Annexure: B

MANGAUNG METROPOLITAN

MUNICIPALITY STATUS QUO BY NCR

NOV 2022

MANGAUNG

AT THE HEART OF IT ALL

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Treasury
FREE STATE PROVINCE

1.3 GOVERNANCE

Overarching governance challenges to be highlighted in a 1-page narrative.

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Governance Model (council and committees)	**MMM is an executive mayoral with a ward participatory system. It has got both sections 79 & 80 committees. Section 79 committees report to Council through the Office of the Speaker.**	• Not following adopted municipal calendar • Items not prepared for or not submitted on time. • Mistrust between management and councillors • Political interference	• Political challenges of the ruling party(intra-party) • There is no substantive senior management core at the municipality • No training on roles and responsibilities among political office-bearers	• Training and capacitation of councillors and management on roles and responsibilities • Adhere to the adopted calendar of meetings • Respect for council protocols • Agenda meetings must sit	• FRP • Interviews
Political/ Administrative interface	**Troika is supposed to play that role where CM and political office-bearers meet on agreed dates to brief one another**	• Political tensions at political level • Meetings are erratic as they are not following the agreed calendar • No senior management in	• Political Tensions among office-bearers • Lack of substantive senior management • Interference by	• Strategic planning session to be held. • Stick to the municipal calendar of meetings	

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
		place	external stakeholders in the affairs of the municipality.		
Contract Management	**Contract management is supposed to be located with Finance or Corporate Services (Legal Services)**	• There is no contract management system in place • Not clear where the function should be performed or located • There is no up to date contract register	• Contract Management Committee no longer sitting • No synergy between legal & SCM • No online system to deal with contracts or document management system	• Revive the sitting of Contract Management Committee • Consider re-locating this function to SCM • There must be an online document management system • Invite NT/PT to conduct workshop on contract management	
Litigations	**There are a lot of litigations against the municipality. Litigations are handled by legal services**	• Not adhering to legal provisions • Poor staffing at legal services	• The municipality does not comply with legislative prescripts	• All decisions must adhere to legislative prescripts	

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
System of delegations	**There is a system of delegations**	It is outdated and in certain areas not in line with local government recent legislative amendments	• No review of delegation framework has been done recently • No respect for the current delegation	• Review delegation framework urgently • Invite DCOG, NT, PT & SALGA to conduct the training • Include financial delegation and SCM delegations	
By-laws	**There are by-laws in place**	Most of them are outdated and needing review	• No review has been conducted • By-laws not respected • By-laws not enforced	• Review all By-laws urgently • Invite relevant departments to assist with review • Establish a strong by-law enforcement section	
UIF&W and Consequence Management	**UIFW IS huge and there is clear consequence management plan**	• There is a callous disregard of SCM processes • Bid committees illegally constituted • No declaration of pecuniary interest by	• It is not clear where this matter resides • Role of internal audit must be clarified • Role of MPAC not clear	• MPAC must conduct investigations urgently • Locate the function in the office of the City Manager • Conduct training of MPAC & Internal Audit	

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
		members • No consequences for wrong-doing • Political meddling • No SCM Delegation Framework			
Audit action plans (internal and external)	**The AG action plan resides with CFO. The internal audit plan for 2022/2023FY is not yet in place.**	• No clear mechanism in place to monitor implementation of AG Action Plan by EMT and MPAC • There is no Risk-based internal audit plan for the current financial year due to the fact that CRO has not conducted Risk Assessment for the current financial year	• Lack of senior managers is affecting the compilation and monitoring of the action • No management leadership in the area.	• Locate the function in the office of the City Manager- internal audit • Submit action plan to the audit committee/MPAC. • Submit to council for approval	
Risk Management	**There is a Chief Risk Officer (CRO) and staff. RMC term of office came to an end and awaiting Acting CM to**	• There is no legally appointed RMC • Risk assessment for the current financial year not	• Lack of the tone at the top • No RMC appointed • No risk assessments	• Appoint RMC • Conduct risk assessments before end of August 2022	

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
	appoint	yet conducted • Tone at the top is problematic	conducted	• Regular reports to be submitted to EMT	

1.4 INSTITUTIONAL/ORGANISATIONAL/HUMAN RESOURCES

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Operating model	**No clear operating model at the moment**	The matter has not been given attention.	Not treated as a priority.	Hold strategic planning session urgently to agree on operating model	
Organisational structure	**The process for the review of the organisational structure has started**	• No leadership on the matter • Structure has not been reviewed for years	No political will to approve the structure	• Review the structure • Comply with Staff Establishment Regulations • Ensure full participation or organised labour.	
Employee cost	**To be determined**	• Bloated structure • Not following employment procedures	• Merger issues not fully addressed • Political Interference • Not following employment procedures	• Stick to the norms and standards determined	

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Labour relations	**There are frosty relations between organised labour and management**	• Mistrust Issues between labour and management • Politicisation of employment	• Lack of professionalization • Non-adherence to agreed resolutions • Deviations from legislative framework • Misunderstanding of the role of LLF	• Conduct Training of stakeholder on the role of LLF • Depoliticise workforce/ professionalise	
Skills & competencies	**Skills audited suggested to Acting HoD and matters of competencies will be covered there**	• No skills audit conducted • Non-adherence to recruitment and selection procedures	• Politicisation of employment • No skills audit conducted	• Conduct skills • Use LGSETA funding to improve skills profile of the employees • Adhere to recruitment & selection procedures • Use the new Staff Regulations as a starting point.	

