

Portfolio Reports

MONTHLY REPORT

PORTFOLIO: Human settlement and Land Development

MONTH: December 2023

MEMBER RESPONSIBLE FOR THIS PORTFOLIO: Francois Hattingh

➤ **New build houses and old house been build on.**

- *18,20,24 Denneweg, Fochville all been build on.
- *93 Olienhout, Fochville building new garage
- *House in vleiground in Olienhout, Fochville
- *Corner of Ouhout and Olienhout, Fochville (Building)
- *37 Wattel street, Fochville (Building)
- *42 Keurboom, Fochville
- *Cnr of Keurboom and Stinkhout, Fochville
- *10 Tamboti street, Fochville
- *11 Kiaat street, Fochville
- *12 Dahlia street, Fochville
- * 11 Keurboom, Fochville
- *5 Annemoon street, Fochville
- *10 Malva street, Fochville
- *19 Disa laan, Fochville
- *Villa Yvonne Complex Malva/Jacaranda, Fochville

*11 Jacaranda street, Fochville

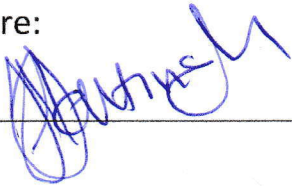
*Olienhout street net to Civic Centre

*Cnr Jacaranda and Peperkorrel street, Fochville

*65 Keurboom, Focville

* Cansa building, Pepperkorrel, Fochville

Signature:

A handwritten signature in blue ink, appearing to be 'A. M. M.', written over a horizontal line.

Date:

4th December 2023

WARD 14

REPORT 2023-12-05

PORTFOLIO: WATER AND ELECTRICITY

ELECTRICITY:

The greatest concern to our electrical problems is our outstanding account to Escom. If not sorted there is a bleak future ahead for Merafong and electricity supply to our residents. We can have meeting after meeting. Nothing will be resolved if the account isn't paid.

WATER:

Storm water drains -

GT control
Bridge meters:

Engela

Engela van der Merwe

MONTH: DECEMBER 2023

MONTHLY REPORT – WARD 14

PORTFOLIO: ROADS, STORM WATER AND PUBLIC WORKS.

The purpose of the report is to address the issues of the community to the municipality.

1. There was a sewerage problem in Pepperkorel Street on the veld Municipality did attended.
2. Anamoon Street No: 5, they have cleaned the pavement and only small rubbish left.
3. Keurboom Street Municipality did attended to the potholes.
4. Jacaranda Street municipality did attended to the potholes.

Signature:

A handwritten signature in black ink, appearing to be 'Simon Sello Matlala', written in a cursive style with a horizontal line crossing through the middle of the letters.

Simon Sello Matlala

PORTFOLIO :

PUBLIC SAFETY

MONTH :

Nov-23

MEMBER RESPONSIBLE FOR THIS PORTFOLIO :

JC VAN DER MERWE

1.) DANGEROUS POTHOLES :

15-Nov-23

SEVERAL BIG POTHOLES BEEN REPORTED TO RELEVANT DEPARTMENT, AND IT WAS MOSTLY FIXED BY CLOSING TIME THE NEXT DAY. VERY IMPRESSIVE TO SEE SUCH SWIFT RESPONSE.

I ALSO REPORTED SEVERAL OTHERS ALL OVER TOWN, BUT DUE TO MATERIAL SHORTAGE AT THIS STAGE, THE REST WILL BE FINISHED WHEN NEW MATERIAL BEEN ARRIVED.

2.) HOUSE BRAKING & OTHER LOSSES :

17-Nov-23

ONLY ONE HOUSE BEEN REPORTED THAT WAS BROKEN IN, AT JAKARANDA AVE.

SEVERAL CALLS RECEIVED, BUT QUICK RESPONSE OF SECURITY COMPANIES AND PATROLLERS OF VERIOUS INSTATUTES, NOTHING SERIOUS IN OUR AREA ACCURED.

3.) STATS S.A.

22-Nov-23

STATS S.A. VISIT OUR AREA.

I CONFIRMED NECCECARY PAPERWORK, AND SEND OUT PERSONEL ID'S AND VEHICLE INFO TO THE COMMUNITY.

4.) SERIOUS CRIMES :

23-Nov-23

a.) ON THE 23 RD OF NOV 23, A YOUNG BRAVO FEMALE WAS KIDNAPPED FROM THE CALTEX GARAGE, AT JAKARANDA.

SHE WAS LEFT IN A FIELD NEAR LIBANON MINE. SHE WAS TAKEN TO FOUNTAINS HOSPITAL BY PEOPLE WHO FOUND HER NEXT TO THE ROAD.

I WAS CONTACTED, AND WITH THE HELP OF CPI AND THEIR CAMERA SYSTEM, WE WERE ABLE TO ID THE VEHICLE REG NUMBERS.

BOTH WERE " CLONED ", WE FLAGED THE VECHLE AND A CASE WERE OPENED AT SAPS.

26-Nov-23

b.) ON THE 26 TH OF NOVEMBER 23, 2 YOUNG HIGH SCHOOL KIDS DRIVE WITH THEIR OFFROAD MOTORBIKES FROM G.V.R STADIUM BACK TOWARD THEIR HOME IN OLIENHOUT AVE.

