X
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.	X	
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	X	
10.	The information systems were appropriate to facilitate the preparation of the financial statements.	X	
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in Treasury Regulation 3.2.	X	
12.	Delegations of responsibility are in place, as set out in section 44 of the PFMA.	X	

No.	Matter	Y	N
<b>Follow-up of audit findings</b>			
13.	The prior year audit findings have been substantially addressed.		X
14.	SCOPA resolutions have been substantially implemented.	X	
<b>Issues relating to the reporting of performance information</b>			
15.	The information systems were appropriate to facilitate the preparation of a performance report that is accurate and complete.	X	
16.	Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information.	X	
17.	A strategic plan was prepared and approved for the financial year under review for purposes of monitoring the performance in relation to the budget and delivery by the Free State Investment Promotion Agency against its mandate, predetermined objectives, outputs, indicators and targets Treasury Regulation 5.1, 5.2 and 6.1.	X	
18.	There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with governance.	X	

## **Overall reflection on the governance framework based on other key governance requirements**

21. Risks in financial management were not timeously identified by management. Responsibilities were not carried out by officials in all instances and monitoring was insufficient to detect the resulting risks. This also contributed to prior year findings not being substantially addressed.

22. The audit committee charter was only approved late during the financial year which resulted in a delay with the formalisation of the audit committee functions and responsibilities.

### **Investigations**

23. An investigation into subsidies paid to individuals employed within the national, provincial and local government spheres is currently conducted. At the conclusion of the audit, the investigation was still in process and there was no indication as to when the investigation is expected to be finalised.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

### **Report on performance information**

24. I have reviewed the performance information as set out on pages 21 to 88.

### ***The accounting officer's responsibility for the performance information***

25. The accounting officer has additional responsibilities as required by section 40(3)(a) of the PFMA to ensure that the annual report and audited financial statements fairly present the performance against predetermined objectives of the department.

## **The Auditor-General's responsibility**

26. I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*.

27. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

## **Findings on performance information**

28. I believe that the evidence I have obtained is sufficient and appropriate to report that no significant findings have been identified as a result of my review.

## **OTHER REPORTS**

### **Performance audits**

29. A performance audit was performed on the allocation of housing subsidies to municipal employees and the administration of low-cost housing projects by the department and a separate report was issued and was tabled in the Free State Legislature on 18 August 2008.

30. A performance audit was conducted during the year under review concerning entities that are connected with government employees and doing business with the departments of the Free State Provincial Administration. This report covered the period 1 April 2005 to 31 March 2007 and was tabled in the Free State Legislature on 26 June 2009.

## **APPRECIATION**

31. The assistance rendered by the staff of the Department of Local Government and Housing during the audit is sincerely appreciated.

*Auditor-General*

Bloemfontein

31 July 2009



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

APPROPRIATION STATEMENT	Appropriation per programme							2007/08	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>1. Administration</b>									
Current payment	87 027	(1 697)	(240)	85 090	81 982	3 108	96.3%	62 895	61 505
Transfers and subsidies	3 182	1 557	-	4 739	4 724	15	99.7%	5 454	4 184
Payment for capital assets	2 865	140	-	3 005	1 989	1 016	66.2%	6 185	1 548
<b>2. Housing</b>									
Current payment	50 574	(444)	(7 847)	42 283	37 629	4 654	89%	52 759	38 112
Transfers and subsidies	868 005	444	-	868 449	868 323	126	100%	548 972	470 378
Payment for capital assets	759	-	-	759	690	69	90.9%	2 028	841
<b>3. Local Government</b>									
Current payment	79 315	1 032	8 107	88 454	87 322	1 132	98.7%	69 164	66 282
Transfers and subsidies	20 945	(1 032)	-	19 913	19 872	41	99.8%	38 070	36 433
Payment for capital assets	1 184	-	-	1 184	766	418	64.7%	3 986	713
<b>4. Traditional Institutional Development</b>									
Current payment	20 486	135	(20)	20 601	20 044	557	97.3%	14 086	13 832
Transfers and subsidies	675	(145)	-	530	506	24	95.5%	2 245	1 864
Payment for capital assets	3 600	10	-	3 610	3 579	31	99.1%	230	188
<b>Subtotal</b>	<b>1 138 617</b>	-	-	<b>1 138 617</b>	<b>1 127 426</b>	<b>11 191</b>	<b>99%</b>	<b>806 074</b>	<b>695 880</b>
<b>TOTAL</b>	<b>1 138 617</b>	-	-	<b>1 138 617</b>	<b>1 127 426</b>	<b>11 191</b>	<b>99%</b>	<b>806 074</b>	<b>695 880</b>
<b>Actual amounts per statement of financial performance (total revenue)</b>				<b>1 138 617</b>				806 074	
<b>ADD:</b>					659				-
Aid assistance					659				-
<b>Actual amounts per statement of financial performance (total expenditure)</b>					<b>1 128 085</b>				<b>695 880</b>

Appropriation per economic classification									
	2008/09					2007/08			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	141 474	(123)	2 158	143 509	142 181	1 328	99.1%	115 708	111 056
Goods and services	95 928	(1 197)	(2 158)	92 573	84 258	8 315	91%	83 196	68 552
Interest and rent on land	-	346	-	346	330	16	95.1%	-	-
Financial transactions in assets and liabilities	-	-	-	-	208	(208)	-	-	123
<b>Transfers and subsidies</b>									
Provinces and municipalities	24 236	(1 598)	-	22 638	22 634	4	100%	45 122	43 387
Departmental agencies and accounts	-	4 325	-	4 325	4 310	15	99.7%	-	-
Universities and technikons	1 100	-	-	1 100	1 095	5	100%	1 100	1 100
Non-profit institutions	4 305	(3 996)	-	309	306	3	99%	3 375	2 523
Households	863 166	(277)	-	862 889	862 737	152	100%	545 144	465 849
Gifts and donations	-	2 370	-	2 370	2 343	27	98.9%	-	-
<b>Payments for capital assets</b>									
Buildings and other fixed structures	-	3 500	-	3 500	3 500	-	100%	-	-
Machinery and equipment	8 408	(3 350)	-	5 058	3 524	1 534	69.7%	12 086	2 948
Software and other intangible assets	-	-	-	-	-	-	-	343	342
<b>Total</b>	<b>1 138 617</b>	<b>-</b>	<b>-</b>	<b>1 138 617</b>	<b>1 127 426</b>	<b>11 191</b>	<b>99%</b>	<b>806 074</b>	<b>695 880</b>

Detail per sub-programme	2008/2009					2007/2008			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>1.1 Office of the MEC</b>									
Current payment	5 996	(105)	(240)	5 651	5 537	114	98%	4 671	4 364
Payment for capital assets	60	140	-	200	199	1	99.5%	415	14
<b>1.2 Corporate Services</b>									
Current payment	81 031	(1 592)	-	79 439	76 445	2 994	96.2%	58 224	57 141
Transfers and subsidies	3 182	1 557	-	4 739	4 724	15	99.7%	5 454	4 184
Payment for capital assets	2 805	-	-	2 805	1 790	1 015	63.8%	5 770	1 534
<b>Total</b>	<b>93 074</b>	<b>-</b>	<b>(240)</b>	<b>92 834</b>	<b>88 695</b>	<b>4 139</b>	<b>95.5%</b>	<b>74 534</b>	<b>67 237</b>

Economic classification	2008/09						2007/08		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	46 647	574	-	47 221	46 755	466	99%	34 369	34 068
Goods and services	40 380	(2 498)	(240)	37 642	34 922	2 720	92.8%	28 526	27 338
Interest and rent on land	-	227	-	227	219	8	96.5%	-	-
Financial transactions in assets and liabilities	-	-	-	-	86	(86)	-	-	99
<b>Transfers and subsidies to:</b>									
Non-profit institutions	-	-	-	-	-	-	-	2 700	1 999
Households	3 182	144	-	3 326	3 324	2	99.9%	2 754	2 185
Gifts and donations	-	1 413	-	1 413	1 400	13	99.1%	-	-
<b>Payment for capital assets</b>									
Machinery and equipment	2 865	140	-	3 005	1 989	1 016	66.2%	6 106	1 469
Software and other intangible assets	-	-	-	-	-	-	-	79	79
<b>Total</b>	<b>93 074</b>	<b>-</b>	<b>(240)</b>	<b>92 834</b>	<b>88 695</b>	<b>4 139</b>	<b>95.5%</b>	<b>74 534</b>	<b>67 237</b>

Detail per sub-programme	2008/09						2007/08		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>2.1 Housing Needs, Research and Planning</b>									
Current payment	8 688	(409)	-	8 279	7 349	930	88.8%	8 637	6 344
Transfers and subsidies	128	(27)	-	101	1	100	1%	120	-
Payment for capital assets	55	76	-	131	178	(47)	135.9%	170	110
<b>2.2 Housing Development, Implementation, Planning and Targets</b>									
Current payment	41 206	(305)	(7 847)	33 054	29 484	3 570	89.2%	38 163	28 052
Transfers and subsidies	867 877	410	-	868 287	868 261	26	100%	546 752	469 206
Payment for capital assets	704	(76)	-	628	512	116	81.5%	1 258	423
<b>2.3 Housing Assets Management, Property Management</b>									
Current payment	680	270	-	950	796	154	83.8%	5 959	3 716
Transfers and subsidies	-	61	-	61	61	-	100%	2 100	1 172
Payment for capital assets	-	-	-	-	-	-	-	600	308
<b>Total</b>	<b>919 338</b>	<b>-</b>	<b>(7 847)</b>	<b>911 491</b>	<b>906 642</b>	<b>4 849</b>	<b>99.5%</b>	<b>603 759</b>	<b>509 331</b>

Economic classification	2008/09					2007/08			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
<b>Current payments</b>									
Compensation of employees	24 394	(465)	-	23 929	23 227	702	97.1%	22 685	19 348
Goods and services	26 180	(35)	(7 847)	18 298	14 227	4 071	77.8%	30 074	18 753
Interest and rent on land	-	56	-	56	55	1	98.2%	-	-
Financial transactions in assets and liabilities	-	-	-	-	120	(120)	-	-	11
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	6 976	404	-	7 380	7 376	4	99.9%	7 202	6 967
Universities and technikons	1 100	-	-	1 100	1 095	5	99.5%	1 100	1 100
Households	859 929	(695)	-	859 234	859 129	105	100%	540 670	462 311
Gifts and donations	-	735	-	735	723	12	98.4%	-	-
<b>Payment for capital assets</b>									
Machinery and equipment	759	-	-	759	690	69	90.9%	2 028	841
<b>Total</b>	<b>919 338</b>	<b>-</b>	<b>(7 847)</b>	<b>911 491</b>	<b>906 642</b>	<b>4 849</b>	<b>99.5%</b>	<b>603 759</b>	<b>509 331</b>

Detail per sub-programme	2008/09					2007/08			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
<b>3.1 Local Governance</b>									
Current payment	50 955	3 186	8 107	62 248	61 836	412	99.3%	44 756	43 610
Transfers and subsidies	10 680	850	-	11 530	11 509	21	99.8%	9 850	9 713
Payment for capital assets	189	40	-	229	265	(36)	115.7%	397	123
<b>3.2 Development and Planning</b>									
Current payment	28 360	(2 154)	-	26 206	25 486	720	97.3%	24 408	22 672
Transfers and subsidies	10 265	(1 882)	-	8 383	8 363	20	99.8%	28 220	26 720
Payment for capital assets	995	(40)	-	955	501	454	52.5%	3 589	590
<b>Total</b>	<b>101 444</b>	<b>-</b>	<b>8 107</b>	<b>109 551</b>	<b>107 960</b>	<b>1 591</b>	<b>98.5%</b>	<b>111 220</b>	<b>103 428</b>

Economic classification	2008/2009					2007/2008			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
<b>Current payments</b>									
Compensation of employees	57 563	161	2 158	59 882	59 737	145	99.8%	49 007	48 032
Goods and services	21 752	813	5 949	28 514	27 533	981	96.6%	20 157	18 241
Interest and rent on land	-	58	-	58	52	6	89.7%	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	9
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	17 260	(2 002)	-	15 258	15 258	-	100%	37 920	36 420
Departmental agencies and accounts	-	4 325	-	4 325	4 310	15	99.7%	-	-
Non-profit institutions	3 630	(3 630)	-	-	-	-	-	-	-
Households	55	99	-	154	129	25	83.8%	150	13
Gifts and donations	-	176	-	176	175	1	99.4%	-	-
<b>Payment for capital assets</b>									
Machinery and equipment	1 184	-	-	1 184	766	418	64.7%	3 722	450
Software and other intangible assets	-	-	-	-	-	-	-	264	263
<b>Total</b>	<b>101 444</b>	<b>-</b>	<b>8 107</b>	<b>109 551</b>	<b>107 960</b>	<b>1 591</b>	<b>98.5%</b>	<b>111 220</b>	<b>103 428</b>

Detail per sub-programme	2008/09						2007/08		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>4. Traditional institutional Administration</b>									
Current payment	20 486	135	(20)	20 601	20 044	557	97.3%	14 086	13 832
Transfers and subsidies	675	(145)	-	530	506	24	95.5%	2 245	1 864
Payment for capital assets	3 600	10	-	3 610	3 579	31	99.1%	230	188
<b>Total</b>	<b>24 761</b>	<b>-</b>	<b>(20)</b>	<b>24 741</b>	<b>24 129</b>	<b>612</b>	<b>97.5%</b>	<b>16 561</b>	<b>15 884</b>

Economic classification	2008/2009						2007/2008		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	12 870	(393)	-	12 477	12 462	15	99.9%	9 647	9 608
Goods and services	7 616	523	(20)	8 119	7 576	543	93.3%	4 439	4 220
Interest and rent on land	-	5	-	5	4	1	80%	-	-
Financial transactions in assets and liabilities	-	-	-	-	2	(2)	-	-	4
<b>Transfers and subsidies to:</b>									
Non-profit institutions	675	(366)	-	309	306	3	99%	675	524
Households	-	175	-	175	155	20	88.6%	1 570	1 340
Gifts and donations	-	46	-	46	45	1	97.8%	-	-
<b>Payment for capital assets</b>									
Buildings and other fixed structures	-	3 500	-	3 500	3 500	-	100%	-	-
Machinery and equipment	3 600	(3 490)	-	110	79	31	71.8%	230	188
<b>Total</b>	<b>24 761</b>	<b>-</b>	<b>(20)</b>	<b>24 741</b>	<b>24 129</b>	<b>612</b>	<b>97.5%</b>	<b>16 561</b>	<b>15 884</b>

**1. Detail of transfers and subsidies as per Appropriation Act (after Virement):**

Details of these transactions can be viewed in note 8 (Transfers and subsidies) and Annexure 1 (B-H) to the Annual Financial Statements.

**2. Detail of specifically and exclusively appropriated amounts voted (after Virement):**

Details of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

**3. Detail on financial transactions in assets and liabilities**

Details of these transactions per programme can be viewed in note 7 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

**4. Explanations of material variances from Amounts Voted (after Virement):**

<b>4.1 Per Programme</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance R'000</b>	<b>Variance as a % of Final Appropriation</b>
Administration	92 834	88 695	4 139	4.5%
The under spending mainly relates to goods and services where all items could not be purchased as planned as a result of the cost containment measures implemented in the Province. Computer equipment could also not be purchased as planned				
Housing	911 491	906 642	4 849	0.5%
Local Government	109 551	107 960	1 591	1.5%
Traditional Institutional Development	24 741	24 129	612	2.5%
The under spending mainly relates to goods and services where all items could not be purchased as planned as a result of the cost containment measures implemented in the Province.				