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Staff discipline and Disciplinary Board	**Staff discipline leaves much to be desired and there is no Municipal Disciplinary Board in place**	• Poor staff discipline in the municipality • Purport favouritism • Non-adherence to the disciplinary code	• Politicisation of workforce • No training on the applicable disciplinary codes • No willingness to establish MDB	• Professionalise • Train staff on matters of discipline • Establish MDB • Apply disciplinary codes consistently	
Performance Management	**There is a performance management system in place although it is at senior management level. No cascading of PMS to lower levels as yet.**	• Inconsistent sitting of PAC • Lack of cascading of PMS to all levels • No buy-in from labour	• Lack of support from the top • Inconsistent sitting of PAC • No buy-in from labour	• Cascade PMS to all levels • Solicit buy-in from labour • Ensure synergy between OPMS/PMS offices • Buy-in from the top	
Consequence Management	**There is no clear consequence management plan in place**	No consequence management framework	• Lack of will from the top • Political interference • No MDB	• Council must adopt a consequence management framework • Appoint MDB	

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
		• No implementation of consequence management		• Conduct workshop	
Key HR Policies	**There key HR Policies**	• No review of policies- last done in 2017 • Some policies are outdated	• Lack of focus • No political will	• Review all policies	
HR Strategy	**HR Strategy in place**	• Outdated	• Lack of focus	• Comprehensive review of the strategy	
Physical Verification of staff and qualifications	**Not yet taken place**	• Not conducted in a long time and vetting except senior managers	• No will	• Conduct head count and vetting	

1.5 FINANCIAL MANAGEMENT

Key Issues Identified

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Funded Budget Status	**The Budget is funded but not sustainable.**	Revenue collection levels at 70%	Effective Debt Management not instituted	Tariff Structure not cost reflective	Medium Term Budget Statements
Budget related policies (finance and human resources)	**Tariff policy needs to be reviewed and other policies need to be strictly implemented**	Policies need to be cost reflective and aligned to the municipality	Generic policies being used for compliance purposes.	Review, align & Workshop Policies	Medium Term Budget Statements
Revenue Management Value Chain/revenue raising measures	**Revenue enhancement methods not implemented and lead times for preparation of billing need restructuring and synergy**	Critical vacant posts not filled. Billing inaccurate and not timeously sent out.	Non implementation of Revenue Enhancement Measures and non-filling of crucial vacancies	Fill critical vacancies and ensure that the revenue value chain activities are streamlined	• Organogram • Management Reports
Customer care and data accuracy	**Data not accurate and Customer care non – existent**	• Meters not being read timeously and customer services unit is dysfunctional • The functionality of over 4600 meters not accounted for in the financial system	Customer Services Unit within the structure non-functional and meter readers not properly trained	• Fill critical vacancies and train meter reading staff • Undertake meter audit	Organogram Audit Report
Cost-reflective tariffs	**Tariffs not cost reflective**	Water losses,	• Ageing Infrastructure and illegal connections.	• Regular repairs and maintenance to the infrastructure	Tariff Policy

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
		Water infrastructure maintenance poor and illegal connections	• Bloemwater tariff increases to be re-negotiated in the SLA	• And engagement with Bloemwater to seek an affordable cost structure	
Indigent Management	**Indigent Register not updated**	Indigent policy not explained and workshopped adequately	• Inadequate staff component • Policy not workshopped	• Fill critical vacancies • Workshop Policy & assist Ward Committees in compiling the same	Indigent Policy
Supply chain management compliance and value for money procurement	**Non – Compliance of SCM Rules & Regulations.** **No contract management in place hence, no monitoring for value for money**	• SCM rules blatantly not adhered to. • Staff placed in strategic acting positions to help manipulate the system.	HoD's have high financial delegation power and do not need AO authority to spend under 5million, this is one primary issue causing the cashflow crisis	• Remove delegation power from HOD's • Enforce the SCM rules and policies • Scrutinise invoices or subject invoices to Internal Audit when in doubt	SCM Policies and Regulations
Cost containment and realistic cash flow management	**Cashflow very poor.** **Liquidity rate under one month** **Cost containment circular just approved**	• Revenue Collection far too low • Staff budget inflated • Overtime and acting abused • Cost on non-essential items exorbitant	• No Revenue Enhancement Strategies implemented. • HODs approving non-essential purchases	• Enhance Revenue Collection • Cease Acting Allowances • Curb non-essential expenditure	Cost Containment Circular

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Financial control environment	**No individual who are permanently employed in Finance has undergone the compulsory Treasury training modules to meet the Minimum Qual Standards as per gazette** **Highly Qualified individuals are there but need the mentorship**	• Too many Acting individuals causing an element of instability and risk • Segregation of duties in Finance dept is overall satisfactory BUT the PAYROLL section sits with Corporate Services. It is better suited in the Finance Unit	• Essential Vacancies not filled • Payroll not placed not placed in Finance unit • Finance staff not given the opportunity to be nominated for the Treasury training to obtain the Minimum Standards as per gazette	• Fill essential vacancies • Move payroll to Finance Unit • Provide opportunity to Finance staff to undergo treasury training.	• Organisational Structure and staff files • Treasury Gazette
Debt restructuring	**MMM has Loans with DBSA, Std bank and Absa bank valued at just over 600m**	These loans are often serviced late due to cash flow constraints	Revenue collection low	Enhance Revenue Collection methods	AFS
Creditor management	**Payments to service providers are often over 90 days**	Lack of cashflow to offset these payments	Ineffective Revenue collection method	Cashflow enhancement methods to be introduced	AFS

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
		Invoices from line function departments are often not checked or signed without verifying completion of work et	Staff within the line functions not highly knowledgeable on checking invoices		
Grant management	**Poor Grant Management by Project Managers**	• Project Managers need to be trained and mentored • Unable to spend funds as per conditions, hence funds recalled by Treasury	• Unskilled staff in place • Poor planning to execute projects	• Capacitate Staff with adequate skills • Align Grant spending with SDBIP in other words the procurement plan and hold Managers Accountable	AFS
mSCOA implementation	**85 percent compliant**	Too much reliance on consultants	No transfer of skills by the consultants	Provide relevant and necessary training for Finance staff regarding the Municipal Standard Chart of Accounts mSCOA	Audit report
Financial reporting	**Section 71, 72 and Section 80 reports all done timeously**	Council not sitting often enough to peruse these docs.	Council calendar not adhered to in regards to the meetings scheduled	Council needs to set a cast in concrete calendar and upkeep the dates diligently	Sec 71 and 72 reports

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Preparation of AFS	**High reliance on consultants**	No transfer of skills	No training provided to current staff	Implement a transfer of skills programme at MMM	Self-evaluation
Finance/ Technical interface	**Too many software systems exist**	• License costs exorbitant • Consultants monopolise the arena by ensuring a specific system is what a municipality becomes reliant on	No proper communication and planning within the relevant units	Install one system that is all encompassing of each unit's needs and are mSCOA compliant. Treasury already has a transversal tender in place to address the same	Management Reports