A VECHICLR TRY TO RAM THEIR OFF THEIR BIKES, AND THEN POINT GUNS AT THEM.

I WAS CONTACTED AND AS THE PREVIOUS INCEDENT, ME AND CPI WERE ABLE TO TRACK THE VECHLE WITH THE CAMERAS, CASE WERE OPEND, DRIVER WAS ARRESTED.

AGAIN PROOF THAT THE CAMERA SYSTEMS MAKE A DIFFERENCE IN LAW AND ORDER.

STILL NO FEEDBACK REGARDING THE NUMEROUS REQUEST FOR SPEED PERMANET CAMERA AT SEVERAL CROSSINGS.



JC VD MERWE

WARD 14 COMMITTEE REPORT: LOCAL ECONOMIC DEVELOPMENT

4 December 2023

ON the LED front we have a town and ward in crisis.

Merafong has no serious intentions towards the ward committees in Fochville or any LED portfolios or projects or tasks in Fochville. Example: on 17 November 2023 a meeting is scheduled for IDP at Fochville civic center in preparation on the Parliamentary committee visit on 21 November 2023. The meeting was scheduled for 15:00. I was alone waiting until 16:15 before I left. No excuses, no follow up meetings, nothing. I had to put in half a day's unpaid leave to go to this meeting. Find attached my invoice for wasteful time due to total incompetence on Merafong's side.

Ward committees can close as there is no working relationship from Merafong through us to the communities.

Prepared by JP van der Merwe
Ward Committee member
083 494 1949 kumratau@gmail.com

WARD 14 COMMITTEE REPORT: LOCAL ECONOMIC DEVELOPMENT

Feedback on the Parliamentary committee public hearing in Fochville on the proposed bill: The national small enterprise amendment bill (B16-2023)

"To amend the National Small Enterprise Act, 1996, in order to amend, delete, insert and to substitute certain definitions; to provide for the report of the Advisory Body; to provide for the establishment of the Small Enterprise Development Finance Agency; to provide for the functions of the Agency; to ensure the provision of financial and non-financial support services to small enterprises; to promote the development of sustainable and responsible co-operative banking; to provide for the establishment of the Office of the Small Enterprise Ombud Service; to enable an equitable trading environment for small enterprises through the provision of affordable and effective access to justice; to empower the Minister to declare certain practices in relation to small enterprises to be prohibited as unfair trading practices; to provide for the transitional arrangements necessitated by the establishment of the Agency; to effect consequential or necessary amendments to the Co-operative Banks Act, 2007, and to the Co-operatives Act, 2005; and to provide for matters connected therewith."


A couple hundred of attendees was present at the hearing from all over Merafong City. 9 of the 12 portfolio members was present at the hearing, parliamentary TV, interpreters and the MMC of LED from West Rand. No Merafong representation. There was sadly also a display of solidarity with Palestine that I think does not belong in this type of meeting.

The bill was explained and the floor was open to responses from the public. Sadly, most response had nothing to do with the bill it self but instead focussed on the lack of input to BEE projects from the mines, the 30% allocated to local contractors, the hardship and challenges the community experienced in Merafong.

From Ward 14 I made the following submission:

1. Due to the fact that the government is the sole stakeholder in the proposed bank, thus this will be a SOE, and the objective is in assisting the small and startup businesses, I would like to have the bill mandate this bank to be operated as a Non-Profit organisation.
2. This bill is just another waste of time and money, and no measures are in place to prevent any corruption or state capture.
3. The bill should also mandate that small enterprises only work directly with the proposed bank, no middlemen, no agents, no 'Tenderpreneur's' that will take money as part of the whole corruption process.
4. The bill also does not address any criteria for who may apply for assistance from this new proposed bank. Will it be only registered entities with CIPC, Will NPO's be allowed? What about the local spasa shop on the corner? Will there be any BEE criteria excluding and enforcing the status quo of current BEE race division and oppression?

Today

 *You deleted this message* 10:30

Good day MMC Mbaliso. I would like to schedule an appointment with you for myself and one of my Ward Committee members, Mr. JP Van Der Merwe regarding ideas and possible implementation thereof regarding Local Economic development. Any day and time will be in order, if you could please accomodate us. You are also welcome to attend our Ward Committee meeting scheduled for the 4th of December 2023 at the Civic Centre Fochville at 17:30

Kind regards

Cllr Lindy Maritz: Ward 14, Fochville

10:31 ✓

MONTHLY REPORT

PORTFOLIO: Intergraded Environmental Management

MONTH: Decemeber 2023

MEMBER RESPONSIBLE FOR THIS PORTFOLIO: Heidi Hattingh

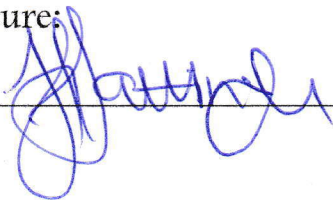
Rubbish dumped all over ward 14 .

Dustbin diggers continue to contribute to existing problem.