<b>4.2 Per Economic classification</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Variance as a % of Final Appropriation</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments:</b>				
Compensation of employees	143 509	142 181	1 328	0.9%
Goods and services	92 573	84 258	8 315	9%
Interest and rent on land	346	330	16	4.9%
Financial transactions in assets and liabilities	-	208	(208)	-
<b>Transfers and subsidies:</b>				
Provinces and municipalities	22 638	22 634	4	-
Departmental agencies and accounts	4 325	4 310	15	0.3%
Universities and Technikons	1 100	1 095	5	-
Non-profit institutions	309	306	3	1%
Households	862 889	862 737	152	-
Gifts and donations	2 370	2 343	27	1.1%
<b>Payments for capital assets:</b>				
Buildings and other fixed structures	3 500	3 500	-	-
Machinery and equipment	5 058	3 524	1 534	31.3%

<b>PERFORMANCE</b>	Note	<b>2008/2009</b>	<b>2007/2008</b>
		<b>R'000</b>	<b>R'000</b>
<b>REVENUE</b>			
Annual appropriation	<u>1</u>	1 138 617	806 074
<b>TOTAL REVENUE</b>		<u>1 138 617</u>	<u>806 074</u>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	<u>4</u>	142 181	111 056
Goods and services	<u>5</u>	84 258	68 392
Interest and rent on land	<u>6</u>	330	-
Financial transactions in assets and liabilities	<u>7</u>	208	123
Aid assistance	<u>3</u>	659	-
<b>Total current expenditure</b>		227 636	179 571
<b>Transfers and subsidies</b>		893 425	513 019
Transfers and subsidies	<u>8</u>	893 425	513 019
<b>Expenditure for capital assets</b>			
Tangible capital assets	<u>9</u>	7 024	2 948
Software and other intangible assets	<u>9</u>	-	342
<b>Total expenditure for capital assets</b>		7 024	3 290
<b>TOTAL EXPENDITURE</b>		<u>1 128 085</u>	<u>695 880</u>
<b>SURPLUS FOR THE YEAR</b>		<u>10 532</u>	<u>110 194</u>
<b>Reconciliation of Net Surplus for the year</b>			
Voted funds		11 191	110 194
Aid assistance	<u>3</u>	(659)	-
<b>SURPLUS FOR THE YEAR</b>		<u>10 532</u>	<u>110 194</u>

Amounts restated

<b>POSITION</b>	Note	<b>2008/2009</b> <b>R'000</b>	<b>2007/2008</b> <b>R'000</b>
<b>ASSETS</b>			
<b>Current assets</b>		24 217	150 542
Cash and cash equivalents	<a href="#">10</a>	10 875	140 236
Prepayments and advances	<a href="#">11</a>	82	80
Receivables	<a href="#">12</a>	13 260	10 226
<b>TOTAL ASSETS</b>		<b>24 217</b>	<b>150 542</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		23 577	150 414
Voted funds to be surrendered to the Revenue Fund	<a href="#">13</a>	11 191	110 194
Departmental revenue to be surrendered to the Revenue Fund	<a href="#">14</a>	184	281
Payables	<a href="#">15</a>	12 202	39 280
Aid assistance unutilised	<a href="#">3</a>	-	659
<b>TOTAL LIABILITIES</b>		<b>23 577</b>	<b>150 414</b>
<b>NET ASSETS</b>		<b>640</b>	<b>128</b>
<b>Represented by:</b>			
Recoverable revenue		640	128
<b>TOTAL</b>		<b>640</b>	<b>128</b>

Amounts restated

<b>NET ASSETS</b>	<b>Note</b>	<b>2008/09</b>	<b>2007/2008</b>
		<b>R'000</b>	<b>R'000</b>
<b>Recoverable revenue</b>			
Opening balance		128	175
Transfers:		512	(47)
Irrecoverable amounts written off		(185)	(10)
Debts revised		-	(19)
Debts recovered (included in departmental receipts)		(57)	(40)
Debts raised		754	22
Closing balance		640	128
<b>TOTAL</b>		640	128

<b>CASH FLOW</b>	Note	<b>2008/2009</b>	<b>2007/2008</b>
		<b>R'000</b>	<b>R'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		1 141 015	808 904
Annual appropriated funds received	<a href="#">1.1</a>	1 138 617	806 074
Departmental revenue received	<a href="#">2</a>	2 398	2 830
Net (increase)/decrease in working capital		(30 114)	21 184
Surrendered to Revenue Fund		(112 689)	(24 459)
Current payments		(227 636)	(179 571)
Transfers and subsidies paid		(893 425)	(513 019)
<b>Net cash flow available from operating activities</b>	<a href="#">16</a>	<b>(122 849)</b>	<b>113 039</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	<a href="#">9</a>	(7 024)	(3 290)
<b>Net cash flows from investing activities</b>		<b>(7 024)</b>	<b>(3 290)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/(decrease) in net assets		512	(47)
<b>Net cash flows from financing activities</b>		<b>512</b>	<b>(47)</b>
Net increase/(decrease) in cash and cash equivalents		(129 361)	109 702
Cash and cash equivalents at the beginning of the period		140 236	30 534
<b>Cash and cash equivalents at end of period</b>	<a href="#">10</a>	<b>10 875</b>	<b>140 236</b>

Amounts restated

These Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 2 of 2008.

## **1. Presentation of the Financial Statements**

### **1.1 Basis of preparation**

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

### **1.2 Presentation currency**

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

### **1.3 Rounding**

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

### **1.4 Comparative figures**

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

### **1.5 Comparative figures - Appropriation Statement**

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

## **2. Revenue**

### **2.1 Appropriated funds**

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments to the appropriated funds made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Total appropriated funds are presented in the Statement of Financial Performance. Unexpended appropriated funds are surrendered to the Provincial Revenue Fund. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

## **2.2 Statutory Appropriation**

Statutory appropriations are recognised in the financial records on the date the appropriation becomes effective. Adjustments to the statutory appropriations made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Total statutory appropriations are presented in the Statement of Financial Performance.

Unexpended statutory appropriations are surrendered to the Provincial Revenue Fund. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

## **2.3 Departmental revenue**

All departmental revenue is paid into the Provincial Revenue Fund when received, unless otherwise stated. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

### **2.3.1 Tax revenue**

Tax revenue consists of all compulsory unrequited amounts collected by the department in accordance with laws and or regulations (excluding fines, penalties & forfeits).

Tax receipts are recognised in the Statement of Financial Performance when received.

### **2.3.2 Sales of goods and services other than capital assets**

The proceeds received from the sale of goods and/or the provision of services is recognised in the Statement of Financial Performance when the cash is received.

### **2.3.3 Fines, penalties & forfeits**

Fines, penalties & forfeits are compulsory unrequited amounts which were imposed by a court or quasi-judicial body and collected by the department. Revenue arising from fines, penalties and forfeits is recognised in the Statement of Financial Performance when the cash is received.

### **2.3.4 Interest, dividends and rent on land**

Interest, dividends and rent on land is recognised in the Statement of Financial Performance when the cash is received.

### **2.3.5 Sale of capital assets**

The proceeds received on sale of capital assets are recognised in the Statement of Financial Performance when the cash is received.

### **2.3.6 Financial transactions in assets and liabilities**

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the Statement of Financial Performance on receipt of the funds.

Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the Statement of Financial Performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

Forex gains are recognised on payment of funds.

### **2.3.7 Transfers received (including gifts, donations and sponsorships)**

All cash gifts, donations and sponsorships are paid into the Provincial Revenue Fund and recorded as revenue in the Statement of Financial Performance when received. Amounts receivable at the reporting date are disclosed in the disclosure notes to the financial statements.

All in-kind gifts, donations and sponsorships are disclosed at fair value in an annexure to the financial statements.

### **2.4 Direct Exchequer receipts**

All direct exchequer receipts are recognised in the Statement of Financial Performance when the cash is received.

All direct exchequer payments are recognised in the Statement of Financial Performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

### **2.5 Aid assistance**

Local and foreign aid assistance is recognised as revenue when notification of the assistance is received from the National Treasury or when the department directly receives the cash from the donor(s).

All in-kind local and foreign aid assistance are disclosed at fair value in the annexures to the annual financial statements

The cash payments made during the year relating to local and foreign aid assistance projects are recognised as expenditure in the Statement of Financial Performance. The value of the assistance expended prior to the receipt of the funds is recognised as a receivable in the Statement of Financial Position

Inappropriately expensed amounts using local and foreign aid assistance and any unutilised amounts are recognised as payables in the Statement of Financial Position.

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as current or capital expenditure in the Statement of Financial Performance.

Inappropriately expensed amounts using CARA funds and any unutilised amounts are recognised as payables in the Statement of Financial Position.

### **3. Expenditure**

#### **3.1 Compensation of employees**

##### **3.1.1 Short-term employee benefits**

Salaries and wages comprise payments to employees (including leave entitlements, thirteenth cheques and performance bonuses). Salaries and wages are recognised as an expense in the Statement of Financial Performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

All other payments are classified as current expense.

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the Statement of Financial Performance or Position.

##### **3.1.2 Post retirement benefits**

The department provides retirement benefits (pension benefits) for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions.

Employer contributions (i.e. social contributions) to the fund are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year). No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the Provincial Revenue Fund and not in the financial statements of the employer department.

The department provides medical benefits for certain of its employees. Employer contributions to the medical funds are expensed when final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year).

##### **3.1.3 Termination benefits**

Termination benefits such as severance packages are recognised as an expense in the Statement of Financial Performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

##### **3.1.4 Other long-term employee benefits**

Other long-term employee benefits (such as capped leave) are recognised as an expense in the Statement of Financial Performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Long-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the Statement of Financial Performance or Position.

### 3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). The expense is classified as capital if the goods and services were used for a capital project or an asset of R5000 or more is purchased. All assets costing less than R5000 will also be reflected under goods and services.

### 3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

### 3.4 Financial transactions in assets and liabilities

**Debts are written off** when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or under spending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but amounts are disclosed as a disclosure note.

**Forex losses** are recognised on payment of funds.

All **other losses** are recognised when authorisation has been granted for the recognition thereof.

### 3.5 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

### 3.6 Unauthorised expenditure

When discovered unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

Unauthorised expenditure approved with funding is recognised in the Statement of Financial Performance when the unauthorised expenditure is approved and the related funds are received. Where the amount is approved without funding it is recognised as expenditure, subject to availability of savings, in the Statement of Financial Performance on the date of approval.

### 3.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the Statement of Financial Performance. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

### **3.8 Irregular expenditure**

Irregular expenditure is recognised as expenditure in the Statement of Financial Performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable in the Statement of Financial Performance.

### **3.9 Expenditure for capital assets**

Payments made for capital assets are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

## **4. Assets**

### **4.1 Cash and cash equivalents**

Cash and cash equivalents are carried in the Statement of Financial Position at cost.

For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

### **4.2 Other financial assets**

Other financial assets are carried in the Statement of Financial Position at cost.

### **4.3 Prepayments and advances**

Amounts prepaid or advanced are recognised in the Statement of Financial Position when the payments are made.

Pre-payments and advances outstanding at the end of the year are carried in the Statement of Financial Position at cost.

### **4.4 Receivables**

Receivables included in the Statement of Financial Position arise from cash payments made that are recoverable from another party.

Receivables outstanding at year-end are carried in the Statement of Financial Position at cost plus any accrued interest.

### **4.5 Investments**

Capitalised investments are shown at cost in the Statement of Financial Position. Any cash flows such as dividends received or proceeds from the sale of the investment are recognised in the Statement of Financial Performance when the cash is received.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any loss is included in the disclosure notes.

## **4.6 Loans**

Loans are recognised in the Statement of Financial Position at the nominal amount when cash is paid to the beneficiary. Loan balances are reduced when cash repayments are received from the beneficiary. Amounts that are potentially irrecoverable are included in the disclosure notes.

Loans that are outstanding at year-end are carried in the Statement of Financial Position at cost.

## **4.7 Inventory**

Inventories purchased during the financial year are disclosed at cost in the notes.

## **4.8 Capital assets**

### **4.8.1 Movable assets**

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

Subsequent expenditure of a capital nature is recorded in the Statement of Financial Performance as "expenditure for capital asset" and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current "goods and services" in the Statement of Financial Performance.

### **4.8.2 Immovable assets**

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

Work-in-progress of a capital nature is recorded in the Statement of Financial Performance as "expenditure for capital asset". On completion, the total cost of the project is included in the asset register of the department that legally owns the asset or the provincial/national department of public works.

Repairs and maintenance is expensed as current "goods and services" in the Statement of Financial Performance.

## **5. Liabilities**

### **5.1 Voted funds to be surrendered to the Revenue Fund**

Unexpended appropriated funds are surrendered to the Provincial Revenue Fund. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

## **5.2 Departmental revenue to be surrendered to the Revenue Fund**

Amounts owing to the National/Provincial Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position at cost.

## **5.3 Direct Exchequer receipts to be surrendered to the Revenue Fund**

All direct exchequer fund receipts are recognised in the Statement of Financial Performance when the cash is received.

Amounts received must be surrendered to the relevant revenue fund on receipt thereof. Any amount not surrendered at year end is reflected as a current payable in the Statement of Financial Position.

## **5.4 Bank overdraft**

The bank overdraft is carried in the Statement of Financial Position at cost.

## **5.5 Payables**

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are recognised at historical cost in the Statement of Financial Position.

## **5.6 Contingent liabilities**

Contingent liabilities are included in the disclosure notes to the financial statements.

## **5.7 Commitments**

Commitments are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance but are included in the disclosure notes.

## **5.8 Accruals**

Accruals are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance but are included in the disclosure notes.

## **5.9 Employee benefits**

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the Statement of Financial Performance or the Statement of Financial Position.

## **5.10 Lease commitments**

### **Finance leases**

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as an expense in the statement of financial performance and are apportioned between the capital and the interest portions. The finance lease liability is disclosed in the disclosure notes to the financial statements.

## **Operating leases**

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the disclosure notes to the financial statements."

## **6. Receivables for departmental revenue**

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements.

## **7. Net Assets**

### **7.1 Capitalisation reserve**

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the Statement of Financial Position for the first time in the current reporting period. Amounts are transferred to the Provincial Revenue Fund on disposal, repayment or recovery of such amounts.

### **7.2 Recoverable revenue**

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year.

## **8. Related party transactions**

Specific information with regards to related party transactions is included in the disclosure notes.

## **9. Key management personnel**

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

## **10. Public private partnerships**

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.

## 1. Annual Appropriation

### 1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for Provincial Departments :

	<b>Final Appropriation</b>	<b>Actual Funds Received</b>	<b>Funds not requested/ not received</b>	<b>Appropriation received 2007/08</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Administration	92 834	92 834	-	74 534
Housing	911 491	911 491	-	603 759
Local Government	109 551	109 551	-	111 220
Traditional Institutional Development	24 741	24 741	-	16 561
<b>Total</b>	<b>1 138 617</b>	<b>1 138 617</b>	<b>-</b>	<b>806 074</b>

### 1.2 Conditional grants

	Note	<b>2008/09 R'000</b>	<b>2007/08 R'000</b>
<b>Total grants received</b>	<i>Annex 1A</i>	<b>859 122</b>	<b>553 508</b>

## 2. Departmental revenue

Tax revenue			
Sales of goods and services other than capital assets	2.1	1 533	2 354
Interest, dividends and rent on land	2.2	292	293
Financial transactions in assets and liabilities	2.3	573	183
Total revenue collected		<b>2 398</b>	<b>2 830</b>
Less: Own revenue included in appropriation	14	2 398	2 830
<b>Departmental revenue collected</b>		<b>-</b>	<b>-</b>

Amounts restated

**2.1 Sales of goods and services other than capital assets**

	Note <u>2</u>	<b>2008/09</b> <b>R'000</b>	<b>2007/08</b> <b>R'000</b>
Sales of goods and services produced by the department		1 529	2 354
Administrative fees		1 529	2 354
Sales of scrap, waste and other used current goods		4	-
<b>Total</b>		<b>1 533</b>	<b>2 354</b>

**2.2 Interest, dividends and rent on land**

	<u>2</u>		
Interest		292	293
<b>Total</b>		<b>292</b>	<b>293</b>

**2.3 Financial transactions in assets and liabilities**

	<u>2</u>		
Other Receipts including Recoverable Revenue		573	183
<b>Total</b>		<b>573</b>	<b>183</b>

**3. Aid assistance**

**3.1 Aid assistance received in cash from other sources**

<b>Foreign</b>			
Opening Balance		659	659
Expenditure		(659)	-
Current		(659)	-
<b>Closing Balance</b>		<b>-</b>	<b>659</b>

### 3.2 Total assistance

	<i>Note</i>	<b>2008/09</b>	<b>2007/08</b>
		<b>R'000</b>	<b>R'000</b>
Opening Balance		659	659
Expenditure		(659)	-
Current		(659)	-
<b>Closing Balance</b>		<b>-</b>	<b>659</b>