1.5.1 Analysis of key Financial Ratios

Ratio	Ratio for 2019/20	Ratio for 2020/21	INTERPRETATION
Asset Management Utilization			
Capital Expenditure to Total Expenditure – indicates the prioritisation of expenditure towards current operations versus future capacity in terms of Municipal Services. **The norm is 10% - 20%.**	5.65%	9.18%	An increase in the right direction is observed. With the current challenges concerning tools of trade and fleet, expenditure on capital equipment must be ramped up further to at least 15%
Repairs and Maintenance to Property, Plant and Equipment and Investment Property – measures the level of repairs and maintenance to ensure adequate repairs and maintenance to prevent breakdowns and interruptions to services delivery. **The norm is 8%.**	**2.67%**	**2.79%**	The percentage of repairs and maintenance to property is extremely low. The norm is 8%
Debtors Management			
Annual Collection Rate - indicates the level of payments as a percentage of revenue billed on credit. **The norm is 95%.**	**83.49%**	**79%**	This explains why the Municipality experiences cashflow challenges. CENTLEC and the MMM must collaborate on credit control measures in order to use electricity cut-offs as a credit control instrument.
Bad Debts Written-off as % of the Bad Debt Provision **The Ratio compares the value of Bad Debts Written-off on Consumer Debtors to Bad Debts Provided for Consumer Debtors to ensure that the Provision for Bad Debts is**	**36.51%**	**1.05%**	Bad debt written off exceeded bad debt provided by 5%. This percentage needs to be watched closely.

Ratio	Ratio for 2019/20	Ratio for 2020/21	INTERPRETATION
sufficient. **The norm is 100%.**			
Debtors Management Net Debtors Days – indicates the average number of days taken for debtors to pay their accounts. **The norm is 30 days.**	**425 days**	**485 days**	Net debtors should not exceed 30 days. The debtor days demonstrate the sever cashflow pressure that the Municipality is enduring.
Liquidity Management			
Cash/ Cost Coverage Ratio (Excluding Unspent Conditional Grants) **The Ratio indicates the Municipality's or Municipal Entity's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue.** **The norm is 1-3 months**	=0.80 months	0.27 months	The ration is critically low – over 7 times lower than the norm
Current Ratio - this ratio indicates the extent to which current **assets** can be used to settle short-term liabilities. If current assets do not exceed current liabilities, it means a liquidity problem i.e., insufficient cash to meet financial obligations. **The norm is 1.5 - 2:1.**	0.78%	0,77%	MMM is not in a position to meet its short-term liabilities

Ratio	Ratio for 2019/20	Ratio for 2020/21	INTERPRETATION
Liability Management			
Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure - indicates the cost required to service the borrowing. It assesses the borrowing or payment obligation expressed as a percentage of total operating expenditure. **The norm is 6% - 8%**	**2.70 %**	**2.20 %**	The percentage is on the lower side. There is therefore still scope to borrow. However, cashflow must allow the MMM to service its debt.
Debt (Total Borrowings)/ Revenue - indicates the extent of total borrowings in relation to total operating revenue. The purpose of the ratio is to provide assurance that sufficient revenue will be generated to repay liabilities. Alternatively stated, the ratio indicates the affordability of the total borrowings. **The norm is 45%.**	**13.47%**	**11.35%**	The affordability of borrowing is still conservative
Efficiency			
Net Operating Surplus Margin – measures the net surplus or deficit as a percentage of revenue. **The norm is > 0%**	**3.23%**	**0.10%**	The net surplus is very low

Ratio	Ratio for 2019/20	Ratio for 2020/21	INTERPRETATION
Distribution Losses			
Electricity Distribution Losses (%) The purpose is to measure the percentage loss of potential revenue from Electricity Services through electricity units purchased and generated but not sold because of losses incurred. **The norm is 7% - 10%**	**8.04%**	**10.05%**	Electricity distribution losses is touching the upper level of the upper threshold
Water Distribution Losses (Percentage) The purpose of this ratio is to determine the percentage loss of potential revenue from water service through kilolitres of water purchased but not sold because of losses. **The norm is 15% - 30%.**	**41%**	**44%**	Water distribution losses are excessive -exceeding the norm by far
Revenue Management			
Revenue Growth (%) – measures the growth in revenue year on year. The norm is at the rate of CPI	**2.80%**	**0.46%**	Revenue growth is far below the current CPI

Ratio	Ratio for 2019/20	Ratio for 2020/21	INTERPRETATION
Revenue Growth (%) -Excluding Capital Grants Measures the growth in revenue excluding capital grants year on year. **The norm is > 5%.**	**7.11%**	**3.72%**	Revenue growth is below the norm
Expenditure Management			
Creditors Payment Period			
This ratio indicates the average number of days taken for trade creditors to be paid. **The norm is 30 days.**	**72 days**	**71 days**	Credit payment period is much more than the 1 month norm
Irregular, Fruitless and Wasteful and Unauthorized Expenditure to Total Expenditure – this ratio measures the extent of irregular, fruitless and wasteful and unauthorized expenditure to total expenditure. **The norm is 0%.**	**41.40%**	**13.16%**	IFWUE to total expenditure is far more than 0%
Remuneration (Councillor Remuneration and Employee Related Costs) as % of Total Operating Expenditure - Indicates the extent to which expenditure is applied to the payment of personnel. **The norm is 25% - 40%.**	**28.78%**	**29.28%**	The percentage is within the norm

Ratio	Ratio for 2019/20	Ratio for 2020/21	INTERPRETATION
Contracted Services as a % of Total Operating Expenditure - indicates the extent to which the municipalities resources are committed towards contracted services to perform Municipal related functions. **The norm is 2%-5%.**	7.84%	7.07%	Contracted services percentage is 2% more than the norm. The MMM needs to scale down on this as the MMM relies on contracted services more than using inhouse staff.
Budget Implementation			
Capital Budget Implementation Indicator **The norm is 95% to 100%**	**59.20%**	**75.52%**	The capital budget indicator is 20% below the norm.
Operating Expenditure Budget Implementation Indicator **The norm is 95% to 100%**	**109.73%**	**113.68%**	The indicator is more than the norm by 14%
Operating Revenue Budget Implementation Indicator **The norm is 95% to 100%**	**96.34%**	**94.28%**	The indicator is more or less in line
Billed Revenue Budget Implementation Indicator **The norm is 95% to 100%**	**102.30%**	**98.07%**	MMM is within the norm