Some addresses where rubbish was observed:

- ✓ Building rubble in field in Dahlia Street.
- ✓ Next to Cansa building in pepperkorrel the building and garden rubble in the field.
- ✓ All open field in ward 14 need to be clean.

Signature:



Date:

4th December 2023

MONTHLY REPORT – WARD 14

PORTFOLIO: Finance

MONTH: December 2023

MEMBER RESPONSIBLE FOR THIS PORTFOLIO: CWA NIEUWOUDT

CREDIT CONTROL REPORT FOR MONTH ENDING 31 OCTOBER 2023

Purpose

The purpose of the report is to submit the **Credit Control Report for the period ending October 2023** to the ward committee for information.

Background

In terms of the provisions of the MFMA, the Accounting Officer must submit financial reports to council on a monthly basis. The credit control report informs council on the steps taken to collect revenue due to council in accordance with the Revenue budget and Credit control policy.

Discussion

Attached is a copy of the section 80 credit control report for the month ending 31 October 2023.

In terms of the report, the total number of arears accounts handed over by the municipality for the period are as follows:

NUMBER	CRITERIA	QUANTITY	AMOUNT
1	BUSINESS	178	R 54 035 311
2	DOMESTIC	941	R 66 569 159
TOTAL		1119	R 120 604 470

ALL BUSINESSES

NUMBER	CRITERIA	QUANTITY	AMOUNT
1	CARLETONVILLE	50	R 10 627 665
2	FOCHVILLE	26	R 6 411 513
3	OBERHOLZER	25	R 6 051 272
4	GREENSPARK	8	R 6 0701
5	KHUTSONG	10	R 3 486 872

6	KHUTSONG SOUTH	15	R 1 737 187
7	KOKOSI	31	R 7 260 714
8	WEDELA	8	R 1 142 106
9	WELVERDIEND	5	R 1 057 281
TOTAL		178	R 54 035 311

As reflected above, some Business accounts in arrears were handed over to council's contractor for collection. The accounts handed over were for businesses in all geographical areas throughout Merafong City.

The report does not indicate the criteria used to select accounts to be handed over and any indication of an age analysis, seeing that it is clear that the outstanding debt handed over to the value of **R 54 035 311** was accumulated over some time. This is an indication that there is no clear strategy pertaining to credit control and that the matter is not prioritized to ensure financial viability.

In accordance with the report, **75** actions on Business accounts, such as disconnections, pertaining to water and electricity were taken whilst 22 reconnections were done. No indication is given of the amounts collected or value of any arrangements to collect the R 54 035 311, as handed over.

The following is a summary of the domestic accounts handed over for the period:

AREA	DOMESTIC			RECONNECTION		
	ECUT-2	WATER	RIP	E CUT-2	WATER	RIP
CARLETONVILLE	132	68	77	28	13	5
FOCHVILLE	84	36	18	31	7	0
OBERHOLZER	32	35	16	19	4	3
WELVERDIEND	48	10	9	10	1	0
TOTAL	296	149	120	88	25	8

In accordance with the report, **565 actions** on domestic accounts, such as disconnections pertaining to water and electricity were taken and **121 reconnections** were done. No indication is given of the amounts collected or value of any arrangements to collect the R 66 569 159, as handed over. The report lacks critical information to determine any success or failure of the credit control actions undertaken and the costs associated with the action.

The report focusses on disconnection of services and not improved revenue collection. The report lacks critical information to determine any success or failure of the credit control actions through the contractor. Council should prioritize credit control and fulfill its oversight duties through detailed reports. The report also does

not indicate any legal action instituted against defaulters in accordance with the credit control policy of council, except for the mine dispute.

The work undertaken by this contractor of council is very basic actions of disconnecting and connecting of services, which should be performed by council officials at no additional costs. There is an overreliance on contractors to perform basic municipal functions.

The report also indicates that there were 309 unaccomplished actions due to various reasons, such as locked gates and dogs and inaccessibility. The biggest concern is the fact that in almost 60 reported cases, the address or services could not be found. It is not understood that despite having a meter reading contractor who are supposed to report such instances, the municipality hands over accounts that seemingly do not exist. In both instances, the contractors are paid for work that the municipality should have been aware of. This leaves a serious concern on the credibility of data and billing of accounts.

It is a well-known fact that despite meter readings reported by the meter reading contractor, the actual billing is altered on an ad hoc basis by officials, without verifying the readings or exception reports through test readings. The integrity of the data is highly questionable and has an impact on the financial reports of council. The payment figures reported in the section 71 reports cannot be correct if the billing figures are incorrect. This also has a knock-on effect on the debtors and creditors figures.

The report also reflects that the credit control policy of council is selectively implemented and not on an **equal** basis throughout the municipality. No credit control is being done on domestic accounts in the township areas. According to the report, credit control is only done on domestic accounts in Carletonville, Fochville, Oberholzer and Welverdiend. There is clear geographical discrimination in the implementation of the credit control policy. No credit control is done on domestic accounts in the areas with the lowest payment figures.

It is of critical importance that these data be verified and corrected and reports not be submitted to council based on the GIGA principle, **Garbage In, Garbage Out**.