#### Analysis of balance

Aid assistance unutilised		-	659
Other sources		-	659
<b>Closing balance</b>		<b>-</b>	<b>659</b>

Amounts restated as funds of R 507 000 received from the Development Bank of South Africa now reported as payables. (Note 15)

## 4. Compensation of employees

### 4.1 Salaries and Wages

Basic salary	91 315	71 236
Performance award	2 414	1 373
Service Based	756	290
Compensative/circumstantial	1 271	949
Periodic payments	869	729
Other non-pensionable allowances	26 747	21 909
<b>Total</b>	<b>123 372</b>	<b>96 486</b>

Amounts restated

### 4.2 Social contribution

#### Employer contributions

Pension	11 724	9 134
Medical	7 064	5 417
Bargaining council	21	19
<b>Total</b>	<b>18 809</b>	<b>14 570</b>
<b>Total compensation of employees</b>	<b>142 181</b>	<b>111 056</b>
Average number of employees	<b>731</b>	<b>645</b>

## 5. Goods and services

	Note	2008/2009 R'000	2007/2008 R'000
Administrative fees		81	63
Advertising		3 744	4 360
Assets less than R5,000	<a href="#">5.1</a>	674	2 092
Bursaries (employees)		50	28
Catering		5 123	4 303
Communication		4 200	4 423
Computer services	<a href="#">5.2</a>	1 864	741
Consultants, contractors and agency/outsourced services	<a href="#">5.3</a>	19 697	26 228
Entertainment		49	180
Audit cost – external	<a href="#">5.4</a>	12 445	4 707
Inventory	<a href="#">5.5</a>	3 946	2 887
Maintenance, repairs and running costs		-	1 982
Operating leases		6 259	977
Travel and subsistence	<a href="#">5.6</a>	20 405	13 130
Venues and facilities		1 357	616
Training and staff development		1 271	1 441
Other operating expenditure	<a href="#">5.7</a>	3 093	234
<b>Total</b>		<b>84 258</b>	<b>68 392</b>

Amounts restated as Gifts and Donations of R 160 000 now reported under transfer payments. (Note 8)

### 5.1 Assets less than R5,000

	5		
<b>Tangible assets</b>		674	2 092
Machinery and equipment		674	2 092
<b>Total</b>		<b>674</b>	<b>2 092</b>

### 5.2 Computer services

SITA computer services	1 414	741
External computer service providers	450	-
<b>Total</b>	<b>1 864</b>	<b>741</b>

### 5.3 Consultants, contractors and agency/outsourced services

	Note	2008/2009	2007/2008
	<u>5</u>	R'000	R'000
Business and advisory services		3 666	26
Infrastructure and planning		312	-
Legal costs		2 963	263
Contractors		12 756	99
Agency and support/outsourced services		-	25 840
<b>Total</b>		<b>19 697</b>	<b>26 228</b>

### 5.4 Audit cost – External

	5		
Regularity audits		5 370	2 773
Performance audits		66	55
Forensic audits		3 597	1 614
Other audits		3 412	265
<b>Total</b>		<b>12 445</b>	<b>4 707</b>

### 5.5 Inventory

	5		
Food and food supplies		297	230
Fuel, oil and gas		3	-
Other consumable materials		22	-
Stationery and printing		3 623	2 657
Medical supplies		1	-
<b>Total</b>		<b>3 946</b>	<b>2 887</b>

### 5.6 Travel and subsistence

	5		
Local		19 545	12 666
Foreign		860	464
<b>Total</b>		<b>20 405</b>	<b>13 130</b>

## 5.7 Other operating expenditure

	Note <u>5</u>	<b>2008/09</b> <b>R'000</b>	<b>2007/08</b> <b>R'000</b>
Professional bodies, membership and subscription fees		34	12
Resettlement costs		275	142
Other		2 784	80
<b>Total</b>		<b>3 093</b>	<b>234</b>

## 6. Interest and rent on land

Interest paid		330	-
<b>Total</b>		<b>330</b>	<b>-</b>

## 7. Financial transactions in assets and liabilities

Other material losses written off	7.1	80	-
Debts written off	7.2	128	123
<b>Total</b>		<b>208</b>	<b>123</b>

### 7.1 Other material losses written off

	7		
<b>Nature of losses</b>			
Loss control cases		80	-
<b>Total</b>		<b>80</b>	<b>-</b>

### 7.2 Debts written off

	7		
<b>Nature of debts written off</b>			
Personnel debt		46	71
Intergovernmental claims		1	47
Dishonoured Cheques		-	5
Breach of contract (bursaries for non-employees)		81	-
<b>Total</b>		<b>128</b>	<b>123</b>

## 8. Transfers and subsidies

	Note	2008/2009 R'000	2007/2008 R'000
Provinces and municipalities	Annex 1B	22 634	43 387
Departmental agencies and accounts	Annex 1C	4 310	-
Universities and technikons	Annex 1D	1 095	1 100
Non-profit institutions	Annex 1E	306	2 523
Households	Annex 1F	862 737	465 849
Gifts, donations and sponsorships made	Annex 1H	2 343	160
<b>Total</b>		<b>893 425</b>	<b>513 019</b>

Amounts restated as Gifts and Donations of R 160 000 was previously reported under goods and services. (Note 5)

## 9. Expenditure for capital assets

<b>Tangible assets</b>		7 024	2 948
Buildings and other fixed structures	27.1	3 500	-
Machinery and equipment	25.1	3 524	2 948
<b>Software and other intangible assets</b>		-	342
Computer software	26.1	-	342
<b>Total</b>		<b>7 024</b>	<b>3 290</b>

### 9.1 Analysis of funds utilised to acquire capital assets – 2008/2009

	Voted funds R'000	Aid assistance R'000	Total R'000
<b>Tangible assets</b>	7 024	-	7 024
Buildings and other fixed structures	3 500	-	3 500
Machinery and equipment	3 524	-	3 524
<b>Total</b>	<b>7 024</b>	<b>-</b>	<b>7 024</b>

### 9.2 Analysis of funds utilised to acquire capital assets – 2007/2008

<b>Total assets acquired</b>	<b>3 290</b>	<b>-</b>	<b>3 290</b>
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## 10. Cash and cash equivalents

	<b>2008/2009</b>	<b>2007/2008</b>
	<b>R'000</b>	<b>R'000</b>
Consolidated Paymaster General Account	10 835	140 230
Cash on hand	40	6
<b>Total</b>	<b>10 875</b>	<b>140 236</b>

## 11. Prepayments and advances

Travel and subsistence	82	80
<b>Total</b>	<b>82</b>	<b>80</b>

## 12. Receivables

	Note	<b>2008/09</b>			<b>2007/08</b>	
		<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
		<b>Less than one year</b>	<b>One to three years</b>	<b>Older than three years</b>	<b>Total</b>	<b>Total</b>
Claims recoverable	<a href="#">12.1</a> <i>Annex 3</i>	8 957	3 282	-	12 239	9 856
Staff debt	<a href="#">12.2</a>	393	15	100	508	340
Other debtors	<a href="#">12.3</a>	12	335	52	513	30
<b>Total</b>		<b>9 476</b>	<b>3 632</b>	<b>152</b>	<b>13 260</b>	<b>10 226</b>

### 12.1 Claims recoverable

	Note	<b>2008/09</b>	<b>2007/08</b>
		<b>R'000</b>	<b>R'000</b>
National departments	12	426	-
Provincial departments		3 237	3 191
Public entities		8 576	6 665
<b>Total</b>		<b>12 239</b>	<b>9 856</b>

### 12.2 Staff debt

PERSAL	508	340
<b>Total</b>	<b>508</b>	<b>340</b>

<b>12.3 Other debtors</b>	Note	<b>2008/09</b>	<b>2007/08</b>
	12	<b>R'000</b>	<b>R'000</b>
Dishonoured Cheques		14	27
Supplier		6	3
Bursaries non employees		493	-
<b>Total</b>		<b>513</b>	<b>30</b>

### 13. Voted funds to be surrendered to the Revenue Fund

Opening balance		110 194	23 382
Transfer from statement of financial performance		11 191	110 194
Paid during the year		(110 194)	(23 382)
<b>Closing balance</b>		<b>11 191</b>	<b>110 194</b>

### 14. Departmental revenue to be surrendered to the Revenue Fund

Opening balance		281	(1 472)
Own revenue included in appropriation		2 398	2 830
Paid during the year		(2 495)	(1 077)
<b>Closing balance</b>		<b>184</b>	<b>281</b>

### 15. Payables – current

<b>Description</b>	Note	<b>30 Days</b>	<b>30+ Days</b>	<b>2008/09 Total</b>	<b>2007/08 Total</b>
Advances received	<a href="#">15.1</a>	-	<b>11 031</b>	<b>11 031</b>	26 993
Other payables	<a href="#">15.2</a>	<b>1 171</b>	-	<b>1 171</b>	12 287
<b>Total</b>		<b>1 171</b>	<b>11 031</b>	<b>12 202</b>	39 280

Amounts restated as funds of R 507 000 received from the Development Bank of South Africa previously reported as donor funding. (Note 3)

### 15.1 Advances received

Description	Note	2008/09 R'000	2007/08 R'000
	15		
Advances from Departments		-	102
Advances from Department of Land Affairs		10 494	23 388
Advances from Department of Housing		30	2 996
Advance DBSA		507	507
<b>Total</b>		<b>11 031</b>	<b>26 993</b>

### 15.2 Other payables

Description	Note	2008/09 R'000	2007/08 R'000
	15		
Advances from Free State		3	11 019
Salary ACB Recalls		-	4
Tribal Council		-	301
Housing Fund		1 168	963
<b>Total</b>		<b>1 171</b>	<b>12 287</b>

### 16. Net cash flow available from operating activities

Net surplus/(deficit) as per Statement of Financial Performance	10 532	110 194
Add back non cash/cash movements not deemed operating activities	(133 381)	2 845
(Increase)/decrease in receivables – current	(3 034)	(5 017)
(Increase)/decrease in prepayments and advances	(2)	62
Increase/(decrease) in payables – current	(27 078)	26 139
Expenditure on capital assets	7 024	3 290
Surrenders to Revenue Fund	(112 689)	(24 459)
Other non-cash items	2 398	2 830
<b>Net cash flow generated by operating activities</b>	<b>(122 849)</b>	<b>113 039</b>

### 17. Reconciliation of cash and cash equivalents for cash flow purposes

Consolidated Paymaster General account	10 835	140 230
Cash on hand	40	6
<b>Total</b>	<b>10 875</b>	<b>140 236</b>

These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

## 18. Contingent liabilities

	Note		
<b>Liable to Nature</b>			
Motor vehicle guarantees Employees	<i>Annex 2A</i>	24	103
Housing loan guarantees Employees	<i>Annex 2A</i>	273	273
Claims against the department	<i>Annex 2B</i>	508	508
Other departments (interdepartmental unconfirmed balances)	<i>Annex 4</i>	1 653	3
<b>Total</b>		<b>2 458</b>	<b>887</b>

Previous year amount restated with R 276 000 as a claim against the Department not previously reported.

## 19. Commitments

### Current expenditure

Approved and contracted	11 519	8 592
Approved but not yet contracted	1 330	532
	12 849	9 124

### Capital expenditure

Approved and contracted	831 578	142 652
	831 578	142 652
<b>Total Commitments</b>	<b>844 427</b>	<b>151 776</b>

## 20. Accruals

### Listed by economic classification

	30 Days	30+ Days	Total	Total
Goods and services	182	26	208	620
Machinery and equipment	38	-	38	46
<b>Total</b>	<b>220</b>	<b>26</b>	<b>246</b>	<b>666</b>

### Listed by programme level

Administration	74	28
Housing	75	7
Local Government	48	54
Traditional Institutional Development	49	577
<b>Total</b>	<b>246</b>	<b>666</b>

Amount restated in terms of Traditional Institutional Development and Goods and services

Confirmed balances with other departments	<i>Annex 4</i>	589	22
<b>Total</b>		<b>589</b>	<b>22</b>

## 21. Employee benefits

Leave entitlement	6 656	5 349
Thirteenth cheque	4 145	3 041
Performance awards	50	438
Capped leave commitments	5 369	4 582
<b>Total</b>	<b>16 220</b>	<b>13 410</b>

## 22. Lease commitments

### 22.1 Operating leases expenditure

	<b>Buildings and other fixed structures</b>	<b>Machinery and equipment</b>	<b>Total</b>
<b>2008/2009</b>			
Not later than 1 year	-	1 357	1 357
Later than 1 year and not later than 5 years	-	1 374	1 374
<b>Total lease commitments</b>	<b>-</b>	<b>2 731</b>	<b>2 731</b>

	<b>Buildings and other fixed structures</b>	<b>Machinery and equipment</b>	<b>Total</b>
<b>2007/08</b>			
Not later than 1 year	150	890	1 040
Later than 1 year and not later than 5 years	-	802	802
<b>Total lease commitments</b>	<b>150</b>	<b>1 692</b>	<b>1 842</b>

## 22.2 Finance leases expenditure

	<b>Buildings and other fixed structures</b>	<b>Machinery and equipment</b>	<b>Total</b>
<b>2008/2009</b>			
Not later than 1 year	-	1 173	1 173
Later than 1 year and not later than 5 years	-	2 125	2 125
<b>Total lease commitments</b>	<b>-</b>	<b>3 298</b>	<b>3 298</b>
<b>Total present value of lease liabilities</b>	<b>-</b>	<b>3 298</b>	<b>3 298</b>

	<b>Buildings and other fixed structures</b>	<b>Machinery and equipment</b>	<b>Total</b>
<b>2007/2008</b>			
Not later than 1 year	-	1 259	1 259
Later than 1 year and not later than 5 years	-	932	932
<b>Total lease commitments</b>	<b>-</b>	<b>2 191</b>	<b>2 191</b>
<b>Total present value of lease liabilities</b>	<b>-</b>	<b>2 191</b>	<b>2 191</b>

## 23. Irregular expenditure

### 23.1 Reconciliation of irregular expenditure

Note	<b>2008/09 R'000</b>	<b>2007/08 R'000</b>
Opening balance	-	-
Add: Irregular expenditure – relating to current year	4 577	2 174
Less: Amounts condoned	(4 577)	(2 174)
<b>Irregular expenditure awaiting condonation</b>	<b>-</b>	<b>-</b>

Irregular expenditure for previous year restated in total

### 23.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2008/09 R'000
Deviation from Supply Chain Management procedures	Deviation was requested and approved by the Accounting Officer	3 899
Deviation from Treasury Regulation	Deviation was requested and approved by the Accounting Officer	678
		<b>4 577</b>

### 23.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2008/09 R'000
Deviation from Supply Chain management procedures	Accounting Officer	3 899
Deviation from Treasury Regulation	Free State Provincial Legislature	678
		<b>4 577</b>

## 24. Key management personnel

	No. of individuals	2008/09 R'000	2007/08 R'000
Political office bearers	1	1 305	879
Officials:			
Level 15 to 16	3	2 796	1 374
Level 14	8	6 127	5 516
Family members of key management personnel	5	843	427
<b>Total</b>		<b>11 071</b>	<b>9 256</b>

## 25. Provisions

	2008/09 R'000	2007/08 R'000
<b>Potential irrecoverable debts</b>		
Staff debtors	15	147
Other debtors	204	27
Claims recoverable	3 174	-
<b>Total</b>	<b>3 393</b>	<b>174</b>

## 26. Movable Tangible Capital Assets

### MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Opening balance	Curr Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>14 752</b>	-	<b>2 490</b>	-	<b>17 242</b>
Transport assets	52	-	-	-	52
Computer equipment	9 436	-	1 490	-	10 926
Furniture and office equipment	4 955	-	480	-	5 435
Other machinery and equipment	309	-	520	-	829
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>14 752</b>	-	<b>2 490</b>	-	<b>17 242</b>

#### 26.1 Additions

### ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>3 524</b>	<b>29</b>	<b>(1 063)</b>	-	<b>2 490</b>
Computer equipment	1 490	-	-	-	1 490
Furniture and office equipment	451	29	-	-	480
Other machinery and equipment	1 583	-	(1 063)	-	520
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>3 524</b>	<b>29</b>	<b>(1 063)</b>	-	<b>2 490</b>