1.6 SERVICE DELIVERY

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
INFRASTRUCTURE ASSET MANAGEMENT					
Asset Management policy and plan.	• None except the incomplete plan	• No funds	• Policy was never planned	• Allocate budget and implement	• The asset managem ent plan
Long-term asset management master plans that will look into long term investments, replacement, maintenance and sustainability of the municipality, amongst others	• Master plans are currently under development	• None	• None	• None	• Water and Sanitation sub-directorate s Capital Budget
Condition of infrastructure to determine state, taking into consideration service backlogs and long-term strategy aligned to the operating model IDP, budget and long-term financial plan	• Condition assessment done	• None	• None	• None	• In-house info

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Asset Register compliance with GRAP. Update and maintain Asset Register.	• It is poor and manual	•	•	•	•
Portable Water Supply and Bulk Water					
Water master plan	• Master plans are currently under development	• None	• None	• None	• Water and Sanitation sub-directorates Capital Budget
Water Infrastructure Maintenance plan	• Plan not complete	• Engaging on reactivate	• No budget	• Allocate budget and implement	• In-house information
Water Conservation and Water Demand Management Plan (WCWDMP) and Water Services Development Plan (WSDP)	• The developed 10-year strategy not implemented	• Unacceptable water losses	• No budget	• Prioritise and allocate budget for implementation	• In-house information
Water Loss Management. How much are the water losses?	• 46%	• Unaccounted for water losses and high bill on water sales	• Lack of proper network maintenance	• Prioritise meter replacement, billing systems and maintenance of the network	• In-house information

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Loss control and non-technical losses due to meter tampering, illegal connections	• Decline on revenue collection	• Monitoring of consumers	• Consumers not prioritising the payment of services	• Consumers not prioritising the payment of services	• In-house informatio n
Unmetered consumption (Value of revenue forfeited?)	• Consumed water not accounted for	• High water losses	• Funds to install water meters	• Allocate budget and install water meters	• Water and finance departme nts
Need for meter audits and 'SMART' technologies	• The meter register is not accurate/in place	• Poor revenue collected	• Budget Constraints	• Allocate funds and install water meters	• Finance directorat e
Network Maintenance; Attending to all reported faults and leakages	• Visible water leaks	• High water bill and losses	• Lack of personnel, plant, tools, spares and equipment	• Prioritise maintenance budget	• In-house informatio n
Installed bulk water meters and zonal meters.	• No preventative maintenance	• Malfunctioning of bulk meters	• Ageing and Vandalism	• Introduce the meter management plan	• In-house informatio n
Water meter audits; Replacing malfunctioning meters and non-metered households?	• No preventative maintenance	• Malfunctioning of bulk meters	• Ageing and Vandalism	• Introduce the meter management plan	• In-house informatio n

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Billing database cleansing	• The billing data cleansing is an on-going exercise	• Currently 4620 meters are not allocated to the financial system	• The information about the installed meters do not always reach the finance office	• The finance and engineering teams have joined forces to go out and conduct in-loco inspections	• The FRP report
Amount of debt with water boards? Debt arrangement?	• Bloemwater debt is R507m	• The Bloemwater monthly invoices are unaffordable	• The MMM's tariffs are not cost reflective • The collection rates for water from end users are low (70%)	• Review Bloemwater SLA • Review of Tariff Policy • Implement revenue enhancement measure	
	• Government debt is about R800m	• Government departments are not honouring their debt in full	• Government departments are not honouring their debt in full	• The Province must intervene to ensure that the Departments honour their debt	
Tariff Policy; Review? Bulk contribution policy, and bulk contribution fees?	• The Policies need to be reviewed	• Policies may be outdated	• Delay in updating the policies	• Credit control and debt collection policies need to be updated	

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Water by-laws update; Disconnecting illegal connections.	• Water by-laws are out of date	• Delay in updating the By-Laws	• Update of By Laws not prioritised	• Water bylaws need urgent updating	
Improve customers services; Attending to customer complaints urgently	• Customer services not effective	• No proper policy and service charter	• No proper attention given to customer services	• Develop customer services policy and service charter • Provide adequate funding to resource customer services processes	
New water reticulation developments? Reticulation of peri-urban areas?	• Time taken to reticulate in too long	• Community protests	• Unplanned and unbudgeted settlements	• Integrated approach across all departments	• In-house informatio n
Condition and Capacity of WTWs? Rehabilitation or refurbishment plans?	• Threat to water quality	• None	• Dilapidated components and sewer spillage upstream	• Allocate funds for refurbishment and upgrading	• In-house informatio n
Blue drop compliance. Water quality management and compliance. And monitoring water quality constantly?	• None	• None	• None	• None	• Blue drop IRIS system

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Report of service backlogs	• None	• None	• None	• None	• In-house information

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Sanitation Services (Waterborne and VIP)					
Sanitation master plan	• Master plans are currently under development	• None	• None	• None	• Master plans are currently under development
Sanitation Infrastructure Maintenance plan	• Plan not complete	• Engaging on reactive maintenance	• No funds	• Allocate budget and implement	• In-house information
Condition of network and maintenance? 1) Attending to all reported faults and blockages, 2) Addressing sewage spillages, and 3) Reducing sewer blockages.	• Response time is too long	• Complaints from the community	• Lack of resources	• Provide budget to purchase tools, spare and machinery	• In-house information
Customers services; Attending to customer complaints urgently	• No adequate customer care services	• Complaints from the community	• Lack of resources	• Allocate budget and implement	• In-house
Provision of additional VIP toilets to reduce the backlog?	• The increase in population resulted in increase in informal settlements	• Budgeting for the backlogs is an on-going process	• An influx of people to Mangaung	• Accelerate the implementatio n of new human	•

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
				settlements developments	
Provision of septic suction tanker services? is it free basic service or billed	• Not billed	• The budget needed for suction is very high	• Outsourcing due to lack of internal resources	• Allocate budget and eradicate the VIP toilets	• In-house
New sewer reticulation developments? Rehabilitation and development of sewer reticulation networks	• The rate of rehabilitation is very slow	• Sewer spillages	• Lack of funds, and resources	• Due diligence to be urgently done	• In-house and DWS
Condition of WWTWs? 1) Capacity of WWTWs, 2) Any refurbishing on the plants and network, 3) Any upgrading of WWTWs to increase capacity or rehabilitate,	• The rate of refurbishment is very slow	• Contamination of streams and environment	• Lack of funds and resources	• Due diligence to be urgently done	• In-house and DWS
Blue Drop compliance. 1) WWTW effluent compliance with the relevant regulations, 2) Continuously treat and test effluent quality.	• None	• None	• None	• None	• Green drop IRIS system