It is further reported that:

*"The current none purchase of prepaid consumers is currently **19 942** ending of September 2023 compared to August 2023 total was 18364. It is a clear indication that tampering of meters and access to infrastructure for both water and electricity meters is accessible and accruing which requires a prompt attention for all problematic meters to be fixed"*

This matter has been reported to council in various reports and it is clear that Council is fully aware of the situation, yet there is no action to remedy the situation which means that Council is condoning the theft of electricity and is an accomplice in these criminal activities.

This matter must be viewed against the arrears Eskom account of R 827 279 031 and electricity losses of 69.6% recorded for the 2023/24 financial year.

The inequality in applying council's credit control policy is a serious concern and is clearly unfair and illegal. It is a concern that the oversight structures of council and council committees is not fulfilling their legislated functions.

It is a concern that the report acknowledges the problem of credit control in township areas as well as the bridged meters, but that no corrective measures or action plans are submitted or required by the section 80 committee or council.

The report also clearly indicates the lack of coordination between departments and portfolio heads. Although the figures of tampered meters and subsequent financial losses are reported by the Finance Department, the correction of the meters and infrastructure is the responsibility of the Infrastructure Department, who does not even comment on the report. This proves the lack of strategy, planning and oversight on the biggest challenge affecting council's finances and service delivery and a clear failure of oversight.

RECOMMENDATIONS

1. That cognizance be taken of the credit control report for October 2023 and the concern that credit control is not done in all areas and wards of the municipality.
2. That cognizance be taken that no credit control is implemented in the worse paying areas of Merafong City which is a clear indication of the selective implementation of council policies.
3. That cognizance be taken of the **19 942** non- purchasing pre-paid electricity meters and the concern that there is no plan of action to address this serious problem.
4. That the Finance and Infrastructure Departments, through the respective portfolio heads, ensure co-ordination of their functions to address the theft of electricity and the impact thereof on the revenue and service delivery of the municipality.
5. That these inputs be escalated by the ward councilor through the relevant structures of council and that a feedback report be submitted to the ward committee.

SIGNATURE: *Original Signed*

CWA NIEUWOUDT

DATE:27 November 2023

Annexure: Section 80 Credit Control Report – October 2023

MONTHLY REPORT – WARD 14

PORTFOLIO: Finance

MONTH: December 2023

MEMBER RESPONSIBLE FOR THIS PORTFOLIO: CWA NIEUWOUDT

Financial report October 2023

Purpose

The purpose of the report is to submit a broad overview of the implementation of the 2023/2024 Budget in accordance with the October 2023 Section 71 of the MFMA report on the implementation of the Budget and the financial situation of the municipality and to raise the ward committee's concern on the impact of the financial situation of council on service delivery. This report is for the month ending 31 October 2023.

Background

In terms of Section 71(d) of the MFMA, the accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality, and the relevant National and Provincial Treasury, a statement in the prescribed format on the state of the municipality's budget reflecting certain particulars for that month for the financial year up to the end of that month.

Discussion

The MFMA stipulates as follows regarding reporting monthly on a budget performance:

71. (1) The accounting officer of a municipality must by no later than 10 working days after the end of each

month submit to the mayor of the municipality and the relevant Provincial treasury a statement in the

prescribed format on the state of the municipality's budget reflecting the following particulars for that

month and for the financial year up to the end of that month:

- (a) actual revenue, per revenue source;
- (b) actual borrowings;
- (c) actual expenditure, per vote;
- (d) actual capital expenditure, per vote;
- (e) the amount of any allocations received;

(f) actual expenditure on those allocations, excluding expenditure on— (i) its share of the local

government equitable share; and (ii) allocations exempted by the annual Division of Revenue Act from

compliance with this paragraph; and

(g) when necessary, an explanation of—

(i) any material variances from the municipality's projected revenue by source, and from the

municipality's expenditure projections per vote;

(ii) any material variances from the service delivery and budget implementation plan; and

(iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and

expenditure remain within the municipality's approved budget.

It should be noted that the submission of the report is the responsibility of the Accounting Officer who is also accountable for the report in terms of the stated legislation. In a previous report several shortcomings in the report and incorrect tables have been identified and reported to the ward committee, with recommendations that the report be improved by the municipality.

In the current section 71 report, the matter is explained and it is acknowledged that the report is not compliant with mSCOA due to the BIQ financial system that is not compliant. The explanation is noted with gratitude. It is clear that data cannot manually be reconciled by the officials, as it was done in the past. It is also not understood how the system that has been used for over a decade with unqualified audit opinions up to 2020, has regressed to the current extend.

The following is a brief summary of the Section 71 report for October 2023.

Statement of Financial Performance

Table 1 of the report is a summary of the Total Budget Performance.

Revenue

The total annual budgeted revenue is reflected **as R2 249 779 000** and differs from the previous month's report, without any explanation. The audited outcome for the 2022/2023 financial year is reflected **as R 1 397 803 000**. There is a huge discrepancy between the current year's budget and last year's audited outcome, which is an indication that the revenue budget is not credible and realistic and is unfunded.

