

**Matjhabeng Local Municipality Condition Grant Report for the Year
2013/2014**

MATJHABENG



ANNUAL REPORT

2013/2014

IMPLEMENTING AGENT: MATJHABENG MUNICIPALITY

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MATJHABENG LOCAL MUNICIPALITY

Introduction

Matjhabeng Local Municipality consists of 6 towns namely:

- Ventersburg / Mmamahabane
- Henneman / Phomolong
- Virginia / Meloding
- Welkom / Thabong / Hani Park / Bronville
- Odendaalsrus / Kutlwanong
- Allanridge / Nyakallong

The focus of the Municipal Infrastructure Grant is on addressing the backlog in the historically disadvantaged communities. The total bulk was directed at Mmamahabane, Phomolong, Meloding, Thabong, Hani Park, Bronville, Kutlwanong and Nyakallong – excluding the previously advantaged towns.

In 2012/2011 the total expended budget was **R 200 030 000.00**. This budget was allocated to address the following main areas:

1. Water and Sewer including Waste Water Treatment Plants
2. Roads and Storm Water
3. Sports and Recreation Facilities
4. Provision of a Regional Taxi Ranks
5. Electricity
6. PMU administration

The above entailed the construction of new infrastructure, and the rehabilitation of old infrastructure. This report will discuss all the above aspects in each town.

The budget distribution was as follows:

1. Water and sewer R5 780 000 (2.8%)
2. Roads and Storm Water R 142 244 198 (71.1%)
3. Sports and Recreation Facilities R 12 000 000 (6.0%)
4. Provision of a Taxi rank R 20 700 000 (10.3%)
5. Electricity R 4 144 308.41 (3.05%)
6. PMU Administration R 7 637 428.91 (3.8%)

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Background

A. Overall description of the programme:

- The Municipal project management unit was established in 2003.
- Conceptualisation of capital projects as in formed by the municipal IDP, management of implementation programme of capital projects as per grant requirements, monitoring and supervision of projects, progress reporting and handing over of infrastructure to municipality.
- The PMU programme has now been running for 10 years.
- Amount allocated for the past three years is **R 351 132 989**
- The unit did not have a PMU Manager, Engineer or Technicians. A Manager and Engineer were appointed and started work on 01st April 2011. The unit is still without technicians for effective construction quality control.

	2009/2010	2010/2011	2011/2012	2012/2013
Approved Budget Amount	117 231 668.00	137 104 000.00	164 921 016.30	200 030 00.00
Transferred Amount	139 340 000.00	137 104 000.00	164 921 016.30	200 030 00.00
Spent Budget Amount	114 559 772.32	137 104 000.00	164 921 016.30	184 407 194.39
Difference	23 647 032.73	24 780 227.68	0.00	15 622 805.61

The 201/2013 unspent amount of R 15 622 805.61 for which a rolled-over has been applied for the 2013/2014 financial year and is to be totally spent by end of the first quarter.

Evaluation as per the Practice Note

Part 1: Progress to date

Results based management principles should be used as the underlying principles to evaluate interventions and outcomes:

The PMU has been functional since 2008/2009.

- Implementation of the approved business plans was successful with 92,2% expenditure as indicated in table above.

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- Financial management led to the near total expenditure for the 2013/2014 financial year as shown above.
- Coordination with other stakeholders and sectors has been good and effected through regular meetings and interactions.
- No risks were taken.

Description of the management of the programme

- The unit is now furnished with a manager and an engineer.
- The municipal engineering planning department assists the unit with the assessment of designs and ensures that the solutions fit the broader needs of the municipality. The finance department manages the cash flow of the grant and facilitates all payments to the service providers and contractors.
- Capacity building for the staff within the programme is facilitated through an appointed service provider whose terms of reference are to support management of the unit. There is a training schedule for staff to further capacitate staff.
- There are defined communication structures within the department
- To date there are no key challenges met within this aspect of the programme.

Part 2: Monitoring

- Data is analysed through reports from appointed consultants on each implementation project
- Appointed consultants prepare monthly reports and hold monthly site meetings over and above their supervision site visits for performance requirements
- PMU management is responsible for analysis of the reports generated by the appointed service providers. The unit is responsible for compiling the DoRA report (financial and non-financial)
- The key challenge met with the monitoring and reporting tasks is the late submission of data to the unit.

Part 3: Results and Beneficiaries

- The targeted outputs per project were reached, rendering services to the households targeted per project
- Reaching the outcomes and outputs contributed to achieving the programme objectives and can be attributed to the complete expenditure of the budget.
- There have not been any unforeseen outcomes and outputs or unforeseen beneficiaries.

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Conclusions

- The PMU programme is now improved and capacitated with management staff which will ensure that projects are completed within the specified time and budget.
- The main objective of the MIG grant to address backlog in infrastructure for previously disadvantaged communities is being achieved.