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Report of service backlog	• None	•	• None	• None	• In-house info

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Roads and Stormwater Network					
Roads and Stormwater Masterplan	• There is RAMS entailing roads maintenance plan.	• The master plan is outdated.	• The master plan was not prioritised in a budget.	• The department is currently implementing a project of updating the master plan.	• In-house info
Urban roads and rural roads - Surfaced roads and unsurfaced roads	• The roads are identified in RAMS	• None	• None	• None	• RAMS
Conditions of Road and Maintenance? Attending to reported potholes, stormwater drainage and clean related blocked drains.	• Up to 90% of surfaced roads are in poor	• Lack of adequate budget	• Low levels of revenue	• Identify suitable and funding sources	• RAMS and maintenance budgets
Rehabilitate roads as per Maintenance Plan?	• No	• Lack of adequate budget	• Low levels of revenue	• Compile and submit business plans	• RAMS, capital and maintenance budgets

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Electrical Supply					
• Electricity master plan	Forward Planning Document available	N/A	N/A	N/A	Spatial planning and Integrated Development Plan
• Electricity Maintenance and Refurbishment plan	Approved maintenance and refurbishment plans	N/A	N/A	N/A	Condition assessment and Inspection Reports
• Meter audits. Billing database cleansing	Adhoc visits/inspection. Data cleansed through inspection information.	Incorrect billing information, Faulty meters, estimated billing leads to inaccurate billing and inflated debt.	Faulty meters, inaccurate billing and old meters i.e. Plessey, siemens	Do regular audits and meter inspections. Replacement of rotational with ToU and prepaid meters	Vending Reports /Tips offs/ Billing system information
• Electricity Loss Management. Electricity loss tests? How much are the electricity losses?	Electricity losses are 10.92%. Technical and non-technical losses.	Decline in revenue	Theft, illegal connections, and Meter tampering	Do regular audits and replacement of aging and faulty meters. Source Funding for smart meters	Financial reports/vending reports, billing system

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
• Loss control and non-technical losses due to meter tampering, illegal connections	Illegal connection, meter tampering	Decline in revenue	Illegal collection and meter tampering	Do regular audits and install smart meters	Feedback on meter inspections and vending reports
• Unmetered consumption (Value of revenue forfeited?)	Faulty/ tampered meters and illegal connection R 7	Technical and Non-Technical losses/Revenue decline	Theft, Ageing infrastructure Ageing equipment and tampering.	Do regular audits and install smart meters. Acquire Smart meters.	Sales vs Eskom purchases reports Developments of advanced technology.
• Need for meter audits and 'SMART' technologies	To curb revenue losses & to detect tampers remotely.	Decline in revenue.	Enhance revenue.	Acquire Smart meters, upgraded the metering systems (STS 2 version)	Financial reports/vending reports, Billing system information.
• Bulk meters and zonal meters	To curb revenue losses & to detect tampers remotely.	Decline in revenue.	Enhance revenue.	Acquire Smart meters, upgraded the meting systems (STS 2 version)	Financial reports/vending reports, Billing system information.
• Amount of Eskom debt? Debt arrangement?	The entity servicing the current account to Eskom and managed to be billed within 30 days instead of 15 days payment period				
• Condition of electricity infrastructure, and maintenance	• Old infrastructure	• Failing equipment	• Lack of funding for	• Provision of adequate	Inspection reports

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
	• Network maintenance and refurbishment backlog	• Decrepit cables • Loadshedding	maintenance and refurbishment projects • The entity uses its own revenue to finance capital projects.	funding for maintenance and refurbishment plans	
• Maintain/repair priority network (ring feeders, pole replacement, servicing transformers)	Sections weekly repair and maintenance reports	Maintenance schedule targets not met due to unplanned power interruptions	• Theft and vandalism • Load Shedding	• Reinforcement of security • Proper planning of activities	• Inspection reports • Maintenance Plan • Refurbishment Plan
• Refurbish / upgrade electrical network?	• Network upgrade and strengthening projects • Customer driven projects	Projects delayed	Insufficient budget is the main contributor of the delayed projects	• Provision of CAPEX Plan • Provision of project implementation plan	• Electrical connection applications • Trip report • Network analysis

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
	• Infrastructure catalytic projects				
• Review SLA with Eskom. Does it adequately address all technical, service delivery and financial matters?	The entity is in the process of reviewing the notified maximum demand (NMD) value with Eskom including the Southern Free State municipality (Kopanong and Mohokare) where CENTLEC is assisting them.				
• Tariffs and policy. Any updating required? By-laws?	Updates required on a yearly basis	To align to nationwide regulations and standards	Changes to nationwide regulations and standards	Following the guidelines of NERSA in application of tariffs and following the new norms of electricity redistribution standards	Government gazette and Municipal policies. Following the standards of electricity industry
• Annual grant performance and percentage spent	USDG Funding. 100% spent	• Delayed transfer of grant spent funds from MMM • Delayed progress on site • Targets not achieved	• Insufficient budget and late funding allocation	• Improve funding allocation mechanisms • Explore other grant funding models • Redirect unspent infrastructure	Integrated Human Settlement Plan

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
		• Timeously approved the SG layouts for the informal settlement		from MMM to CENTLEC to address the infrastructure backlog	
• Misappropriation of grant funds for operational purposes. Solution is it ring fence of grant funds	All electricity grant related funding is allocated to grant related projects. No electricity grant related funds is used for operational purposes. Grant expenditure and funds are ring-fenced.	N/A	N/A	N/A	General Ledger, AFS, Accounting Records
• Capital projects included in the internal audit plan.	Yes, projects are monitored quarterly and reports are served on the executive management team and Audit and Risk committee.				
• Procurement process efficiency.	Yes, procurement is efficient	Appointment of service providers	N/A	N/A	N/A