## 26.2 Movement for 2007/08

### MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>11 909</b>	<b>3 061</b>	<b>218</b>	<b>14 752</b>
Transport assets	52	-	-	52
Computer equipment	7 405	2 031	-	9 436
Furniture and office equipment	4 173	1 000	218	4 955
Other machinery and equipment	279	30	-	309
<b>TOTAL MOVABLE TANGIBLE ASSETS</b>	<b>11 909</b>	<b>3 061</b>	<b>218</b>	<b>14 752</b>

## 26.3 Minor assets

### MINOR ASSETS OF THE DEPARTMENT FOR THE YEAR ENDED 31 MARCH 2009

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Minor assets	-	-	4 041	-	4 041
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>4 041</b>	<b>-</b>	<b>4 041</b>

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets	-	-	3 358	-	3 358
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>3 358</b>	<b>-</b>	<b>3 358</b>

## 27. Intangible Capital Assets

### MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Opening balance	Current Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	1 041	-	-	-	1 041
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>1 041</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 041</b>

#### 27.1 Movement for 2007/08

### MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	699	342	-	1 041
<b>TOTAL</b>	<b>699</b>	<b>342</b>	<b>-</b>	<b>1 041</b>

## 28. Immovable Tangible Capital Assets

### MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Opening balance	Curr Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	-	-	<b>3 500</b>	<b>3 500</b>	-
Dwellings	-	-	3 500	3 500	-
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>-</b>	<b>-</b>	<b>3 500</b>	<b>3 500</b>	<b>-</b>

## 28.1 Additions

### ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>BUILDING AND OTHER FIXED STRUCTURES</b>	<b>3 500</b>	-	-	-	<b>3 500</b>
Dwellings	3 500	-	-	-	3 500
<b>TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>3 500</b>	-	-	-	<b>3 500</b>

## 28.2 Disposals

### DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	-	<b>3 500</b>	<b>3 500</b>	-
Dwellings	-	3 500	3 500	-
<b>TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	-	<b>3 500</b>	<b>3 500</b>	-

**ANNEXURE 1A  
STATEMENT OF CONDITIONAL GRANTS RECEIVED**

NAME OF DEPARTMENT	GRANT ALLOCATION					SPENT			2007/08	
	Division of Revenue Act/ Provincial Grants R'000	Roll Overs	DORA Adjustments R'000	Other Adjustments R'000	Total Available R'000	Amount received by department R'000	Amount spent by department R'000	% of available funds spent by department %	Division of Revenue Act R'000	Amount spent by department R'000
Division of Revenue Act: Department of Housing: Integrated Housing and Human Settlement Redevelopment Grant	772 154	-	68 000	18 968	859 122	859 122	859 118	100%	553 508	466 608
	<b>772 154</b>	<b>-</b>	<b>68 000</b>	<b>18 968</b>	<b>859 122</b>	<b>859 122</b>	<b>859 118</b>		<b>553 508</b>	<b>466 608</b>

All transfers in terms of the Division of Revenue Act were deposited into the primary bank account of the Province.

**ANNEXURE 1B  
STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER		SPENT		2007/08 Division of Revenue Act R'000		
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available Transferred %	Amount received by municipality R'000		Amount spent by municipality R'000	% of available funds spent by municipality %
<b>1. Financial assistance and projects with a positive impact on the cashflow of municipalities:</b>										
Xhariep	5 000	-	-	5 000	5 000	100%	5 000	5 000	100%	-
Naledi	-	-	-	-	-	-	-	-	-	7 200
Masilonyana	2 000	-	-	2 000	2 000	100%	2 000	2 000	100%	-
Phumelela	-	-	-	-	-	-	-	-	-	2 500
Thabo	-	-	-	-	-	-	-	-	-	-
Mofutsanyana	-	-	-	-	-	-	-	-	-	2 576
<b>2. Provincial Infrastructure Grant:</b>										
Mohokare	1 000	-	-	1 000	1 000	100%	1 000	1 000	100%	-
Naledi	1 500	-	-	1 500	1 500	100%	1 500	1 500	100%	1 500

**ANNEXURE 1B (continue)**  
**STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER		SPENT		2007/08 Division of Revenue Act R'000		
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	Amount received by municipality R'000		Amount spent by municipality R'000	% of available funds spent by municipality %
Mantsopa	-	-	-	-	-	-	-	-	-	9 000
Tokologo	-	-	-	-	-	-	-	-	-	5 000
Matjhabeng	5 000	-	-	5 000	5 000	100%	5 000	5 000	100%	-
Nketoana	-	-	-	-	-	-	-	-	-	12 000
Moghaka	500	-	-	500	500	100%	500	500	100%	-
Mafube	258	-	-	258	258	100%	258	258	100%	-
<b>3.Planning and surveying:</b>										
Letsemeng	245	-	(148)	97	97	98%	97	97	100%	245
Kopanong	300	-	(90)	210	210	100%	210	210	100%	284
Mohokare	200	-	(60)	140	140	100%	140	140	100%	-
Naledi	-	-	140	140	140	100%	140	140	100%	-
Mangaung	1 510	-	(92)	1 418	1 417	100%	1 417	1 417	100%	-
Mantsopa	262	-	184	446	446	100%	446	446	100%	-
Tswelopele	-	-	-	-	-	-	-	-	-	945
Matjhabeng	1 249	-	-	1 249	1 249	100%	1 249	1 249	100%	877
Setsoto	-	-	-	-	-	-	-	-	-	705
Dihlabeng	-	-	-	-	-	-	-	-	-	200

**ANNEXURE 1B (continue)  
STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT		2007/08 Division of Revenue Act  R'000	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Available funds Transferred %	Amount received by municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality %
Maluti-a-Phofung	1 667	-	(1 667)	1 737	1 737	100%	1 737	1 737	100%	532
Moqhaka	-	-	1 737	1 737	340	100%	340	340	100%	-
Ngwathe	170	-	170	340	340	100%	340	340	100%	-
Metsimaholo	1 250	-	(550)	700	700	100%	700	700	100%	538
Mafube	300	-	600	900	900	100%	900	900	100%	300
<b>4. Town planning schemes and spatial planning frameworks:</b>										
Mangaung	-	-	-	-	-	-	-	-	-	720
<b>22 411</b>	<b>-</b>	<b>-</b>	<b>224</b>	<b>22 635</b>	<b>22 634</b>		<b>22 634</b>	<b>22 634</b>		<b>45 122</b>

**ANNEXURE 1C  
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2007/08 Appropriation Act R'000
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	
Free State Sport Academy	-	-	4 325	4 325	4 310	100%	2 700
	-	-	4 325	4 325	4 310		2 700

**ANNEXURE 1D  
STATEMENT OF TRANSFERS TO UNIVERSITIES AND TECHNIKONS**

UNIVERSITY/TECHNIKON	TRANSFER ALLOCATION				TRANSFER		2007/08 Appropriation Act R'000	
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Amount not transferred R'000		% of Available funds Transferred %
University of the Free State	1 100	-	-	1 100	1 095	5	0%	1 100
	1 100	-	-	1 100	1 095	5		1 100

**ANNEXURE 1E STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

	TRANSFER ALLOCATION				EXPENDITURE		2007/08 Appropriation Act R'000
	Adjusted Appropriation Act R'000	Roll overs	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	
<b>NON-PROFIT INSTITUTIONS</b>							
<b>Transfers</b>							
House of Traditional Leaders	675	-	(366)	309	306	99%	675
<b>Total</b>	<b>675</b>	<b>-</b>	<b>(366)</b>	<b>309</b>	<b>306</b>		<b>675</b>

**ANNEXURE 1F STATEMENT OF TRANSFERS TO HOUSEHOLDS**

	TRANSFER ALLOCATION				EXPENDITURE		2007/08 Appropriation Act R'000
	Adjusted Appropriation Act R'000	Roll Overs	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	
<b>HOUSEHOLDS</b>							
<b>Transfers</b>							
Project Linked Support Housing	746 453	-	68 000	814 453	814 452	100%	463 946
Individual Support Housing	11 265	-	-	11 265	11 265	100%	9 459
Rural support-inf Land Housing	7 350	-	-	7 350	7 349	100%	4 350
Discount Benefit Scheme Housing	-	-	-	-	-	-	1 000
Peoples Housing Process	13 054	-	-	13 054	13 053	100%	30 206
Institutional Support	-	-	-	-	-	-	10 000
Disaster Management emergency	1 000	-	-	1 000	1 000	100%	10 000
Hostel upgrading	-	-	-	-	-	-	11 547
Employer Social Benefit	156	-	-	156	55	35%	1 441
Employer Social Ass-cash	175	-	-	175	149	85%	35
Bursaries	3 261	-	-	3 261	3 260	100%	1 660
Traditional Leaders	155	-	-	155	154	99%	1 500
Relocation ass support (housing)	12 000	-	-	12 000	12 000	100%	-
<b>Total</b>	<b>794 869</b>	<b>-</b>	<b>68 000</b>	<b>862 869</b>	<b>862 737</b>		<b>545 144</b>

**ANNEXURE 1G  
STATEMENT OF LOCAL AND FOREIGN AID ASSISTANCE RECEIVED**

NAME OF DONOR	PURPOSE	OPENING BALANCE R'000	REVENUE R'000	EXPENDI- TURE R'000	CLOSING BALANCE R'000
<b>Received in cash</b>					
Flemish Government	To provide training in the field of local governance and establish a one-stop centre for assistance and support to municipalities	659	-	659	-
<b>TOTAL</b>		<b>659</b>	<b>-</b>	<b>659</b>	<b>-</b>

**ANNEXURE 1H  
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS  
AND PAYMENTS MADE AS AN ACT OF GRACE**

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2008/09	2007/08
	R'000	R'000
<b>Paid in cash</b>		60
Funeral cost: kgosi SAVL Moroka	-	100
SALGA	-	-
Macufe	182	-
Other departmental gifts	135	-
Freedom day celebrations	697	-
MCUPP Wheelchair Basketball Team	55	-
Womens Day	79	-
Secretary Day	203	-
AIDS awareness	29	-
Sponsorship	100	-
Government Mbeki Awards	712	-
Flood Victims	40	-
Community Development Workers	111	-
<b>TOTAL</b>	<b>2 343</b>	<b>160</b>

**ANNEXURE 2A  
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2009 – LOCAL**

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2008	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2009	Guaranteed interest for year ended 31 March 2009	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank	Motor vehicles	-	103	-	79	-	24	-	-
		-	<b>103</b>	-	<b>79</b>	-	<b>24</b>	-	-
Standard Bank	Housing	-	164	-	-	-	164	-	-
First Rand Bank		-	41	-	-	-	41	-	-
ABSA		-	24	-	-	-	24	-	-
Free State Development Corporation		-	44	-	-	-	44	-	-
		-	<b>273</b>	-	-	-	<b>273</b>	-	-
<b>Total</b>		-	<b>376</b>	-	<b>79</b>	-	<b>297</b>	-	-

**ANNEXURE 2B  
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2009**

Nature of Liability	Opening Balance 01/04/2008	Liabilities incurred during the year	Liabilities cancelled/reduced during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31/03/2009
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Claims against the department</b>						
South African Revenue Services	232	-	-	-	-	232
N H van Zyl	276	-	-	-	-	276
<b>Total</b>	508	-	-	-	-	508

Previous year amount restated as a claim against the Department not previously reported.

**ANNEXURE 3  
CLAIMES RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2009	31/03/2008	31/03/2009	31/03/2008	31/03/2009	31/03/2008
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Department</b>						
Free State Health	7	-	-	-	7	-
Free State Public works, Roads and Transport	38	-	-	13	38	13
North West Premier	-	-	-	4	-	4
Eastern Cape Local Government and Housing	-	-	18	-	18	-
Kwazulu Natal Local Government and Housing	-	-	1 912	1 912	1 912	1 912
Mpumalanga Local Government and Housing	-	-	1 262	1 262	1 262	1 262
National Department of Provincial and Local Government	426	-	-	-	426	-
	471	-	3 192	3 191	3 663	3 191
<b>Other Government Entities</b>						
South African Revenue Services	1 553	-	124	107	1 677	107
Mangaung Local Municipality	-	-	-	4	-	4
Attorneys, Magistrate	-	-	-	2	-	2
Housing contractors	6 420	6 552	479	-	6 899	6 552
	7 973	6 552	603	113	8 576	6 665
<b>TOTAL</b>	<b>8 444</b>	<b>6 552</b>	<b>3 795</b>	<b>3 304</b>	<b>12 239</b>	<b>9 856</b>

**ANNEXURE 4  
INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2009	31/03/2008	31/03/2009	31/03/2008	31/03/2009	31/03/2008
	R'000	R'000	R'000	R'000	R'000	R'000
<b>DEPARTMENTS</b>						
<b>Current</b>						
Free State Department of the Premier	133	2	5	-	138	2
Free State Department of Tourism, Economic and Environmental Affairs	-	20	-	-	-	20
Mpumalanga Department of Public Works	3	-	-	3	3	3
Kwazulu Natal Department of Local Government and Traditional Affairs	-	-	1 648	-	1 648	-
Kwazulu Natal Housing	3	-	-	-	3	-
Government Garage	448	-	-	-	448	-
Western Cape Local Government and Housing	2	-	-	-	2	-
<b>Subtotal</b>	<b>589</b>	<b>22</b>	<b>1 653</b>	<b>3</b>	<b>2 242</b>	<b>25</b>
<b>Total</b>	<b>589</b>	<b>22</b>	<b>1 653</b>	<b>3</b>	<b>2 242</b>	<b>25</b>

## GENERAL INFORMATION

Accounting Officer: Mr. K.F. Ralikontsane  
Registered Address: Lebohang Building, St Andrew Street, Bloemfontein  
Bankers: First National Bank  
Auditors: Auditor-General  
Nature of Business: Provision of low cost housing in terms of the Free State Housing Act of 1999.

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The state of the Fund's affairs and its performance and cash flow for the year under review is properly disclosed in the enclosed financial statements.

The only point that should be highlighted is the fact that a decision to wind-up the Fund has been taken at a national level. To complete the process the fund's properties has to be transferred to the current occupants and this will take approximately two years to complete. In completion any remaining cash will be transferred to the Free State Department of Local Government and Housing.

A handwritten signature in blue ink, appearing to read 'K.F. Ralikontsane', is written on a light-colored background.

**Mr. K.F. Ralikontsane**

Head of the Department

**Free State: Department of Local Government and Housing**

**Date: 30 May 2009**

# REPORT OF THE AUDITOR-GENERAL TO THE FREE STATE LEGISLATURE ON THE FINANCIAL STATEMENTS OF THE FREE STATE HOUSING FUND FOR THE YEAR ENDED 31 MARCH 2009

## REPORT ON THE FINANCIAL STATEMENTS

### Introduction

1. I have audited the accompanying financial statements of the Free State Housing Fund which comprise the statement of financial position as at 31 March 2009, and the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes, as set out on pages 162 to 169.

### The accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Statements of Generally Accepted Accounting Practice (SA Statements of GAAP) and in the manner required by the *Auditor-General audit circular 1 of 2007* and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### The Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with the International Standards on Auditing read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## Opinion

7. In my opinion the financial statements present fairly, in all material respects, the financial position of the Free State Housing Fund as at 31 March 2009 and its financial performance and its cash flows for the year then ended, in accordance with SA Statements of GAAP.