The YTD actual figure of R807 274 reflects a positive variance of 5% which is mainly contributed to grants received. Revenue from service charges is underperforming by 12%.

The Operating Expenditure budget is R2 249 001 compared to an audited outcome for the previous financial year of R 2 396 664. The YTD Expenditure budget reflects an over-expenditure variance of 2%.

Table 2 of the report is a summary of the financial performance, Income and Expenditure by vote.

The total Revenue YTD reflects a positive balance of R9 310 000. An amount of R 840 207 000 has been reported as actual revenue (YTD) compared to a budget (YTD) of R830 897 000. The explanation is that more grants have been received during the period than anticipated in the budget.

Expenditure

The YTD expenditure budget by vote for the 2023/24 financial year is: R540 686 000. The actual YTD expenditure was R552 625 000, a variance of R11 939 000 (overspend).

Table C 4 Revenue by Type

The table reflects the revenue by type and it is clear that council performed poor pertaining to its own revenue, excluding grants. The following is a summary:

	YTD Budget	YTD Actual	Variance
Electricity	R 126 111 000	R 97 745 000	-22%
Water	R 153 574 000	R144 004 000	- 6%
Waste Water Management	R 28 627 000	R 25 483 000	- 11%
Waste management	R 29 309 000	R 28 704 000	- 2%
Sales of goods	R 1 344 000	R 1 291 000	- 4%

Table SC6 Grants Received

The total grants received amounted to R135 829 027.04 with the Expenditure incurred to an amount of R47 847 250.59, the total unspent Grants amount to R87 981 776.45

Financial performance Expenditure by type

The YTD Budget is R 540 686 000 against and actual YTD expenditure of R 552 625 000, which represents an overspending of R11 939 000.

Bulk services purchases represent 26% of the expenditure, whilst losses on electricity represent 69,6% and water 40,8%, yet there is no plan of action to address these losses.

The expenditure on Contracted services were R10 580 677, mostly for Consulting services. This is a serious concern seeing that more use is made of consultants to execute municipal functions.

Table SC3 Debtors and Creditors

The total outstanding Debtors is R5 444 334 000 as at 31 October 2023 compared to the R4 025 223 000 on 31 October 2022. This situation is totally out of control as reported monthly by the ward committee since its establishment in 2022.

It is clear that the credit control policy, as approved by council is not implemented, resulting in the ever- increasing debtor situation, which is unsustainable.

The payment levels for the month were 52.1% compared to a budgeted collection rate of 60%. This trend has been prevalent for the past years and inputs during the budget consultation process made council aware of the situation. Despite monthly ward committee reports and recommendations regarding this matter, council ignored all inputs as can be seen from the report. The credit control function is totally ineffective and selective and seemingly not a priority for council.

Outstanding Creditors.

The municipality is currently owing the suppliers a total amount of R1 866 422 000 as of the end of the month.

The table below is a summary of the main outstanding creditors for the reporting period. It is clear that the municipality cannot fulfill its financial obligations, which is a serious concern for the long- term sustainability and future of Merafong city.

Description	Amount
Eskom	R 801 654 032
Rand Water	R 827 279 031
Total as at 31 October 2023	R 1 628 933 063

The creditor payments have further regressed and council is not in a position to honor its obligations.

Apart from the amounts owed to Eskom and Rand Water, which are state entities, council owes a number of private companies and small businesses, putting them at risk of financial distress contributing to job losses.

There is no indication of any arrangements in place with creditors, apart from Eskom and Rand Water, or any plan of action to address the situation which must be regarded as reckless trading. Council is also not honoring its payment arrangements with Eskom and Rand Water.

Capital expenditure

The capital expenditure as indicated in table C5 of the council report.

The municipality has a total budget of R R187 969 300. To date an amount of R13 878 361 or 7.39% of the budget has been spend after 4 months of the financial year. It should be noted that the entire capital budget is grant funded and should the municipality not spend the budget by financial year-end, there is a likelihood that the funds will have to be returned to the funder. The lack of funds has been the excuse for the total lack of service delivery in Merafong City but it is clear that the failure of the municipality at all levels is the only reason for no service delivery.

The report indicated that the low spending is due to the fact that it is month 1 of the financial year, whilst it is already month 4, a clear indication of incompetence and no duty of care, even in reporting.

Cashflow Statement

There is still no cashflow statement in the report. The reason given is that the financial system cannot provide such, the same system that has been successfully used for the last decade, with unqualified audit opinions up to 2020. This rather seems like a capacity issue and not only a system issue.

It is a serious concern if council does not know it's cashflow position. Cashflow planning should at least be done weekly, if not daily, when an organisation is experiencing serious financial challenges, such as Merafong.

It is not understood why provincial and national treasury is not intervening in this regard seeing that the report does not comply with the requirements and council is already under section 139 of the Constitution intervention.

Investments

The municipality's investments on 31October 2023 are as set out in the table.

The municipality started the beginning of the month with total investments of R193 702 085.28 with a closing balance of R 187 075 146.25

These investments are in lieu of unspent capital grants.

Distribution losses

Water losses were calculated at 47% at **year-end** against the norm of 15%. The water losses reported for **October 2023** was 40.8 %.