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
		are done timeously			
• Improve administration and unlock the grant funded projects	Electricity grant funded projects are fully unlocked and fully utilized during each financial period.	N/A	N/A	N/A	General Ledger, AFS, Accounting Records
• Capacity and availability of key technical skills in the Technical Services department and the PMU.MISA, DM, etc to assist.	Capacity available	N/A	N/A	N/A	N/A
• Provide training in grant conditions and guidelines	Training required annually	N/A	N/A	N/A	N/A
• Improve planning and implementation. Table feasibility studies for projects	• Project initiation meetings with stakeholders • Project progress meetings	N/A	N/A	N/A	• Meeting minutes • Project programme
• Continuous oversights on the Projects' Scope.	• Project supervision	• Slow progress	• Non-payment of contractors on the grant	• Fast track payment processes	Project report

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
	• Weekly and monthly reporting		due to the delay from transferring them to the entity • Community unrest	• Continuous community engagements	
• Provide list of incomplete capital projects and the reasons	• Klipfontein farm	• Pending Environmental Impact Assessments approvals • Ongoing eviction process	Poor planning from MMM whereby community was relocated before EIA approval	Establishment of project readiness matrix	Integrated Development Plan

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Waste Disposal and Refuse Removal					

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Landfill Management					
• Integrated Waste Management Plan	Draft IWMP is available and still undergoing processes for final approval	None	None	None	Draft IWMP document
• Condition of maintenance plant and equipment: front end loader, bulldozer?	Inadequate plant and equipment to manage the landfill sites	Frequent breakdowns,	Lack of plant and equipment maintenance due to lack of financial resources	Fleet Services to develop and implement a maintenance plan and a fleet replacement strategy	Technical inspection
• Compliance of landfill sites in terms of legislation?	Landfills are currently not complying to the legislation	Licence/ permit conditions are not adhered to	Lack of appropriate plant and equipment to manage the landfill site Lack of technical expertise for the management of landfills	Fleet Services to develop and implement a maintenance plan and a fleet replacement strategy Filling of the critical vacant positions for landfills	Inspection report done by Auditor-General.

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
• Access to MIG grant for landfill site development	The municipality has access to the USDG funds for capital projects at landfill sites	N/A	N/A	N/A	N/A
• Updated by-laws?	Existing amended by-laws Gazetted in 2021 to include the four towns that formed part of the metro after amalgamation 2016.	None	None	None	By-Law available
• Weighbridges on landfill sites; fence and electrify the landfill sites? Collect revenue from users at landfill sites	All existing landfill sites weighbridges are currently not functioning. The fences have also been stolen. There is currently no revenue collected at the landfill sites, gates except revenue from the destruction of condemned goods which is not frequent.	Tonnages of waste disposed at landfill sites is estimated. Fence is damaged.	Lack of access control. Delayed procurement processes for appointment of a contractor to repair weighbridges due to wrong specification.	Submission of revised specification to SCM to ensure procurement of a Service Provider. Law enforcement to assist with armed security at landfill sites to ensure strict access control.	Technical Inspection

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Refuse Removal					
• Regular refuse removal schedule, and is it being adhered to?	There is a refuse removal schedule, but it is frequently not adhered to	Inadequate resources for refuse removal. Frequent vehicle breakdowns	Lack of sufficient vehicles to remove waste. Lack sufficient human resources (critical positions not filled)	Municipality should improve on their debt collection so that there is favourable cash balance.	Daily/Weekly collection Schedules
• Condition of equipment for maintenance and operations of refuse removal?	• Fleet maintenance is centralized. Poor condition in terms of maintaining our current plant and equipment	Frequent breakdowns,	Lack of plant and equipment maintenance due to lack of financial resources	Fleet Services to develop and implement a maintenance plan and a fleet replacement strategy	Technical inspection
• Illegal dumping status and awareness campaigns?	• The city has annual targets of removal of illegal dumps. There are education and awareness campaigns	There are no sufficient resources to cover areas that are badly affected	Financial Constraints to procure additional Vehicle and appoint	Management to request Fleet Division to prioritise budgeting for new fleet.	List of illegal dumps removed, and registers/number of Education

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
	conducted to the community members.	by the illegal dumping. Furthermore, lack of sufficient human capacity to provide education and awareness to the community members.	additional personnel.	The Corporate Services to budget for the appointment of additional personnel.	and Awareness conducted.
• Review of SLAs of refuse removal service providers	We sign contracts with our Service Providers.	None	None	None	A sample of a signed contract can be obtained from Legal Division
Fleet Management • Fleet Management Strategy and Plan	The Division is operating without the Fleet Management Strategy and Plan.	Fleet Management Strategy and Plan should be drafted and incorporated into a Fleet Management Policy.	The oversight by management to have all these critical elements in place.	To review the Fleet Management Policy and incorporate Fleet Management Strategy/Plan and Vehicle Maintenance Plan	**None**

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Vehicle maintenance plan	The Fleet Management Policy has incorporated the Vehicle Maintenance Plan.	At the current Vehicle Maintenance Plan in the Fleet Management Policy is not detailed.	The Fleet Management Policy not updated.	To review the Fleet Management Policy	**None**
Insurance and fuel management policies.	We don't have separate Insurance and Fuel Management Policy. The Vehicles are insured in line with the Asset Management Policy of the Municipality and the use of fuel is covered in the Fleet Management Policy.	There are no independent Policies from the Fleet Management Policy to regulate some of the functions that are covered in the Fleet Management Policy.	The developer of the Fleet Management Policy tried to incorporate other critical functions of Fleet in the Fleet Management Policy.	Management will explore the possibility of developing separate policies from the Fleet Management Policy.	**None**
Vehicle replacement plan	The Vehicle replacement plan is not written but management has	Frequent vehicle breakdowns	Financial Constraints. Municipality should improve	Management should develop Vehicle replacement plan. Furthermore, the	List available

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
	identified fleet that has reached its lifespan and due for Auction.		on their debt collection so that there is favourable cash balance.	Municipality should improve on their debt collection so that there is favourable cash balance.	
Licences of redundant vehicles cancelling, new licences updating?	Internal Controls (manual system) are lacking to ensure that only operating vehicles are licensed.	The redundant vehicles still reflect in the Municipality's vehicle list (E-Natis)	Lack of Vehicle Maintenance System to have proper record keeping. The current manual system is inadequate	Financial Constraints to procure the Vehicle Maintenance System.	Technical inspection
• Insurance claims?	All accident relating to fleet are registered manually in the accident register.	Delayed submission of the accidents/ reports pertaining to insurance claims reports from the user directorate.	Lack of monitoring by the supervisors of the user directorates.	Management should implement the use of the daily inspection sheets.	**Accident (Manual) Register**