## Other matter

Without qualifying my opinion, I draw attention to the following matter that relates to my responsibilities in the audit of the financial statements:

### Government framework

8. The key governance principles that impact the auditor's opinion on the financial statements are related to the responsibilities and practices exercised by the accounting officer and executive management and are reflected in the key governance responsibilities addressed below:

### Key governance responsibilities

9. The Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of key governance responsibilities, which I have assessed as follows:

No.	Matter	Y	N
<b>Clear trail of supporting documentation that is easily available and provided in a timely manner</b>			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.	X	
<b>Quality of financial statements and related management information</b>			
2.	The financial statements were not subject to any material amendments resulting from the audit.		X
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.		X
<b>Timeliness of financial statements and management information</b>			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines section 56 of the PFMA.	X	
<b>Availability of key officials during audit</b>			
5.	Key officials were available throughout the audit process.	X	
<b>Development and compliance with risk management, effective internal control and governance practices</b>			
6.	Audit committee		
	<ul style="list-style-type: none"> <li>The Free State Housing Fund had an audit committee in operation throughout the financial year.</li> </ul>		X
	<ul style="list-style-type: none"> <li>The audit committee operates in accordance with approved, written terms of reference.</li> </ul>	X	
	<ul style="list-style-type: none"> <li>The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 27.1.8.</li> </ul>		X

No.	Matter	Y	N
7.	Internal audit		
	<ul style="list-style-type: none"> <li>The Free State Housing Fund had an internal audit function in operation throughout the financial year.</li> </ul>	X	
	<ul style="list-style-type: none"> <li>The internal audit function operates in terms of an approved internal audit plan.</li> </ul>	X	
	<ul style="list-style-type: none"> <li>The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 27.2.</li> </ul>		X
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.	X	
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	X	
10.	The information systems were appropriate to facilitate the preparation of the financial statements.	X	
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in Treasury Regulation 3.2.	X	
12.	Delegations of responsibility are in place, as set out in section 44 of the PFMA.		
<b>Follow-up of audit findings</b>			
13.	The prior year audit findings have been substantially addressed.	X	
14.	SCOPA resolutions have been substantially implemented.	X	

### Overall reflection on the governance framework based on other key governance requirements

10. The Free State Housing Fund relies on the governance measures in place at the Department of Human Settlement. This would mean all strengths and weaknesses are largely transferred to the fund.

### APPRECIATION

11. The assistance rendered by the staff of the Free State Housing Fund during the audit is sincerely appreciated.

*Auditor-General*

Bloemfontein  
31 July 2009



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

**BALANCE SHEET AT 31 MARCH 2009**

	<u>Notes</u>	<u>2008/09</u> <u>R'000</u>	<u>Restated</u> <u>2007/08</u> <u>R'000</u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed Assets	2	8 277	8 276
		8 277	8 276
<b>Current assets</b>			
Trade and other receivables	3	11 893	11 745
		1 400	1 277
Cash and cash equivalents	4	10 493	10 468
		10 493	10 468
<b>Total assets</b>		<b>20 170</b>	<b>20 021</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Retained earnings		9 594	9 478
<b>Current liabilities</b>			
Trade and other payables	5	10 576	10 543
		10 576	10 543
<b>Total equity and liabilities</b>		<b>20 170</b>	<b>20 021</b>

**INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2009**

	<b>Notes</b>	<b><u>2008/09</u></b> <b><u>R'000</u></b>	<b><u>2007/08</u></b> <b><u>R'000</u></b>
Income	<i>11</i>	956	1 163
Administrative expenses		-	(6)
Provision for Doubtful Debts		(812)	-
Other operating expenses		(2)	(2)
Interest Paid		(26)	(836)
<b>Net profit for the year</b>		<b><u>116</u></b>	<b><u>319</u></b>

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2009**

	<b>Retained Earnings</b> <b><u>2008/09</u></b> <b><u>R'000</u></b>	<b>Retained Earnings</b> <b><u>2007/08</u></b> <b><u>R'000</u></b>
<b>Balance at 31 March 2008</b>	<b>9 478</b>	<b>9 159</b>
Net Profit for the year	<u>116</u>	<u>319</u>
<b>Balance at 31 March 2009</b>	<b><u>9 594</u></b>	<b><u>9 478</u></b>

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2009**

	<u>Note</u>	<u>2008/09</u> <u>R'000</u>	<u>2007/08</u> <u>R'000</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash paid to suppliers and employees		(361)	(8)
Cash generated from/(utilised in) operations	6	(361)	(8)
Interest received		386	843
<b>Net cash flow from /(used in) operating activities</b>		<u>25</u>	<u>835</u>
<i>Net (decrease)/increase in cash and cash equivalents</i>		25	835
<b>Cash and cash equivalents at beginning of period</b>		<u>10 468</u>	<u>9 633</u>
<b>Cash and cash equivalents at end of period</b>		<u><b>10 493</b></u>	<u><b>10 468</b></u>

## **1. ACCOUNTING POLICY NOTES**

The following are the principal accounting policies of the fund, which are consistent in all material respects with those applied in the previous year, except as otherwise indicated.

### **1.1. BASIS OF PREPARATION**

The financial statements have been prepared on the historical cost basis in accordance with the policies below. Section 40(1)(b) of the Public Finance Management Act, 1999 read in conjunction with Section 10 of the Free State Housing Act, 1999 was used as a basis to determine the appropriate accounting practice.

South African Statements of Generally Accepted Accounting Practice have been implemented in preparing these financial statements.

### **1.2 CHANGE IN ACCOUNTING POLICY AND DISCLOSURE**

The accounting policies adopted are consistent with those of the previous year.

### **1.3 NON-CURRENT ASSETS**

Non-current assets are stated at historical cost which closely represents fair value.

### **1.4 NON-CURRENT ASSETS HELD FOR SALE**

Non-current assets classified as held-for-sale are measured at the lower of carrying amount and fair value less cost to sell.

Non-current assets are classified as held-for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

### **1.5 PROPERTY, PLANT AND EQUIPMENT**

The Property, Plant and Equipment consist of Land and Buildings that are measured at their carrying amounts.

### **1.6 TRADE RECEIVABLES**

Trade receivables are carried at the anticipated realisable value in respect of rental debtors, outstanding loans to individuals and outstanding balances in respect of instalment sale debtors.

### **1.7 CASH AND CASH EQUIVALENTS**

Cash equivalents represent short term highly liquid investments, which are readily convertible into known amounts of cash without notice and which within three months of maturity when acquired, less advances from bank repayable within three months from the date of advance. Cash and cash equivalents are measured at fair value.

## 1.8 TRADE AND OTHER PAYABLES

Trade and Other Payables are recognised at the original invoice value or at the amount that is expected to flow-out in order to settle a specific short term liability. Money received that does not belong to the Fund is included in Trade and Other Payables until it has been repaid.

## 1.9 REVENUE RECOGNITION

Rental income arising from Non-Current Assets held for sale is recognised as it legally accrues in terms of the original contract until the date of disposal of the particular property.

Interest on loans is recognised at fair value on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity.

Interest received on the bank account represents an amount that is due to the Provincial Department of Local Government and Housing on winding-up of the Fund and as such is credited directly to this liability included in Trade Payables.

## 1.10 CURRENCY

These financial statements are presented in South African Rand since that is the currency in which all of the entity's transactions are denominated.

## NOTES TO THE FINANCIAL STATEMENTS AT 31 MARCH 2009

	<u>2008/09</u> <u>R'000</u>	<u>2007/08</u> <u>R'000</u>
<b>2. FIXED ASSETS</b>		
Opening Balance	8 277	8 277
<b>Gross carrying amount at end of year</b>	<u><b>8 277</b></u>	<u><b>8 277</b></u>

These assets consist of the Fund's Land and Buildings that are measured at their revalue amount value.

## 3. TRADE AND OTHER RECEIVABLES

Rental debtors at fair value	222	297
Loans to individuals at fair value	3	8
Properties sold at value	7	8
Loan account: Department of Local Government and Housing	1 168	964
	<u><b>1 400</b></u>	<u><b>1 277</b></u>

Trade Receivables are non-interest bearing and are generally on 30-90 days term.

#### 4. CASH AND CASH EQUIVALENTS

Cash on hand and bank balances

10 493

10 468

**10 493**

**10 468**

Cash at First National Bank earns 0.25% interest.

#### 5. TRADE AND OTHER PAYABLES

Sundry payables

39

75

Funds to be transferred to Department of Local Government & Housing

10 537

10 468

**10 576**

**10 543**

Detail on period settled.

#### 6. RECONCILIATION OF NET PROFIT TO CASH GENERATED FROM OPERATIONS

Net profit

116

319

Adjustments for:

-Interest received

(386)

(843)

Operating profit before working capital changes

-

(524)

Changes in working capital:

- (Increase)/ decrease in accounts Receivables

(123)

(316)

- Increase/(decrease) in trade payables

32

832

**Cash generated from/(used in) Operations**

**(361)**

**(8)**

## 7. FINANCIAL INSTRUMENTS

Set out below is a comparison by category of carrying amounts and fair values of all of the Fund's financial instruments that are carried in the financial statements at other than fair values:

	<b><u>Carrying Amount</u></b>		<b><u>Fair Value</u></b>	
	<b><u>2009</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>
<b>Financial Assets</b>				
Trade Receivables	<u>1 400</u>	<u>1 277</u>	<u>1 400</u>	<u>1 277</u>
<b>Financial Liabilities</b>				
Trade Payables	<u>10 576</u>	<u>10 543</u>	<u>10 576</u>	<u>10 543</u>

### 7.1 Credit Risk

The credit risk of trade receivables is not manageable due to the fact that houses are being allocated to low-income tenants in terms of Government policy to promote social housing. In the light of the above significant provision for bad debts has been raised against trade receivables to achieve a recoverable carrying amount.

## 8. DISCONTINUED OPERATION

The Fund's Land and Buildings are in the process of being sold in terms of the Discount Benefit Scheme to the current occupants. The decision to wind-up the Fund has been taken at a national level and the transfer process is expected to take approximately two years to complete.

## 9. RELATED PARTIES

The only related party of the Fund is the Free State Department of Local Government and Housing, since the Fund falls under the administration of the Department, and since the Fund shares the same accounting officer. The following represents the total closing balance of amounts due by/ (to) the Department. These amounts are not guaranteed. Once the fund ceases to operate, the bank balance will be surrendered to the Department to cover the payable amount. All related party transactions are at arm's length.

<b>Balances</b>	<b><u>R'000</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>
Loan Account included in Accounts Receivable		1 163	963
Loan Account included in Accounts Payable		(10 493)	(10 468)

## 10. EVENTS DURING PRIOR REPORTING PERIOD

Discontinued Operation - The Housing Fund was incorporated into the Provincial Department of Local Government and Housing as from 1 April 2004 and the New Business therefore became dormant as from that date.

## 11. INCOME

	<b><u>2009</u></b>	<b><u>2008</u></b>
	<b><u>R'000</u></b>	<b><u>R'000</u></b>
Rent Received	570	215
Interest Received	386	843
Other Income	-	2
Profit on disposal of assets	-	103
<b>Total</b>	<b><u>956</u></b>	<b><u>1 163</u></b>

## 12. PRIOR PERIOD ERROR

	<b><u>2008</u></b>
	<b><u>R'000</u></b>
Decrease in Non-Current Assets held for sale	(8 276)
Increase in Property, Plant and Equipment	8 276
<b>Total</b>	<b><u>-</u></b>

The prior period error occurred due to Non-Current Assets that were held for sale, which did not meet the recognition criteria of the International Financial Reporting Standard (IFRS 5: Non-Current Assets held for sale).

Management felt that it would be better to reflect these assets as Property, Plant and Equipment. The Property, Plant and Equipment will be measured according to the revaluation method.

## TRUST FUNDS – SMALL HOLDINGS

### Financial Statements for the year ended 31 March 2009

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The financial statements set out on pages 174 to 178, which have been prepared on the going concern basis, were approved by the Accounting Officer on 30 May 2009.



Mr K.F. RALIKONTSANE  
**Accounting Officer**  
**Department of Local Government and Housing**

**Date: 30 May 2009**

# REPORT OF THE AUDITOR-GENERAL TO THE FREE STATE LEGISLATURE ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF THE SMALL HOLDINGS TRUST FUND FOR THE YEAR ENDED 31 MARCH 2009

## REPORT ON THE FINANCIAL STATEMENTS

### Introduction

1. I have audited the accompanying financial statements of the Small Holdings Trust Fund which comprise the statement of financial position as at 31 March 2009, and the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes, as set out on pages 174 to 178.

### The accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation of these financial statements in accordance with the South African Statements of Generally Accepted Accounting Practice (SA Statements of GAAP) and in the manner required by *Auditor-General Circular 1 of 2007* and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### The Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with the International Standards on Auditing read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## Opinion

7. In my opinion the financial statements present fairly, in all material respects, the financial position of the Small Holdings Trust Fund as at 31 March 2009 and its financial performance and its cash flows for the year then ended, in accordance with SA Statements of GAAP.

## Other matters

Without qualifying my opinion, I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

### Governance framework

8. The governance principals that impact the auditor's opinion on the financial statements are related to the responsibilities and practices exercised by the accounting officer and executive management and are reflected in the key governance responsibilities addressed below:

### Key governance responsibilities

9. The PFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of key governance responsibilities, which I have assessed as follows:

No.	Matter	Y	N
<b>Clear trail of supporting documentation that is easily available and provided in a timely manner</b>			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.	X	
<b>Quality of financial statements and related management information</b>			
2.	The financial statements were not subject to any material amendments resulting from the audit.	X	
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.		X
<b>Timeliness of financial statements and management information</b>			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines section 55 of the PFMA.	X	
<b>Availability of key officials during audit</b>			
5.	Key officials were available throughout the audit process.	X	
<b>Development and compliance with risk management, effective internal control and governance practices</b>			
6.	Audit committee		
	<ul style="list-style-type: none"> <li>The department had an audit committee in operation throughout the financial year. <b>(Ex.33)</b></li> </ul>		X
	<ul style="list-style-type: none"> <li>The audit committee operates in accordance with approved, written terms of reference.</li> </ul>	X	
	<ul style="list-style-type: none"> <li>The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 27.1.8. <b>(Ex.207)</b></li> </ul>		X

No.	Matter	Y	N
7.	Internal audit		
	<ul style="list-style-type: none"> <li>The department had an internal audit function in operation throughout the financial year.</li> </ul>	X	
	<ul style="list-style-type: none"> <li>The internal audit function operates in terms of an approved internal audit plan.</li> </ul>	X	
	<ul style="list-style-type: none"> <li>The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 27.2.</li> </ul>		X
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.	X	
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	X	
10.	The information systems were appropriate to facilitate the preparation of the financial statements.	X	
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in Treasury Regulation 27.2.	X	
12.	Delegations of responsibility are in place, as set out in section 56 of the PFMA.	X	
<b>Follow-up of audit findings</b>			
13.	The prior year audit findings have been substantially addressed.	X	
14.	SCOPA resolutions have been substantially implemented.	X	

### Overall reflection on the governance framework based on other key governance requirements

10. The Small Holdings Trust Fund relies on the governance measures in place at the Department of Cooperative Governance, Traditional Affairs and Human Settlement. This would mean all strengths and weaknesses are largely transferred to the trust fund.

### APPRECIATION

11. The assistance rendered by the staff of the Department of Cooperative Governance, Traditional Affairs & Human Settlement during the audit is sincerely appreciated.

*Auditor-General*

Bloemfontein  
31 July 2009



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## TRUST FUNDS – SMALL HOLDINGS

Financial Statements for the year ended 31 March 2009

### Balance Sheet as at 31 March 2009

	Note	2009 R'000	2008 R'000
<b>Assets</b>			
Current Assets			
Cash and cash equivalents	3	0	8,823
<b>Total assets</b>		<b>0</b>	<b>8,823</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		0	8,823
<b>Total Equity and Liabilities</b>		<b>0</b>	<b>8,823</b>

## TRUST FUNDS – SMALL HOLDINGS

Financial Statements for the year ended 31 March 2009

### Income Statement for the year 2009

	Note	2009 R'000	2008 R'000
Investment revenue	<u>5</u>	<b>929</b>	<b>815</b>
Profit for the period		<b>929</b>	<b>815</b>

## TRUST FUNDS – SMALL HOLDINGS

### Statement of Changes in Equity as at 31 March 2009

	Retained income R'000	Total equity R'000
<b>Balance at 01 April 2007</b>	<b>8,008</b>	<b>8,008</b>
Changes in equity		
Profit for the year	815	815
Total changes	815	815
<b>Balance at 01 April 2008</b>	<b>8,823</b>	<b>8,823</b>
Changes in equity		
Profit for the year	929	929
Distribution to owners	(9,752)	0
Total changes	0	8,823
<b>Balance at 31 March 2009</b>	<b>0</b>	<b>8,823</b>

## TRUST FUNDS – SMALL HOLDINGS

### Cash Flow Statement for the year ended 31 March 2009

	Note	2009 R'000	2008 R'000
<b>Cash flows from operating activities:</b>			
Interest income		929	815
<b>Total cash movement for the year</b>		929	815
Cash at the beginning of the year		8,823	8,008
<b>Total cash at the end of the year</b>	3	9,752	8,823

## **TRUST FUNDS – SMALL HOLDINGS**

### **Accounting Policies**

#### **1. Presentation of Financial Statements**

The financial statements have been prepared in accordance with International Reporting Standards, and the Public Finance Management Act. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

##### **1.1 Financial instruments**

###### **Initial recognition**

The trust fund classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial assets and financial liabilities are recognised on the trust fund's balance sheet when the entity becomes party to the contractual provisions of the instrument.