Electricity Losses were calculated at 64% at year-end. The main reason for these losses is electricity theft and bridged meters. Yet again there is no plan of action indicated to address this major problem, threatening the financial viability of the municipality. The losses reported for the month of October is reported at 69.6% without any explanation or plan of action.

Staff expenditure/ Overtime

Overtime paid for October 2023 was reported at total amount of **R3 527 723.31** (R2 669 587.45 Trading and R858 135.86 Non- Trading) against the projected budget of R2 211 250.25 (R2 039 718.58 Trading and R171 531.67 Non-Trading) which is **159.54%** of the monthly projected budget.

It seems that there is no control over staff overtime, especially for the non-trading services. The monthly reports indicate that the matter will be escalated to the exco but no indication is given what steps have been taken. There is also no political oversight in this regard to ensure that exco addresses the matter.

Outstanding consumer accounts- Councillors

It is reported that 11 councillors are in arrears with their consumer accounts to the value of **R518 708.73**. Most councillors have **50- month** arrangements in place and a total of **R18 572.94** was deducted for the month. It is not indicated at what rate interest is charged, if at all.

It is clear that two sets of rules apply for the public and the councillors. Services of the public in Carletonville, Fochville, Welverdiend and Oberholzer is terminated on a monthly basis if your account is not paid up in full. This is applauded and correct. The problem is that the same approach does not apply for township areas and for councillors.

Deductions for 11 staff members in arrears to the value of R292 662 .12 have been done. A total amount of R18 902. 72 has been deducted for the month. The arrangement period for staff is indicated between 12 months and 36 months.

Conclusion

It is clear from this report that the municipality is dysfunctional and regressing at an alarming rate. The ward committee has since its establishment made comments and recommendations to assist in this regard. During the IDP and Budget consultation process clear and tangible inputs were made to address the situation. Without a clear Financial Recovery plan, which should start with the implementation of the credit control policy and action against theft of electricity, this municipality will not improve and the state of total collapse will continue.

Recommendations

1. That the summary of the financial position of Council in accordance with the section 71 report of October 2023 be noted with concern.
2. That it be noted that despite monthly reports from the ward committee submitted through the office of the Speaker, no feedback or response has ever been received. This behavior makes a mockery of the ward committee system.
3. That the ward committee be provided with the credit control plan and dates when the program of correction of bridged meters will commence in ward 14, to enable the ward committee to effectively communicate with the residents, in support of the program.

4. That written feedback be obtained by the ward councilor.

SIGNATURE: *Original Signed*

CWA NIEUWOUDT

DATE:29/11/2023

MONTHLY REPORT

PORTFOLIO REPORT: HEALTH & SOCIAL DEVELOPMENT

MONTH: December 2023

MEMBER RESPONSIBLE FOR THIS PORTFOLIO: Cornelia Sauer

The following items was approved by the Executive Mayor on 17th July 2023.

- Report on the implementation of the local drug action committee Recommendation - That cognizance be taken for the successful implementation of the program. That the program be implemented quarterly for the purposes of continuity as well as to allow a base for an impact assessment to be conducted on the program.
- Submission of verified indigent application debt write-off. Recommendation - That cognizance be taken of the four hundred and six-eight indigent applications verified during March 2023. The cognizance be taken four hundred and fifty applications were found to meet the requirement for indigent support. 12 applications did not meet the requirements. 177 applications had debts below R10 000,00. 279 applications with debts above R10 000,00. The cognizance be taken of the projected financial implications of R16 495 275,00 calculated as at 31 March 2023.
- Homeless outreach campaign Recommendation - The cognizance be taken for the successful implementation of the program. The cognizance be taken of the outcome of the activity. The cognizance be taken of the intention to capacitate the Ubuntu Safe home into a regional homeless shelter. The program funded by the Gauteng Department of Social Development.

Signature: 

Date: 5th September 2023

Monthly Report - November 2023

Portfolio – Corporate Services

Member – Nadine Bouwer

- Health & Safety still a concern – We are approaching rain season, so the concern is even higher especially at the rate that we have electricity issues, the lack of PPE, proper equipment etc, I sincerely hope that this can be addressed and seen too as in general we are not well prepared
- Residents are very unhappy due to high accounts again this month – why is this happening, and why is getting it resolved such a tedious procedure? Could it be to the way meter readings are collected and captured? Or a lack of training and proper resources to do so?
- Staff issues still an issue at Merafong – Appointing new staff, training of new staff/current staff – This affects us all, I realize cash flow might be an issue but are there no ways we can start addressing this ie the electrical department is very short staffed
- CFO – That almost got appointed was/is involved with VBS Scandal, vetting process clearly not effective – what is the solution going forward as to the hiring processes as its clear after the incident a few weeks back, same mistakes are being repeated when it comes to filling posts
- Attached I am including Organizational Structure, we are also kindly requesting to find out is this in line with IDP, has SALGA been implemented, we also want clear indications of salary structures



HIGH LEVEL ORGANIZATIONAL STRUCTURE FOR MERAUFONG CITY LOCAL MUNICIPALITY 2023

URGENT COUNCIL MEETING: 29 NOVEMBER 2023

PURPOSE

The purpose of this item is to request Council to consider the High Level Organizational Structure, for Merafong City Local Municipality 2023

BACKGROUND

Merafong City Local Municipality, last reviewed the Organizational Structure in September 2014. The 2014 Organizational Structure was never fully implemented due to certain conditions as resolved by the Municipal Council.