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
• Roadworthiness of operable vehicles? Unsalvageable vehicle used as scrap parts or auction off vehicle in terms of legislation and policy?	There are delays in getting Certificate of Fitness (COF).	The delays incur penalties due to unrenewed COF. Municipality experiences shortage of service delivery vehicles.	Delayed maintenance/ repairs. Financial constraints to procure spares and/or pay the agents.	Municipality should improve on their debt collection so that there is favourable cash balance.	Technical inspection
Mechanical Workshops					
Condition of mechanical workshops to repair vehicles and equipment internally	The mechanical workshop is in a good condition.	Under-utilized	Budget constraints to procure adequate and specialized equipment	Municipality should improve on their debt collection so that there is favourable cash balance.	Technical inspection
Workshop equipped with basic tools and equipment and stock.	Lack of adequate and specialized equipment.	Insufficient stock/spares	Budget constraints to procure sufficient spares.	Municipality should improve on their debt collection so that there is favourable cash balance.	Technical inspection

Focus Area	**Brief diagnostic analysis**	**Problem/Key issues**	**Root Causes**	**Strategy to solve**	**Source of Information**
Workshop compliance with the OHS standards	Partially compliant	OHS meetings not held consistently	Lack of Commitment from Officials	To request the Loss control Division's intervention	None
Condition of maintenance plant and equipment: front end loader, bulldozer?	Poor condition in terms of maintaining our current plant and equipment	Frequent breakdowns,	Lack of plant and equipment maintenance due to lack of financial resources	Fleet Services to develop and implement a maintenance plan and a fleet replacement strategy	Technical inspection
Repair or salvage dysfunctional equipment?	To be disposed off	Age causes accuracy	Changing technology	Replacement all disposed equipment or fleet	Auction list compiled

Focus Area	Brief Diagnostic Analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of information
Building Control • Operations and process of building plans approval	Pre-approval stamps required from external stakeholders for commercial plans. This is done by architects. Site inspection to be conducted by Building Inspector for all building plans after circulation within the system for final approval. **Inspections conducted by Building Inspectors:** Site inspection, Foundation Inspection, Underground Sewer Inspection, Above Ground Sewer Inspection, Final Inspection (Occupation Inspection).	• Circulation processes is time consuming. • Plan or paperwork do get lost in between the circulation • Transportation of building plans. • Shortage of staff at all Departments during process for Building plans. • Final Inspections are only done when an application for Occupancy Certificate is required from property owner.	• Manual operation • To many circulation processes • Building plans submitted with insufficient information by professionals • Shortage of staff has created a backlog of plans to be approved. • Shortage of inspectors in field are results of illegal activities.	• To get electronic systems • To capacitate all departments on building plans processes. • To create Pre-scrutinizing checklist to control the quality of plans submitted. • Appointment of competent people. • Communication to outside stakeholders of what is expected from them.	• Finalize Business Case partnership with SNDB team. • Start Electronic System Process in partnership with Mangaung IT department • Implement pre-scrutinizing checklist and train and dedicated to task to employee. • Create Regional Base Operations and Employees

Focus Area	Brief Diagnostic Analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of information
		• Illegal building activities are taking place.		• Combine inspection to 3 that is required from the NBR.	
• Cost reflective building approval tariffs?	• See attached tariffs.	• As build drawings are submitted for approval. • Only when paid for Occupation Certificate is a final Inspection done – resulted to backlog of final inspections		• To get penalties in place for as build drawings. • To include fees for Occupation Certificate in application fees to conduct all final inspection as per the NBR.	• Re-evaluate all fees and get in line with other Metro's.
• Addressing building contraventions and enforcing the building bylaws? This includes compliance with zoning status.	• Building Plans are scrutinized according to the National Building Regulations and SANS10400 • If plan is Submitted for approval all Development Rights should be in order.	• Development rights is not in order when plans are submitted. • By-laws are outdated	• Not all employees are trained and up to date with Building Regulations	• Conduct training on National Building Regulations • Get licence and set of Building	• Get bylaws up to date with the NBR and SANS10400 •

Focus Area	Brief Diagnostic Analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of information
		• Illegal Building activities are taking place.		Regulations for Building Control Unit to use.	

Focus Area	Brief Diagnostic Analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of information
Spatial Planning and Human Settlements					
Land Development • Township establishment process? • Making land available and attracting private sector developers? • Development and land use tariffs? Rezoning costs? By-laws? Implementation of SPLUMA	•Applicant must obtain positive comments from internal and external departments. • Approval of the township establishment application by Municipal Planning Tribunal, Tribunal not fully constituted. • Applicant and the municipality must enter into a Service Level Agreement (SLA) Municipal Infrastructure Directorate is responsible for this. • Installation of Services by the applicant. Land availability is the responsibility of Human Settlement (Property Management Division) together with Economic Development Directorate (Investment promotion Division).	SLA does not sign shortly after approval of the application. Applicant/Owner unable to install services immediately. MPT not dully constituted, only has two external members Unable to implement certain clauses of the By-Law	Municipality takes long to sign SLA. Unsigned SLA or lack of finance. Staff shortage (town planners, law enforcement and MPT secretariat). Resignation and none attendance by MPT members	Set timeframes as recommended by the act and stick to them Appointment of staff	SPLUMA MMM General Tariffs 2022/2023 Municipal Organogram SPLUMA

Focus Area	Brief Diagnostic Analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of information
	This is determined by Finance Directorate annually. Rezoning costs depends on the size of the property. Mangaung Municipal Planning By-Laws 2021 (as amended) We have implemented SPLUMA since 2015 in all applications				
	USDG Funded projects not completed 1. Township Establishment Klipfontein – financial impact (DESTEA fine & Prof Fees) 2. Land Surveying Klipfontein – no financial impact 3. Township Establishment Sepane – no financial impact	Contracts ended Township establishment not finalised because of fine from Destea. This is therefore halting land surveying work for klipfontein. Awaiting EIA & MPT approval for compilation and	EIA outstanding. There is a fine of R400 000 due to Destea.	Meeting was held by Planning and Human Settlement directorates from June 2022 to date concerning the appeal to Destea. The appeal is being compiled by Human Settlement A report for submission to MPT is ready just	Planning Directorate Destea

Focus Area	Brief Diagnostic Analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of information
		submission of the SG Plans with SG Office, for Township Establishment of Sepane.		awaiting comments from Transport Planning, for Township Establishment of Sepane.	