###### **Fair value determination**

The Fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the entity establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making inputs and relying as little as possible on entity-specific inputs.

###### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value

##### **1.2 Revenue**

Interest is recognised, in profit or loss, using the effective interest rate method.

## TRUST FUNDS – SMALL HOLDINGS

### Notes to the Financial Statements

2009  
R'000

2008  
R'000

#### 2. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

##### 2009

	Loans and receivables	Fair value through profit or loss – held for trading	Fair value through profit or loss - designated	Held to maturity	Available for sale
Cash and cash equivalents	-	-	9,752	-	-

##### 2008

	Loans and receivables	Fair value through profit or loss – held for trading	Fair value through profit or loss - designated	Held to maturity	Available for sale
Cash and cash equivalents	-	-	8,823	-	-

#### 3. Cash and cash equivalent

Cash and cash equivalents consist of:

Short-term deposits	9,752	8,823
---------------------	-------	-------

#### Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit rating or historical information about counterparty default rates:

Credit rating	9,752	8,823
A1		

	2009 R'000	2008 R'000
--	---------------	---------------

#### 4. Operating profit

Operating profit for the year is stated after accounting for the following:

#### 5. Investment revenue

##### Interest revenue

Bank	929	815
------	-----	-----

#### 6. Cash generated from operations

Profit before taxation	929	815
<b>Adjustments for:</b>		
Interest received	(929)	(815)
	-	-

#### 7. Risk management

##### Interest rate risk

##### Cash flow interest rate risk

Financial instruments	Current interest rate	Due in less than a year	Due in one to two years	Due in two to five years	Due after five years	Sensitivity to change in interest rate – 2%
Cash in current banking institutions	8.41%	-	-	-	-	195

##### Credit risk

Credit risk consists mainly of cash deposits. The trust fund only deposits cash with major banks with high quality credit standing and limits exposure to any one counter party.

Financial assets exposed to credit risk at year end were as follows:

Financial instruments	2009	2008
Corporation for Public Deposits	-	8,823

#### 8. Discontinued operation

All the assets of the Trust have been distributed to different municipalities. The decision to wind-up the Fund was taken by the Accounting Officer.

## Human resource management (Oversight Report): 2008/2009

### VOTED FUNDS

TOTAL AMOUNT APPROPRIATED FOR THE FINANCIAL YEAR 2008/2009	R 1 138 617 000
RESPONSIBLE MEC	M.J MAFEREKA
ACCOUNTING OFFICER	KOPUNG RALIKONTSANE

### PART 1: - SERVICE DELIVERY:

TABLE 1.1 – MAIN SERVICES PROVIDED AND STANDARDS

MAIN SERVICES	ACTUAL CUSTOMERS	POTENTIAL CUSTOMERS	STANDARD OF SERVICE	ACTUAL ACHIEVEMENT AGAINST STANDARDS
Housing delivery	Rural communities Homeless people All that qualify in terms of the housing scheme	Rural communities Homeless people All that qualify in terms of the housing scheme	Houses supplied	Houses supplied
Local Government	Capacitating municipalities	All municipalities	All municipalities	All municipalities
Land development /spatial planning	Consultants Communities Municipalities	Consultants Communities Municipalities	Land developed and planned	Land developed and planned
Disaster management	Communities Municipalities	Communities Municipalities	Disaster prevention/management	Disaster prevention/management
Traditional affairs	Communities Traditional leaders House of traditional leaders Traditional Councils	Communities Traditional leaders House of traditional leaders Traditional Councils	Sound traditional affairs	Sound traditional affairs

TABLE 1.2 – CONSULTATION ARRANGEMENTS WITH CUSTOMERS

TYPE OF ARRANGEMENT	ACTUAL CUSTOMERS	POTENTIAL CUSTOMERS	ACTUAL ACHIEVEMENTS
Road shows Formal meetings Lekgotlas Informal meetings	Rural communities Homeless people All that qualify in terms of the housing scheme All municipalities	Rural communities Homeless people All that qualify in terms of the housing scheme All municipalities	More consultation with customers

TABLE 1.3 – SERVICE DELIVERY ACCESS STRATEGY

ACCESS STRATEGY	ACTUAL ACHIEVEMENT
Road shows Formal meetings Lekgotlas Informal meetings	Easier accessibility

TABLE 1.4 – SERVICE INFORMATION TOOL

TYPES OF INFORMATION TOOLS	ACTUAL ACHIEVEMENT
Road shows Formal meetings Lekgotlas Informal meetings Website	More informed people

TABLE 1.5 – COMPLAINTS MECHANISM

COMPLAINTS MECHANISM	ACTUAL ACHIEVEMENT
Road shows Formal meetings Lekgotlas Informal meetings	Complaints handled adequately

**PART 2: - EXPENDITURE**

**TABLE 2.1 – PERSONNEL COSTS PER PROGRAMME**

PROGRAMME	TOTAL EXPEN-DITURE 'R000	PERSONNEL EXPEN-DITURE 'R000	TRAINING EXPEN-DITURE *'R000	GOODS AND SPEC SERVICES 'R000	PERSONNEL COST AS A % OF TOTAL EXPENDITURE	AVERAGE PERSONNEL COST PER EMPLOYEE	EMPLOY-MENT
Administration	88 695	46 755	4 286	34 922	52.7	R 255 491	183
Housing	906 642	23 227	100	14 227	2.5	R 223 336	104
Local Government	132 089	72 199	194	35 109	54.7	R 162 610	444
<b>TOTAL</b>	<b>1 127 426</b>	<b>142 181</b>	<b>4 580</b>	<b>84 258</b>	<b>12.6</b>	<b>R 194 502</b>	<b>731</b>

• ALL TRAINING EXPENDITURE PAID OUT OF PROGRAMME 1

**TABLE 2.2 – PERSONNEL COSTS BY SALARY BANDS**

SALARY BANDS	TOTAL EXPENDITURE R000	% OF TOTAL PERSONNEL COSTS	AVERAGE PERSONNEL COST PER EMPLOYEE	TOTAL PERSONNEL EXPENDITURE R000	NUMBER OF EMPLOYEES
LOWER SKILLED LEVELS 1-2					64
SKILLED LEVELS 3-5					112
HIGHLY SKILLED PRODUCTION LEVELS 6-8					405
HIGHLY SKILLED SUPERVISION LEVELS 9-12					111
SMS LEVELS 13-16					39
<b>TOTAL</b>	<b>1 127 426</b>	<b>12.6</b>	<b>R 194 502</b>	<b>R 142 181</b>	<b>731</b>

**TABLE 2.3 – SALARIES, OVERTIME, HOMEOWNERS ALLOWANCE AND MEDICAL ASSISTANCE BY PROGRAMME**

PROGRAMME	SALARIES		OVERTIME		HOMEOWNERS ALLOWANCE		MEDICAL ASSISTANCE	
	AMOUNT 'R000	SALARIES AS A % OF PERSONNEL COST	AMOUNT 'R000	OVERTIME AS A % OF PERSONNEL COST	AMOUNT 'R000	HOA AS A % OF PERSONNEL COST	AMOUNT R000	MED ASST AS % OF PERSONNEL COST
Administration	29 394	62.87	185	0.39	1 073	0.75	1 915	1.35
Housing	15 448	66.65	92	0.40	536	0.38	990	0.67
Local Government	46 473	64.37	-	0	1 426	1	4 159	2.93
<b>TOTAL</b>	<b>91 315</b>	<b>64.22</b>	<b>277</b>	<b>0.19</b>	<b>3 035</b>	<b>2.13</b>	<b>7 064</b>	<b>4.94</b>

**TABLE 2.4 - SALARIES, OVERTIME, HOMEOWNERS ALLOWANCE AND MEDICAL ASSISTANCE BY SALARY BANDS**

SALARY BAND	SALARIES		OVERTIME		HOMEOWNERS ALLOWANCE		MEDICAL ASSISTANCE	
	AMOUNT	SALARIES AS A % OF PERSONNEL COST	AMOUNT	OVERTIME AS A % OF PERSONNEL COST	AMOUNT	HOA AS A % OF PERSONNEL COST	AMOUNT	MED ASST AS % OF PERSONNEL COST
TOTAL	91 315	64.22	277	0.19	3 035	2.13	7 064	4.94

**PART 3: - EMPLOYMENT AND VACANCIES****TABLE 3.1 – EMPLOYMENT AND VACANCIES BY PROGRAMME**

PROGRAMME	NUMBER OF POSTS	NUMBER OF POSTS FILLED	VACANCY RATE	NUMBER OF POSTS FILLED ADDITIONAL TO THE ESTABLISHMENT
1. MEC, HOD, CORPORATE SERVICES, FINANCE, DISTRICT SERVICES	588	183	66.88%	7
2. HOUSING	230	104	54.78%	5
3 and 4 LOCAL GOVERNMENT and TRADITIONAL AFFAIRS	594	444	25.25%	1
<b>TOTAL</b>	<b>1412</b>	<b>731</b>	<b>49.50%</b>	<b>13</b>

**TABLE 3.2 – EMPLOYMENT AND VACANCIES BY SALARY BAND**

<b>SALARY BAND</b>	<b>NUMBER OF POSTS</b>	<b>NUMBER OF POSTS FILLED</b>	<b>VACANCY RATE</b>	<b>NUMBER OF POSTS FILLED ADDITIONAL TO THE ESTABLISHMENT</b>
LOWER SKILLED LEVELS 1-2	73	64	12.3%	0
SKILLED LEVELS 3-5	296	112	62.2%	4
HIGHLY SKILLED PRODUCTION LEVELS 6-8	738	405	45.1%	1
HIGHLY SKILLED SUPERVISION LEVELS 9-12	262	111	57.6%	4
SMS LEVELS 13-16	43	39	9.3%	0
<b>TOTAL</b>	<b>1412</b>	<b>731</b>	<b>48.2%</b>	<b>9</b>

**TABLE 3.3 – EMPLOYMENT AND VACANCIES BY CRITICAL OCCUPATIONS**

<b>CRITICAL OCCUPATIONS</b>	<b>NUMBER OF POSTS</b>	<b>NUMBER OF POSTS FILLED</b>	<b>VACANCY RATE</b>	<b>NUMBER OF POSTS FILLED ADDITIONAL TO THE ESTABLISHMENT</b>
INFORMATION TECHNOLOGY	17	13	23.53%	0
TECHNICAL/ENGINEERING RELATED ADVISORY SERVICES	11	6	45.45%	4 Cubans
FINANCE	133	51	61.65%	0
<b>TOTAL</b>	<b>161</b>	<b>70</b>	<b>56.52%</b>	<b>4</b>

**PART 4: -JOB EVALUATION**

**TABLE 4.1 – JOB EVALUATION**

SALARY BAND	NUMBER OF POSTS	NUMBER OF JOBS EVALUATED 1.4.2008 -31.3.2009	% OF POSTS EVALUATED 1.4.2008 – 31.3.2009	POST UPGRADED 1.4.2008 – 31.3.2009		POSTS DOWNGRADED 1.4.2008 – 31.3.2009	
				NUMBER	% OF POSTS EVALUATED	NUMBER	% OF POSTS EVALUATED
LOWER SKILLED LEVELS 1-2	0	0	0%	0	0%	0	0%
SKILLED LEVELS 3-5	299	29	9.6%	7	2.3%	0	0%
HIGHLY SKILLED PRODUCTION LEVELS 6-8	483	38	8.2%	12	2.4%	1	0.2%
HIGHLY SKILLED SUPERVISION LEVELS 9-12	254	37	14.5%	2	0.7%	4	1.5%
SMS LEVELS 13-16	42	0	0%	0	0%	0	0%
BAND A							
BAND B							
BAND C							
BAND D							
TOTAL	1078	104	32.3%	21	5.4%	5	1.7%

**TABLE 4.2 – PROFILE OF EMPLOYEES WHOSE SALARY POSITIONS WERE UPGRADED DUE TO THEIR POSTS BEING UPGRADED**

BENEFICIARIES	AFRICAN	ASIAN	COLOURED	WHITE	TOTAL
FEMALE	0	0	0	0	0
MALE	0	0	0	0	0
TOTAL	0	0	0	0	0
EMPLOYEES WITH A DISABILITY	0	0	0	0	0

**TABLE 4.3 – EMPLOYEES WHOSE SALARY LEVEL EXCEED THE GRADE DETERMINED BY JOB EVALUATION**

OCCUPATION	NUMBER OF EMPLOYEES	JOB EVALUATION LEVEL	REMUNERATION LEVEL	REASON FOR THE DEVIATION
	0	0	0	0
	0	0	0	0
	0	0	0	0
TOTAL NUMBER OF EMPLOYEES WHOSE SALARIES EXCEEDED THE LEVEL DETERMINED BY JOB EVALUATION IN 2008/2009				
0				
% OF TOTAL EMPLOYMENT				
0				

**TABLE 4.4 – PROFILE OF EMPLOYEES WHOSE SALARY LEVEL EXCEEDED THE GRADE DETERMINED BY JOB EVALUATION**

BENEFICIARIES	AFRICAN	ASIAN	COLOURED	WHITE	TOTAL
FEMALE	0	0	0	0	0
MALE	0	0	0	0	0
TOTAL	0	0	0	0	0
EMPLOYEES WITH A DISABILITY					
	0	0	0	0	0

**PART 5: - EMPLOYMENT CHANGES**

**TABLE 5.1 – ANNUAL TURNOVER RATES BY SALARY BAND**

SALARY BAND	NUMBER OF EMPLOYEES PER BAND AS ON 1 APRIL 2008	APPOINTMENTS AND TRANSFERS INTO THE DEPT	TERMINATIONS AND TRANSFERS OUT OF DEPT	TURNOVER RATE
LOWER SKILLED LEVELS 1-2	7	65	0	10.57%
SKILLED LEVELS 3-5	325	35	17	11.71%
HIGHLY SKILLED PRODUCTION LEVELS 6-8	147	8	7	2.44%
HIGHLY SKILLED SUPERVISION LEVELS 9-12	95	20	6	5.85%
SMS LEVELS 13-16	41	0	2	0.33%
TOTAL	615	128	32	26.02%

**TABLE 5.2 – ANNUAL TURNOVER RATES BY CRITICAL OCCUPATION**

<b>CRITICAL OCCUPATION</b>	<b>NUMBER OF EMPLOYEES AS ON 1 APRIL 2008</b>	<b>APPOINTMENTS AND TRANSFERS INTO THE DEPT</b>	<b>TERMINATIONS AND TRANSFERS OUT OF DEPT</b>	<b>TURNOVER RATE</b>
INFORMATION TECHNOLOGY	13	0	0	0
TECHNICAL/ENGINEERING RELATED ADVISORY SERVICES	5	1	0	20%
FINANCE	47	5	0	10.64%
<b>TOTAL</b>	<b>65</b>	<b>6</b>	<b>0</b>	<b>9.38%</b>

**TABLE 5.3 – REASONS WHY STAFF ARE LEAVING THE DEPARTMENT**

<b>TERMINATION TYPE</b>	<b>NUMBER</b>	<b>% OF TOTAL*</b>
DEATH	4	0.5
RESIGNATION	15	2.1
EXPIRY OF CONTRACT	2	0.3
DISMISSAL/OPERATIONAL CHANGES	0	0
DISMISSAL/MISCONDUCT	0	0
DISMISSAL/INEFFICIENCY	0	0
DISCHARGE DUE TO ILL-HEALTH	0	0
RETIREMENT	5	0.7
TRANSFERS TO OTHER PUBLIC SERVICE DEPTS	6	0.8
OTHER	0	0
<b>TOTAL</b>	<b>32</b>	
<b>TOTAL NUMBER OF EMPLOYEES WHO LEFT AS A % OF THE TOTAL EMPLOYMENT*</b>		<b>4.4</b>