The Municipal Systems Act of 2000 (Act 32 of 2000) dictates that annually the Organizational Structure must be reviewed in order to align with the strategic plans of the municipality or of the newly elected leadership.

DISCUSSIONS

In terms of Section 66 of the Local Government Municipal Systems Act 32 of 2000 (Act 32 of 2000), a municipal manager within a policy framework determined by the municipal Council and subject to any applicable legislation, must

- a) Develop a staff establishment for the municipality and submit the staff establishment to the municipality council for approval
- b) Provide a job description for each post on the staff establishment
- c) Attach to those posts the remuneration and other conditions of services as may be determined in accordance with any applicable labour legislation and
- d) Establish a process or mechanisms to regularly evaluate the staff establishment and the remuneration and conditions of service.

In view of the Strategic Session which was held during the month of May 2023, and strategic objectives to be achieved, a need arose that the high level Organizational Structure, be viewed and be aligned with the strategic plan outcomes.

In accordance to Section 5 (1) of the Local Government Municipal Staff Regulations,

- 1) A municipality may within its administrative and financial capacity
 - a) Establish separate departments for
 - i) The development and town planning
 - ii) The provision of municipal public works and basic services to communities
 - iii) The provision of community services
 - iv) The management of the municipal 's finances and
 - v) Provision of corporate support services
 - b) Provide capacity to support
 - i) The offices of public office bearers and
 - ii) The office of the municipal manager

In terms Government Gazette No 49142 dated 18 August 2023. Merafong City Local Municipality, is a Grade 4 and Category B Municipality, which must have a Span of Control, of 6-8 Directors reporting to the Municipal Manager and 6-7 managers reporting directly to Directors. The proposed High Level Organizational Structure is attached as **(Annexure A)**

ORGANIZATIONAL AND PERSONNEL IMPLICATIONS

The approval of the high level Organizational Structure will have a positive impact to the achievement of strategic objectives of the organization.

COMMUNICATIONS IMPLICATIONS

The High Level Organizational Structure will be communicated to all relevant stakeholders

CONSTITUTIONAL AND LEGAL IMPLICATIONS

The Municipality is expected to annually review the Organizational Structure as per the Systems Act. Non- reviewal of the structure will be regarded as non- compliance.

FINANCIAL IMPLICATIONS

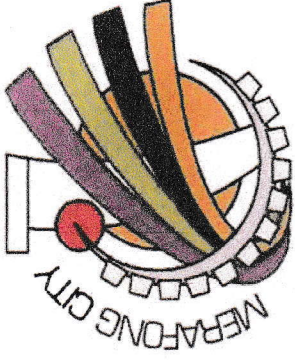
This High Level Structure will have financial implications for the municipality. Newly created departments should be budgeted for.

ORTHER BODIES / DEPARTMENT CONSULTED

The Mayoral Committee, Council , LLF and COGTA will be consulted in this regard.

RECOMMENDATIONS

- i) That the High Level Organizational Structure is submitted to the Council for final consideration and approval thereof