Focus Area	Brief Diagnostic Analysis	Problem/key issues	Root Causes	Strategy to solve	Source of information
Local Economic Development					
LED Forum functioning?	Currently, MMM does not have an LED Forum since it was never established.	The institution is weak in structured collaboration, i.e., inter governmentally and with internal stakeholders.	Functional stakeholder management and inter-governmental relations.	Establishment of IGR Forums (technical) with workstreams. Development of an item/ report for Council approval for the establishment of MMM LED Forum.	NA
LED strategy and implementation plan?	There is a 2003 LED Strategy, in 2020, the Municipality also developed the Economic Recovery Strategy to mitigate the impact of Covid-19.	Slow and negative economic growth, high unemployment, low levels of investment especially in the primary and secondary sectors.	Lack profiling and packaging economic opportunities. Lack of bankable programmes for investment attractions.	In the process of developing an investment incentive policy.	Page 11 of the 2022/2023FY approved SDBIP
Exploiting tourism, mining development and other readily	There is an approved 2010 tourism strategy in place.	No operational budget allocated.	Funding and Human Resource capacity.	Budget allocation for filling of critical vacancies and	MMM Organogram and Staff Establishment

available private development opportunities.	Currently implementing joint programmes with Free State Tourism Authority and National Department of Tourism.			marketing and promotion.	
Technical/Finance interface	In line with the MMM budget process plan, the department annually submits their budget and program inputs to the finance department for both the draft and final budget for consideration.	Due to the financial position of the Municipality, most of the submitted programs remain unfunded.	Municipality is not generating sufficient revenue.	Innovate to partner with other spheres of government and private sectors to fund common projects (e.g tourism).	Approved 2022/2023FY IDP
SCM Department	The Department submit their annual procurement plan to the SCM Department to guide the schedule of SCM activities.	The department gets affected by the challenges of the functionality of BID Committees and possible instability at SCM which results in procurement delays.	Frequent changes of the members of the BID Committees and the attendance of meetings by members of the committees.	Submit BID specifications on time.	MMM Annual procurement plan
Revenue collection	The LED department does not have many revenue generating votes except for example hawker permits fees.	Few revenue generating projects that have cost recovery.	Innovation in identifying and funding bankable projects that are	Prioritise funding of revenue generating projects in department that will at least ensure cost	MTREF 2022/2023

			revenue generating	recovery and possibly top up revenue streams of the municipality.	

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
COMMUNITY SERVICES					
Recreational Facilities, Parks and Cemeteries					
• Recreational Facilities Maintenance Plan and Operation Plan	• Parks has a maintenance strategy in place which stipulates the maintenance standards on how Parks have to be maintained and looked after	• The maintenance strategy is not implementable due to lack of resources- Vehicles, budget, and HR/staff. Critical vacancies that have a direct link to service delivery do not get filled	• Not enough vehicles are available due to breakdown • Corporate Services – Parks have a zero-maintenance budget.	• Sustainable Fleet management Service by prioritizing key service delivery units within MMM and make sure fleet are always available.	• Inhouse
• Any refurbishing of facilities?	• No parks are refurbished recently and will be done this financial year	• No budget	• Key basic service units - roads, water and electricity for example get priority and parks are not seen as a key basic service delivery	• Budget allocation and provision	• Inhouse

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
• Tariffs and policy? Updated by-laws? Cost reflective tariff on all services rendered; (eg pruning of trees, cleaning of erfs)	• Parks/ Horticulture Division have very limited steams of revenue, only hiring of Parks fees are applicable for Loch Logan Island and the Rose Garden. All other spaces are public open spaces and are free to be used by the community.	• Parks is a service delivery department with very little revenue collection. Notices to private land owners to clean their erfs are not done and enforced	• Notices to private land owners to clean their erfs are not done and enforced, this need to be managed and enforced	• Compile a strategy and plan on how to ensure compliance to MMM By Laws – referring to and especially referring to cleaning of private properties	• Inhouse
• Review of SLAs e.g leases for Public Amenities i.e. swimming pool, stadium etc.	• Maintenance and Repairs is done by Facilities Management. • Athur Nathan need to be refurbished by Planning department. • Tariff are very high and communities are complaining. • Tree pruning and cutting of grass is done by parks. • Lease- We have started with valuation process of all	• Decentralisation of services. • User department is not fully involved in the projects. • Parks is unable to help because of tool of trade and aged staff. • Shortage of Staff. • Safety and security	• User department does not have control of the budget. It took time for facilities management to repair sport and recreational facilities. • Aged staff and tool trade • No transport. • Not enough security guards	• Centralise budget • Tool trade (suction machine for swimming pools, Line making machines for soccer fields, Wark behind machines for our big Arenas, etc) • Filling of supervisory post and General workers • No bakkies for department.	SAC, Policy document and By Laws

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
	leased amenities, it is done by DPP, to determine the value and rental of the property. Then it will be followed by new application to lease. • Aged, Staff, tool of trade. • Vandalism of sport facilities.			• Refurbishing swimming pool in Thaba Nchu, Botshabelo and Athur Nathan. • Need more security personnel and install CCTV Cameras. • Cllrs to instil community ownership. • User department to have access to appointed service providers to give instruction in case of emergency, (Pipe burst, power failure, plumbing, etc)	
• Library Services status	• The Provincial government has just completed the new state of the art library in Section E Botshabelo.	• Shortage of staff • Vehicles • Budget	• Budget • Shortage of staff • Lack of vehicles	• Budget allocation • Appointment of staff • Procurement of tools	• Inhouse

Focus Area	Brief diagnostic analysis	Problem/Key issues	Root Causes	Strategy to solve	Source of Information
Public Safety, Traffic and Licensing					
• Law enforcement across divisions	• Traffic collisions at construction sites	• Illegal construction activities	• No coordination between law enforcement and engineering	• Improve coordination between law enforcement and engineering services	• MMM Traffic and Transport Bylaws, MMM Tariff By-Laws
• Devolution of testing and licencing function from Province	• Loss of revenue	• Loss of revenue	• The function is located at provincial level	• Engage the province to devolve the function to MMM	