\* TOTAL EMPLOYMENT = 731

**TABLE 5.4 – PROMOTIONS BY CRITICAL OCCUPATION**

OCCUPATION	NUMBER OF EMPLOYEES AT BEGINNING OF THE PERIOD 1 APRIL 2008	PROMOTIONS TO ANOTHER SALARY LEVEL	SALARY LEVEL PROMOTIONS AS A % OF EMPLOYEES BY OCCUPATION	PROGRESSION TO ANOTHER NOTCH WITHIN A SALARY LEVEL	NOTCH PROGRESSIONS AS A % OF EMPLOYEES BY OCCUPATION
INFORMATION TECHNOLOGY	13	0	0	0	0
TECHNICAL/ENGINEERING RELATED ADVISORY SERVICES	5	0	0	0	0
FINANCE	47	0	0	0	0
<b>TOTAL</b>	<b>64</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**TABLE 5.5 – PROMOTIONS BY SALARY BAND**

SALARY BAND	NUMBER OF EMPLOYEES AS ON 1 APRIL 2008	PROMOTIONS TO ANOTHER SALARY LEVEL	SALARY LEVEL PROMOTIONS AS A % OF EMPLOYEES BY SALARY BAND	PROGRESSION TO ANOTHER NOTCH WITHIN A SALARY LEVEL	NOTCH PROGRESSIONS AS A % OF EMPLOYEES BY SALARY BAND
LOWER SKILLED LEVELS 1-2	7	0	0	0	0
SKILLED LEVELS 3-5	325	0	0	45	13.85%
HIGHLY SKILLED PRODUCTION LEVELS 6-8	147	7	4.76%	104	70.75%
HIGHLY SKILLED SUPERVISION LEVELS 9-12	95	9	9.47%	52	54.74%
SMS LEVELS 13-16	41	0	0	19	46.34%
<b>TOTAL</b>	<b>615</b>	<b>16</b>	<b>2.60%</b>	<b>220</b>	<b>35.77%</b>

**PART 6: - EMPLOYMENT EQUITY****TABLE 6.1 – TOTAL NUMBER OF EMPLOYEES (INCLUDING EMPLOYEES WITH DISABILITIES) IN EACH OF THE FOLLOWING OCCUPATIONAL CATEGORIES**

OCCUPATIONAL CATEGORIES (SASCO)	MALE					FEMALE					TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE		AFRICAN	COLOURED	INDIAN	WHITE		
LEGISLATORS, SENIOR OFFICIALS AND MANAGERS, PROFESSIONALS PERMANENT (9 – 16)	61	0	0	24		38	5	0	19		147
OFFICERS PERMANENT (6 – 8)	201	1	0	13		143	0	0	46		404
CLERKS, PERMANENT (3 – 5)	38	2	0	0		68	6	0	3		117
CRAFT AND RELATED TRADEWORKERS PERMANENT	0	0	0	0		0	0	0	0		0
ELEMENTARY OCCUPATIONS PERMANENT (1 – 2)	33	0	0	0		30	0	0	0		63
<b>TOTAL</b>	<b>334</b>	<b>3</b>	<b>0</b>	<b>37</b>		<b>280</b>	<b>11</b>	<b>0</b>	<b>66</b>		<b>731</b>

**TABLE 6.2 – TOTAL NUMBER OF EMPLOYEES (INCLUDING EMPLOYEES WITH DISABILITIES) IN EACH OF THE FOLLOWING OCCUPATIONAL BANDS**

OCCUPATIONAL BANDS	MALE					FEMALE					TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE		AFRICAN	COLOURED	INDIAN	WHITE		
TOP MANAGEMENT (14 – 16)	8	0	0	0		4	0	0	0		12
SENIOR MANAGEMENT (13)	14	0	0	3		9	1	0	1		28
PROFESSIONALLY QUALIFIED AND EXPERIENCED SPECIALISTS AND MID – MANAGEMENT (9 – 12)	40	0	0	21		26	4	0	16		107
SKILLED TECHNICAL AND ACADEMICALLY QUALIFIED WORKERS, JUNIOR MANAGEMENT, SUPERVISORS, FOREMAN AND SUPERINTENDENTS (6 – 8)	201	1	0	13		143	0	0	46		404
SEMI SKILLED AND DISCRETIONARY DECISION MAKING (3 – 5)	38	2	0	0		68	6	0	3		117
UN SKILLED AND DEFINED DECISION MAKING (1 – 2)	33	0	0	0		30	0	0	0		63
<b>TOTAL</b>	<b>334</b>	<b>3</b>	<b>0</b>	<b>37</b>		<b>280</b>	<b>11</b>	<b>0</b>	<b>66</b>		<b>731</b>

**TABLE 6.3 – RECRUITMENT /APPOINTMENTS**

OCCUPATIONAL BANDS	MALE				FEMALE				TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE	
TOP MANAGEMENT (14 – 16)	0	0	0	0	0	0	0	0	0
SENIOR MANAGEMENT (13)	0	0	0	0	0	0	0	0	0
PROFESSIONALLY QUALIFIED AND EXPERIENCED SPECIALISTS AND MID – MANAGEMENT (9-12)	12	0	0	0	8	0	0	0	20
SKILLED TECHNICAL AND ACADEMICALLY QUALIFIED WORKERS, JUNIOR MANAGEMENT, SUPERVISORS, FOREMAN AND SUPERINTENDENTS (6 – 8)	3	0	0	0	5	0	0	0	8
SEMI SKILLED AND DISCRETIONARY DECISION MAKING (3-5)	15	0	0	0	19	0	0	0	34
UN SKILLED AND DEFINED DECISION MAKING (1 – 2)	35	0	0	0	30	0	0	0	65
<b>TOTAL</b>	<b>65</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>62</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>127</b>

**TABLE 6.4 - PROMOTIONS**

OCCUPATIONAL BANDS	MALE					FEMALE					TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE		AFRICAN	COLOURED	INDIAN	WHITE		
TOP MANAGEMENT (14 - 16)	0	0	0	0		0	0	0	0		0
SENIOR MANAGEMENT (13)	0	0	0	0		0	0	0	0		0
PROFESSIONALLY QUALIFIED AND EXPERIENCED SPECIALISTS AND MID - MANAGEMENT (9 - 12)	6	0	0	1		2	0	0	0		9
SKILLED TECHNICAL AND ACADEMICALLY QUALIFIED WORKERS, JUNIOR MANAGEMENT, SUPERVISORS, FOREMAN AND SUPERINTENDENTS (6 - 8)	1	0	0	0		6	0	0	0		7
SEMI SKILLED AND DISCRETIONARY DECISION MAKING (3 - 5)	0	0	0	0		0	0	0	0		0
UN SKILLED AND DEFINED DECISION MAKING (1 - 2)	0	0	0	0		0	0	0	0		0
<b>TOTAL</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>1</b>		<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>16</b>

**TABLE 6.5 - TERMINATIONS**

OCCUPATIONAL BANDS	MALE					FEMALE					TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE		AFRICAN	COLOURED	INDIAN	WHITE		
TOP MANAGEMENT (14 - 16)	0	0	0	0		0	0	0	0		0
SENIOR MANAGEMENT (13)	1	0	0	1		0	0	0	0		2
PROFESSIONALLY QUALIFIED AND EXPERIENCED SPECIALISTS AND MID - MANAGEMENT (9 - 12)	3	0	0	2		0	0	0	1		6
SKILLED TECHNICAL AND ACADEMICALLY QUALIFIED WORKERS, JUNIOR MANAGEMENT, SUPERVISORS, FOREMAN AND SUPERINTENDENTS (6 - 8)	2	0	0	1		3	0	0	1		7
SEMI SKILLED AND DISCRETIONARY DECISION MAKING (3 - 5)	11	0	0	0		5	0	0	1		17
UN SKILLED AND DEFINED DECISION MAKING (1 - 2)	0	0	0	0		0	0	0	0		0
TOTAL	17	0	0	4		8	0	0	3		32

**TABLE 6.6 – DISCIPLINARY ACTION**

OCCUPATIONAL BANDS	MALE				FEMALE				TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE	
DISCIPLINARY ACTION	0	0	0	0	0	0	0	0	0
DEMOTION	0	0	0	0	0	0	0	0	0
FINAL WRITTEN WARNING	1	0	0	0	0	3	0	0	4
WRITTEN WARNING	2	0	0	0	0	0	0	1	3
DISMISSAL	1	0	0	0	0	0	0	0	1
VERBAL	1	0	0	1	0	0	0	0	2
TOTAL	5	0	0	1	0	3	0	1	10

**TABLE 6.7 – SKILLS\***

OCCUPATIONAL CATEGORIES	MALE				FEMALE				TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE	
LEGISLATORS, SENIOR OFFICIALS AND MANAGERS	1	0	0	0	0	0	0	0	1
PROFESSIONALS	1	0	0	0	0	0	0	0	1
TECHNICIANS AND ASSOCIATE PROFESSIONALS	0	0							
CLERKS	1	0	0	0	0	0	0	0	1
SERVICES AND SALES WORKERS	0								
SKILLED AGRICULTURE AND FISHERY WORKERS	0	0	0	0	0	0	0	0	0
CRAFT AND RELATED TRADE 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	0	0	0	0	0	0	0	0	0
TOTAL	3								3
EMPLOYEES WITH DISABILITIES									

**PART 7: - PERFORMANCE REWARDS (cash bonus)**

**TABLE 7.1 – PERFORMANCE REWARDS BY RACE, GENDER AND DISABILITY – level 1-16**

	BENEFICIARY PROFILE			COST	
	NUMBER OF BENEFICIARIES	TOTAL NUMBER OF EMPLOYEES IN GROUP	% OF TOTAL WITHIN GROUP	COST (R'000)	AVERAGE COST PER EMPLOYEE BENEFITTED (R)
<b>AFRICAN</b>	<b>131</b>	<b>614</b>	<b>21.3</b>	<b>1 317</b>	<b>20 331</b>
MALE	62	334	18.6	753	12 152
FEMALE	69	280	24.6	564	8 179
<b>ASIAN</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
MALE	0	0	0	0	0
FEMALE	0	0	0	0	0
<b>COLOURED</b>	<b>3</b>	<b>14</b>	<b>21.4</b>	<b>25</b>	<b>8 418</b>
MALE	0	3	0	0	0
FEMALE	3	11	27.3	25	8 418
<b>WHITE</b>	<b>86</b>	<b>103</b>	<b>83.5</b>	<b>961</b>	<b>23 426</b>
MALE	34	37	91.9	485	14 274
FEMALE	52	66	78.8	476	9 152
EMPLOYEES WITH DISABILITY (included above)					
<b>TOTAL</b>	<b>220</b>	<b>731</b>	<b>30.1</b>	<b>2 303</b>	<b>10 474</b>

**TABLE 7.2 – PERFORMANCE REWARDS BY SALARY BANDS FOR PERSONNEL BELOW SENIOR MANAGEMENT SERVICE – level 1-12**

SALARY BANDS	BENEFICIARY PROFILE			COST		
	NUMBER OF BENEFICIARIES	NUMBER OF EMPLOYEES	% OF TOTAL WITHIN SALARY BANDS	TOTAL COST (R'000)	AVERAGE COST PER EMPLOYEE (beneficiary)	TOTAL COST AS A % OF THE TOTAL PERSONNEL EXPENDITURE FOR THE DEPT
LOWER SKILLED LEVELS 1-2	0	63	0	0	0	0
SKILLED LEVELS 3-5	45	117	38.5	140	3.11	0.10
HIGHLY SKILLED PRODUCTION LEVEL 6-8	104	404	25.8	679	6.5	0.48
HIGHLY SKILLED SUPERVISION 9-12	52	107	48.6	672	12.9	0.47
<b>TOTAL</b>	<b>201</b>	<b>691</b>	<b>29.1</b>	<b>1491</b>	<b>7.1</b>	<b>1.05</b>

**TABLE 7.3 – PERFORMANCE REWARDS BY CRITICAL OCCUPATIONS**

CRITICAL OCCUPATION	BENEFICIARY PROFILE			COST	
	NUMBER OF BENEFICIARIES	NUMBER OF EMPLOYEES (posts)	% OF TOTAL WITHIN OCCUPATION	TOTAL COST	AVERAGE COST PER EMPLOYEE (BENEFICIARY)
INFORMATION TECHNOLOGY	4	13 (17)	23.53%	R 32 147.10	R 8 036.78
TECHNICAL/ENGINEERING RELATED ADVISORY SERVICES	7	6 (11)	63.64%	R 94 308.06	R 13 472.58
FINANCE	27	51 (133)	20.30%	R 192 379.57	R 7 125.17
<b>TOTAL</b>	<b>38</b>	<b>70 (161)</b>	<b>23.60%</b>	<b>R 318 834.73</b>	<b>R 28 434.53</b>

\* Some officials left the department during the said period but still benefited from PDMS

**TABLE 7.4 – PERFORMANCE RELATED REWARDS (CASH BONUS), BY SALARY BAND FOR SMS**

SALARY BANDS	BENEFICIARY PROFILE		TOTAL COST(R'000)	AVERAGE COST PER EMPLOYEE	TOTAL COST AS A % OF THE TOTAL PERSONNEL EXPENDITURE
	NUMBER OF BENEFICIARIES	NUMBER OF EMPLOYEES			
13-16	19	40	814	42.8	0.57
<b>TOTAL</b>	<b>19</b>	<b>40</b>	<b>814</b>	<b>42.8</b>	<b>0.57</b>

**PART 8: - FOREIGN WORKERS**

**TABLE 8.1 – FOREIGN WORKERS BY SALARY BAND**

4 Cuban officials on a contract basis – salary level 11

**TABLE 8.2 – FOREIGN WORKERS BY MAJOR OCCUPATION**

Engineering related fields

**PART 9: - LEAVE UTILISATION FOR THE PERIOD 1 APRIL 2008 TO 1 MARCH 2009**

**TABLE 9.1 – SICK LEAVE 1 APRIL 2008 TO 31 MARCH 2009**

<b>SALARY BAND</b>	<b>TOTAL DAYS</b>	<b>% DAYS WITH MEDICAL CERTIFICATE</b>	<b>NUMBER OF EMPLOYEE USING SICK LEAVE</b>	<b>% OF TOTAL EMPLOYEES USING SICK LEAVE</b>	<b>AVERAGE DAYS PER EMPLOYEE</b>	<b>ESTIMATED COST (R '000)</b>	<b>TOTAL NUMBER OF EMPLOYEES USING SICK LEAVE</b>
LOWER SKILLED LEVELS 1-2	4	0	1	0	4	1	0
SKILLED LEVELS 3-5	664	86	81	27	8	164	571
HIGHLY SKILLED PRODUCTION LEVELS 6-8	1108	79	124	40	9	492	876
HIGHLY SKILLED SUPERVISION LEVELS 9-12	538	84	75	25	7	517	453
SENIOR MANAGEMENT LEVELS 13-16	112	88	19	6	6	271	99
CONTRACT LEVELS 3-5	13	46	3	1	4	3	6
CONTRACT LEVELS 6-8	11	100	1	0	11	5	11
CONTRACT LEVELS 9-12	6	67	2	1	3	4	4
<b>TOTAL</b>	<b>2456</b>	<b>82</b>	<b>306</b>	<b>100</b>	<b>8</b>	<b>1457</b>	<b>2020</b>

**TABLE 9.2 – DISABILITY LEAVE (TEMPORARY AND PERMANENT) 1 APRIL 2008 TO 31 MARCH 2009**

SALARY BAND	TOTAL DAYS	% DAYS WITH MEDICAL CERTIFICATE	NUMBER OF EMPLOYEE USING DISABILITY	% OF TOTAL EMPLOYEES USING DISABILITY	AVERAGE DAYS PER EMPLOYEE	ESTIMATED COST (R '000)	TOTAL NUMBER OF DAYS WITH MEDICAL CERTIFICATION	TOTAL NUMBER OF EMPLOYEES USING DISABILITY
LOWER SKILLED LEVELS 1-2	0	0	0	0	0	0	0	0
SKILLED LEVELS 3-5	0	0	0	0	0	0	0	0
HIGHLY SKILLED PRODUCTION LEVELS 6-8	0	0	0	0	0	0	0	0
HIGHLY SKILLED SUPERVISION LEVELS 9-12	0	0	0	0	0	0	0	0
SENIOR MANAGEMENT LEVELS 13-16	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**TABLE 9.3 – LEAVE PAYOUTS FOR THE PERIOD 1 APRIL 2008 TO 31 MARCH 2009**