HIGH LEVEL STRUCUTURE – MERAUFONG CITY LOCAL MUNICIPALITY

Merafong City Local Municipality

29 October 2023

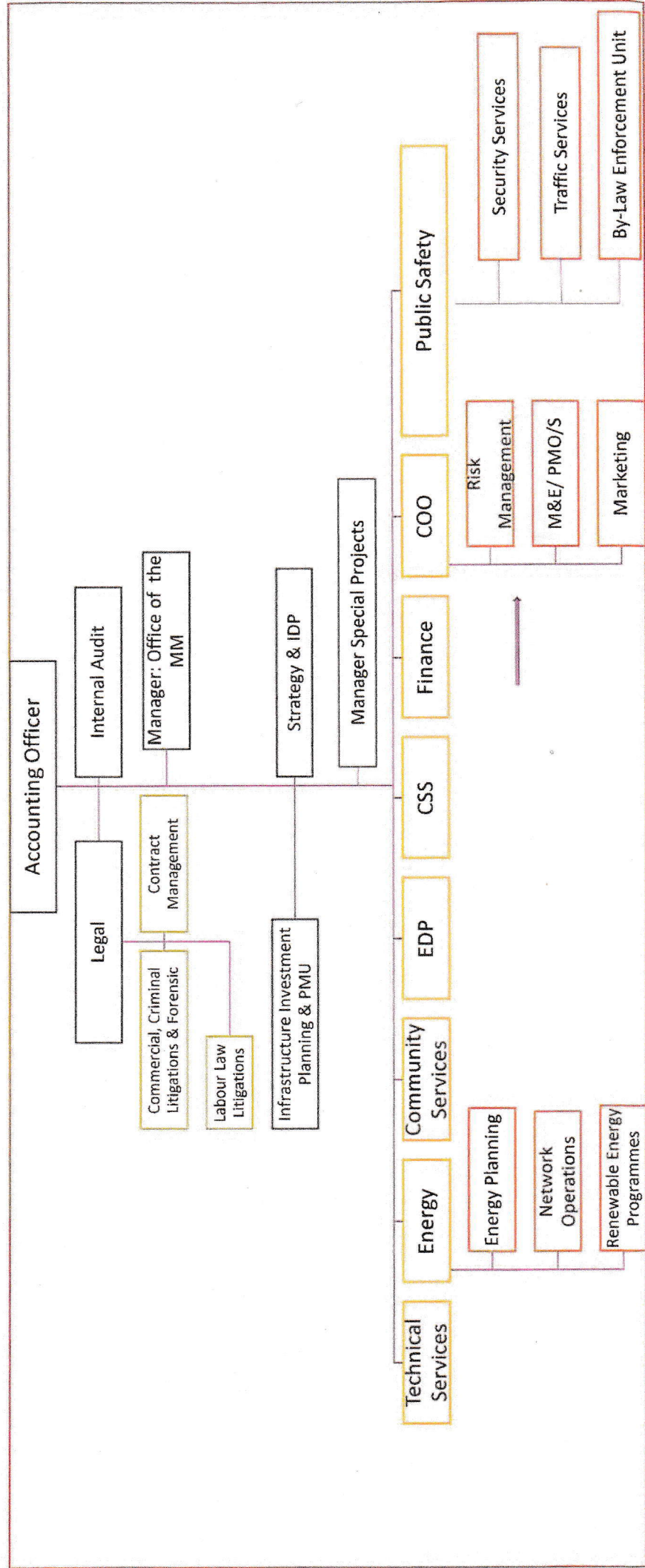
OUR VISION: An economically sustainable, community oriented and safe City

Structure of the Draft Structure Presentation

- Proposed High-Level Structure
- Important Considerations
- Implementation Protocol



Proposed High-Level Structure



Important Considerations

- Creation of a **Deputy CFO** position to be responsible for internal control environment, Standard Operating Procedures (SoP's) and ToR's on a **contractual basis** until the end of the current term.
- Creation of a **Manager: Financial Reporting** position to be responsible for **Compliance Financial monthly, quarterly, bi-annual and annual reporting and Annual and Bi-Annual Financial Statements (AFS)**.
- Forensic Investigations** move from **Risk Management to Legal Division**.
- Creation of a **Manager: MM Office** position to be responsible for all administrative functions in the MM's Office.
- Creation of a **Manager: Special Projects** in the MM Office
- Separating Legal from Secretariat and creating a **Manager: Secretariat** position at **Corporate Services** to be responsible for providing secretariat support to Council, Section 80 Committees, MPAC and any other Committee of Council as well as **Records Management**.



Important Considerations cont...

- Moving **PMU** from **Infrastructure** and creating an **Infrastructure Investment Unit & PMU (IIU & PMU)** in the **Office of the MM**, with the following responsibilities:
 - ✓ Ensuring that the municipality has **Master Plans**.
 - ✓ Ensuring that the municipality has '**AS BUILT Infrastructure Plans**'.
 - ✓ Ensuring that the municipality has a **Capital Expenditure Framework (CEF)** and a **Long-term Infrastructure Investment Plan (LTIIP)** and **facilitate infrastructure investment attraction from domestic and international funding organisations**.
 - ✓ **NB:** The implementation of all Infrastructure projects will remain within the departments (all departments will implement their projects and **IIU & PMU** will provide support).
- Moving the **Electricity Division** and creating an **Energy Department** separate from **Infrastructure Department**, to be responsible for the following critical functions:
 - ✓ Energy Planning
 - ✓ Network Operations
 - ✓ Renewable Energy Programmes
- Renaming the Infrastructure Department to Technical Department.



Important Considerations cont...

- Move the following functions to the **COO Office**:
 - ✓ Risk Management
 - ✓ PMO & M&E
 - ✓ Marketing.
- Renaming of the positions of **Executive Directors to Executive Managers**.
- Positions reporting to **Managers** to be renamed '**Assistant Managers**'.
- Creation of a position **Manager: Fleet Management at Corporate Services**.
- Creation of a position **Manager: Organisational Development at Corporate Services**.
- Creation of a position of **Manager: Parks & Cemeteries at Community Services**.



Implementation Protocols

1. Departments to have **Strategic Sessions** to finalise the migration of all positions to the new structure.
2. All Strategic Sessions to be supported by **Corporate & Shared Services (i.e. MMC: Corporate & Shared Services, ED, Manager: HRM & IR) and Finance (i.e. MMC: Finance, CFO, BTO), Risk Management and Legal.**
3. **Organised Labour** to be represented by **2 officials** from each organisation.
4. Strategic sessions to be finalised before the end **December 2023.**



Jacoba van den Berg

December 2023

Sport and Libraries

Nothing new on the sport grounds

Will reconnect in the new year again.

Library

Nothing new on the sport grounds

Will reconnect in the new year again.

A handwritten signature in black ink, appearing to be 'Jacoba van den Berg', written over a horizontal line.