REASON	TOTAL AMOUNT R'000	NUMBER OF EMPLOYEES	AVERAGE PAYMENT PER EMPLOYEE (R)
LEAVE UTILISATION DUE TO NON UTILISATION OF LEAVE	423	34	12 441
CAPPED LEAVE PAYOUTS ON TERMINATION OF SERVICE FOR 2008/2009	718	58	12 379
CURRENT LEAVE PAYOUT ON TERMINATION OF SERVICE FOR 2008/2009	50	12	4 167
<b>TOTAL</b>	<b>1191</b>	<b>104</b>	<b>11 452</b>

## PART 10: - HIV/AIDS AND HEALTH PROMOTION PROGRAMMES

**TABLE 10.1 – STEPS TAKEN TO REDUCE THE RISK OF OCCUPATIONAL EXPOSURE**

UNITS/CATEGORIES OF EMPLOYEES IDENTIFIED TO BE AT HIGH RISK OF CONTRACTING HIV AND RELATED DISEASES (IF ANY)	KEY STEPS TAKEN TO REDUCE THE RISK. This department has no occupational categories whose nature exposes its employees to the risks associated with HIV/AIDS.
No particular occupational class or categories of employees are by nature of their work dangerously exposed to the of contracting HIV/AIDS	Not applicable

**TABLE 10.2 – DETAILS OF HEALTH PROMOTION AND HIV/AIDS PROGRAMMES (TICK THE APPLICABLE BOXES AND PROVIDE THE REQUIRED INFORMATION)**

QUESTION	YES	NO	DETAILS IF YES
HAS THE DEPARTMENT DESIGNATED A MEMBER OF THE SMS TO IMPLEMENT THE PROVISIONS CONTAINED IN PART D VI OF CHAPTER 1 OF THE PSR, 2001? IF SO, PROVIDE HER/HIS NAME AND POSITION	X		T.S MOKOENA CHIEF DIRECTOR: CORPORATE SERVICES
DOES THE DEPARTMENT HAVE A DESIGNATED UNIT OR HAS IT DESIGNATED SPECIFIC STAFF MEMBERS TO PROMOTE THE HEALTH AND WELL BEING OF YOUR EMPLOYEES? IF SO, INDICATE THE NUMBER OF EMPLOYEES WHO ARE INVOLVED IN THIS TASK AND THE ANNUAL BUDGET THAT IS AVAILABLE FOR THIS PURPOSE	X		ONE PERSON IN THE UNIT( JOE MAKASANE) SERVING BOTH DEPARTMENTS

<p>HAS THE DEPARTMENT INTRODUCED AN EMPLOYEE ASSISTANCE OR HEALTH PROMOTION PROGRAMME FOR YOUR EMPLOYEES? IF SO, INDICATE THE KEY ELEMENTS/SERVICES OF THIS PROGRAMME</p>	<p>X</p>		<p>1. HIV&amp;AIDS, TB&amp; STI MANANAGEMENT          -Behaviour change&amp; communication          -Voluntary counselling&amp; testing (VCT)          -Peer educator&amp; counselling programme          -Mother to child transmission (MTCT)          2.HEALTH AND PRODUCTIVITY MANAGEMENT          -Disease management &amp; chronic illnesses          -Injury on duty&amp; incapacity due to ill-health          3.OCCUPATIONAL HYGIENE&amp; SAFETY MANAGEMENT          -Health risk assessment          -Workplace ergonomics          -Workplace design&amp; special facilities          -workplace disaster management          4.WELLNESS MANAGEMENT          -Individual wellness (physical)          -Psycho-social wellness          -Organisational wellness</p>
<p>HAS THE DEPARTMENT ESTABLISHED COMMITTEES AS CONTEMPLATED IN PART VI E.5 (E) OF CHAPTER 1 OF THE PSR 2001? IF SO, PLEASE PROVIDE THE NAMES OF THE MEMBERS OF THE COMMITTEES AND THE STAKEHOLDER/S THAT THEY REPRESENT</p>	<p>X</p>		<p><u>Employee Health and Wellness Committee</u>  <u>District Services</u>          Z Motiki          T Motaung          M Buthelezi          Z Mdi          M Machogo  <u>Cooperative Govern.&amp; Traditional Affairs</u>          L Morake          T Mateza          T Wolff  <u>Human Settlements</u>          S Lebone          S Ketlhoilwe          M Moepane          P Ramosedi  <u>Finance</u>          T Letanta  <u>Corporate Services</u>          M Botsane          M Phahlo          M Xaba</p>

HAS THE DEPARTMENT REVIEWED ITS EMPLOYMENT POLICIES AND PRACTICES TO ENSURE THAT THESE DO NOT UNFAIRLY DISCRIMINATE AGAINST EMPLOYEES ON THE BASIS OF THEIR HIV STATUS? IF SO LIST THE EMPLOYMENT POLICIES/PRACTICES SO REVIEWED	X		Embedded within the Employee Health & Wellness Strategic Framework for the Public Service
HAS THE DEPARTMENT INTRODUCED MEASURES TO PROTECT HIV - POSITIVE EMPLOYEES OR THOSE RECEIVED TO BE HIV - POSITIVE FROM DISCRIMINATION? IF SO, LIST THE KEY ELEMENTS OF THESE MEASURES	<b>X</b>		Pillar 1 of the framework dealing with: Human rights and access to justice
DOES THE DEPARTMENT ENCOURAGE ITS EMPLOYEES TO UNDERGO VOLUNTARY COUNSELING AND TESTING? IF SO, LIST THE RESULTS THAT YOU HAVE ACHIEVED	<b>X</b>		Moderate
HAS THE DEPARTMENT DEVELOPED MEASURES/INDICATORS TO MONITOR AND EVALUATE THE IMPACT OF ITS HEALTH PROMOTION PROGRAMME? IF SO, LIST THESE MEASURES/INDICATORS	X		Utilisation of the programme Supervisory feedback Reduction of leave taken (vacation & sick leave)

**PART 11: - LABOUR RELATIONS**

**TABLE 11.1 – COLLECTIVE AGREEMENTS 1 APRIL 2008 TO 31 MARCH 2009**

SUBJECT MATTER	DATE
NONE	-----

**TABLE 11.2 – MISCONDUCT AND DISCIPLINARY HEARINGS FINALISED 1 APRIL 2008 TO 31 MARCH 2009**

OUTCOMES OF DISCIPLINARY HEARINGS	NUMBER	% OF TOTAL*
CORRECTIONAL COUNSELING	0	0
VERBAL WARNINGS	0	0
WRITTEN WARNING	31	89
FINAL WRITTEN WARNING	2	6
SUSPENDED WITHOUT PAY	0	0
FINE	0	0
DEMOTION	0	0
DISMISSAL	1	3
NOT GUILTY	1	3
CASE WITHDRAWN	0	0
TOTAL	35	

**TABLE 11.3 – TYPES OF MISCONDUCT ADDRESSED AT DISCIPLINARY HEARINGS**

TYPE OF MISCONDUCT	NUMBER	% OF TOTAL
FRAUD AND THEFT	1	33
CODE OF CONDUCT	1	33
ABUSE OF GOVERNMENT PROPERTY	1	33
ABSENTEEISM	0	0
TOTAL	3	

**TABLE 11.4 – GRIEVANCES LODGED FOR THE PERIOD 1 APRIL 2008 TO 31 MARCH 2009**

	NUMBER	% OF TOTAL
NUMBER OF GRIEVANCES RESOLVED	16	89
NUMBER OF GRIEVANCES NOT RESOLVED	2	11
TOTAL NUMBER OF GRIEVANCES LODGED	18	

**TABLE 11.5 – DISPUTES LODGED WITH COUNCILS FOR THE PERIOD 1 APRIL 2008 TO 31 MARCH 2009**

	NUMBER	% OF TOTAL
NUMBER OF DISPUTES UPHELD	0	0
NUMBER OF DISPUTES DISMISSED	2	50
TOTAL NUMBER OF DISPUTES LODGED	4	

**TABLE 11.6 – STRIKE ACTIONS FOR THE PERIOD 1 APRIL 2008 TO 31 MARCH 2009**

TOTAL NUMBER OF PERSON WORKING DAYS LOST	0
TOTAL COST OF WORKING DAYS LOST	0
AMOUNT RECOVERED AS A RESULT OF NO WORK NO PAY	0

**TABLE 11.7 – PRECAUTIONARY SUSPENSIONS FOR THE PERIOD 1 APRIL 2008 TO 31 MARCH 2009**

NUMBER OF PEOPLE SUSPENDED	0
NUMBER OF PEOPLE WHOSE SUSPENSION EXCEEDED 30 DAYS	0
AVERAGE NUMBER OF DAYS SUSPENDED	0
COST OF SUSPENSIONS	0

- A number of verbal cases were handled that cannot be reflected above
- The department has also assisted with a number of cases in other departments
- Training on all areas of Labour Relations were conducted

**PART 12: - SKILLS DEVELOPMENT**

**TABLE 12.1 – TRAINING NEEDS IDENTIFIED 1 APRIL 2008 to 31 MARCH 2009**

OCCUPATIONAL CATEGORIES	GENDER	NUMBER OF EMPLOYEES AS AT 1 APRIL 2008	TRAINING NEEDS IDENTIFIED AT START OF REPORTING PERIOD			TOTAL
			LEADERSHIPS	SKILLS PROGRAMMES AND OTHER SHORT COURSES	OTHER FORMS OF TRAINING	
LEGISLATURES, SENIOR OFFICIALS AND MANAGERS	FEMALE	578	Executive Development	Management and Leadership	Corporate Governance Monitoring and Evaluation Strategic Planning Computer Literacy Performance Management Knowledge Management Risk Management Policy Formulation Service Delivery Improvement Fraud Prevention and Anti-Corruption Financial Management Budgeting Mentoring and coaching Corporate Communication Project Khaedu	64

	MALE	MALE 92	Executive Development	Management and Leadership	Corporate Governance Monitoring and Evaluation Strategic Planning Computer Literacy Performance Management Knowledge Management Risk Management Policy Formulation Service Delivery Improvement Fraud Prevention and Anti-Corruption Financial Management Budgeting Mentoring and coaching Corporate Communication	92
PROFESSIONALS	FEMALE	FEMALE 12	Middle Management	Executive and Leadership Management Programme	Environmental studies Disaster management Monitoring and Evaluation Strategic Planning Computer Literacy Performance Management	12
	MALE	MALE 15	Middle Management	Executive and Leadership Management Programme	Environmental studies Disaster management Monitoring and Evaluation Strategic Planning Computer Literacy Performance Management	15

TECHNICIANS AND ASSOCIATE PROFESSIONALS	FEMALE	FEMALE				Report Writing Communication Supervisory skills Computer skills Facilitation skills Batho Pele Principles Customer Care Secretarial Development Project Management Presentation Skills	
	MALE	MALE					
CLERKS	FEMALE	FEMALE	197	Junior Management	Junior Management	Report Writing Communication Supervisory skills Computer skills Facilitation skills Batho Pele Principles Customer Care Secretarial Development Project Management Presentation Skills	197
	MALE	MALE	169	Junior Management	Junior Management	Report Writing Communication Supervisory skills Computer skills Facilitation skills Batho Pele Principles Customer Care Secretarial Development Project Management Presentation Skills	169
SERVICE AND SALES WORKERS	FEMALE	FEMALE	9	None		Records Management Bursaries :An introductory course Batho Pele	9

	MALE	MALE	None	Records Management Bursaries :An introductory course Batho Pele	20
SKILLED AGRICULTURE AND FISHERY WORKERS	FEMALE	FEMALE			
	MALE	MALE			
CRAFT AND RELATED TRADES WORKERS	FEMALE	FEMALE			
	MALE	MALE			
PLANT AND MACHINE OPERATORS AND ASSEMBLERS	FEMALE	FEMALE			
	MALE	MALE			
ELEMENTARY OCCUPATIONS	FEMALE	FEMALE			
	MALE	MALE			
SUB TOTAL	FEMALE	FEMALE			
	MALE	MALE			
TOTAL					578

**TABLE 12.2 – TRAINING PROVIDED 1 APRIL 2008 TO 31 MARCH 2009**

OCCUPATIONAL CATEGORIES	GENDER	NUMBER OF EMPLOYEES AS AT 1 APRIL 2008	TRAINING NEEDS IDENTIFIED AT START OF REPORTING PERIOD
LEGISLATURES, SENIOR OFFICIALS AND MANAGERS	FEMALE	54	<p>Corporate Governance                      Monitoring and Evaluation                      Strategic Planning                      Computer Literacy                      Performance Management                      Risk Management                      Policy Formulation                      Service Delivery Improvement                      Fraud Prevention and Anti-Corruption                      Financial Management                      Budgeting                      Mentoring and coaching                      Corporate Communication                      Project Khaedu</p>
PROFESSIONALS	FEMALE	34	<p>Corporate Governance                      Monitoring and Evaluation                      Strategic Planning                      Computer Literacy                      Performance Management                      Risk Management                      Policy Formulation                      Service Delivery Improvement                      Fraud Prevention and Anti-Corruption                      Financial Management                      Budgeting                      Mentoring and coaching                      Corporate Communication                      Project Khaedu</p>

OCCUPATIONAL CATEGORIES	GENDER	NUMBER OF EMPLOYEES AS AT 1 APRIL 2008	TRAINING NEEDS IDENTIFIED AT START OF REPORTING PERIOD
	MALE	28	<p>Corporate Governance  Monitoring and Evaluation  Strategic Planning  Computer Literacy  Performance Management  Risk Management  Policy Formulation  Fraud Prevention and Anti-Corruption  Financial Management  Budgeting  Mentoring and coaching  Corporate Communication</p>
CLERKS	FEMALE	46	<p>Report Writing  Communication  Supervisory skills  Computer skills  Facilitation skills  Batho Pele Principles  Customer Care  Secretarial Development  Project Management  Presentation Skills</p>
	MALE	41	<p>Report Writing  Communication  Supervisory skills  Computer skills  Facilitation skills  Batho Pele Principles  Customer Care  Secretarial Development  Project Management  Presentation Skills</p>

OCCUPATIONAL CATEGORIES	GENDER	NUMBER OF EMPLOYEES AS AT 1 APRIL 2008	TRAINING NEEDS IDENTIFIED AT START OF REPORTING PERIOD
SERVICE AND SALES WORKERS	FEMALE	4	Records Management Bursaries :An introductory course Batho Pele
	MALE	2	Records Management Bursaries :An introductory course Batho Pele
<b>SUB TOTAL</b>	<b>FEMALE</b>		
	<b>MALE</b>		
<b>TOTAL</b>			

### PART 13: - INJURY ON DUTY

TABLE 13.1 -- INJURY ON DUTY 1 APRIL 2008 TO 31 MARCH 2009

NATURE OF INJURY ON DUTY	NUMBER	% OF TOTAL
REQUIRED BASIC MEDICAL ATTENTION ONLY	0	0
TEMPORARY TOTAL DISABLEMENT	0	0
PERMANENT DISABLEMENT	0	0
FATAL	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>



**TABLE 14.3 – REPORT ON CONSULTANT APPOINTMENTS USING DONOR FUNDS**

PROJECT TITLE	TOTAL NUMBER OF CONSULTANTS THAT WORKED ON THE PROJECT	DURATION: WORK DAYS	DONOR AND CONTRACT VALUE IN RAND
TOTAL NUMBER OF PROJECTS	TOTAL INDIVIDUAL CONSULTANTS	TOTAL DURATION: WORKDAYS	TOTAL CONTRACT VALUE IN RAND

**TABLE 14.4 – ANALYSIS OF CONSULTANTS' APPOINTMENTS USING DONOR FUNDS, IN TERMS OF HISTORICALLY DISADVANTAGED INDIVIDUALS (HDI)**

PROJECT TITLE	% OWNERSHIP BY HDI GROUPS	% MANAGEMENT BY HDI GROUPS	NUMBER OF CONSULTANTS FROM HDI GROUPS THAT WORKED ON THE PROJECT